

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

B E T W E E N:

KINGSETT MORTGAGE CORPORATION

Applicant

- and -

SUNRISE ACQUISITIONS (HWY 7) INC.

Respondent

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

**MOTION RECORD OF THE MOVING PARTY AND COURT-  
APPOINTED RECEIVER, KSV RESTRUCTURING INC.  
(Returnable December 9, 2022)  
Volume 1 of 3**

August 5, 2022

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# TAB 1

Court File No. CV-21-00663051-00CL

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**NOTICE OF MOTION**  
**(for Repayment of Amounts Owing)**

KSV Restructuring Inc. ("KSV"), solely in its capacity as the Court-appointed receiver and manager (in such capacity, the "**Receiver**") of all of the assets, undertakings and properties of Sunrise Acquisitions (Hwy 7) Inc. (the "**Company**") acquired for or used in relation to the business carried on by the Company and the proceeds therefrom, including, without limitation, certain real property owned by the Company in Markham, Ontario (the "**Real Property**"), will make a motion to the Court, with notice, at a date and time to be set by the Court, or as soon after that time as the motion can be heard, at 330 University Avenue, Toronto, Ontario.

**PROPOSED METHOD OF HEARING:** The motion is to be heard:

- In writing under subrule 37.12.1(1);
- In writing as an opposed motion under subrule 37.12.1(4);
- In person;

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By telephone conference;

By video conference;

at a Zoom videoconference link to provided by the Court, and emailed to the Service List, in advance of the motion. Please advise if you intend to join the hearing of the motion by email to Joshua Foster at [fosterj@bennettjones.com](mailto:fosterj@bennettjones.com).

**THE MOTION IS FOR:**

1. An Order, *inter alia*:
  - (a) if necessary, abridging the time for service and filing of this notice of motion and the motion record, and validating service or, in the alternative, dispensing with same;
  - (b) if necessary, authorizing the Receiver to proceed with this motion in accordance with paragraphs 3 and 4 of the order of the Honourable Justice Wilton-Siegel dated June 9, 2021 appointing the Receiver (the "**Receivership Order**");
  - (c) directing the Principals (as defined below), the Spouses (as defined below), the Related Sunrise Parties (as defined below), the shareholders of the Dissolved Related Sunrise Parties (as defined below), and such other parties as may be necessary or appropriate, to immediately pay to the Receiver the Amounts Owning (as defined below); and
  - (d) such further and other relief and orders incidental, ancillary or related to the relief requested in paragraph 1(c) above;
2. The costs of this motion on a full indemnity basis; and
3. Such further and other relief as this Court may deem just.

## THE GROUNDS FOR THE MOTION ARE:

### *Background*

4. The Company is part of a real property development group known as Sunrise Homes, which develops residential and commercial projects in southern Ontario. The Company's sole directors and officers are Sajjad Hussain ("**Mr. Hussain**") and Muzammil Kodwavi ("**Mr. Kodwavi**", and together with Mr. Hussain, the "**Principals**").

5. The Company is a privately held company incorporated under the *Business Corporations Act* (Ontario), RSO 1990, c. B. 16, with its registered head office address in Richmond Hill, Ontario. The Company is a special purpose vehicle created solely for the purpose of developing the "Unionvillas" development project on the Real Property (the "**Unionvillas Project**").

6. Since 2015, KingSett Mortgage Corporation ("**KingSett**") provided secured financing to the Company in connection with the development of the Unionvillas Project. KingSett entered into a Commitment Letter with the Company on May 5, 2015 (as amended from time to time, the "**Commitment Letter**"). As at May 10, 2021, KingSett was owed approximately \$2,000,000 by the Company under the Commitment Letter (the "**KingSett Indebtedness**"). The KingSett Indebtedness was secured by, among things, mortgages against the Real Property, a general assignment of rents in respect of the Real Property and a general security agreement.

7. The Company's other primary source of financing for the Unionvillas Project was a syndicated mortgage financing arranged by Fortress Real Developments Inc. ("**Fortress**") and its affiliates, which was previously administered by an Ontario lawyer, Derek Sorrenti ("**Sorrenti**"), through his law firm, Sorrenti Law Professional Corporation ("**Sorrenti Law**"), pursuant to a loan agreement between the Company and Sorrenti Law dated August 6, 2015 (the "**Sorrenti Loan Agreement**"). On August 18, 2015, Sorrenti Law registered a charge against the Real Property in the amount of \$8,000,000, which was later amended by the registration of a notice on September 15, 2016 to increase the principal amount of the charge to \$9,873,262 and to list Sorrenti Law and Olympia Trust Company as chargees (as amended from time to time, the "**Sorrenti Charge**").

8. Sorrenti Law, KingSett and the Company entered into two Subordination and Standstill Agreements under which Sorrenti Law subordinated and postponed all indebtedness owing by the

Company to Sorrenti Law and all security in favour of Sorrenti Law in respect thereof in favour of the KingSett Indebtedness and KingSett's security. As a result, KingSett was the Company's first secured creditor, with Sorrenti Law being the Company's second secured creditor.

9. By Order of the Honourable Justice Hailey of the Court dated September 30, 2019, FAAN Mortgage Administrators Inc. (the "**Sorrenti Trustee**") was appointed as trustee over all of the assets, undertakings and properties of Sorrenti and Sorrenti Law relating to their trusteeship and the administration of syndicated mortgage loans in projects affiliated with Fortress, including the Sorrenti Charge, and any other real property mortgages registered in the names of Sorrenti and Sorrenti Law.

10. As of May 31, 2022, the total amount owing to the 145 investors in the syndicated mortgage loan under the Sorrenti Charge administered by the Sorrenti Trustee was over \$9,000,000, including approximately \$3,000,000 of unpaid interest.

11. In addition to the foregoing, in contravention of the Commitment Letter and the Sorrenti Loan Agreement, a further charge in favour of Rehanna Amerrulah and Mansi Kumari in the principal amount of \$575,750 was registered on title to the Real Property on September 9, 2020 (the "**September 2020 Charge**"). The registration of the September 2020 Charge constitutes a default under both the Commitment Letter and the Sorrenti Loan Agreement. The Receiver presently has no additional knowledge with respect to the September 2020 Charge or the indebtedness it purports to secure.

12. The Company is also a defendant to certain construction lien and small claims litigation matters, and is indebted to several other unsecured creditors.

### ***The Company's Defaults under its Mortgages***

13. In 2017, the Company defaulted on the Sorrenti Charge pursuant to the terms of the Sorrenti Loan Agreement. The Company has remained in default on the Sorrenti Charge at all times since. In particular, the Sorrenti Charge matured in August 2017 and no payments have been made by the Company in respect of the Sorrenti Charge since that time (save and except for the payments described below that were made in the context of these Receivership proceedings).

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14. On May 1, 2021, the Company committed another act of default on the first mortgage in favour of KingSett by failing to make a required interest payment due on that date, which default continued and was not remedied by the Company. On May 11, 2021, KingSett delivered a demand letter and a notice of intention to enforce security (the "NITES") in accordance with subsection 244(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3. KingSett then applied to Court for the Receivership Order following expiry of the notice period under the NITES.

15. As a result of recoveries made in the Receivership arising from the Receiver's sale of the remaining townhome units in the Unionvillas Project following the granting of the Receivership Order, funds were distributed to KingSett. The KingSett Indebtedness has now been repaid in full.

16. While limited distributions were also made to the Sorrenti Trustee in connection with the Receivership, the Company owes substantial amounts under the Sorrenti Charge (over \$9,000,000), in addition to further amounts to other creditors of the Company.

17. The Company continues to owe millions of dollars to its secured and unsecured creditors, without the means to satisfy such indebtedness.

***Restrictions and Requirements under the Commitment Letter***

18. The Commitment Letter contains several relevant restrictions and covenants. Among other things, the Commitment Letter sets minimum purchase price thresholds for sales of townhome units in the Unionvillas Project. Specifically, the Commitment Letter provides that the Company shall not be permitted to sell townhomes for prices of less than \$930,000 before deduction for HST, absent the consent of KingSett. As set out below, the Principals caused the Company to breach this covenant by purporting to have it sell townhomes to the Spouses at prices below the minimum purchase price thresholds required by the Commitment Letter without KingSett's consent.

19. Additionally, the Commitment Letter requires the Company to maintain a minimum equity position of \$3,336,897 in the Unionvillas Project until the KingSett Indebtedness is repaid in full. The Principals caused the Company to breach this covenant by failing to maintain the minimum equity position required by the Commitment Letter at relevant times.



### *Restrictions on Use of Advanced Funds under the Sorrenti Loan Agreement*

20. Under the Sorrenti Loan Agreement, the syndicated mortgage funds advanced to the Company were required to be used exclusively to fund the acquisition of the Real Property and to pay for other expenses associated with the Unionvillas Project (as set out in the project budget) for which the funds were specifically invested and advanced, but specifically excluding development fees (i.e. development management fees and construction management fees to be paid by the Company or related parties). As set out in more detail below, the Principals caused the Company to breach this covenant.

### *The Receiver's Investigative Efforts*

21. Since its appointment, the Receiver has engaged in investigative efforts in accordance with the Receivership Order by, among other things, reviewing the receipts and disbursements of the Company, as provided for in the unaudited general ledger of the Company (the "**General Ledger**"), and certain requested information provided by the Company's banks (the "**Bank Information**").

22. As set out in its Third Report to Court dated October 20, 2021, the Receiver's review of the General Ledger and Bank Information uncovered a number of issues of very significant concern.

23. In contravention of the Company's commitments to its secured lenders and the Principals' fiduciary duties and other legal obligations owed to the Company, the Principals collectively paid or caused to be paid a net amount of approximately \$5.5 million to themselves from the Company, and the Principals also paid or caused to be paid further net amounts totalling approximately \$5.5 million to non-arm's length parties related to them, including, without limitation, Sunrise Homes Ltd., Sunrise Acquisitions Inc., Sunrise Acquisitions (Unionville) Inc., Sunrise Acquisitions (Bronte) Inc., Sunrise Acquisitions (Keswick) Inc., Sunrise Acquisitions (Tisdale) Inc., SH & MK Management Inc., Sunrise Acquisitions (Keswick II) Inc. and Nayyar Shabbar (collectively, the "**Related Sunrise Parties**"). Most of the Related Sunrise Parties are single purpose entities within the "Sunrise Homes" real property development group involved in the construction of other Sunrise projects not related to the Unionvillas Project, and in respect of which the Principals have direct financial interests. While at least one of these entities – Sunrise Acquisitions (Keswick II) Inc. – has since been voluntarily dissolved (collectively with any other dissolved Related Sunrise

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Parties, the "**Dissolved Related Sunrise Parties**"), the Receiver relies on the provisions of the *Business Corporations Act*, RSO 1990, c B 16, including sections 242 and 243 thereof, in support of the relief sought in respect of the Dissolved Related Sunrise Parties and the shareholders of the Dissolved Related Sunrise Parties.

24. While the Company's General Ledger reflects net payments of only approximately \$840,000 flowing from the Company to the Principals and the Related Sunrise Parties, the Bank Information reveals that the Principals in fact paid and/or facilitated net payments of over \$11 million by the Company to themselves and the Related Sunrise Parties.

25. The General Ledger, which was prepared by or at the direction of the Principals, contains several material discrepancies, primarily related to amounts that were improperly recorded in the General Ledger as being paid to suppliers but were, in fact, amounts paid to the Principals and the Related Sunrise Parties. The following chart sets out a comparison of payments to the Principals and the Related Sunrise Parties as reflected in the Bank Information and the General Ledger:

(unaudited; \$) Related Party	Net (Advances) per Bank Information	Net (Advances) per General Ledger	Variance
<b>Principals</b>			
Muzammil Kodwavi	(3,828,996)	753,534	(4,582,530)
Sajjad Hussain	(1,820,576)	93,064	(1,913,640)
Subtotal	(5,649,572)	846,598	(6,496,170)
<b>Related Parties</b>			
Sunrise Acquisitions (Keswick) Inc.	(767,875)	356,350	(1,124,225)
SH & MK Management Inc.	(1,396,454)	(405,062)	(991,392)
Sunrise Acquisitions (Unionville) Inc.	(1,103,750)	(292,350)	(811,400)
Sunrise Acquisitions (Bronte) Inc.	(1,411,800)	(793,250)	(618,550)
Nayyar Shabbar	(1,361,312)	(760,442)	(600,870)
Sunrise Acquisitions (Burlington) Inc.	-	(300)	300
Sunrise Acquisitions Inc.	(30,740)	(38,250)	7,510
Sunrise Acquisitions (Tisdale II) Inc.	-	(9,150)	9,150
Sunrise Acquisitions (Keswick II) Inc.	(6,500)	(72,200)	65,700
Sunrise Acquisitions (Tisdale) Inc.	(211,500)	(352,800)	141,300
Sunrise Homes Ltd.	(291,900)	(461,800)	169,900
Subtotal	(6,581,831)	(2,829,254)	(3,752,577)
Receipts from Related Party	869,950	1,143,450	(273,500)
<b>Total</b>	<b>(11,361,453)</b>	<b>(839,206)</b>	<b>(10,522,247)</b>

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26. There is no legitimate basis for the above-noted payments to the Principals or the Related Sunrise Parties. For instance, on or around November 9, 2015, Sorrenti Law advanced a net amount of approximately \$400,000 to the Company. Most of these funds were immediately disbursed to certain Related Sunrise Parties between November 10 and November 12, 2015, with the Company obtaining no benefit from these disbursed funds, which were required to be used in connection with the Unionvillas Project pursuant to the Sorrenti Loan Agreement.

27. In addition to improperly diverting funds from the Company and maintaining a materially inaccurate General Ledger to conceal the true nature of transactions that only served to enrich the Principals and other non-arm's length parties to the detriment of the Company and its creditors, throughout the Receivership the Principals have also failed to provide certain required information and documentation to the Receiver despite repeated requests by the Receiver. The Principals have also engaged in other deceitful tactics by providing certain other incomplete, inaccurate and misleading information and documentation to the Receiver, such as altered email correspondence from legal counsel for the Sorrenti Trustee.

#### *Funds Owning by the Spouses*

28. Additionally, based on the Receiver's investigative efforts, it has determined that the spouses of the Principals, Mahvesh Hussain ("**Ms. Hussain**") and Safana Kodwavi ("**Ms. Kodwavi**") and, together with Ms. Hussain, the "**Spouses**"), entered into four purchase and sale agreements with the Company (the "**PSAs**") in respect of four townhomes in the Unionvillas Project (collectively, the "**Townhome Units**" and, individually, a "**Townhome Unit**"). In particular, Ms. Kodwavi entered into three PSAs, respectively dated January 25, 2017 (for two of the PSAs) and November 26, 2019 (for the third PSA), and Ms. Hussain entered into one PSA dated January 25, 2017.

29. Each of the PSAs had a purchase price of \$950,000, and the Spouses purported to pay unusually high and off-market deposits under each PSA for each Townhome Unit, amounting to \$500,000 for each (representing over 50% of the purchase price).

30. The purchase price under the PSAs does not meet the net minimum purchase price thresholds under the Commitment Letter. The funds purportedly paid as deposits under the PSAs

were all paid by Mr. Kodwavi, despite the fact that the purchasers under the PSAs were the Spouses (including one PSA where the purchaser was Ms. Hussain, the spouse of Mr. Hussain).

31. Because of, among other things, the improper diversion of substantial funds from the Company to the Principals and the Related Sunrise Parties, the Company required funding to complete construction of the Unionvillas Project. Mr. Kodwavi injected required funding into the Company via the purported deposits under the PSAs, while also purporting to entitle the Spouses to purchase the Townhome Units under the PSAs. The purported deposit funds paid by Mr. Kodwavi were, in fact, the equity contribution required from the Principals to fund construction because of having paid out such significant sums to various related parties, including the Principals themselves, in excess of \$11 million, contrary the Company's commitments to its secured lenders and the Principals fiduciary and other legal obligations owed to the Company.

32. The Spouses purported to take interim occupancy of the Townhome Units pursuant to section 80 of the *Condominium Act*, SO 1998, c 19, as amended, and the related regulations (the "**Condominium Act**"). The Spouses also leased the Townhome Units to third parties, and collected rent from such parties, pursuant to lease agreements for an initial term of up to one year (collectively, the "**Lease Agreements**" and, individually, a "**Lease Agreement**"), with each such Lease Agreement having then been extended by the lessors on a month-to-month basis.

33. Pursuant to the terms of the PSAs, the Spouses were required to pay, among other things, monthly occupancy fees (the "**Occupancy Fees**") to the Company until the transactions contemplated under the PSAs closed. However, no Occupancy Fees were ever paid to the Company by the Spouses as required.

34. Despite the fact that the Spouses purported to take interim occupancy of the Townhome Units and received rent payments from third party tenants who occupied the Townhome Units, the Spouses failed to pay the required Occupancy Fees to the Company in accordance with the terms of the PSAs. The Occupancy Fees that were required to be paid by the Spouses to the Company, but were never paid, total approximately \$175,000.

35. In the context of the Receivership, the Spouses also purported to have an entitlement to the Townhome Units, as well as to the funds purportedly paid as deposits under the PSAs.

36. Ultimately the PSAs were disclaimed by order of the Honourable Justice Koehnen of the Court dated October 27, 2021 (the "**Second Sales Process and Disclaimer Order**"), with the Spouses not opposing such disclaimer but reserving their rights to assert an entitlement to the funds that were purportedly paid as deposits under the PSAs. Pursuant to the Second Sales Process and Disclaimer Order, a sales process in respect of the Townhome Units subject to the PSAs was also approved. The Receiver carried out the Second Sale Process, and sale transactions in respect of all of the Townhome Units closed. The Second Sale Process and Disclaimer Order required the Receiver to hold \$500,000 from each sale in trust for a total holdback of \$2,000,000 (the "**Holdback**") pending resolution of the dispute between the Spouses and the Receiver regarding entitlement to the Holdback.

37. On March 10, 2022, the Honourable Justice Penny of the Court issued an order, among other things, authorizing the Receiver to distribute the Holdback to the Sorrenti Trustee. In connection with the Receiver's motion for that order, the Honourable Justice Penny issued an endorsement providing that there are "highly suspicious circumstances surrounding the payment of the deposits and the alleged interim occupancy of the properties by the spouses. All of this is completely unanswered by the spouses or the principals. On the evidence, they can in no way be considered bona fide purchasers for value."

### ***Improper Conveyance/Encumbrance of Properties***

38. The Principals and Spouses appear to own several properties in Ontario. In the lead up to, and during the pendency of, these Receivership Proceedings, some or all of the Principals and Spouses appear to have taken steps to improperly convey/encumber their properties. For instance:

- (a) A property at the address municipally known as 91 Longshore Way, Whitby, Ontario was acquired by Mr. Hussain on October 30, 2018 for \$419,548. A mortgage from the Bank of Nova Scotia for \$422,500 was registered on title on May 13, 2020. A further mortgage from AFC Mortgage Administration for \$312,500 was registered on title on June 15, 2021 (mere days after the Receivership Order was issued on June 9, 2021).

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- (b) A property at the address municipally known as 30 Horseshoe Drive, Whitby, Ontario was acquired by Mr. Hussain on April 16, 2020 for \$705,000, with a mortgage from Royal Bank of Canada for \$637,158. A further mortgage from RBC for \$980,000 was registered on title on January 26, 2022 (approximately six months following the Receivership Order and only several months after the Receiver delivered its Third Report to Court setting out the unlawful conduct of the Principals).
- (c) A property at the address municipally known as 2600 Glengarry Road, Unit 9, Mississauga, Ontario was jointly acquired by Mr. and Ms. Hussain on February 18, 2010 for \$348,740. On June 17, 2020 – less than a year before the Receivership Order – Mr. Hussain transferred his interest in the jointly owned property to Ms. Hussain for \$1. That same day, a mortgage from Scotiabank for \$560,000 was registered on title.
- (d) A property at the address municipally known as 9 Cicada Court, Toronto, Ontario was jointly acquired by Mr. and Ms. Hussain on December 17, 2018 for \$1,818,000 with a mortgage for \$995,000 from Home Trust Company. This mortgage was subsequently transferred from Home Trust to Computershare Trust Company of Canada on June 17, 2019. This property was then encumbered with another mortgage, from Scugog Developments Inc., for \$1,280,750 on May 12, 2020 – less than a year before the Receivership Order.

39. Additionally, Mr. and Ms. Kodwavi acquired a property at the address municipally known as 88 Abbruzze Ct, Woodbridge, Ontario on June 4, 2021 – just five days before the Receivership Order – for \$2,980,000, with a mortgage from Computershare Trust Company of Canada for \$1,980,000 registered on June 4, 2021. A further mortgage from AFC Mortgage Administration Inc. for \$312,500 was registered on title to this property on June 15, 2021 (mere days after the Receivership Order was issued on June 9, 2021).

***Repayment of Amounts Owing***

40. At this time, the Receiver is seeking repayment of all funds improperly diverted from and/or owing to the Company, including but not limited to the amounts set out in paragraphs 25 and 34 above, by the Principals, the Spouses, the Related Sunrise Parties and the shareholders of the Dissolved Related Sunrise Parties (collectively, the "**Amounts Owing**"), and such additional and ancillary relief as may be necessary to effect the repayment of the Amounts Owing.

***Additional Grounds***

41. The Receivership Order and related orders and endorsements in these proceedings;
42. *Bankruptcy and Insolvency Act*, RSC 1985, c B-3;
43. *Business Corporations Act*, RSO 1990, c B 16;
44. *Condominium Act*, SO 1998, c 19;
45. *Fraudulent Conveyances Act*, RSO 1990, Chapter F 29;
46. *Assignments and Preferences Act*, RSO 1990, c A 33;
47. *Rules of Civil Procedure*, RRO 1990, Reg 194;
48. *Courts of Justice Act*, RSO 1990, c C 43;
49. The inherent and equitable jurisdiction of the Court; and
50. Such further and other grounds as counsel may advise and this Court may permit.

**THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of the motion:

1. the Receivership Order and the related orders and endorsements in these proceedings, including the endorsement of the Honourable Justice Wilton Siegel dated June 9, 2021;
2. the First Report of the Receiver dated July 27, 2021, with appendices;
3. the Third Report of the Receiver dated October 20, 2021, with appendices;

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4. the Supplement to the Third Report of the Receiver dated February 25, 2022, with appendices;
5. such further and other Reports of the Receiver, to be filed; and
6. such further and other evidence as the lawyers may advise and this Honourable Court may permit.

July 6, 2022

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Lawyers for KSV Restructuring Inc.,  
the Court-appointed Receiver



KINGSETT MORTGAGE CORPORATION

-and-

SUNRISE ACQUISITIONS (HWY 7) INC.

Applicant

Respondent

Court File No. CV-21-00663051-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

PROCEEDING COMMENCED AT  
TORONTO

**NOTICE OF MOTION**

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Lawyers for KSV Restructuring Inc.,  
the Court-appointed Receiver

# TAB 2



**First Report of  
KSV Restructuring Inc. as  
Receiver of Sunrise Acquisitions  
(Hwy 7) Inc.**

July 27, 2021

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COURT FILE NO.: CV-21-00663051-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

**B E T W E E N:**

**KINGSETT MORTGAGE CORPORATION**

**Applicant**

**- and -**

**SUNRISE ACQUISITIONS (HWY 7) INC.**

**Respondent**

**APPLICATION UNDER SUBSECTION 243(1) OF THE BANKRUPTCY AND INSOLVENCY  
ACT, R.S.C. 1985, c. B-3, AS AMENDED, AND SECTION 101 OF THE COURTS OF  
JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED**

**FIRST REPORT OF KSV RESTRUCTURING INC.  
AS RECEIVER**

**July 27, 2021**

## **1.0 Introduction**

1. This report ("Report") is filed by KSV Restructuring Inc. ("KSV") in its capacity as receiver and manager (in such capacity, the "Receiver") of Sunrise Acquisitions (Hwy 7) Inc. (the "Company"). Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the "Court") made on June 9, 2021 (the "Receivership Order"), KSV was appointed Receiver of all of the assets, undertakings and properties of the Company acquired for, or used in relation to a business carried on by the Company and the proceeds therefrom, including, without limitation, certain real property owned by the Company in Markham, Ontario, the legal descriptions of which are set out within the title searches attached as Appendix "A" (the "Real Property"). Attached as Appendix "B" is the Endorsement of Justice Wilton-Siegel issued in connection with the Receivership Order.
2. The Real Property is the Company's principal asset and currently comprises five (5) townhome units (the "Remaining Units") developed and built by the Company as part of its "Unionvillas" development project located in Markham, Ontario (the "Unionvillas Project").

3. Since 2015, KingSett Mortgage Corporation ("KingSett") has provided secured financing to the Company in connection with the development of the Unionvillas Project. The Remaining Units are subject to sale agreements that do not meet the net minimum purchase price thresholds under KingSett's loan terms and raise significant other issues and concerns. The Receiver's mandate is currently principally focused on investigating the issues in connection with the Remaining Units and the underlying transactions. The Receiver's investigation to date has also raised significant concerns with respect to the Company and the Unionvillas Project generally as detailed further below.

## 1.1 Purposes of this Report

1. The purposes of this report ("Report") are to:
  - a) provide background information about these proceedings;
  - b) summarize the Receiver's initial investigative efforts relating to the Remaining Units and other matters of concern relating to the Unionvillas Project;
  - c) summarize a proposed sale process (the "Sale Process") for Lot 43 on a draft plan of subdivision, Town of Markham, as shown on Appendix "C", and the house or dwelling defined as RT-4, U24 (together, "Lot 43"), one of the Remaining Units which was subject to an Agreement of Purchase and Sale dated June 24, 2016 (the "Lot 43 APS"); and
  - d) recommend that the Court make an order approving the Sale Process.

## 1.2 Currency

1. Unless otherwise noted, all currency references in this Report are to Canadian dollars.

## 1.3 Restrictions

1. In preparing this Report, the Receiver has relied upon the Company's unaudited financial statements, its books and records and discussions with representatives of KingSett, FAAN Mortgage Administrators Inc. ("FAAN" or the "Sorrenti Trustee") and the Company (the "Information").
2. The Receiver has not audited, or otherwise attempted to verify, the accuracy or completeness of the financial information relied on to prepare this Report in a manner that complies with Canadian Auditing Standards ("CAS") pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance contemplated under the CAS in respect of such information. Any party wishing to place reliance on the financial information should perform its own diligence.

## 2.0 Background

1. The Company is a part of a real property development group known as Sunrise Homes, which develops residential and commercial projects in southern Ontario. The Company is a special purpose vehicle created solely for the purpose of developing the Unionvillas Project.
2. The Company is a privately held company incorporated under the *Business Corporations Act* (Ontario), RSO 1990, c. B. 16. Its registered head office address is 50 West Wilmot Street, Suite #100, Richmond Hill, Ontario. The sole directors and officers of the Company are Sajjad Hussain and Muzammil Kodwavi.
3. The Company is the registered owner of the Real Property, with the exception of the property legally described within PIN 29951-0001(LT), which is a commonly owned access route within the Unionvillas Project.
4. The Unionvillas Project is a 52-townhome development project located in Markham, Ontario. The Unionvillas Project is well advanced with all 52 townhomes having been constructed. The Remaining Units are the only townhomes which have not yet been transferred to a purchaser.

### 2.1 Secured Creditors

1. The Company's senior secured creditor is KingSett, which was owed approximately \$1,950,807.35 as at May 10, 2021 (the "Indebtedness"). KingSett entered into a Commitment Letter with the Company on May 5, 2015 (the "Commitment Letter"). The Commitment Letter was subsequently amended 13 times, most recently on January 26, 2021. The Indebtedness is secured by, among other things:
  - a) mortgages against the Real Property;
  - b) a general assignment of rents in respect of the Real Property; and
  - c) a general security agreement.
2. In addition to KingSett, the other primary source of financing for the Unionvillas Project was a syndicated mortgage financing arranged by Fortress Real Developments Inc. ("Fortress") and its affiliates and previously administered by an Ontario lawyer named Derek Sorrenti ("Sorrenti") through his law firm, Sorrenti Law Professional Corporation ("Sorrenti Law"). On August 18, 2015, Sorrenti Law registered a charge against the Real Property in the amount of \$8,000,000, which was later amended by the registration of a notice on September 15, 2016 to increase the principal amount of the charge to \$9,873,262 and to list Sorrenti Law and Olympia Trust Company as chargees.
3. Sorrenti Law, KingSett and Sunrise entered into two (2) Subordination and Standstill Agreements under which Sorrenti Law subordinated and postponed all indebtedness owing by the Company to Sorrenti Law and all security in favour of Sorrenti Law in respect thereof in favour of KingSett's indebtedness and security.

4. By Order of the Honourable Justice Hainey of the Court dated September 30, 2019, FAAN was appointed as trustee over all of the assets, undertaking and properties of Sorrenti and Sorrenti Law relating to their trusteeship and the administration of syndicated mortgage loans in projects affiliated with Fortress, including any real property mortgages registered in the names of Sorrenti and Sorrenti Law.
5. In addition to the foregoing, on September 9, 2020, a further charge in favour of Rehanna Amerrulah and Mansi Kumari in the principal amount of \$575,750 was registered on title to the real property bearing PIN 02985-0591 (the "September 2020 Charge"). The Receiver does not have any other details regarding the September 2020 Charge at this time.
6. The Company is also a defendant to certain construction lien and small claims litigation matters.
7. Additional information about the Company and the Receivership are provided in the Affidavits of Daniel Pollack, a representative of KingSett, sworn May 28, 2021 and June 1, 2021 in support of the Receivership Order (the "Pollack Affidavits"). Court materials filed in the Receivership, including the Pollack Affidavits, are available on the Receiver's website at <https://www.ksvadvisory.com/insolvency-cases/case/sunrise-acquisitions>.

### 3.0 Status of Remaining Units Investigation

1. With the exception of Lot 43, the Remaining Units are subject to purchase and sale agreements between the Company and related parties (including three that are between the Company and the spouse of one of the Company's principals). These sale agreements contain unusually high deposits (in some cases exceeding 50% of the total purchase price) which have been depleted by the Company and are no longer available. The Receiver's mandate includes the investigation of these alleged sales.
2. Forthwith following the issuance of the Receivership Order, the Receiver requested various information pertinent to its mandate from the Company. The most critical piece of information is a review of the Company's bank statements. The Receiver has made several requests of the Company for certain deposit and cheque information (the "Inquiries"); however, as of the date of this Report, and despite repeated follow-ups, the Inquiries remain outstanding.
3. As a result, the Receiver has contacted the Company's bank to facilitate the flow of information. The bank has unfortunately advised the Receiver that any response to the Inquiries could take up to two (2) months.
4. Notwithstanding the foregoing, the Receiver has conducted a preliminary review of the information it has and has uncovered a number of potential issues of significant concern to the Receiver that are discussed in the following sections.

#### 3.1 Intercompany advances

1. The Receiver has reviewed the Company's general ledger. Based on the general ledger, the Company appears to have advanced approximately \$2.4 million on a net basis to other entities within the Sunrise Homes group. The amounts advanced include funds received from Sorrenti Law to fund the Unionvillas Project. A breakdown of these amounts is provided in the table below.



(unaudited; \$) Intercompany	Receipts from Intercompany	Payments to Intercompany	Net
Net Advances			
Sunrise Acquisitions (Bronte) Inc.	732,600	(1,525,850)	(793,250)
Sunrise Homes Ltd.	70,350	(532,150)	(461,800)
SH & MK Management Inc.	391,000	(796,062)	(405,062)
Sunrise Acquisitions (Tisdale) Inc.	0	(352,800)	(352,800)
Sunrise Acquisitions (Unionville) Inc.	205,500	(497,850)	(292,350)
Sunrise Acquisitions (Keswick II) Inc.	8,000	(80,200)	(72,200)
Sunrise Acquisitions Inc.	0	(38,250)	(38,250)
Sunrise Acquisitions (Tisdale II) Inc.	0	(9,150)	(9,150)
Sunrise Acquisitions (Burlington) Inc.	0	(300)	(300)
Total	1,407,450	(3,832,612)	(2,425,162)

- On July 19, 2021, the Receiver provided this information to Mr. Kodwavi and asked him to confirm that the various related entities would repay to the Receiver their balances owing to the Company.<sup>1</sup> The Receiver followed up with Mr. Kodwavi on July 20, 2021. On July 26, 2021, Mr. Kodwavi advised that the Sunrise Group controller will be looking into this. Another group of companies related to Sunrise Homes is owed approximately \$1.5 million by the Company. The amounts owed by the Company are unsecured claims.

### 3.2 Payments to Principals

- The general ledger reflects millions of dollars in payments to the Company's principals and/or investors, despite the anticipated significant shortfall owing to the secured creditors. The Receiver intends to discuss these payments with the Company's principals and will report to the Court on its findings.

### 3.3 Emails

- On July 13, 2021, counsel to the Company, Fred Tayar & Associates, wrote an email to the Receiver's counsel, Bennett Jones LLP ("Bennett Jones"), advising that representatives of both KingSett and the Sorrenti Trustee had previously acquiesced to the four sales to the related parties and therefore taking the position that they are "estopped from disputing the enforceability and validity of the agreements". On the same day, Bennett Jones responded to advise that the Receiver disagreed with the estoppel argument, and that it understood KingSett at least never provided discharges for the sales. A copy of this email chain is attached as Appendix "D".
- On July 19, 2021, Mr. Tayar emailed Bennett Jones purporting to provide evidence that the Sorrenti Trustee had acquiesced to the transactions. Mr. Tayar's email contained an email attachment dated December 1, 2020 from Osler, Hoskin & Harcourt LLP ("Osler"), counsel to the Sorrenti Trustee, to Norm Winter, real estate counsel to the Company. Attached to the December 1st email were acknowledgements and directions that the Sorrenti Law mortgages would be discharged (the "A&Ds"). A copy of the email as provided by Mr. Tayar is reproduced below.

<sup>1</sup> The Receiver has made some adjustments to the intercompany analysis since July 19, 2021.

From: Stidwill, Sean <[SStidwill@osler.com](mailto:SStidwill@osler.com)>  
 Sent: Tuesday, December 01, 2020 4:28 PM  
 To: Norman Winter <[nw@nwinlaw.com](mailto:nw@nwinlaw.com)>; Alina Ramos <[alina@nwinlaw.com](mailto:alina@nwinlaw.com)>;  
 Nerissa <[nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)>  
 Cc: Disenhouse, Josh <[JDisenhouse@osler.com](mailto:JDisenhouse@osler.com)>; Storm, Lorna  
 <[LStorm@osler.com](mailto:LStorm@osler.com)>; Daniel Sobel <[daniel@faanmortgageadmin.com](mailto:daniel@faanmortgageadmin.com)>  
 Subject: RE: SUNRISE ACQUISITIONS (HWY 7) INC. - Discharge Mortgage on  
 4130 Hwy 7, Lots 43, 47, 48, 49 & 50 to Sorrenti/Union Villas

Please see attached for A&Ds signed by FAAN, in its capacity as trustee of Sorrenti, for lots 47, 48, 49, and 50, which are being sent to you.

Best,  
 Sean

[[cid:image001.gif@01D6C7FE.D550EF00](#)]

Sean Stidwill

Associate | [SStidwill@osler.com](mailto:SStidwill@osler.com)<mailto:[SStidwill@osler.com](mailto:SStidwill@osler.com)>

416.862.4871 (Toronto) | 613.787.1100 (Ottawa) Osler, Hoskin & Harcourt

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3. On July 19, 2021, the Receiver forwarded the emails from Mr. Tayar to Osler. Osler advised that the email forwarded to the Receiver (and reproduced above) was not the email that had been sent by Osler to Mr. Winter and as such, it appeared to have been altered. Osler subsequently provided the Receiver with the unaltered e-mail chain as reproduced below (the Receiver has highlighted the sections that were missing from the email provided by Mr. Tayar). The e-mail provided by Osler reflects that the A&Ds must be held in escrow pending a separate email from FAAN or Osler, which section was deleted from the e-mail provided by Mr. Tayar.

---

**From:** Stidwill, Sean  
**Sent:** Tuesday, December 01, 2020 4:28 PM  
**To:** Norman Winter <[nw@nwinlaw.com](mailto:nw@nwinlaw.com)>; Alina Ramos <[alina@nwinlaw.com](mailto:alina@nwinlaw.com)>; Nerissa <[nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)>  
**Cc:** Disenhouse, Josh <[JDisenhouse@osler.com](mailto:JDisenhouse@osler.com)>; Storm, Lorna <[LStorm@osler.com](mailto:LStorm@osler.com)>; Daniel Sobel <[daniel@faanmortgageadmin.com](mailto:daniel@faanmortgageadmin.com)>  
**Subject:** RE: SUNRISE ACQUISITIONS (HWY 7) INC. – Discharge Mortgage on 4130 Hwy 7, Lots 43, 47, 48, 49 & 50 to Sorrenti/Union Villas

Please see attached for A&Ds signed by FAAN, in its capacity as trustee of Sorrenti, for lots 47, 48, 49, and 50, which are being sent to you **in escrow.**

The attached may be released from escrow and relied upon to register the applicable discharges only upon receipt of a separate email confirmation from Osler or FAAN that you may proceed in connection with the unit closings. Prior to providing any such confirmation, we will need confirmation of the closing date(s) and that Kingsett is also prepared to discharge on the basis of the financial and other information that has been provided.

Best,  
 Sean

4. Osler also provided the Receiver with later-dated emails between it and Mr. Winter, which further substantiate that the A&Ds were provided in escrow, and that the escrow arrangement was acknowledged by Mr. Winter. Attached as Appendix "E" are copies of these emails.
5. The Receiver subsequently confirmed with KingSett that the Company had provided it with the altered email on December 1, 2020 (i.e. the one without any reference to the escrow terms governing the A&Ds provided by the Sorrenti Trustee through Osler), presumably in an attempt to convince KingSett to provide discharges as well. The Receiver has confirmed, however, that despite the Company's deceitful tactics, KingSett never provided discharges for any of the Remaining Units.
6. These preliminary issues identified by the Receiver are serious in nature and raise significant questions with respect to the actions of the Company and its principals, both with respect to the Remaining Units and the Unionvillas Project generally. They also highlight the need for the Receiver to obtain copies of the bank statements so that it does not need to rely on the books and records of the Company alone.
7. The Receiver intends to continue its investigation of these and other issues, and will report back to Court as and when appropriate.

#### 4.0 The Lot 43 APS

1. Following its appointment, the Receiver was provided with the Lot 43 APS which had cheques attached to it from 2017 (the "Lot 43 Deposit Funds"). A copy of the Lot 43 APS is attached as Appendix "F".
2. Following its preliminary review, as discussed in greater detail in section 3.0 of this Report, the Receiver was unable to find any evidence that the Lot 43 Deposit Funds were ever actually deposited into the Company's bank accounts. This surprised the Receiver because of an email dated November 20, 2020 from Norm Winter's firm to FAAN that confirmed that closing for Lot 43 was supposed to occur on November 30, 2020. The email contained the Lot 43 APS and copies of the deposit cheques, but did not mention that the deposit cheques had not yet been deposited. A copy of the November 20<sup>th</sup> email is attached as Appendix "G". In light of the foregoing, the Receiver contacted Mr. Kodwavi who confirmed that the Lot 43 Deposit Funds were never deposited. Mr. Kodwavi further advised that, in his view, the Receiver should remarket Lot 43 as there is no ongoing agreement in effect for that lot.
3. The Receiver has attempted to contact the purchaser (the "Lot 43 Purchaser") without response. At this juncture, the Receiver is of the view that the Lot 43 APS is not a continuing obligation of the Company and believes it is appropriate to remarket and sell Lot 43 through the Sale Process. The Receiver intends to serve the Lot 43 Purchaser with this Report and the accompanying motion materials, as well as any future motion to sell Lot 43 to a new purchaser.
4. Out of an abundance of caution, the Receiver may seek to formally disclaim the Lot 43 APS at a future motion to sell Lot 43 to a new purchaser, but that relief is not being sought at this motion.

## 5.0 Sale Process

1. Following the Receiver's conversation with Mr. Kodwavi and its unsuccessful efforts to contact the Lot 43 Purchaser, the Receiver contacted and interviewed two (2) brokers – namely, Cityscape Real Estate Ltd. Brokerage (“Cityscape”) and David & Gloria Remax Hallmark DG Group Realty (“Remax”) (together, the “Brokers”). The Brokers chosen to be interviewed resulted from discussions with the Sorrenti Trustee and KingSett, respectively. Both Brokers have the experience and credentials necessary to market Lot 43 for sale. The Receiver ultimately selected Remax, in part, because it offered a lower commission rate (4.5% vs 5%).
2. Based on advice from Remax, the Receiver intends to list the Lot 43 unit for \$1.278 million.
3. As part of the Sale Process, Remax intends to, *inter alia*:
  - a) stage the property with furniture, as it is currently vacant;
  - b) prepare a brochure for Lot 43;
  - c) send an e-mail regarding the opportunity to its database of over 10,000 parties, including industry contacts, potential buyers and the brokerage community;
  - d) post Lot 43 on the Toronto Real Estate Board Multiple Listing Services (“MLS”); and
  - e) hold open houses for the property.
4. Offers will be reviewed as received. Lot 43 will be marketed on an “as is, where is” basis. Any transaction will be subject to Court approval.

### 5.1 Sale Process Recommendation

1. The Receiver recommends that this Court issue an Order approving the Sale Process for the following reasons:
  - a) in the Receiver’s view, the Sale Process is commercially reasonable and consistent with other real property sale processes approved by this Court in other cases;
  - b) the Receiver believes that the commission for the broker is reasonable; and
  - c) KingSett and the Sorrenti Trustee have consented to the Sale Process.

## 6.0 Conclusion and Recommendation

1. Based on the foregoing, the Receiver respectfully recommends that this Honourable Court make an order granting the relief detailed in Section 1.1(1)(d) of this Report.

\* \* \*

All of which is respectfully submitted,

*KSV Restructuring Inc.*

**KSV RESTRUCTURING INC.  
SOLELY IN ITS CAPACITY AS RECEIVER OF  
SUNRISE ACQUISITIONS (HWY 7) INC.  
AND NOT IN ITS PERSONAL CAPACITY**

## **Appendix “A”**



LAND  
REGISTRY  
OFFICE #65  
\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

02985-0591 (LT)

PAGE 1 OF 4  
PREPARED FOR Feliciani  
ON 2021/05/21 AT 16:14:22

PROPERTY DESCRIPTION:

PART OF BLOCK 3, PLAN 65M4539 BEING PART 26 ON PLAN 65R37967; SUBJECT TO AN EASEMENT IN GROSS AS IN YR2639573; SUBJECT TO AN EASEMENT IN GROSS AS IN YR2652084 ; T/W AN UNDIVIDED COMMON INTEREST IN YORK REGION COMMON ELEMENTS CONDOMINIUM PLAN NO. 1420; SUBJECT TO AN EASEMENT IN FAVOUR OF YORK REGION COMMON ELEMENTS CONDOMINIUM PLAN NO. 1420 AS IN YR3009447; CITY OF MARKHAM

PROPERTY REMARKS:

"FOR THE PURPOSE OF THE QUALIFIER THE DATE OF REGISTRATION OF ABSOLUTE TITLE IS 2016/04/14". FOR ADDITIONAL ENCUMBRANCES THE PIN FOR YORK REGION COMMON ELEMENTS CONDOMINIUM PLAN NO. 1420 IN BLOCK 29951 MUST BE EXAMINED.

ESTATE/QUALIFIER:

FEE SIMPLE  
LT ABSOLUTE PLUS

RECENTLY:

DIVISION FROM 02985-0545

PIN CREATION DATE:

2018/11/21

OWNERS' NAMES

SUNRISE ACQUISITIONS (HWY 7) INC.

CAPACITY SHARE

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
<p>** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **</p> <p>**SUBJECT TO SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPHS 3 AND 14 AND *</p> <p>** PROVINCIAL SUCCESSION DUTIES AND EXCEPT PARAGRAPH 11 AND ESCHEATS OR FORFEITURE **</p> <p>** TO THE CROWN UP TO THE DATE OF REGISTRATION WITH AN ABSOLUTE TITLE. **</p> <p>NOTE: THE NO DEALINGS INDICATOR IS IN EFFECT ON THIS PROPERTY</p>						
R488826	1988/11/15	NOTICE REMARKS: AIRPORT ZONING REGULATIONS				C
YR688132	2005/08/22	NOTICE REMARKS: PICKERING AIRPORT SITE ZONING REG. (SOR/10000-636)		HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF TRANSPORT		C
YR2299146	2015/06/02	CHARGE	\$31,981,940	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR2299147	2015/06/02	NO ASSGN RENT GEN REMARKS: YR2299146.		SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR2340877	2015/08/18	CHARGE	\$8,000,000	SUNRISE ACQUISITIONS (HWY 7) INC.	SORRENTI LAW PROFESSIONAL CORPORATION	C
YR2341683	2015/08/19	TRANSFER OF CHARGE REMARKS: YR2340877.		SORRENTI LAW PROFESSIONAL CORPORATION	SORRENTI LAW PROFESSIONAL CORPORATION	C
YR2352867	2015/09/08	TRANSFER OF CHARGE REMARKS: YR2340877.		SORRENTI LAW PROFESSIONAL CORPORATION	SORRENTI LAW PROFESSIONAL CORPORATION	C
YR2380504	2015/10/29	TRANSFER OF CHARGE REMARKS: YR2340877.		SORRENTI LAW PROFESSIONAL CORPORATION	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR2386283	2015/11/06	TRANSFER OF CHARGE	\$8,000,000	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
		REMARKS: YR2340877.				
YR2398064	2015/12/01	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
		REMARKS: YR2340877.				
YR2415581	2016/01/13	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
		REMARKS: YR2340877.				
YR2421491	2016/01/26	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
		REMARKS: YR2340877.				
YR2442481	2016/03/11	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
		REMARKS: YR2340877.				
YR2481743	2016/06/03	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
		REMARKS: YR2340877.				
YR2543312	2016/09/15	NOTICE	\$9,873,262	SUNRISE ACQUISITION (HWY 7) INC	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
		REMARKS: YR2340877				
YR2572486	2016/11/03	CHARGE	\$1,648,879	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR2582279	2016/11/22	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	KINGSETT MORTGAGE CORPORATION	C
		REMARKS: YR2340877, YR2481743 TO YR2572486				
65M4539	2017/02/02	PLAN SUBDIVISION				C
YR2623637	2017/02/09	NO SUB AGREEMENT		THE CORPORATION OF THE CITY OF MARKHAM	SUNRISE ACQUISITIONS (HWY 7) INC.	C
YR2623638	2017/02/09	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C
		REMARKS: YR2299146 TO YR2623637				
YR2623639	2017/02/09	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C

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02985-0591 (LT)

PAGE 3 OF 4  
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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD	
		REMARKS: YR2572486 TO YR2623637					
YR2623640	2017/02/09	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	THE CORPORATION OF THE CITY OF MARKHAM	C	
		REMARKS: YR2340877, YR2481743 TO YR2623637					
YR2623649	2017/02/09	APL ANNEX REST COV		SUNRISE ACQUISITIONS (HWY 7) INC.		C	
YR2639573	2017/03/16	TRANSFER EASEMENT	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	ENBRIDGE GAS DISTRIBUTION INC.	C	
YR2640297	2017/03/17	PLAN CORRECTION		ASSISTANT EXAMINER OF SURVEYS		C	
		REMARKS: 65M4539.					
YR2652084	2017/04/10	TRANSFER EASEMENT	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	ALECTRA UTILITIES CORPORATION	C	
YR2652085	2017/04/10	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	ALECTRA UTILITIES CORPORATION	C	
		REMARKS: YR2299146 TO YR2652084					
YR2652086	2017/04/10	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	ALECTRA UTILITIES CORPORATION	C	
		REMARKS: YR2572486 TO YR2652084					
YR2652087	2017/04/10	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	ALECTRA UTILITIES CORPORATION	C	
		REMARKS: YR2340877, YR2341683, YR2380504, YR2398064, YR2415581, YR2421491, YR2442481, YR2481743 & YR2543312 TO YR2652084					
YR2664317	2017/05/05	NOTICE	\$2	THE CORPORATION OF THE CITY OF MARKHAM	SUNRISE ACQUISITIONS (HWY 7) INC.	C	
		REMARKS: SITE PLAN CONTROL AGREEMENT					
YR2664318	2017/05/05	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C	
		REMARKS: YR2299146 TO YR2664317					
YR2664319	2017/05/05	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C	
		REMARKS: YR2572486 TO YR2664317					
YR2664320	2017/05/05	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	THE CORPORATION OF THE CITY OF MARKHAM	C	
		REMARKS: YR2340877 TO YR2664317					
YR2666512	2017/05/10	BYLAW		THE CORPORATION OF THE CITY OF MARKHAM		C	
		REMARKS: BY-LAW TO DESIGNATE PART OF A CERTAIN PLAN OF SUBDIVISION NOT SUBJECT TO PART LOT CONTROL					
YR2720530	2017/08/21	NOTICE	\$4,000,000	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C	
		REMARKS: YR2572486					

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR2782817	2018/01/12	RESTRICTION-LAND		SUNRISE ACQUISITIONS (HWY 7) INC.		C
		REMARKS: ANY TRANSFER OF THE LANDS SET OUT HEREIN, NAMELY PIN 02985-0545 (LT) IS HEREBY PROHIBITED UNLESS AND UNTIL THE CONSENT OF THE DIRECTOR OF PLANNING AND URBAN DESIGN, FOR THE CORPORATION OF THE CITY OF MARKHAM, OR HIS DESIGNATE HAS BEEN OBTAINED.				
65R37967	2018/07/31	PLAN REFERENCE				C
YR2872432	2018/09/12	NOTICE	\$5,500,000	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
		REMARKS: YR2572486				
YR2872560	2018/09/12	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	KINGSETT MORTGAGE CORPORATION	C
		REMARKS: YR2340877 & YR2481743 TO YR2572486, YR2720530 & YR2872432				
YR2872601	2018/09/12	TRANSFER	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	SUNRISE ACQUISITIONS (HWY 7) INC.	C
YR3006971	2019/09/11	BYLAW		THE CORPORATION OF THE CITY OF MARKHAM		C
		REMARKS: BY-LAW 2019-99 A BY-LAW TO DESIGNATE PART OF A CERTAIN PLAN OF SUBDIVISION NOT SUBJECT TO PART LOT CONTROL				
YRCP1420	2019/09/17	CE CONDO PLN				C
YR3009447	2019/09/17	CONDO DECLARATION		SUNRISE ACQUISITIONS (HWY 7) INC.		C
YR3011927	2019/09/24	CONDO BYLAW/98		YORK REGION COMMON ELEMENTS CONDOMINIUM CORPORATION NO. 1420		C
		REMARKS: BY-LAW NO. 1				
YR3012090	2019/09/24	NOTICE		SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
		REMARKS: YR2299146				
YR3015611	2019/10/02	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	FAAN MORTGAGE ADMINISTRATORS INC.	C
YR3138773	2020/09/09	CHARGE	\$573,750	SUNRISE ACQUISITIONS (HWY 7) INC.	AMEERULLAH, REHANNA KUMARI, MANSI	C

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PAGE 1 OF 4  
PREPARED FOR Feliciani  
ON 2021/05/21 AT 16:15:28

**PROPERTY DESCRIPTION:** PART OF BLOCK 3, PLAN 65M4539 BEING PART 30 ON PLAN 65R37967; SUBJECT TO AN EASEMENT IN GROSS AS IN YR2639573; SUBJECT TO AN EASEMENT IN GROSS AS IN YR2652084 ; T/W AN UNDIVIDED COMMON INTEREST IN YORK REGION COMMON ELEMENTS CONDOMINIUM PLAN NO. 1420; SUBJECT TO AN EASEMENT IN FAVOUR OF YORK REGION COMMON ELEMENTS CONDOMINIUM PLAN NO. 1420 AS IN YR3009447; CITY OF MARKHAM

**PROPERTY REMARKS:** "FOR THE PURPOSE OF THE QUALIFIER THE DATE OF REGISTRATION OF ABSOLUTE TITLE IS 2016/04/14". FOR ADDITIONAL ENCUMBRANCES THE PIN FOR YORK REGION COMMON ELEMENTS CONDOMINIUM PLAN NO. 1420 IN BLOCK 29951 MUST BE EXAMINED.

**ESTATE/QUALIFIER:** FEE SIMPLE  
LT ABSOLUTE PLUS  
**RECENTLY:** DIVISION FROM 02985-0545

**PIN CREATION DATE:** 2018/11/21

**OWNERS' NAMES** CAPACITY SHARE  
SUNRISE ACQUISITIONS (HWY 7) INC.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **						
**SUBJECT TO SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPHS 3 AND 14 AND *						
** PROVINCIAL SUCCESSION DUTIES AND EXCEPT PARAGRAPH 11 AND ESCHEATS OR FORFEITURE **						
** TO THE CROWN UP TO THE DATE OF REGISTRATION WITH AN ABSOLUTE TITLE. **						
NOTE: THE NO DEALINGS INDICATOR IS IN EFFECT ON THIS PROPERTY						
R488826	1988/11/15	NOTICE				C
REMARKS: AIRPORT ZONING REGULATIONS						
YR688132	2005/08/22	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF TRANSPORT		C
REMARKS: PICKERING AIRPORT SITE ZONING REG. (SOR/10000-636)						
YR2299146	2015/06/02	CHARGE	\$31,981,940	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR2299147	2015/06/02	NO ASSGN RENT GEN		SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
REMARKS: YR2299146.						
YR2340877	2015/08/18	CHARGE	\$8,000,000	SUNRISE ACQUISITIONS (HWY 7) INC.	SORRENTI LAW PROFESSIONAL CORPORATION	C
YR2341683	2015/08/19	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION	SORRENTI LAW PROFESSIONAL CORPORATION	C
REMARKS: YR2340877.						
YR2352867	2015/09/08	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION	SORRENTI LAW PROFESSIONAL CORPORATION	C
REMARKS: YR2340877.						
YR2380504	2015/10/29	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
REMARKS: YR2340877.						

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR2386283	2015/11/06	TRANSFER OF CHARGE	\$8,000,000	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	REMARKS: YR2340877.					
YR2398064	2015/12/01	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	REMARKS: YR2340877.					
YR2415581	2016/01/13	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	REMARKS: YR2340877.					
YR2421491	2016/01/26	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	REMARKS: YR2340877.					
YR2442481	2016/03/11	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	REMARKS: YR2340877.					
YR2481743	2016/06/03	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	REMARKS: YR2340877.					
YR2543312	2016/09/15	NOTICE	\$9,873,262	SUNRISE ACQUISITION (HWY 7) INC	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	REMARKS: YR2340877					
YR2572486	2016/11/03	CHARGE	\$1,648,879	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR2582279	2016/11/22	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	KINGSETT MORTGAGE CORPORATION	C
	REMARKS: YR2340877, YR2481743 TO YR2572486					
65M4539	2017/02/02	PLAN SUBDIVISION				C
YR2623637	2017/02/09	NO SUB AGREEMENT		THE CORPORATION OF THE CITY OF MARKHAM	SUNRISE ACQUISITIONS (HWY 7) INC.	C
YR2623638	2017/02/09	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C
	REMARKS: YR2299146 TO YR2623637					
YR2623639	2017/02/09	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C

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\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
		REMARKS: YR2572486 TO YR2623637				
YR2623640	2017/02/09	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	THE CORPORATION OF THE CITY OF MARKHAM	C
		REMARKS: YR2340877, YR2481743 TO YR2623637				
YR2623649	2017/02/09	APL ANNEX REST COV		SUNRISE ACQUISITIONS (HWY 7) INC.		C
YR2639573	2017/03/16	TRANSFER EASEMENT	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	ENBRIDGE GAS DISTRIBUTION INC.	C
YR2640297	2017/03/17	PLAN CORRECTION		ASSISTANT EXAMINER OF SURVEYS		C
		REMARKS: 65M4539.				
YR2652084	2017/04/10	TRANSFER EASEMENT	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	ALECTRA UTILITIES CORPORATION	C
YR2652085	2017/04/10	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	ALECTRA UTILITIES CORPORATION	C
		REMARKS: YR2299146 TO YR2652084				
YR2652086	2017/04/10	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	ALECTRA UTILITIES CORPORATION	C
		REMARKS: YR2572486 TO YR2652084				
YR2652087	2017/04/10	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	ALECTRA UTILITIES CORPORATION	C
		REMARKS: YR2340877, YR2341683, YR2380504, YR2398064, YR2415581, YR2421491, YR2442481, YR2481743 & YR2543312 TO YR2652084				
YR2664317	2017/05/05	NOTICE	\$2	THE CORPORATION OF THE CITY OF MARKHAM	SUNRISE ACQUISITIONS (HWY 7) INC.	C
		REMARKS: SITE PLAN CONTROL AGREEMENT				
YR2664318	2017/05/05	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C
		REMARKS: YR2299146 TO YR2664317				
YR2664319	2017/05/05	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C
		REMARKS: YR2572486 TO YR2664317				
YR2664320	2017/05/05	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	THE CORPORATION OF THE CITY OF MARKHAM	C
		REMARKS: YR2340877 TO YR2664317				
YR2666512	2017/05/10	BYLAW		THE CORPORATION OF THE CITY OF MARKHAM		C
		REMARKS: BY-LAW TO DESIGNATE PART OF A CERTAIN PLAN OF SUBDIVISION NOT SUBJECT TO PART LOT CONTROL				
YR2720530	2017/08/21	NOTICE	\$4,000,000	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
		REMARKS: YR2572486				

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.  
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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR2782817	2018/01/12	RESTRICTION-LAND		SUNRISE ACQUISITIONS (HWY 7) INC.		C
		REMARKS: ANY TRANSFER OF THE LANDS SET OUT HEREIN, NAMELY PIN 02985-0545 (LT) IS HEREBY PROHIBITED UNLESS AND UNTIL THE CONSENT OF THE DIRECTOR OF PLANNING AND URBAN DESIGN, FOR THE CORPORATION OF THE CITY OF MARKHAM, OR HIS DESIGNATE HAS BEEN OBTAINED.				
65R37967	2018/07/31	PLAN REFERENCE				C
YR2872432	2018/09/12	NOTICE	\$5,500,000	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
		REMARKS: YR2572486				
YR2872560	2018/09/12	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	KINGSETT MORTGAGE CORPORATION	C
		REMARKS: YR2340877 & YR2481743 TO YR2572486, YR2720530 & YR2872432				
YR2872601	2018/09/12	TRANSFER	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	SUNRISE ACQUISITIONS (HWY 7) INC.	C
YR3006971	2019/09/11	BYLAW		THE CORPORATION OF THE CITY OF MARKHAM		C
		REMARKS: BY-LAW 2019-99 A BY-LAW TO DESIGNATE PART OF A CERTAIN PLAN OF SUBDIVISION NOT SUBJECT TO PART LOT CONTROL				
YRCP1420	2019/09/17	CE CONDO PLN				C
YR3009447	2019/09/17	CONDO DECLARATION		SUNRISE ACQUISITIONS (HWY 7) INC.		C
YR3011927	2019/09/24	CONDO BYLAW/98		YORK REGION COMMON ELEMENTS CONDOMINIUM CORPORATION NO. 1420		C
		REMARKS: BY-LAW NO. 1				
YR3012090	2019/09/24	NOTICE		SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
		REMARKS: YR2299146				
YR3015611	2019/10/02	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	FAAN MORTGAGE ADMINISTRATORS INC.	C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.  
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02985-0596 (LT)

PAGE 1 OF 4  
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\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

**PROPERTY DESCRIPTION:** PART OF BLOCK 3, PLAN 65M4539 BEING PART 31 ON PLAN 65R37967; SUBJECT TO AN EASEMENT IN GROSS AS IN YR2639573; SUBJECT TO AN EASEMENT IN GROSS AS IN YR2652084 ; T/W AN UNDIVIDED COMMON INTEREST IN YORK REGION COMMON ELEMENTS CONDOMINIUM PLAN NO. 1420; SUBJECT TO AN EASEMENT IN FAVOUR OF YORK REGION COMMON ELEMENTS CONDOMINIUM PLAN NO. 1420 AS IN YR3009447; CITY OF MARKHAM

**PROPERTY REMARKS:** "FOR THE PURPOSE OF THE QUALIFIER THE DATE OF REGISTRATION OF ABSOLUTE TITLE IS 2016/04/14". FOR ADDITIONAL ENCUMBRANCES THE PIN FOR YORK REGION COMMON ELEMENTS CONDOMINIUM PLAN NO. 1420 IN BLOCK 29951 MUST BE EXAMINED.

**ESTATE/QUALIFIER:** FEE SIMPLE  
LT ABSOLUTE PLUS

**RECENTLY:** DIVISION FROM 02985-0545

**PIN CREATION DATE:** 2018/11/21

**OWNERS' NAMES** CAPACITY SHARE  
SUNRISE ACQUISITIONS (HWY 7) INC.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **						
**SUBJECT TO SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPHS 3 AND 14 AND *						
** PROVINCIAL SUCCESSION DUTIES AND EXCEPT PARAGRAPH 11 AND ESCHEATS OR FORFEITURE **						
** TO THE CROWN UP TO THE DATE OF REGISTRATION WITH AN ABSOLUTE TITLE. **						
NOTE: THE NO DEALINGS INDICATOR IS IN EFFECT ON THIS PROPERTY						
R488826	1988/11/15	NOTICE				C
REMARKS: AIRPORT ZONING REGULATIONS						
YR688132	2005/08/22	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF TRANSPORT		C
REMARKS: PICKERING AIRPORT SITE ZONING REG. (SOR/10000-636)						
YR2299146	2015/06/02	CHARGE	\$31,981,940	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR2299147	2015/06/02	NO ASSGN RENT GEN		SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
REMARKS: YR2299146.						
YR2340877	2015/08/18	CHARGE	\$8,000,000	SUNRISE ACQUISITIONS (HWY 7) INC.	SORRENTI LAW PROFESSIONAL CORPORATION	C
YR2341683	2015/08/19	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION	SORRENTI LAW PROFESSIONAL CORPORATION	C
REMARKS: YR2340877.						
YR2352867	2015/09/08	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION	SORRENTI LAW PROFESSIONAL CORPORATION	C
REMARKS: YR2340877.						
YR2380504	2015/10/29	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
REMARKS: YR2340877.						

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR2386283	2015/11/06	TRANSFER OF CHARGE	\$8,000,000	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
		REMARKS: YR2340877.				
YR2398064	2015/12/01	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
		REMARKS: YR2340877.				
YR2415581	2016/01/13	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
		REMARKS: YR2340877.				
YR2421491	2016/01/26	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
		REMARKS: YR2340877.				
YR2442481	2016/03/11	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
		REMARKS: YR2340877.				
YR2481743	2016/06/03	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
		REMARKS: YR2340877.				
YR2543312	2016/09/15	NOTICE	\$9,873,262	SUNRISE ACQUISITION (HWY 7) INC	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
		REMARKS: YR2340877				
YR2572486	2016/11/03	CHARGE	\$1,648,879	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR2582279	2016/11/22	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	KINGSETT MORTGAGE CORPORATION	C
		REMARKS: YR2340877, YR2481743 TO YR2572486				
65M4539	2017/02/02	PLAN SUBDIVISION				C
YR2623637	2017/02/09	NO SUB AGREEMENT		THE CORPORATION OF THE CITY OF MARKHAM	SUNRISE ACQUISITIONS (HWY 7) INC.	C
YR2623638	2017/02/09	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C
		REMARKS: YR2299146 TO YR2623637				
YR2623639	2017/02/09	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C

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02985-0596 (LT)

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\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD	
		REMARKS: YR2572486 TO YR2623637					
YR2623640	2017/02/09	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	THE CORPORATION OF THE CITY OF MARKHAM	C	
		REMARKS: YR2340877, YR2481743 TO YR2623637					
YR2623649	2017/02/09	APL ANNEX REST COV		SUNRISE ACQUISITIONS (HWY 7) INC.		C	
YR2639573	2017/03/16	TRANSFER EASEMENT	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	ENBRIDGE GAS DISTRIBUTION INC.	C	
YR2640297	2017/03/17	PLAN CORRECTION		ASSISTANT EXAMINER OF SURVEYS		C	
		REMARKS: 65M4539.					
YR2652084	2017/04/10	TRANSFER EASEMENT	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	ALECTRA UTILITIES CORPORATION	C	
YR2652085	2017/04/10	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	ALECTRA UTILITIES CORPORATION	C	
		REMARKS: YR2299146 TO YR2652084					
YR2652086	2017/04/10	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	ALECTRA UTILITIES CORPORATION	C	
		REMARKS: YR2572486 TO YR2652084					
YR2652087	2017/04/10	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	ALECTRA UTILITIES CORPORATION	C	
		REMARKS: YR2340877, YR2341683, YR2380504, YR2398064, YR2415581, YR2421491, YR2442481, YR2481743 & YR2543312 TO YR2652084					
YR2664317	2017/05/05	NOTICE	\$2	THE CORPORATION OF THE CITY OF MARKHAM	SUNRISE ACQUISITIONS (HWY 7) INC.	C	
		REMARKS: SITE PLAN CONTROL AGREEMENT					
YR2664318	2017/05/05	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C	
		REMARKS: YR2299146 TO YR2664317					
YR2664319	2017/05/05	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C	
		REMARKS: YR2572486 TO YR2664317					
YR2664320	2017/05/05	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	THE CORPORATION OF THE CITY OF MARKHAM	C	
		REMARKS: YR2340877 TO YR2664317					
YR2666512	2017/05/10	BYLAW		THE CORPORATION OF THE CITY OF MARKHAM		C	
		REMARKS: BY-LAW TO DESIGNATE PART OF A CERTAIN PLAN OF SUBDIVISION NOT SUBJECT TO PART LOT CONTROL					
YR2720530	2017/08/21	NOTICE	\$4,000,000	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C	
		REMARKS: YR2572486					

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR2782817	2018/01/12	RESTRICTION-LAND		SUNRISE ACQUISITIONS (HWY 7) INC.		C
		REMARKS: ANY TRANSFER OF THE LANDS SET OUT HEREIN, NAMELY PIN 02985-0545 (LT) IS HEREBY PROHIBITED UNLESS AND UNTIL THE CONSENT OF THE DIRECTOR OF PLANNING AND URBAN DESIGN, FOR THE CORPORATION OF THE CITY OF MARKHAM, OR HIS DESIGNATE HAS BEEN OBTAINED.				
65R37967	2018/07/31	PLAN REFERENCE				C
YR2872432	2018/09/12	NOTICE	\$5,500,000	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
		REMARKS: YR2572486				
YR2872560	2018/09/12	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	KINGSETT MORTGAGE CORPORATION	C
		REMARKS: YR2340877 & YR2481743 TO YR2572486, YR2720530 & YR2872432				
YR2872601	2018/09/12	TRANSFER	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	SUNRISE ACQUISITIONS (HWY 7) INC.	C
YR3006971	2019/09/11	BYLAW		THE CORPORATION OF THE CITY OF MARKHAM		C
		REMARKS: BY-LAW 2019-99 A BY-LAW TO DESIGNATE PART OF A CERTAIN PLAN OF SUBDIVISION NOT SUBJECT TO PART LOT CONTROL				
YRCP1420	2019/09/17	CE CONDO PLN				C
YR3009447	2019/09/17	CONDO DECLARATION		SUNRISE ACQUISITIONS (HWY 7) INC.		C
YR3011927	2019/09/24	CONDO BYLAW/98		YORK REGION COMMON ELEMENTS CONDOMINIUM CORPORATION NO. 1420		C
		REMARKS: BY-LAW NO. 1				
YR3012090	2019/09/24	NOTICE		SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
		REMARKS: YR2299146				
YR3015611	2019/10/02	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	FAAN MORTGAGE ADMINISTRATORS INC.	C

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02985-0597 (LT)

PAGE 1 OF 4  
PREPARED FOR Feliciani  
ON 2021/05/21 AT 16:16:57

PROPERTY DESCRIPTION:

PART OF BLOCK 3, PLAN 65M4539 BEING PART 32 ON PLAN 65R37967; SUBJECT TO AN EASEMENT IN GROSS AS IN YR2639573; SUBJECT TO AN EASEMENT IN GROSS AS IN YR2652084 ; T/W AN UNDIVIDED COMMON INTEREST IN YORK REGION COMMON ELEMENTS CONDOMINIUM PLAN NO. 1420; SUBJECT TO AN EASEMENT IN FAVOUR OF YORK REGION COMMON ELEMENTS CONDOMINIUM PLAN NO. 1420 AS IN YR3009447; CITY OF MARKHAM

PROPERTY REMARKS:

"FOR THE PURPOSE OF THE QUALIFIER THE DATE OF REGISTRATION OF ABSOLUTE TITLE IS 2016/04/14". FOR ADDITIONAL ENCUMBRANCES THE PIN FOR YORK REGION COMMON ELEMENTS CONDOMINIUM PLAN NO. 1420 IN BLOCK 29951 MUST BE EXAMINED.

ESTATE/QUALIFIER:

FEE SIMPLE  
LT ABSOLUTE PLUS

RECENTLY:

DIVISION FROM 02985-0545

PIN CREATION DATE:

2018/11/21

OWNERS' NAMES

SUNRISE ACQUISITIONS (HWY 7) INC.

CAPACITY SHARE

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **						
**SUBJECT TO SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPHS 3 AND 14 AND *						
** PROVINCIAL SUCCESSION DUTIES AND EXCEPT PARAGRAPH 11 AND ESCHEATS OR FORFEITURE **						
** TO THE CROWN UP TO THE DATE OF REGISTRATION WITH AN ABSOLUTE TITLE. **						
NOTE: THE NO DEALINGS INDICATOR IS IN EFFECT ON THIS PROPERTY						
R488826	1988/11/15	NOTICE				C
REMARKS: AIRPORT ZONING REGULATIONS						
YR688132	2005/08/22	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF TRANSPORT		C
REMARKS: PICKERING AIRPORT SITE ZONING REG. (SOR/10000-636)						
YR2299146	2015/06/02	CHARGE	\$31,981,940	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR2299147	2015/06/02	NO ASSGN RENT GEN		SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
REMARKS: YR2299146.						
YR2340877	2015/08/18	CHARGE	\$8,000,000	SUNRISE ACQUISITIONS (HWY 7) INC.	SORRENTI LAW PROFESSIONAL CORPORATION	C
YR2341683	2015/08/19	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION	SORRENTI LAW PROFESSIONAL CORPORATION	C
REMARKS: YR2340877.						
YR2352867	2015/09/08	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION	SORRENTI LAW PROFESSIONAL CORPORATION	C
REMARKS: YR2340877.						
YR2380504	2015/10/29	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
REMARKS: YR2340877.						

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\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YR2386283	2015/11/06	TRANSFER OF CHARGE	\$8,000,000	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	REMARKS: YR2340877.					
YR2398064	2015/12/01	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	REMARKS: YR2340877.					
YR2415581	2016/01/13	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	REMARKS: YR2340877.					
YR2421491	2016/01/26	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	REMARKS: YR2340877.					
YR2442481	2016/03/11	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	REMARKS: YR2340877.					
YR2481743	2016/06/03	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	REMARKS: YR2340877.					
YR2543312	2016/09/15	NOTICE	\$9,873,262	SUNRISE ACQUISITION (HWY 7) INC	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	REMARKS: YR2340877					
YR2572486	2016/11/03	CHARGE	\$1,648,879	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR2582279	2016/11/22	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	KINGSETT MORTGAGE CORPORATION	C
	REMARKS: YR2340877, YR2481743 TO YR2572486					
65M4539	2017/02/02	PLAN SUBDIVISION				C
YR2623637	2017/02/09	NO SUB AGREEMENT		THE CORPORATION OF THE CITY OF MARKHAM	SUNRISE ACQUISITIONS (HWY 7) INC.	C
YR2623638	2017/02/09	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C
	REMARKS: YR2299146 TO YR2623637					
YR2623639	2017/02/09	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD	
		<i>REMARKS: YR2572486 TO YR2623637</i>					
YR2623640	2017/02/09	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	THE CORPORATION OF THE CITY OF MARKHAM	C	
		<i>REMARKS: YR2340877, YR2481743 TO YR2623637</i>					
YR2623649	2017/02/09	APL ANNEX REST COV		SUNRISE ACQUISITIONS (HWY 7) INC.		C	
YR2639573	2017/03/16	TRANSFER EASEMENT	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	ENBRIDGE GAS DISTRIBUTION INC.	C	
YR2640297	2017/03/17	PLAN CORRECTION		ASSISTANT EXAMINER OF SURVEYS		C	
		<i>REMARKS: 65M4539.</i>					
YR2652084	2017/04/10	TRANSFER EASEMENT	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	ALECTRA UTILITIES CORPORATION	C	
YR2652085	2017/04/10	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	ALECTRA UTILITIES CORPORATION	C	
		<i>REMARKS: YR2299146 TO YR2652084</i>					
YR2652086	2017/04/10	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	ALECTRA UTILITIES CORPORATION	C	
		<i>REMARKS: YR2572486 TO YR2652084</i>					
YR2652087	2017/04/10	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	ALECTRA UTILITIES CORPORATION	C	
		<i>REMARKS: YR2340877, YR2341683, YR2380504, YR2398064, YR2415581, YR2421491, YR2442481, YR2481743 &amp; YR2543312 TO YR2652084</i>					
YR2664317	2017/05/05	NOTICE	\$2	THE CORPORATION OF THE CITY OF MARKHAM	SUNRISE ACQUISITIONS (HWY 7) INC.	C	
		<i>REMARKS: SITE PLAN CONTROL AGREEMENT</i>					
YR2664318	2017/05/05	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C	
		<i>REMARKS: YR2299146 TO YR2664317</i>					
YR2664319	2017/05/05	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C	
		<i>REMARKS: YR2572486 TO YR2664317</i>					
YR2664320	2017/05/05	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	THE CORPORATION OF THE CITY OF MARKHAM	C	
		<i>REMARKS: YR2340877 TO YR2664317</i>					
YR2666512	2017/05/10	BYLAW		THE CORPORATION OF THE CITY OF MARKHAM		C	
		<i>REMARKS: BY-LAW TO DESIGNATE PART OF A CERTAIN PLAN OF SUBDIVISION NOT SUBJECT TO PART LOT CONTROL</i>					
YR2720530	2017/08/21	NOTICE	\$4,000,000	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C	
		<i>REMARKS: YR2572486</i>					

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR2782817	2018/01/12	RESTRICTION-LAND		SUNRISE ACQUISITIONS (HWY 7) INC.		C
		REMARKS: ANY TRANSFER OF THE LANDS SET OUT HEREIN, NAMELY PIN 02985-0545 (LT) IS HEREBY PROHIBITED UNLESS AND UNTIL THE CONSENT OF THE DIRECTOR OF PLANNING AND URBAN DESIGN, FOR THE CORPORATION OF THE CITY OF MARKHAM, OR HIS DESIGNATE HAS BEEN OBTAINED.				
65R37967	2018/07/31	PLAN REFERENCE				C
YR2872432	2018/09/12	NOTICE	\$5,500,000	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
		REMARKS: YR2572486				
YR2872560	2018/09/12	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	KINGSETT MORTGAGE CORPORATION	C
		REMARKS: YR2340877 & YR2481743 TO YR2572486, YR2720530 & YR2872432				
YR2872601	2018/09/12	TRANSFER	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	SUNRISE ACQUISITIONS (HWY 7) INC.	C
YR3006971	2019/09/11	BYLAW		THE CORPORATION OF THE CITY OF MARKHAM		C
		REMARKS: BY-LAW 2019-99 A BY-LAW TO DESIGNATE PART OF A CERTAIN PLAN OF SUBDIVISION NOT SUBJECT TO PART LOT CONTROL				
YRCP1420	2019/09/17	CE CONDO PLN				C
YR3009447	2019/09/17	CONDO DECLARATION		SUNRISE ACQUISITIONS (HWY 7) INC.		C
YR3011927	2019/09/24	CONDO BYLAW/98		YORK REGION COMMON ELEMENTS CONDOMINIUM CORPORATION NO. 1420		C
		REMARKS: BY-LAW NO. 1				
YR3012090	2019/09/24	NOTICE		SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
		REMARKS: YR2299146				
YR3015611	2019/10/02	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	FAAN MORTGAGE ADMINISTRATORS INC.	C

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PAGE 1 OF 4  
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**PROPERTY DESCRIPTION:** PART OF BLOCK 3, PLAN 65M4539 BEING PART 33 ON PLAN 65R37967; SUBJECT TO AN EASEMENT IN GROSS AS IN YR2639573; SUBJECT TO AN EASEMENT IN GROSS AS IN YR2652084 ; T/W AN UNDIVIDED COMMON INTEREST IN YORK REGION COMMON ELEMENTS CONDOMINIUM PLAN NO. 1420; SUBJECT TO AN EASEMENT IN FAVOUR OF YORK REGION COMMON ELEMENTS CONDOMINIUM PLAN NO. 1420 AS IN YR3009447; CITY OF MARKHAM

**PROPERTY REMARKS:** "FOR THE PURPOSE OF THE QUALIFIER THE DATE OF REGISTRATION OF ABSOLUTE TITLE IS 2016/04/14". FOR ADDITIONAL ENCUMBRANCES THE PIN FOR YORK REGION COMMON ELEMENTS CONDOMINIUM PLAN NO. 1420 IN BLOCK 29951 MUST BE EXAMINED.

**ESTATE/QUALIFIER:** FEE SIMPLE  
LT ABSOLUTE PLUS

**RECENTLY:** DIVISION FROM 02985-0545

**PIN CREATION DATE:** 2018/11/21

**OWNERS' NAMES** CAPACITY SHARE  
SUNRISE ACQUISITIONS (HWY 7) INC.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **						
**SUBJECT TO SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPHS 3 AND 14 AND *						
** PROVINCIAL SUCCESSION DUTIES AND EXCEPT PARAGRAPH 11 AND ESCHEATS OR FORFEITURE **						
** TO THE CROWN UP TO THE DATE OF REGISTRATION WITH AN ABSOLUTE TITLE. **						
NOTE: THE NO DEALINGS INDICATOR IS IN EFFECT ON THIS PROPERTY						
R488826	1988/11/15	NOTICE				C
REMARKS: AIRPORT ZONING REGULATIONS						
YR688132	2005/08/22	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF TRANSPORT		C
REMARKS: PICKERING AIRPORT SITE ZONING REG. (SOR/10000-636)						
YR2299146	2015/06/02	CHARGE	\$31,981,940	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR2299147	2015/06/02	NO ASSGN RENT GEN		SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
REMARKS: YR2299146.						
YR2340877	2015/08/18	CHARGE	\$8,000,000	SUNRISE ACQUISITIONS (HWY 7) INC.	SORRENTI LAW PROFESSIONAL CORPORATION	C
YR2341683	2015/08/19	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION	SORRENTI LAW PROFESSIONAL CORPORATION	C
REMARKS: YR2340877.						
YR2352867	2015/09/08	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION	SORRENTI LAW PROFESSIONAL CORPORATION	C
REMARKS: YR2340877.						
YR2380504	2015/10/29	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
REMARKS: YR2340877.						

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PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YR2386283	2015/11/06	TRANSFER OF CHARGE	\$8,000,000	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	REMARKS: YR2340877.					
YR2398064	2015/12/01	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	REMARKS: YR2340877.					
YR2415581	2016/01/13	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	REMARKS: YR2340877.					
YR2421491	2016/01/26	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	REMARKS: YR2340877.					
YR2442481	2016/03/11	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	REMARKS: YR2340877.					
YR2481743	2016/06/03	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	REMARKS: YR2340877.					
YR2543312	2016/09/15	NOTICE	\$9,873,262	SUNRISE ACQUISITION (HWY 7) INC	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	REMARKS: YR2340877					
YR2572486	2016/11/03	CHARGE	\$1,648,879	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR2582279	2016/11/22	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	KINGSETT MORTGAGE CORPORATION	C
	REMARKS: YR2340877, YR2481743 TO YR2572486					
65M4539	2017/02/02	PLAN SUBDIVISION				C
YR2623637	2017/02/09	NO SUB AGREEMENT		THE CORPORATION OF THE CITY OF MARKHAM	SUNRISE ACQUISITIONS (HWY 7) INC.	C
YR2623638	2017/02/09	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C
	REMARKS: YR2299146 TO YR2623637					
YR2623639	2017/02/09	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
		REMARKS: YR2572486 TO YR2623637				
YR2623640	2017/02/09	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	THE CORPORATION OF THE CITY OF MARKHAM	C
		REMARKS: YR2340877, YR2481743 TO YR2623637				
YR2623649	2017/02/09	APL ANNEX REST COV		SUNRISE ACQUISITIONS (HWY 7) INC.		C
YR2639573	2017/03/16	TRANSFER EASEMENT	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	ENBRIDGE GAS DISTRIBUTION INC.	C
YR2640297	2017/03/17	PLAN CORRECTION		ASSISTANT EXAMINER OF SURVEYS		C
		REMARKS: 65M4539.				
YR2652084	2017/04/10	TRANSFER EASEMENT	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	ALECTRA UTILITIES CORPORATION	C
YR2652085	2017/04/10	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	ALECTRA UTILITIES CORPORATION	C
		REMARKS: YR2299146 TO YR2652084				
YR2652086	2017/04/10	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	ALECTRA UTILITIES CORPORATION	C
		REMARKS: YR2572486 TO YR2652084				
YR2652087	2017/04/10	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	ALECTRA UTILITIES CORPORATION	C
		REMARKS: YR2340877, YR2341683, YR2380504, YR2398064, YR2415581, YR2421491, YR2442481, YR2481743 & YR2543312 TO YR2652084				
YR2664317	2017/05/05	NOTICE	\$2	THE CORPORATION OF THE CITY OF MARKHAM	SUNRISE ACQUISITIONS (HWY 7) INC.	C
		REMARKS: SITE PLAN CONTROL AGREEMENT				
YR2664318	2017/05/05	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C
		REMARKS: YR2299146 TO YR2664317				
YR2664319	2017/05/05	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C
		REMARKS: YR2572486 TO YR2664317				
YR2664320	2017/05/05	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	THE CORPORATION OF THE CITY OF MARKHAM	C
		REMARKS: YR2340877 TO YR2664317				
YR2666512	2017/05/10	BYLAW		THE CORPORATION OF THE CITY OF MARKHAM		C
		REMARKS: BY-LAW TO DESIGNATE PART OF A CERTAIN PLAN OF SUBDIVISION NOT SUBJECT TO PART LOT CONTROL				
YR2720530	2017/08/21	NOTICE	\$4,000,000	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
		REMARKS: YR2572486				

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR2782817	2018/01/12	RESTRICTION-LAND		SUNRISE ACQUISITIONS (HWY 7) INC.		C
		REMARKS: ANY TRANSFER OF THE LANDS SET OUT HEREIN, NAMELY PIN 02985-0545 (LT) IS HEREBY PROHIBITED UNLESS AND UNTIL THE CONSENT OF THE DIRECTOR OF PLANNING AND URBAN DESIGN, FOR THE CORPORATION OF THE CITY OF MARKHAM, OR HIS DESIGNATE HAS BEEN OBTAINED.				
65R37967	2018/07/31	PLAN REFERENCE				C
YR2872432	2018/09/12	NOTICE	\$5,500,000	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
		REMARKS: YR2572486				
YR2872560	2018/09/12	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	KINGSETT MORTGAGE CORPORATION	C
		REMARKS: YR2340877 & YR2481743 TO YR2572486, YR2720530 & YR2872432				
YR2872601	2018/09/12	TRANSFER	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	SUNRISE ACQUISITIONS (HWY 7) INC.	C
YR3006971	2019/09/11	BYLAW		THE CORPORATION OF THE CITY OF MARKHAM		C
		REMARKS: BY-LAW 2019-99 A BY-LAW TO DESIGNATE PART OF A CERTAIN PLAN OF SUBDIVISION NOT SUBJECT TO PART LOT CONTROL				
YRCP1420	2019/09/17	CE CONDO PLN				C
YR3009447	2019/09/17	CONDO DECLARATION		SUNRISE ACQUISITIONS (HWY 7) INC.		C
YR3011927	2019/09/24	CONDO BYLAW/98		YORK REGION COMMON ELEMENTS CONDOMINIUM CORPORATION NO. 1420		C
		REMARKS: BY-LAW NO. 1				
YR3012090	2019/09/24	NOTICE		SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
		REMARKS: YR2299146				
YR3015611	2019/10/02	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	FAAN MORTGAGE ADMINISTRATORS INC.	C

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YR2623646	2017/02/09	POSTPONEMENT REMARKS: YR2299146 TO YR2623645		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C
YR2623647	2017/02/09	POSTPONEMENT REMARKS: YR2572486 TO YR2623645		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE TOWN OF MARKHAM	C
YR2623649	2017/02/09	APL ANNEX REST COV		SUNRISE ACQUISITIONS (HWY 7) INC.		C
YR2639573	2017/03/16	TRANSFER EASEMENT	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	ENBRIDGE GAS DISTRIBUTION INC.	C
YR2652084	2017/04/10	TRANSFER EASEMENT	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	ALECTRA UTILITIES CORPORATION	C
YR2652085	2017/04/10	POSTPONEMENT REMARKS: YR2299146 TO YR2652084		KINGSETT MORTGAGE CORPORATION	ALECTRA UTILITIES CORPORATION	C
YR2652086	2017/04/10	POSTPONEMENT REMARKS: YR2572486 TO YR2652084		KINGSETT MORTGAGE CORPORATION	ALECTRA UTILITIES CORPORATION	C
YR2664317	2017/05/05	NOTICE REMARKS: SITE PLAN CONTROL AGREEMENT	\$2	THE CORPORATION OF THE CITY OF MARKHAM	SUNRISE ACQUISITIONS (HWY 7) INC.	C
YR2664318	2017/05/05	POSTPONEMENT REMARKS: YR2299146 TO YR2664317		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C
YR2664319	2017/05/05	POSTPONEMENT REMARKS: YR2572486 TO YR2664317		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C
YR2666512	2017/05/10	BYLAW REMARKS: BY-LAW TO DESIGNATE PART OF A CERTAIN PLAN OF		THE CORPORATION OF THE CITY OF MARKHAM SUBDIVISION NOT SUBJECT TO PART LOT CONTROL		C
YR2720530	2017/08/21	NOTICE REMARKS: YR2572486	\$4,000,000	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR2782817	2018/01/12	RESTRICTION-LAND REMARKS: ANY TRANSFER OF THE LANDS SET OUT HEREIN, NAMELY PIN 02985-0545 (LT) IS HEREBY PROHIBITED UNLESS AND UNTIL THE CONSENT OF THE DIRECTOR OF PLANNING AND URBAN DESIGN, FOR THE CORPORATION OF THE CITY OF MARKHAM, OR HIS DESIGNATE HAS BEEN OBTAINED.		SUNRISE ACQUISITIONS (HWY 7) INC.		C
YR2872432	2018/09/12	NOTICE REMARKS: YR2572486	\$5,500,000	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR3007344	2019/09/12	BYLAW REMARKS: BY-LAW 2019-99 A BY-LAW TO DESIGNATE PART OF A CERTAIN PLAN OF SUBDIVISION NOT SUBJECT TO PART LOT CONTROL		THE CORPORATION OF THE CITY OF MARKHAM		C

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YRCP1420	2019/09/17	CE CONDO PLN				C
YR3009447	2019/09/17	CONDO DECLARATION		SUNRISE ACQUISITIONS (HWY 7) INC.		C
YR3011927	2019/09/24	CONDO BYLAW/98 REMARKS: BY-LAW NO. 1		YORK REGION COMMON ELEMENTS CONDOMINIUM CORPORATION NO. 1420		C
YR3012090	2019/09/24	NOTICE REMARKS: YR2299146		SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR3015611	2019/10/02	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	FAAN MORTGAGE ADMINISTRATORS INC.	C

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## **Appendix “B”**



Superior Court of Justice  
Commercial List

FILE/DIRECTION/ORDER

Kingsett Mortgage Corporation Plaintiff(s)

AND

Sunrise Acquisitions (Hwy 7) Inc. Defendant(s)

Case Management  Yes  No by Judge: \_\_\_\_\_

Counsel	Telephone No.:	Facsimile No.:

- Order  Direction for Registrar (No formal order need be taken out)
- Above action transferred to the Commercial List at Toronto (No formal order need be taken out)
- Adjourned to: \_\_\_\_\_
- Time Table approved (as follows):

*Order to go in accordance with the  
endorsement attached hereto as Schedule A.*

June 9, 2021  
Date

W. Hon-L. J.  
Judge's Signature

Additional Pages \_\_\_\_\_

**SCHEDULE A****ENDORSEMENT****Kingsett Mortgage Corporation v. Sunrise Acquisitions (Hwy 7) Inc.**

1. The applicant, Kingsett Mortgage Corporation, (the “applicant”), seeks the appointment of a receiver. The debtor, Sunrise Acquisitions (Hwy 7) Inc. (the “debtor”), opposes and seeks an adjournment.
2. The debtor is a single purpose corporation that has developed a property. In 2017, the debtor defaulted on a second syndicated mortgage previously arranged by Fortress Real Developments Inc. and currently administered by FAAN Mortgage Administrators Inc. (“FAAN”). On May 1, 2021, the debtor also defaulted on a first mortgage in favour of the applicant. As of May 31, 2021, it is understood that approximately \$1.95 million is outstanding under the first mortgage and approximately \$10.7 million is outstanding under the second mortgage. The loans in favour of the applicant secured by the first mortgage are guaranteed by Sajjad Hussain and Mazammil Kodwavi, the directors and officers of the debtor.
3. The remaining assets of the debtor available to repay the applicant and FAAN consist of five essentially completed townhouses. Depending upon the timing and the selling price of the remaining five houses, it is probable, but not certain, that the applicant will be repaid and it is certain that FAAN will not be repaid.
4. Accordingly, the sales of the remaining five townhouses are very important to both creditors. The debtor has entered into agreements of purchase and sale respecting each of these townhouses. The applicant and FAAN raise the following concerns regarding these agreements.
5. The purchase price does not meet the minimum threshold for a compliant sale under the loan arrangements with the applicant. Four of the five agreements are made with related parties, including three with the spouse of one of the guarantors. The deposits are unusually high, in some cases in excess of 50% of the sale price, but have not been retained in trust and therefore do not represent monies that will be delivered at closing. The debtor has stated that these deposits have been depleted in the construction of the townhouses but there is no evidence to confirm this.
6. The applicant, supported by FAAN, seeks the appointment of a receiver primarily for the purposes of preserving the five townhouses for sale and reviewing the circumstances surrounding these agreements of purchase and sale. It can be expected that they will seek an order permitting the receiver to disclaim these agreements if circumstances warrant



after the review is completed. For its part, the debtor, and more particularly one of the guarantors, seeks to complete these agreements given that the deposits no longer exist.

7. Dealing first with the debtor's request for an adjournment, Mr. Kodwavi says in an affidavit that he is trying to arrange financing that will allow the debtor to repay the applicant's debt in full. He seeks an adjournment of five weeks for this purpose or, alternatively, of two weeks to prepare responding application materials. In oral submissions, however, it became clear that Mr. Kodwavi's intention was to pay the outstanding amount due to the applicant in his capacity as a guarantor of the applicant's loans and thereby receive an assignment of the applicant's loan position. In these circumstances, Mr. Kodwavi would be able to implement a power of sale proceeding in order to sell the remaining townhouses if he were unable to reach a satisfactory agreement with FAAN regarding the remaining townhouses.
8. In the ordinary course, a debtor seeking to refinance a development project might obtain an adjournment at the first hearing after default if it were prepared to keep the outstanding debt current during the adjournment period and if there were a reasonable prospect of a refinancing. In this case, default on the first mortgage occurred on May 1. The applicant record was served and filed on or about May 28. However, the second mortgage has been in default since 2017. The debtor and its principals have had ample time to explore financing options. There is no evidence they have done so. In fact, their opposition to this motion, and their request for an adjournment, was only served on the morning of the hearing. Their motion materials do not contain any evidence of any efforts to seek a refinancing of either mortgage and no basis for believing that there is any possibility of any refinancing. Nor is there any offer to keep the creditors current during the period of any adjournment.
9. However, there is also a more fundamental reason for refusing the request for an adjournment. This is not a case in which the debtor, or its principal, proposes a refinancing to preserve its equity in a project by injecting monies that will pay out the existing creditors. Given the size of the second mortgage, the debtor has no equity in the project as there is no prospect of any refinancing of the second mortgage. The contemplated financing will not inject any additional monies into the project. Instead, Mr. Kodwavi seeks time in order to explore the possibility of a "re-financing" to take an assignment of the first mortgage for strategic purposes.
10. While this proposed action is certainly available to a debtor/guarantor, I do not think that it is deserving of the Court's exercise of discretion when balanced against the legitimate concerns of both creditors for an appropriate sales process for the remaining townhouses. The proposed adjournment will not contribute in any way toward such a sales process. It will simply hold it up for a period of time and increase the accrued interest on the outstanding loans.

11. In addition, I do not see any material prejudice to the debtor or the guarantors to the denial of the requested adjournment insofar as they oppose any future disclaimer of the agreements for the sale of the townhouses. The matters that the debtor/guarantors wish to raise by way of responding materials pertain to the legitimacy of the sales agreements given past practice and otherwise. These are the very matters that will be investigated by the receiver as a court appointed receiver. They would also have to be addressed by the Court in any future motion by the receiver seeking the authority to disclaim such contracts. There will therefore be an opportunity for the debtor/guarantors to put forward their position on the appropriateness of the sale agreements both to the receiver and ultimately to the Court should the receiver move to disclaim the agreements. I also note that there is no evidence of any operating business that would be affected by a receivership.
12. Accordingly, the request for an adjournment, on either basis sought by the debtor, is denied for the reasons above.
13. I turn then to the request for the appointment of a receiver under s. 234(1) of the *Bankruptcy and Insolvency Act* and s. 101 of the *Courts of Justice Act*.
14. There is no doubt that, if this application had been brought by FAAN as the second mortgagee, the “just and convenient” requirement for the appointment of a receiver would have been satisfied. The second mortgage has been in default since the spring of 2017 and there is no prospect of any refinancing to pay out this debt. FAAN has a significant interest in maximizing the net sales proceeds from the sale of the remaining townhouses as the syndicated mortgagees that it represents are entitled to all of the residual equity in the project after payment of the applicant’s loans. FAAN has lost all trust and confidence in the debtor and its principals generally. In addition, significant questions have arisen regarding the agreements of purchase and sale which only reinforce that lack of trust and confidence. The apparent strategy of the guarantor to seek leverage against FAAN through its contemplated “refinancing” in order to achieve completion of these agreements only adds to this view of the debtor and its principals. In these circumstances the appointment of a receiver to preserve the property and to investigate the circumstances regarding these agreements is eminently reasonable.
15. In his materials filed today, Mr. Kodwavi says that he is prepared to inject an additional \$800,000 in total into the four sales to avoid the appointment of a receiver. This offer has been rejected by the creditors and, in particular, by FAAN. The Court cannot force such an arrangement on the parties. In the circumstances, the creditors’ rejection of this offer is a further indication of the extent of the lack of trust between the debtor and the creditors regarding the existing sale arrangements that is reflected in the request for the appointment of a receiver for the purposes described above.
16. The debtor argues, however, that the application should be denied because it is brought by the applicant, the first mortgagee, rather than FAAN. It says that the applicant has no

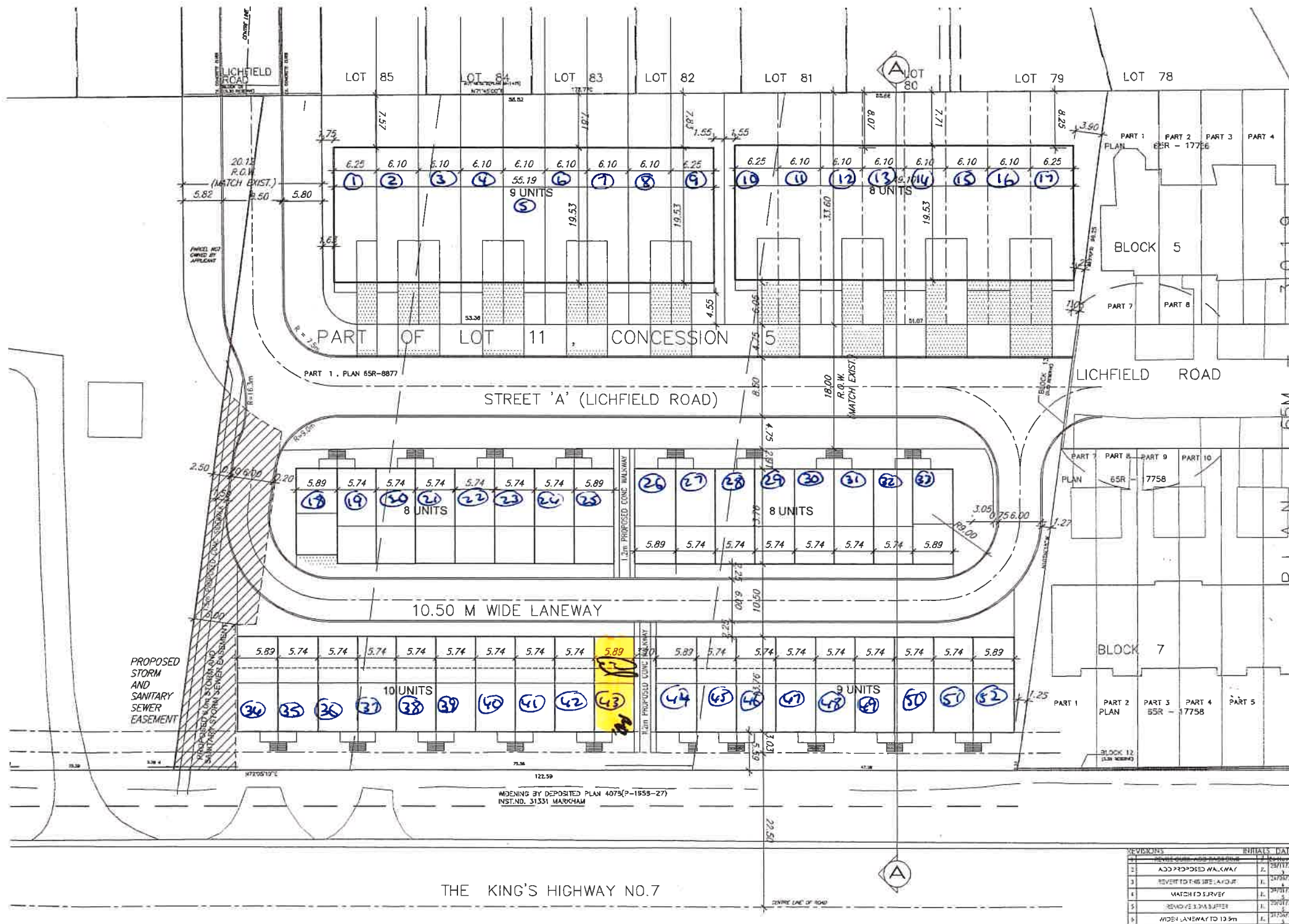
interest that requires protection in the form of a receiver, because it is possible or even probable that the applicant will be paid out on the sale of the townhouses.

17. I do not agree for the following reasons.
18. Until completion of the sale of the five townhouses, the applicant has, and will have, a real interest in ensuring that the sale of the townhouses proceeds in an orderly fashion in as short a period of time as possible in order to maximize the sales proceeds and thereby the likelihood that it will be paid out. This reflects the fact that, until completion of the sales, there remains uncertainty as to the exact payout to the applicant from these sales. In addition, the related party nature of four of the executed agreements, and in particular of the three that were executed by the wife of one of the guarantors, raises the question of whether the purchasers will be able to complete the transactions given the present economic circumstances of the debtor.
19. The Applicant and FAAN also argue that the Court should consider the interest of all the creditors, even if the applicant is a first secured creditor who is likely to be paid out. While I am not sure that is correct in all circumstances, in this case, the sale of these townhouses will require a discharge from the second mortgage which is best effected cooperatively between the two creditors. FAAN supports the application and, at the present time, is acting in concert with the first mortgagee to the benefit of the syndicated mortgagees that it represents by minimizing their legal and professional costs. The fact that the situation could change if the debtor or a guarantor were to take an assignment of the applicant's position is in my view too speculative to override the foregoing considerations in favour of a receiver based on current circumstances. For these reasons, I think the protection of the interest of the second mortgagee, FAAN, with a view to minimizing its loss, is a legitimate consideration. In this respect, I also reject the debtor's argument that the appointment of a receiver will result in unnecessary costs given that FAAN, as the party that will effectively bear such costs, supports the appointment of a receiver nonetheless.
20. Based on the foregoing, the debtor's motion for an adjournment is denied and the applicant's motion for the appointment of a receiver on the basis described above is granted.

---

Wilton-Siegel J.

## **Appendix “C”**



No. of Units  
17 - 2 storey  
35 - 3 storey  
52 - Total

client	Sunrise Homes
project	
model	
project #	15050
scale	1:500
page	S1

NO.	REVISIONS	INITIALS	DATE
1	REVISED SHIM AND ANCHORS	JL	25/11/2017
2	ADD PROPOSED WALKWAY	JL	25/11/2017
3	REVERT TO THIS SITE LAYOUT	JL	27/11/2017
4	MATCH TO SURVEY	JL	28/11/2017
5	REMOVE 3.0m BUFFER	JL	29/11/2017
6	WIDEN LANEWAY TO 10.5m	JL	29/11/2017

## **Appendix “D”**

**From:** Sean Zweig <[ZweigS@bennettjones.com](mailto:ZweigS@bennettjones.com)>  
**Sent:** July 13, 2021 4:41 PM  
**To:** Fred Tayar <[fred@fredtayar.com](mailto:fred@fredtayar.com)>  
**Cc:** Noah Goldstein <[ngoldstein@ksvadvisory.com](mailto:ngoldstein@ksvadvisory.com)>  
**Subject:** RE: Lots 47-50 - SOA's

Fred,

We will discuss with KingSett and FAAN, but this email with KingSett just shows that KingSett was provided with the SOAs for the sales. There is no response from KingSett that you have sent, and no discharges granted. My understanding is that KingSett refused to provide the requested discharges. So I am not sure on what basis you say KingSett acquiesced to the sales from the outset.

I will not address your estoppel point at this time, other than to say I respectfully disagree. But in any event, that disagreement will only be relevant if/when you can demonstrate that KingSett and FAAN did in fact both acquiesce to the sales. So we can have that debate another time if ever relevant.

Lastly, can you please confirm who you are acting for? I had understood it to be the debtor, but assuming that is true, can you please help me understand why the debtor is focused on whether the sale agreements continue in place? I would have thought the debtor is focused on maximizing value for its mortgagees. What interest does the debtor have in protecting the sale agreements?



**Sean Zweig**  
*Partner\**, Bennett Jones LLP  
 \*Denotes Professional Corporation

3400 One First Canadian Place, P.O. Box 130, Toronto, ON, M5X 1A4  
 T. [416 777 6254](tel:4167776254) | F. [416 863 1716](tel:4168631716)  
 E. [zweigs@bennettjones.com](mailto:zweigs@bennettjones.com)

**From:** Fred Tayar <[fred@fredtayar.com](mailto:fred@fredtayar.com)>  
**Sent:** Tuesday, July 13, 2021 2:57 PM  
**To:** Sean Zweig <[ZweigS@bennettjones.com](mailto:ZweigS@bennettjones.com)>  
**Subject:** FW: Lots 47-50 - SOA's

Sean,

Both mortgagees were aware of the sales of the units to the spouses of the principals. By way of example, please see the email below from my client to Justin Walton of Kingsettcapital dated January 29, 2020. The mortgagees acquiesced in these sales from the outset. Had they expressed any reservation, my client would have sold the units to others. I suggest, respectfully, that the mortgagees and therefore the receiver who was appointed on Kinsett's application with Faan's consent, are estopped from disputing the enforceability and validity of these agreements.

I'll send you a sample email exchange between Faan and Sunrise momentarily.

Fred

----- Forwarded message -----

**From:** Muzammil Kodwavi <[mkodwavi@sunrisehomes.ca](mailto:mkodwavi@sunrisehomes.ca)>  
**Date:** Wed, Jan 29, 2020 at 9:50 AM  
**Subject:** Re: Lots 47-50 - SOA's  
**To:** Justin Walton <[JWalton@kingsettcapital.com](mailto:JWalton@kingsettcapital.com)>

Hi Justin,

Attach are SOA for Lots: 47,48,49 & 50. As discussed and promised ! Can you please get us discharge statements at earliest. Thanks.

Regards,

Muzammil Y Kodwavi  
 COO  
 Sunrise Homes Ltd.  
 50 West Wilmot Street, Suite: 100  
 Richmond Hill, ON, L4B 1M5  
 T: 905-597-3333  
 F: 905-597-3334

[www.sunrisehomes.ca](http://www.sunrisehomes.ca)

**From:** Mia Zumrov <[mia@nwinlaw.com](mailto:mia@nwinlaw.com)>  
**Sent:** January 28, 2020 3:02 PM  
**To:** Veniece Omand <[v.omand@sunrisehomes.ca](mailto:v.omand@sunrisehomes.ca)>  
**Cc:** Muzammil Kodwavi <[mkodwavi@sunrisehomes.ca](mailto:mkodwavi@sunrisehomes.ca)>  
**Subject:** RE: Lots 47-49 - SOA's

Ok. See attached.

Regards,

Mia

**From:** Veniece Omand [<mailto:v.omand@sunrisehomes.ca>]  
**Sent:** January-28-20 2:50 PM  
**To:** Mia Zumrov <[mia@nwinlaw.com](mailto:mia@nwinlaw.com)>  
**Cc:** Muzammil Kodwavi <[mkodwavi@sunrisehomes.ca](mailto:mkodwavi@sunrisehomes.ca)>  
**Subject:** RE: Lots 47-49 - SOA's

Hi Mia,

Yes please revise and adjust for common element fees.

*Veniece Omand*



**From:** Mia Zumrov <[mia@nwinlaw.com](mailto:mia@nwinlaw.com)>  
**Sent:** January 28, 2020 1:03 PM  
**To:** Veniece Omand <[v.omand@sunrisehomes.ca](mailto:v.omand@sunrisehomes.ca)>  
**Cc:** Muzammil Kodwavi <[mkodwavi@sunrisehomes.ca](mailto:mkodwavi@sunrisehomes.ca)>  
**Subject:** RE: Lots 47-49 - SOA's

Hi,

Please see attached SOA for Lot 49. I realize that I did not adjust for common expenses on the SOAs below. Please confirm if I should do so, and I'll resend them.

Thank you,

Mia

[MIA ZUMROV](mailto:mia@nwinlaw.com) | 416.964.0325 | [mia@nwinlaw.com](mailto:mia@nwinlaw.com)

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## N. H. WINTER LAW, PROFESSIONAL CORPORATION

21 Dundas Square, 11<sup>th</sup> Floor, Toronto, Ontario M5B 1B7 Canada | T. 416.964-0325 | F. 416.964.2494

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**From:** Mia Zumrov  
**Sent:** January-28-20 12:14 PM  
**To:** Veniece Omand <[v.omand@sunrisehomes.ca](mailto:v.omand@sunrisehomes.ca)>  
**Cc:** Muzammil Kodwavi <[mkodwavi@sunrisehomes.ca](mailto:mkodwavi@sunrisehomes.ca)>  
**Subject:** RE: Lots 47-49 - SOA's

Hi Veniece,

Please see attached, for review and approval. I will need these approved ASAP in order to request discharge statements from Kingsett.

Regards,

Mia

[MIA ZUMROV](mailto:mia@nwinlaw.com) | 416.964.0325 | [mia@nwinlaw.com](mailto:mia@nwinlaw.com)

---

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<http://www.bennettjones.com/unsubscribe>

## **Appendix “E”**

**From:** Stidwill, Sean  
**Sent:** Tuesday, December 01, 2020 6:33 PM  
**To:** Norman Winter <[nw@nwinlaw.com](mailto:nw@nwinlaw.com)>; Alina Ramos <[alina@nwinlaw.com](mailto:alina@nwinlaw.com)>; Nerissa <[nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)>  
**Cc:** Disenhouse, Josh <[JDisenhouse@osler.com](mailto:JDisenhouse@osler.com)>; Storm, Lorna <[LStorm@osler.com](mailto:LStorm@osler.com)>; Daniel Sobel <[daniel@faanmortgageadmin.com](mailto:daniel@faanmortgageadmin.com)>  
**Subject:** RE: SUNRISE ACQUISITIONS (HWY 7) INC. – Discharge Mortgage on 4130 Hwy 7, Lots 43, 47, 48, 49 & 50 to Sorrenti/Union Villas

Hi Norm,

The condition for release is an email from Osler or FAAN confirming that the discharges may be released from escrow and registered. We can consider “on the basis of the financial and other information that has been provided” deleted from my email below. Please let us know once the closing date(s) are confirmed and Kingsett is ready to proceed.

Best,  
 Sean

**OSLER**

**Sean Stidwill**  
 Associate | [SStidwill@osler.com](mailto:SStidwill@osler.com)  
 416.862.4871 (Toronto) | 613.787.1100 (Ottawa)  
 Osler, Hoskin & Harcourt LLP | [Osler.com](http://Osler.com)

**From:** Norman Winter <[nw@nwinlaw.com](mailto:nw@nwinlaw.com)>  
**Sent:** Tuesday, December 01, 2020 5:48 PM  
**To:** Stidwill, Sean <[SStidwill@osler.com](mailto:SStidwill@osler.com)>; Alina Ramos <[alina@nwinlaw.com](mailto:alina@nwinlaw.com)>; Nerissa <[nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)>  
**Cc:** Disenhouse, Josh <[JDisenhouse@osler.com](mailto:JDisenhouse@osler.com)>; Storm, Lorna <[LStorm@osler.com](mailto:LStorm@osler.com)>; Daniel Sobel <[daniel@faanmortgageadmin.com](mailto:daniel@faanmortgageadmin.com)>  
**Subject:** RE: SUNRISE ACQUISITIONS (HWY 7) INC. – Discharge Mortgage on 4130 Hwy 7, Lots 43, 47, 48, 49 & 50 to Sorrenti/Union Villas

Hi Sean,

Thank you for the discharges. I don't understand the escrow terms, particularly “of the financial and other information that has been provided”. I do not know what financial and other information you are referring to, and therefore would not be able to know if that escrow term has been satisfied. Can you simplify by deleting all after ‘discharge’, i.e., if Kingsett agrees to provide a discharge?

Norm

**NORMAN H. WINTER** | 416.964.0325, ext. 280 | [nw@nwinlaw.com](mailto:nw@nwinlaw.com)

**N. H. WINTER LAW, PROFESSIONAL CORPORATION**

21 Dundas Square, 11<sup>th</sup> Floor, Toronto, Ontario M5B 1B7 Canada | T. 416.964.0325 | F. 416.964.2494

**From:** Stidwill, Sean <[SStidwill@osler.com](mailto:SStidwill@osler.com)>

**Sent:** December 1, 2020 4:28 PM

**To:** Norman Winter <[nw@nwinlaw.com](mailto:nw@nwinlaw.com)>; Alina Ramos <[alina@nwinlaw.com](mailto:alina@nwinlaw.com)>; Nerissa <[nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)>

**Cc:** Disenhouse, Josh <[JDisenhouse@osler.com](mailto:JDisenhouse@osler.com)>; Storm, Lorna <[LStorm@osler.com](mailto:LStorm@osler.com)>; Daniel Sobel <[daniel@faanmortgageadmin.com](mailto:daniel@faanmortgageadmin.com)>

**Subject:** RE: SUNRISE ACQUISITIONS (HWY 7) INC. – Discharge Mortgage on 4130 Hwy 7, Lots 43, 47, 48, 49 & 50 to Sorrenti/Union Villas

Please see attached for A&Ds signed by FAAN, in its capacity as trustee of Sorrenti, for lots 47, 48, 49, and 50, which are being sent to you in escrow.

The attached may be released from escrow and relied upon to register the applicable discharges only upon receipt of a separate email confirmation from Osler or FAAN that you may proceed in connection with the unit closings. Prior to providing any such confirmation, we will need confirmation of the closing date(s) and that Kingsett is also prepared to discharge on the basis of the financial and other information that has been provided.

Best,  
Sean

**OSLER**

**Sean Stidwill**

Associate | [SStidwill@osler.com](mailto:SStidwill@osler.com)

416.862.4871 (Toronto) | 613.787.1100 (Ottawa)

Osler, Hoskin & Harcourt LLP | [Osler.com](http://Osler.com)

**From:** Alina Ramos <[alina@nwinlaw.com](mailto:alina@nwinlaw.com)>

**Sent:** Tuesday, December 01, 2020 1:25 PM

**To:** Stidwill, Sean <[SStidwill@osler.com](mailto:SStidwill@osler.com)>

**Cc:** Norman Winter <[nw@nwinlaw.com](mailto:nw@nwinlaw.com)>; Nerissa <[nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)>; Disenhouse, Josh <[JDisenhouse@osler.com](mailto:JDisenhouse@osler.com)>; Storm, Lorna <[LStorm@osler.com](mailto:LStorm@osler.com)>; Daniel Sobel <[daniel@faanmortgageadmin.com](mailto:daniel@faanmortgageadmin.com)>

**Subject:** SUNRISE ACQUISITIONS (HWY 7) INC. – Discharge Mortgage on 4130 Hwy 7, Lots 43, 47, 48, 49 & 50 to Sorrenti/Union Villas

Hi Mr. Stidwill:

Further to your e-mail below, attached are the following documents:

1. Amended Ereg Acknowledgement & Directions;
2. Amendments to the Agreements of Purchase and Sale;

3. Statement of Adjustments; and
4. Copies of the Sorrenti registered Discharges.

Please provide us with the signed Discharges, as soon as possible.

Thank you,  
Alina

**ALINA RAMOS**, Law Clerk, 416.964.0325, ext. 270 | [alina@nwinlaw.com](mailto:alina@nwinlaw.com)

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## **N. H. WINTER LAW, PROFESSIONAL CORPORATION**

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**From:** Stidwill, Sean <[SStidwill@osler.com](mailto:SStidwill@osler.com)>

**Sent:** Tuesday, December 01, 2020 12:28 PM

**To:** Alina Ramos <[alina@nwinlaw.com](mailto:alina@nwinlaw.com)>

**Cc:** Norman Winter <[nw@nwinlaw.com](mailto:nw@nwinlaw.com)>; Nerissa <[nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)>; Disenhouse, Josh <[JDisenhouse@osler.com](mailto:JDisenhouse@osler.com)>; Storm, Lorna <[LStorm@osler.com](mailto:LStorm@osler.com)>; Daniel Sobel <[daniel@faanmortgageadmin.com](mailto:daniel@faanmortgageadmin.com)>

**Subject:** RE: SUNRISE ACQUISITIONS (HWY 7) INC. – Discharge Mortgage on 4130 Hwy 7, Lots 43, 47, 48, 49 & 50 to Sorrenti/Union Villas

Hi Alina,

We understand that the purchase price for these units has or will be adjusted and that closing is now intended to occur sometime this week. We have reviewed the discharges and A&Ds and our only comments are that a signature block for FAAN, as trustee of Sorrenti, was inadvertently omitted from the first A&D (Lot 43) and should be inserted as well as that some of the date lines will need to be changed from November to December.

Please provide copies of any amendments to the APSs and SOAs. Please also forward receipted copies of all of the Sorrenti discharges that have been registered to date.

Best,  
Sean

**OSLER**

**Sean Stidwill**

Associate | [SStidwill@osler.com](mailto:SStidwill@osler.com)

416.862.4871 (Toronto) | 613.787.1100 (Ottawa)

Osler, Hoskin & Harcourt LLP | [Osler.com](http://Osler.com)

**From:** Alina Ramos <[alina@nwinlaw.com](mailto:alina@nwinlaw.com)>  
**Sent:** Monday, November 23, 2020 3:37 PM  
**To:** Stidwill, Sean <[SStidwill@osler.com](mailto:SStidwill@osler.com)>  
**Cc:** Norman Winter <[nw@nwinlaw.com](mailto:nw@nwinlaw.com)>; Nerissa <[nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)>; Disenhouse, Josh <[JDisenhouse@osler.com](mailto:JDisenhouse@osler.com)>; Storm, Lorna <[LStorm@osler.com](mailto:LStorm@osler.com)>; Daniel Sobel <[daniel@faanmortgageadmin.com](mailto:daniel@faanmortgageadmin.com)>  
**Subject:** SUNRISE ACQUISITIONS (HWY 7) INC. – Discharge Mortgage on 4130 Hwy 7, Lots 43, 47, 48, 49 & 50 to Sorrenti/Union Villas

Hi Mr. Stidwill:

Further to your e-mail below, please see attached the following documents:

1. Current parcel registers for each Lot;
2. Draft Acknowledgement and Directions with draft Discharges for each Lot, as per your request; and
3. Amended Statement of Adjustments for Lots 47, 48, 49 & 50.

We are still waiting to hear from our client regarding paragraph 2 of your e-mail below.

Regards,  
 Alina

**ALINA RAMOS, Law Clerk, 416.964.0325, ext. 270 | [alina@nwinlaw.com](mailto:alina@nwinlaw.com)**

---

## **N. H. WINTER LAW, PROFESSIONAL CORPORATION**

21 Dundas Square, 11<sup>th</sup> Floor, Toronto, Ontario M5B 1B7 Canada | T. 416.964-0325 | F. 416.964.2494

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**From:** Stidwill, Sean <[SStidwill@osler.com](mailto:SStidwill@osler.com)>  
**Sent:** Monday, November 23, 2020 11:46 AM  
**To:** Alina Ramos <[alina@nwinlaw.com](mailto:alina@nwinlaw.com)>  
**Cc:** Norman Winter <[nw@nwinlaw.com](mailto:nw@nwinlaw.com)>; Nerissa <[nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)>; Disenhouse, Josh <[JDisenhouse@osler.com](mailto:JDisenhouse@osler.com)>; Storm, Lorna <[LStorm@osler.com](mailto:LStorm@osler.com)>; Daniel Sobel <[daniel@faanmortgageadmin.com](mailto:daniel@faanmortgageadmin.com)>  
**Subject:** RE: SUNRISE ACQUISITIONS (HWY 7) INC. – Discharge Mortgage on 4130 Hwy 7, Lots 43, 47, 48, 49 & 50 to Sorrenti/Union Villas

Hi Alina,

Please see attached for comments on the A&D. As noted in the attached, please send across separate A&Ds for each closing.

Please also provide the following:

1. current parcel registers for each lot;
2. a statement indicating whether any of these sales are to non-arm's length parties and, if so, identifying the name(s), relationship(s), etc., to the borrower and/or its principals; and
3. receipted copies of all of the Sorrenti discharges that have been registered to date (as well as registered copies for each discharge going forward).

We understand that our client is reaching out to your client for additional financial information regarding these closings, which will need to be provided prior to the delivery of any signed documents.

Best,  
Sean

**OSLER**

**Sean Stidwill**  
Associate | [SStidwill@osler.com](mailto:SStidwill@osler.com)  
416.862.4871 (Toronto) | 613.787.1100 (Ottawa)  
Osler, Hoskin & Harcourt LLP | [Osler.com](http://Osler.com)

**From:** Alina Ramos <[alina@nwinlaw.com](mailto:alina@nwinlaw.com)>  
**Sent:** Friday, November 20, 2020 2:18 PM  
**To:** Stidwill, Sean <[SStidwill@osler.com](mailto:SStidwill@osler.com)>; Daniel Sobel <[daniel@faanmortgageadmin.com](mailto:daniel@faanmortgageadmin.com)>  
**Cc:** Norman Winter <[nw@nwinlaw.com](mailto:nw@nwinlaw.com)>; Nerissa <[nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)>; Disenhouse, Josh <[JDisenhouse@osler.com](mailto:JDisenhouse@osler.com)>; Storm, Lorna <[LStorm@osler.com](mailto:LStorm@osler.com)>  
**Subject:** SUNRISE ACQUISITIONS (HWY 7) INC. – Discharge Mortgage on 4130 Hwy 7, Lots 43, 47, 48, 49 & 50 to Sorrenti/Union Villas

Hi Mr. Stidwill:

Our client advises that it has made arrangements with your client for your client to provide a Discharge of the Sorrenti mortgage on the above 5 Lots, on the basis of the closing proceeds being paid to obtain a discharge of the KingSett mortgage, payment of our legal fees, disbursements and HST and the balance to be held in our trust account pending your client's further instructions.

In this regard, we are attaching the Agreement of Purchase and Sale, Statement of Adjustments for each of the transactions (Statement of Adjustments for Lots 43, 49 & 50 to follow) and draft Acknowledgement and Direction, with the draft Discharge attached. We are also attaching a Comfort Letter for Lots 43, 47, 48, 49 and 50, for your review, and if acceptable, execution by your client and return to us. We confirm that we will disburse closing funds as above.

Please Note: Closing is scheduled as follows so we ask that you please finalize this by November 23, 2020.

Lot 43 – November 30, 2020  
Lot 47 - November 24, 2020



Lot 48 – November 24, 2020

Lot 49 – November 30, 2020

Lot 50- November 30, 2020

If you have any questions regarding any of the above, please do not hesitate to contact us.

Thank you,  
Alina

**ALINA RAMOS, Law Clerk, 416.964.0325, ext. 270 | [alina@nwinlaw.com](mailto:alina@nwinlaw.com)**

---

**N. H. WINTER LAW, PROFESSIONAL CORPORATION**

**21 Dundas Square, 11<sup>th</sup> Floor, Toronto, Ontario M5B 1B7 Canada | T. 416.964-0325| F. 416.964.2494**

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\*\*\*\*\*

**From:** Stidwill, Sean <[SStidwill@osler.com](mailto:SStidwill@osler.com)>  
**Sent:** Monday, January 25, 2021 2:05 PM  
**To:** Norman Winter <[nw@nwinlaw.com](mailto:nw@nwinlaw.com)>; Alina Ramos <[alina@nwinlaw.com](mailto:alina@nwinlaw.com)>; Nerissa <[nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)>  
**Cc:** Disenhouse, Josh <[JDisenhouse@osler.com](mailto:JDisenhouse@osler.com)>; Storm, Lorna <[LStorm@osler.com](mailto:LStorm@osler.com)>; Daniel Sobel <[daniel@faanmortgageadmin.com](mailto:daniel@faanmortgageadmin.com)>  
**Subject:** RE: SUNRISE ACQUISITIONS (HWY 7) INC. – Discharge Mortgage on 4130 Hwy 7, Lots 43, 47, 48, 49 & 50 to Sorrenti/Union Villas

This message's attachments contains at least one web link. This is often used for phishing attempts. Please only interact with this attachment if you know its source and that the content is safe. If in doubt, confirm the legitimacy with the sender by phone.

Hi Norm,

I hope that 2021 is treating you well.

As you may be aware, your client has undertaken to deliver or direct any refunds of cash collateral held by the City of Markham and/or Tarion to FAAN, in its capacity as Trustee of Sorrenti's syndicated mortgage loan administration business, as a repayment of the debt obligations owing to Sorrenti (see attached email, and I understand that there were various discussions to the same effect). The Trustee has been seeking additional details regarding those letters of credit from your client so that we may include specifics in a formal written undertaking. I understand that Sunrise has not provided any such details and, accordingly, we've prepared a broad undertaking (see second attachment). Please let us know if you have any comments on the form of document. The Trustee will require delivery of an acceptable undertaking prior to releasing the A&Ds/discharges for lots 47, 48, 49, and 50 from escrow.

Please let us know if you would like to discuss.

Best,  
 Sean

<image002.gif>

**Sean Stidwill**  
 Associate | [SStidwill@osler.com](mailto:SStidwill@osler.com)  
 416.862.4871 (Toronto) | 613.787.1100 (Ottawa)  
 Osler, Hoskin & Harcourt LLP | [Osler.com](http://Osler.com)

**From:** Norman Winter <[nw@nwinlaw.com](mailto:nw@nwinlaw.com)>  
**Sent:** Tuesday, December 01, 2020 6:37 PM  
**To:** Stidwill, Sean <[SStidwill@osler.com](mailto:SStidwill@osler.com)>; Alina Ramos <[alina@nwinlaw.com](mailto:alina@nwinlaw.com)>; Nerissa <[nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)>  
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**Subject:** RE: SUNRISE ACQUISITIONS (HWY 7) INC. – Discharge Mortgage on 4130 Hwy 7, Lots 43, 47, 48, 49 & 50 to Sorrenti/Union Villas

Hi Sean,

Thank you for clarifying. We will hold the discharges in escrow on the basis of your email immediately below, and will keep you and FAAN apprised of the confirmed closing dates and if and when Kingsett is ready to proceed.

Best regards,  
Norm

**NORMAN H. WINTER** | 416.964.0325, ext. 280 | [nw@nwinlaw.com](mailto:nw@nwinlaw.com)

**N. H. WINTER LAW, PROFESSIONAL CORPORATION**

21 Dundas Square, 11<sup>th</sup> Floor, Toronto, Ontario M5B 1B7 Canada | T. 416.964.0325 | F. 416.964.2494

**From:** Stidwill, Sean <[SStidwill@osler.com](mailto:SStidwill@osler.com)>

**Sent:** December 1, 2020 6:33 PM

**To:** Norman Winter <[nw@nwinlaw.com](mailto:nw@nwinlaw.com)>; Alina Ramos <[alina@nwinlaw.com](mailto:alina@nwinlaw.com)>; Nerissa <[nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)>

**Cc:** Disenhouse, Josh <[JDisenhouse@osler.com](mailto:JDisenhouse@osler.com)>; Storm, Lorna <[LStorm@osler.com](mailto:LStorm@osler.com)>; Daniel Sobel <[daniel@faanmortgageadmin.com](mailto:daniel@faanmortgageadmin.com)>

**Subject:** RE: SUNRISE ACQUISITIONS (HWY 7) INC. – Discharge Mortgage on 4130 Hwy 7, Lots 43, 47, 48, 49 & 50 to Sorrenti/Union Villas

Hi Norm,

The condition for release is an email from Osler or FAAN confirming that the discharges may be released from escrow and registered. We can consider “on the basis of the financial and other information that has been provided” deleted from my email below. Please let us know once the closing date(s) are confirmed and Kingsett is ready to proceed.

Best,  
Sean

<image002.gif>

**Sean Stidwill**

Associate | [SStidwill@osler.com](mailto:SStidwill@osler.com)

416.862.4871 (Toronto) | 613.787.1100 (Ottawa)

Osler, Hoskin & Harcourt LLP | [Osler.com](http://Osler.com)

**From:** Norman Winter <[nw@nwinlaw.com](mailto:nw@nwinlaw.com)>

**Sent:** Tuesday, December 01, 2020 5:48 PM

**To:** Stidwill, Sean <[SStidwill@osler.com](mailto:SStidwill@osler.com)>; Alina Ramos <[alina@nwinlaw.com](mailto:alina@nwinlaw.com)>; Nerissa <[nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)>

**Cc:** Disenhouse, Josh <[JDisenhouse@osler.com](mailto:JDisenhouse@osler.com)>; Storm, Lorna <[LStorm@osler.com](mailto:LStorm@osler.com)>; Daniel Sobel <[daniel@faanmortgageadmin.com](mailto:daniel@faanmortgageadmin.com)>

**Subject:** RE: SUNRISE ACQUISITIONS (HWY 7) INC. – Discharge Mortgage on 4130 Hwy 7, Lots 43, 47, 48, 49 & 50 to Sorrenti/Union Villas

Hi Sean,

Thank you for the discharges. I don't understand the escrow terms, particularly "of the financial and other information that has been provided". I do not know what financial and other information you are referring to, and therefore would not be able to know if that escrow term has been satisfied. Can you simplify by deleting all after 'discharge', i.e., if Kingsett agrees to provide a discharge?

Norm

**NORMAN H. WINTER** | 416.964.0325, ext. 280 | [nw@nwinlaw.com](mailto:nw@nwinlaw.com)

**N. H. WINTER LAW, PROFESSIONAL CORPORATION**

21 Dundas Square, 11<sup>th</sup> Floor, Toronto, Ontario M5B 1B7 Canada | T. 416.964.0325 | F. 416.964.2494

**From:** Stidwill, Sean <[SStidwill@osler.com](mailto:SStidwill@osler.com)>

**Sent:** December 1, 2020 4:28 PM

**To:** Norman Winter <[nw@nwinlaw.com](mailto:nw@nwinlaw.com)>; Alina Ramos <[alina@nwinlaw.com](mailto:alina@nwinlaw.com)>; Nerissa <[nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)>

**Cc:** Disenhouse, Josh <[JDisenhouse@osler.com](mailto:JDisenhouse@osler.com)>; Storm, Lorna <[LStorm@osler.com](mailto:LStorm@osler.com)>; Daniel Sobel <[daniel@faanmortgageadmin.com](mailto:daniel@faanmortgageadmin.com)>

**Subject:** RE: SUNRISE ACQUISITIONS (HWY 7) INC. – Discharge Mortgage on 4130 Hwy 7, Lots 43, 47, 48, 49 & 50 to Sorrenti/Union Villas

Please see attached for A&Ds signed by FAAN, in its capacity as trustee of Sorrenti, for lots 47, 48, 49, and 50, which are being sent to you in escrow.

The attached may be released from escrow and relied upon to register the applicable discharges only upon receipt of a separate email confirmation from Osler or FAAN that you may proceed in connection with the unit closings. Prior to providing any such confirmation, we will need confirmation of the closing date(s) and that Kingsett is also prepared to discharge on the basis of the financial and other information that has been provided.

Best,  
Sean

<image002.gif>

**Sean Stidwill**

Associate | [SStidwill@osler.com](mailto:SStidwill@osler.com)

416.862.4871 (Toronto) | 613.787.1100 (Ottawa)

Osler, Hoskin & Harcourt LLP | [Osler.com](http://Osler.com)

**From:** Alina Ramos <[alina@nwinlaw.com](mailto:alina@nwinlaw.com)>

**Sent:** Tuesday, December 01, 2020 1:25 PM

**To:** Stidwill, Sean <[SStidwill@osler.com](mailto:SStidwill@osler.com)>

**Cc:** Norman Winter <[nw@nwinlaw.com](mailto:nw@nwinlaw.com)>; Nerissa <[nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)>; Disenhouse, Josh <[JDisenhouse@osler.com](mailto:JDisenhouse@osler.com)>; Storm, Lorna <[LStorm@osler.com](mailto:LStorm@osler.com)>; Daniel Sobel <[daniel@faanmortgageadmin.com](mailto:daniel@faanmortgageadmin.com)>

**Subject:** SUNRISE ACQUISITIONS (HWY 7) INC. – Discharge Mortgage on 4130 Hwy 7, Lots 43, 47, 48, 49 & 50 to Sorrenti/Union Villas

Hi Mr. Stidwill:

Further to your e-mail below, attached are the following documents:

1. Amended Ereg Acknowledgement & Directions;
2. Amendments to the Agreements of Purchase and Sale;
3. Statement of Adjustments; and
4. Copies of the Sorrenti registered Discharges.

Please provide us with the signed Discharges, as soon as possible.

Thank you,  
Alina

ALINA RAMOS, Law Clerk, 416.964.0325, ext. 270 | [alina@nwinlaw.com](mailto:alina@nwinlaw.com)

---

## N. H. WINTER LAW, PROFESSIONAL CORPORATION

21 Dundas Square, 11<sup>th</sup> Floor, Toronto, Ontario M5B 1B7 Canada | T. 416.964-0325 | F. 416.964.2494

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**From:** Stidwill, Sean <[SStidwill@osler.com](mailto:SStidwill@osler.com)>

**Sent:** Tuesday, December 01, 2020 12:28 PM

**To:** Alina Ramos <[alina@nwinlaw.com](mailto:alina@nwinlaw.com)>

**Cc:** Norman Winter <[nw@nwinlaw.com](mailto:nw@nwinlaw.com)>; Nerissa <[nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)>; Disenhouse, Josh <[JDisenhouse@osler.com](mailto:JDisenhouse@osler.com)>; Storm, Lorna <[LStorm@osler.com](mailto:LStorm@osler.com)>; Daniel Sobel <[daniel@faanmortgageadmin.com](mailto:daniel@faanmortgageadmin.com)>

**Subject:** RE: SUNRISE ACQUISITIONS (HWY 7) INC. – Discharge Mortgage on 4130 Hwy 7, Lots 43, 47, 48, 49 & 50 to Sorrenti/Union Villas

Hi Alina,

We understand that the purchase price for these units has or will be adjusted and that closing is now intended to occur sometime this week. We have reviewed the discharges and A&Ds and our only comments are that a signature block for FAAN, as trustee of Sorrenti, was inadvertently omitted from the first A&D (Lot 43) and should be inserted as well as that some of the date lines will need to be changed from November to December.

Please provide copies of any amendments to the APSs and SOAs. Please also forward receipted copies of all of the Sorrenti discharges that have been registered to date.

Best,  
Sean

<image002.gif>

**Sean Stidwill**

Associate | [SStidwill@osler.com](mailto:SStidwill@osler.com)  
416.862.4871 (Toronto) | 613.787.1100 (Ottawa)  
Osler, Hoskin & Harcourt LLP | [Osler.com](http://Osler.com)

**From:** Alina Ramos <[alina@nwinlaw.com](mailto:alina@nwinlaw.com)>

**Sent:** Monday, November 23, 2020 3:37 PM

**To:** Stidwill, Sean <[SStidwill@osler.com](mailto:SStidwill@osler.com)>

**Cc:** Norman Winter <[nw@nwinlaw.com](mailto:nw@nwinlaw.com)>; Nerissa <[nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)>; Disenhouse, Josh <[JDisenhouse@osler.com](mailto:JDisenhouse@osler.com)>; Storm, Lorna <[LStorm@osler.com](mailto:LStorm@osler.com)>; Daniel Sobel <[daniel@faanmortgageadmin.com](mailto:daniel@faanmortgageadmin.com)>

**Subject:** SUNRISE ACQUISITIONS (HWY 7) INC. – Discharge Mortgage on 4130 Hwy 7, Lots 43, 47, 48, 49 & 50 to Sorrenti/Union Villas

Hi Mr. Stidwill:

Further to your e-mail below, please see attached the following documents:

1. Current parcel registers for each Lot;
2. Draft Acknowledgement and Directions with draft Discharges for each Lot, as per your request; and
3. Amended Statement of Adjustments for Lots 47, 48, 49 & 50.

We are still waiting to hear from our client regarding paragraph 2 of your e-mail below.

Regards,  
Alina

**ALINA RAMOS, Law Clerk, 416.964.0325, ext. 270 | [alina@nwinlaw.com](mailto:alina@nwinlaw.com)**

**N. H. WINTER LAW, PROFESSIONAL CORPORATION**

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**From:** Stidwill, Sean <[SStidwill@osler.com](mailto:SStidwill@osler.com)>

**Sent:** Monday, November 23, 2020 11:46 AM

**To:** Alina Ramos <[alina@nwinlaw.com](mailto:alina@nwinlaw.com)>

**Cc:** Norman Winter <[nw@nwinlaw.com](mailto:nw@nwinlaw.com)>; Nerissa <[nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)>; Disenhouse, Josh <[JDisenhouse@osler.com](mailto:JDisenhouse@osler.com)>; Storm, Lorna <[LStorm@osler.com](mailto:LStorm@osler.com)>; Daniel Sobel <[daniel@faanmortgageadmin.com](mailto:daniel@faanmortgageadmin.com)>

**Subject:** RE: SUNRISE ACQUISITIONS (HWY 7) INC. – Discharge Mortgage on 4130 Hwy 7, Lots 43, 47, 48, 49 & 50 to Sorrenti/Union Villas

Hi Alina,

Please see attached for comments on the A&D. As noted in the attached, please send across separate A&Ds for each closing.

Please also provide the following:

1. current parcel registers for each lot;
2. a statement indicating whether any of these sales are to non-arm's length parties and, if so, identifying the name(s), relationship(s), etc., to the borrower and/or its principals; and
3. receipted copies of all of the Sorrenti discharges that have been registered to date (as well as registered copies for each discharge going forward).

We understand that our client is reaching out to your client for additional financial information regarding these closings, which will need to be provided prior to the delivery of any signed documents.

Best,  
Sean

<image002.gif>

**Sean Stidwill**  
Associate | [SStidwill@osler.com](mailto:SStidwill@osler.com)  
416.862.4871 (Toronto) | 613.787.1100 (Ottawa)  
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Hi Mr. Stidwill:

Our client advises that it has made arrangements with your client for your client to provide a Discharge of the Sorrenti mortgage on the above 5 Lots, on the basis of the closing proceeds being paid to obtain a discharge of the KingSett mortgage, payment of our legal fees, disbursements and HST and the balance to be held in our trust account pending your client's further instructions.

In this regard, we are attaching the Agreement of Purchase and Sale, Statement of Adjustments for each of the transactions (Statement of Adjustments for Lots 43, 49 & 50 to follow) and draft Acknowledgement and Direction, with the draft Discharge attached. We are also attaching a Comfort Letter for Lots 43, 47, 48, 49 and 50, for your review, and if acceptable, execution by your client and return to us. We confirm that we will disburse closing funds as above.

Please Note: Closing is scheduled as follows so we ask that you please finalize this by November 23, 2020.

Lot 43 – November 30, 2020

Lot 47 - November 24, 2020

Lot 48 – November 24, 2020

Lot 49 – November 30, 2020

Lot 50- November 30, 2020

If you have any questions regarding any of the above, please do not hesitate to contact us.

Thank you,  
Alina

**ALINA RAMOS, Law Clerk, 416.964.0325, ext. 270 | [alina@nwinlaw.com](mailto:alina@nwinlaw.com)**

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**N. H. WINTER LAW, PROFESSIONAL CORPORATION**

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<Undertaking re LCs - FAAN.pdf>



## **Appendix “F”**

**AGREEMENT OF PURCHASE AND SALE**

**1. PARTIES, REAL PROPERTY AND PRICE**

In this Agreement, the following terms have the following meanings:

- (a) "Vendor" means SUNRISE ACQUISITIONS (HWY 7) INC.
- (b) "Purchaser" means Purchaser 1: 1879281 Ontario Inc (D.O.B.) \_\_\_\_\_
- (c) Purchaser 2: \_\_\_\_\_ (D.O.B.) \_\_\_\_\_  
 (Address) 121 Eileen Ave., Toronto, ON, M6N 1W3  
 (Home No.) 416-684-1337 (Business No.) \_\_\_\_\_ (Fax No.) \_\_\_\_\_  
 (Email Address) ruip3896@gmail.com
- (d) "Real Property" means the Land and the Dwelling.
- (e) "Land" means Lot 43 on a draft plan of subdivision, Town of Markham, as shown on Schedule "B" attached hereto.
- (f) "Dwelling" or "House" are used interchangeably and means the townhouse to be constructed on the Land pursuant to this Agreement.  
 Model & Elevation: RT-4, U24
- (g) "Purchase Price" means One Million and One Hundred Thousand Dollars  
 (\$ 1,100,000.00 )
- (g) "Deposit": Twenty-Five Thousand Dollars (\$ 25,000.00 )  
 ("Initial Deposit") paid to the Vendor forthwith, pending completion or other termination of this Agreement to be credited against the Purchase Price on Closing, plus such further deposits as are set out below:

<u>No.</u>	<u>Deposit Amount</u>	<u>Due Date</u>
<u>2</u>	<u>\$ 50,000.00</u>	<u>July 15, 2019</u>
<u>3</u>	<u>\$ 150,000.00</u>	<u>September 15, 2019</u>
<u>4</u>	<u>\$ 175,000.00</u>	<u>October 15, 2019</u>
<u>5</u>	<u>\$ 150,000.00</u>	<u>December 15, 2019</u>



The Purchaser shall deliver to the Vendor at the time of executing this Agreement post-dated cheques for the further deposit amount referred to above along with the cheque for the Initial Deposit.

- (h) "Closing Date" or "Closing" means June 30, 2019, being the date set forth as the First Tentative Closing Date on the Statement of Critical Dates included as part of the Addendum to Agreement of Purchase and Sale – Delayed Closing Warranty, which is attached hereto and incorporated herein as Schedule "D", as such date may be extended and/or advanced pursuant to the terms of this Agreement and said Addendum.
- (i) "Developer" means any predecessor or present registered owner on title to the Land who has entered obligations for subdivision and/or servicing of the Land.
- (j) "Municipality" means any municipal corporation or other government authority, whether local, regional, or provincial having jurisdiction over the Real Property.
- (k) "Agent" means \_\_\_\_\_ Corporation.

**2. OFFER**

The Purchaser hereby offers to purchase the Real Property from the Vendor on the terms and conditions contained in this Agreement for the Purchase Price payable as follows:

- (a) By payment of the Deposit to the Vendor; and

INITIAL (Purchaser)  (Vendor)  1

- (b) By payment of the balance of the Purchase Price to the Vendor on Closing, subject to the adjustments set out in Section 7 hereof and in this Agreement.

3. **PLANNING STATUS**

The Land is currently within a draft plan of subdivision for which draft approval has been issued.

4. **CONDITIONS**

The Purchaser hereby acknowledges and agrees that the completion of this Agreement is conditional upon the following:

- (a) Compliance with the provisions of the Planning Act (Ontario), as amended or restated from time to time, on or before the Closing Date;
- (b) Approval of the subdivision agreement and site plan by the Municipality;
- (c) Vendor being satisfied, in its sole and absolute discretion, that the Purchaser has the financial resources to complete the transaction, as further set out in Schedule "C" attached hereto; and
- (d) The Early Termination Conditions if any, set out separately and attached to the Tarion Addendum attached hereto as Schedule "D".

5. **ONTARIO NEW HOME WARRANTIES PROGRAM**

The Ontario New Home Warranties Plan registration number for the Vendor is 40310 and the enrolment number for the Dwelling is \_\_\_\_\_, (if available).

6. **BUILDER**

For further information about this Agreement, the Vendor may be contacted at telephone no. (905) 593-333, fax no. (905) 479-9151.

7. **ADJUSTMENTS**

The Purchase Price shall be increased or adjusted as of Closing by the following:

- (a) the enrolment fee required pursuant to the Tarion Warranty Program and costs or fees paid or payable by the Vendor with respect to the issuance of any security to or with the Program or any excess deposit insurance the Vendor may elect to obtain;
- (b) realty taxes, adjusted on the Vendor's reasonable estimate as though the Dwelling were fully completed, the Real Property separately assessed and the taxes paid. The Purchaser is advised that the Municipality may issue a realty tax bill for supplementary assessment following Closing, which taxes may be in addition to those adjusted with the Vendor and shall be the responsibility of the Purchaser. In addition, the Purchaser shall lodge with the Vendor a deposit of \$1,500.00, to be held by the Vendor as security for compliance by the Purchaser of its obligations to pay realty taxes after Closing. The said security deposit, if not utilized by the Vendor, shall be returned to the Purchaser within six (6) months after the Land has been assessed and entered on the collector's roll according to the registered plan of subdivision;
- (c) all additional or increased charges and levies imposed or assessed in connection with the development of the Land by any municipal, regional or other governmental authorities at the time the Vendor is required to pay same in excess of the charges and levies imposed or assessed by such governmental authorities relating to the development of the Land as of the date of this Agreement;
- (d) an amount equal to the unused portion of any insurance premium relating to the Real Property where the policy has been arranged by the Vendor and is to be assumed by the Purchaser;
- (e) any prepaid expenses such as gas, hydro, water or other utilities;
- (f) any charges for the connection or energization of gas, hydro, water or other utilities;

INITIAL (Purchaser)

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- (g) any charges relating to the installation of meters used to measure the consumption rate of gas, hydro, water or other utilities;
- (h) any extras ordered by the Purchaser (and not yet paid);
- (i) in the event that the Purchaser arranges mortgage financing with the financial institution recommended by the Vendor (the "Lender"), all legal fees and disbursements charged by the Lender's solicitor relating to such mortgage loan transaction;
- (j) interest adjustment on any Vendor-take-back financing, if any;
- (k) any other usual adjustments;
- (l) an adjustment in favour of the Vendor for that portion of the HST to be paid by the Purchaser pursuant to this Agreement, if any;
- (m) a \$150.00 administration fee shall be charged to the Purchaser for any cheque which is returned "N.S.F." or on which a "stop-payment" has been ordered;
- (n) the charge imposed by the Law Society of Upper Canada upon the Vendor or its solicitor with respect to this transaction;
- (o) driveway paving charge in the amount of \$1,588.00 for a two car garage driveway and \$998.00 for a one car garage driveway, plus HST thereon;
- (p) \$795.00 with respect to landscaping, which does not include any charge for the cost of any street tree (which may be required to be planted by the Vendor and/or the Developer in accordance with the subdivision agreement or requirements of the Municipality); and
- (q) The cost of supplying recycling contained to the Purchaser as required by the Subdivision Agreement.

The Closing Date itself shall be apportioned to the Purchaser. The parties agree to readjust any of the items referred to above, if necessary, after Closing. If there are chattels involved in this transaction, the allocation of value to such chattels shall be estimated where necessary by the Vendor and retail sales tax may be collected by the Vendor from the Purchaser and remitted by the Vendor to the appropriate taxing authority.

## **8. CONSTRUCTION**

The Purchaser acknowledges and agrees that the Vendor may from time to time, in its discretion or as required by any governmental authority or the Developer, change, vary or modify the plans, colours, materials, equipment and specifications pertaining to the Dwelling (including architectural, structural, landscaping, grading, mechanical or other plans) from the plans and specifications existing at the time the Purchaser entered into this Agreement or as same may be illustrated in any sales brochures, models or otherwise. With respect to any aspect of construction, finishing or equipment, the Vendor shall have the right, without the Purchaser's consent, to make any necessary changes to the plans and to substitute materials or equipment for those described in this Agreement or in the plans or specifications, provided the substituted materials or equipment are of equal or better quality, or if substituted materials or equipment (whether sold by sample or otherwise) is of lesser quality, the Vendor will reimburse the Purchaser for the difference in cost between the substituted material or equipment, and the material or equipment described in this Agreement. The Purchaser hereby consents to any such changes, modifications and/or substitutions and agrees to complete the transaction of purchase and sale notwithstanding same. All work will be performed in a workmanlike manner and in compliance with the Ontario Building Code.

Without limiting the generality of the foregoing, the Purchaser acknowledges and agrees as follows:

- (a) The Vendor shall have the right to construct the reverse mirror image of the Dwelling, including reversal of the garage siting and reversal of the interior floor plan layout, without notice to the Purchaser and without compensation or abatement to the Purchase Price.
- (b) As of the date of this Agreement, the final site plan relating to the Land showing the actual siting of the Dwelling on the Land may not have been completed by the Vendor or approved by the Municipality. Consequently, the Purchaser acknowledges and agrees that the Vendor shall have the right to construct the Dwelling on the Land in a location or

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angle different than as depicted in any sales brochures, renderings and other plans and specifications reviewed by the Purchaser at the time of entering into this Agreement, without notice to the Purchaser and without compensation or abatement to the Purchase Price.

- (c) The Purchaser hereby acknowledges that, as of the date of this Agreement, final grading plans relating to the Land may not have been completed by the Vendor or approved by the Municipality. Consequently, the Purchaser acknowledges and agrees that the Vendor shall have the right to construct the Dwelling at a grade level different than as depicted in any sales brochures, renderings and other plans and specifications reviewed by the Purchaser at the time of entering into this Agreement, without notice to the Purchaser and without compensation or abatement to the Purchase Price.
- (d) In the event that this Agreement calls for the construction of a walkout basement and such is not possible pursuant to final approved grading, engineering and/or site plans, the Purchaser shall accept a credit to the Purchase Price in lieu thereof. If this Agreement does not call for a walkout basement and such is required by the Municipality pursuant to final approved grading, engineering and/or site plans, the Purchase Price shall be increased by the cost of constructing a walkout basement. The amount of the credit to the Purchase Price or the additional cost of constructing the walkout basement shall be determined by the Vendor in its sole and absolute discretion acting reasonably.
- (e) In the event that the Dwelling is constructed at a grade level different than as depicted in any sales brochures, renderings and other plans and specifications reviewed by the Purchaser at the time of entering into this Agreement necessitating a step or series of steps to the front door, side door, rear door or any other door of the Dwelling, the Purchaser hereby irrevocably agrees to accept such change without notice, without any right of abatement to the Purchase Price and in full satisfaction of the Vendor's obligations with respect to the construction of the Dwelling.
- (f) The Purchaser acknowledges that the dimensions of the Real Property as shown in any brochures or other materials are approximate only and the dimensions of the dwelling are also approximate. In the event that the frontage, depth or area of the Real Property is varied by up to and including 5% from the specifications set out in this Agreement, the Purchaser acknowledges and agrees to accept all such variations without notice and without a claim for compensation or abatement to the Purchase Price.
- (g) As of the date of this Agreement, the final grading plan relating to the Land may not have been completed by the Vendor or approved by the Municipality. Consequently, the Purchaser acknowledges and agrees that the grading of the Land may require the use of retaining walls on the Land or on adjoining properties. The Purchaser acknowledges and agrees that the Vendor shall have the right to construct such retaining walls without notice to the Purchaser and without compensation or abatement to the Purchase Price. In addition, the Purchaser acknowledges and agrees that the Vendor may construct any fences and/or berms on or near the Lands, as may be required.
- (h) The Purchaser acknowledges that the subdivision agreement between the Developer and the Municipality may require the Vendor to provide the Purchaser with certain notices, including, but not limited to, notice regarding land usage, maintenance of municipal fencing, school transportation, postal delivery to a community mail box, public transit and transit stops, noise level and noise level from adjacent roadways. Without limiting the generality of the foregoing, the Purchaser acknowledges that a YRT/Viva standing area/shelter pad will be constructed adjacent to the Land on the north side of Highway 7. Purchaser further acknowledges that despite the inclusion of noise attenuation features within the development area and within the individual Dwellings, noise levels will continue to increase, occasionally interfering with some activities of the occupants of the Dwelling. The Purchaser agrees to be bound by the content of any such notice and covenants to execute forthwith upon request an acknowledgement containing the notices if and when required to do so by the Vendor, the Municipality and/or the Developer. The Purchaser further acknowledges being advised that title to the Land may require maintenance, easements and/or encroachments/easements. The Purchaser further covenants and agrees to obtain a similar covenant in favour of the Vendor and developer from any person purchasing from the Purchaser and shall cause such covenant to run with the Land.

The Purchaser shall not have the right to enter the Real Property prior to Closing unless accompanied by a representative of the Vendor.

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The Purchase Price shall include those items listed on Schedule "A". The Purchaser acknowledges that the furnishings, decor, finishes, equipment, fixtures, improvements and samples which may be displayed in any model suite or any sales office or in any brochures are for display purposes only and are not included in the Purchase Price unless specified in Schedule "A". The Purchaser acknowledges that the appliances for the Dwelling are not included in the Purchase Price unless specified in Schedule "A". The Purchaser hereby agrees to make any selection of any finishing items from the Vendor's available samples within seven (7) days after notice has been given by the Vendor to the Purchaser requesting the Purchaser to make selections from the available samples. If any such items are unavailable to the Vendor or the acquisition thereof by the Vendor may result in a delay in the construction of the Dwelling or any other unit in this project, then on seven (7) days notice from the Vendor the Purchaser shall re-attend at the Vendor's office and make a selection from the Vendor's available substitute finishing items. If the Purchaser fails to make selections following notice for the Vendor, then the Vendor shall be entitled to select such finishing items and the Purchaser hereby agrees that such selections made by the Vendor shall be binding on the Purchaser. The Purchaser acknowledges that variations from the Vendor's samples may occur in kitchen cabinets, vanity cabinets, floor finishes, wall finishes and other finishing materials as a result of normal production processes. The Purchaser acknowledges and agrees that where adjoining rooms are finished in different materials there may be a difference in elevation between the rooms and the Vendor may, at its discretion, install a threshold as a method of finishing the connection between the adjoining rooms.

The Purchaser acknowledges and agrees that the hot water heater tank may be rented. In such event, the hot water heater tank shall remain the property of the applicable utility company and shall not be or become a fixture and/or part of the Dwelling. Further, in such event, the Purchaser agrees to execute a rental contract as may be required by the applicable utility company with respect to the hot water heater and tank.

The Purchaser acknowledges and agrees that the Purchaser shall pay for all extras in full at the time of selection unless the Vendor otherwise agrees in writing. The Purchaser acknowledges that such payment shall not be refunded if this transaction is not completed as a result of a breach of contract by the Purchaser. If any extra is omitted, then the Purchaser shall be credited with the amount that the Purchaser was charged for it and this credit shall be the limit of the Vendor's liability.

The Purchaser acknowledges and agrees that if due to grading or other requirements, as determined by the Vendor, at its sole discretion, the Vendor determines, at its sole discretion, that it cannot or will not build a side door and/or door to the garage, the Vendor need not build such door(s) and the Purchaser covenants and agrees to accept the Dwelling without such door(s), at reduction in the Purchase Price.

**9. (a) COMPLETION**

For the purposes of Closing, the Dwelling shall be deemed to be completed when all interior work has been substantially completed so that the Dwelling may be occupied, notwithstanding that there remains interior or exterior work to be completed including, but not limited to, painting, driveway paving, grading, sodding and landscaping. There shall be no holdback or deduction on Closing for uncompleted work. If required, the Purchaser shall be responsible to obtain confirmation of allowable occupancy and, if available a copy of any occupancy certificate from the Municipality, and otherwise as may be required as set out in Schedule "D".

**(b) COMPLETION INSPECTION**

The Vendor agrees to make available and the Purchaser agrees to meet a representative of the Vendor prior to Closing, during normal working hours, to inspect the Dwelling and verify that the Dwelling has been completed in accordance with the provisions of this Agreement. If there is any deficient or uncompleted work remaining at the time of inspection, such items shall be listed on the Certificate of Completion and Possession required to be completed pursuant to the provisions of the Ontario New Home Warranty Program. This Certificate when executed by the Vendor and Purchaser, together with the warranty itself under the Ontario New Home Warranty Program, shall constitute the Vendor's only undertaking to remedy or complete the Dwelling and the Vendor's only warranty with respect to the Real Property. Such work will be performed as soon as is reasonably possible, as determined by the Vendor.

**10. EXTENSION AND ADVANCEMENT OF THE CLOSING DATE**

This transaction of purchase and sale shall be completed on the Closing Date or any earlier or later date as may be permitted under this Agreement and as set out on Schedule "D", at which time vacant possession of the Dwelling will be given to the Purchaser.

**11. TITLE**

On the Closing Date, the parties hereby acknowledge and agree that title to the Real Property shall be good and free from encumbrances except that it may be subject to subdivision servicing agreement, site

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plan agreement, housekeeping agreement, financial and/or security agreement, or other agreements, covenants and restrictions (which restrictions may include the power to waive or vary), encroachments from or on adjoining lands (including, without limitation, eaves, roofs, attachments to roofs), easements, licenses and rights required by the Vendor, Developer, adjoining landowners, Municipality or other authorities, including utilities, catch basins, transformers, poles, fences, hydrants and berms, all of which the Purchaser shall accept provided there does not exist default under any and provided that the Purchaser's use of the Real Property for residential purposes is permitted, or provided the Real Property is an insurable title. The Purchaser shall satisfy himself or herself as to compliance with such matters. Title may also be subject to easements for maintenance or encroachments required for adjoining properties. If any of the foregoing easements, restrictions or rights are required to be created after Closing, the Purchaser shall execute any documents needed. The Purchaser further acknowledges and agrees that title shall also be subject to the rights of re-entry referred to in paragraphs 15, 28 and 29 and these rights as well as any of the above may be contained in the transfer delivered to the Purchaser, and/or the Purchaser shall execute and provide the Vendor with any documents and/or agreements required by the Vendor.

The Purchaser shall be allowed until 30 days before the Closing Date to examine title to the Real Property at his or her own expense and if, within that time, any valid objection to title is made in writing to the Vendor, which the Vendor is unable or unwilling to remove and which the Purchaser will not waive, this Agreement shall be terminated and the Deposit shall be returned without interest or deduction and the Vendor shall not be liable for any damages or costs whatever. Save as to any valid objections so made within such time or going to the root of title, the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Real Property. The Vendor shall provide the Purchaser with its standard undertaking and statutory declaration, and need not sign nor provide any other documents, nor need the Vendor's solicitor reply to any requisition from the Purchaser's solicitor that is otherwise addressed in this Agreement, the Vendor's documents or is otherwise not applicable.

The Vendor shall provide a survey of the Real Property on or before Closing.

The Purchaser acknowledges that the Vendor may have agreed to acquire registered title to the Real Property from the Developer on terms set forth in a separate agreement. The Purchaser agrees to accept a transfer of the Real Property as directed by the Vendor and the Purchaser agrees to provide and execute and deliver on Closing, whatever indemnities, releases, assurances and other documentation that may be required by the Vendor in order to transfer title as aforesaid.

## 12. PRIOR MORTGAGES

Title to the Land may be encumbered by mortgages or other loan security (whether to a bank, non-institutional lender, "private" lender or any other party) not to be assumed by the Purchaser on Closing. The Purchaser agrees to complete the transaction notwithstanding any such mortgage or other security and to accept the Vendor's undertaking to obtain and register complete or partial discharges of such mortgages as soon as reasonably possible after Closing, as determined by the Vendor in accordance with its building and sales program.

Notwithstanding anything herein contained and notwithstanding the provisions of the *Land Titles Act* of Ontario, and any amendments thereto or any successor legislation, where any mortgages, charges or debentures are registered on title and where discharges, cessations, partial discharges or partial cessations thereof are tendered for registration in the appropriate Land Titles Office, such mortgages, charges, or debenture shall be deemed to be discharged for all purposes once the discharges, cessations, partial discharges or partial cessations have been accepted for registration, notwithstanding that the Parcel Register has not been signed to reflect such registration and notwithstanding any statutory terms to the contrary as contained in the Land Titles Act of Ontario, as amended, and any successor legislation.

## 13. RISK

The Dwelling shall remain at the Vendor's risk until Closing.

## 14. TRANSFER AND CLOSING

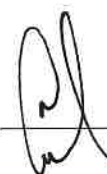
The transfer/deed of land shall be prepared by the Vendor's solicitors and shall be registered on Closing by the Purchaser, at the Purchaser's expense. The Purchaser agrees to advise the Vendor's solicitors, at least 30 days prior to the Closing Date, (or such earlier time if so required by the Vendor) as to how the Purchaser will take title to the Real Property and of the birth dates of all parties taking title to the Real Property, failing which the Vendor may insert the Purchaser(s) name(s) set out herein.

The Purchaser agrees that keys may be released to the Purchaser at the construction site upon completion of this transaction or at the Registry Office, at the Vendor's option. The Purchaser agrees that the Vendor's solicitor's advice that keys are available for release to the Purchaser shall constitute a valid tender of keys on the Purchaser.

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(Vendor)



If the transaction is completed by electronic registration the Vendor's solicitor shall not be required to release the Transfer until it is in receipt of all closing certified funds. In addition, the Purchaser shall be required to reimburse the Vendor or the Vendor's solicitor directly, the amount of \$250.00, plus HST thereon, with respect to the Vendor's solicitor's fee pertaining to such electronic registration procedure.

#### 15. AFTER CLOSING

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

The Purchaser agrees not to alter the grading or drainage pattern of the Land in any way and shall not construct any fences, pools, patios, sheds, decks or similar structures prior to final grading approval by the Municipality, without the Vendor's consent. Some settlement of the Land and/or Dwelling is to be expected and the Purchaser shall repair minor settlement at its own expense.

The Purchaser agrees not to finish the whole or any part of the basement of the Dwelling for a period of twenty-four months after the Closing Date. The Purchaser hereby releases the Vendor from any liability whatsoever in respect of damage to basement improvements and for chattels stored in basement resulting from any water seepage through the foundation walls or rupture, back-up, leakage or other malfunction or defect of the plumbing, storm or sanitary sewer or drainage systems.

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

The Purchaser acknowledges and agrees that the provisions of this section and all of the Purchaser's representations, covenants and obligation in the Agreement shall not merge and shall survive the closing of this transaction. The Purchaser agrees to sign all documentation required by the Vendor and deliver same on closing in order to give effect to the foregoing.

#### 16. LIMITATION

The rights, remedies and recourses of the Purchaser in connection with this Agreement are limited to the Vendor, notwithstanding that Vendor may be, or deemed to be by law, acting as an agent or otherwise on behalf of some other person, firm or corporation and the Purchaser hereby agrees that with respect to this Agreement it shall not have any rights, remedies or recourses against such other person, firm or corporation, at law or otherwise.

#### 17. NON ASSIGNABLE

The Purchaser covenants and agrees not to advertise for sale, list for sale, offer for sale, sell or enter into any other agreement, conditional or otherwise, to sell the Real Property or assign the Purchaser's interest in this Agreement to any person without the prior written consent of the Vendor which may be unreasonably or arbitrarily withheld. Any offering for sale, assignment, sale or other disposition of the Purchaser's interest in the Real Property or this Agreement shall constitute a breach of this covenant which shall, at the Vendor's sole option, entitle the Vendor to terminate this Agreement, in which event, the Vendor shall be entitled to retain the Deposit and all other amounts paid by the Purchaser to the Vendor hereunder as liquidated damages and not as a penalty (in addition to any other remedy available to it) and the Purchaser shall have no further interest in the Real Property or this Agreement.

#### 18. TENDER

The Purchaser waives personal tender and agrees that failing other mutually acceptable arrangements, tender may be validly made by the Vendor if the Vendor attends at the Registry Office in which title to the Real Property is recorded, at 12:00 noon on the Closing Date and remains there until 12:30 p.m., or at any other time of which the Vendor's solicitor notifies the Purchaser's solicitor on said date for ½ hour, and is ready, willing and able to complete this transaction. Alternatively, a tender may be validly and effectively made on the solicitor for the Purchaser, either personally or by facsimile. The Purchaser agrees that payment must be made or tendered by bank draft or certified cheque. Mortgages not being assumed by the Purchaser need not be paid by the Vendor, only arrangements to do so in case the Purchaser should complete the transaction. Notwithstanding the foregoing, in the event that the Purchaser or his solicitor indicates or expresses to the Vendor or its solicitor, either verbally or in writing, on or before the Closing Date, that the Purchaser is unable or unwilling to complete this purchase transaction, the Vendor shall be relieved of any obligation to make any formal tender on the Purchaser or his solicitor and the Vendor may exercise forthwith any and all of its rights and remedies provided for in this Agreement and at law.

INITIAL (Purchaser) RJE

(Vendor) [Signature]



In the event that an electronic registration system (the "System") under part III of the *Land Registration Reform Act*, R.S.O. 1990 c. L. 4, as amended, is operative in the applicable Land Titles Office in which the Land is registered, then the Purchaser agrees to do all things necessary and as may be requested or required by the Vendor or its solicitor to complete this transaction using the System. The Purchaser acknowledges that: (i) the System is an electronic, paperless land registration System that no longer relies on signatures for such documents as a transfer/deed of land; (ii) he will not be entitled to receive the transfer/deed or land unless the balance due on closing in accordance with the Vendor's statement of adjustments is in the hands of the Vendor's solicitors (either by personal delivery or electronic funds transfer) at least one business day before the Closing Date; and (iii) the delivery and exchange of documents and money governed by the Registration Agreement (as hereinafter defined).

Where the System is operative, it will therefore be necessary for the Purchaser and the Purchaser agrees: (i) to use a lawyer authorized to use the System and who is in good standing with the Law Society of Upper Canada; (ii) to authorize and direct such lawyer to enter into the Vendor's solicitors standard form of escrow closing agreement (the "Registration Agreement") which will establish the procedures for closing the transaction; and (iii) that if the Purchaser's lawyer is unwilling or unable to complete this transaction under the System, then the Purchaser's lawyer must attend at the Vendor's solicitor's office at such time on the Closing Date as directed by the Vendor's solicitor to complete the transaction under the System utilizing the Vendor's solicitor's computer facilities and the Purchaser agrees to pay the Vendor's solicitor directly the sum of \$295.00, plus HST, for such service.

#### 19. WHOLE AGREEMENT

The parties acknowledge that there is no representation, warranty, collateral agreement or condition affecting this Agreement or the Real Property except as contained in this Agreement. This Agreement may not be amended other than in writing.

#### 20. INTERPRETATION

This Agreement is to be read with all changes of gender or number required by the context. Time shall in all respects be of the essence. All headings are for convenience of reference only and have no bearing or meaning in the interpretation of any particular clause in this Agreement. Unless otherwise specified herein, all statements of or references to dollar amounts in this Agreement shall mean lawful money of Canada.

#### 21. RESIDENCY

The Vendor represents that it is not a non-resident for the purposes of section 116 of the *Income Tax Act*, Canada.

#### 22. NO REGISTRATION

The Purchaser agrees not to register nor allow or caused to be registered against title to the Land any notice, lien, execution, encumbrance or caution or other reference to this Agreement or his interest in or against the Land. If any such registration occurs, the Vendor may terminate this Agreement forthwith and the Vendor shall be entitled to retain the Deposit and all other amounts paid by the Purchaser to the Vendor hereunder as liquidated damages and not as a penalty (in addition to any other remedy available to it) and the Purchaser shall have no further right to or interest in this Agreement or the Real Property. Further, the Purchaser hereby irrevocably consents to a court order removing such registration and agrees to pay all costs of obtaining such order.

#### 23. SUCCESSION

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

#### 24. NOTICE

Any notice required to be given pursuant to this Agreement to the Purchaser may either be delivered personally or be sent by prepaid mail, or by facsimile transmission addressed to the Purchasers' solicitor or the Purchaser at his or her address listed on Page 1 hereof and, in the case of the Vendor, any notice required to be given pursuant to this Agreement may either be delivered personally or be sent by facsimile and prepaid mail to the Vendor's solicitor and a copy to the Vendor at the addresses indicated herein. If such notice is mailed it shall be deemed to have been received by the party to whom it is addressed on the third business day following the date of its mailing. In the event of a mail stoppage or interruption all notices shall be delivered or sent by facsimile transmission.

#### 25. DEFAULT

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- (a) In the event that the Purchaser defaults with respect to any of the covenants, representations, warranties, acknowledgements or obligations to be performed by the Purchaser pursuant to this Agreement and such default continues for seven (7) days after written notice thereof has been given to the Purchaser or his solicitor by the Vendor or its solicitor, or in the event the Purchaser fails to complete the transaction on the Closing Date the Vendor shall have the right to declare this Agreement null and void and, in such event, the Deposit and all other amounts paid by the Purchaser to the Vendor hereunder shall be forfeited to the Vendor as liquidated damages and not as a penalty and without prejudice to or limiting the rights of the Vendor to claim for damages in excess of such amounts and without limiting any other rights or remedies to which the Vendor may be entitled in law.

(b) **EVIDENCE OF DEFAULT**

A certificate of an officer of the Vendor that default has been made and the date of default and that notice, if required, of such default has been mailed to the Purchaser, shall be conclusive evidence of the facts therein stated.

(c) **DOCUMENTS IF TRANSACTION DOES NOT CLOSE**

If the within transaction is not completed for any reason whatsoever and notwithstanding refund or forfeiture of the deposit, the Purchaser shall execute and deliver such documents affecting title to the Real Property or the Mortgage 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 and deliver such documents, the Purchaser hereby authorizes the Vendor, its true and lawful attorney to so execute the said documentation. Notwithstanding non-completion of the transaction, the Purchaser is liable for the full cost of extras ordered whether completed in whole or in part.

**26. RIGHTS OF VENDOR**

It is understood and agreed that the rights contained in paragraph 25 on the part of the Vendor are in addition to any other rights (whether of a more onerous nature or not) which the Vendor may have at law, in equity or under any other provisions of this Agreement, and the Vendor expressly has the right to exercise all or any one or more of the rights contained in this Agreement, or at law or in equity, without exercising at such time, the remainder of such right or rights and without prejudice to the subsequent right of the Vendor to exercise any remaining right or rights at law, in equity or in this Agreement. In the event the Purchaser fails to make payment as and when required pursuant to the terms of this Agreement, the payment amount shall bear interest at a rate equal to 5% above the Prime Rate, calculated from the due date to the date of payment. Prime Rate for any day means the prime lending rate of interest expressed as a rate per annum (computed on a year of 365 days) which Royal Bank of Canada establishes from time to time as the reference rate of interest in order to determine interest rates it will charge for demand loans made in Canada in Canadian dollars as the same is in effect from time to time.

**27. GRADING/FENCING**

- (a) The Purchaser covenants that he will not remove any topsoil or subsoil or do anything which may alter the grading or change or obstruct the drainage of the Real Property or surrounding lands and shall not construct any fences, pools, patios, sheds or similar structures prior to final grading approval, without the Vendor's consent and, upon default, the Developer, the Municipality or the Vendor or their respective servants, agents, successors and assigns may enter upon the Real Property and correct such grading or remove such obstruction at the Purchaser's sole expense. Any expense incurred by the Developer, the Municipality or the Vendor in this regard shall be payable by the Purchaser forthwith upon demand. Some settlement of the Land is to be expected and the Purchaser shall repair minor settlement. The Purchaser shall care for sod, shrubs and other landscaping provided as a result of the remedying of such defects.
- (b) The Purchaser will not, prior to lot grading completion and Municipal approval therefor, install any fence, deck, storage shed or other structure on the Land. In order to provide side-yard access between buildings so that abutting house purchasers can repair and maintain their respective side-yard building portions, no side-yard fence or storage shall be permitted from 3 meters back of the common side-yard's most rear structure to the frontage street. No fence along a lot boundary abutting a street, open space or parkland will be installed except in compliance with the requirements of the development architect as to fence type, design and finishing as well as fence height and location. The Purchaser will not install any boundary fence except in accordance with Municipal requirements, and if the Purchaser installs a fence that runs along the boundary of any lands then owned by the Developer, the Developer will have no obligation to pay any portion of the fence cost. The Purchaser will maintain any fence along or adjacent to the lot boundary and will not remove, place a gate in or otherwise alter such fence.

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(Vendor) 

**28. TEMPORARY EASEMENT**

The Purchaser shall grant a temporary right-of-way over the rear ten feet (10') of the Land over the full width to all purchasers in the subdivision, their agents and workmen through, along and over the said Land for the purpose of reaching their own land or transporting materials, machinery or equipment thereto until such time as roads and streets are useable and the Purchaser agrees to keep such right-of-way clear of surface earth or material.

**29. RIGHT OF RE-ENTRY**

The transfer herein shall contain a provision that the transfer/conveyance is subject to the rights of the Vendor, Municipality/Region and/or other service provider, their successors and assigns, in the nature of a license or easement for themselves and parties authorized by any of them to enter upon any part of the Land excluding the dwelling at any time prior to the complete acceptance of the subdivision by the Municipality for the purpose of doing any work as may be required in order to satisfy the requirements to the Subdivision Agreement or of any other agreement with the service providers entered into or to be entered into by the Subdivider, including without limiting the generality of the foregoing, the right to complete or adjust the grading and/or drainage of any of the Land and effect any corrective measures required without such re-entry being deemed a trespass. The Purchaser covenants that in any transfer or disposition to any subsequent party, it shall reserve unto and assign the benefit of a similar right to re-entry to the Vendor, Municipality, Region and other service providers, and parties authorized by any of them. The aforesaid covenant shall be included in the Transfer/Deed to the Purchaser and shall run with the land conveyed to the Purchaser. The Purchaser, is hereby advised that the proposed lot grading may require the use of retaining walls, fences, easements for drainage purposes, culverts, drains, catch basins and/or lot sloping. Any such retaining walls and fences shall be maintained in good condition and repair solely at the cost and obligation of Purchaser. Purchaser agrees to allow the erection and maintenance on the land of entry features or other structures and hereby consents to allow the erection and maintenance thereof after closing. The Purchaser is hereby given notice that the Land may require some or all of the aforementioned.

**30. MAINTENANCE OF SOD**

The Purchaser shall be solely responsible for watering and general maintenance of the sod from the Closing Date or from the date that the sod is laid, whichever shall be the later, and the Vendor shall have no obligation in that regard. In the event the Vendor is, for any reason, required to replace laid sod, the Purchaser shall be solely responsible to pay for same, plus an administrative fee thereon, and the Vendor may, but shall not be obligated to do so until payment has been made therefore by the Purchaser.

**31. DRIVEWAY**

The Purchaser shall be solely responsible for any settlement of the driveway after the Closing Date. Purchaser acknowledges that it has been advised by Vendor that settlement is likely to occur after Closing. Purchaser agrees that it will at no time modify, extend, enlarge or change the driveway or its dimensions or location. If the Purchase Price specifically includes the paving of the driveway, Vendor shall only have an obligation to pave such driveway to the access point of lot and on the portion of the lot owned by Purchaser, only once and such paving, it is agreed, shall occur within 24 months after Closing, subject to weather conditions. Purchaser specifically agrees that in the event that Vendor does not have any obligation to pave the driveway, the Purchaser will pave the driveway and will not take any other steps or actions to damage, alter, move or interfere with any water box(es) located thereon. Purchaser shall be liable for all damage, loss and expense caused to the water box(es). Purchaser agrees to consult with and obtain the approval of the Vendor, Subdivider, or Municipal Water Department prior to commencing any work in, on or around the water box(es). On certain lots, service trenches cross the driveway and settlement may occur. Purchasers are also advised that prior to paving, they should ensure that there is no further settlement taking place.

**32. REZONING**

The Purchaser acknowledges receipt of notice from the Vendor that the Developer, Subdivider or its related/associated corporation(s) may develop other lands in the vicinity of the herein Land and apply for zoning/rezoning thereof, and the Purchaser agrees on behalf of himself, his heirs, executors, administrators, successors and assigns to consent to any such development zoning/rezoning application, and agrees that this paragraph may be pleaded as a bar to any objection thereto. The Purchaser covenants with the Vendor to the intent that the burden of this covenant shall run with and be binding upon the Land to be conveyed hereunder and every part hereof and to the intent that the benefit thereof shall be annexed to and run with any lands owned by the Vendor and its predecessor and successors in title within the Subdivision or contiguous thereto, that the Purchaser will not oppose any application for severance or for rezoning (including all applications ancillary hereto) by the Vendor and its predecessor and successors or assigns in the Subdivision or contiguous there, for use as a commercial, industrial or multiple family

purposes and that this covenant may be pleaded by the said Vendor, its predecessor, successors or assigns, as an estoppel to any such opposition or in aid of an injunction restraining such opposition. The Purchaser shall extract a similar covenant from all successors in title. Without limiting the generality of the foregoing, the Vendor or its predecessor may apply for, and the Purchaser will not oppose, any application for zoning in accordance with the present Official Plan.

**33. SUBORDINATION AND POSTPONEMENT**

The Purchaser acknowledges that the Vendor is or may be borrowing money from a financial institution to be secured by one or more charges registered or to be registered against the Real Property and the Purchaser agrees that this Agreement, any interest of the Purchaser in this Agreement (whether such interests are in equity or at law), and any and all Deposits paid or to be paid by the Purchaser pursuant to this Agreement and any purchaser's lien arising by the terms of this Agreement or from the payment of any Deposit pursuant to this Agreement or arising by operation of law is hereby subordinated and postponed to and will be subordinated and postponed to any mortgages, charges, debentures and trust deeds registered or to be registered against title to the Real Property and any advances thereunder, made from time to time, and to any easement, license or other agreements to provide services to the Real Property or to any lands adjacent thereto. The Purchaser agrees to execute any and all documentation necessary to give full force and effect to same forthwith after being requested to do so by the Vendor.

**34. PURCHASER'S DOCUMENTS TO BE DELIVERED ON CLOSING**

The Purchaser agrees to forthwith execute and deliver to the Vendor, on or before Closing, or at such other time as advised by the Vendor, all documents as may be required by the Vendor in order to close this transaction including but not limited to (i) the execution of the transfer by the Purchaser (ii) the execution and delivery of the Vendor's standard form of Purchaser's Acknowledgement and Undertaking as may be required by the Vendor; and (iii) any form of written acknowledgement by the Purchaser relating to lot grading and other subdivision matters.

**35. INVALIDITY**

The invalidity of any particular paragraph of this Agreement shall not affect the validity of any other provision and, in such event, this Agreement shall be construed as if such invalid provision was omitted.

**36. CAUSE OF ACTION/ASSIGNMENT**

- (a) The Purchaser acknowledges and agrees that notwithstanding any rights which he or she 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, and this acknowledgment and agreement may be pleaded as an estoppel and bar against the Purchaser in any action, suit, application or proceeding brought by or on behalf of the Purchaser to assert any of such rights, claims or causes of action against any such third parties.
- (b) At any time prior to the Closing Date, the Vendor shall be permitted to assign this Agreement (and its rights, benefits and interests hereunder) to any person, firm, partnership or corporation registered as a vendor pursuant to the Ontario New Home Warranty Plan Act and upon any such assignee assuming all obligations under this Agreement and notifying the Purchaser's solicitor of such assignment, the Vendor named herein shall be automatically released from all obligations and liabilities to the Purchaser arising from this Agreement, and said assignee shall be deemed for all purposes to be the vendor herein as if it had been an original party to this Agreement, in the place and stead of the Vendor.

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

For the purposes of facilitating compliance with the provisions of any applicable Federal and/or Provincial privacy legislation (including without limitation, the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, as amended), the Purchaser hereby consents to the Vendor's collection and use of the Purchaser's personal information necessary and sufficient to enable the Vendor to proceed with the Purchaser's purchase of the Real Property, including without limitation, the Purchaser's name, home address, email address, telefax/telephone number, age, date of birth, and in respect of marital status only for the limited purposes described in subparagraphs (c), (g), (h) and (i) below, and in respect of residency status, and social insurance number only for the limited purpose described in subparagraph (h) below, as well as the Purchaser's financial information and desired home design(s) and colour/finish selections, in connection with the completion of this transaction and for post-

INITIAL (Purchaser) RF

(Vendor) [Signature]

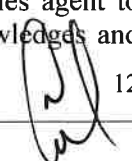
closing and after-sales customer care purposes, and to the disclosure and/or distribution of any or all of such personal information to the following entities, on the express understanding and agreement that the Vendor shall not sell or otherwise provide or distribute such personal information to anyone other than the following entities, namely to:

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

### 38. ACCEPTANCE

This offer shall be irrevocable by the Purchaser until 11:50 p.m. on the 1<sup>st</sup> business day for 3 business days after the Purchaser signs this Agreement, after which time, if not accepted, this offer shall be null and void. If accepted, this offer, subject to applicable three (3) day review period set out in Schedule "D" only if applicable, shall constitute a binding Agreement of Purchase and Sale. The Purchaser acknowledges that the Purchaser shall be responsible for determining whether the Vendor has accepted this Agreement. In this regard, the Purchaser shall contact the Vendor or the Vendor's sales agent to determine whether the Agreement has been accepted by the Vendor. The Purchaser acknowledges and

INITIAL (Purchaser)   RB  

(Vendor) 

agrees that the Vendor shall not be responsible for notifying the Purchaser that the Agreement has been accepted by the Vendor, nor shall the Vendor be responsible for delivering a fully executed copy of the Agreement to the Purchaser. The Purchaser shall be responsible for obtaining a copy of the fully executed Agreement from the Vendor or from the Vendor's sales agent.

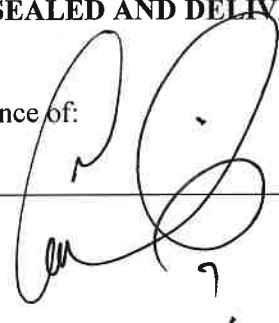
**39. SCHEDULES**

All Schedules and Addendum being Schedules "A" (items included), "B" (Lot on draft Plan of Subdivision), "C" (Additional Provisions), and "D" (Tarion Addendum) attached to this Agreement shall form a part of it.

**SIGNED, SEALED AND DELIVERED**  
2016.

Dated this 24<sup>th</sup> day of JUNE,

In the presence of:

x \_\_\_\_\_  


Purchaser 1: x 

Driver's License No.: P2672-67966-21021

S.I.N. No.: \_\_\_\_\_

Purchaser 2: \_\_\_\_\_

Driver's License No.: \_\_\_\_\_

S.I.N. No.: \_\_\_\_\_

Solicitors for the Purchaser: \_\_\_\_\_

Telephone No: \_\_\_\_\_

Fax No.: \_\_\_\_\_

Email: \_\_\_\_\_

The Vendor hereby accepts the above offer.

DATED this 24<sup>th</sup> day of JUNE, 2016.

SUNRISE ACQUISITIONS (HWY 7) INC.

Per: \_\_\_\_\_  


Solicitors for the Vendor:  
**NORMAN H. WINTER**  
416.964.0325  
[nw@nwinlaw.com](mailto:nw@nwinlaw.com)  
LAW OFFICES OF NORMAN H. WINTER  
1 St. Clair Avenue East, Suite 801,  
Toronto, Ontario M4T 2V7 Canada - T. 416.964.0325 - F. 416.964.2494

\* Purchase Price - Includes HST Reduction, purchaser pays HST & house will close in a corporation R/T?



INITIAL (Purchaser) R/B (Vendor) 

**SCHEDULE "C"****ADDITIONAL PROVISIONS****1. HARMONIZED SALES TAX**

The Purchaser and Vendor hereby acknowledge and agree that subject to compliance with and accuracy of the Purchaser's representations, warranties, acknowledgements, covenants and agreements herein the Purchase Price includes the Harmonized Sales Tax ("HST") exigible pursuant to Part IX of the Excise Tax Act (Canada) (the "HST Legislation"), net of the new housing rebate permitted under the HST Legislation, if any (the "Rebate").

The Purchaser acknowledges and agrees that the Vendor shall insert in Box 4 of the Transfer/Deed of Land delivered on Closing relating to the Real Property the actual consideration for the Real Property, being the Purchase Price less HST net of the Rebate, if any.

The Purchaser hereby covenants and agrees that he/she is acquiring the Real Property for use as his/her primary place of residence (as defined in the HST Legislation). The Purchaser further covenants and agrees that, forthwith after Closing, he/she shall personally occupy the Real Property or cause one or more of his/her relations (as defined in the HST Legislation) to occupy the Real Property as his/her primary place of residence for such period of time as required by Canada Customs and Revenue Agency pursuant to its administrative guide lines or under the HST Legislation in order to entitle the Purchaser to the Rebate.

The Purchaser hereby irrevocably assigns to and in favour of the Vendor any and all rights he/she may have on Closing or thereafter to any rebates, refunds or credits pursuant to the HST Legislation, including without limiting the generality of the foregoing, the Rebate.

The Purchaser covenants and agrees to execute and deliver to the Vendor on Closing all applications, assignments, authorizations, directions, forms and such other documents as may be requested by the Vendor or its solicitors to verify entitlement to such rebate, refund or credit and to effect the proper assignment thereof to the Vendor including, without limiting the generality of the foregoing, an independent form of the Purchaser's covenant to assign set out above.

Notwithstanding any other provision of this Agreement, the Purchaser acknowledges and agrees that the Purchase Price does not include any HST exigible with respect to any of the adjustments payable by the Purchaser pursuant to this Agreement or any extras, changes 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 in accordance with the HST Legislation.

In the event that the Purchaser does not qualify for the Rebate, the Vendor agrees to pay the HST exigible with respect to the purchase of the Real Property and the Vendor acknowledges that such HST is included in the Purchase Price provided, however, the Purchaser shall reimburse the Vendor as an adjustment on Closing with the amount equal to the Rebate to which the Purchaser would have been entitled if the Purchaser had qualified for the Rebate.

**2. RESTRICTIONS AND NOTICES PURSUANT TO THE SUBDIVISION AGREEMENT**

The Purchaser hereby acknowledges that title to the Lands will be subject to a Subdivision Agreement with The Corporation of the Town of Markham and or the Region of York, which Agreement may contain warning clauses and restrictions which the Vendor is required to bring to the attention of the Purchaser by incorporating same into this Agreement. The Purchaser acknowledges that the Subdivision Agreement will be registered against title to the Real Property prior to the Closing Date. The Purchaser acknowledges and agrees that his solicitor will search title to the Real Property prior to the Closing Date and shall be responsible for reviewing the Subdivision Agreement and identifying for the Purchaser any warning clauses and/or restrictions, if any, which are prescribed by the Subdivision Agreement. The Purchaser's solicitor shall be responsible for explaining the nature and importance of any such warning clauses and/or restrictions to the Purchaser. The Purchaser acknowledges and agrees that, on registration of the Subdivision Agreement against title to the Real Property, all warning clauses and/or restrictions prescribed by the Subdivision Agreement shall be deemed to be incorporated into and shall be deemed to form a part of this Agreement and, if required by the Vendor or the Municipality, the Purchaser covenants and agrees to execute, on or prior to Closing an acknowledgement and/or amendment in that regard, without same affecting the balance of this Agreement.

**3. PURCHASER'S FINANCING**

The Purchaser hereby covenants and agrees to provide to the Vendor such financial information regarding the Purchaser forthwith after the Purchaser signing this Agreement, and thereafter as the Vendor may require from time to time prior to the Closing Date for the purpose of confirming that the Purchaser has the financial capability of completing the transaction of purchase and sale contemplated by this Agreement. If the Purchaser fails to provide such information within ten days of the request for same by the Vendor, then the Purchaser shall be considered to be in default pursuant to this Agreement. In the event that the Vendor is not satisfied, in its sole and absolute discretion, with the financial strength of the Purchaser or with the completeness and accuracy of the information provided by the Purchaser, the Purchaser hereby acknowledges and agrees that the Vendor shall have the right, in its sole, absolute and arbitrary discretion, to:

INITIAL (Purchaser)



(Vendor)





- (a) require the Purchaser to pay an additional deposit in such amount as may be determined by the Vendor, in its sole and absolute discretion, which amount shall immediately become due and shall be paid by the Purchaser to the Vendor by certified cheque within five days of written notice given by the Vendor to the Purchaser in this regard, failing payment the Purchaser shall be in default pursuant to this Agreement; or
- (b) terminate this agreement. Upon such termination, the Deposit paid by the Purchaser to such date shall be returned to the Purchaser without interest or deduction and the Vendor shall not be liable for any losses, costs or damages incurred by the Purchaser whatsoever as a result of such termination.

In the event that the Purchaser is arranging mortgage financing for the purpose of completing the transaction of purchase and sale on the Closing Date, the Purchaser hereby covenants and agrees to apply for such mortgage financing within 10 days from the date of acceptance of this Agreement by the Vendor and forthwith provide the Vendor with evidence of said application and a copy of approval or rejection. In the event that the Purchaser fails to diligently comply with this provision, the Purchaser acknowledges and agrees that the Vendor shall have the right, in its sole, absolute and arbitrary discretion, to:

- (a) require the Purchaser to pay an additional deposit in such amount as may be determined by the Vendor, in its sole and absolute discretion, which amount shall immediately become due and shall be paid by the Purchaser to the Vendor by certified cheque within five days of written notice given by the Vendor to the Purchaser in this regard, failing payment the Purchaser shall be in default pursuant to this Agreement; or
- (b) terminate this agreement. Upon such termination, the Deposit paid by the Purchaser to such date shall be returned to the Purchaser without interest or deduction and the Vendor shall not be liable for any losses, costs or damages incurred by the Purchaser whatsoever as a result of such termination.

#### 4. LOT NUMBERS

If on or after registration of the plan of subdivision, and any subsequent subdivision or reference plan, the lot number of the Land is changed, the Purchaser agrees to accept such variation in lot number, and this Agreement shall be read with all amendments required thereby.

#### 5. CERTIFICATE OF OCCUPANCY

The Certificate of Occupancy issued by the Municipality will document the building inspection history, including mandatory inspections which were not conducted.

#### 6. SPECIFIC RESTRICTIONS AND NOTICES WHICH MAY AFFECT THE LOT PURSUANT TO THE SUBDIVISION AGREEMENT

TO BE DETERMINED.

#### 7. FENCING FEATURES

The Purchaser covenants and agrees that all fencing adjacent to road allowances and walkways will be erected entirely on private property and will not be erected on the lot line or into any road allowance or public property.

#### 8. COMMUNITY MAILBOXES

Purchasers are advised that mail delivery will be from a designated Community Mail box.

INITIAL (Purchaser)

RF

(Vendor)





**SCHEDULE "D"**

**TARION WARRANTY CORPORATION**  
THIS DOCUMENT CONTAINS IMPORTANT INFORMATION  
FOR THE CONSUMER

**ADDENDUM TO AGREEMENT OF PURCHASE AND SALE**

This addendum forms part of the Agreement of Purchase and Sale between:

**1879281 Ontario Inc**

("Purchaser")

and

**SUNRISE ACQUISITIONS (HWY 7) INC.**

("Vendor")

dated June, 24, 2016.

(the "Agreement")

INITIAL (Purchaser)



(Vendor)



Property Lot 43

**Statement of Critical Dates**  
Delayed Occupancy Warranty

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

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

**VENDOR** Sunrise Acquisitions (Hwy 7) Inc  
Full Name(s)

**PURCHASER** Rui Pereira  
Full Name(s)

**1. Critical Dates**

The **First Tentative Occupancy Date**, which is the date that the Vendor anticipates the home will be completed and ready to move in, is: the 17th day of July, 2017.

A **Second Tentative Occupancy Date** can subsequently be set by the Vendor by giving proper written notice at least 90 days before the First Tentative Occupancy Date. The Second Tentative Occupancy Date can be up to 120 days after the First Tentative Occupancy Date, and so could be as late as: the 14th day of November, 2017.

The Vendor must set a **Firm Occupancy Date** by giving proper written notice at least 90 days before the Second Tentative Occupancy Date. The Firm Occupancy Date can be up to 120 days after the Second Tentative Occupancy Date, and so could be as late as: the 14th day of March, 2018.

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

The Vendor can set a **Delayed Occupancy Date** that is up to 365 days after the earlier of the Second Tentative Occupancy Date and the Firm Occupancy Date: This **Outside Occupancy Date** could be as late as: the 14th day of November, 2018.

**2. Notice Period for an Occupancy Delay**

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

Notice of a delay beyond the First Tentative Occupancy Date must be given no later than: the 18th day of April, 2017.

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

Notice of a second delay in Occupancy must be given no later than: the 16th day of August, 2017.

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

**3. Purchaser's Termination Period**

If the home is not complete by the Outside Occupancy Date, then the Purchaser can terminate the transaction during a period of **30 days** thereafter (the "**Purchaser's Termination Period**"), which period, unless extended by mutual agreement, will end on: the 14th day of December, 2018.

If the Purchaser terminates the transaction during the Purchaser's Termination Period, then the Purchaser is entitled to delayed occupancy compensation and to a full refund of all monies paid plus interest (see sections 7, 11 and 12 of the Addendum).

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

Acknowledged this 10<sup>th</sup> day of OCTOBER, 2016.

VENDOR: [Signature]

PURCHASER: X

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

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

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

**The Vendor shall complete all blanks set out below.**

<b>VENDOR</b>	Sunrise Acquisitions (Hwy 7) Inc.		
Full Name(s)	50 West Wilmot St., Suite 100		
42051			
Tarion Registration Number	Address	ON	L4B1M5
905-597-3333	Richmond Hill		
Phone	City	Province	Postal Code
905-597-3334	info@sunrisehomes.ca		
Fax	Email*		

<b>PURCHASER</b>	Rui Pereira		
Full Name(s)	Toronto		
121 Eileen Ave	ON	M6N 1W3	
Address	City	Province	Postal Code
416-684-1337	rfavas@rivervalleyasonry.com		
Phone	Email*		
Fax			

**PROPERTY DESCRIPTION**

Municipal Address		
City	Province	Postal Code
4128 Hwy 7, Markham, ON		
Short Legal Description		
Number of Homes in the Freehold Project <u>52</u> (if applicable – see Schedule A)		

**INFORMATION REGARDING THE PROPERTY**

The Vendor confirms that:

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

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

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

- (c) A building permit has been issued for the Property.  Yes  No
- (d) Commencement of Construction:  has occurred; or  is expected to occur by the 15th day of October, 2016.

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

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

## SETTING AND CHANGING CRITICAL DATES

### 1. Setting Tentative Occupancy Dates and the Firm Occupancy Date

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

### 2. Changing the Firm Occupancy Date – Three Ways

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

### 3. Changing the Firm Occupancy Date – By Setting a Delayed Occupancy Date

- (a) If the Vendor cannot provide Occupancy on the Firm Occupancy Date and sections 4 and 5 do not apply, the Vendor shall select and give written notice to the Purchaser of a Delayed Occupancy Date in accordance with this section, and delayed occupancy compensation is payable in accordance with section 7.
- (b) The Delayed Occupancy Date may be any Business Day after the date the Purchaser receives written notice of the Delayed Occupancy Date but not later than the Outside Occupancy Date.
- (c) The Vendor shall give written notice to the Purchaser of the Delayed Occupancy Date as soon as the Vendor knows that it will be unable to provide Occupancy on the Firm Occupancy Date, and in any event at least 10 days before the Firm Occupancy Date, failing which delayed occupancy compensation is payable from the date that is 10 days before the Firm Occupancy Date, in accordance with paragraph 7(c). If notice of a new Delayed Occupancy Date is not given by the Vendor, before the Firm Occupancy Date, then the new Delayed Occupancy Date shall be deemed to be the date which is 90 days after the Firm Occupancy Date.
- (d) After the Delayed Occupancy Date is set, if the Vendor cannot provide Occupancy on the Delayed Occupancy Date, the Vendor shall select and give written notice to the Purchaser of a new Delayed Occupancy Date, unless the delay arises due to Unavoidable Delay under section 5 or is mutually agreed upon under section 4, in which case the requirements of those sections must be met. Paragraphs (b) and (c) above apply with respect to the setting of the new Delayed Occupancy Date.
- (e) Nothing in this section affects the right of the Purchaser or Vendor to terminate the Purchase Agreement on the bases set out in section 11.

### 4. Changing Critical Dates – By Mutual Agreement

- (a) This Addendum sets out a framework for setting, extending and/or accelerating Critical Dates, which cannot be altered contractually except as set out in this section 4. Any amendment not in accordance with this section is voidable at the option of the Purchaser. For greater certainty, this Addendum does not restrict any extensions of the Closing date (i.e., title transfer date) where Occupancy of the home has already been given to the Purchaser.
- (b) The Vendor and Purchaser may at any time, after signing the Purchase Agreement, mutually agree in writing to accelerate or extend any of the Critical Dates. Any amendment which accelerates or extends any of the Critical Dates must include the following provisions:
  - (i) the Purchaser and Vendor agree that the amendment is entirely voluntary – the Purchaser has no obligation to sign the amendment and each understands that this purchase transaction will still be valid if the Purchaser does not sign this amendment;
  - (ii) the amendment includes a revised Statement of Critical Dates which replaces the previous Statement of Critical Dates;

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

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

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

#### **5. Extending Dates – Due to Unavoidable Delay**

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

#### **EARLY TERMINATION CONDITIONS**

##### **6. Early Termination Conditions**

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

**Condition #1 (if applicable)**

Description of the Early Termination Condition:

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

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

**Condition #2 (if applicable)**

Description of the Early Termination Condition:

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

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

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

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

- (e) There are no Early Termination Conditions applicable to this Purchase Agreement other than those identified in subparagraph (d) above and any appendix listing additional Early Termination Conditions.
- (f) The Vendor agrees to take all commercially reasonable steps within its power to satisfy the Early Termination Conditions identified in subparagraph (d) above.
- (g) For conditions under paragraph 1(a) of Schedule A the following applies:
  - (i) conditions in paragraph 1(a) of Schedule A may not be waived by either party;
  - (ii) the Vendor shall provide written notice not later than five (5) Business Days after the date specified for satisfaction of a condition that: (A) the condition has been satisfied; or (B) the condition has not been satisfied (together with reasonable details and backup materials) and that as a result the Purchase Agreement is terminated; and
  - (iii) if notice is not provided as required by subparagraph (ii) above then the condition is deemed not satisfied and the Purchase Agreement is terminated.
- (h) For conditions under paragraph 1(b) of Schedule A the following applies:
  - (i) conditions in paragraph 1(b) of Schedule A may be waived by the Vendor;
  - (ii) the Vendor shall provide written notice on or before the date specified for satisfaction of the condition that: (A) the condition has been satisfied or waived; or (B) the condition has not been satisfied nor waived, and that as a result the Purchase Agreement is terminated; and
  - (iii) if notice is not provided as required by subparagraph (ii) above then the condition is deemed satisfied or waived and the Purchase Agreement will continue to be binding on both parties.
- (i) If a Purchase Agreement or proposed Purchase Agreement contains Early Termination Conditions, the Purchaser has three (3) Business Days after the day of receipt of a true and complete copy of the Purchase Agreement or proposed Purchase Agreement to review the nature of the conditions (preferably with legal counsel). If the Purchaser is not satisfied, in the Purchaser's sole discretion, with the Early Termination Conditions, the Purchaser may revoke the Purchaser's offer as set out in the proposed Purchase Agreement, or terminate the Purchase Agreement, as the case may be, by giving written notice to the Vendor within those three Business Days.
- (j) The Purchase Agreement may be conditional until Closing (transfer to the Purchaser of title to the home), upon compliance with the subdivision control provisions (section 50) of the *Planning Act* and, if applicable, registration of a related common elements condominium corporation under the *Condominium Act, 1998*, which compliance shall be obtained by the Vendor at its sole expense, on or before Closing.
- (k) The Purchaser is cautioned that there may be other conditions in the Purchase Agreement that allow the Vendor to terminate the Purchase Agreement due to the fault of the Purchaser.
- (l) The Purchase Agreement may include any condition that is for the sole benefit of the Purchaser and that is agreed to by the Vendor (e.g., the sale of an existing dwelling, Purchaser financing or a basement walkout). The Purchase Agreement may specify that the Purchaser has a right to terminate the Purchase Agreement if any such condition is not met, and may set out the terms on which termination by the Purchaser may be effected.

## MAKING A COMPENSATION CLAIM

### 7. Delayed Occupancy Compensation

- (a) The Vendor warrants to the Purchaser that, if Occupancy is delayed beyond the Firm Occupancy Date (other than by mutual agreement or as a result of Unavoidable Delay as permitted under sections 4 and 5), then the Vendor shall compensate the Purchaser up to a total amount of \$7,500, which amount includes: (i) payment to the Purchaser of a set amount of \$150 a day for living expenses for each day of delay until the Occupancy Date; or the date of termination of the Purchase Agreement, as applicable under paragraph (b) below; and (ii) any other expenses (supported by receipts) incurred by the Purchaser due to the delay.
- (b) Delayed occupancy compensation is payable only if: (i) Occupancy and Closing occurs; or (ii) the Purchase Agreement is terminated or deemed to have been terminated under paragraph 11(b) of this Addendum. Delayed occupancy compensation is payable only if the Purchaser's claim is made to Tarion in writing within one (1) year after Occupancy, or after termination of the Purchase Agreement, as the case may be, and otherwise in accordance with this Addendum. Compensation claims are subject to any further conditions set out in the ONHWP Act.
- (c) If the Vendor gives written notice of a Delayed Occupancy Date to the Purchaser less than 10 days before the Firm Occupancy Date, contrary to the requirements of paragraph 3(c), then delayed occupancy compensation is payable from the date that is 10 days before the Firm Occupancy Date.
- (d) Living expenses are direct living costs such as for accommodation and meals. Receipts are not required in support of a claim for living expenses, as a set daily amount of \$150 per day is payable. The Purchaser must provide receipts in support of any claim for other delayed occupancy compensation, such as for moving and storage costs. Submission of false receipts disentitles the Purchaser to any delayed occupancy compensation in connection with a claim.
- (e) If delayed occupancy compensation is payable, the Purchaser may make a claim to the Vendor for that compensation after Occupancy or after termination of the Purchase Agreement, as the case may be, and shall include all receipts (apart from living expenses) which evidence any part of the Purchaser's claim. The Vendor shall assess the Purchaser's claim by determining the amount of delayed occupancy compensation payable based on the rules set out in section 7 and the receipts provided by the Purchaser, and the Vendor shall promptly provide that assessment information to the Purchaser. The Purchaser and the Vendor shall use reasonable efforts to settle the claim and when the claim is settled, the Vendor shall prepare an acknowledgement signed by both parties which:
- (i) includes the Vendor's assessment of the delayed occupancy compensation payable;
  - (ii) describes in reasonable detail the cash amount, goods, services, or other consideration which the Purchaser accepts as compensation (the "Compensation"), if any; and
  - (iii) contains a statement by the Purchaser that the Purchaser accepts the Compensation in full satisfaction of any delayed occupancy compensation payable by the Vendor.
- (f) If the Vendor and Purchaser cannot agree as contemplated in paragraph 7(e), then to make a claim to Tarion the Purchaser must file a claim with Tarion in writing within one (1) year after Occupancy. A claim may also be made and the same rules apply if the sale transaction is terminated under paragraph 11(b), in which case, the deadline for a claim is one (1) year after termination.
- (g) If delayed occupancy compensation is payable, the Vendor shall either: pay the compensation as soon as the proper amount is determined; or pay such amount with interest (at the prescribed rate as specified in subsection 19(1) of O.Reg. 48/01 of the *Condominium Act, 1998*), from the Occupancy Date to the date of Closing, such amount to be an adjustment to the balance due on the day of Closing.

### 8. Adjustments to Purchase Price

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

### 9. Occupancy

If the Purchaser accepts or is required to accept Occupancy in advance of receiving a title transfer of the home, then the provisions of Schedule C shall apply.

## MISCELLANEOUS

### 10. Ontario Building Code – Conditions of Occupancy

- (a) On or before the Occupancy Date, the Vendor shall deliver to the Purchaser:
- (i) an Occupancy Permit (as defined in paragraph (d)) for the home; or

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

#### 11. Termination of the Purchase Agreement

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

#### 12. Refund of Monies Paid on Termination

- (a) If the Purchase Agreement is terminated (other than as a result of breach of contract by the Purchaser), then unless there is agreement to the contrary under paragraph 11(a), the Vendor shall refund all monies paid by the Purchaser including deposit(s) and monies for upgrades and extras, within 10 days of such termination, with interest from the date each amount was paid to the Vendor to the date of refund to the Purchaser. The Purchaser cannot be compelled by the Vendor to execute a release of the Vendor as a prerequisite to obtaining the refund of monies payable as a result of termination of the Purchase Agreement under this paragraph, although the Purchaser may be required to sign a written acknowledgement confirming the amount of monies refunded and termination of the purchase transaction. Nothing in this Addendum prevents the Vendor and Purchaser from entering into such other termination agreement and/or release as may be agreed to by the parties.
- (b) The rate of interest payable on the Purchaser's monies shall be calculated in accordance with the *Condominium Act, 1998*.
- (c) Notwithstanding paragraphs (a) and (b) above, if either party initiates legal proceedings to contest termination of the Purchase Agreement or the refund of monies paid by the Purchaser, and obtains a legal determination, such amounts and interest shall be payable as determined in those proceedings.

#### 13. Definitions

"**Business Day**" means any day other than: Saturday; Sunday; New Year's Day; Family Day; Good Friday; Easter Monday; Victoria Day; Canada Day; Civic Holiday; Labour Day; Thanksgiving Day; Remembrance Day; Christmas Day; Boxing Day; and any special holiday proclaimed by the Governor General or the Lieutenant Governor; and



where New Year's Day, Canada Day or Remembrance Day falls on a Saturday or Sunday, the following Monday is not a Business Day, and where Christmas Day falls on a Saturday or Sunday, the following Monday and Tuesday are not Business Days; and where Christmas Day falls on a Friday, the following Monday is not a Business Day.

**"Closing"** means the completion of the sale of the home including transfer of title to the home to the Purchaser.

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

**"Critical Dates"** means the First Tentative Occupancy Date, the Second Tentative Occupancy Date, the Firm Occupancy Date, the Delayed Occupancy Date, the Outside Occupancy Date and the last day of the Purchaser's Termination Period.

**"Delayed Occupancy Date"** means the date, set in accordance with section 3, on which the Vendor agrees to provide Occupancy, in the event the Vendor cannot provide Occupancy on the Firm Occupancy Date.

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

**"Firm Occupancy Date"** means the firm date on which the Vendor agrees to provide Occupancy as set in accordance with this Addendum.

**"First Tentative Occupancy Date"** means the date on which the Vendor, at the time of signing the Purchase Agreement, anticipates that the home will be complete and ready for Occupancy, as set out in the Statement of Critical Dates.

**"Occupancy"** means the right to use or occupy the home in accordance with the Purchase Agreement.

**"Occupancy Date"** means the date the Purchaser is given Occupancy on or before Closing.

**"Outside Occupancy Date"** means the latest date that the Vendor agrees to provide Occupancy to the Purchaser, as confirmed in the Statement of Critical Dates.

**"Property" or "home"** means the freehold home being acquired by the Purchaser from the Vendor, and its interest in the related common elements condominium corporation.

**"Purchaser's Termination Period"** means the 30-day period during which the Purchaser may terminate the Purchase Agreement for delay, in accordance with paragraph 11(b).

**"Second Tentative Occupancy Date"** has the meaning given to it in paragraph 1(c).

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

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

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

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

#### 14. Addendum Prevails

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

#### 15. Time Periods, and How Notice Must Be Sent

- (a) Any written notice required under this Addendum may be given personally or sent by email, fax, courier or registered mail to the Purchaser or the Vendor at the address/contact numbers identified on page 2 or replacement address/contact numbers as provided in paragraph (c) below. Notices may also be sent to the solicitor for each party if necessary contact information is provided, but notices in all events must be sent to the Purchaser and Vendor, as applicable. If email addresses are set out on page 2 of this Addendum, then the parties agree that notices may be sent by email to such addresses, subject to paragraph (c) below.
- (b) Written notice given by one of the means identified in paragraph (a) is deemed to be given and received: on the date of delivery or transmission, if given personally or sent by email or fax (or the next Business Day if the date of delivery or transmission is not a Business Day); on the second Business Day following the date of sending by courier; or on the fifth Business Day following the date of sending, if sent by registered mail. If a postal stoppage or interruption occurs, notices shall not be sent by registered mail, and any notice sent by registered mail within 5 Business Days prior to the commencement of the postal stoppage or interruption must be re-sent by another means in order to be effective. For purposes of this section 15, Business Day includes Remembrance Day, if it falls on a day other than Saturday or Sunday, and Easter Monday.
- (c) If either party wishes to receive written notice under this Addendum at an address/contact number other than those identified on page 2 of this Addendum, then the party shall send written notice of the change of address, fax number, or email address to the other party in accordance with paragraph (b) above.
- (d) Time periods within which or following which any act is to be done shall be calculated by excluding the day of delivery or transmission and including the day on which the period ends.
- (e) Time periods shall be calculated using calendar days including Business Days but subject to paragraphs (f), (g) and (h) below.

- (f) Where the time for making a claim under this Addendum expires on a day that is not a Business Day, the claim may be made on the next Business Day.
- (g) Prior notice periods that begin on a day that is not a Business Day shall begin on the next earlier Business Day, except that notices may be sent and/or received on Remembrance Day, if it falls on a day other than Saturday or Sunday, or Easter Monday.
- (h) Every Critical Date must occur on a Business Day. If the Vendor sets a Critical Date that occurs on a date other than a Business Day, the Critical Date is deemed to be the next Business Day.
- (i) Words in the singular include the plural and words in the plural include the singular.
- (j) Gender-specific terms include both sexes and include corporations.

#### 16. Disputes Regarding Termination

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

For more information please visit [www.tarion.com](http://www.tarion.com)

**SCHEDULE A**
**Types of Permitted Early Termination Conditions**
**1. The Vendor of a home is permitted to make the Purchase Agreement conditional as follows:**

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

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

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

(b) upon:

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

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

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

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

**2. The following definitions apply in this Schedule:**

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

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

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

**3. Each condition must:**

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

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

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

**SCHEDULE B****Adjustments to Purchase Price or Balance Due on Closing****PART I Stipulated Amounts/Adjustments**

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

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

1. As per Agreement of Purchase and Sale Clause 7 - Adjustments
  
- 2.
  
- 3.

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

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

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

1.

2.

3.

## SCHEDULE C

### Terms of Occupancy Licence

If the purchaser takes Occupancy of the home before the date of Closing or is required to do so under the Purchase Agreement, then the following provisions shall apply:

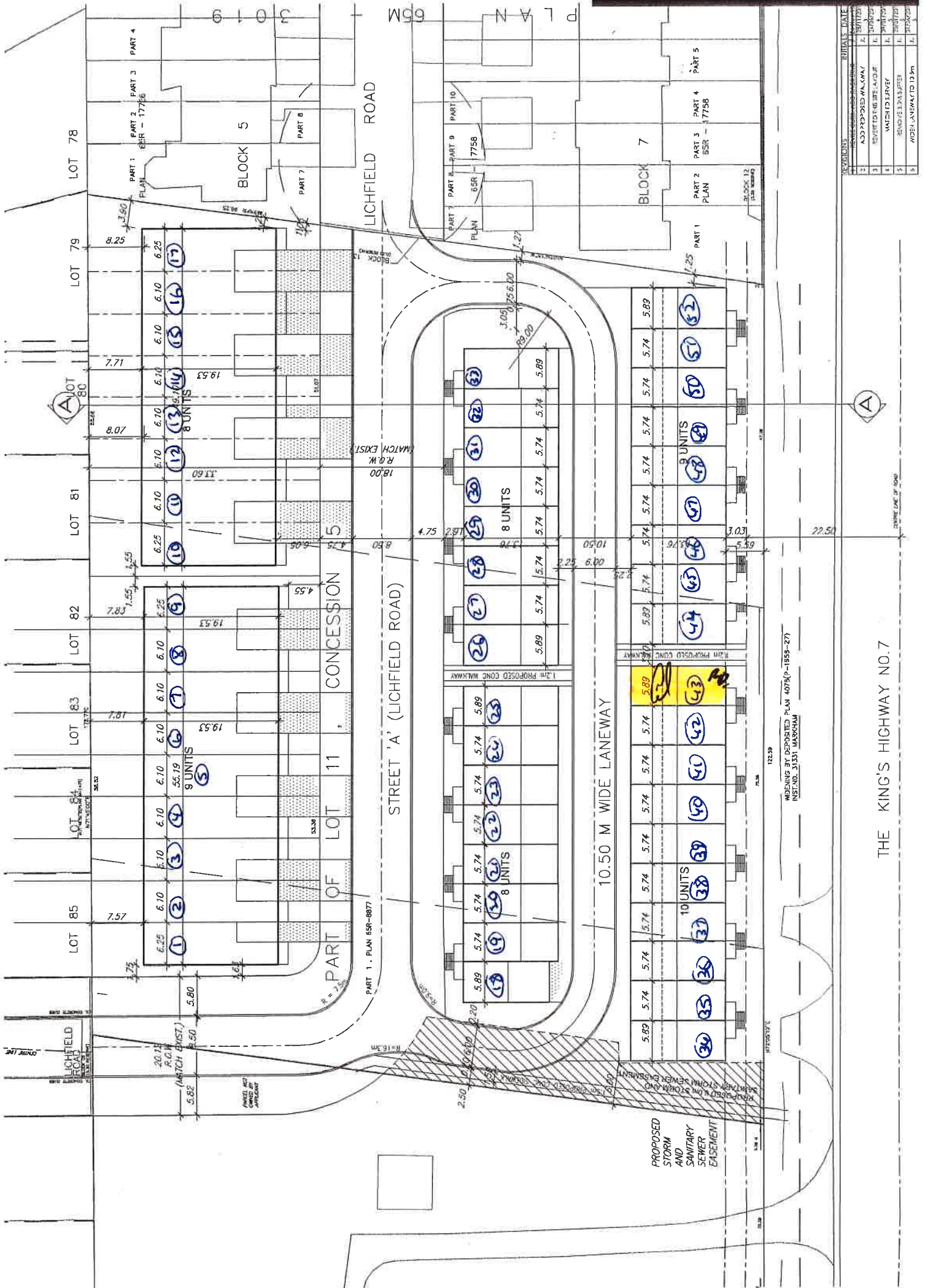
1. The Purchaser shall be given Occupancy of the home on the Occupancy Date.
2. The Purchaser shall not be required to pay the balance due on the purchase price on the Occupancy Date unless the Occupancy Date is also the Closing Date.
3. The Purchaser shall pay to the Vendor a monthly **Occupancy Fee** from and after the Occupancy Date which shall not exceed an amount calculated as follows:
  - (i) interest calculated on a monthly basis on the unpaid balance of the purchase price at the prescribed rate as specified in subsection 19(1) of O.Reg 48/01 to the Condominium Act, 1998; plus
  - (ii) an amount reasonably estimated by the Vendor on a monthly basis for municipal realty taxes attributable by the Vendor to the home; plus
  - (iii) the projected monthly common expense contribution for the home's share of the common elements condominium corporation (CEC).

The Occupancy Fee shall be payable on the first day of each month in advance until the date of Closing. The Occupancy Fee is a fee for the use of the home and no part of it shall be credited as payments on account of the Purchase Price. If Occupancy does not occur on the first day of the month, the Purchaser shall pay on the Occupancy Date a pro rata amount for the balance of the month.

4. If the Vendor charges the Purchaser a monthly Occupancy Fee for longer than six (6) months and the monthly Occupancy Fee includes a projected contribution to the reserve fund for the CEC, then, with respect to the Occupancy Fee for each month after the sixth month, the Vendor shall hold in trust and remit to the CEC upon registering the declaration and description for the CEC, the portion of the monthly Occupancy Fee that represents the projected contribution to the reserve fund.
5. The Vendor, during the Purchaser's period of Occupancy,
  - (a) shall provide those services that the CEC corporation will have a duty to provide to owners after the registration of the CEC declaration and description;
  - (b) shall repair and maintain the CEC property in the same manner as the CEC corporation will have a duty to repair after damage and maintain after the registration of the CEC declaration and description;
  - (c) has the same right of entry to CEC property that the CEC corporation will have after the registration of the CEC declaration and description;
  - (d) may withhold consent to an assignment of the right to use CEC property; and
  - (e) may charge a reasonable fee for consenting to an assignment of the right to use CEC property.
6. The Vendor shall proceed with due diligence to register the CEC declaration and description. The Vendor shall, within 30 days of the registration of the CEC declaration and description, notify the Purchaser in writing of the date and instrument numbers of the registration, unless within that time the Purchaser receives a deed to the home that is in registerable form. Upon registration of the CEC declaration and description, the Vendor and Purchaser shall proceed to complete the title transfer on a date designated by the Vendor or its solicitor which shall be no later than sixty (60) days after the registration of the CEC declaration and description. If the Vendor for any reason whatsoever is unable to register the CEC declaration and description and therefore is unable to deliver a registerable Transfer/Deed to the Purchaser within twelve (12) months of the Occupancy Date, the Purchaser shall have the right for a period of 30 days after such twelve (12) month period, to give sixty (60) days written notice to the Vendor, to terminate the Occupancy licence and this Purchase Agreement. If the Purchaser gives notice of termination, the Purchaser shall give up vacant possession and pay the Occupancy Fee to the date of termination, after which this Purchase Agreement and Occupancy licence shall be terminated and section 7 of the Addendum applies.
7. The rights and duties described in section 5 above, apply despite any provision to the contrary in the *Residential Tenancies Act, 2006*.
8. The Vendor shall, on delivering to the Purchaser a Transfer Deed that is in registerable form or as soon as is practicable after delivery, refund to the Purchaser the portion of the monthly Occupancy Fee that the Purchaser has paid on account of municipal taxes attributable to the home in excess of the amount actually assessed against the home.

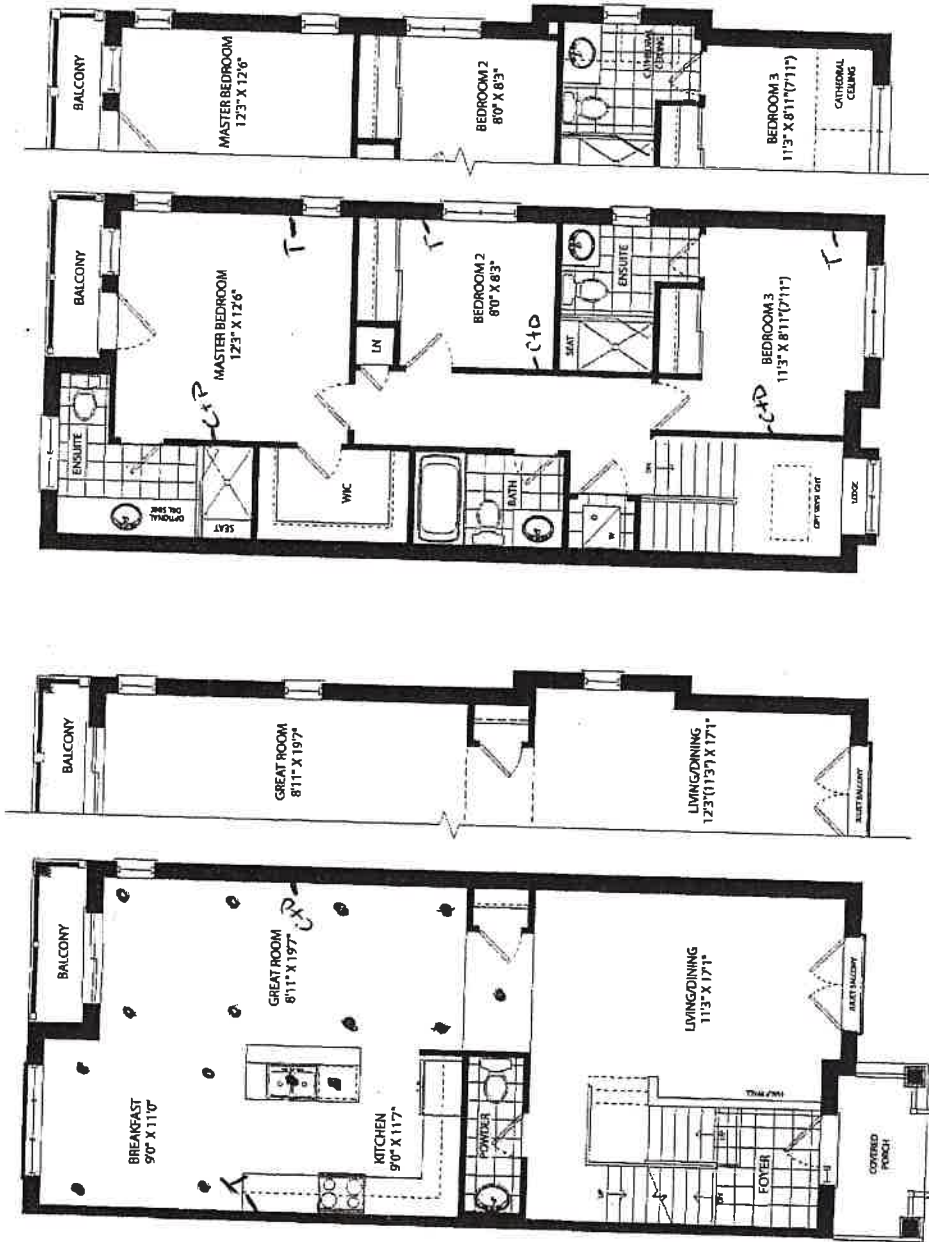
9. If the portion of the monthly Occupancy Fee that the Purchaser has paid on account of municipal taxes attributable to the home is insufficient to pay the amount actually assessed against the home, the Vendor may require the Purchaser to pay the difference between the two amounts.
10. Sections 149, 150, 151, 165, 166 and 167 and Part VII of the *Residential Tenancies Act, 2006*, do not apply to Occupancy and monthly Occupancy Fees charged under this Schedule C.
11. In accordance with section 58(1).4 of the *Residential Tenancies Act, 2006*, if the Occupancy arose by virtue of or collateral to the Purchase Agreement, then if the Purchase Agreement is terminated, the Occupancy shall correspondingly be terminated.
12. The Purchaser shall maintain the home in a clean and sanitary condition and not make any alterations or improvements without the prior written approval of the Vendor which may not be unreasonably withheld.
13. The Purchaser shall be responsible for all utility, telephone expenses, cable television service, or other charges and expenses billed directly to the occupant of the home by the supplier of such services.
14. The Purchaser shall as at the Occupancy Date insure the home for the full replacement value thereof and provide a copy of the insurance certificate to the Vendor. The Vendor is not liable for the Purchaser's loss occasioned by fire, theft or other casualty, unless caused or contributed to by the Vendor.
15. The Vendor and Purchaser may agree upon additional provisions relating to Occupancy, provided such provisions do not derogate from, do not conflict with and are not inconsistent with provisions of this Schedule C.







Lot 43



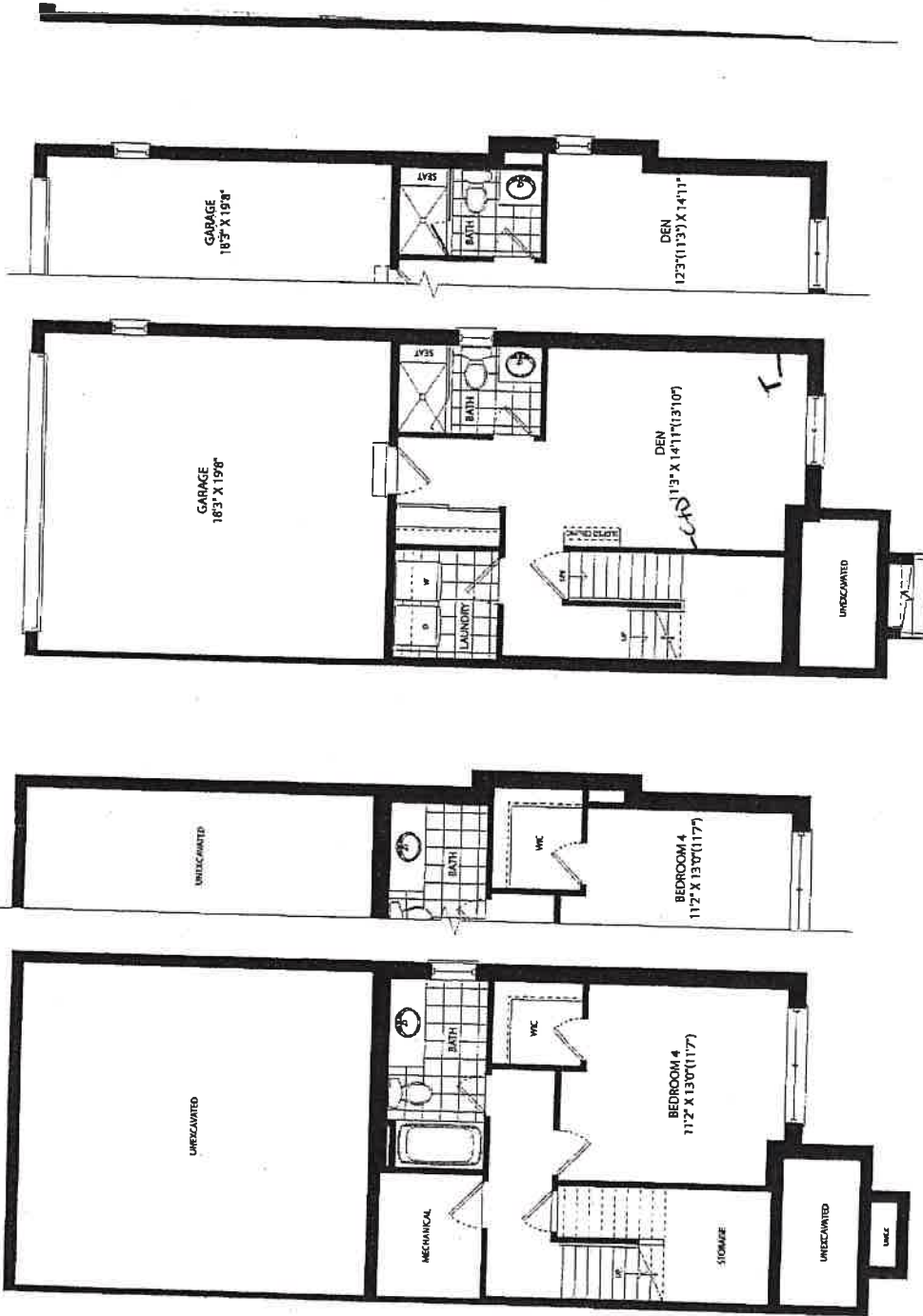
MAIN FLOOR

PARTIAL MAIN FLOOR  
UNFINISHED PARTITIONING

PARTIAL UPPER FLOOR

PARTIAL UPPER FLOOR  
UNFINISHED PARTITIONING

*[Handwritten signature]*  
*[Handwritten initials]*



UPPER LOWER LEVEL  
REPLACES BR. CONNECTION

PLAN 2001

REVISIONS & DIMENSIONS FOR SELECTION  
OF FINISHES TO BE DETERMINED

PLAN 2001

*[Handwritten signature]*  
 DR

## *Features and Finishes*

### ARCHITECTURAL FEATURE

Architecturally controlled streetscapes with pleasing exterior colour schemes, styles and elevations.  
 Precast concrete and / or stucco window sills, headers and arches, per elevation  
 35 year self-sheathing shingles  
 Low maintenance aluminum soffits, fascia, downspouts and eaves troughs  
 Prefinished aluminum roll-up garage doors with tempered and thermal privacy glazing.  
 Designer decorative exterior lights on front and rear facades  
 Fully sodded lot, where applicable  
 Fully paved driveway consisting of a base and top coat finish  
 Luxurious Stone Veneer and Brick Exteriors  
 Spacious Decks, where grade permits  
 Vinyl Sliding Doors with Screen, per elevation  
 Vinyl casement windows with air tight  
 All operating windows will be screened  
 8' high wood insulated front entry door with accenting glass inserts  
 Garage to house entry door, where grade permits  
 Front entry doors with brushed silver grip set, and passage and deadbolts used all on side and rear entry doors with matching floor mounted doorstops (except for sliding doors)

### INTERIOR FEATURES

Smooth ceilings throughout  
 8 foot wood grain front doors  
 Ceiling height of approximately 9' above grade  
 Porcelain 12" x 24" tile in Baths and Laundry  
 Upgraded casings and millwork - 3" window and door casing, 5" baseboard  
 Two tone paint - Semi gloss white shade on casings and millwork and flat high grade paint on the walls in a neutral tone selected from 5 colours in our Design Centre  
 Approximately 7' high interior doors throughout  
 Stained Oak Stairs to match wood flooring, with buyer's choice of Iron or Wood Pickets  
 Smart system Programmable Home Thermostat from NEST  
 Rough-in for Security Alarm  
 Garage Door Opener  
 High efficiency furnace and air conditioning units per suite  
 Vented Cold Cellars with interior Light, where applicable  
 Spray Foam Insulation over Garage Ceilings  
 Single handle faucets in Kitchen & Bathrooms  
 Pre-wired for Phone, Cable, Internet in Bedrooms and Main living areas  
 Your choice of traditional or contemporary fireplace where plan permits

### FLOORING

Imported 12" x 24" porcelain tile in the foyer, powder room, laundry room and all bathrooms (per plan) selected in our Design Centre  
 High style 3 1/8" inch wood plank floor, engineered to be used everywhere in your home, except the bathrooms, laundry room and foyer

## Engineered Floor Joist System

### DESIGNER KITCHEN

High grade, 5-piece panel style Kitchen Cabinetry, with extended uppers

Selection of hardware for cabinets

Custom fit Quartz or Granite countertops with one double basin under mount sink

Custom backsplash – either tile or painted glass

Chrome Riobel Kitchen faucet. A single handle faucet with integrated pull-out spray handle

Deluxe Stainless Steel Appliance Package (Refrigerator, Stove, Microwave and Dishwasher)

### BATHS

High grade, 5-piece panel style Bath room Vanity Cabinets

Selection of hardware for cabinets

Custom fit Quartz or Granite countertops with under mount sink in first Master Ensuite

Single-hole chrome superior Riobel faucet package in each bath, with mechanical pop up drain.

Frameless Glass Showers with a Light, where applicable

Rain showers in the Master bathroom

Custom wall tile, Floor to ceiling in the bath and shower areas, with accent tile design

Toto toilets

Shut off Valves installed for all Sinks & Toilets

Full, 4-piece bathroom in all finished basements

Vanity to ceiling mirrors in baths

Upgraded light fixtures on mirrors in all baths

### LAUNDRY ROOMS

Full sized Washer & Dryer

Laundry tubs, as per plan

All required plumbing, electrical and venting rough-ins

Modern open shelf storage cabinets above the laundry tub, as plan permits

### COMFORT FEATURES

Control switch located in the interior of the home near the garage to power off the garage door opener for added safety and security

Capped gas line at the outside rear of the home for future barbeque hook up

Complete central vac system in the garage

Smoke and carbon monoxide detectors installed and hard wired as per Building Codes

NEST Smart technology thermostat compatible with your smart phone for energy saving

Door chimes for the front door

Duct work sized for air conditioner installed

Two exterior water taps

Pre-wires for Phone, Cable, Internet in Bedrooms and Main living areas

White Decora Light Switches & Plugs

### LIGHTING ELECTRICAL AND TECHNOLOGY

100 AMP electrical service

15 LED, energy saving pot lights on main floor

One exterior seasonal electrical outlet

RJR



European height white Decora plugs and switches throughout, per electrical standard specifications

Ceiling light fixtures in all rooms with the exception of the living room, which will have a switched wall outlet

Weather proof exterior outlets, one at the front of the home and one at the rear of the home

Electrical wall outlets in the garage and an electrical outlet for the garage door and opener

#### SUPERIOR CONSTRUCTION

Approximately 8' poured concrete walls with heavy duty damp proofing, drainage board, weeping tiles and full height blanket insulation

Tongue and groove subfloor to be glued, screwed and sanded

2 X 6 exterior wall construction

Conventional air circulating system

High efficiency gas furnace

Poured concrete porch

Reinforced concrete garage floors and grade beams

Spray foam insulation in the garage ceiling below livable areas as well as all cantilevered box out window areas

Finished basements

#### HOMEOWNER WARRANTY PROTECTION

The Tarion Warranty offers: Seven (7) year protection on all structural defects

Two (2) year protection on mechanicals and materials including electrical, plumbing, heating and distribution systems, all exterior cladding, windows and doors

One (1) year protection on all workmanship and material defects

RJ. RL

DISCLOSURE STATEMENT  
(under subsection 72(3) of the Condominium Act, 1998)

- 1. **DATE OF DISCLOSURE STATEMENT** \_\_3\_\_ day of June, 2016
- 2. **TYPE OF CORPORATION**                   The Corporation is a freehold condominium corporation that is a common elements condominium corporation.
- 3. **NAME AND MUNICIPAL ADDRESS OF DECLARANT**
  - (a) **Name of Declarant:**                   Sunrise Acquisitions (HWY 7) Inc.
  - (b) **Municipal Address of Declarant:**   c/o Sunrise Homes Ltd.  
50 West Wilmot Street, Suite: 100  
Markham, ON L4B 1M5
  - (c) **Mailing Address of the Condominium:**   50 West Wilmot Street, Suite: 100  
Markham, ON L4B 1M5
  - (d) **Municipal Address of the Condominium:**

There is presently no municipal address for the Common Elements Condominium Corporation. It is intended that the Common Elements Condominium Corporation shall consist primarily of common driveways and walkways and shared services including hydro and gas, and storm and sanitary sewers. The parcels of tied land shall have municipal addresses assigned to them in such fashion as may be determined by the municipality.

4. **GENERAL DESCRIPTION OF THE PROPERTY**

- (a) **Division and Composition of the Project**

The proposed Condominium is a freehold condominium that is a common elements condominium corporation as defined by the Act.

The Declarant proposes to develop a common elements condominium that will be comprised, for the most part, of common driveways and walkways with various shared services including hydro, telephone, gas, and cable, and storm and sanitary sewers located within the common elements. The Condominium is to be developed in conjunction with the development of thirty five (35) townhouse dwellings. Each of Lots 1 through 35 shall form one parcel of tied land ("POTL") on which townhouse dwellings shall be constructed.

A common interest in the Condominium shall attach to each POTL, described in the Declaration, and cannot be severed from any POTL upon a sale or enforcement of any encumbrance registered against title to a POTL.

Delivered to each Purchaser with this Disclosure Statement is a reduced copy of the preliminary draft Condominium Plan showing the location of the Condominium, Draft Site Plan The actual location of certain structures may be altered and/or revised to comply with the final site plan and other approvals from the appropriate governmental authorities. Purchasers are advised that, at present, certain services and facilities intended to be located beneath or within the internal road or on Condominium Property to service the development may be required to be located in areas outside the Condominium Property, and therefore may be located within the proposed POTLs. Accordingly, these areas may be subject to easements in favour of the Corporation or other owners enjoying the use of such services for access, use, repair, maintenance and replacement of such services or facilities.

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The Declarant reserves the right to increase or decrease the number of POTLs, provided that each Purchaser's proportionate share of the common expenses shall not increase in a material fashion, and any such changes shall not constitute a material change.

Purchasers of POTLs are advised that during the construction of the Condominium and of the dwellings on the POTLs, the Declarant, its workmen, trades, suppliers, agents, contractors and servants shall be entitled to use those portions of the common elements as may be necessary. Purchasers are advised that construction activity may result in noise, dust, debris and heavy traffic during the day and may interfere with the ordinary use and enjoyment of the Condominium and the POTLs. The Declarant shall make reasonable efforts to minimize such disruption during the course of construction, but nothing shall derogate from the right of the Declarant to complete construction.

(b) Proposed Types and number of Buildings and Units

The Condominium shall consist of common roadways, with the POTLs located adjacent to the Condominium.

(c) Utilities and Other Services

Hydro service supplied to the common elements will be bulk metered and billed directly to the Condominium Corporation by the utility and included in the budget.

It is presently anticipated that there will be no door to door mail delivery, and mail delivery to a communal mail box will be available to the POTLs.

(d) Amenities

Perimeter fencing or a privacy hedge of trees may be required along the edge of the roadway where there is no outlet and will be maintained by the Condominium Corporation and are included in the budget. Privacy fencing required for all POTLs, along with retaining walls and acoustical walls which may be required for some of the POTLs, will be maintained by the owners of the POTLs and shall not be an obligation of the Condominium Corporation.

(e) Easements and Restrictions

The Condominium shall be subject to such easements as disclosed by registered title and described in Schedule "A" to the Declaration. In addition to the easements existing and noted on title to the property as of the date of this Disclosure Statement, further easements are contemplated to be registered. These easements may include an easement for vehicular and pedestrian ingress and egress, for utilities, and for storm and sanitary sewers. Some easements have been described in this Disclosure Statement in a general nature and will be finalized once the specific locations and nature of such easements have been determined.

The POTLs will be subject to easements in favour of the Condominium Corporation for the purposes of installing, maintaining, repairing and replacing, as required, any services which are necessary for the common elements or for providing services to the owners of the POTLs.

5. **DECLARATION, BY-LAWS, RULES AND INSURANCE TRUST AGREEMENT**

Accompanying this Disclosure Statement is a copy of the proposed Declaration, By-laws, Rules and Insurance Trust Agreement.

6. **BRIEF DESCRIPTION OF SIGNIFICANT FEATURES OF VARIOUS AGREEMENTS SUBJECT TO TERMINATION**

(a) Proposed Management Agreement (Section 111 of the Act)

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The Corporation will enter into a management agreement following registration of the Condominium for the first year following registration. A copy of the proposed Management Agreement is included with this Disclosure Statement. Purchasers are advised to review the proposed Management Agreement for an understanding of the provisions contained therein.

(b) Other Agreements (Section 112 of the Act)

Such contracts as may be necessary or required for the provision of services to the Condominium may be entered into, including, without limitation, electrical services, landscaping, snow removal, provision of supplies, insurance, legal and accounting services, and other such matters as may be required for the orderly operation of the business of Corporation.

(c) Proposed Insurance Trust Agreement (Section 114 of the Act)

Corporation will not enter into an insurance trust agreement following registration of the Condominium.

7. MISCELLANEOUS MATTERS

(a) ONTARIO NEW HOME WARRANTIES PLAN ACT ("ONHWPA")

The Property is not subject to ONHWPA. The Declarant does not intend to enroll the Property under ONHWPA.

(b) The Declarant reserves the right to market POTLs in blocks to investors, but has no present intention of doing so. No restriction has been placed on the number of POTLs that may be purchased by an individual or a corporation.

(d) Declarant does not intend to cause Corporation to amalgamate with another corporation nor does Declarant have any knowledge that Corporation intends to amalgamate with another corporation.

(e) No building on the Property has been or will be converted from a previous use and no buildings are proposed to be constructed on the Property aside from a construction office and/or a sales office which shall remain on the Property until such time as the POTLs are sold.

(f) A Budget Statement for the one year period immediately following registration of Declaration and Description is included with this Disclosure Statement.

(g) There are no fees or charges that Corporation is required to pay to Declarant or another person except as set forth in the Budget. Refer to Budget for all expenses of Corporation and services being provided.

(h) Pursuant to subsection 82(8) of the Act, Declarant is entitled to retain the excess of all interest earned on money held in trust over the interest Declarant is required to pay to purchaser under Section 82 of the Act.

(i) Declarant does not intend to permit any part of common elements to be used for commercial or other purposes not ancillary to residential purposes on the POTLs.

(j) Declarant does not intend to provide any major assets or property to Corporation.

(k) There are no units, assets or services that Corporation is required to acquire nor are there any agreements or leases that Corporation must enter into with Declarant or a subsidiary body corporate, holding body corporate or affiliated body corporate of Declarant.

(l) Declarant owns lands adjacent to the Condominium lands which are presently vacant and which will comprise the POTLs. Application for site plan approval

POTL



from the City of Markham is pending.

(m) No part of the common elements is subject to a lease or license.

8. **RESCISSION RIGHTS (Section 73 of the Act)**

The following is a copy of Section 73 of the Act which sets out the rescission rights available to a Purchaser of a Unit in the Condominium:

"(1) A purchaser who receives a disclosure statement under subsection 72(1) may, in accordance with this section, rescind the agreement of purchase and sale before accepting a deed to the unit being purchased that is in registrable form.

(2) To rescind an agreement of purchase and sale under this section, a purchaser or the purchaser's solicitor shall give a written notice of rescission to the declarant or to the declarant's solicitor who must receive the notice within 10 days of the later of,

(a) the date that the purchaser receives the disclosure statement; and

(b) the date that the purchaser receives a copy of the agreement of purchase and sale executed by the declarant and the purchaser.

(3) If a declarant or the declarant solicitor receives a notice of rescission from a purchaser under this section, the declarant shall promptly refund, without penalty or charge, to the purchaser, all money received from the purchaser under the agreement and credited towards the purchase price, together with interest on the money calculated at the prescribed rate from the date that the declarant received the money until the date the declarant refunds it."

10. **RESCISSION RIGHTS UPON MATERIAL CHANGE (Section 74 of the Act)**

The following is a copy of Section 74 of the Agreement which sets out what constitutes a "material change" and the rescission rights available to a purchaser of a POTL in the event of a material change:

"(1) Whenever there is a material change in the information contained or required to be contained in a disclosure statement delivered to a purchaser under subsection 72(1) or a revised disclosure statement or a notice delivered to a purchaser under this section, the declarant shall deliver a revised disclosure statement or a notice to the purchaser.

(2) In this section,

"material change" means a change or a series of changes that a reasonable purchaser, on an objective basis, would have regarded collectively as sufficiently important to the decision to purchase a unit or proposed unit in the corporation that it is likely that the purchaser would not have entered into an agreement of purchase and sale for the unit or the proposed unit or would have exercised the right to rescind such an agreement of purchase and sale under section 73, if the disclosure statement had contained the change or series of changes, but does not include,

(a) a change in the contents of the budget of the corporation for the current fiscal year if more than one year has passed since the registration of the declaration and description for the corporation;

(b) a substantial addition, alteration or improvement within the meaning of subsection 97(6) that the corporation makes to the common elements after a turnover meeting has been held under section 43;

(c) a change in the portion of units or proposed units that the declarant intends to lease;

(d) a change in the schedule of the proposed commencement and completion dates for the amenities of which construction had not been

1272  


completed as of the date on which the disclosure statement was made; or

- (e) a change in the information contained in the statement described in subsection 161(1) of the services provided by the municipality for the Minister of Municipal Affairs and Housing, as the case may be as described in that subsection if the unit or the proposed unit is in a vacant land condominium corporation.
- (3) The revised disclosure statement or notice required under subsection (1) shall clearly identify all changes that in the reasonable belief of the declarant may be material changes and summarize the particulars of them.
- (4) The declarant shall deliver the revised disclosure statement or notice to the purchaser within a reasonable time after the material change mentioned in subsection (1) occurs and, in any event, no later than 10 days before delivering to the purchaser a deed to the unit being purchased that is in registerable form.
- (5) Within 10 days after receiving a revised disclosure statement or a notice under subsection (1), a purchaser may make an application to the Ontario Court (General Division) for a determination whether a change or a series of changes set out in the statement or notice is a material change.
- (6) If a change or a series of changes set out in a revised disclosure statement or a notice delivered to a purchaser constitutes a material change or if a material change occurs that the declarant does not disclose in a revised disclosure statement or notice required by subsection (1), the purchaser may, before accepting a deed to the unit being purchased that is in registerable form, rescind the agreement of purchase and sale within 10 days of the latest of,
- (a) the date on which the purchaser receives the revised disclosure statement or the notice, if the declarant delivered a revised disclosure statement or notice to the purchaser;
  - (b) the date on which the purchaser becomes aware of a material change, if the declarant has not delivered a revised disclosure statement or notice to the purchaser as required by subsection (1) with respect to the change; and
  - (c) the date on which the Ontario Court (General Division) makes a determination under subsection (5) or (6) that the change is material, if the purchaser or declarant, as the case may be, has made an application for the determination.
- (7) To rescind an agreement of purchase and sale under this section, a purchaser or the purchaser's solicitor shall give a written notice of rescission to the declarant or to the declarant's solicitor.
- (8) Within 10 days after receiving a notice of rescission, the declarant may make an application to the Ontario Court (General Division) for a determination whether the change or the series of changes on which the rescission is based constitutes a material change, if the purchaser has not already made an application under subsection (5).
- (9) A declarant who receives a notice of rescission from a purchaser under this section shall refund, without penalty or charge, to the purchaser, all money received from the purchaser under the agreement and credited towards the purchase price, together with interest on the money calculated at the prescribed rate from the date that the declarant received the money until the date the declarant refunds it.
- (10) The declarant shall make the refund,
- (a) within 10 days after received a notice of rescission, if neither the purchaser nor the declarant has made an application for a determination described in subsection (5) or (8) respectively; or

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(b) within 10 days after the court makes a determination that the change is material, if the purchaser has made an application under subsection (5) or the declarant has made an application under subsection (8).

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**DECLARATION  
COMMON ELEMENTS CONDOMINIUM**

THIS DECLARATION (hereinafter called the "Declaration") is made and executed pursuant to the provisions of the *Condominium Act*, 1998, and the regulations made thereunder, as amended from time to time (all of which are hereinafter collectively referred to as the "Act"), by:

**SUNRISE ACQUISITIONS (HWY 7) INC.**

(hereinafter called the "Declarant")

WHEREAS:

- A. The Declarant is the owner in fee simple of certain lands and premises situate in the City of Markham, in the Province of Ontario and being more particularly described in Schedule "A" annexed hereto and in the description submitted herewith by the Declarant (hereinafter called the "Description") for registration in accordance with the Act and which lands are sometimes referred to as the "Lands" or the "Property"; and
- B. The Declarant intends that the Property shall be governed by the Act and that the registration of this Declaration and the Description will create a freehold common elements condominium corporation.

**NOW THEREFORE THE DECLARANT HEREBY DECLARES AS FOLLOWS:**

**ARTICLE I – INTRODUCTORY**

**1.1 Common Elements Condominium**

The registration of this Declaration and the Description will create a freehold common elements condominium corporation.

**1.2 Division of POTLS**

A parcel of tied land may not be divided into two (2) or more parcels unless an amendment is registered to the Declaration that takes into account the division of a parcel of tied land.

**1.3 Definitions**

The terms used in the Declaration shall have the meanings ascribed to them in the Act unless this Declaration specifies otherwise or unless the context otherwise requires and in particular:

- (a) "Board" means the Corporation's Board of Directors;
- (b) "By-Laws" means the by-laws of the Corporation enacted from time to time;
- (c) "Common Elements" means all the Property;
- (d) "Corporation" means the Condominium Corporation created by the registration of this Declaration;
- (e) "Owner" means the Owner or Owners of the freehold homes in a POTL and who owns, pursuant to the Act, a common interest in the common elements, but does not include a mortgagee of a POTL unless in possession;

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- (f) "POTL" or "POTLS" means the parcel or parcel(s) of tied land to which a common interest is attached as described in Schedule "D" to this declaration; and
- (g) "Rules" means the Rules passed by the Board.

**1.4 Act Governs the Property**

The Lands described in Schedule "A" annexed hereto and in the Description together with all interests appurtenant to the Lands are governed by the Act.

**1.5 Consent of Encumbrancers**

The consent of every person having a registered mortgage against the Property or interests appurtenant thereto and against each POTL is contained in Schedule "B" attached hereto.

**1.6 Common Interest and Common Expenses**

Each Owner shall have an undivided interest in the Common Elements as a tenant in common with all other Owners in the proportions set forth opposite each POTL in Schedule "D" attached hereto and shall contribute to the Common Expenses in the proportion set forth opposite each POTL in Schedule "D" attached hereto. The total of the proportions of the common interests and proportionate contribution to Common Expenses shall each be one hundred (100%) percent.

**1.7 Address for Service. Municipal Address and Mailing Address of the Corporation**

- (a) The Corporation's address for service shall be 50 West Wilmot Street, Richmond Hill, Ontario L4B 1M5 or such other address as the Corporation may by resolution of the Board determine;
- (b) the Corporation's mailing address shall be 50 West Wilmot Street, Richmond Hill, Ontario L4B 1M5 or such other address as the Corporation may by resolution of the Board determine.
- (c) The Corporation's municipal address is 50 West Wilmot St., Richmond Hill, Ontario L4B 1M5

**1.8 Architect Engineer Certificates**

The certificate(s) of the architect and/or engineer(s) that all buildings and structures that the declaration and description show are included in the Common Elements and have been constructed in accordance with the regulations is/are contained in Schedule "G" attached hereto.

**1.9 Exclusive Use Common Elements**

There are no exclusive use of parts of the Common Elements designated in Schedule "F" attached hereto.

**ARTICLE II - COMMON EXPENSES**

**2.1 Specification of Common Expenses**

Common Expenses means the expenses of the performance of the objects and duties

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of the Corporation and such other expenses, costs and sums of money designated as Common Expenses in the Act and this Declaration and without limiting the generality of the foregoing, shall include those expenses set out in Schedules "E" attached hereto.

**2.2 Payment of Common Expenses**

Each Owner, including the Declarant, shall pay to the Corporation its proportionate share of the Common Expenses, as may be provided for by the By-laws and the assessment and collection of contributions toward Common Expenses may be regulated by the Board pursuant to the By-laws. In addition to the foregoing, any losses, costs or damages incurred by the Corporation by reason of a breach of any provision of this Declaration, or in any Bylaws or rules in force from time to time by any Owner, or by members of its family and/or its respective tenants, invitees or licensees shall be borne and paid for by such Owner and may be recovered by the Corporation against such Owner in the same manner as Common Expenses.

**2.3 Reserve Fund**

- (a) The Corporation shall establish and maintain one or more Reserve Funds and shall collect from the Owners as part of their contribution towards the Common Expenses, amounts that are reasonably expected to provide sufficient funds for major repair and replacement of Common Elements and assets of the Corporation; and
- (b) No part of the Reserve Fund shall be used except for the purpose for which the funds were established. The Reserve Fund shall constitute an asset of the Corporation and shall not be distributed to any Owner except on termination of the Corporation in accordance with the Act.

**2.4 Status Certificate**

The Corporation shall, upon request, provide the requesting party with a status certificate and accompanying documentation and information in accordance with the Act. The Corporation shall forthwith provide the Declarant with a status certificate and all such accompanying documentation and information, as may be requested from time to time by or on behalf of the Declarant for any reason whatsoever, all at no charge or fee to the Declarant or the person requesting same on behalf of the Declarant.

**2.5 Monies Owning**

Monies owing pursuant to this Declaration by the Owner to the Corporation shall bear interest at the prime lending rate of the Corporation's Bank as it may set from time to time plus five percent (5%) compounded monthly until paid, calculated semi-annually, not in advance, or at such other rate or interest as the Board may from time to time establish.

**2.6 Collection**

All costs, charges and expenses including solicitors' costs, on the basis of costs between a solicitor and the solicitor's own client, incurred by the Corporation in enforcing its rights against an owner, arising from the Act, the Declaration, the By-Laws, the Rules or otherwise, including the costs of bringing an application under Section 134 of the Act, shall be payable by the Owner to the Corporation. All monies, interests and costs payable by an Owner to the Corporation may be collected as additional Common Expense payments and shall be recoverable as such.

**ARTICLE III - COMMON ELEMENTS**

**3.1 Use of Common Elements**

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Subject to the provisions of the Act, this Declaration, the By-laws and any rules, each Owner has the full use, occupancy and enjoyment of the whole or any parts of the Common Elements for residential purposes only and for uses ancillary thereto, except as herein otherwise provided. Provided that until the sale of all Units and the completion of construction of the Project, the Declarant, its agents and contractors may:

- (i) operation of a model home within a POTL and maintain promotional signage and displays on the Common Elements and on the said POTL;
- (ii) maintain construction trailers or offices on the Common Elements;
- (iii) maintain construction materials on the Common Elements; and
- (iv) have access to the Common Elements to complete construction.

### 3.2 Restricted Access

Without the consent in writing of the Board, no Owner shall have the right of access to those parts of the Common Elements used from time to time for the care, maintenance or operation of the Property or any part thereof as designated by the Board, from time to time.

### 3.3 Modifications of Common Elements, Assets and Services

#### (a) General Prohibition

No owner shall make any change or alteration to the Common Elements whatsoever, including any installation(s) thereon, nor alter, decorate, renovate, maintain or repair any part of the Common Elements (except for maintaining those parts of the Common Elements which it has a duty to maintain in accordance with the provisions of this Declaration) without obtaining the prior written approval of the Board and having entered into an agreement with the Corporation in accordance with Section 98 of the Act.

#### (b) Non-Substantial Additions, Alterations and Improvements by the Corporation

The Corporation may make an addition, alteration, or improvement to the Common Elements, a change in the assets of the Corporation or a change in a service that the Corporation provides to the Owners in accordance with subsections 97(2) and (3) of the Act.

#### (c) Substantial Additions, Alterations and Improvements by the Corporation

The Corporation may, by a vote of Owners who own at least sixty-six and two thirds (66 2/3%) percent of the POTLS make a substantial addition, alteration or improvement to the Common Elements, a substantial change in the assets of the Corporation or a substantial change in a service the Corporation provides to the Owners in accordance with subsections 97 (4), (5) and (6) of the Act.

### 3.4 Parking

Parking shall be permitted only on those parts of the Common Elements designated by the Corporation for parking and as set forth in the Rules. All costs to effect compliance with this provision by any Owner of a POTL may be levied as an additional common expense attributable to such POTL.

## ARTICLE IV - MAINTENANCE AND REPAIRS

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**4.1 Responsibility of Owner**

- (a) Each Owner shall be responsible for all damage to the Common Elements, which is caused by the negligence or wilful misconduct of the Owner, its tenants, licensees or invitees, save and except for any such damage for which the cost of repairing same may be recovered under any policy of insurance held by the Corporation.
- (b) Each Owner shall be responsible for the repair, maintenance and replacement costs of the fencing, berming, and retaining walls and acoustical walls on its POTL and at the rear of or at the flankage of the POTL. No owner may substantially change the colour, materials, style, design or type of fences without the prior written consent of the Board.

**4.2 Repair and Maintenance by Corporation**

The Corporation shall maintain and repair the Common Elements at its own expense. The Corporation shall also maintain and repair all facilities (including without limitation, water mains, storm and sanitary sewers and street lights) which service more than one POTL, whether located within the Common Elements or wholly or partly within a POTL and the Corporation and its designated agents shall have full access to a POTL to carry out its obligation pursuant to this paragraph.

**4.3 Snow Clearance by Corporation**

The Corporation may pile snow cleared from the Common Elements onto the front or side yards of the POTLS.

**ARTICLE V - INDEMNIFICATION**

- 5.1 Each Owner shall indemnify and save harmless the Corporation from and against any loss, costs, damage, injury or liability whatsoever which the Corporation may suffer or incur resulting from or caused by an act or omission of such Owner, its family, guests, visitors or tenants to or with respect to the Common Elements, except for any loss, costs, damages, injury or liability caused by an insured (as defined in any policy or policies of insurance) and insured against by the Corporation. All payments to be made by an Owner pursuant to this Article shall be deemed to be additional contributions toward Common Expenses payable by such Owner and shall be recoverable as such. In the event that any insurance proceeds payable to the Corporation are reduced by the amount of a deductible, and the loss giving rise to such payments was occasioned by the failure, breach, act or omission of an Owner, as set out above, then such Owner shall be liable to the Corporation for the amount of such deductible.

**ARTICLE VI - INSURANCE****6.1 By the Corporation**

The Corporation shall obtain and maintain insurance on its own behalf and on behalf of the owners as required or permitted by the Act in such amounts and upon such terms as the Board of Directors may determine from time to time. Every policy of insurance shall insure the interests of the Corporation and the Owners from time to time, as their respective interests may appear

**6.2 General Provisions**

- (a) The Corporation, its Board and its officers shall have the exclusive right, on behalf of itself and as agents for the Owners, to adjust any loss and settle any claims with respect to all insurance placed by the Corporation, and to give such releases as are required, and any claimant, shall be bound by such adjustment.

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- (b) Every mortgagee shall be deemed to have agreed to waive any right to have proceeds of any insurance applied on account of the mortgage where such application would prevent application of the insurance proceeds in satisfaction of an obligation to repair. This subparagraph 6.2(b) shall be read without prejudice to the right of any mortgagee to exercise the right of an Owner to vote or to consent if the mortgage itself contains a provision giving the mortgagee that right;
- (c) A certificate or memorandum of all insurance policies, and endorsements thereto, shall be issued as soon as possible to each Owner, and a duplicate original or certified copy of the policy to each mortgagee who has notified the Corporation of its interest in any POTL. Renewal certificates or certificates of new insurance policies shall be furnished to each Owner and to each mortgagee noted on the records of the Corporation who have requested same. The master policy for any insurance coverage shall be kept by the Corporation in its offices, available for inspection by any Owner or mortgagee on reasonable notice to the Corporation;
- (d) No insured, other than the Corporation, shall be entitled to amend any policy or policies of insurance obtained and maintained by the Corporation. No insured shall be entitled to direct that the loss shall be payable in any manner other than as provided in the Declaration and the Act;
- (e) Where insurance proceeds are received by the Corporation or any other person, they shall be held in trust and applied for the same purposes as are specified otherwise in this Article VI; and
- (f) Prior to obtaining any new policy or policies of insurance and at such other time as the Board may deem advisable and in any event, at least every three (3) years, the Board shall obtain an appraisal from an independent qualified appraiser of the full replacement cost of the assets for the purpose of determining the amount of insurance to be effected and the cost of such appraisal shall be a Common Expense.

### 6.3 By the Owner

It is acknowledged that the foregoing insurance is the only insurance required to be obtained and maintained by the Corporation and that the following insurance should be obtained and maintained by each Owner at such Owner's own risk:

- (a) Insurance on the Owner's POTL and all buildings constructed thereon. Every such policy of insurance shall contain waiver of subrogation against the Corporation, its manager, agents, employees and servants and against the other Owners and any members of their household or guests except for any damage arising from arson, fraud, vehicle impact, vandalism or malicious mischief caused or contributed by any of the aforementioned parties.
- (b) Public liability insurance covering any liability of any Owner or any resident, tenant, invitee or licensee of such Owner, to the extent not covered by any public liability and property damage insurance obtained and maintained by the Corporation.
- (c) Insurance covering the deductible on the Corporation's main policy for which an owner may be responsible.

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**ARTICLE VII - GENERAL MATTERS AND ADMINISTRATION**

**7.1 Invalidity**

Each of the provisions of this Declaration shall be deemed independent and severable, and the invalidity or unenforceability in whole or in part of any one or more of such provisions shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration, and in such event all of the other provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been included herein.

**7.2 Waiver**

The failure to take action to enforce any provision contained in the Act, this Declaration, the By-laws or any other rules and regulations of the Corporation, irrespective of the number of violations or breaches which may occur, shall not constitute a waiver of the right to do so thereafter, nor be deemed to abrogate or waive any such provision.

**7.3 Interpretation of Declaration**

This Declaration shall be read with all changes of number and gender required by the context.

**7.4 Headings**

The headings in the body of this Declaration form no part of the Declaration but shall be deemed to be inserted for convenience of reference only.

**IN WITNESS WHEREOF** the Declarant has hereunto executed this Declaration under the hands of its proper officer duly authorized in that behalf.

DATED at Markham this \_\_\_\_ day of \_\_\_\_\_, 2016.

**SUNRISE ACQUISITIONS (HWY 7) INC.**

Per: \_\_\_\_\_  
Sajjad Hussain – ASO  
I have authority to bind the Corporation

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**SCHEDULE "B"**

**CONSENT**

(under clause 7(2)(b) of the Act)

**CONSENT UNDER CLAUSE 7(2)(b) OF THE ACT**

1. KingSett Mortgage Capital has a registered mortgage within the meaning of clause 7(2)(b) of the *Condominium Act, 1998*, registered at the Land Registry Office for the Land Titles Division of York.
2. KingSett Mortgage Capital hereby consents to the registration of this Declaration pursuant to the *Condominium Act, 1998*, against the land or interests appurtenant to the land as the land and the interests are described in the Description.
3. KingSett Mortgage Capital postpones its mortgage and the interests under it to the Declaration and the easements described in Schedule "A" to the Declaration.
4. KingSett Mortgage Capital is entitled by law to grant this consent and postponement.

DATED at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

KingSett Mortgage Capital

Per: \_\_\_\_\_  
Name:  
Title:

Per: \_\_\_\_\_  
Name:  
Title:

I/We have authority to bind the Corporation

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**SCHEDULE "B"**

**CONSENT TO ATTACHMENT OF A COMMON INTEREST**

(under clause 140(c) of the *Condominium Act, 1998*)

1. KingSett Mortgage Captial has a mortgage registered in the Land Titles Division of against a parcel of land (known as the "Parcel") to which a common interest in a common elements condominium corporation (known as the "Corporation") will attach upon the registration of the attached declaration (known as the "Declaration") dated \_\_\_\_\_ and the description (known as the "Description") creating the Corporation.
2. KingSett Mortgage Captial acknowledges that, upon the registration of this Declaration and Description, the Parcel will become subject to all encumbrances, if any, outstanding against the property described in Schedule "A" to the Declaration.
3. KingSett Mortgage Captial consents to the registration of a notice in the prescribed form indicating that a common interest in the Corporation, as the common interest is set out in Schedule "D" to the Declaration, attaches to the Parcel upon the registration of the Declaration and Description.

DATED at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

KingSett Mortgage Captial

Per: \_\_\_\_\_  
Name:  
Title:

Per: \_\_\_\_\_  
Name:  
Title:

I/We have authority to bind the Corporation

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### SPECIFICATION OF COMMON EXPENSES

(Common Elements Condominium)

Common expenses, without limiting the definition ascribed thereto, shall include the following:

- (a) all sums of money paid or payable by the Corporation in connection with the performance of any of its objects, duties and powers whether such objects, duties and powers are imposed by the Act or this Declaration and By-laws of the Corporation or other law or by agreement;
- (b) all sums of money properly paid by the Corporation on account of any and all public and private suppliers to the Corporation of insurance coverage, utilities and services including, without limiting the generality of the foregoing, levies or charges payable on account of:
  - (i) insurance premiums;
  - (ii) electricity respecting common elements;
  - (iii) maintenance materials, tools and supplies;
  - (iv) snow removal from common element roads and to remove same from the site, if required, and landscaping of common element areas; and
  - (v) utilities (hydro) to service the common elements, including all street lighting.
- (c) all sums of money paid or payable by the Corporation pursuant to any management contract which may be entered into between the Corporation and a manager;
- (d) all sums of money required by the Corporation for the acquisition or retention of real property for the use and enjoyment of the property or for the acquisition, repair, maintenance or replacement of personal property for the use and enjoyment in or about the common elements;
- (e) all sums of money paid or payable by the Corporation to any and all persons, firms, or companies engaged or retained by the Corporation, its duly authorized agents, servants and employees for the purpose of performing any or all of the objects, duties and powers of the Corporation including, without limitation, legal, engineering, accounting, auditing, expert appraising, advising, maintenance, managerial, secretarial or other professional advice and service required by the Corporation;
- (f) the cost of the repair, maintenance, inspection, or replacement of the Common Elements as required from time to time;
- (g) the cost of borrowing money for the carrying out of the objects, duties and powers of the Corporation;
- (h) the fees and disbursements of the Insurance Trustee, if and when required, and of obtaining insurance appraisals;
- (i) the cost of maintaining fidelity bonds as provided by By-law;
- (j) all sums required to be paid to the reserve fund as required by the Declaration or in accordance with the agreed upon annual budget of the Corporation.

**SCHEDULE "F"**  
**EXCLUSIVE USE COMMON ELEMENTS**

There are no exclusive use common elements



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**SCHEDULE "G"**

**Form 17**

*Condominium Act, 1998*

**CERTIFICATE OF ARCHITECT OR ENGINEER  
(SCHEDULE G TO DECLARATION FOR A COMMON ELEMENTS)  
(under clauses 8 (1) (e) and (h) or clauses 157 (1) (c) and (e) of the *Condominium Act, 1998*)**

I certify that:

Each building and structure that the declaration and description show are included in the common elements has been constructed in accordance with the regulations made under the *Condominium Act, 1998*, with respect to the following matters:

- 1,2,3 The declaration and description show that there are no buildings or structures included in the common elements.
- 4. There are no underground garages.
- 5. There are no elevating devices as defined in the *Elevating Devices Act*, except for elevating devices contained wholly in a unit and designed for use only within the unit.
- 6. All installations with respect to the provision of water and sewage services are in place and operable.
- 7. There are no installations with respect to the provision of heat and ventilation.
- 8. There are no installations with respect to the provision of air conditioning.
- 9. All installations with respect to the provision of electricity are in place and operable.
- 10. There are no indoor and outdoor swimming pools.
- 11. All facilities and services that the declaration and description show are included in the common elements have been installed and provided in accordance with the requirements of the municipalities in which the land is situated or the requirements of the Minister of Municipal Affairs and Housing, if the land is not situated in a municipality.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
(print name)

Professional Architect/Engineer



**SCHEDULE "H"**

**List of all buildings, structures, facilities and services that are included in the Common Elements:**

**BUILDINGS AND STRUCTURES**

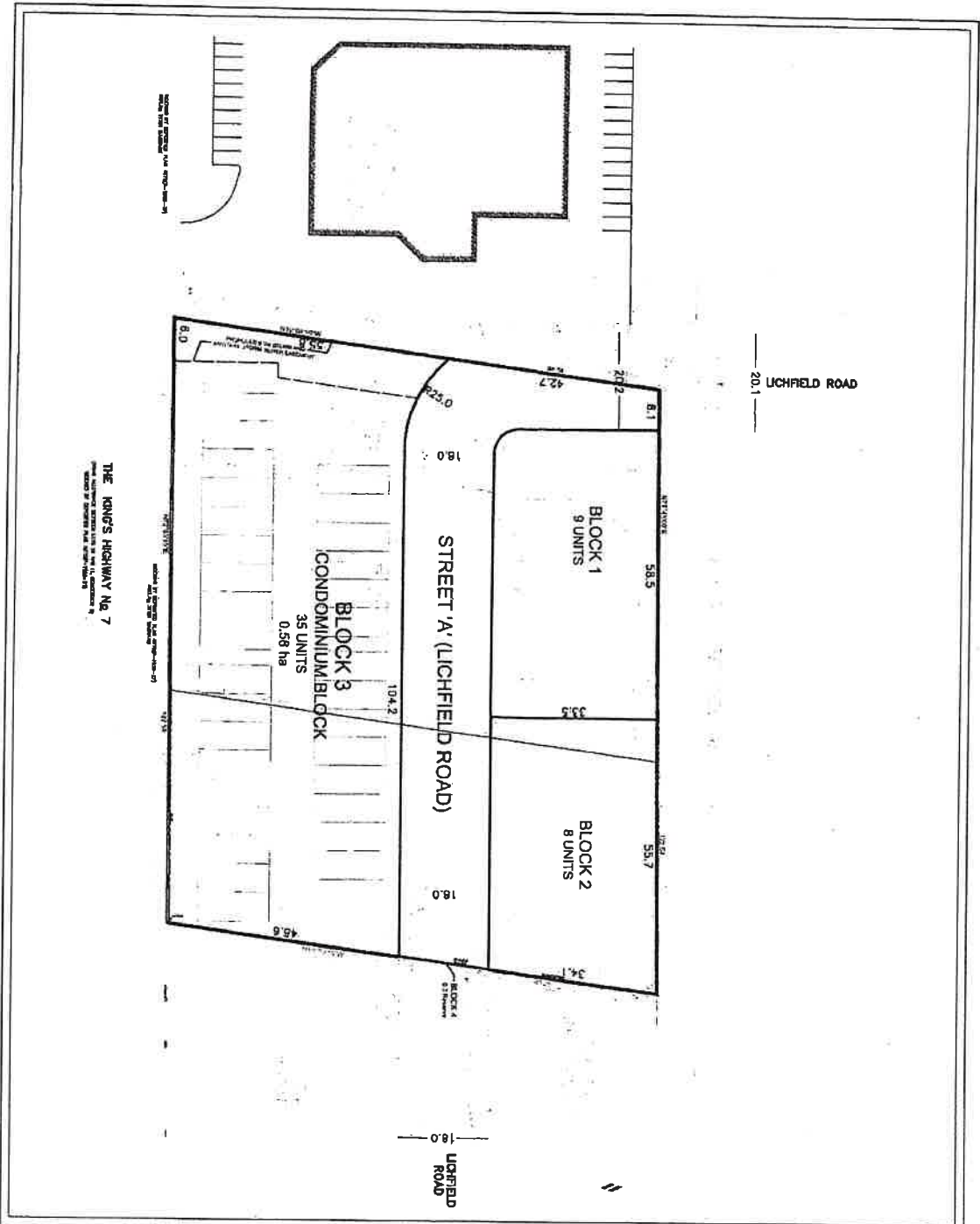
There are no buildings or structures located within the Common Elements of the Corporation.

**FACILITIES AND SERVICES**

1. Storm and sanitary sewers, sump pumps within common areas, catch basins, manholes, water service, main line tee, shut off valves, fire hydrants, or other services or installations under or over the lands, which supply service to the Common Elements of the Corporation formed upon registration of this declaration and description and to more than one POTL.
2. electrical, switch gear, transformers, wires, pipes, valves, meters or other services or installations through, under or over the lands, which supply electrical service to the Common Elements of the Corporation formed upon registration of this declaration and description and to more than one POTL.
3. Street Lighting.
4. Common mail box.
5. Roads and sidewalks and perimeter fencing at edges of roads.
6. Provision of gas service.
7. Provision of telephone conduits.
8. Provision of television and cable conduits.

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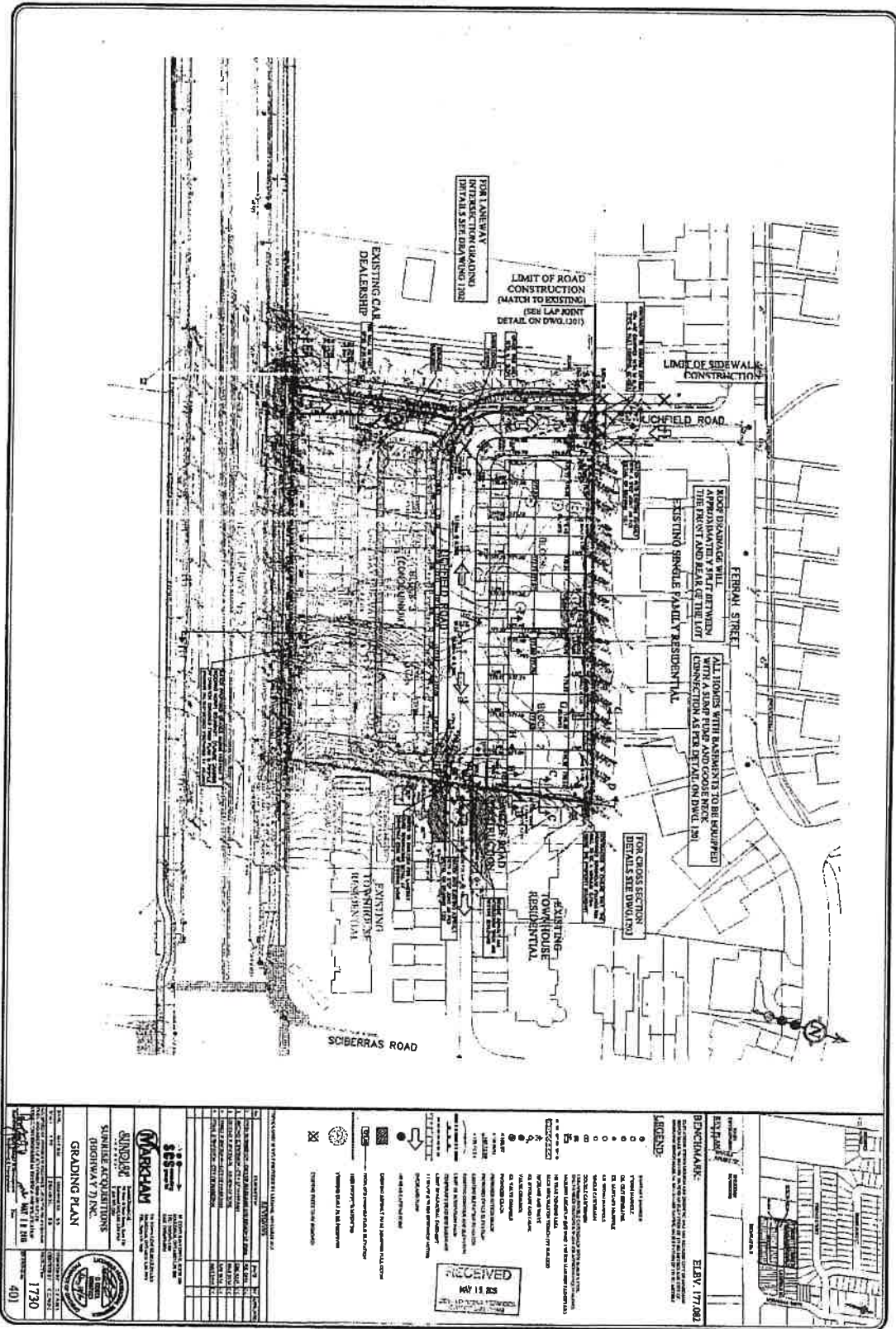


THE KINGS HIGHWAY NO. 7  
 1:10000  
 1:10000  
 1:10000

<b>KEY PLAN</b>  1:10000	
<b>CLIENTS' COMMENTS:</b> 1. Existing building Pumping Station to be removed and replaced with 2000m <sup>3</sup> capacity.	
<b>DATE:</b> .....	
<b>APPROVALS:</b> Date: .....	
<b>ADDITIONAL INFORMATION:</b> 1. All dimensions are in meters. 2. All dimensions are to the center of the line. 3. All dimensions are to the center of the line. 4. All dimensions are to the center of the line. 5. All dimensions are to the center of the line.	
<b>DEVELOPER'S DECLARATION:</b> I, the undersigned, being duly qualified, do hereby certify that the above is a true and correct copy of the plan as shown to me by the applicant.	
<b>DATE:</b> .....	
<b>SCALE:</b> 1:10000 1:10000 1:10000	
<b>DRAFT PLAN OF SUBDIVISION</b>	

*[Handwritten signature]*



Approved Title No. TRC1115 17330

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**UNIONVILLAS**  
UPTOWN LIVING IN UNIONVILLE

**BUDGET STATEMENT  
FOR THE FIRST YEAR OF OPERATIONS**

**January 2016**



Budget statement for the common expenses for the year following registration of the declaration and description of the proposed Common Element Condominium corporation at Lichfield Road, Markham, Ontario.

**REVENUE**

Common Element Fees	\$54,578	
<b>TOTAL REVENUE</b>		<b>\$54,578</b>

**ADMINISTRATION**

Management Fees	\$20,340	
Insurance	3,000	
Legal	565	
Audit	3,843	
Office Expenses	500	
<b>TOTAL ADMINISTRATION EXPENSES</b>		<b>\$28,248</b>

**UTILITIES**

Hydro	\$1,200	
<b>TOTAL UTILITIES</b>		<b>\$1,200</b>

**CONSULTING**

Performance Audit	\$6,215	
<b>TOTAL CONSULTING</b>		<b>\$6,215</b>

**CONTRACTS**

Snow Clearing	\$8,000	
<b>TOTAL CONTRACTS</b>		<b>\$8,000</b>

**RESERVE FUND**

Reserve Fund Provision	\$6,961	
Reserve Fund Provision for Reserve Fund Study	3,955	
<b>TOTAL RESERVE FUND</b>		<b>\$10,916</b>

<b>TOTAL EXPENSES</b>		<b>\$54,578</b>
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If registration of the declaration and description occurs after December 31, 2017, then the budget statement shall be read as increased by an inflation rate of 7.5% per annum and compounded annually. The date contained in this clause is not a guarantee that registration will take place on this date.



**UNIONVILLAS**  
UPTOWN LIVING IN UNIONVILLE

## NOTES TO THE BUDGET

### I. INDIVIDUAL POTL ASSESSMENT:

The monthly common element charge for each unit is determined by dividing the total budgeted common element fees attributed to the property by twelve (12) to determine the monthly assessment. This amount is multiplied by the POTL's percentage contribution to common expenses, as shown in Schedule "D" of the proposed declaration, to find the monthly individual common element charges.

#### 1. Total Monthly Common Element Assessment:

$$\$54,578 \text{ divided by } 12 = \$4,548.18$$

#### 2. Monthly Individual Common Element Assessment:

Individual POTL monthly common element assessments are determined by multiplying the total monthly common element assessment (\$4,548.18) by the percentage contribution to common expenses of each POTL. Please see the Schedule at the back of this Budget Statement for the individual POTL monthly common element assessment.

### II. OPERATING EXPENSES:

<b>1. ADMINISTRATION</b>		<b>\$28,248</b>
a. Management Fees		\$20,340
	This covers the cost of the services of a property management company to administer the affairs of the condominium corporation and as detailed in the property management contract included in the Disclosure Statement Package. The contract for the first year is set at \$35.00 per unit per month plus the H.S.T. for part time property management.	
b. Less Declarant Subsidy		\$0
	The cost of the Property Management services for the 1st 12 (twelve) months after registration will be paid for by the Declarant at the contracted price of \$0 plus the H.S.T. as stated in the Budget Notes above .	
c. Insurance		\$3,000
	This amount covers all insurance costs, including fire (all risk), comprehensive general liability, all major equipment and directors and officers liability coverage, as applicable.	
d. Legal		\$565
	Provision has been made for the appointment of independent legal counsel for the Corporation at the discretion of the Board of Directors and to a maximum amount of \$500 plus the H.S.T.	
e. Audit		\$3,843
	Section 43(7) of the Condominium Act requires an audit sixty (60) days after the turn over meeting (The Turnover Audit) and Section 67 requires an audit for each fiscal year. This provision is the estimated cost to complete both the audits during the year.	





**UNIONVILLAS**  
UPTOWN LIVING IN UNIONVILLE

## NOTES TO THE BUDGET

f.	Office Expenses	\$500
	<p>This budgeted amount provides for any office expenses directly related to the operation of the corporation including various office supplies, photocopying, mailings, the annual general meeting, CCI membership, bank charges and other such expenses.</p>	
<b>2.</b>	<b>UTILITIES</b>	<b>\$1,200</b>
a.	Hydro	\$1,200
	<p>The budget is based on comparable property requirements and the current rates from the PowerStream website of 9.9 cents per kilowatt hour and administrative/distribution charges have been escalated by 3% and compounded annually. The budget includes electricity for the common areas only such as for street lighting etc. Each POTL will be separately metered or check metered and the cost of electricity to the POTL will be the responsibility of the respective POTL owner and will not form part of the common expenses. Should the rates for hydro at time of registration be greater than 10.5 cents per kilowatt hour or the administrative/distribution charges have increased from current charges, then the budget will be adjusted accordingly to reflect the rates at the time of registration.</p>	
<b>3.</b>	<b>CONSULTING</b>	<b>\$6,215</b>
a.	Performance Audit	\$6,215
	<p>The cost of the engineering study, to be conducted by the Declarant Board of Directors, to examine the common element areas and to file with the Tarion Warranty Program during the first year. This is a one time expense.</p> <p>The Declarant shall arrange for an Agreement on behalf of the Corporation with an independent engineering consultant to prepare a Performance Audit within one (1) year immediately following registration of the Declaration and the Description. The Performance Audit shall be conducted by professional consulting engineers who shall make a thorough examination of the common element areas and assess the as-constructed condition of the various systems and components of the common element areas in order to provide the corporation with a report on the common element areas which will assist the corporation in assessing repair and maintenance requirements and in preserving any rights which the corporation may have under the Ontario New Home Warranties Plan Act. The Declarant has negotiated a price for the Performance Audit (the "Contracted Price") which has been included in the Budget as a first year expense of the corporation.</p> <p>The Corporation is not restricted to the consulting engineers for the Performance Audit being prepared as set out herein. However, in the event that the corporation retains an alternate and/or additional consulting engineer to undertake the Performance Audit, at a higher cost than the Contracted Price negotiated by the Declarant then, the Declarant shall only be responsible for the amount of the Contracted Price, pursuant to Section 75 of the Condominium Act, and any expenses in excess of this stated amount shall be the sole responsibility of the condominium corporation.</p>	



**UNIONVILLAS**  
UPTOWN LIVING IN UNIONVILLE

## NOTES TO THE BUDGET

<b>4. CONTRACTS</b>	<b>\$8,000</b>
<ul style="list-style-type: none"> <li>a. Snow Clearing</li> </ul>	\$8,000
<p>Provision to clear snow and ice from Common Element roadway(s) in the winter, including the cost of sand and ice melting salt substitute. The provision does not include snow clearing from the front of walkways, stairs and driveways as applicable, or with in any POTL. As such, snow clearing within each POTL will be the responsibility of POTL owner.</p>	
<b>III. CONTRIBUTION TO THE RESERVE FUND</b>	<b>\$10,916</b>
<ul style="list-style-type: none"> <li>a. Reserve Fund Provision</li> </ul>	\$6,961
<p>The Condominium Act 1998 of Ontario defines the reserve fund as a fund set up by the corporation in a special account for the major repair and replacement of common elements and assets of the corporation. The provision is calculated at 25%, including the cost of the reserve fund study, of the estimated operating expenses. Future allocations will be dictated by the reserve fund study, to be completed in the first year after registration.</p>	
<ul style="list-style-type: none"> <li>b. Reserve Fund Provision for Reserve Fund Study</li> </ul>	\$3,955
<p>The Condominium Act of Ontario (Section 94 (4)) requires every condominium corporation to establish a reserve fund based on a study to be conducted in the first year after registration. Section 94(7) allows for the reserve fund study to be expensed from the reserve fund.</p>	
<b>IV. GENERAL NOTES TO THE BUDGET</b>	
<ul style="list-style-type: none"> <li>a. The total common expenses of this proposed Condominium Corporation, including the provision to the reserve fund is \$54,578 as shown on the Budget Statement.</li> <li>b. The cost of each expense item is shown on the Budget Statement. The cost of the Reserve Fund Study is \$3,500 plus H.S.T.; the cost of the Performance Audit is \$5,500 plus H.S.T.; the cost of both the turn over and year end financial audits is \$3,401 plus H.S.T.</li> <li>c. The cost, type, level and frequency of services is detailed in the notes above.</li> <li>e. As stated in the notes above, 25% of the operating expenses will be paid into the reserve fund account. The provision is \$10,916.</li> <li>f. At the time of preparation of the Budget Statement, January 2016, there are no judgments, with respect to the property, against the Declarant nor is the Declarant Corporation a party to any lawsuit material to the within property.</li> <li>g. There are no services not included in the foregoing Budget that the Declarant provides, or expenses that the Declarant pays and that might reasonably be expected to become, at a subsequent time, a common expense prior to the turn-over meeting.</li> <li>h. There are no services not included in the foregoing Budget that the Declarant provides, or expenses that the Declarant pays and that might reasonably be expected to become, at a subsequent time, a common expense.</li> </ul>	



**UNIONVILLAS**  
UPTOWN LIVING IN UNIONVILLE

## NOTES TO THE BUDGET

- i. As at the date of the foregoing Budget, the Condominium Corporation has not been created and accordingly, there are no amounts in the Reserve Fund. At the end of the first year after registration, there should be \$6,960.64 in the reserve fund account.
- j. As at the date of the foregoing Budget, January 2016, the Condominium Corporation has not been created and accordingly, there is no reserve fund study. As stated in the Notes above, the reserve fund study will be completed after registration by an independent engineer.
- k. The Harmonized Sales Tax is included in all applicable expense items on the Budget Statement.
- l. There are no current or expected fees, charges, rents or other revenue to be paid to or by the Corporation or by any of the owners for the use of the common elements or other facilities related to the property.
- m. Inflation rate of 7.5% is to be applied per annum (unless otherwise stated) each year after December 31, 2017. Provided however, that due to the significant fluctuation in gas, hydro and water utility rates recently, in respect to which the Declarant has no control, in the event that the relevant utility company/provider obtains relevant government approval for, or in any other way effects a significant annual increase in the utility rates above the assumed inflation rate of 3%, the Declarant reserves the right to revise the first year budget statement to reflect such significant increase in the cost of supplying these utilities from the relevant utility company/provider, and to provide each unit purchaser with a revised copy of the condominium Corporation's first year budget statement. In such event, purchasers acknowledge and agree that they shall be bound by such revised budget, and the acceptance of such revised budget should not be considered nor be construed as a material change to the Disclosure Statement.
- n. The Declaration contains a provision whereby during the first year following registration of the Declaration, the Declarant shall not be required to contribute to the payment of common expenses for a POTL until the registration of a Transfer of title from the Declarant for such POTL. Purchasers acknowledge that this may give rise to a deficit in the Budget for the first year following registration of the Declaration, however, the Purchaser acknowledges that the Declarant is responsible for any deficit in accordance with the provisions of Section 75 of the Act. In order to offset any such deficit, the Declarant will provide certain services set out in the Budget, as it determines, in its sole discretion, during the first year following registration of the Declaration, in order to reduce certain actual expenses to be incurred by the Corporation.





### MONTHLY COMMON ELEMENT FEES

POTL NO.	POTL DESCRIPTION	MONTHLY COMMON ELEMENT FEES BY POTL
1	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 1 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
2	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 2 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
3	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 3 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
4	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 4 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
5	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 5 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
6	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 6 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
7	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 7 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
8	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 8 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
9	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 9 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
10	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 10 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
11	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 11 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
12	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 12 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
13	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 13 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
14	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 14 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
15	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 15 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95



### MONTHLY COMMON ELEMENT FEES

POTL NO.	POTL DESCRIPTION	MONTHLY COMMON ELEMENT FEES BY POTL
16	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 16 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
17	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 17 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
18	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 18 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
19	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 19 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
20	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 20 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
21	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 21 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
22	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 22 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
23	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 23 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
24	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 24 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
25	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 25 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
26	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 26 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
27	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 27 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
28	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
29	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
30	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95



### MONTHLY COMMON ELEMENT FEES

POTL NO.	POTL DESCRIPTION	MONTHLY COMMON ELEMENT FEES BY POTL
31	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
32	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
33	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
34	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
35	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
	<b>TOTAL</b>	<b>\$4,548.18</b>


**Ontario**  
 Driver's licence  
 Permis de conduire  
 ON  
 CANADA


 12 NAME/NOI  
 PEREIRA,  
 RUI N.

3 ADDRESS  
 121 EILEEN AV  
 TORONTO, ON, M6N 1W3

44 NUMBER/  
 NUMERO  
 P2672 - 67966 - 21021

44 ISS/OCL  
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 157/10/21

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 1962/10/21




1879281 ONTARIO INC.  
2444 HAINES ROAD  
MISSISSAUGA, ON L4Y 1Y6

THE BANK OF NOVA SCOTIA  
PORT CREDIT - 158 LAKESHORE RD. EAST  
MISSISSAUGA, ONTARIO L5G 1E9

000200

20842 

DATE 0 6 2 5 2 0 1 6  
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PAY

\*\*\*\*\*Twenty-Five Thousand and 00/100

\*\*25,000.00

TO THE ORDER OF

Sunrise Acquisitions (HWY 7) Inc.  
50 West Wilmot Street, Suite 100  
Richmond Hill, ON L4B 1M5

1879281 ONTARIO INC.



PER 

MEMO Initial Deposit

⑈000 200⑈ ⑆ 2084 2⑈00 2⑆ 0 1 2 5 0⑈ 1 6⑈

SECURITY FEATURES INCLUDED - SEE REVERSE  
CONTIENIR DES CARACTERISTIQUES DE SECURITE - VOIR AL VERSO

1879281 ONTARIO INC.  
2444 HAINES ROAD  
MISSISSAUGA, ON L4Y 1Y6

THE BANK OF NOVA SCOTIA  
PORT CREDIT - 158 LAKESHORE RD. EAST  
MISSISSAUGA, ONTARIO L5G 1E9

000201

20842 

DATE 0 7 1 5 2 0 1 6  
M M D D Y Y Y Y

PAY

\*\*\*\*\*Fifty Thousand and 00/100

\*\*50,000.00

TO THE ORDER OF

Sunrise Acquisitions (HWY 7) Inc.  
50 West Wilmot Street, Suite 100  
Richmond Hill, ON L4B 1M5

1879281 ONTARIO INC.



PER 

MEMO Second Deposit

⑈000 20 1⑈ ⑆ 2084 2⑈00 2⑆ 0 1 2 5 0⑈ 1 6⑈

SECURITY FEATURES INCLUDED - SEE REVERSE  
CONTIENIR DES CARACTERISTIQUES DE SECURITE - VOIR AL VERSO

1879281 ONTARIO INC.  
2444 HAINES ROAD  
MISSISSAUGA, ON L4Y 1Y6

THE BANK OF NOVA SCOTIA  
PORT CREDIT - 158 LAKESHORE RD. EAST  
MISSISSAUGA, ONTARIO L5G 1E9

000202

20842 

DATE 0 9 1 5 2 0 1 6  
M M D D Y Y Y Y

PAY

\*\*\*\*\*One Hundred Fifty Thousand and 00/100

\*\*150,000.00

TO THE ORDER OF

Sunrise Acquisitions (HWY 7) Inc.  
50 West Wilmot Street, Suite 100  
Richmond Hill, ON L4B 1M5

1879281 ONTARIO INC.



PER 

MEMO Third Deposit

⑈000 20 2⑈ ⑆ 2084 2⑈00 2⑆ 0 1 2 5 0⑈ 1 6⑈

SECURITY FEATURES INCLUDED - SEE REVERSE  
CONTIENIR DES CARACTERISTIQUES DE SECURITE - VOIR AL VERSO



1879281 ONTARIO INC.  
2444 HAINES ROAD  
MISSISSAUGA, ON L4Y 1Y6

THE BANK OF NOVA SCOTIA  
PORT CREDIT - 158 LAKESHORE RD. EAST  
MISSISSAUGA, ONTARIO L5G 1E9

000204

20842 

DATE 1 2 1 5 2 0 1 6  
M M D D Y Y Y Y

PAY

\*\*\*\*\*One Hundred Fifty Thousand and 00/100

\*\*150,000.00

TO THE ORDER OF

Sunrise Acquisitions (HWY 7) Inc.  
50 West Wilmot Street, Suite 100  
Richmond Hill, ON L4B 1M5

1879281 ONTARIO INC.



PER 

MEMO Fifth Deposit

⑈000 204⑈ ⑆ 2084 2⑈00 2⑆ 0 1 2 5 0⑈ 1 6⑈

SECURITY FEATURES INCLUDED - SEE REVERSE  
CONTIENANT DES CARACTERISTIQUES DE SECURITE - VOIR LE VERSO  
S 1087

1879281 ONTARIO INC.  
2444 HAINES ROAD  
MISSISSAUGA, ON L4Y 1Y6

THE BANK OF NOVA SCOTIA  
PORT CREDIT - 158 LAKESHORE RD. EAST  
MISSISSAUGA, ONTARIO L5G 1E9

000203

20842 

DATE 1 0 1 5 2 0 1 6  
M M D D Y Y Y Y

PAY

\*\*\*\*\*One Hundred Seventy-Five Thousand and 00/100

\*\*175,000.00

TO THE ORDER OF

Sunrise Acquisitions (HWY 7) Inc.  
50 West Wilmot Street, Suite 100  
Richmond Hill, ON L4B 1M5

1879281 ONTARIO INC.



PER 

MEMO Fourth Deposit

⑈000 203⑈ ⑆ 2084 2⑈00 2⑆ 0 1 2 5 0⑈ 1 6⑈

SECURITY FEATURES INCLUDED - SEE REVERSE  
CONTIENANT DES CARACTERISTIQUES DE SECURITE - VOIR LE VERSO  
S 1087

## **Appendix “G”**

**From:** Alina Ramos <[alina@nwinlaw.com](mailto:alina@nwinlaw.com)>

**Sent:** November 20, 2020 2:18 PM

**To:** 'Stidwill, Sean' <[SStidwill@osler.com](mailto:SStidwill@osler.com)>; Daniel Sobel <[daniel@faanmortgageadmin.com](mailto:daniel@faanmortgageadmin.com)>

**Cc:** Norman Winter <[nw@nwinlaw.com](mailto:nw@nwinlaw.com)>; Nerissa <[nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)>; 'Disenhouse, Josh' <[JDisenhouse@osler.com](mailto:JDisenhouse@osler.com)>; 'Storm, Lorna' <[LStorm@osler.com](mailto:LStorm@osler.com)>

**Subject:** SUNRISE ACQUISITIONS (HWY 7) INC. – Discharge Mortgage on 4130 Hwy 7, Lots 43, 47, 48, 49 & 50 to Sorrenti/Union Villas

Hi Mr. Stidwill:

Our client advises that it has made arrangements with your client for your client to provide a Discharge of the Sorrenti mortgage on the above 5 Lots, on the basis of the closing proceeds being paid to obtain a discharge of the KingSett mortgage, payment of our legal fees, disbursements and HST and the balance to be held in our trust account pending your client's further instructions.

In this regard, we are attaching the Agreement of Purchase and Sale, Statement of Adjustments for each of the transactions (Statement of Adjustments for Lots 43, 49 & 50 to follow) and draft Acknowledgement and Direction, with the draft Discharge attached. We are also attaching a Comfort Letter for Lots 43, 47, 48, 49 and 50, for your review, and if acceptable, execution by your client and return to us. We confirm that we will disburse closing funds as above.

Please Note: Closing is scheduled as follows so we ask that you please finalize this by November 23, 2020.

Lot 43 – November 30, 2020

Lot 47 - November 24, 2020

Lot 48 – November 24, 2020

Lot 49 – November 30, 2020

Lot 50- November 30, 2020

If you have any questions regarding any of the above, please do not hesitate to contact us.

Thank you,  
Alina

**ALINA RAMOS, Law Clerk, 416.964.0325, ext. 270 | [alina@nwinlaw.com](mailto:alina@nwinlaw.com)**

---

## **N. H. WINTER LAW, PROFESSIONAL CORPORATION**

**21 Dundas Square, 11<sup>th</sup> Floor, Toronto, Ontario M5B 1B7 Canada | T. 416.964-0325| F. 416.964.2494**

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# TAB 3



**Third Report of  
KSV Restructuring Inc. as  
Receiver and Manager of  
Sunrise Acquisitions  
(Hwy 7) Inc.**

October 20, 2021

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COURT FILE NO.: CV-21-00663051-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

**B E T W E E N:**

**KINGSETT MORTGAGE CORPORATION**

**Applicant**

**- and -**

**SUNRISE ACQUISITIONS (HWY 7) INC.**

**Respondent**

**APPLICATION UNDER SUBSECTION 243(1) OF THE BANKRUPTCY AND INSOLVENCY  
ACT, R.S.C. 1985, c. B-3, AS AMENDED, AND SECTION 101 OF THE COURTS OF  
JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED**

**THIRD REPORT OF KSV RESTRUCTURING INC.  
AS RECEIVER AND MANAGER**

**OCTOBER 20, 2021**

## **1. Introduction**

1. This report ("Report") is filed by KSV Restructuring Inc. ("KSV") in its capacity as receiver and manager (in such capacity, the "Receiver") of Sunrise Acquisitions (Hwy 7) Inc. (the "Company"). Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the "Court") made on June 9, 2021 (the "Receivership Order"), KSV was appointed Receiver of all of the assets, undertakings and properties of the Company acquired for, or used in relation to a business carried on by the Company and the proceeds therefrom, including, without limitation, certain real property owned by the Company in Markham, Ontario, the legal descriptions of which are set out within the title searches attached as Appendix "A" (the "Real Property"). Attached as Appendix "B" is the Receivership Order and the Endorsement of Justice Wilton-Siegel (the "Receivership Endorsement") issued in connection with the Receivership Order.
2. The remaining Real Property owned by the Company comprises four (4) townhome units (the "Remaining Units") developed and built by the Company as part of its "Unionvillas" development project located in Markham, Ontario (the "Unionvillas Project").

3. Since 2015, KingSett Mortgage Corporation ("KingSett") has provided secured financing to the Company in connection with the development of the Unionvillas Project. The Remaining Units are subject to purchase and sale agreements (collectively, the "PSAs") between the Company and the spouses of the Company's Principals (as defined below) (the "Spouses"). The PSAs do not meet the net minimum purchase price thresholds under KingSett's loan terms and raise significant other issues and concerns, as described below.
4. The Real Property subject to these proceedings initially consisted of five (5) townhomes. Pursuant to an order issued by the Court on September 13, 2021 (the "September 13th Order"), the Receiver sold the townhome unit municipally described as 4134 Highway 7 East, Markham, Ontario ("Lot 43"). Lot 43 was subject to a pre-filing purchase and sale agreement, which was terminated, repudiated and/or disclaimed pursuant to the terms of the September 13th Order. A copy of the September 13<sup>th</sup> Order is attached as Appendix "C".

### 1.1 Purposes of this Report

1. The purposes of this Report are to:
  - a) provide background information about these proceedings;
  - b) provide an update on the Receiver's investigative efforts relating to the Company, the Company's Principals and the Unionvillas Project;
  - c) discuss the PSAs, including the reasons the Receiver is recommending that they be, terminated, repudiated and/or disclaimed (the "Disclaimer");
  - d) summarize a proposed sale process (the "Second Sale Process") for the Remaining Units and the recommended process to complete sales for the Remaining Units;
  - e) recommend that the Court grant the Second Sale Process and Disclaimer Order and the Approval and Vesting Order (each as defined below), among other things:
    - approving the Second Sale Process;
    - disclaiming, repudiating and/or terminating the PSAs;
    - prospectively approving transactions for the Remaining Units, subject to certain consents having been obtained;
    - authorizing a distribution to Cityscape Realty Inc. ("Cityscape"), the realtor to be engaged by the Receiver in the Second Sale Process, KingSett and, once KingSett has been repaid in full, FAAN in its capacity as Sorrenti Trustee (each as defined below) (collectively, the "Distributions"); and
    - approving this Report and the Receiver's activities detailed therein.

### 1.2 Currency

1. Unless otherwise noted, all currency references in this Report are to Canadian dollars.

### 1.3 Restrictions

1. In preparing this Report, except as otherwise detailed herein, the Receiver has relied upon the Company's unaudited financial statements, its books and records and discussions with representatives of KingSett, FAAN Mortgage Administrators Inc. ("FAAN"), in its capacity as court-appointed trustee of a subordinate mortgagee, and the Company (collectively, the "Information").
2. The Receiver has not audited, or otherwise attempted to verify, the accuracy or completeness of the financial information relied on to prepare this Report in a manner that complies with Canadian Auditing Standards ("CAS") pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance contemplated under the CAS in respect of such information. Any party wishing to place reliance on the Information, including financial information, should perform its own diligence.

## 2. Background

1. The Company is one of many entities comprising a real property development group known as Sunrise Homes, which develops residential and commercial projects in southern Ontario. The Company is a special purpose vehicle created solely for the purpose of developing the Unionvillas Project.
2. The Company is a privately held corporation incorporated under the *Business Corporations Act* (Ontario), RSO 1990, c. B. 16. Its registered head office address is 50 West Wilmot Street, Suite #100, Richmond Hill, Ontario. The directors and officers of the Company are Sajjad Hussain and Muzammil Kodwavi (jointly, the "Principals").
3. The Company is the registered owner of the Remaining Units.
4. The Unionvillas Project is a 52-townhome development project located in Markham, Ontario. The Unionvillas Project is well advanced with all 52 townhomes having been constructed. The Remaining Units are the only townhomes which have not yet been transferred to a purchaser.

### 2.1 Secured Creditors

1. The Company's senior secured creditor is KingSett which was owed approximately \$2 million at the commencement of these proceedings (the "Indebtedness"). Pursuant to the September 13th Order, the Receiver distributed \$1 million to KingSett from the sale proceeds of Lot 43 such that the current Indebtedness is approximately \$1.1 million, including accrued interest and costs. The Receiver understands that the majority of KingSett's remaining debt relates to a letter of credit ("LC") posted in favour of the City of Markham ("City") to secure performance of certain work by the Company in connection with the development. The Receiver understands further that the City of Markham currently holds \$823,000 that would be refundable to the Company absent a claim by the City under the LC.

2. KingSett entered into a Commitment Letter with the Company on May 5, 2015 (as amended from time to time, the "KingSett Commitment Letter"). The Indebtedness is secured by, among other things:
  - a) mortgages against the Real Property;
  - b) a general assignment of rents in respect of the Real Property; and
  - c) a general security agreement.
3. The other primary source of financing for the Unionvillas Project was a syndicated mortgage financing arranged by Fortress Real Developments Inc. ("Fortress") and its affiliates, which was previously administered by an Ontario lawyer named Derek Sorrenti ("Sorrenti") through his law firm, Sorrenti Law Professional Corporation ("Sorrenti Law"). On August 18, 2015, Sorrenti Law registered a charge against the Real Property in the amount of \$8,000,000, which was later amended by the registration of a notice on September 15, 2016 to increase the principal amount of the charge to \$9,873,262 and to list Sorrenti Law and Olympia Trust Company as chargees (the "Sorrenti Charge"). As at September 30, 2021, the total amount owing to the 145 investors in the syndicated mortgage loan administered by Sorrenti Law was approximately \$11 million, including approximately \$3 million of unpaid interest.
4. Even if the Disclaimer is granted and the Remaining Units are sold to third parties, Sorrenti Law is expected to suffer a significant shortfall on its indebtedness.
5. Sorrenti Law, KingSett and Sunrise entered two (2) Subordination and Standstill Agreements under which Sorrenti Law subordinated and postponed all indebtedness owing by the Company to Sorrenti Law and all security in favour of Sorrenti Law in respect thereof in favour of KingSett's Indebtedness and security.
6. By order of the Court dated September 30, 2019, FAAN was appointed as trustee over all of the assets, undertakings and properties of Sorrenti and Sorrenti Law (in such capacity, the "Sorrenti Trustee") relating to their trusteeship and the administration of syndicated mortgage loans in projects affiliated with Fortress, including any real property mortgages registered in the names of Sorrenti and Sorrenti Law.
7. The Company is also a defendant to certain construction lien and small claims litigation matters.
8. Additional information about the Company and the receivership are provided in the Affidavits of Daniel Pollack, a representative of KingSett, sworn May 28, 2021 and June 1, 2021 in support of the Receivership Order (the "Pollack Affidavits") and the First and Second Reports of the Receiver. Court materials filed in these proceedings, including the Pollack Affidavits and the First and Second Reports of the Receiver, are available on the Receiver's website at <https://www.ksvadvisory.com/insolvency-cases/case/sunrise-acquisitions>.

### 3. Remaining Units Investigation

#### 3.1 PSAs

1. The Remaining Units constitute Property under the Receivership Order and the Receivership Endorsement authorized the Receiver to investigate the circumstances regarding the PSAs.
2. Copies of the PSAs are attached as Appendix "D". A summary of the key terms of the PSAs is provided below.

Lot	Date of PSA	Purchaser	Relationship to Principals	Purchase Price	Deposit
47	Jan 25/17	Safana Kodwavi	Spouse of Mr. Kodwavi	\$950,000	\$500,000
48	Jan 25/17	Mahvesh Hussain	Spouse of Mr. Hussain	\$950,000	\$500,000
49	Nov 16/19	Safana Kodwavi	Spouse of Mr. Kodwavi	\$950,000	\$500,000
50	Jan 25/17	Safana Kodwavi	Spouse of Mr. Kodwavi	\$950,000	\$500,000

3. The Receiver understands that the Spouses have:
  - a) purported to take interim occupancy of the Remaining Units pursuant to section 80 of the *Condominium Act*, S.O. 1998, c. 19, as amended, and the related regulations (the "Condominium Act"); and
  - b) leased the Remaining Units to third parties pursuant to lease agreements for an initial term of up to one year (collectively, the "Lease Agreements" and each a "Lease Agreement"), with each such lease having then been extended by the lessors on a month-to-month basis.
4. Pursuant to the terms of the PSAs, the Spouses are required to pay, among other things, monthly occupancy fees (the "Occupancy Fees") to the Company until the transactions contemplated by the PSAs close. On August 16, 2021, the Receiver wrote to the Spouses requesting evidence that the Occupancy Fees had been paid, including prior to the receivership. The Receiver has been unable to identify any evidence in the Company's books and records that the Occupancy Fees for the period prior to the Receivership have been paid, and no Occupancy Fees have been paid since the Receivership Order was granted. Copies of these letters are attached as Appendix "E". Ms. Hussain has not responded to the Receiver's letter. On September 14, 2021, approximately one month after the Receiver sent its letters, Ms. Kodwavi advised that the letter had gone into her junk e-mail account and that she had retained counsel who would contact the Receiver. As of the date of this Report, the Receiver has not heard again from Ms. Kodwavi or her counsel, and no Notice of Appearance has been filed for any counsel of Ms. Kodwavi.
5. It appears to the Receiver that the Spouses were collecting rent payments from the tenants, but were not paying the contractually required Occupancy Fees.



### 3.2 Investigation of Receipts and Disbursements of the Unionvillas Project

1. The most important aspect of the Receiver's investigation has been the review of the receipts and disbursements of the Company. Following the issuance of the Receivership Order, the Receiver requested various information from the Principals, including the Company's general ledger<sup>1</sup> and bank statements. In order to accelerate its review and reduce professional fees, the Receiver intended to corroborate all transactions in the general ledger with the Company's banking information rather than conducting a tracing exercise, which requires the Receiver to manually record all of the Company's transactions.
2. The Company provided a copy of its unaudited general ledger (the "General Ledger"), but failed to provide deposit and cheque information despite repeated requests. As a result, the Receiver was required to contact the Company's banks to facilitate the flow of information. As of the date of this Report, the banks have provided the Receiver with all information in their possession (the "Bank Information"), although they were unable to locate certain deposit and cheque information for 2015 and 2016.
3. Based on its review of the Bank Information and the General Ledger, the Receiver has uncovered a number of issues of very significant concern that are discussed in the following sections.

### 3.3 Principal Findings

1. A summary of the Receiver's key findings is provided below:
  - a) based on the Bank Information, the Company paid related companies and persons (collectively, the "Related Parties") and the Principals (the Related Parties and Principals are jointly referred to as the "Sunrise Parties") a net amount of \$11.4 million which appears to be in contravention of the Sorrenti Loan Agreement (as defined below) and the KingSett Commitment Letter;
  - b) Mr. Kodwavi appears to have deliberately attempted to mislead the Receiver's investigation by providing inaccurate and incomplete information, including by making it appear that the Sunrise Parties received significantly less money from the Company, as further detailed below;
  - c) the PSAs contain unusually high deposits in excess of 50% of the total purchase price (the "Deposits"), which have been depleted by the Company and are no longer available;
  - d) the Deposits were funded by Mr. Kodwavi, despite the fact that the purchasers under the PSAs were the Spouses (including one (1) PSA where the purchaser is the spouse of Mr. Hussain; not of Mr. Kodwavi);
  - e) the Spouses appear to have breached the terms of their PSAs by not paying the required Occupancy Fees; and
  - f) the purchase prices in the PSAs are materially lower than the current market prices for comparable townhomes.

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<sup>1</sup> A general ledger is a company generated record of all past transactions.

- Further details regarding these findings and other findings by the Receiver are provided below.

### 3.4 Payments to Sunrise Parties in General Ledger

- Solely, based on its review of the General Ledger, the Receiver prepared a summary of the net amounts paid to the Sunrise Parties as reflected in the table below.<sup>2</sup>

(unaudited; \$) Related Party	Net (Advances) per General Ledger
Principals	
Muzammil Kodwavi	753,534 <sup>3</sup>
Sajjad Hussain	93,064
Subtotal	846,598
Related Parties	
Sunrise Acquisitions (Bronte) Inc.	(793,250)
Nayyar Shabbar <sup>4</sup>	(760,442)
Sunrise Homes Ltd.	(461,800)
SH & MK Management Inc.	(405,062)
Sunrise Acquisitions (Tisdale) Inc.	(352,800)
Sunrise Acquisitions (Unionville) Inc.	(292,350)
Sunrise Acquisitions (Keswick II) Inc.	(72,200)
Sunrise Acquisitions Inc.	(38,250)
Sunrise Acquisitions (Tisdale II) Inc.	(9,150)
Sunrise Acquisitions (Burlington) Inc.	(300)
Subtotal	(3,185,604)
Receipts from Related Party <sup>5</sup>	1,499,800
Total	(839,206)

- As reflected above, the General Ledger reflects that the Sunrise Parties received net advances of \$839,206 from the Company.
- On July 19, 2021, the Receiver wrote an e-mail to Mr. Kodwavi, which, *inter alia*, provided him a copy of the above analysis, advised that the Receiver had not yet been able to reconcile the intercompany analysis to the Bank Information, requested that he confirm whether the information was correct and asked whether it was his intention to repay (and cause to be repaid) the balances owed from the Related Parties. On July 26, 2021, Mr. Kodwavi responded requesting further details regarding how the balances were calculated. On July 28, 2021, the Receiver responded advising that the transactions were based on the General Ledger. A copy of this email chain is attached as Appendix "F". The Receiver has received no further response from Mr. Kodwavi on these matters following its email of July 28, 2021.

<sup>2</sup> The General Ledger reflects approximately \$1.4 million in accrued and unpaid management fees, but does not reflect that any management fees had been paid.

<sup>3</sup> Excludes the \$2 million of Deposits.

<sup>4</sup> Mr. Kodwavi advised that Mr. Shabbar is an arms' length party that made a loan to the Company. The General Ledger reflects that Mr. Shabbar is an investor in the project, which would make him a non-arms' length party. The Receiver has requested information from Mr. Kodwavi regarding Mr. Shabbar's funding but has yet to receive any details. According to the General Ledger, Mr. Shabbar paid \$120,000 for a deposit on a property. This deposit is excluded from the table. The Receiver could not verify this deposit using the Bank Information.

<sup>5</sup> Represents receipts from various related companies, which are unsecured claims in these proceedings.

4. Following receipt of the Bank Information, the Receiver compared the information in the General Ledger to the Bank Information.<sup>6</sup> The Receiver identified several material discrepancies, primarily related to amounts that were recorded in the General Ledger as being paid to suppliers, but were actually amounts paid to the Sunrise Parties. A comparison of payments to the Sunrise Parties in the General Ledger to the Bank Information is provided below.

(unaudited; \$) Related Party	Net (Advances) per Bank Information	Net (Advances) per General Ledger	Variance
<b>Principals</b>			
Muzammil Kodwavi <sup>7</sup>	(3,828,996)	753,534	(4,582,530)
Sajjad Hussain	(1,820,576)	93,064	(1,913,640)
Subtotal	(5,649,572)	846,598	(6,496,170)
<b>Related Parties</b>			
Sunrise Acquisitions (Keswick) Inc.	(767,875)	356,350	(1,124,225)
SH & MK Management Inc.	(1,396,454)	(405,062)	(991,392)
Sunrise Acquisitions (Unionville) Inc.	(1,103,750)	(292,350)	(811,400)
Sunrise Acquisitions (Bronte) Inc.	(1,411,800)	(793,250)	(618,550)
Nayyar Shabbar	(1,361,312)	(760,442)	(600,870)
Sunrise Acquisitions (Burlington) Inc.	-	(300)	300
Sunrise Acquisitions Inc.	(30,740)	(38,250)	7,510
Sunrise Acquisitions (Tisdale II) Inc.	-	(9,150)	9,150
Sunrise Acquisitions (Keswick II) Inc.	(6,500)	(72,200)	65,700
Sunrise Acquisitions (Tisdale) Inc.	(211,500)	(352,800)	141,300
Sunrise Homes Ltd.	(291,900)	(461,800)	169,900
Subtotal	(6,581,831)	(2,829,254)	(3,752,577)
Receipts from Related Party	869,950	1,143,450	(273,500)
Total	(11,361,453)	(839,206)	(10,522,247)

5. The Bank Information reflects that on a net basis, approximately \$11.4 million was paid to the Sunrise Parties from the Company, which is approximately \$10.5 million more than the amount recorded in the General Ledger. It is possible that the net amounts advanced to the Sunrise Parties are higher (or lower) since the Receiver does not have certain Bank Information for 2015 and 2016 and has been unable to identify certain receipts and disbursements for that time period; however, the General Ledger for 2015 and 2016 reflects net advances to Sunrise Parties of \$1.8 million meaning that if those figures are correct, the net advances to Sunrise Parties would be over \$13 million. It appears that most of the funds advanced to Related Parties were to other Sunrise single purpose entities involved in the construction of other Sunrise projects not related to the Unionvillas Project.

<sup>6</sup> As referred to above, the banks were unable to provide deposit information for 2015 and 2016 so the Receiver was unable to verify those deposits.

<sup>7</sup> Excludes the \$2 million of Deposits.

6. On September 8, 2021, the Receiver sent a letter to the Principals summarizing the discrepancies between the General Ledger and the Bank Information. The Receiver advised that it was concerned that the Principals had deliberately attempted to mislead the Receiver's investigation. The Receiver requested a response to its letter by September 10, 2021, but has not yet received a response as of the date hereof. A copy of the Receiver's September 8<sup>th</sup> letter is attached as Appendix "G".
7. Attached as Appendix "H" is the Company's loan agreement with Sorrenti Law dated August 6, 2015 (the "Sorrenti Loan Agreement"). Paragraph 3(a) of the Sorrenti Loan Agreement provides that the loan was "to provide funding for the Borrower's costs related to the acquisition of the Property as set out in the Project Budget attached as Schedule "B" to the Sorrenti Loan Agreement including, without limitation, funding to repay, if any, the bridge loan, other reasonable closing costs of the Purchase Agreement and reasonable soft costs incurred or to be incurred prior to construction financing and to provide for any shortfall in required equity..." It is clear based on the Receiver's review of just the General Ledger that funds advanced from Sorrenti Law were advanced to Sunrise Parties in contravention of the Sorrenti Loan Agreement. By way of example, according to the General Ledger, on November 9, 2015, Sorrenti Law advanced a net amount of \$395,875 to the Company<sup>8</sup>. Most of the funds were used between November 10 to November 12 and disbursed to Related Parties as follows:

(unaudited; \$)	
Date	Amount
Disbursements	
Sunrise Acquisitions (Tisdale II) Inc.	35,000
Sunrise Acquisitions (Bronte) Inc.	60,000
Sunrise Acquisitions (Keswick II) Inc.	4,500
SH & MK Management Inc.	26,000
Sunrise Homes Ltd.	60,000
Sunrise Acquisitions (Tisdale) Inc.	51,000
Sunrise Acquisitions (Unionville) Inc.	71,500
<b>Total Disbursements</b>	<b>308,000</b>

8. Based on the Receiver's review, it appears that the Company required funding to complete construction of the Unionvillas Project at least in part because of the significant advances made to the Sunrise Parties in contravention of the Sorrenti Loan Agreement. Mr. Kodwavi then injected the required funding in the form of the Deposits which purports to entitle the Spouses to purchase the Remaining Units.
9. The PSAs prejudice the creditors of the Company, particularly Sorrenti Law, which will suffer a material shortfall on its loan even if the Disclaimer is granted, and a larger shortfall if the Disclaimer is not granted.

<sup>8</sup> At the time of the advance, the General Ledger reflects there was approximately \$37,835 in the Company's bank account.

### 3.5 Misleading Emails sent to the Receiver

1. On July 13, 2021, former counsel to the Company, Fred Tayar & Associates ("Tayar Law"), wrote an email to the Receiver's counsel, Bennett Jones LLP ("Bennett Jones"), advising that representatives of both KingSett and the Sorrenti Trustee had previously acquiesced to the sale of the Remaining Units to the related parties and were therefore taking the position that the Receiver is "estopped from disputing the enforceability and validity of the agreements". On the same day, Bennett Jones responded to advise that the Receiver disagreed with the estoppel argument, and that it understood KingSett at least never provided discharges for the sales. A copy of this email chain is attached as Appendix "I".
2. On July 19, 2021, Mr. Tayar, the principal of Tayar Law, emailed Bennett Jones purporting to provide evidence that the Sorrenti Trustee had acquiesced to the transactions. Mr. Tayar's email contained an email attachment dated December 1, 2020 from Osler, Hoskin & Harcourt LLP ("Osler"), counsel to the Sorrenti Trustee, to Norm Winter, real estate counsel to the Company. Attached to the December 1st email were acknowledgements and directions that the Sorrenti Law mortgages would be discharged (the "A&Ds"). A copy of the email as provided by Mr. Tayar is reproduced below.

From: Stidwill, Sean <[SStidwill@osler.com](mailto:SStidwill@osler.com)>  
 Sent: Tuesday, December 01, 2020 4:28 PM  
 To: Norman Winter <[nw@nwinlaw.com](mailto:nw@nwinlaw.com)>; Alina Ramos <[alina@nwinlaw.com](mailto:alina@nwinlaw.com)>;  
 Nerissa <[nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)>  
 Cc: Disenhouse, Josh <[JDisenhouse@osler.com](mailto:JDisenhouse@osler.com)>; Storm, Lorna  
 <[LStorm@osler.com](mailto:LStorm@osler.com)>; Daniel Sobel <[daniel@faanmortgageadmin.com](mailto:daniel@faanmortgageadmin.com)>  
 Subject: RE: SUNRISE ACQUISITIONS (HWY 7) INC. - Discharge Mortgage on  
 4130 Hwy 7, Lots 43, 47, 48, 49 & 50 to Sorrenti/Union Villas

Please see attached for A&Ds signed by FAAN, in its capacity as trustee of Sorrenti, for lots 47, 48, 49, and 50, which are being sent to you.

Best,  
 Sean

[\[cid:image001.gif@01D6C7FE.D550EF00\]](#)

Sean Stidwill

Associate | [SStidwill@osler.com](mailto:SStidwill@osler.com)<<mailto:SStidwill@osler.com>>

416.862.4871 (Toronto) | 613.787.1100 (Ottawa) Osler, Hoskin & Harcourt

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3. On July 19, 2021, the Receiver forwarded the emails from Mr. Tayar to Osler. Osler advised that the email forwarded to the Receiver (and reproduced above) was not the email that had been sent by Osler to Mr. Winter and as such, it appeared to have been altered. Osler subsequently provided the Receiver with the unaltered e-mail chain as reproduced below (the Receiver has highlighted the sections that were missing from the email provided by Mr. Tayar). The e-mail provided by Osler reflects that the A&Ds were only provided on the basis that they were to be held in escrow pending a separate email from FAAN or Osler, which section was deleted from the e-mail provided by Mr. Tayar. The Receiver is advised by Osler that no separate email satisfying the escrow condition was ever sent.



**From:** Stidwill, Sean  
**Sent:** Tuesday, December 01, 2020 4:28 PM  
**To:** Norman Winter <[nw@nwinlaw.com](mailto:nw@nwinlaw.com)>; Alina Ramos <[alina@nwinlaw.com](mailto:alina@nwinlaw.com)>; Nerissa <[nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)>  
**Cc:** Disenhouse, Josh <[JDisenhouse@osler.com](mailto:JDisenhouse@osler.com)>; Storm, Lorna <[LStorm@osler.com](mailto:LStorm@osler.com)>; Daniel Sobel <[daniel@faanmortgageadmin.com](mailto:daniel@faanmortgageadmin.com)>  
**Subject:** RE: SUNRISE ACQUISITIONS (HWY 7) INC. – Discharge Mortgage on 4130 Hwy 7, Lots 43, 47, 48, 49 & 50 to Sorrenti/Union Villas

Please see attached for A&Ds signed by FAAN, in its capacity as trustee of Sorrenti, for lots 47, 48, 49, and 50, which are being sent to you **in escrow**.

The attached may be released from escrow and relied upon to register the applicable discharges only upon receipt of a separate email confirmation from Osler or FAAN that you may proceed in connection with the unit closings. Prior to providing any such confirmation, we will need confirmation of the closing date(s) and that Kingsett is also prepared to discharge on the basis of the financial and other information that has been provided.

Best,  
Sean

4. Osler also provided the Receiver with later-dated emails between it and Mr. Winter, which further substantiate that the A&Ds were provided in escrow, and that the escrow arrangement was acknowledged by Mr. Winter. Attached as Appendix “J” are copies of these emails.
5. The Receiver subsequently confirmed with KingSett that the Company had provided it with the altered email on December 1, 2020 (i.e. the one without any reference to the escrow terms governing the A&Ds provided by the Sorrenti Trustee through Osler), presumably in an attempt to convince KingSett to provide discharges as well. The Receiver has confirmed, however, that despite the Company's deceitful tactics, KingSett never provided discharges for any of the Remaining Units.
6. On August 4, 2021, Tayar Law filed a motion with the Court seeking an Order removing Tayar Law as lawyers of record for the Company. On August 12, 2021, the Court issued the requested Order. On September 10, 2021, RAR Litigation Lawyers LLP (“RAR Law”) advised the Receiver that it had been retained to act as counsel for the Company in these proceedings. To date, the Receiver has not received any responses from RAR Law to any of the letters that the Receiver has written to the Company and the Principals.

### 3.6 Deposits

1. The Deposits, as contemplated in each of the PSAs, were \$500,000 and represent approximately 53% of the purchase price. The Deposits have been used by the Company and are no longer available to satisfy the claims against the Company.
2. The Receiver reviewed other deposits made for the balance of the purchase and sale agreements for the Unionvillas Project and notes that the deposits range from \$100,000 to \$200,000, which is significantly less than the Deposits.
3. The Receiver also reviewed the Bank Information and notes that the Deposits were all funded by Mr. Kodwavi rather than the Spouses. It is unclear to the Receiver why Mr. Kodwavi funded a deposit on behalf of Ms. Hussain. Copies of the Bank Information reflecting that Mr. Kodwavi funded the Deposits is attached as Appendix “K”.

### 3.7 Market Value of the Remaining Units

1. The Receiver is of the view that the purchase prices contemplated under the PSAs do not reflect the current market value of the Remaining Units. In that respect, the Receiver understands that Lot 43 is similar to the Remaining Units. The selling price for Lot 43 was \$1.290 million, which is approximately \$340,000 higher (approximately 36% higher) than the purchase price contemplated under the PSAs.
2. On October 18, 2021, the Receiver interviewed two (2) brokers to potentially list the Remaining Units for sale. Both brokers advised that the purchase prices under the PSAs are significantly less than their current market value.

### 3.8 Recommendation

1. The Receiver recommends that the Court issue the order (the "Second Sale Process and Disclaimer Order") approving, among other things, the Second Sale Process and the Disclaimer for the following reasons:
  - a) the purchase price contemplated in the PSAs is materially lower than current market value;
  - b) to the Receiver's knowledge, the Spouses have failed to pay any Occupancy Fees despite the fact that they have purported to take interim occupancy of the Remaining Units and have personally benefited from rent payments pursuant to the Lease Agreements;
  - c) it will increase recoveries for the secured mortgagees who appear to be significantly impaired – namely Sorrenti Law (on behalf of the individual lenders under the syndicated mortgage loan secured by the Sorrenti Charge);
  - d) it will not have a negative impact on the creditor pool as a whole;
  - e) the Spouses may participate in the Second Sale Process if they wish to purchase one or more of the Remaining Units; and
  - f) the Deposits appear to have actually been the equity contribution required from the Principals to fund construction as a result of having paid out significant sums from funds advanced by the secured creditors to the Sunrise Parties, including the Principals, in contravention of the Sorrenti Loan Agreement.

## 4. Second Sale Process

1. Provided the Court issues the Second Sale Process and Disclaimer Order, the Receiver intends to list the Remaining Units with Cityscape. The Receiver interviewed two (2) brokers to list the Remaining Units. Cityscape has the experience and credentials to market the Remaining Units. Cityscape's commission is 3.25%, which is lower than the other broker interviewed. The Receiver understands that the Sorrenti Trustee, who is the fulcrum creditor, supports the retention of Cityscape.
2. Based on advice from Cityscape, the Receiver intends to list the Remaining Units for sale for a price similar to Lot 43. The Receiver also intends to work with Cityscape to determine whether the Remaining Units will be listed concurrently or consecutively.

3. As part of the Second Sale Process, Cityscape intends to, *inter alia*:
  - a) prepare a brochure for each of the Remaining Units;
  - b) send an e-mail before each property is listed regarding the opportunities to its database of over 10,000 parties, including industry contacts, potential buyers and the brokerage community;
  - c) post each of the Remaining Units on the Toronto Real Estate Board Multiple Listing Services ("MLS"); and
  - d) hold open houses for the Remaining Units.
4. This is the same sale process that was previously approved by this Court in connection with Lot 43.
5. As referred to above, each of the Remaining Units is subject to a Lease Agreement and is currently occupied by a third-party tenant (collectively, the "Tenants"). Copies of the Lease Agreements are attached as Appendix "L".
6. If the Second Sale Process and Disclaimer Order is granted, it is unclear to the Receiver what the legal impact would be on the Tenants, each of which has an existing month-to-month lease where one of the Spouses is the landlord under lease. If the Disclaimer is granted, the Spouses will have no continuing right to lease the Remaining Units to the Tenants. However, the Receiver is of the view that the Tenants will not be impacted by the Disclaimer as the Receiver proposes that the leases continue unchanged on a month-to-month basis with the landlord being the Company (as opposed to either Principal's spouse) from and after the Disclaimer until such time that the applicable lease is formally terminated (discussed below) or the applicable property is sold.
7. The Receiver intends to market the Remaining Units for sale as tenanted units. However, for greater certainty, following the Disclaimer, the Receiver reserves its right to provide any or all of the Tenants with the requisite notice as prescribed by the *Residential Tenancies Act*, 2006, S.O. 2006, c. 17 that their tenancy will be ending.
8. In order for the Receiver to convey clean title to the Remaining Units without incurring the costs of preparing motion materials and attending at Court for, potentially, each of the four (4) transactions, the Receiver is requesting authority from the Court to complete transactions for the Remaining Units provided the Receiver is satisfied with the purchase prices and other terms of the transactions and receives consent from KingSett (only until KingSett has been repaid in full), and the Sorrenti Trustee, as the only other creditor that has a financial interest in the transactions.
9. In order to facilitate the sale process, the Receiver is seeking approval of a form of Purchase and Sale Agreement (the "Remaining Units PSAs" and each a "Remaining Units PSA") in connection with the Second Sale Process and Disclaimer Order. The Remaining Units PSA is similar in form to the agreement used in respect of Lot 43. A copy of the Remaining Units PSA is attached as Appendix "M".



10. The Receiver is also prospectively seeking Court approval of an Approval and Vesting Order for each of the Remaining Units (the "Approval and Vesting Order"). The Approval and Vesting Order seeks to, among other things, authorize the Receiver to enter into and effect sale transactions for the Remaining Units contemplated by a Remaining Units PSA and vest in an eventual purchaser one or more of the Remaining Units as designated and described in the relevant Sale Agreement and as further confirmed in a Receiver's certificate substantially in the form attached as Schedule "A" to the Approval and Vesting Order. The Approval and Vesting Order is similar in form to the September 13th Order, including with respect to language regarding Tarion Warranty Corporation, the *Ontario New Home Warranties Plan Act*, R.S.O. 1990, c.0.31, as amended and the related regulations and the Condominium Act.
11. KingSett and the Sorrenti Trustee are supportive of the Approval and Vesting Order and the approach discussed in the preceding paragraphs.
12. The Receiver is serving all parties that have an encumbrance that will be vested off title to the Remaining Units with its motion record. The proposed Approval and Vesting Order does not prejudice any parties with potential claims as those claims will attach to the net proceeds from the sale of the applicable Remaining Unit.
13. Following the completion of all transactions for all of the Remaining Units, the Receiver will file with the Court a report detailing the sale price of each of the Remaining Units.
14. As previously noted, the Second Sale Process and Disclaimer Order seeks to make the Distributions to Cityscape in respect of its commission, KingSett and, once KingSett has been repaid in full, FAAN in its capacity as Sorrenti Trustee.
15. As detailed in section 2.1, the primary secured creditors of the Company are KingSett and Sorrenti Law. The Receiver estimates that, once the transactions close for the Remaining Units, and after the payment of closing costs, including remitting any HST<sup>9</sup>, the commission payment to Cityscape and the payment of outstanding professional fees, that there will be funds available to distribute to KingSett and FAAN in its capacity as Sorrenti Trustee.
16. Based on the foregoing, the Receiver instructed its legal counsel, Bennett Jones, to provide opinions on the validity and enforceability of the security held by KingSett and Sorrenti Law. Subject to the usual qualifications and assumptions, Bennett Jones is of the opinion that each of KingSett and Sorrenti Law holds a valid and perfected security interest, as set out in its security documents.
17. If requested, a copy of the Bennett Jones opinion will be made available to the Court.

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<sup>9</sup> Sales of new homes are subject to HST.

18. The Receiver recommends that this Court issue the Second Sale Process and Disclaimer Order approving the Second Sale Process, the form of the Remaining Units PSA and the Approval and Vesting Orders for the following reasons:
  - a) in the Receiver's view, the Second Sale Process is commercially reasonable and consistent with other real property sale processes approved by this Court in other cases, and in respect of Lot 43;
  - b) Cityscape has the experience and credentials to market the Remaining Units and is familiar with the regional and residential real estate market;
  - c) marketing materials, including a brochure for each of the Remaining Units, will ensure that prospective buyers have access to material information;
  - d) the Receiver will work closely with Cityscape and will oversee the Second Sale Process;
  - e) the Receiver believes that the commission for Cityscape is reasonable;
  - f) the proposed process and the Approval and Vesting Order is the most efficient and cost-effective method for seeking the Court's approval of transactions in respect of the Remaining Units and are supported by KingSett and the Sorrenti Trustee; and
  - g) the Remaining Units PSA is similar in form to the agreement used in respect of Lot 43.

## 5. Rivervalley Masonry

1. As was the case with Lot 43, according to the Parcel Registry Abstracts from the Ontario Land Registry Office for each of the Remaining Units dated October 18, 2021 attached hereto as Appendix "N", a construction lien of \$669,602 was registered on August 3, 2021 by Rivervalley Masonry Group Ltd. ("Rivervalley") on title against each of the Remaining Units (the "Rivervalley Lien"), pursuant to the Construction Act R.S.O. 1990, c. C.30, as amended (the "CA").
2. As further detailed in the Second Report, the Receiver's counsel has reviewed the Rivervalley Lien. Under the CA, a lien must be registered within 45 or 60 days, depending on which registration period is applicable, from the date the work is completed or the materials were supplied to the project job site. The Receiver has received no evidence that Rivervalley has provided any services or materials during the 45 or 60 days preceding August 3, 2021. The Receiver understands that Rivervalley performed masonry work, which the Receiver assumes was completed a considerable time ago given the status of the development. Notably, the Receiver was appointed 55 days prior to the date on which the Rivervalley Lien was registered and is not aware of any masonry work having taken place since the time of its appointment or, based on a review of the Company's records, in the 5 days immediately prior thereto. Furthermore, Rivervalley has not provided any documentation of any kind in support of the Rivervalley Lien despite a request from the Receiver's counsel to do so. Rivervalley also did not object to its lien being vested off title of Lot 43. Based on the foregoing, the Receiver is of the view that the Rivervalley Lien is unenforceable

and that Rivervalley is not entitled to any proceeds from any eventual transaction in respect of the Remaining Units.

3. Rivervalley is being served with a copy of the Receiver's motion record.

## 6. Next Steps

1. The Receiver, in consultation with the Sorrenti Trustee, is considering next steps with respect to the funds paid to the Sunrise Parties. Such next steps may include, but are not limited to, potential actions against the Principals and the other Sunrise Parties. The Receiver intends to file a further report in this regard.

## 7. Conclusion and Recommendation

1. Based on the foregoing, the Receiver respectfully recommends that this Honourable Court make an order granting the relief detailed in Section 1.1(1)(e) of this Report.

\* \* \*

All of which is respectfully submitted,

*KSV Restructuring Inc.*

**KSV RESTRUCTURING INC.  
SOLELY IN ITS CAPACITY AS RECEIVER AND MANAGER OF  
SUNRISE ACQUISITIONS (HWY 7) INC.  
AND NOT IN ITS PERSONAL CAPACITY**

## **Appendix “A”**



PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

LAND  
REGISTRY  
OFFICE #65  
\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

02985-0595 (LT)

PAGE 1 OF 4  
PREPARED FOR Feliciani  
ON 2021/05/21 AT 16:15:28

PROPERTY DESCRIPTION:

PART OF BLOCK 3, PLAN 65M4539 BEING PART 30 ON PLAN 65R37967; SUBJECT TO AN EASEMENT IN GROSS AS IN YR2639573; SUBJECT TO AN EASEMENT IN GROSS AS IN YR2652084 ; T/W AN UNDIVIDED COMMON INTEREST IN YORK REGION COMMON ELEMENTS CONDOMINIUM PLAN NO. 1420; SUBJECT TO AN EASEMENT IN FAVOUR OF YORK REGION COMMON ELEMENTS CONDOMINIUM PLAN NO. 1420 AS IN YR3009447; CITY OF MARKHAM

PROPERTY REMARKS:

"FOR THE PURPOSE OF THE QUALIFIER THE DATE OF REGISTRATION OF ABSOLUTE TITLE IS 2016/04/14". FOR ADDITIONAL ENCUMBRANCES THE PIN FOR YORK REGION COMMON ELEMENTS CONDOMINIUM PLAN NO. 1420 IN BLOCK 29951 MUST BE EXAMINED.

ESTATE/QUALIFIER:

FEE SIMPLE  
LT ABSOLUTE PLUS

RECENTLY:

DIVISION FROM 02985-0545

PIN CREATION DATE:

2018/11/21

OWNERS' NAMES

SUNRISE ACQUISITIONS (HWY 7) INC.

CAPACITY SHARE

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **						
**SUBJECT TO SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPHS 3 AND 14 AND *						
** PROVINCIAL SUCCESSION DUTIES AND EXCEPT PARAGRAPH 11 AND ESCHEATS OR FORFEITURE **						
** TO THE CROWN UP TO THE DATE OF REGISTRATION WITH AN ABSOLUTE TITLE. **						
NOTE: THE NO DEALINGS INDICATOR IS IN EFFECT ON THIS PROPERTY						
R488826	1988/11/15	NOTICE REMARKS: AIRPORT ZONING REGULATIONS				C
YR688132	2005/08/22	NOTICE REMARKS: PICKERING AIRPORT SITE ZONING REG. (SOR/10000-636)		HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF TRANSPORT		C
YR2299146	2015/06/02	CHARGE	\$31,981,940	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR2299147	2015/06/02	NO ASSGN RENT GEN REMARKS: YR2299146.		SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR2340877	2015/08/18	CHARGE	\$8,000,000	SUNRISE ACQUISITIONS (HWY 7) INC.	SORRENTI LAW PROFESSIONAL CORPORATION	C
YR2341683	2015/08/19	TRANSFER OF CHARGE REMARKS: YR2340877.		SORRENTI LAW PROFESSIONAL CORPORATION	SORRENTI LAW PROFESSIONAL CORPORATION	C
YR23 2867	2015/09/08	TRANSFER OF CHARGE REMARKS: YR2340877.		SORRENTI LAW PROFESSIONAL CORPORATION	SORRENTI LAW PROFESSIONAL CORPORATION	C
YR2380504	2015/10/29	TRANSFER OF CHARGE REMARKS: YR2340877.		SORRENTI LAW PROFESSIONAL CORPORATION	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.  
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR2386283	2015/11/06	TRANSFER OF CHARGE	\$8,000,000	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	<i>REMARKS: YR2340877.</i>					
YR2398064	2015/12/01	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	<i>REMARKS: YR2340877.</i>					
YR2415581	2016/01/13	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	<i>REMARKS: YR2340877.</i>					
YR2421491	2016/01/26	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	<i>REMARKS: YR2340877.</i>					
YR2442481	2016/03/11	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	<i>REMARKS: YR2340877.</i>					
YR2481743	2016/06/03	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	<i>REMARKS: YR2340877.</i>					
YR2543312	2016/09/15	NOTICE	\$9,873,262	SUNRISE ACQUISITION (HWY 7) INC	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	<i>REMARKS: YR2340877</i>					
YR2572486	2016/11/03	CHARGE	\$1,648,879	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR2582279	2016/11/22	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	KINGSETT MORTGAGE CORPORATION	C
	<i>REMARKS: YR2340877, YR2481743 TO YR2572486</i>					
65M4539	2017/02/02	PLAN SUBDIVISION				C
YR2623637	2017/02/09	NO SUB AGREEMENT		THE CORPORATION OF THE CITY OF MARKHAM	SUNRISE ACQUISITIONS (HWY 7) INC.	C
YR2623638	2017/02/09	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C
	<i>REMARKS: YR2299146 TO YR2623637</i>					
YR2623639	2017/02/09	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.  
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LAND  
REGISTRY  
OFFICE #65

02985-0595 (LT)

PAGE 3 OF 4  
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ON 2021/05/21 AT 16:15:28

\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YR2623640	2017/02/09	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	THE CORPORATION OF THE CITY OF MARKHAM	C
YR2623649	2017/02/09	APL ANNEX REST COV		SUNRISE ACQUISITIONS (HWY 7) INC.		C
YR2639573	2017/03/16	TRANSFER EASEMENT	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	ENBRIDGE GAS DISTRIBUTION INC.	C
YR2640297	2017/03/17	PLAN CORRECTION		ASSISTANT EXAMINER OF SURVEYS		C
YR2652084	2017/04/10	TRANSFER EASEMENT	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	ALECTRA UTILITIES CORPORATION	C
YR2652085	2017/04/10	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	ALECTRA UTILITIES CORPORATION	C
YR2652086	2017/04/10	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	ALECTRA UTILITIES CORPORATION	C
YR2652087	2017/04/10	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	ALECTRA UTILITIES CORPORATION	C
YR2664317	2017/05/05	NOTICE	\$2	THE CORPORATION OF THE CITY OF MARKHAM	SUNRISE ACQUISITIONS (HWY 7) INC.	C
YR2664318	2017/05/05	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C
YR2664319	2017/05/05	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C
YR2664320	2017/05/05	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	THE CORPORATION OF THE CITY OF MARKHAM	C
YR2666512	2017/05/10	BYLAW		THE CORPORATION OF THE CITY OF MARKHAM		C
YR2720530	2017/08/21	NOTICE	\$4,000,000	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR2782817	2018/01/12	RESTRICTION-LAND		SUNRISE ACQUISITIONS (HWY 7) INC.		C
		REMARKS: ANY TRANSFER OF THE LANDS SET OUT HEREIN, NAMELY PIN 02985-0545 (LT) IS HEREBY PROHIBITED UNLESS AND UNTIL THE CONSENT OF THE DIRECTOR OF PLANNING AND URBAN DESIGN, FOR THE CORPORATION OF THE CITY OF MARKHAM, OR HIS DESIGNATE HAS BEEN OBTAINED.				
65R37967	2018/07/31	PLAN REFERENCE				C
YR2872432	2018/09/12	NOTICE	\$5,500,000	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
		REMARKS: YR2572486				
YR2872560	2018/09/12	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	KINGSETT MORTGAGE CORPORATION	C
		REMARKS: YR2340877 & YR2481743 TO YR2572486, YR2720530 & YR2872432				
YR2872601	2018/09/12	TRANSFER	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	SUNRISE ACQUISITIONS (HWY 7) INC.	C
YR3006971	2019/09/11	BYLAW		THE CORPORATION OF THE CITY OF MARKHAM		C
		REMARKS: BY-LAW 2019-99 A BY-LAW TO DESIGNATE PART OF A CERTAIN PLAN OF SUBDIVISION NOT SUBJECT TO PART LOT CONTROL				
YRCP1420	2019/09/17	CE CONDO PLN				C
YR3009447	2019/09/17	CONDO DECLARATION		SUNRISE ACQUISITIONS (HWY 7) INC.		C
YR3011927	2019/09/24	CONDO BYLAW/98		YORK REGION COMMON ELEMENTS CONDOMINIUM CORPORATION NO. 1420		C
		REMARKS: BY-LAW NO. 1				
YR3012090	2019/09/24	NOTICE		SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
		REMARKS: YR2299146				
YR3015611	2019/10/02	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	FAAN MORTGAGE ADMINISTRATORS INC.	C

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LAND  
REGISTRY  
OFFICE #65  
\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

02985-0596 (LT)

PAGE 1 OF 4  
PREPARED FOR Feliciani  
ON 2021/05/21 AT 16:16:22

PROPERTY DESCRIPTION:

PART OF BLOCK 3, PLAN 65M4539 BEING PART 31 ON PLAN 65R37967; SUBJECT TO AN EASEMENT IN GROSS AS IN YR2639573; SUBJECT TO AN EASEMENT IN GROSS AS IN YR2652084 ; T/W AN UNDIVIDED COMMON INTEREST IN YORK REGION COMMON ELEMENTS CONDOMINIUM PLAN NO. 1420; SUBJECT TO AN EASEMENT IN FAVOUR OF YORK REGION COMMON ELEMENTS CONDOMINIUM PLAN NO. 1420 AS IN YR3009447; CITY OF MARKHAM

PROPERTY REMARKS:

"FOR THE PURPOSE OF THE QUALIFIER THE DATE OF REGISTRATION OF ABSOLUTE TITLE IS 2016/04/14". FOR ADDITIONAL ENCUMBRANCES THE PIN FOR YORK REGION COMMON ELEMENTS CONDOMINIUM PLAN NO. 1420 IN BLOCK 29951 MUST BE EXAMINED.

ESTATE/QUALIFIER:

FEE SIMPLE  
LT ABSOLUTE PLUS

RECENTLY:

DIVISION FROM 02985-0545

PIN CREATION DATE:

2018/11/21

OWNERS' NAMES

SUNRISE ACQUISITIONS (HWY 7) INC.

CAPACITY SHARE

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **						
**SUBJECT TO SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPHS 3 AND 14 AND *						
** PROVINCIAL SUCCESSION DUTIES AND EXCEPT PARAGRAPH 11 AND ESCHEATS OR FORFEITURE **						
** TO THE CROWN UP TO THE DATE OF REGISTRATION WITH AN ABSOLUTE TITLE. **						
NOTE: THE NO DEALINGS INDICATOR IS IN EFFECT ON THIS PROPERTY						
R488826	1988/11/15	NOTICE REMARKS: AIRPORT ZONING REGULATIONS				C
YR688132	2005/08/22	NOTICE REMARKS: PICKERING AIRPORT SITE ZONING REG. (SOR/10000-636)		HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF TRANSPORT		C
YR2299146	2015/06/02	CHARGE	\$31,981,940	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR2299147	2015/06/02	NO ASSGN RENT GEN REMARKS: YR2299146.		SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR2340877	2015/08/18	CHARGE	\$8,000,000	SUNRISE ACQUISITIONS (HWY 7) INC.	SORRENTI LAW PROFESSIONAL CORPORATION	C
YR2341683	2015/08/19	TRANSFER OF CHARGE REMARKS: YR2340877.		SORRENTI LAW PROFESSIONAL CORPORATION	SORRENTI LAW PROFESSIONAL CORPORATION	C
YR2352867	2015/09/08	TRANSFER OF CHARGE REMARKS: YR2340877.		SORRENTI LAW PROFESSIONAL CORPORATION	SORRENTI LAW PROFESSIONAL CORPORATION	C
YR2380504	2015/10/29	TRANSFER OF CHARGE REMARKS: YR2340877.		SORRENTI LAW PROFESSIONAL CORPORATION	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR2386283	2015/11/06	TRANSFER OF CHARGE	\$8,000,000	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	<i>REMARKS: YR2340877.</i>					
YR2398064	2015/12/01	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	<i>REMARKS: YR2340877.</i>					
YR2415581	2016/01/13	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	<i>REMARKS: YR2340877.</i>					
YR2421491	2016/01/26	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	<i>REMARKS: YR2340877.</i>					
YR2442481	2016/03/11	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	<i>REMARKS: YR2340877.</i>					
YR2481743	2016/06/03	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	<i>REMARKS: YR2340877.</i>					
YR2543312	2016/09/15	NOTICE	\$9,873,262	SUNRISE ACQUISITION (HWY 7) INC	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	<i>REMARKS: YR2340877</i>					
YR2572486	2016/11/03	CHARGE	\$1,648,879	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR2582279	2016/11/22	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	KINGSETT MORTGAGE CORPORATION	C
	<i>REMARKS: YR2340877, YR2481743 TO YR2572486</i>					
65M4539	2017/02/02	PLAN SUBDIVISION				C
YR2623637	2017/02/09	NO SUB AGREEMENT		THE CORPORATION OF THE CITY OF MARKHAM	SUNRISE ACQUISITIONS (HWY 7) INC.	C
YR2623638	2017/02/09	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C
	<i>REMARKS: YR2299146 TO YR2623637</i>					
YR2623639	2017/02/09	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.  
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PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

LAND  
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OFFICE #65

02985-0596 (LT)

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\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YR2623640	2017/02/09	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	THE CORPORATION OF THE CITY OF MARKHAM	C
YR2623649	2017/02/09	APL ANNEX REST COV		SUNRISE ACQUISITIONS (HWY 7) INC.		C
YR2639573	2017/03/16	TRANSFER EASEMENT	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	ENBRIDGE GAS DISTRIBUTION INC.	C
YR2640297	2017/03/17	PLAN CORRECTION		ASSISTANT EXAMINER OF SURVEYS		C
YR2652084	2017/04/10	TRANSFER EASEMENT	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	ALECTRA UTILITIES CORPORATION	C
YR2652085	2017/04/10	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	ALECTRA UTILITIES CORPORATION	C
YR2652086	2017/04/10	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	ALECTRA UTILITIES CORPORATION	C
YR2652087	2017/04/10	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	ALECTRA UTILITIES CORPORATION	C
YR2664317	2017/05/05	NOTICE	\$2	THE CORPORATION OF THE CITY OF MARKHAM	SUNRISE ACQUISITIONS (HWY 7) INC.	C
YR2664318	2017/05/05	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C
YR2664319	2017/05/05	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C
YR2664320	2017/05/05	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	THE CORPORATION OF THE CITY OF MARKHAM	C
YR2666512	2017/05/10	BYLAW		THE CORPORATION OF THE CITY OF MARKHAM		C
YR2720530	2017/08/21	NOTICE	\$4,000,000	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.  
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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR2782817	2018/01/12	RESTRICTION-LAND		SUNRISE ACQUISITIONS (HWY 7) INC.		C
		REMARKS: ANY TRANSFER OF THE LANDS SET OUT HEREIN, NAMELY PIN 02985-0545 (LT) IS HEREBY PROHIBITED UNLESS AND UNTIL THE CONSENT OF THE DIRECTOR OF PLANNING AND URBAN DESIGN, FOR THE CORPORATION OF THE CITY OF MARKHAM, OR HIS DESIGNATE HAS BEEN OBTAINED.				
65R37967	2018/07/31	PLAN REFERENCE				C
YR2872432	2018/09/12	NOTICE	\$5,500,000	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
		REMARKS: YR2572486				
YR2872560	2018/09/12	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	KINGSETT MORTGAGE CORPORATION	C
		REMARKS: YR2340877 & YR2481743 TO YR2572486, YR2720530 & YR2872432				
YR2872601	2018/09/12	TRANSFER	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	SUNRISE ACQUISITIONS (HWY 7) INC.	C
YR3006971	2019/09/11	BYLAW		THE CORPORATION OF THE CITY OF MARKHAM		C
		REMARKS: BY-LAW 2019-99 A BY-LAW TO DESIGNATE PART OF A CERTAIN PLAN OF SUBDIVISION NOT SUBJECT TO PART LOT CONTROL				
YRCP1420	2019/09/17	CE CONDO PLN				C
YR3009447	2019/09/17	CONDO DECLARATION		SUNRISE ACQUISITIONS (HWY 7) INC.		C
YR3011927	2019/09/24	CONDO BYLAW/98		YORK REGION COMMON ELEMENTS CONDOMINIUM CORPORATION NO. 1420		C
		REMARKS: BY-LAW NO. 1				
YR3012090	2019/09/24	NOTICE		SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
		REMARKS: YR2299146				
YR3015611	2019/10/02	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	FAAN MORTGAGE ADMINISTRATORS INC.	C

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PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

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02985-0597 (LT)

PAGE 1 OF 4  
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PROPERTY DESCRIPTION:

PART OF BLOCK 3, PLAN 65M4539 BEING PART 32 ON PLAN 65R37967; SUBJECT TO AN EASEMENT IN GROSS AS IN YR2639573; SUBJECT TO AN EASEMENT IN GROSS AS IN YR2652084 ; T/W AN UNDIVIDED COMMON INTEREST IN YORK REGION COMMON ELEMENTS CONDOMINIUM PLAN NO. 1420; SUBJECT TO AN EASEMENT IN FAVOUR OF YORK REGION COMMON ELEMENTS CONDOMINIUM PLAN NO. 1420 AS IN YR3009447; CITY OF MARKHAM

PROPERTY REMARKS:

"FOR THE PURPOSE OF THE QUALIFIER THE DATE OF REGISTRATION OF ABSOLUTE TITLE IS 2016/04/14". FOR ADDITIONAL ENCUMBRANCES THE PIN FOR YORK REGION COMMON ELEMENTS CONDOMINIUM PLAN NO. 1420 IN BLOCK 29951 MUST BE EXAMINED.

ESTATE/QUALIFIER:

FEE SIMPLE  
LT ABSOLUTE PLUS

RECENTLY:

DIVISION FROM 02985-0545

PIN CREATION DATE:

2018/11/21

OWNERS' NAMES

SUNRISE ACQUISITIONS (HWY 7) INC.

CAPACITY SHARE

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **						
**SUBJECT TO SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPHS 3 AND 14 AND *						
** PROVINCIAL SUCCESSION DUTIES AND EXCEPT PARAGRAPH 11 AND ESCHEATS OR FORFEITURE **						
** TO THE CROWN UP TO THE DATE OF REGISTRATION WITH AN ABSOLUTE TITLE. **						
NOTE: THE NO DEALINGS INDICATOR IS IN EFFECT ON THIS PROPERTY						
R488826	1988/11/15	NOTICE REMARKS: AIRPORT ZONING REGULATIONS				C
YR688132	2005/08/22	NOTICE REMARKS: PICKERING AIRPORT SITE ZONING REG. (SOR/10000-636)		HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF TRANSPORT		C
YR2299146	2015/06/02	CHARGE	\$31,981,940	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR2299147	2015/06/02	NO ASSGN RENT GEN REMARKS: YR2299146.		SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR2340877	2015/08/18	CHARGE	\$8,000,000	SUNRISE ACQUISITIONS (HWY 7) INC.	SORRENTI LAW PROFESSIONAL CORPORATION	C
YR2341683	2015/08/19	TRANSFER OF CHARGE REMARKS: YR2340877.		SORRENTI LAW PROFESSIONAL CORPORATION	SORRENTI LAW PROFESSIONAL CORPORATION	C
YR2352867	2015/09/08	TRANSFER OF CHARGE REMARKS: YR2340877.		SORRENTI LAW PROFESSIONAL CORPORATION	SORRENTI LAW PROFESSIONAL CORPORATION	C
YR2380504	2015/10/29	TRANSFER OF CHARGE REMARKS: YR2340877.		SORRENTI LAW PROFESSIONAL CORPORATION	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR2386283	2015/11/06	TRANSFER OF CHARGE	\$8,000,000	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	<i>REMARKS: YR2340877.</i>					
YR2398064	2015/12/01	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	<i>REMARKS: YR2340877.</i>					
YR2415581	2016/01/13	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	<i>REMARKS: YR2340877.</i>					
YR2421491	2016/01/26	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	<i>REMARKS: YR2340877.</i>					
YR2442481	2016/03/11	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	<i>REMARKS: YR2340877.</i>					
YR2481743	2016/06/03	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	<i>REMARKS: YR2340877.</i>					
YR2543312	2016/09/15	NOTICE	\$9,873,262	SUNRISE ACQUISITION (HWY 7) INC	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	<i>REMARKS: YR2340877</i>					
YR2572486	2016/11/03	CHARGE	\$1,648,879	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR2582279	2016/11/22	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	KINGSETT MORTGAGE CORPORATION	C
	<i>REMARKS: YR2340877, YR2481743 TO YR2572486</i>					
65M4539	2017/02/02	PLAN SUBDIVISION				C
YR2623637	2017/02/09	NO SUB AGREEMENT		THE CORPORATION OF THE CITY OF MARKHAM	SUNRISE ACQUISITIONS (HWY 7) INC.	C
YR2623638	2017/02/09	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C
	<i>REMARKS: YR2299146 TO YR2623637</i>					
YR2623639	2017/02/09	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C

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PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

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02985-0597 (LT)

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ON 2021/05/21 AT 16:16:57

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YR2623640	2017/02/09	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	THE CORPORATION OF THE CITY OF MARKHAM	C
YR2623649	2017/02/09	APL ANNEX REST COV		SUNRISE ACQUISITIONS (HWY 7) INC.		C
YR2639573	2017/03/16	TRANSFER EASEMENT	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	ENBRIDGE GAS DISTRIBUTION INC.	C
YR2640297	2017/03/17	PLAN CORRECTION		ASSISTANT EXAMINER OF SURVEYS		C
YR2652084	2017/04/10	TRANSFER EASEMENT	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	ALECTRA UTILITIES CORPORATION	C
YR2652085	2017/04/10	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	ALECTRA UTILITIES CORPORATION	C
YR2652086	2017/04/10	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	ALECTRA UTILITIES CORPORATION	C
YR2652087	2017/04/10	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	ALECTRA UTILITIES CORPORATION	C
YR2664317	2017/05/05	NOTICE	\$2	THE CORPORATION OF THE CITY OF MARKHAM	SUNRISE ACQUISITIONS (HWY 7) INC.	C
YR2664318	2017/05/05	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C
YR2664319	2017/05/05	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C
YR2664320	2017/05/05	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	THE CORPORATION OF THE CITY OF MARKHAM	C
YR2666512	2017/05/10	BYLAW		THE CORPORATION OF THE CITY OF MARKHAM		C
YR2720530	2017/08/21	NOTICE	\$4,000,000	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C

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## PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD	
YR2782817	2018/01/12	RESTRICTION-LAND		SUNRISE ACQUISITIONS (HWY 7) INC.		C	
		REMARKS: ANY TRANSFER OF THE LANDS SET OUT HEREIN, NAMELY PIN 02985-0545 (LT) IS HEREBY PROHIBITED UNLESS AND UNTIL THE CONSENT OF THE DIRECTOR OF PLANNING AND URBAN DESIGN, FOR THE CORPORATION OF THE CITY OF MARKHAM, OR HIS DESIGNATE HAS BEEN OBTAINED.					
65R37967	2018/07/31	PLAN REFERENCE				C	
YR2872432	2018/09/12	NOTICE	\$5,500,000	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C	
		REMARKS: YR2572486					
YR2872560	2018/09/12	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	KINGSETT MORTGAGE CORPORATION	C	
		REMARKS: YR2340877 & YR2481743 TO YR2572486, YR2720530 & YR2872432					
YR2872601	2018/09/12	TRANSFER	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	SUNRISE ACQUISITIONS (HWY 7) INC.	C	
YR3006971	2019/09/11	BYLAW		THE CORPORATION OF THE CITY OF MARKHAM		C	
		REMARKS: BY-LAW 2019-99 A BY-LAW TO DESIGNATE PART OF A CERTAIN PLAN OF SUBDIVISION NOT SUBJECT TO PART LOT CONTROL					
YRCP1420	2019/09/17	CE CONDO PLN				C	
YR3009447	2019/09/17	CONDO DECLARATION		SUNRISE ACQUISITIONS (HWY 7) INC.		C	
YR3011927	2019/09/24	CONDO BYLAW/98		YORK REGION COMMON ELEMENTS CONDOMINIUM CORPORATION NO. 1420		C	
		REMARKS: BY-LAW NO. 1					
YR3012090	2019/09/24	NOTICE		SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C	
		REMARKS: YR2299146					
YR3015611	2019/10/02	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	FAAN MORTGAGE ADMINISTRATORS INC.	C	

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PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

LAND  
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02985-0598 (LT)

PAGE 1 OF 4  
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\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

**PROPERTY DESCRIPTION:** PART OF BLOCK 3, PLAN 65M4539 BEING PART 33 ON PLAN 65R37967; SUBJECT TO AN EASEMENT IN GROSS AS IN YR2639573; SUBJECT TO AN EASEMENT IN GROSS AS IN YR2652084 ; T/W AN UNDIVIDED COMMON INTEREST IN YORK REGION COMMON ELEMENTS CONDOMINIUM PLAN NO. 1420; SUBJECT TO AN EASEMENT IN FAVOUR OF YORK REGION COMMON ELEMENTS CONDOMINIUM PLAN NO. 1420 AS IN YR3009447; CITY OF MARKHAM

**PROPERTY REMARKS:** "FOR THE PURPOSE OF THE QUALIFIER THE DATE OF REGISTRATION OF ABSOLUTE TITLE IS 2016/04/14". FOR ADDITIONAL ENCUMBRANCES THE PIN FOR YORK REGION COMMON ELEMENTS CONDOMINIUM PLAN NO. 1420 IN BLOCK 29951 MUST BE EXAMINED.

**ESTATE/QUALIFIER:** FEE SIMPLE  
LT ABSOLUTE PLUS

**RECENTLY:** DIVISION FROM 02985-0545

**PIN CREATION DATE:** 2018/11/21

**OWNERS' NAMES** CAPACITY SHARE  
SUNRISE ACQUISITIONS (HWY 7) INC.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **						
**SUBJECT TO SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPHS 3 AND 14 AND *						
** PROVINCIAL SUCCESSION DUTIES AND EXCEPT PARAGRAPH 11 AND ESCHEATS OR FORFEITURE **						
** TO THE CROWN UP TO THE DATE OF REGISTRATION WITH AN ABSOLUTE TITLE. **						
NOTE: THE NO DEALINGS INDICATOR IS IN EFFECT ON THIS PROPERTY						
R488826	1988/11/15	NOTICE				C
REMARKS: AIRPORT ZONING REGULATIONS						
YR688132	2005/08/22	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF TRANSPORT		C
REMARKS: PICKERING AIRPORT SITE ZONING REG. (SOR/10000-636)						
YR2299146	2015/06/02	CHARGE	\$31,981,940	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR2299147	2015/06/02	NO ASSGN RENT GEN		SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
REMARKS: YR2299146.						
YR2340877	2015/08/18	CHARGE	\$8,000,000	SUNRISE ACQUISITIONS (HWY 7) INC.	SORRENTI LAW PROFESSIONAL CORPORATION	C
YR2341683	2015/08/19	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION	SORRENTI LAW PROFESSIONAL CORPORATION	C
REMARKS: YR2340877.						
YR2352867	2015/09/08	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION	SORRENTI LAW PROFESSIONAL CORPORATION	C
REMARKS: YR2340877.						
YR2380504	2015/10/29	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
REMARKS: YR2340877.						

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.  
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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR2386283	2015/11/06	TRANSFER OF CHARGE	\$8,000,000	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	<i>REMARKS: YR2340877.</i>					
YR2398064	2015/12/01	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	<i>REMARKS: YR2340877.</i>					
YR2415581	2016/01/13	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	<i>REMARKS: YR2340877.</i>					
YR2421491	2016/01/26	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	<i>REMARKS: YR2340877.</i>					
YR2442481	2016/03/11	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	<i>REMARKS: YR2340877.</i>					
YR2481743	2016/06/03	TRANSFER OF CHARGE		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	<i>REMARKS: YR2340877.</i>					
YR2543312	2016/09/15	NOTICE	\$9,873,262	SUNRISE ACQUISITION (HWY 7) INC	SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	C
	<i>REMARKS: YR2340877</i>					
YR2572486	2016/11/03	CHARGE	\$1,648,879	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR2582279	2016/11/22	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	KINGSETT MORTGAGE CORPORATION	C
	<i>REMARKS: YR2340877, YR2481743 TO YR2572486</i>					
65M4539	2017/02/02	PLAN SUBDIVISION				C
YR2623637	2017/02/09	NO SUB AGREEMENT		THE CORPORATION OF THE CITY OF MARKHAM	SUNRISE ACQUISITIONS (HWY 7) INC.	C
YR2623638	2017/02/09	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C
	<i>REMARKS: YR2299146 TO YR2623637</i>					
YR2623639	2017/02/09	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C

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PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

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02985-0598 (LT)

PAGE 3 OF 4  
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\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YR2623640	2017/02/09	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	THE CORPORATION OF THE CITY OF MARKHAM	C
YR2623649	2017/02/09	APL ANNEX REST COV		SUNRISE ACQUISITIONS (HWY 7) INC.		C
YR2639573	2017/03/16	TRANSFER EASEMENT	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	ENBRIDGE GAS DISTRIBUTION INC.	C
YR2640297	2017/03/17	PLAN CORRECTION		ASSISTANT EXAMINER OF SURVEYS		C
YR2652084	2017/04/10	TRANSFER EASEMENT	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	ALECTRA UTILITIES CORPORATION	C
YR2652085	2017/04/10	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	ALECTRA UTILITIES CORPORATION	C
YR2652086	2017/04/10	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	ALECTRA UTILITIES CORPORATION	C
YR2652087	2017/04/10	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	ALECTRA UTILITIES CORPORATION	C
YR2664317	2017/05/05	NOTICE	\$2	THE CORPORATION OF THE CITY OF MARKHAM	SUNRISE ACQUISITIONS (HWY 7) INC.	C
YR2664318	2017/05/05	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C
YR2664319	2017/05/05	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C
YR2664320	2017/05/05	POSTPONEMENT		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	THE CORPORATION OF THE CITY OF MARKHAM	C
YR2666512	2017/05/10	BYLAW		THE CORPORATION OF THE CITY OF MARKHAM		C
YR2720530	2017/08/21	NOTICE	\$4,000,000	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.  
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR2782817	2018/01/12	RESTRICTION-LAND <i>REMARKS: ANY TRANSFER OF THE LANDS SET OUT HEREIN, NAMELY PIN 02985-0545 (LT) IS HEREBY PROHIBITED UNLESS AND UNTIL THE CONSENT OF THE DIRECTOR OF PLANNING AND URBAN DESIGN, FOR THE CORPORATION OF THE CITY OF MARKHAM, OR HIS DESIGNATE HAS BEEN OBTAINED.</i>		SUNRISE ACQUISITIONS (HWY 7) INC.		C
65R37967	2018/07/31	PLAN REFERENCE				C
YR2872432	2018/09/12	NOTICE <i>REMARKS: YR2572486</i>	\$5,500,000	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR2872560	2018/09/12	POSTPONEMENT <i>REMARKS: YR2340877 &amp; YR2481743 TO YR2572486, YR2720530 &amp; YR2872432</i>		SORRENTI LAW PROFESSIONAL CORPORATION OLYMPIA TRUST COMPANY	KINGSETT MORTGAGE CORPORATION	C
YR2872601	2018/09/12	TRANSFER	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	SUNRISE ACQUISITIONS (HWY 7) INC.	C
YR3006971	2019/09/11	BYLAW <i>REMARKS: BY-LAW 2019-99 A BY-LAW TO DESIGNATE PART OF A CERTAIN PLAN OF SUBDIVISION NOT SUBJECT TO PART LOT CONTROL</i>		THE CORPORATION OF THE CITY OF MARKHAM		C
YRCP1420	2019/09/17	CE CONDO PLN				C
YR3009447	2019/09/17	CONDO DECLARATION		SUNRISE ACQUISITIONS (HWY 7) INC.		C
YR3011927	2019/09/24	CONDO BYLAW/98 <i>REMARKS: BY-LAW NO. 1</i>		YORK REGION COMMON ELEMENTS CONDOMINIUM CORPORATION NO. 1420		C
YR3012090	2019/09/24	NOTICE <i>REMARKS: YR2299146</i>		SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR3015611	2019/10/02	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	FAAN MORTGAGE ADMINISTRATORS INC.	C

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PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

LAND  
REGISTRY  
OFFICE #65

29951-0001 (LT)

PAGE 1 OF 3  
PREPARED FOR Feliciani  
ON 2021/05/21 AT 16:18:42

\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

**PROPERTY DESCRIPTION:** YORK REGION COMMON ELEMENTS CONDOMINIUM PLAN NO. 1420; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3009447; CITY OF MARKHAM

**PROPERTY REMARKS:** "FOR THE PURPOSE OF THE QUALIFIER THE DATE OF REGISTRATION OF ABSOLUTE TITLE IS 2016/04/14".

**ESTATE/QUALIFIER:** FEE SIMPLE  
LT ABSOLUTE PLUS

**RECENTLY:** RE-ENTRY FROM 02985-0601

**PIN CREATION DATE:** 2019/09/19

**OWNERS' NAMES** **CAPACITY** **SHARE**

THE OWNERS FROM TIME TO TIME OF THE PARCELS OF TIED LAND AS SET OUT IN SCHEDULE 'D' TO THE DECLARATION

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **						
**SUBJECT TO SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPHS 3 AND 14 AND *						
** PROVINCIAL SUCCESSION DUTIES AND EXCEPT PARAGRAPH 11 AND ESCHEATS OR FORFEITURE **						
** TO THE CROWN UP TO THE DATE OF REGISTRATION WITH AN ABSOLUTE TITLE. **						
NOTE: THE NO DEALINGS INDICATOR IS IN EFFECT ON THIS PROPERTY						
R488826	1988/11/15	NOTICE				C
REMARKS: AIRPORT ZONING REGULATIONS						
YR688132	2005/08/22	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF TRANSPORT		C
REMARKS: PICKERING AIRPORT SITE ZONING REG. (SOR/10000-636)						
YR2299146	2015/06/02	CHARGE	\$31,981,940	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR2299147	2015/06/02	NO ASSGN RENT GEN		SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
REMARKS: YR2299146.						
YR2572486	2016/11/03	CHARGE	\$1,648,879	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR2623637	2017/02/09	NO SUB AGREEMENT		THE CORPORATION OF THE CITY OF MARKHAM	SUNRISE ACQUISITIONS (HWY 7) INC.	C
YR2623638	2017/02/09	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C
REMARKS: YR2299146 TO YR2623637						
YR2623639	2017/02/09	POSTPONEMENT		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C
REMARKS: YR2572486 TO YR2623637						
YR2623645	2017/02/09	TRANSFER EASEMENT	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	THE CORPORATION OF THE CITY OF MARKHAM	C

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR2623646	2017/02/09	POSTPONEMENT REMARKS: YR2299146 TO YR2623645		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C
YR2623647	2017/02/09	POSTPONEMENT REMARKS: YR2572486 TO YR2623645		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE TOWN OF MARKHAM	C
YR2623649	2017/02/09	APL ANNEX REST COV		SUNRISE ACQUISITIONS (HWY 7) INC.		C
YR2639573	2017/03/16	TRANSFER EASEMENT	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	ENBRIDGE GAS DISTRIBUTION INC.	C
YR2652084	2017/04/10	TRANSFER EASEMENT	\$2	SUNRISE ACQUISITIONS (HWY 7) INC.	ALECTRA UTILITIES CORPORATION	C
YR2652085	2017/04/10	POSTPONEMENT REMARKS: YR2299146 TO YR2652084		KINGSETT MORTGAGE CORPORATION	ALECTRA UTILITIES CORPORATION	C
YR2652086	2017/04/10	POSTPONEMENT REMARKS: YR2572486 TO YR2652084		KINGSETT MORTGAGE CORPORATION	ALECTRA UTILITIES CORPORATION	C
YR2664317	2017/05/05	NOTICE REMARKS: SITE PLAN CONTROL AGREEMENT	\$2	THE CORPORATION OF THE CITY OF MARKHAM	SUNRISE ACQUISITIONS (HWY 7) INC.	C
YR2664318	2017/05/05	POSTPONEMENT REMARKS: YR2299146 TO YR2664317		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C
YR2664319	2017/05/05	POSTPONEMENT REMARKS: YR2572486 TO YR2664317		KINGSETT MORTGAGE CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	C
YR2666512	2017/05/10	BYLAW REMARKS: BY-LAW TO DESIGNATE PART OF A CERTAIN PLAN OF		THE CORPORATION OF THE CITY OF MARKHAM SUBDIVISION NOT SUBJECT TO PART LOT CONTROL		C
YR2720530	2017/08/21	NOTICE REMARKS: YR2572486	\$4,000,000	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR2782817	2018/01/12	RESTRICTION-LAND REMARKS: ANY TRANSFER OF THE LANDS SET OUT HEREIN, NAMELY PIN 02985-0545 (LT) IS HEREBY PROHIBITED UNLESS AND UNTIL THE CONSENT OF THE DIRECTOR OF PLANNING AND URBAN DESIGN, FOR THE CORPORATION OF THE CITY OF MARKHAM, OR HIS DESIGNATE HAS BEEN OBTAINED.		SUNRISE ACQUISITIONS (HWY 7) INC.		C
YR2872432	2018/09/12	NOTICE REMARKS: YR2572486	\$5,500,000	SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR3007344	2019/09/12	BYLAW REMARKS: BY-LAW 2019-99 A BY-LAW TO DESIGNATE PART OF A CERTAIN PLAN OF SUBDIVISION NOT SUBJECT TO PART LOT CONTROL		THE CORPORATION OF THE CITY OF MARKHAM		C

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PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

LAND  
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29951-0001 (LT)

PAGE 3 OF 3  
 PREPARED FOR Feliciani  
 ON 2021/05/21 AT 16:18:42

\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YRCP1420	2019/09/17	CE CONDO PLN				C
YR3009447	2019/09/17	CONDO DECLARATION		SUNRISE ACQUISITIONS (HWY 7) INC.		C
YR3011927	2019/09/24	CONDO BYLAW/98 REMARKS: BY-LAW NO. 1		YORK REGION COMMON ELEMENTS CONDOMINIUM CORPORATION NO. 1420		C
YR3012090	2019/09/24	NOTICE REMARKS: YR2299146		SUNRISE ACQUISITIONS (HWY 7) INC.	KINGSETT MORTGAGE CORPORATION	C
YR3015611	2019/10/02	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	FAAN MORTGAGE ADMINISTRATORS INC.	C

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## **Appendix “B”**



Court File No. CV-21-00663051-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

THE HONOURABLE	}	WEDNESDAY, THE 9 <sup>TH</sup>
JUSTICE WILTON-SIEGEL	}	DAY OF JUNE, 2021

BETWEEN:

KINGSETT MORTGAGE CORPORATION

Applicant

- and -

SUNRISE ACQUISITIONS (HWY 7) INC.

Respondent

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

**ORDER  
(appointing Receiver)**

THIS APPLICATION made by the Applicant 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 KSV Restructuring Inc. ("KSV") as receiver and manager (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of Sunrise Acquisitions (Hwy 7) Inc. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor and the proceeds therefrom, including, without limitation, the real property legally described within PINs 02985-0591 (LT), 02985-0595 (LT), 02985-0596 (LT), 02985-0597 (LT), 02985-0598 (LT), and 29951-0001 (LT) (the "Real Property" and, collectively with the Debtor's other assets, undertakings and

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properties, "Property") was heard this day by Zoom videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Daniel Poffack sworn May 28, 2021 and the Exhibits thereto, the Supplemental Affidavit of Daniel Poffack sworn June 1, 2021 and the Exhibit thereto, and the Affidavit of Muzammil Kodwavi sworn June 9, 2021 and the Exhibit thereto, and on hearing the submissions of counsel for the Applicant and such other parties listed on the Participant Information Form, no one appearing for any other party although duly served as appears from the Affidavits of Service of Benjamin Goodis sworn May 28, 2021 and June 1, 2021, and the Affidavit of Service of Norman Ng sworn May 28, 2021, and on reading the Consent of KSV 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 motion 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, KSV is hereby appointed Receiver, without security, of 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:

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- (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) subject to paragraph 4 of this Order, 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 engage consultants, appraisers, agents, real estate brokers, 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;
- (e) subject to paragraph 4 of this Order, 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;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and, subject to paragraph 4 of this Order, to exercise all remedies of the Debtor in collecting such monies; including, without limitation, to enforce any security held by the Debtor;

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- (g) subject to paragraph 4 of this Order, to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) 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;
- (i) subject to paragraph 4 of this Order, 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;
- (j) subject to paragraph 4 of this Order, 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;
- (k) subject to paragraph 4 of this Order, to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
  - (i) without the approval of this Court in respect of any transactions not exceeding \$250,000, provided that the aggregate consideration for all such transactions does not exceed \$500,000; and
  - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause, and in each such case notice under

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subsection 83(4) of the Ontario *Personal Property Security Act* and notice under section 31 of the Ontario *Mortgages Act* shall not be required;

- (l) subject to paragraph 4 of this Order, 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;
- (m) 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;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) 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;
- (p) 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;
- (q) subject to paragraph 4 of this Order, to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

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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 (as defined below), including the Debtor, and without interference from any other Person.

4. THIS COURT ORDERS that the Receiver shall not exercise the powers granted to it in sub-paragraphs 3(c), 3(e), 3(f), 3(g), 3(i), 3(j), 3(k), 3(l), and 3(q) until further Order of the Court, except as may be reasonably necessary to preserve and protect the Property or to examine and investigate the business, contracts, and affairs of the Debtor or relating to the Property.

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER**

5. 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, and (iii) 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.

6. 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

-7-

nothing in this paragraph 6 or in paragraph 7 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.

7. 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.

#### **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

-8-

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 their 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 \$200,000 (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 "A"** 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.

#### SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "Protocol") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) 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 Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: <https://www.ksvadvisory.com/insolvency-cases/case/sunrise-acquisitions>.

26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol 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**

27. 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.

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

29. 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.

30. 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.

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

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32. 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.

W. H. H. - H. M. J.

**SCHEDULE "A"**  
**RECEIVER CERTIFICATE**

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that KSV Restructuring Inc., the receiver and manager (the "Receiver") of the assets, undertakings and properties of Sunrise Acquisitions (Hwy 7) Inc. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor and the proceeds therefrom, including, without limitation, the real property legally described within PINs 02985-0591 (LT), 02985-0595 (LT), 02985-0596 (LT), 02985-0597 (LT), 02985-0598 (LT), and 29951-0001 (LT) (the "Real Property" and, collectively with the Debtor's other assets, undertakings and properties, "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the \_\_\_\_ day of \_\_\_\_\_, 2021 (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



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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 \_\_\_\_\_, 2021.

KSV Restructuring Inc., solely in its capacity as  
Receiver of the Property, and not in its personal  
capacity

Per: \_\_\_\_\_

Name:

Title:

**KINGSETT MORTGAGE CORPORATION**  
Applicant

and

**SUNRISE ACQUISITIONS (HWY 7) INC.**  
Respondent

Court File No. CV-21-00863051-00CL

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**  
**PROCEEDING COMMENCED AT**  
**TORONTO**

**ORDER (APPOINTING RECEIVER)**

**Cassels Brock & Blackwell LLP**  
2100 Scotia Plaza  
40 King Street West  
Toronto, ON M5H 3C2

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bgoodis@cassels.com

Lawyers for the Applicant

Superior Court of Justice  
Commercial List

FILE/DIRECTION/ORDER

Kingsett Mortgage Corporation  
Plaintiff(s)

AND

Sunrise Acquisitions (Hwy 7) Inc.  
Defendant(s)

Case Management  Yes  No by Judge: \_\_\_\_\_

Counsel	Telephone No.:	Facsimile No.:

- Order  Direction for Registrar (No formal order need be taken out)
- Above action transferred to the Commercial List at Toronto (No formal order need be taken out)
- Adjourned to: \_\_\_\_\_
- Time Table approved (as follows):

*Order to go in accordance with the  
Endorsement attached hereto as Schedule A.*

June 9, 2021  
Date

W. Hon-Lut J.  
Judge's Signature

Additional Pages \_\_\_\_\_

**SCHEDULE A****ENDORSEMENT****Kingsett Mortgage Corporation v. Sunrise Acquisitions (Hwy 7) Inc.**

1. The applicant, Kingsett Mortgage Corporation, (the “applicant”), seeks the appointment of a receiver. The debtor, Sunrise Acquisitions (Hwy 7) Inc. (the “debtor”), opposes and seeks an adjournment.
2. The debtor is a single purpose corporation that has developed a property. In 2017, the debtor defaulted on a second syndicated mortgage previously arranged by Fortress Real Developments Inc. and currently administered by FAAN Mortgage Administrators Inc. (“FAAN”). On May 1, 2021, the debtor also defaulted on a first mortgage in favour of the applicant. As of May 31, 2021, it is understood that approximately \$1.95 million is outstanding under the first mortgage and approximately \$10.7 million is outstanding under the second mortgage. The loans in favour of the applicant secured by the first mortgage are guaranteed by Sajjad Hussain and Mazammil Kodwavi, the directors and officers of the debtor.
3. The remaining assets of the debtor available to repay the applicant and FAAN consist of five essentially completed townhouses. Depending upon the timing and the selling price of the remaining five houses, it is probable, but not certain, that the applicant will be repaid and it is certain that FAAN will not be repaid.
4. Accordingly, the sales of the remaining five townhouses are very important to both creditors. The debtor has entered into agreements of purchase and sale respecting each of these townhouses. The applicant and FAAN raise the following concerns regarding these agreements.
5. The purchase price does not meet the minimum threshold for a compliant sale under the loan arrangements with the applicant. Four of the five agreements are made with related parties, including three with the spouse of one of the guarantors. The deposits are unusually high, in some cases in excess of 50% of the sale price, but have not been retained in trust and therefore do not represent monies that will be delivered at closing. The debtor has stated that these deposits have been depleted in the construction of the townhouses but there is no evidence to confirm this.
6. The applicant, supported by FAAN, seeks the appointment of a receiver primarily for the purposes of preserving the five townhouses for sale and reviewing the circumstances surrounding these agreements of purchase and sale. It can be expected that they will seek an order permitting the receiver to disclaim these agreements if circumstances warrant

after the review is completed. For its part, the debtor, and more particularly one of the guarantors, seeks to complete these agreements given that the deposits no longer exist.

7. Dealing first with the debtor's request for an adjournment, Mr. Kodwavi says in an affidavit that he is trying to arrange financing that will allow the debtor to repay the applicant's debt in full. He seeks an adjournment of five weeks for this purpose or, alternatively, of two weeks to prepare responding application materials. In oral submissions, however, it became clear that Mr. Kodwavi's intention was to pay the outstanding amount due to the applicant in his capacity as a guarantor of the applicant's loans and thereby receive an assignment of the applicant's loan position. In these circumstances, Mr. Kodwavi would be able to implement a power of sale proceeding in order to sell the remaining townhouses if he were unable to reach a satisfactory agreement with FAAN regarding the remaining townhouses.
8. In the ordinary course, a debtor seeking to refinance a development project might obtain an adjournment at the first hearing after default if it were prepared to keep the outstanding debt current during the adjournment period and if there were a reasonable prospect of a refinancing. In this case, default on the first mortgage occurred on May 1. The applicant record was served and filed on or about May 28. However, the second mortgage has been in default since 2017. The debtor and its principals have had ample time to explore financing options. There is no evidence they have done so. In fact, their opposition to this motion, and their request for an adjournment, was only served on the morning of the hearing. Their motion materials do not contain any evidence of any efforts to seek a refinancing of either mortgage and no basis for believing that there is any possibility of any refinancing. Nor is there any offer to keep the creditors current during the period of any adjournment.
9. However, there is also a more fundamental reason for refusing the request for an adjournment. This is not a case in which the debtor, or its principal, proposes a refinancing to preserve its equity in a project by injecting monies that will pay out the existing creditors. Given the size of the second mortgage, the debtor has no equity in the project as there is no prospect of any refinancing of the second mortgage. The contemplated financing will not inject any additional monies into the project. Instead, Mr. Kodwavi seeks time in order to explore the possibility of a "re-financing" to take an assignment of the first mortgage for strategic purposes.
10. While this proposed action is certainly available to a debtor/guarantor, I do not think that it is deserving of the Court's exercise of discretion when balanced against the legitimate concerns of both creditors for an appropriate sales process for the remaining townhouses. The proposed adjournment will not contribute in any way toward such a sales process. It will simply hold it up for a period of time and increase the accrued interest on the outstanding loans.

11. In addition, I do not see any material prejudice to the debtor or the guarantors to the denial of the requested adjournment insofar as they oppose any future disclaimer of the agreements for the sale of the townhouses. The matters that the debtor/guarantors wish to raise by way of responding materials pertain to the legitimacy of the sales agreements given past practice and otherwise. These are the very matters that will be investigated by the receiver as a court appointed receiver. They would also have to be addressed by the Court in any future motion by the receiver seeking the authority to disclaim such contracts. There will therefore be an opportunity for the debtor/guarantors to put forward their position on the appropriateness of the sale agreements both to the receiver and ultimately to the Court should the receiver move to disclaim the agreements. I also note that there is no evidence of any operating business that would be affected by a receivership.
12. Accordingly, the request for an adjournment, on either basis sought by the debtor, is denied for the reasons above.
13. I turn then to the request for the appointment of a receiver under s. 234(1) of the *Bankruptcy and Insolvency Act* and s. 101 of the *Courts of Justice Act*.
14. There is no doubt that, if this application had been brought by FAAN as the second mortgagee, the “just and convenient” requirement for the appointment of a receiver would have been satisfied. The second mortgage has been in default since the spring of 2017 and there is no prospect of any refinancing to pay out this debt. FAAN has a significant interest in maximizing the net sales proceeds from the sale of the remaining townhouses as the syndicated mortgagees that it represents are entitled to all of the residual equity in the project after payment of the applicant’s loans. FAAN has lost all trust and confidence in the debtor and its principals generally. In addition, significant questions have arisen regarding the agreements of purchase and sale which only reinforce that lack of trust and confidence. The apparent strategy of the guarantor to seek leverage against FAAN through its contemplated “refinancing” in order to achieve completion of these agreements only adds to this view of the debtor and its principals. In these circumstances the appointment of a receiver to preserve the property and to investigate the circumstances regarding these agreements is eminently reasonable.
15. In his materials filed today, Mr. Kodwavi says that he is prepared to inject an additional \$800,000 in total into the four sales to avoid the appointment of a receiver. This offer has been rejected by the creditors and, in particular, by FAAN. The Court cannot force such an arrangement on the parties. In the circumstances, the creditors’ rejection of this offer is a further indication of the extent of the lack of trust between the debtor and the creditors regarding the existing sale arrangements that is reflected in the request for the appointment of a receiver for the purposes described above.
16. The debtor argues, however, that the application should be denied because it is brought by the applicant, the first mortgagee, rather than FAAN. It says that the applicant has no



interest that requires protection in the form of a receiver, because it is possible or even probable that the applicant will be paid out on the sale of the townhouses.

17. I do not agree for the following reasons.
18. Until completion of the sale of the five townhouses, the applicant has, and will have, a real interest in ensuring that the sale of the townhouses proceeds in an orderly fashion in as short a period of time as possible in order to maximize the sales proceeds and thereby the likelihood that it will be paid out. This reflects the fact that, until completion of the sales, there remains uncertainty as to the exact payout to the applicant from these sales. In addition, the related party nature of four of the executed agreements, and in particular of the three that were executed by the wife of one of the guarantors, raises the question of whether the purchasers will be able to complete the transactions given the present economic circumstances of the debtor.
19. The Applicant and FAAN also argue that the Court should consider the interest of all the creditors, even if the applicant is a first secured creditor who is likely to be paid out. While I am not sure that is correct in all circumstances, in this case, the sale of these townhouses will require a discharge from the second mortgage which is best effected cooperatively between the two creditors. FAAN supports the application and, at the present time, is acting in concert with the first mortgagee to the benefit of the syndicated mortgagees that it represents by minimizing their legal and professional costs. The fact that the situation could change if the debtor or a guarantor were to take an assignment of the applicant's position is in my view too speculative to override the foregoing considerations in favour of a receiver based on current circumstances. For these reasons, I think the protection of the interest of the second mortgagee, FAAN, with a view to minimizing its loss, is a legitimate consideration. In this respect, I also reject the debtor's argument that the appointment of a receiver will result in unnecessary costs given that FAAN, as the party that will effectively bear such costs, supports the appointment of a receiver nonetheless.
20. Based on the foregoing, the debtor's motion for an adjournment is denied and the applicant's motion for the appointment of a receiver on the basis described above is granted.

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Wilton-Siegel J.

## **Appendix “C”**



Court File No. CV-21-00663051-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

THE HONOURABLE MR.	)	MONDAY, THE 13 <sup>th</sup>
	)	
JUSTICE CAVANAGH	)	DAY OF SEPTEMBER, 2021

B E T W E E N :

KINGSETT MORTGAGE CORPORATION

Applicant

- and -

SUNRISE ACQUISITIONS (HWY 7) INC.

Respondent

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

**APPROVAL AND VESTING ORDER  
(Lot 43)**

**THIS MOTION**, made by KSV Restructuring Inc., in its capacity as the Court-appointed receiver and manager (in such capacity, the "**Receiver**") of all of the assets, undertakings and properties of Sunrise Acquisitions (Hwy 7) Inc. (the "**Company**") acquired for, or used in relation to a business carried on by the Company and the proceeds therefrom, including, without limitation certain real property owned by the Company in Markham, Ontario, for an order, *inter alia*, approving the sale transaction (the "**Transaction**") with respect to all of the lands and premises municipally described as 4134 Highway 7 East, Markham, Ontario (Lot 43) and all of the present

and after-acquired assets, undertakings and properties of the Company related thereto contemplated by an agreement of purchase and sale between the Receiver, as vendor, and Silas Si Long Yip and Etta Chee (together, the "**Purchaser**"), as purchaser, dated August 17, 2021 (as amended, the "**Sale Agreement**"), a copy of which is attached as Appendix "E" to the Second Report of the Receiver dated September 3, 2021 (the "**Second Report**"), and vesting in the Purchaser, all of the Company's right, title and interest in and to the property described in the Sale Agreement (the "**Purchased Assets**"), was heard this day via videoconference due to the COVID-19 pandemic.

**ON READING** the Second Report and appendices thereto, and on hearing the submissions of counsel for the Receiver and such other counsel as were present, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Aiden Nelms sworn and filed,

#### **SERVICE**

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

#### **DEFINED TERMS**

2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein have the meaning ascribed to them in the Sale Agreement or the Second Report, as applicable.

**DISCLAIMER OF EXISTING LOT 43 APS**

3. **THIS COURT ORDERS** that, to the extent not already terminated, the Pre-Filing APS (as defined in the Second Report) shall be and is hereby deemed to be terminated, repudiated and/or disclaimed effective as of the date of this Order.

**APPROVAL AND VESTING**

4. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

5. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as **Schedule "A"** hereto (the "**Receiver's Certificate**"), all of the Company's right, title and interest in and to the Purchased Assets, including without limitation the subject real property identified in **Schedule "B"** hereto (the "**Real Property**"), shall vest absolutely in the Purchaser free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, leases, notices of lease, subleases, licences, restrictions, contractual rights, options, judgments, liabilities (direct, indirect, absolute or contingent), obligations, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**"), including, without limiting the generality of

the foregoing: (i) any encumbrances or charges created by the Receivership Order of the Honorable Justice Wilton-Siegel dated June 9, 2021; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on **Schedule "C"** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on **Schedule "D"**) and, for greater certainty, this Court orders and declares that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets and are non-enforceable and non-binding as against the Purchaser.

6. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of York Region (No. 65) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of the Real Property in fee simple as joint tenants, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in **Schedule "C"** hereto.

7. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate, all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

8. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

9. **THIS COURT ORDERS** that following the delivery of the Receiver's Certificate contemplated herein, the Receiver is authorized and directed to:

(a) first, pay commissions to Re/Max Hallmark DG Group Brokerage in respect of commissions owing, being 4.5% of the sale price of the Purchased Assets, plus HST; and

(b) second, make one or more distributions to KingSett Mortgage Corporation, or as it may direct, up to the amount owing under its registered mortgage on the Real Property.

10. **THIS COURT ORDERS** that, notwithstanding:

- i. the pendency of these proceedings;
- ii. any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Company and any bankruptcy order issued pursuant to any such applications; and
- iii. any assignment in bankruptcy made in respect of the Company,

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Company and shall not be void or voidable by creditors of the Company, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or

provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

#### **WAIVER OF ONHWPA NOTICE AND TARION AUTHORIZATION**

11. **THIS COURT ORDERS** that the Receiver is hereby authorized, but not required, to waive all applicable statutory documentary and other notice and vendor repair steps and periods (collectively, "**Applicable Notice**"), if any, to which it or the Company may be entitled under the *Ontario New Home Warranties Plan Act*, R.S.O. 1990, c. 0.31, as amended, and the regulations promulgated thereunder (together, the "**ONHWPA**"), in respect of any warranty claims made in respect of the Purchased Assets, and that any such Applicable Notice be and is hereby waived until such time as the Receiver provides further notice in writing to Tarion Warranty Corporation ("**Tarion**").

12. **THIS COURT ORDERS** that in the event of a waived Applicable Notice, Tarion is entitled, in its discretion, to take action and remediate any defects in respect of the Purchased Assets that are warranted under the ONHWPA, notwithstanding any applicable notice or vendor repair periods in favour of a vendor prescribed by the ONHWPA, provided that: (i) the ONHWPA shall otherwise apply to all such remedial action taken by Tarion; and (ii) nothing in this Order shall affect Tarion's determination of whether or not a defect is covered by the ONHWPA.

13. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to provide to Tarion copies of any: (i) Pre-Delivery Inspection Forms; and (ii) Certificates of Completion and Possession/Warranty Certificates, in respect of the Purchased Assets.

## APPLICATION OF ONHWPA AND CONDOMINIUM LEGISLATION

14. **THIS COURT ORDERS** that, for greater certainty, all claims that a purchaser of the Purchased Assets might otherwise be entitled to bring from time to time against the Company or any other vendor of the Purchased Assets pursuant to the provisions of the *Condominium Act*, 1998, S.O. 1998, c. 19, as amended, and the regulations promulgated thereunder (together, the "**Condominium Act**") or the ONHWPA, including without limitation with respect to any defects of the Purchased Assets that are warranted under the ONHWPA, or with respect to any disclosure requirements prescribed by the Condominium Act, are non-enforceable and non-binding as against the Receiver.

## RECEIVER'S ACTIVITIES AND REPORTS

15. **THIS COURT ORDERS** that the Reports (as defined in the Second Report), and the activities of the Receiver and its counsel referred to therein, be and are hereby approved; provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

## GENERAL

16. **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.

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**SCHEDULE "A"**  
**FORM OF RECEIVER'S CERTIFICATE**

Court File No. CV-21-00663051-00CL

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**COMMERCIAL LIST**

B E T W E E N :

KINGSETT MORTGAGE CORPORATION

Applicant

- and -

SUNRISE ACQUISITIONS (HWY 7) INC.

Respondent

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

**RECEIVER'S CERTIFICATE**

**RECITALS**

I. Pursuant to an Order of the Honourable Mr. Justice Wilton-Siegel of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated June 9, 2021 (the "**Receivership Order**"), KSV Restructuring Inc. was appointed as receiver and manager (in such capacity, the "**Receiver**") of all of the assets, undertakings and properties of Sunrise Acquisitions (Hwy 7) Inc. (the "**Company**") acquired for, or used in relation to a business carried on by the Company and the proceeds therefrom, including, without limitation certain real property owned by the Company in Markham, Ontario.

II. Pursuant to an Order of the Court dated September 13, 2021, the Court approved the agreement of purchase and sale between the Receiver, as vendor, and Silas Si Long Yip and Etta Chee (together, the "**Purchaser**"), as purchaser, dated August 17, 2021 (as amended, the "**Sale Agreement**"), and provided for the vesting in the Purchaser of all the Company's right, title and interest in and to the property described in the Sale Agreement (the "**Purchased Assets**"), which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming: (i) the payment by the Purchaser of the purchase price for the Purchased Assets; (ii) that the conditions to closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the transaction has been completed to the satisfaction of the Receiver.

III. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

**THE RECEIVER CERTIFIES** the following:

1. The Purchaser has paid and the Receiver has received, the purchase price for the Purchased Assets payable on the closing date pursuant to the Sale Agreement;
2. The conditions to closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser in accordance with their terms;
3. The transaction has been completed to the satisfaction of the Receiver; and

4. This Certificate was delivered by the Receiver at \_\_\_\_\_ [TIME] on \_\_\_\_\_ [DATE].

**KSV RESTRUCTURING INC.**, solely in its capacity as court-appointed receiver, and not in its personal capacity or in any other capacity

Per: \_\_\_\_\_  
Name:  
Title:

**SCHEDULE "B"**  
**LEGAL DESCRIPTION OF THE REAL PROPERTY**

**4134 Highway 7 East, Markham, Ontario**

PIN 02985-0591 (LT): PART OF BLOCK 3, PLAN 65M4539 BEING PART 26 ON PLAN 65R37967; SUBJECT TO AN EASEMENT IN GROSS AS IN YR2639573; SUBJECT TO AN EASEMENT IN GROSS AS IN YR2652084 ; T/W AN UNDIVIDED COMMON INTEREST IN YORK REGION COMMON ELEMENTS CONDOMINIUM PLAN NO. 1420; SUBJECT TO AN EASEMENT IN FAVOUR OF YORK REGION COMMON ELEMENTS CONDOMINIUM PLAN NO. 1420 AS IN YR3009447; CITY OF MARKHAM.

**SCHEDULE "C"**  
**INSTRUMENTS TO BE DELETED**

Registration No.	Registration Date	Instrument Type	Amount	Parties From	Parties To
YR2299146	2015/06/02	Charge	\$31,981,940	Sunrise Acquisitions (Hwy 7) Inc.	Kingsett Mortgage Corporation
YR2299147	2015/06/02	No Assgn Rent Gen	n/a	Sunrise Acquisitions (Hwy 7) Inc.	Kingsett Mortgage Corporation
YR2340877	2015/08/18	Charge	\$8,000,000	Sunrise Acquisitions (Hwy 7) Inc.	Sorrenti Law Professional Corporation
YR2341683	2015/08/19	Transfer of Charge	\$8,000,000	Sorrenti Law Professional Corporation	Sorrenti Law Professional Corporation
YR2352867	2015/09/08	Transfer of Charge	\$8,000,000	Sorrenti Law Professional Corporation	Sorrenti Law Professional Corporation
YR2380504	2015/10/29	Transfer of Charge	\$8,000,000	Sorrenti Law Professional Corporation	Sorrenti Law Professional Corporation – 97.87%  Olympia Trust Company – 2.13%
YR2386283	2015/11/06	Transfer of Charge	\$8,000,000	Sorrenti Law Professional Corporation  Olympia Trust Company	Sorrenti Law Professional Corporation – 91.8%  Olympia Trust Company – 8.2%
YR2398064	2015/12/01	Transfer of Charge	\$8,000,000	Sorrenti Law Professional Corporation	Sorrenti Law Professional Corporation – 86.56%

				Olympia Trust Company	Olympia Trust Company – 13.44%
YR2415581	2016/01/13	Transfer of Charge	\$8,000,000	Sorrenti Law Professional Corporation  Olympia Trust Company	Sorrenti Law Professional Corporation - 81.85%  Olympia Trust Company – 18.15%
YR2421491	2016/01/26	Transfer of Charge	\$8,000,000	Sorrenti Law Professional Corporation  Olympia Trust Company	Sorrenti Law Professional Corporation – 80.51%  Olympia Trust Company – 19.49%
YR2442481	2016/03/11	Transfer of Charge	\$8,000,000	Sorrenti Law Professional Corporation  Olympia Trust Company	Sorrenti Law Professional Corporation – 79.14%  Olympia Trust Company – 20.86%
YR2481743	2016/06/03	Transfer of Charge	\$8,000,000	Sorrenti Law Professional Corporation  Olympia Trust Company	Sorrenti Law Professional Corporation – 77.82%  Olympia Trust Company – 22.18%
YR2543312	2016/09/15	Notice	\$9,873,262	Sunrise Acquisition (Hwy 7) Inc	Sorrenti Law Professional Corporation  Olympia Trust Company

YR2572486	2016/11/03	Charge	\$1,648,879	Sunrise Acquisition (Hwy 7) Inc.	Kingsett Mortgage Corporation
YR2582279	2016/11/22	Postponement	n/a	Sorrenti Law Professional Corporation  Olympia Trust Company	Kingsett Mortgage Corporation
YR2623638	2017/02/09	Postponement	n/a	Kingsett Mortgage Corporation	The Corporation of the City of Markham
YR2623639	2017/02/09	Postponement	n/a	Kingsett Mortgage Corporation	The Corporation of the City of Markham
YR2623640	2017/02/09	Postponement	n/a	Sorrenti Law Professional Corporation  Olympia Trust Company	The Corporation of the City of Markham
YR2652085	2017/04/10	Postponement	n/a	Kingsett Mortgage Corporation	Alectra Utilities Corporation
YR2652086	2017/04/10	Postponement	n/a	Kingsett Mortgage Corporation	Alectra Utilities Corporation
YR2652087	2017/04/10	Postponement	n/a	Sorrenti Law Professional Corporation  Olympia Trust Company	Alectra Utilities Corporation
YR2664318	2017/05/05	Postponement	n/a	Kingsett Mortgage Corporation	The Corporation of the City of Markham

YR2664319	2017/05/05	Postponement	n/a	Kingsett Mortgage Corporation	The Corporation of the City of Markham
YR2664320	2017/05/05	Postponement	n/a	Sorrenti Law Professional Corporation Olympia Trust Company	The Corporation of the City of Markham
YR2720530	2017/08/21	Notice	\$4,000,000	Sunrise Acquisitions (Hwy 7) Inc.	Kingsett Mortgage Corporation
YR2782817	2018/01/12	Restrictions - Land	n/a	Sunrise Acquisitions (Hwy 7) Inc.	
YR2872432	2018/09/12	Notice	\$5,500,000	Sunrise Acquisitions (Hwy 7) Inc.	Kingsett Mortgage Corporation
YR2872560	2018/09/12	Postponement	n/a	Sorrenti Law Professional Corporation Olympia Trust Company	Kingsett Mortgage Corporation
YR3012090	2019/09/24	Notice	n/a	Sunrise Acquisitions (Hwy 7) Inc.	Kingsett Mortgage Corporation
YR3015611	2019/10/02	Application Court Order	n/a	Ontario Superior Court of Justice	Faan Mortgage Administrators Inc.
YR3138773	2020/09/09	Charge	\$573,750	Sunrise Acquisitions (Hwy 7) Inc.	Rehanna Ameerullah – 60.78% Mansi Kumari – 39.22%



YR3267063	2021/06/16	Apl Court Order	n/a	Ontario Superior Court of Justice (Commercial List)	KSV Restructuring Inc.
YR3292147	2021/08/03	Construction Lien	\$669,602		Rivervalley Masonry Group Ltd.

**SCHEDULE "D"**  
**PERMITTED ENCUMBRANCES**

<b>Registration No.</b>	<b>Registration Date</b>	<b>Instrument Type</b>	<b>Amount</b>	<b>Parties From</b>	<b>Parties To</b>
R488826	1988/11/15	Notice – Airport Zoning Regulations	n/a		
YR688132	2005/08/22	Notice – Pickering Airport Site Zoning Regulations	n/a	Her Majesty the Queen in right of Canada as represented by The Minister of Transport	
65M4539	2017/02/02	Plan Subdivision	n/a		
YR2623637	2017/02/09	No Sub Agreement	n/a	The Corporation of the City of Markham	Sunrise Acquisitions (Hwy 7) Inc.
YR2623649	2017/02/09	Application to Annex Restrictive Covenants	n/a	Sunrise Acquisitions (Hwy 7) Inc.	
YR2639573	2017/03/16	Transfer Easement	n/a	Sunrise Acquisitions (Hwy 7) Inc.	Enbridge Gas Distribution Inc.
YR2640297	2017/03/17	Plan Correction	n/a	Assistant Examiner of Surveys	
YR2652084	2017/03/17	Transfer Easement	n/a	Sunrise Acquisitions (Hwy 7) Inc.	Alectra Utilities Corporation
YR2664317	2017/05/05	Notice of Site Plan Control Agreement	n/a	The Corporation of the City of Markham	Sunrise Acquisitions (Hwy 7) Inc.

YR2666512	2017/05/10	By-Law	n/a	The Corporation of the City of Markham	
65R37967	2018/07/31	Plan Reference	n/a		
YR2872601	2018/09/12	Transfer	\$2.00	Sunrise Acquisitions (Hwy 7) Inc.	Sunrise Acquisitions (Hwy 7) Inc.
YR3006971	2019/09/11	ByLaw	n/a	The Corporation of the City of Markham	
YRCP1420	2019/09/17	CE Condo PLN	n/a		
YR3009447	2019/09/17	Condo Declaration	n/a	Sunrise Acquisitions (Hwy 7) Inc.	
YR3011927	2019/09/24	Condo ByLaw / 98	n/a	York Region Common Elements Condominium Corporation No. 1420	

**KINGSETT MORTGAGE CORPORATION**

Applicant

**SUNRISE ACQUISITIONS (HWY 7) INC.**

Respondent

- and -

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

**APPROVAL AND VESTING ORDER  
(Lot 43)**

**BENNETT JONES LLP**  
One First Canadian Place  
Suite 3400, P.O. Box 130  
Toronto, Ontario  
M5X 1A4

**Sean H. Zweig (LSO #57307I)**  
Tel: (416) 777-6253  
Fax: (416) 863-1716

**Aiden Nelms (LSO#74170S)**  
Tel:(416) 777-4642  
Fax: (416) 863-1716

Counsel to KSV Restructuring Inc., solely in its capacity as  
Court-appointed Receiver and not in its personal capacity

## **Appendix “D”**

**AGREEMENT OF PURCHASE AND SALE**

**1. PARTIES, REAL PROPERTY AND PRICE**



In this Agreement, the following terms have the following meanings:

- (a) "Vendor" means SUNRISE ACQUISITIONS (HWY 7) INC.
- (b) "Purchaser" means Purchaser 1: Safana Kodwavi (D.O.B.) 1989/10/18
- (c) Purchaser 2: \_\_\_\_\_ (D.O.B.) \_\_\_\_\_  
 (Address) 72 Grand Vellore, Woodbridge, ON, L4H 0N8  
 (Home No.) 416-827-7099 (Business No.) \_\_\_\_\_ (Fax No.) \_\_\_\_\_  
 (Email Address) safanakodwavi1@gmail.com
- (d) "Real Property" means the Land and the Dwelling.
- (e) "Land" means Lot 47 on a draft plan of subdivision, Town of Markham, as shown on Schedule "B" attached hereto.
- (f) "Dwelling" or "House" are used interchangeably and means the townhouse to be constructed on the Land pursuant to this Agreement.  
 Model & Elevation: RT-3, U22
- (g) "Purchase Price" means Nine Hundred and Fifty Thousand Dollars  
 (\$ 950,000.00 )
- (g) "Deposit": Five Hundred Thousand Dollars (\$ 500,000.00 )  
 ("Initial Deposit") paid to the Vendor forthwith, pending completion or other termination of this Agreement to be credited against the Purchase Price on Closing, plus such further deposits as are set out below:

<u>No.</u>	<u>Deposit Amount</u>	<u>Due Date</u>
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____

The Purchaser shall deliver to the Vendor at the time of executing this Agreement post-dated cheques for the further deposit amount referred to above along with the cheque for the Initial Deposit.

- (h) "Closing Date" or "Closing" means March 29, 2019, being the date set forth as the First Tentative Closing Date on the Statement of Critical Dates included as part of the Addendum to Agreement of Purchase and Sale – Delayed Closing Warranty, which is attached hereto and incorporated herein as Schedule "D", as such date may be extended and/or advanced pursuant to the terms of this Agreement and said Addendum.
- (i) "Developer" means any predecessor or present registered owner on title to the Land who has entered obligations for subdivision and/or servicing of the Land.
- (j) "Municipality" means any municipal corporation or other government authority, whether local, regional, or provincial having jurisdiction over the Real Property.
- (k) "Agent" means \_\_\_\_\_ Corporation.

INITIAL (Purchaser)  (Vendor)  1

**2. OFFER**

The Purchaser hereby offers to purchase the Real Property from the Vendor on the terms and conditions contained in this Agreement for the Purchase Price payable as follows:

- (a) By payment of the Deposit to the Vendor; and
- (b) By payment of the balance of the Purchase Price to the Vendor on Closing, subject to the adjustments set out in Section 7 hereof and in this Agreement.

**3. PLANNING STATUS**

The Land is currently within a draft plan of subdivision for which draft approval has been issued.

**4. CONDITIONS**

The Purchaser hereby acknowledges and agrees that the completion of this Agreement is conditional upon the following:

- (a) Compliance with the provisions of the Planning Act (Ontario), as amended or restated from time to time, on or before the Closing Date;
- (b) Approval of the subdivision agreement and site plan by the Municipality;
- (c) Vendor being satisfied, in its sole and absolute discretion, that the Purchaser has the financial resources to complete the transaction, as further set out in Schedule "C" attached hereto; and
- (d) The Early Termination Conditions if any, set out separately and attached to the Tarion Addendum attached hereto as Schedule "D".

**5. ONTARIO NEW HOME WARRANTIES PROGRAM**

The Ontario New Home Warranties Plan registration number for the Vendor is 40310 and the enrolment number for the Dwelling is \_\_\_\_\_, (if available).

**6. BUILDER**

For further information about this Agreement, the Vendor may be contacted at telephone no. (905) 597-3333, fax no. (905) 597-3334.

**7. ADJUSTMENTS**

The Purchase Price shall be increased or adjusted as of Closing by the following:

- (a) the enrolment fee required pursuant to the Tarion Warranty Program and costs or fees paid or payable by the Vendor with respect to the issuance of any security to or with the Program or any excess deposit insurance the Vendor may elect to obtain;
- (b) realty taxes, adjusted on the Vendor's reasonable estimate as though the Dwelling were fully completed, the Real Property separately assessed and the taxes paid. The Purchaser is advised that the Municipality may issue a realty tax bill for supplementary assessment following Closing, which taxes may be in addition to those adjusted with the Vendor and shall be the responsibility of the Purchaser. In addition, the Purchaser shall lodge with the Vendor a deposit of \$2,000.00, to be held by the Vendor as security for compliance by the Purchaser of its obligations to pay realty taxes after Closing. The said security deposit, if not utilized by the Vendor, shall be returned to the Purchaser within six (6) months after the Land has been assessed and entered on the collector's roll according to the registered plan of subdivision;
- (c) all additional or increased charges and levies imposed or assessed in connection with the development of the Land by any municipal, regional or other governmental authorities at the time the Vendor is required to pay same in excess of the charges and levies imposed or assessed by such governmental authorities relating to the development of the Land as of the date of this Agreement;
- (d) an amount equal to the unused portion of any insurance premium relating to the Real Property where the policy has been arranged by the Vendor and is to be assumed by the Purchaser;

INITIAL (Purchaser) \_\_\_\_\_

\_\_\_\_\_ (Vendor)

- (e) any prepaid expenses such as gas, hydro, water or other utilities;
- (f) any charges for the connection or energization of gas, hydro, water or other utilities;
- (g) any charges relating to the installation of meters used to measure the consumption rate of gas, hydro, water or other utilities;
- (h) any extras ordered by the Purchaser (and not yet paid);
- (i) in the event that the Purchaser arranges mortgage financing with the financial institution recommended by the Vendor (the "Lender"), all legal fees and disbursements charged by the Lender's solicitor relating to such mortgage loan transaction;
- (j) interest adjustment on any Vendor-take-back financing, if any;
- (k) any other usual adjustments;
- (l) an adjustment in favour of the Vendor for that portion of the HST to be paid by the Purchaser pursuant to this Agreement, if any;
- (m) a \$250.00 administration fee shall be charged to the Purchaser for any cheque which is returned "N.S.F." or on which a "stop-payment" has been ordered;
- (n) the charge imposed by the Law Society of Upper Canada upon the Vendor or its solicitor with respect to this transaction;
- (o) driveway paving charge in the amount of \$2,185.00 for a two car garage driveway and \$1,645.00 for a one car garage driveway, plus HST thereon;
- (p) \$1,995.00 with respect to landscaping, which does not include any charge for the cost of any street tree (which may be required to be planted by the Vendor and/or the Developer in accordance with the subdivision agreement or requirements of the Municipality); and
- (q) The cost of supplying recycling contained to the Purchaser as required by the Subdivision Agreement.

The Closing Date itself shall be apportioned to the Purchaser. The parties agree to readjust any of the items referred to above, if necessary, after Closing. If there are chattels involved in this transaction, the allocation of value to such chattels shall be estimated where necessary by the Vendor and retail sales tax may be collected by the Vendor from the Purchaser and remitted by the Vendor to the appropriate taxing authority.

## 8. CONSTRUCTION

The Purchaser acknowledges and agrees that the Vendor may from time to time, in its discretion or as required by any governmental authority or the Developer, change, vary or modify the plans, colours, materials, equipment and specifications pertaining to the Dwelling (including architectural, structural, landscaping, grading, mechanical or other plans) from the plans and specifications existing at the time the Purchaser entered into this Agreement or as same may be illustrated in any sales brochures, models or otherwise. With respect to any aspect of construction, finishing or equipment, the Vendor shall have the right, without the Purchaser's consent, to make any necessary changes to the plans and to substitute materials or equipment for those described in this Agreement or in the plans or specifications, provided the substituted materials or equipment are of equal or better quality, or if substituted materials or equipment (whether sold by sample or otherwise) is of lesser quality, the Vendor will reimburse the Purchaser for the difference in cost between the substituted material or equipment, and the material or equipment described in this Agreement. The Purchaser hereby consents to any such changes, modifications and/or substitutions and agrees to complete the transaction of purchase and sale notwithstanding same. All work will be performed in a workmanlike manner and in compliance with the Ontario Building Code.

Without limiting the generality of the foregoing, the Purchaser acknowledges and agrees as follows:

- (a) The Vendor shall have the right to construct the reverse mirror image of the Dwelling, including reversal of the garage siting and reversal of the interior floor plan layout, without notice to the Purchaser and without compensation or abatement to the Purchase Price.

INITIAL (Purchaser)   *SL*   (Vendor)   *AL*   3



- (b) As of the date of this Agreement, the final site plan relating to the Land showing the actual siting of the Dwelling on the Land may not have been completed by the Vendor or approved by the Municipality. Consequently, the Purchaser acknowledges and agrees that the Vendor shall have the right to construct the Dwelling on the Land in a location or angle different than as depicted in any sales brochures, renderings and other plans and specifications reviewed by the Purchaser at the time of entering into this Agreement, without notice to the Purchaser and without compensation or abatement to the Purchase Price.
- (c) The Purchaser hereby acknowledges that, as of the date of this Agreement, final grading plans relating to the Land may not have been completed by the Vendor or approved by the Municipality. Consequently, the Purchaser acknowledges and agrees that the Vendor shall have the right to construct the Dwelling at a grade level different than as depicted in any sales brochures, renderings and other plans and specifications reviewed by the Purchaser at the time of entering into this Agreement, without notice to the Purchaser and without compensation or abatement to the Purchase Price.
- (d) In the event that this Agreement calls for the construction of a walkout basement and such is not possible pursuant to final approved grading, engineering and/or site plans, the Purchaser shall accept a credit to the Purchase Price in lieu thereof. If this Agreement does not call for a walkout basement and such is required by the Municipality pursuant to final approved grading, engineering and/or site plans, the Purchase Price shall be increased by the cost of constructing a walkout basement. The amount of the credit to the Purchase Price or the additional cost of constructing the walkout basement shall be determined by the Vendor in its sole and absolute discretion acting reasonably.
- (e) In the event that the Dwelling is constructed at a grade level different than as depicted in any sales brochures, renderings and other plans and specifications reviewed by the Purchaser at the time of entering into this Agreement necessitating a step or series of steps to the front door, side door, rear door or any other door of the Dwelling, the Purchaser hereby irrevocably agrees to accept such change without notice, without any right of abatement to the Purchase Price and in full satisfaction of the Vendor's obligations with respect to the construction of the Dwelling.
- (f) The Purchaser acknowledges that the dimensions of the Real Property as shown in any brochures or other materials are approximate only and the dimensions of the dwelling are also approximate. In the event that the frontage, depth or area of the Real Property is varied by up to and including 5% from the specifications set out in this Agreement, the Purchaser acknowledges and agrees to accept all such variations without notice and without a claim for compensation or abatement to the Purchase Price.
- (g) As of the date of this Agreement, the final grading plan relating to the Land may not have been completed by the Vendor or approved by the Municipality. Consequently, the Purchaser acknowledges and agrees that the grading of the Land may require the use of retaining walls on the Land or on adjoining properties. The Purchaser acknowledges and agrees that the Vendor shall have the right to construct such retaining walls without notice to the Purchaser and without compensation or abatement to the Purchase Price. In addition, the Purchaser acknowledges and agrees that the Vendor may construct any fences and/or berms on or near the Lands, as may be required.
- (h) The Purchaser acknowledges that the subdivision agreement between the Developer and the Municipality may require the Vendor to provide the Purchaser with certain notices, including, but not limited to, notice regarding land usage, maintenance of municipal fencing, school transportation, postal delivery to a community mail box, public transit and transit stops, noise level and noise level from adjacent roadways. Without limiting the generality of the foregoing, the Purchaser acknowledges that a YRT/Viva standing area/shelter pad will be constructed adjacent to the Land on the north side of Highway 7. Purchaser further acknowledges that despite the inclusion of noise attenuation features within the development area and within the individual Dwellings, noise levels will continue to increase, occasionally interfering with some activities of the occupants of the Dwelling. The Purchaser agrees to be bound by the content of any such notice and covenants to execute forthwith upon request an acknowledgement containing the notices if and when required to do so by the Vendor, the Municipality and/or the Developer. The Purchaser further acknowledges being advised that title to the Land may require maintenance, easements and/or encroachments/easements. The Purchaser further covenants and agrees to obtain a similar covenant in favour of the Vendor and developer from any person purchasing from the Purchaser and shall cause such covenant to run with the Land.

INITIAL (Purchaser)



(Vendor)



The Purchaser shall not have the right to enter the Real Property prior to Closing unless accompanied by a representative of the Vendor.

The Purchase Price shall include those items listed on Schedule "A". The Purchaser acknowledges that the furnishings, decor, finishes, equipment, fixtures, improvements and samples which may be displayed in any model suite or any sales office or in any brochures are for display purposes only and are not included in the Purchase Price unless specified in Schedule "A". The Purchaser acknowledges that the appliances for the Dwelling are not included in the Purchase Price unless specified in Schedule "A". The Purchaser hereby agrees to make any selection of any finishing items from the Vendor's available samples within seven (7) days after notice has been given by the Vendor to the Purchaser requesting the Purchaser to make selections from the available samples. If any such items are unavailable to the Vendor or the acquisition thereof by the Vendor may result in a delay in the construction of the Dwelling or any other unit in this project, then on seven (7) days notice from the Vendor the Purchaser shall re-attend at the Vendor's office and make a selection from the Vendor's available substitute finishing items. If the Purchaser fails to make selections following notice for the Vendor, then the Vendor shall be entitled to select such finishing items and the Purchaser hereby agrees that such selections made by the Vendor shall be binding on the Purchaser. The Purchaser acknowledges that variations from the Vendor's samples may occur in kitchen cabinets, vanity cabinets, floor finishes, wall finishes and other finishing materials as a result of normal production processes. The Purchaser acknowledges and agrees that where adjoining rooms are finished in different materials there may be a difference in elevation between the rooms and the Vendor may, at its discretion, install a threshold as a method of finishing the connection between the adjoining rooms.

The Purchaser acknowledges and agrees that the hot water heater tank may be rented. In such event, the hot water heater tank shall remain the property of the applicable utility company and shall not be or become a fixture and/or part of the Dwelling. Further, in such event, the Purchaser agrees to execute a rental contract as may be required by the applicable utility company with respect to the hot water heater and tank.

The Purchaser acknowledges and agrees that the Purchaser shall pay for all extras in full at the time of selection unless the Vendor otherwise agrees in writing. The Purchaser acknowledges that such payment shall not be refunded if this transaction is not completed as a result of a breach of contract by the Purchaser. If any extra is omitted, then the Purchaser shall be credited with the amount that the Purchaser was charged for it and this credit shall be the limit of the Vendor's liability.

The Purchaser acknowledges and agrees that if due to grading or other requirements, as determined by the Vendor, at its sole discretion, the Vendor determines, at its sole discretion, that it cannot or will not to build a side door and/or door to the garage, the Vendor need not build such door(s) and the Purchaser covenants and agrees to accept the Dwelling without such door(s), at reduction in the Purchase Price.

**9. (a) COMPLETION**

For the purposes of Closing, the Dwelling shall be deemed to be completed when all interior work has been substantially completed so that the Dwelling may be occupied, notwithstanding that there remains interior or exterior work to be completed including, but not limited to, painting, driveway paving, grading, sodding and landscaping. There shall be no holdback or deduction on Closing for uncompleted work. If required, the Purchaser shall be responsible to obtain confirmation of allowable occupancy and, if available a copy of any occupancy certificate from the Municipality, and otherwise as may be required as set out in Schedule "D".

**(b) COMPLETION INSPECTION**

The Vendor agrees to make available and the Purchaser agrees to meet a representative of the Vendor prior to Closing, during normal working hours, to inspect the Dwelling and verify that the Dwelling has been completed in accordance with the provisions of this Agreement. If there is any deficient or uncompleted work remaining at the time of inspection, such items shall be listed on the Certificate of Completion and Possession required to be completed pursuant to the provisions of the Ontario New Home Warranty Program. This Certificate when executed by the Vendor and Purchaser, together with the warranty itself under the Ontario New Home Warranty Program, shall constitute the Vendor's only undertaking to remedy or complete the Dwelling and the Vendor's only warranty with respect to the Real Property. Such work will be performed as soon as is reasonably possible, as determined by the Vendor.

**10. EXTENSION AND ADVANCEMENT OF THE CLOSING DATE**

This transaction of purchase and sale shall be completed on the Closing Date or any earlier or later date as may be permitted under this Agreement and as set out on Schedule "D", at which time vacant possession of the Dwelling will be given to the Purchaser.

INITIAL (Purchaser)



(Vendor)



**11. TITLE**

On the Closing Date, the parties hereby acknowledge and agree that title to the Real Property shall be good and free from encumbrances except that it may be subject to subdivision servicing agreement, site plan agreement, housekeeping agreement, financial and/or security agreement, or other agreements, covenants and restrictions (which restrictions may include the power to waive or vary), encroachments from or on adjoining lands (including, without limitation, eaves, roofs, attachments to roofs), easements, licenses and rights required by the Vendor, Developer, adjoining landowners, Municipality or other authorities, including utilities, catch basins, transformers, poles, fences, hydrants and berms, all of which the Purchaser shall accept provided there does not exist default under any and provided that the Purchaser's use of the Real Property for residential purposes is permitted, or provided the Real Property is an insurable title. The Purchaser shall satisfy himself or herself as to compliance with such matters. Title may also be subject to easements for maintenance or encroachments required for adjoining properties. If any of the foregoing easements, restrictions or rights are required to be created after Closing, the Purchaser shall execute any documents needed. The Purchaser further acknowledges and agrees that title shall also be subject to the rights of re-entry referred to in paragraphs 15, 28 and 29 and these rights as well as any of the above may be contained in the transfer delivered to the Purchaser, and/or the Purchaser shall execute and provide the Vendor with any documents and/or agreements required by the Vendor.

The Purchaser shall be allowed until 30 days before the Closing Date to examine title to the Real Property at his or her own expense and if, within that time, any valid objection to title is made in writing to the Vendor, which the Vendor is unable or unwilling to remove and which the Purchaser will not waive, this Agreement shall be terminated and the Deposit shall be returned without interest or deduction and the Vendor shall not be liable for any damages or costs whatever. Save as to any valid objections so made within such time or going to the root of title, the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Real Property. The Vendor shall provide the Purchaser with its standard undertaking and statutory declaration, and need not sign nor provide any other documents, nor need the Vendor's solicitor reply to any requisition from the Purchaser's solicitor that is otherwise addressed in this Agreement, the Vendor's documents or is otherwise not applicable.

The Vendor shall provide a survey of the Real Property on or before Closing.

The Purchaser acknowledges that the Vendor may have agreed to acquire registered title to the Real Property from the Developer on terms set forth in a separate agreement. The Purchaser agrees to accept a transfer of the Real Property as directed by the Vendor and the Purchaser agrees to provide and execute and deliver on Closing, whatever indemnities, releases, assurances and other documentation that may be required by the Vendor in order to transfer title as aforesaid.

**12. PRIOR MORTGAGES**

Title to the Land may be encumbered by mortgages or other loan security (whether to a bank, non-institutional lender, "private" lender or any other party) not to be assumed by the Purchaser on Closing. The Purchaser agrees to complete the transaction notwithstanding any such mortgage or other security and to accept the Vendor's undertaking to obtain and register complete or partial discharges of such mortgages as soon as reasonably possible after Closing, as determined by the Vendor in accordance with its building and sales program.

Notwithstanding anything herein contained and notwithstanding the provisions of the *Land Titles Act* of Ontario, and any amendments thereto or any successor legislation, where any mortgages, charges or debentures are registered on title and where discharges, cessations, partial discharges or partial cessations thereof are tendered for registration in the appropriate Land Titles Office, such mortgages, charges, or debenture shall be deemed to be discharged for all purposes once the discharges, cessations, partial discharges or partial cessations have been accepted for registration, notwithstanding that the Parcel Register has not been signed to reflect such registration and notwithstanding any statutory terms to the contrary as contained in the *Land Titles Act* of Ontario, as amended, and any successor legislation.

**13. RISK**

The Dwelling shall remain at the Vendor's risk until Closing.

**14. TRANSFER AND CLOSING**

The transfer/deed of land shall be prepared by the Vendor's solicitors and shall be registered on Closing by the Purchaser, at the Purchaser's expense. The Purchaser agrees to advise the Vendor's solicitors, at least 30 days prior to the Closing Date, (or such earlier time if so required by the Vendor) as to how the Purchaser will take title to the Real Property and of the birth dates of all parties taking title to the Real Property, failing which the Vendor may insert the Purchaser(s) name(s) set out herein.

INITIAL (Purchaser)



(Vendor)







indicates or expresses to the Vendor or its solicitor, either verbally or in writing, on or before the Closing Date, that the Purchaser is unable or unwilling to complete this purchase transaction, the Vendor shall be relieved of any obligation to make any formal tender on the Purchaser or his solicitor and the Vendor may exercise forthwith any and all of its rights and remedies provided for in this Agreement and at law.

In the event that an electronic registration system (the "System") under part III of the *Land Registration Reform Act*, R.S.O. 1990 c. L. 4, as amended, is operative in the applicable Land Titles Office in which the Land is registered, then the Purchaser agrees to do all things necessary and as may be requested or required by the Vendor or its solicitor to complete this transaction using the System. The Purchaser acknowledges that: (i) the System is an electronic, paperless land registration System that no longer relies on signatures for such documents as a transfer/deed of land; (ii) he will not be entitled to receive the transfer/deed or land unless the balance due on closing in accordance with the Vendor's statement of adjustments is in the hands of the Vendor's solicitors (either by personal delivery or electronic funds transfer) at least one business day before the Closing Date; and (iii) the delivery and exchange of documents and money governed by the Registration Agreement (as hereinafter defined).

Where the System is operative, it will therefore be necessary for the Purchaser and the Purchaser agrees: (i) to use a lawyer authorized to use the System and who is in good standing with the Law Society of Upper Canada; (ii) to authorize and direct such lawyer to enter into the Vendor's solicitors standard form of escrow closing agreement (the "Registration Agreement") which will establish the procedures for closing the transaction; and (iii) that if the Purchaser's lawyer is unwilling or unable to complete this transaction under the System, then the Purchaser's lawyer must attend at the Vendor's solicitor's office at such time on the Closing Date as directed by the Vendor's solicitor to complete the transaction under the System utilizing the Vendor's solicitor's computer facilities and the Purchaser agrees to pay the Vendor's solicitor directly the sum of \$295.00, plus HST, for such service.

#### 19. WHOLE AGREEMENT

The parties acknowledge that there is no representation, warranty, collateral agreement or condition affecting this Agreement or the Real Property except as contained in this Agreement. This Agreement may not be amended other than in writing.

#### 20. INTERPRETATION

This Agreement is to be read with all changes of gender or number required by the context. Time shall in all respects be of the essence. All headings are for convenience of reference only and have no bearing or meaning in the interpretation of any particular clause in this Agreement. Unless otherwise specified herein, all statements of or references to dollar amounts in this Agreement shall mean lawful money of Canada.

#### 21. RESIDENCY

The Vendor represents that it is not a non-resident for the purposes of section 116 of the *Income Tax Act*, Canada.

#### 22. NO REGISTRATION

The Purchaser agrees not to register nor allow or caused to be registered against title to the Land any notice, lien, execution, encumbrance or caution or other reference to this Agreement or his interest in or against the Land. If any such registration occurs, the Vendor may terminate this Agreement forthwith and the Vendor shall be entitled to retain the Deposit and all other amounts paid by the Purchaser to the Vendor hereunder as liquidated damages and not as a penalty (in addition to any other remedy available to it) and the Purchaser shall have no further right to or interest in this Agreement or the Real Property. Further, the Purchaser hereby irrevocably consents to a court order removing such registration and agrees to pay all costs of obtaining such order.

#### 23. SUCCESSION

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

#### 24. NOTICE

Any notice required to be given pursuant to this Agreement to the Purchaser may either be delivered personally or be sent by prepaid mail, or by facsimile transmission addressed to the Purchasers' solicitor or the Purchaser at his or her address listed on Page 1 hereof and, in the case of the Vendor, any notice required to be given pursuant to this Agreement may either be delivered personally or be sent by facsimile and prepaid mail to the Vendor's solicitor and a copy to the Vendor at the addresses indicated herein. If such notice is mailed it shall be deemed to have been received by the party to whom it is addressed on the

INITIAL (Purchaser) \_\_\_\_\_

(Vendor) \_\_\_\_\_

third business day following the date of its mailing. In the event of a mail stoppage or interruption all notices shall be delivered or sent by facsimile transmission.

**25. DEFAULT**

(a) In the event that the Purchaser defaults with respect to any of the covenants, representations, warranties, acknowledgements or obligations to be performed by the Purchaser pursuant to this Agreement and such default continues for seven (7) days after written notice thereof has been given to the Purchaser or his solicitor by the Vendor or its solicitor, or in the event the Purchaser fails to complete the transaction on the Closing Date the Vendor shall have the right to declare this Agreement null and void and, in such event, the Deposit and all other amounts paid by the Purchaser to the Vendor hereunder shall be forfeited to the Vendor as liquidated damages and not as a penalty and without prejudice to or limiting the rights of the Vendor to claim for damages in excess of such amounts and without limiting any other rights or remedies to which the Vendor may be entitled in law.

(b) **EVIDENCE OF DEFAULT**

A certificate of an officer of the Vendor that default has been made and the date of default and that notice, if required, of such default has been mailed to the Purchaser, shall be conclusive evidence of the facts therein stated.

(c) **DOCUMENTS IF TRANSACTION DOES NOT CLOSE**

If the within transaction is not completed for any reason whatsoever and notwithstanding refund or forfeiture of the deposit, the Purchaser shall execute and deliver such documents affecting title to the Real Property or the Mortgage 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 and deliver such documents, the Purchaser hereby authorizes the Vendor, its true and lawful attorney to so execute the said documentation. Notwithstanding non-completion of the transaction, the Purchaser is liable for the full cost of extras ordered whether completed in whole or in part.

**26. RIGHTS OF VENDOR**

It is understood and agreed that the rights contained in paragraph 25 on the part of the Vendor are in addition to any other rights (whether of a more onerous nature or not) which the Vendor may have at law, in equity or under any other provisions of this Agreement, and the Vendor expressly has the right to exercise all or any one or more of the rights contained in this Agreement, or at law or in equity, without exercising at such time, the remainder of such right or rights and without prejudice to the subsequent right of the Vendor to exercise any remaining right or rights at law, in equity or in this Agreement. In the event the Purchaser fails to make payment as and when required pursuant to the terms of this Agreement, the payment amount shall bear interest at a rate equal to 5% above the Prime Rate, calculated from the due date to the date of payment. Prime Rate for any day means the prime lending rate of interest expressed as a rate per annum (computed on a year of 365 days) which Royal Bank of Canada establishes from time to time as the reference rate of interest in order to determine interest rates it will charge for demand loans made in Canada in Canadian dollars as the same is in effect from time to time.

**27. GRADING/FENCING**

(a) The Purchaser covenants that he will not remove any topsoil or subsoil or do anything which may alter the grading or change or obstruct the drainage of the Real Property or surrounding lands and shall not construct any fences, pools, patios, sheds or similar structures prior to final grading approval, without the Vendor's consent and, upon default, the Developer, the Municipality or the Vendor or their respective servants, agents, successors and assigns may enter upon the Real Property and correct such grading or remove such obstruction at the Purchaser's sole expense. Any expense incurred by the Developer, the Municipality or the Vendor in this regard shall be payable by the Purchaser forthwith upon demand. Some settlement of the Land is to be expected and the Purchaser shall repair minor settlement. The Purchaser shall care for sod, shrubs and other landscaping provided as a result of the remedying of such defects.

(b) The Purchaser will not, prior to lot grading completion and Municipal approval therefor, install any fence, deck, storage shed or other structure on the Land. In order to provide side-yard access between buildings so that abutting house purchasers can repair and maintain their respective side-yard building portions, no side-yard fence or storage shall be permitted from 3 meters back of the common side-yard's most rear structure to the frontage street. No fence along a lot boundary abutting a street, open space or parkland will be installed except in compliance with the requirements of the development architect as to fence type, design and finishing as well as fence height and location. The Purchaser will not install any boundary fence except in accordance with

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Municipal requirements, and if the Purchaser installs a fence that runs along the boundary of any lands then owned by the Developer, the Developer will have no obligation to pay any portion of the fence cost. The Purchaser will maintain any fence along or adjacent to the lot boundary and will not remove, place a gate in or otherwise alter such fence.

**28. TEMPORARY EASEMENT**

The Purchaser shall grant a temporary right-of-way over the rear ten feet (10') of the Land over the full width to all purchasers in the subdivision, their agents and workmen through, along and over the said Land for the purpose of reaching their own land or transporting materials, machinery or equipment thereto until such time as roads and streets are useable and the Purchaser agrees to keep such right-of-way clear of surface earth or material.

**29. RIGHT OF RE-ENTRY**

The transfer herein shall contain a provision that the transfer/conveyance is subject to the rights of the Vendor, Municipality/Region and/or other service provider, their successors and assigns, in the nature of a license or easement for themselves and parties authorized by any of them to enter upon any part of the Land excluding the dwelling at any time prior to the complete acceptance of the subdivision by the Municipality for the purpose of doing any work as may be required in order to satisfy the requirements to the Subdivision Agreement or of any other agreement with the service providers entered into or to be entered into by the Subdivider, including without limiting the generality of the foregoing, the right to complete or adjust the grading and/or drainage of any of the Land and effect any corrective measures required without such re-entry being deemed a trespass. The Purchaser covenants that in any transfer or disposition to any subsequent party, it shall reserve unto and assign the benefit of a similar right to re-entry to the Vendor, Municipality, Region and other service providers, and parties authorized by any of them. The aforesaid covenant shall be included in the Transfer/Deed to the Purchaser and shall run with the land conveyed to the Purchaser. The Purchaser, is hereby advised that the proposed lot grading may require the use of retaining walls, fences; easements for drainage purposes, culverts, drains, catch basins and/or lot sloping. Any such retaining walls and fences shall be maintained in good condition and repair solely at the cost and obligation of Purchaser. Purchaser agrees to allow the erection and maintenance on the land of entry features or other structures and hereby consents to allow the erection and maintenance thereof after closing. The Purchaser is hereby given notice that the Land may require some or all of the aforementioned.

**30. MAINTENANCE OF SOD**

The Purchaser shall be solely responsible for watering and general maintenance of the sod from the Closing Date or from the date that the sod is laid, whichever shall be the later, and the Vendor shall have no obligation in that regard. In the event the Vendor is, for any reason, required to replace laid sod, the Purchaser shall be solely responsible to pay for same, plus an administrative fee thereon, and the Vendor may, but shall not be obligated to do so until payment has been made therefore by the Purchaser.

**31. DRIVEWAY**

The Purchaser shall be solely responsible for any settlement of the driveway after the Closing Date. Purchaser acknowledges that it has been advised by Vendor that settlement is likely to occur after Closing. Purchaser agrees that it will at no time modify, extend, enlarge or change the driveway or its dimensions or location. If the Purchase Price specifically includes the paving of the driveway, Vendor shall only have an obligation to pave such driveway to the access point of lot and on the portion of the lot owned by Purchaser, only once and such paving, it is agreed, shall occur within 24 months after Closing, subject to weather conditions. Purchaser specifically agrees that in the event that Vendor does not have any obligation to pave the driveway, the Purchaser will pave the driveway and will not take any other steps or actions to damage, alter, move or interfere with any water box(es) located thereon. Purchaser shall be liable for all damage, loss and expense caused to the water box(es). Purchaser agrees to consult with and obtain the approval of the Vendor, Subdivider, or Municipal Water Department prior to commencing any work in, on or around the water box(es). On certain lots, service trenches cross the driveway and settlement may occur. Purchasers are also advised that prior to paving, they should ensure that there is no further settlement taking place.

**32. REZONING**

The Purchaser acknowledges receipt of notice from the Vendor that the Developer, Subdivider or its related/associated corporation(s) may develop other lands in the vicinity of the herein Land and apply for zoning/rezoning thereof, and the Purchaser agrees on behalf of himself, his heirs, executors, administrators, successors and assigns to consent to any such development zoning/rezoning application, and agrees that this paragraph may be pleaded as a bar to any objection thereto. The Purchaser covenants with the Vendor to the intent that the burden of this covenant shall run with and be binding upon the Land

INITIAL (Purchaser)     *SL*     (Vendor)     *AL*     10



to be conveyed hereunder and every part hereof and to the intent that the benefit thereof shall be annexed to and run with any lands owned by the Vendor and its predecessor and successors in title within the Subdivision or contiguous thereto, that the Purchaser will not oppose any application for severance or for rezoning (including all applications ancillary hereto) by the Vendor and its predecessor and successors or assigns in the Subdivision or contiguous there, for use as a commercial, industrial or multiple family purposes and that this covenant may be pleaded by the said Vendor, its predecessor, successors or assigns, as an estoppel to any such opposition or in aid of an injunction restraining such opposition. The Purchaser shall extract a similar covenant from all successors in title. Without limiting the generality of the foregoing, the Vendor or its predecessor may apply for, and the Purchaser will not oppose, any application for zoning in accordance with the present Official Plan.

### 33. SUBORDINATION AND POSTPONEMENT

The Purchaser acknowledges that the Vendor is or may be borrowing money from a financial institution to be secured by one or more charges registered or to be registered against the Real Property and the Purchaser agrees that this Agreement, any interest of the Purchaser in this Agreement (whether such interests are in equity or at law), and any and all Deposits paid or to be paid by the Purchaser pursuant to this Agreement and any purchaser's lien arising by the terms of this Agreement or from the payment of any Deposit pursuant to this Agreement or arising by operation of law is hereby subordinated and postponed to and will be subordinated and postponed to any mortgages, charges, debentures and trust deeds registered or to be registered against title to the Real Property and any advances thereunder, made from time to time, and to any easement, license or other agreements to provide services to the Real Property or to any lands adjacent thereto. The Purchaser agrees to execute any and all documentation necessary to give full force and effect to same forthwith after being requested to do so by the Vendor.

### 34. PURCHASER'S DOCUMENTS TO BE DELIVERED ON CLOSING

The Purchaser agrees to forthwith execute and deliver to the Vendor, on or before Closing, or at such other time as advised by the Vendor, all documents as may be required by the Vendor in order to close this transaction including but not limited to (i) the execution of the transfer by the Purchaser (ii) the execution and delivery of the Vendor's standard form of Purchaser's Acknowledgement and Undertaking as may be required by the Vendor; and (iii) any form of written acknowledgement by the Purchaser relating to lot grading and other subdivision matters.

### 35. INVALIDITY

The invalidity of any particular paragraph of this Agreement shall not affect the validity of any other provision and, in such event, this Agreement shall be construed as if such invalid provision was omitted.

### 36. CAUSE OF ACTION/ASSIGNMENT

- (a) The Purchaser acknowledges and agrees that notwithstanding any rights which he or she 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, and this acknowledgment and agreement may be pleaded as an estoppel and bar against the Purchaser in any action, suit, application or proceeding brought by or on behalf of the Purchaser to assert any of such rights, claims or causes of action against any such third parties.
- (b) At any time prior to the Closing Date, the Vendor shall be permitted to assign this Agreement (and its rights, benefits and interests hereunder) to any person, firm, partnership or corporation registered as a vendor pursuant to the Ontario New Home Warranty Plan Act and upon any such assignee assuming all obligations under this Agreement and notifying the Purchaser's solicitor of such assignment, the Vendor named herein shall be automatically released from all obligations and liabilities to the Purchaser arising from this Agreement, and said assignee shall be deemed for all purposes to be the vendor herein as if it had been an original party to this Agreement, in the place and stead of the Vendor.

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

For the purposes of facilitating compliance with the provisions of any applicable Federal and/or Provincial privacy legislation (including without limitation, the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, as amended), the Purchaser hereby consents to the Vendor's collection and use of the Purchaser's personal information necessary and sufficient to enable the Vendor to proceed with the Purchaser's purchase of the Real Property, including without limitation, the

INITIAL (Purchaser) \_\_\_\_\_

\_\_\_\_\_ (Vendor)



Purchaser's name, home address, email address, telefax/telephone number, age, date of birth, and in respect of marital status only for the limited purposes described in subparagraphs (c), (g), (h) and (i) below, and in respect of residency status, and social insurance number only for the limited purpose described in subparagraph (h) below, as well as the Purchaser's financial information and desired home design(s) and colour/finish selections, in connection with the completion of this transaction and for post-closing and after-sales customer care purposes, and to the disclosure and/or distribution of any or all of such personal information to the following entities, on the express understanding and agreement that the Vendor shall not sell or otherwise provide or distribute such personal information to anyone other than the following entities, namely to:

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

### 38. ACCEPTANCE

This offer shall be irrevocable by the Purchaser until 11:50 p.m. on the 1<sup>st</sup> business day for 3 business days after the Purchaser signs this Agreement, after which time, if not accepted, this offer shall be null

INITIAL (Purchaser)  \_\_\_\_\_ (Vendor)  \_\_\_\_\_ 12

and void. If accepted, this offer, subject to applicable three (3) day review period set out in Schedule "D" only if applicable, shall constitute a binding Agreement of Purchase and Sale. The Purchaser acknowledges that the Purchaser shall be responsible for determining whether the Vendor has accepted this Agreement. In this regard, the Purchaser shall contact the Vendor or the Vendor's sales agent to determine whether the Agreement has been accepted by the Vendor. The Purchaser acknowledges and agrees that the Vendor shall not be responsible for notifying the Purchaser that the Agreement has been accepted by the Vendor, nor shall the Vendor be responsible for delivering a fully executed copy of the Agreement to the Purchaser. The Purchaser shall be responsible for obtaining a copy of the fully executed Agreement from the Vendor or from the Vendor's sales agent.

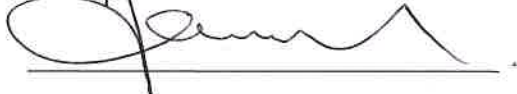
**39. SCHEDULES**

All Schedules and Addendum being Schedules "A" (items included), "B" (Lot on draft Plan of Subdivision), "C" (Additional Provisions), and "D" (Tarion Addendum) attached to this Agreement shall form a part of it.

**SIGNED, SEALED AND DELIVERED**

Dated this 25th day of January, 2017.

In the presence of:

  
\_\_\_\_\_

Purchaser 1: Safara

Driver's License No.: K6096-68468-96018

S.I.N. No.: \_\_\_\_\_

Purchaser 2: \_\_\_\_\_

Driver's License No.: \_\_\_\_\_

S.I.N. No.: \_\_\_\_\_

Solicitors for the Purchaser: \_\_\_\_\_

Telephone No: \_\_\_\_\_

Fax No.: \_\_\_\_\_

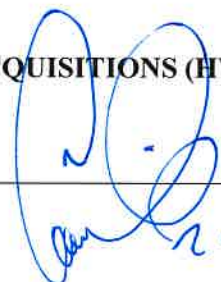
Email: \_\_\_\_\_

The Vendor hereby accepts the above offer.

**DATED** this 25th day of January, 2017.

**SUNRISE ACQUISITIONS (HWY 7) INC.**

Per: \_\_\_\_\_



Solicitors for the Vendor:  
**NORMAN H. WINTER**  
416.964.0325  
[nw@nwinlaw.com](mailto:nw@nwinlaw.com)  
**LAW OFFICES OF NORMAN H. WINTER**  
1 St. Clair Avenue East, Suite 801,  
Toronto, Ontario M4T 2V7 Canada - T. 416.964.0325 - F. 416.964.2494



- (a) require the Purchaser to pay an additional deposit in such amount as may be determined by the Vendor, in its sole and absolute discretion, which amount shall immediately become due and shall be paid by the Purchaser to the Vendor by certified cheque within five days of written notice given by the Vendor to the Purchaser in this regard, failing payment the Purchaser shall be in default pursuant to this Agreement; or
- (b) terminate this agreement. Upon such termination, the Deposit paid by the Purchaser to such date shall be returned to the Purchaser without interest or deduction and the Vendor shall not be liable for any losses, costs or damages incurred by the Purchaser whatsoever as a result of such termination.

In the event that the Purchaser is arranging mortgage financing for the purpose of completing the transaction of purchase and sale on the Closing Date, the Purchaser hereby covenants and agrees to apply for such mortgage financing within 10 days from the date of acceptance of this Agreement by the Vendor and forthwith provide the Vendor with evidence of said application and a copy of approval or rejection. In the event that the Purchaser fails to diligently comply with this provision, the Purchaser acknowledges and agrees that the Vendor shall have the right, in its sole, absolute and arbitrary discretion, to:

- (a) require the Purchaser to pay an additional deposit in such amount as may be determined by the Vendor, in its sole and absolute discretion, which amount shall immediately become due and shall be paid by the Purchaser to the Vendor by certified cheque within five days of written notice given by the Vendor to the Purchaser in this regard, failing payment the Purchaser shall be in default pursuant to this Agreement; or
- (b) terminate this agreement. Upon such termination, the Deposit paid by the Purchaser to such date shall be returned to the Purchaser without interest or deduction and the Vendor shall not be liable for any losses, costs or damages incurred by the Purchaser whatsoever as a result of such termination.

**4. LOT NUMBERS**

If on or after registration of the plan of subdivision, and any subsequent subdivision or reference plan, the lot number of the Land is changed, the Purchaser agrees to accept such variation in lot number, and this Agreement shall be read with all amendments required thereby.

**5. CERTIFICATE OF OCCUPANCY**

The Certificate of Occupancy issued by the Municipality will document the building inspection history, including mandatory inspections which were not conducted.

**6. SPECIFIC RESTRICTIONS AND NOTICES WHICH MAY AFFECT THE LOT PURSUANT TO THE SUBDIVISION AGREEMENT**

TO BE DETERMINED.

**7. FENCING FEATURES**

The Purchaser covenants and agrees that all fencing adjacent to road allowances and walkways will be erected entirely on private property and will not be erected on the lot line or into any road allowance or public property.

**8. COMMUNITY MAILBOXES**

Purchasers are advised that mail delivery will be from a designated Community Mail box.

INITIAL (Purchaser)   X   \_\_\_\_\_ (Vendor)   [Signature]

**SCHEDULE "D"**

**TARION WARRANTY CORPORATION**  
THIS DOCUMENT CONTAINS IMPORTANT INFORMATION  
FOR THE CONSUMER

**ADDENDUM TO AGREEMENT OF PURCHASE AND SALE**

This addendum forms part of the Agreement of Purchase and Sale between:

Safana Kodwavi

("Purchaser")

and

**SUNRISE ACQUISITIONS (HWY 7) INC.**

("Vendor")

dated January 25, 2017 .

(the "Agreement")

INITIAL (Purchaser)

(Vendor)

## *Features and Finishes*

### ARCHITECTURAL FEATURE

Architecturally controlled streetscapes with pleasing exterior colour schemes, styles and elevations.  
 Precast concrete and / or stucco window sills, headers and arches, per elevation  
 35 year self-sheathing shingles  
 Low maintenance aluminum soffits, fascia, downspouts and eaves troughs  
 Prefinished aluminum roll-up garage doors with tempered and thermal privacy glazing.  
 Designer decorative exterior lights on front and rear facades  
 Fully sodded lot, where applicable  
 Fully paved driveway consisting of a base and top coat finish  
 Luxurious Stone Veneer and Brick Exteriors  
 Spacious Decks, where grade permits  
 Vinyl Sliding Doors with Screen, per elevation  
 Vinyl casement windows, air tight  
 All operating windows will be screened  
 8' high wood insulated front entry door with accenting glass inserts  
 Garage to house entry door, where grade permits  
 Front entry doors with brushed silver grip set, and passage and deadbolts used all on side and rear entry doors with matching floor mounted doorstops (except for sliding doors)

### INTERIOR FEATURES

Smooth ceilings throughout  
 8 foot wood grain front doors  
 Ceiling height of approximately 9' on Main  
 Porcelain 12" x 24" tile in Baths and Laundry  
 Upgraded casings and millwork - 3" window and door casing, 5" baseboard  
 Two tone paint - Semi gloss white shade on casings and millwork and flat high grade paint on the walls in a neutral tone selected from 5 colours in our Design Centre  
 Approximately 7' high interior doors throughout  
 Stained Oak Stairs to match wood flooring, with buyer's choice of Iron or Wood Pickets  
 Smart system Programmable Home Thermostat from NEST  
 Rough-in for Security Alarm  
 Garage Door Opener  
 High efficiency furnace and air conditioning units per suite  
 Vented Cold Cellars with interior Light, where applicable  
 Spray Foam Insulation over Garage Ceilings  
 Single handle faucets in Kitchen & Bathrooms  
 Pre-wired for Phone, Cable, Internet in Bedrooms and Main living areas  
 Your choice of traditional or contemporary fireplace where plan permits

### FLOORING

Imported 12" x 24" porcelain tile in the foyer, powder room, laundry room and all bathrooms (per plan) selected in our Design Centre  
 High style 3 1/8" inch wood plank floor, engineered to be used everywhere in your home, except the bathrooms, laundry room and foyer  
 Engineered Floor Joist System



## DESIGNER KITCHEN

High grade, 5-piece panel style Kitchen Cabinetry, with extended uppers

Selection of hardware for cabinets

Custom fit Quartz or Granite countertops with one double basin under mount sink

Custom backsplash – either tile or painted glass

Chrome Riobel Kitchen faucet. A single handle faucet with integrated pull-out spray handle

Deluxe Stainless Steel Appliance Package (Refrigerator, Stove, Microwave and Dishwasher)

## BATHS

High grade, 5-piece panel style Bathroom Vanity Cabinets

Selection of hardware for cabinets

Custom fit Quartz or Granite countertops with under mount sink in first Master Ensuite

Single-hole chrome superior Riobel faucet package in each bath, with mechanical pop up drain.

Frameless Glass Showers with a Light, where applicable

Rain showers in the Master bathroom

Custom wall tile, Floor to ceiling in the bath and shower areas, with accent tile design

Toto toilets

Shut off Valves installed for all Sinks & Toilets

Full, 4-piece bathroom in all finished basements

Vanity to ceiling mirrors in baths

Upgraded light fixtures on mirrors in all baths

## LAUNDRY ROOMS

Full sized Washer & Dryer

Laundry tubs, as per plan

All required plumbing, electrical and venting rough-ins

Modern open shelf storage cabinets above the laundry tub, as plan permits

## COMFORT FEATURES

Control switch located in the interior of the home near the garage to power off the garage door opener for added safety and security

Capped gas line at the outside rear of the home for future barbeque hook up

Complete central vac system in the garage

Smoke and carbon monoxide detectors installed and hard wired as per Building Codes

NEST Smart technology thermostat compatible with your smart phone for energy saving

Door chimes for the front door

Duct work sized for air conditioner installed

Two exterior water taps

Pre-wires for Phone, Cable, Internet in Bedrooms and Main living areas

White Decora Light Switches & Plugs

## LIGHTING ELECTRICAL AND TECHNOLOGY

100 AMP electrical service

15 LED, energy saving pot lights on main floor

One exterior seasonal electrical outlet

European height white Decora plugs and switches throughout, per electrical standard specifications

Ceiling light fixtures in all rooms with the exception of the living room, which will have a switched wall outlet

Weather proof exterior outlets, one at the front of the home and one at the rear of the home  
Electrical wall outlets in the garage and an electrical outlet for the garage door and opener

#### SUPERIOR CONSTRUCTION

Approximately 8' poured concrete walls with heavy duty damp proofing, drainage board, weeping tiles and full height blanket insulation

Tongue and groove subfloor to be glued, screwed and sanded

2 X 6 exterior wall construction

Conventional air circulating system

High efficiency gas furnace

Poured concrete porch

Reinforced concrete garage floors and grade beams

Spray foam insulation in the garage ceiling below livable areas as well as all cantilevered box out window areas

Finished basements

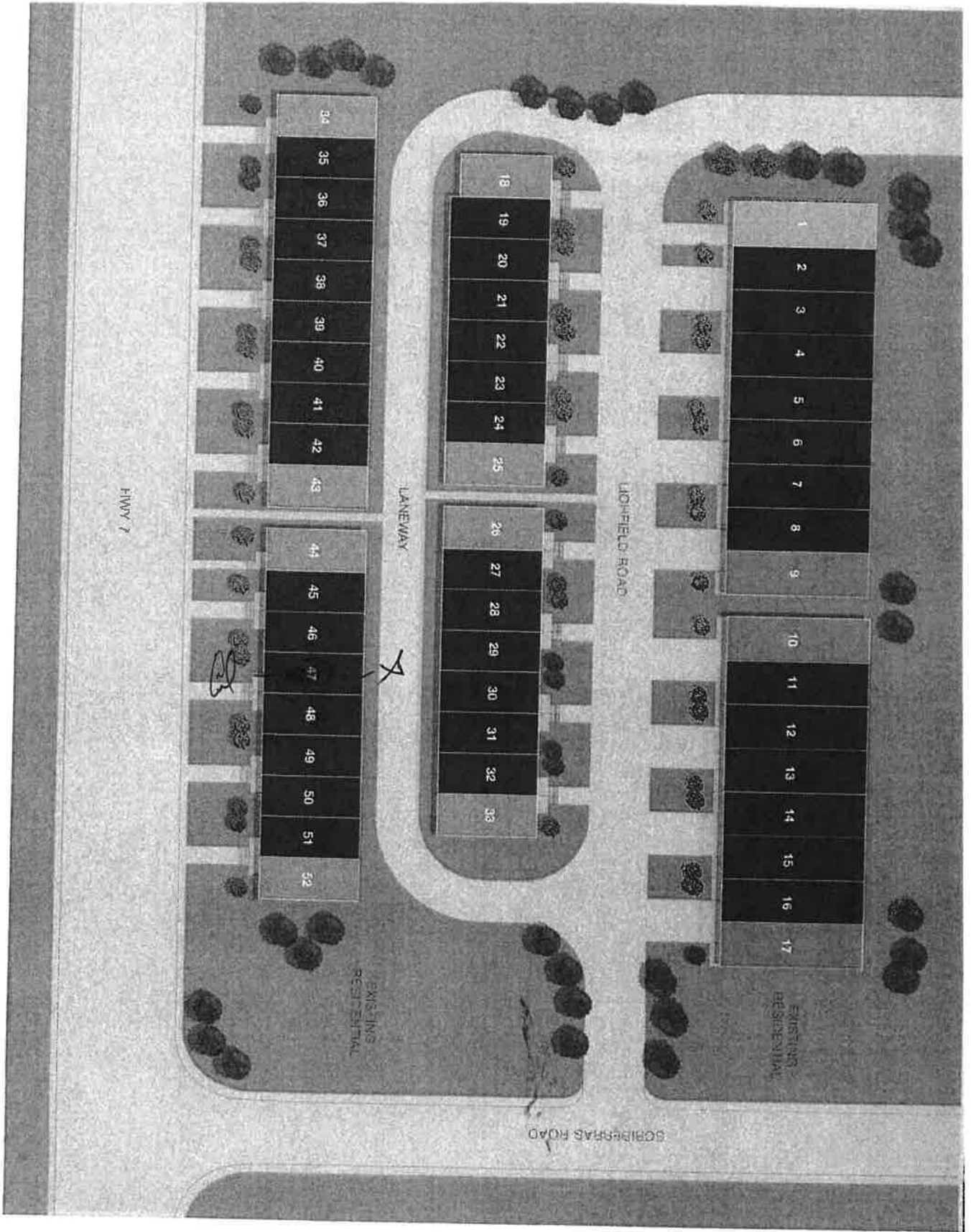
#### HOMEOWNER WARRANTY PROTECTION

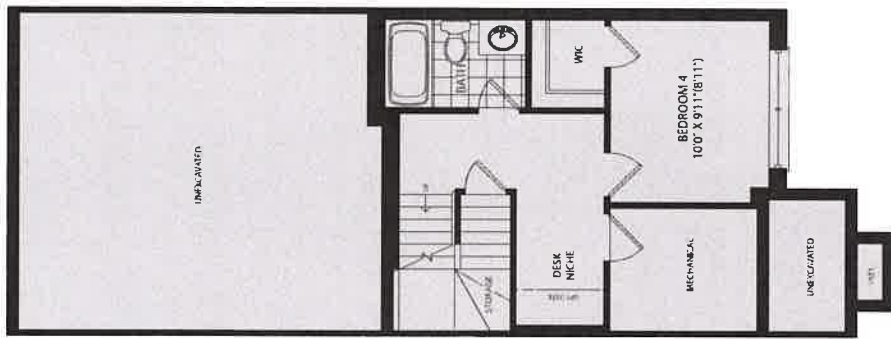
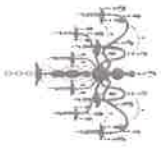
The Tarion Warranty offers: Seven (7) year protection on all structural defects

Two (2) year protection on mechanicals and materials including electrical, plumbing, heating and distribution systems, all exterior cladding, windows and doors

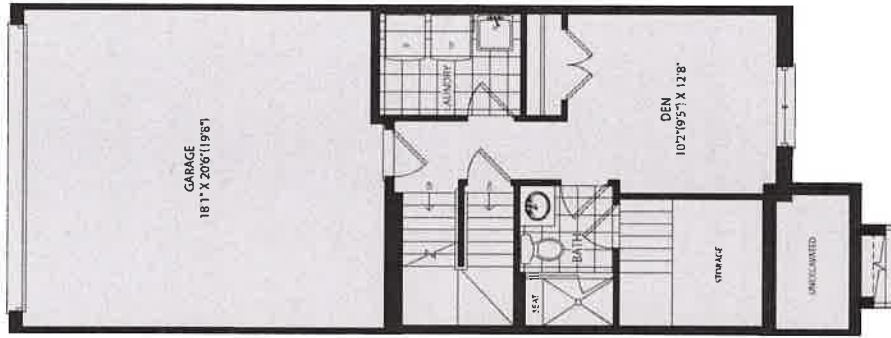
One (1) year protection on all workmanship and material defects



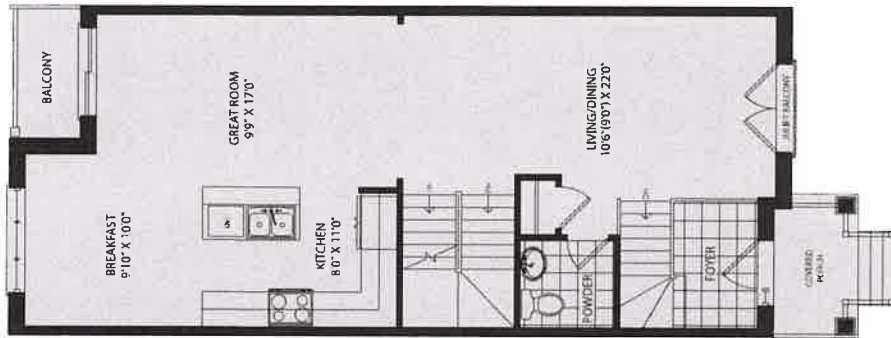




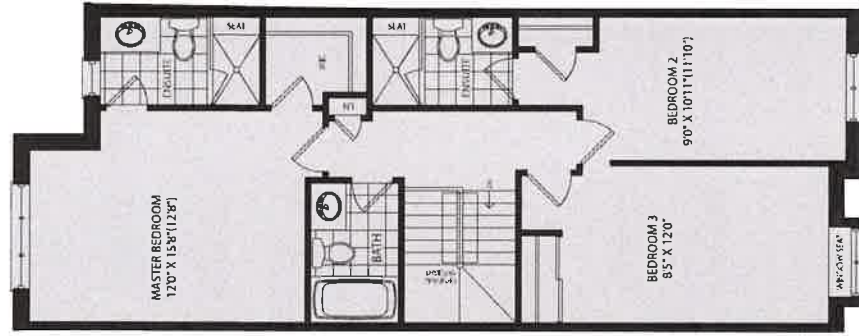
UPPER LEVEL



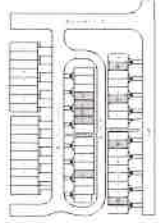
MIDDLE LEVEL



FIRST LEVEL



UPPER LEVEL



UPTOWN COLLECTION **u22**

TOTAL LIVING AREA: 2,308 SQ.-FT.

X



Limited Use Freehold Form (Tentative Occupancy Date – POTL/CEC)

Property Lot 47

Statement of Critical Dates Delayed Occupancy Warranty

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

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

VENDOR Sunrise Acquisitions (Hwy 7) Inc Full Name(s)

PURCHASER Safana Kodwavi Full Name(s)

1. Critical Dates

The First Tentative Occupancy Date, which is the date that the Vendor anticipates the home will be completed and ready to move in, is: the 29th day of March, 2019.

A Second Tentative Occupancy Date can subsequently be set by the Vendor by giving proper written notice at least 90 days before the First Tentative Occupancy Date. The Second Tentative Occupancy Date can be up to 120 days after the First Tentative Occupancy Date, and so could be as late as: the 29th day of July, 2019.

The Vendor must set a Firm Occupancy Date by giving proper written notice at least 90 days before the Second Tentative Occupancy Date. The Firm Occupancy Date can be up to 120 days after the Second Tentative Occupancy Date, and so could be as late as: the 26th day of November, 2019.

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

The Vendor can set a Delayed Occupancy Date that is up to 365 days after the earlier of the Second Tentative Occupancy Date and the Firm Occupancy Date: This Outside Occupancy Date could be as late as: the 28th day of July, 2020.

2. Notice Period for an Occupancy Delay

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

Notice of a delay beyond the First Tentative Occupancy Date must be given no later than: the 28th day of December, 2018.

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

Notice of a second delay in Occupancy must be given no later than: the 30th day of April, 2019.

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

3. Purchaser's Termination Period

If the home is not complete by the Outside Occupancy Date, then the Purchaser can terminate the transaction during a period of 30 days thereafter (the "Purchaser's Termination Period"), which period, unless extended by mutual agreement, will end on: the 27th day of August, 2020.

If the Purchaser terminates the transaction during the Purchaser's Termination Period, then the Purchaser is entitled to delayed occupancy compensation and to a full refund of all monies paid plus interest (see sections 7, 11 and 12 of the Addendum).

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

Acknowledged this 25 day of January, 2019.

VENDOR: [Signature]

PURCHASER: [Signature]



**Limited Use Freehold Form  
(Tentative Occupancy Date – POTL/CEC)**

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

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

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

The Vendor shall complete all blanks set out below.

**VENDOR** Sunrise Acquisitions (Hwy 7) Inc

Full Name(s) 46593	50 West Wilmot Street, Suite 100		
Tarion Registration Number 905-597-3333	Address Richmond Hill	ON	L4B 1M5
Phone  905-597-3334	City	Province	Postal Code
Fax	info@sunrisehomes.ca Email*		

**PURCHASER** Safan Kodwavi

Full Name(s) 72 Grand Vellore	Woodbridge,	ON	L4H 0N8
Address 416-827-7099	City	Province	Postal Code
Phone	safanakodwavi1@gmail.com		
Fax	Email*		

**PROPERTY DESCRIPTION**

4144 Hwy 7

Municipal Address Markham	ON	L3R 0W9
City	Province	Postal Code
Short Legal Description		

Number of Homes in the Freehold Project 52 (if applicable – see Schedule A)

**INFORMATION REGARDING THE PROPERTY**

The Vendor confirms that:

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

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

DPA

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

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

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

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

## SETTING AND CHANGING CRITICAL DATES

### 1. Setting Tentative Occupancy Dates and the Firm Occupancy Date

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

### 2. Changing the Firm Occupancy Date – Three Ways

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

### 3. Changing the Firm Occupancy Date – By Setting a Delayed Occupancy Date

- (a) If the Vendor cannot provide Occupancy on the Firm Occupancy Date and sections 4 and 5 do not apply, the Vendor shall select and give written notice to the Purchaser of a Delayed Occupancy Date in accordance with this section, and delayed occupancy compensation is payable in accordance with section 7.
- (b) The Delayed Occupancy Date may be any Business Day after the date the Purchaser receives written notice of the Delayed Occupancy Date but not later than the Outside Occupancy Date.
- (c) The Vendor shall give written notice to the Purchaser of the Delayed Occupancy Date as soon as the Vendor knows that it will be unable to provide Occupancy on the Firm Occupancy Date, and in any event at least 10 days before the Firm Occupancy Date, failing which delayed occupancy compensation is payable from the date that is 10 days before the Firm Occupancy Date, in accordance with paragraph 7(c). If notice of a new Delayed Occupancy Date is not given by the Vendor, before the Firm Occupancy Date, then the new Delayed Occupancy Date shall be deemed to be the date which is 90 days after the Firm Occupancy Date.
- (d) After the Delayed Occupancy Date is set, if the Vendor cannot provide Occupancy on the Delayed Occupancy Date, the Vendor shall select and give written notice to the Purchaser of a new Delayed Occupancy Date, unless the delay arises due to Unavoidable Delay under section 5 or is mutually agreed upon under section 4, in which case the requirements of those sections must be met. Paragraphs (b) and (c) above apply with respect to the setting of the new Delayed Occupancy Date.
- (e) Nothing in this section affects the right of the Purchaser or Vendor to terminate the Purchase Agreement on the bases set out in section 11.

### 4. Changing Critical Dates – By Mutual Agreement

- (a) This Addendum sets out a framework for setting, extending and/or accelerating Critical Dates, which cannot be altered contractually except as set out in this section 4. Any amendment not in accordance with this section is voidable at the option of the Purchaser. For greater certainty, this Addendum does not restrict any extensions of the Closing date (i.e., title transfer date) where Occupancy of the home has already been given to the Purchaser.
- (b) The Vendor and Purchaser may at any time, after signing the Purchase Agreement, mutually agree in writing to accelerate or extend any of the Critical Dates. Any amendment which accelerates or extends any of the Critical Dates must include the following provisions:
  - (i) the Purchaser and Vendor agree that the amendment is entirely voluntary – the Purchaser has no obligation to sign the amendment and each understands that this purchase transaction will still be valid if the Purchaser does not sign this amendment;
  - (ii) the amendment includes a revised Statement of Critical Dates which replaces the previous Statement of Critical Dates;



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

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

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

#### **5. Extending Dates – Due to Unavoidable Delay**

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

#### **EARLY TERMINATION CONDITIONS**

#### **6. Early Termination Conditions**

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



**Limited Use Freehold Form  
(Tentative Occupancy Date – POTL/CEC)**

**Condition #1 (if applicable)**

Description of the Early Termination Condition:

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

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

**Condition #2 (if applicable)**

Description of the Early Termination Condition:

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

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

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

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

- (e) There are no Early Termination Conditions applicable to this Purchase Agreement other than those identified in subparagraph (d) above and any appendix listing additional Early Termination Conditions.
- (f) The Vendor agrees to take all commercially reasonable steps within its power to satisfy the Early Termination Conditions identified in subparagraph (d) above.
- (g) For conditions under paragraph 1(a) of Schedule A the following applies:
  - (i) conditions in paragraph 1(a) of Schedule A may not be waived by either party;
  - (ii) the Vendor shall provide written notice not later than five (5) Business Days after the date specified for satisfaction of a condition that: (A) the condition has been satisfied; or (B) the condition has not been satisfied (together with reasonable details and backup materials) and that as a result the Purchase Agreement is terminated; and
  - (iii) if notice is not provided as required by subparagraph (ii) above then the condition is deemed not satisfied and the Purchase Agreement is terminated.
- (h) For conditions under paragraph 1(b) of Schedule A the following applies:
  - (i) conditions in paragraph 1(b) of Schedule A may be waived by the Vendor;
  - (ii) the Vendor shall provide written notice on or before the date specified for satisfaction of the condition that: (A) the condition has been satisfied or waived; or (B) the condition has not been satisfied nor waived, and that as a result the Purchase Agreement is terminated; and
  - (iii) if notice is not provided as required by subparagraph (ii) above then the condition is deemed satisfied or waived and the Purchase Agreement will continue to be binding on both parties.
- (i) If a Purchase Agreement or proposed Purchase Agreement contains Early Termination Conditions, the Purchaser has three (3) Business Days after the day of receipt of a true and complete copy of the Purchase Agreement or proposed Purchase Agreement to review the nature of the conditions (preferably with legal counsel). If the Purchaser is not satisfied, in the Purchaser's sole discretion, with the Early Termination Conditions, the Purchaser may revoke the Purchaser's offer as set out in the proposed Purchase Agreement, or terminate the Purchase Agreement, as the case may be, by giving written notice to the Vendor within those three Business Days.
- (j) The Purchase Agreement may be conditional until Closing (transfer to the Purchaser of title to the home), upon compliance with the subdivision control provisions (section 50) of the *Planning Act* and, if applicable, registration of a related common elements condominium corporation under the *Condominium Act, 1998*, which compliance shall be obtained by the Vendor at its sole expense, on or before Closing.
- (k) The Purchaser is cautioned that there may be other conditions in the Purchase Agreement that allow the Vendor to terminate the Purchase Agreement due to the fault of the Purchaser.
- (l) The Purchase Agreement may include any condition that is for the sole benefit of the Purchaser and that is agreed to by the Vendor (e.g., the sale of an existing dwelling, Purchaser financing or a basement walkout). The Purchase Agreement may specify that the Purchaser has a right to terminate the Purchase Agreement if any such condition is not met, and may set out the terms on which termination by the Purchaser may be effected.

## MAKING A COMPENSATION CLAIM

### 7. Delayed Occupancy Compensation

- (a) The Vendor warrants to the Purchaser that, if Occupancy is delayed beyond the Firm Occupancy Date (other than by mutual agreement or as a result of Unavoidable Delay as permitted under sections 4 and 5), then the Vendor shall compensate the Purchaser up to a total amount of \$7,500, which amount includes: (i) payment to the Purchaser of a set amount of \$150 a day for living expenses for each day of delay until the Occupancy Date; or the date of termination of the Purchase Agreement, as applicable under paragraph (b) below; and (ii) any other expenses (supported by receipts) incurred by the Purchaser due to the delay.
- (b) Delayed occupancy compensation is payable only if: (i) Occupancy and Closing occurs; or (ii) the Purchase Agreement is terminated or deemed to have been terminated under paragraph 11(b) of this Addendum. Delayed occupancy compensation is payable only if the Purchaser's claim is made to Tarion in writing within one (1) year after Occupancy, or after termination of the Purchase Agreement, as the case may be, and otherwise in accordance with this Addendum. Compensation claims are subject to any further conditions set out in the ONHWP Act.
- (c) If the Vendor gives written notice of a Delayed Occupancy Date to the Purchaser less than 10 days before the Firm Occupancy Date, contrary to the requirements of paragraph 3(c), then delayed occupancy compensation is payable from the date that is 10 days before the Firm Occupancy Date.
- (d) Living expenses are direct living costs such as for accommodation and meals. Receipts are not required in support of a claim for living expenses, as a set daily amount of \$150 per day is payable. The Purchaser must provide receipts in support of any claim for other delayed occupancy compensation, such as for moving and storage costs. Submission of false receipts disentitles the Purchaser to any delayed occupancy compensation in connection with a claim.
- (e) If delayed occupancy compensation is payable, the Purchaser may make a claim to the Vendor for that compensation after Occupancy or after termination of the Purchase Agreement, as the case may be, and shall include all receipts (apart from living expenses) which evidence any part of the Purchaser's claim. The Vendor shall assess the Purchaser's claim by determining the amount of delayed occupancy compensation payable based on the rules set out in section 7 and the receipts provided by the Purchaser, and the Vendor shall promptly provide that assessment information to the Purchaser. The Purchaser and the Vendor shall use reasonable efforts to settle the claim and when the claim is settled, the Vendor shall prepare an acknowledgement signed by both parties which:
- (i) includes the Vendor's assessment of the delayed occupancy compensation payable;
  - (ii) describes in reasonable detail the cash amount, goods, services, or other consideration which the Purchaser accepts as compensation (the "Compensation"), if any; and
  - (iii) contains a statement by the Purchaser that the Purchaser accepts the Compensation in full satisfaction of any delayed occupancy compensation payable by the Vendor.
- (f) If the Vendor and Purchaser cannot agree as contemplated in paragraph 7(e), then to make a claim to Tarion the Purchaser must file a claim with Tarion in writing within one (1) year after Occupancy. A claim may also be made and the same rules apply if the sale transaction is terminated under paragraph 11(b), in which case, the deadline for a claim is one (1) year after termination.
- (g) If delayed occupancy compensation is payable, the Vendor shall either: pay the compensation as soon as the proper amount is determined; or pay such amount with interest (at the prescribed rate as specified in subsection 19(1) of O.Reg. 48/01 of the *Condominium Act, 1998*), from the Occupancy Date to the date of Closing, such amount to be an adjustment to the balance due on the day of Closing.

### 8. Adjustments to Purchase Price

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

### 9. Occupancy

If the Purchaser accepts or is required to accept Occupancy in advance of receiving a title transfer of the home, then the provisions of Schedule C shall apply.

## MISCELLANEOUS

### 10. Ontario Building Code – Conditions of Occupancy

- (a) On or before the Occupancy Date, the Vendor shall deliver to the Purchaser:
- (i) an Occupancy Permit (as defined in paragraph (d)) for the home; or



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

#### 11. Termination of the Purchase Agreement

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

#### 12. Refund of Monies Paid on Termination

- (a) If the Purchase Agreement is terminated (other than as a result of breach of contract by the Purchaser), then unless there is agreement to the contrary under paragraph 11(a), the Vendor shall refund all monies paid by the Purchaser including deposit(s) and monies for upgrades and extras, within 10 days of such termination, with interest from the date each amount was paid to the Vendor to the date of refund to the Purchaser. The Purchaser cannot be compelled by the Vendor to execute a release of the Vendor as a prerequisite to obtaining the refund of monies payable as a result of termination of the Purchase Agreement under this paragraph, although the Purchaser may be required to sign a written acknowledgement confirming the amount of monies refunded and termination of the purchase transaction. Nothing in this Addendum prevents the Vendor and Purchaser from entering into such other termination agreement and/or release as may be agreed to by the parties.
- (b) The rate of interest payable on the Purchaser's monies shall be calculated in accordance with the *Condominium Act, 1998*.
- (c) Notwithstanding paragraphs (a) and (b) above, if either party initiates legal proceedings to contest termination of the Purchase Agreement or the refund of monies paid by the Purchaser, and obtains a legal determination, such amounts and interest shall be payable as determined in those proceedings.

#### 13. Definitions

"**Business Day**" means any day other than: Saturday; Sunday; New Year's Day; Family Day; Good Friday; Easter Monday; Victoria Day; Canada Day; Civic Holiday; Labour Day; Thanksgiving Day; Remembrance Day; Christmas Day; Boxing Day; and any special holiday proclaimed by the Governor General or the Lieutenant Governor; and

where New Year's Day, Canada Day or Remembrance Day falls on a Saturday or Sunday, the following Monday is not a Business Day, and where Christmas Day falls on a Saturday or Sunday, the following Monday and Tuesday are not Business Days; and where Christmas Day falls on a Friday, the following Monday is not a Business Day.

“**Closing**” means the completion of the sale of the home including transfer of title to the home to the Purchaser.

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

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

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

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

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

“**First Tentative Occupancy Date**” means the date on which the Vendor, at the time of signing the Purchase Agreement, anticipates that the home will be complete and ready for Occupancy, as set out in the Statement of Critical Dates.

“**Occupancy**” means the right to use or occupy the home in accordance with the Purchase Agreement.

“**Occupancy Date**” means the date the Purchaser is given Occupancy on or before Closing.

“**Outside Occupancy Date**” means the latest date that the Vendor agrees to provide Occupancy to the Purchaser, as confirmed in the Statement of Critical Dates.

“**Property**” or “**home**” means the freehold home being acquired by the Purchaser from the Vendor, and its interest in the related common elements condominium corporation.

“**Purchaser's Termination Period**” means the 30-day period during which the Purchaser may terminate the Purchase Agreement for delay, in accordance with paragraph 11(b).

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

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

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

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

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

#### 14. Addendum Prevails

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

#### 15. Time Periods, and How Notice Must Be Sent

- (a) Any written notice required under this Addendum may be given personally or sent by email, fax, courier or registered mail to the Purchaser or the Vendor at the address/contact numbers identified on page 2 or replacement address/contact numbers as provided in paragraph (c) below. Notices may also be sent to the solicitor for each party if necessary contact information is provided, but notices in all events must be sent to the Purchaser and Vendor, as applicable. If email addresses are set out on page 2 of this Addendum, then the parties agree that notices may be sent by email to such addresses, subject to paragraph (c) below.
- (b) Written notice given by one of the means identified in paragraph (a) is deemed to be given and received: on the date of delivery or transmission, if given personally or sent by email or fax (or the next Business Day if the date of delivery or transmission is not a Business Day); on the second Business Day following the date of sending by courier; or on the fifth Business Day following the date of sending, if sent by registered mail. If a postal stoppage or interruption occurs, notices shall not be sent by registered mail, and any notice sent by registered mail within 5 Business Days prior to the commencement of the postal stoppage or interruption must be re-sent by another means in order to be effective. For purposes of this section 15, Business Day includes Remembrance Day, if it falls on a day other than Saturday or Sunday, and Easter Monday.
- (c) If either party wishes to receive written notice under this Addendum at an address/contact number other than those identified on page 2 of this Addendum, then the party shall send written notice of the change of address, fax number, or email address to the other party in accordance with paragraph (b) above.
- (d) Time periods within which or following which any act is to be done shall be calculated by excluding the day of delivery or transmission and including the day on which the period ends.
- (e) Time periods shall be calculated using calendar days including Business Days but subject to paragraphs (f), (g) and (h) below.



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**(Tentative Occupancy Date – POTL/CEC)**

- (f) Where the time for making a claim under this Addendum expires on a day that is not a Business Day, the claim may be made on the next Business Day.
- (g) Prior notice periods that begin on a day that is not a Business Day shall begin on the next earlier Business Day, except that notices may be sent and/or received on Remembrance Day, if it falls on a day other than Saturday or Sunday, or Easter Monday.
- (h) Every Critical Date must occur on a Business Day. If the Vendor sets a Critical Date that occurs on a date other than a Business Day, the Critical Date is deemed to be the next Business Day.
- (i) Words in the singular include the plural and words in the plural include the singular.
- (j) Gender-specific terms include both sexes and include corporations.

**16. Disputes Regarding Termination**

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

**For more information please visit [www.tarion.com](http://www.tarion.com)**

**SCHEDULE A**

**Types of Permitted Early Termination Conditions**

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

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

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

(b) upon:

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

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

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

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

**2. The following definitions apply in this Schedule:**

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

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

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

**3. Each condition must:**

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

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

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



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(Tentative Occupancy Date – POTL/CEC)**

**SCHEDULE B**

**Adjustments to Purchase Price or Balance Due on Closing**

**PART I Stipulated Amounts/Adjustments**

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

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

1. As per Agreement of Purchase and Sale Clause 7 - Adjustments
  
- 2.
  
- 3.



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(Tentative Occupancy Date – POTL/CEC)**

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

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

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

1. As per Agreement of Purchase and Sale Clause 7 - Adjustments

2.

3.

## SCHEDULE C

### Terms of Occupancy Licence

If the purchaser takes Occupancy of the home before the date of Closing or is required to do so under the Purchase Agreement, then the following provisions shall apply:

1. The Purchaser shall be given Occupancy of the home on the Occupancy Date.
2. The Purchaser shall not be required to pay the balance due on the purchase price on the Occupancy Date unless the Occupancy Date is also the Closing Date.
3. The Purchaser shall pay to the Vendor a monthly **Occupancy Fee** from and after the Occupancy Date which shall not exceed an amount calculated as follows:
  - (i) interest calculated on a monthly basis on the unpaid balance of the purchase price at the prescribed rate as specified in subsection 19(1) of O.Reg 48/01 to the Condominium Act, 1998; plus
  - (ii) an amount reasonably estimated by the Vendor on a monthly basis for municipal realty taxes attributable by the Vendor to the home; plus
  - (iii) the projected monthly common expense contribution for the home's share of the common elements condominium corporation (CEC).

The Occupancy Fee shall be payable on the first day of each month in advance until the date of Closing. The Occupancy Fee is a fee for the use of the home and no part of it shall be credited as payments on account of the Purchase Price. If Occupancy does not occur on the first day of the month, the Purchaser shall pay on the Occupancy Date a pro rata amount for the balance of the month.

4. If the Vendor charges the Purchaser a monthly Occupancy Fee for longer than six (6) months and the monthly Occupancy Fee includes a projected contribution to the reserve fund for the CEC, then, with respect to the Occupancy Fee for each month after the sixth month, the Vendor shall hold in trust and remit to the CEC upon registering the declaration and description for the CEC, the portion of the monthly Occupancy Fee that represents the projected contribution to the reserve fund.
5. The Vendor, during the Purchaser's period of Occupancy,
  - (a) shall provide those services that the CEC corporation will have a duty to provide to owners after the registration of the CEC declaration and description;
  - (b) shall repair and maintain the CEC property in the same manner as the CEC corporation will have a duty to repair after damage and maintain after the registration of the CEC declaration and description;
  - (c) has the same right of entry to CEC property that the CEC corporation will have after the registration of the CEC declaration and description;
  - (d) may withhold consent to an assignment of the right to use CEC property; and
  - (e) may charge a reasonable fee for consenting to an assignment of the right to use CEC property.
6. The Vendor shall proceed with due diligence to register the CEC declaration and description. The Vendor shall, within 30 days of the registration of the CEC declaration and description, notify the Purchaser in writing of the date and instrument numbers of the registration, unless within that time the Purchaser receives a deed to the home that is in registerable form. Upon registration of the CEC declaration and description, the Vendor and Purchaser shall proceed to complete the title transfer on a date designated by the Vendor or its solicitor which shall be no later than sixty (60) days after the registration of the CEC declaration and description. If the Vendor for any reason whatsoever is unable to register the CEC declaration and description and therefore is unable to deliver a registerable Transfer/Deed to the Purchaser within twelve (12) months of the Occupancy Date, the Purchaser shall have the right for a period of 30 days after such twelve (12) month period, to give sixty (60) days written notice to the Vendor, to terminate the Occupancy licence and this Purchase Agreement. If the Purchaser gives notice of termination, the Purchaser shall give up vacant possession and pay the Occupancy Fee to the date of termination, after which this Purchase Agreement and Occupancy licence shall be terminated and section 7 of the Addendum applies.
7. The rights and duties described in section 5 above, apply despite any provision to the contrary in the *Residential Tenancies Act, 2006*.
8. The Vendor shall, on delivering to the Purchaser a Transfer Deed that is in registerable form or as soon as is practicable after delivery, refund to the Purchaser the portion of the monthly Occupancy Fee that the Purchaser has paid on account of municipal taxes attributable to the home in excess of the amount actually assessed against the home.



**Limited Use Freehold Form**  
**(Tentative Occupancy Date – POTL/CEC)**

9. If the portion of the monthly Occupancy Fee that the Purchaser has paid on account of municipal taxes attributable to the home is insufficient to pay the amount actually assessed against the home, the Vendor may require the Purchaser to pay the difference between the two amounts.
10. Sections 149, 150, 151, 165, 166 and 167 and Part VII of the *Residential Tenancies Act, 2006*, do not apply to Occupancy and monthly Occupancy Fees charged under this Schedule C.
11. In accordance with section 58(1).4 of the *Residential Tenancies Act, 2006*, if the Occupancy arose by virtue of or collateral to the Purchase Agreement, then if the Purchase Agreement is terminated, the Occupancy shall correspondingly be terminated.
12. The Purchaser shall maintain the home in a clean and sanitary condition and not make any alterations or improvements without the prior written approval of the Vendor which may not be unreasonably withheld.
13. The Purchaser shall be responsible for all utility, telephone expenses, cable television service, or other charges and expenses billed directly to the occupant of the home by the supplier of such services.
14. The Purchaser shall as at the Occupancy Date insure the home for the full replacement value thereof and provide a copy of the insurance certificate to the Vendor. The Vendor is not liable for the Purchaser's loss occasioned by fire, theft or other casualty, unless caused or contributed to by the Vendor.
15. The Vendor and Purchaser may agree upon additional provisions relating to Occupancy, provided such provisions do not derogate from, do not conflict with and are not inconsistent with provisions of this Schedule C.





The Declarant reserves the right to increase or decrease the number of POTLs, provided that each Purchaser's proportionate share of the common expenses shall not increase in a material fashion, and any such changes shall not constitute a material change.

Purchasers of POTLs are advised that during the construction of the Condominium and of the dwellings on the POTLs, the Declarant, its workmen, trades, suppliers, agents, contractors and servants shall be entitled to use those portions of the common elements as may be necessary. Purchasers are advised that construction activity may result in noise, dust, debris and heavy traffic during the day and may interfere with the ordinary use and enjoyment of the Condominium and the POTLs. The Declarant shall make reasonable efforts to minimize such disruption during the course of construction, but nothing shall derogate from the right of the Declarant to complete construction.

(b) Proposed Types and number of Buildings and Units

The Condominium shall consist of common roadways, with the POTLs located adjacent to the Condominium.

(c) Utilities and Other Services

Hydro service supplied to the common elements will be bulk metered and billed directly to the Condominium Corporation by the utility and included in the budget.

It is presently anticipated that there will be no door to door mail delivery, and mail delivery to a communal mail box will be available to the POTLs.

(d) Amenities

Perimeter fencing or a privacy hedge of trees may be required along the edge of the roadway where there is no outlet and will be maintained by the Condominium Corporation and are included in the budget. Privacy fencing required for all POTLs, along with retaining walls and acoustical walls which may be required for some of the POTLs, will be maintained by the owners of the POTLs and shall not be an obligation of the Condominium Corporation.

(e) Easements and Restrictions

The Condominium shall be subject to such easements as disclosed by registered title and described in Schedule "A" to the Declaration. In addition to the easements existing and noted on title to the property as of the date of this Disclosure Statement, further easements are contemplated to be registered. These easements may include an easement for vehicular and pedestrian ingress and egress, for utilities, and for storm and sanitary sewers. Some easements have been described in this Disclosure Statement in a general nature and will be finalized once the specific locations and nature of such easements have been determined.

The POTLs will be subject to easements in favour of the Condominium Corporation for the purposes of installing, maintaining, repairing and replacing, as required, any services which are necessary for the common elements or for providing services to the owners of the POTLs.

5. **DECLARATION, BY-LAWS, RULES AND INSURANCE TRUST AGREEMENT**

Accompanying this Disclosure Statement is a copy of the proposed Declaration, By-laws, Rules and Insurance Trust Agreement.

6. **BRIEF DESCRIPTION OF SIGNIFICANT FEATURES OF VARIOUS AGREEMENTS SUBJECT TO TERMINATION**

(a) Proposed Management Agreement (Section 111 of the Act)

The Corporation will enter into a management agreement following registration of the Condominium for the first year following registration. A copy of the proposed Management Agreement is included with this Disclosure Statement. Purchasers are advised to review the proposed Management Agreement for an understanding of the provisions contained therein.

(b) Other Agreements (Section 112 of the Act)

Such contracts as may be necessary or required for the provision of services to the Condominium may be entered into, including, without limitation, electrical services, landscaping, snow removal, provision of supplies, insurance, legal and accounting services, and other such matters as may be required for the orderly operation of the business of Corporation.

(c) Proposed Insurance Trust Agreement (Section 114 of the Act)

Corporation will not enter into an insurance trust agreement following registration of the Condominium.

**7. MISCELLANEOUS MATTERS**

(a) ONTARIO NEW HOME WARRANTIES PLAN ACT ("ONHWPA")

The Property is not subject to ONHWPA. The Declarant does not intend to enroll the Property under ONHWPA.

(b) The Declarant reserves the right to market POTLs in blocks to investors, but has no present intention of doing so. No restriction has been placed on the number of POTLs that may be purchased by an individual or a corporation.

(d) Declarant does not intend to cause Corporation to amalgamate with another corporation nor does Declarant have any knowledge that Corporation intends to amalgamate with another corporation.

(e) No building on the Property has been or will be converted from a previous use and no buildings are proposed to be constructed on the Property aside from a construction office and/or a sales office which shall remain on the Property until such time as the POTLs are sold.

(f) A Budget Statement for the one year period immediately following registration of Declaration and Description is included with this Disclosure Statement.

(g) There are no fees or charges that Corporation is required to pay to Declarant or another person except as set forth in the Budget. Refer to Budget for all expenses of Corporation and services being provided.

(h) Pursuant to subsection 82(8) of the Act, Declarant is entitled to retain the excess of all interest earned on money held in trust over the interest Declarant is required to pay to purchaser under Section 82 of the Act.

(i) Declarant does not intend to permit any part of common elements to be used for commercial or other purposes not ancillary to residential purposes on the POTLs.

(j) Declarant does not intend to provide any major assets or property to Corporation.

(k) There are no units, assets or services that Corporation is required to acquire nor are there any agreements or leases that Corporation must enter into with Declarant or a subsidiary body corporate, holding body corporate or affiliated body corporate of Declarant.

(l) Declarant owns lands adjacent to the Condominium lands which are presently vacant and which will comprise the POTLs. Application for site plan approval

from the City of Markham is pending.

- (m) No part of the common elements is subject to a lease or license.

8. **RESCISSION RIGHTS (Section 73 of the Act)**

The following is a copy of Section 73 of the Act which sets out the rescission rights available to a Purchaser of a Unit in the Condominium:

"(1) A purchaser who receives a disclosure statement under subsection 72(1) may, in accordance with this section, rescind the agreement of purchase and sale before accepting a deed to the unit being purchased that is in registrable form.

(2) To rescind an agreement of purchase and sale under this section, a purchaser or the purchaser's solicitor shall give a written notice of rescission to the declarant or to the declarant's solicitor who must receive the notice within 10 days of the later of,

- (a) the date that the purchaser receives the disclosure statement; and
- (b) the date that the purchaser receives a copy of the agreement of purchase and sale executed by the declarant and the purchaser.

(3) If a declarant or the declarant solicitor receives a notice of rescission from a purchaser under this section, the declarant shall promptly refund, without penalty or charge, to the purchaser, all money received from the purchaser under the agreement and credited towards the purchase price, together with interest on the money calculated at the prescribed rate from the date that the declarant received the money until the date the declarant refunds it."

10. **RESCISSION RIGHTS UPON MATERIAL CHANGE (Section 74 of the Act)**

The following is a copy of Section 74 of the Agreement which sets out what constitutes a "material change" and the rescission rights available to a purchaser of a POTL in the event of a material change:

"(1) Whenever there is a material change in the information contained or required to be contained in a disclosure statement delivered to a purchaser under subsection 72(1) or a revised disclosure statement or a notice delivered to a purchaser under this section, the declarant shall deliver a revised disclosure statement or a notice to the purchaser.

(2) In this section,

"material change" means a change or a series of changes that a reasonable purchaser, on an objective basis, would have regarded collectively as sufficiently important to the decision to purchase a unit or proposed unit in the corporation that it is likely that the purchaser would not have entered into an agreement of purchase and sale for the unit or the proposed unit or would have exercised the right to rescind such an agreement of purchase and sale under section 73, if the disclosure statement had contained the change or series of changes, but does not include,

- (a) a change in the contents of the budget of the corporation for the current fiscal year if more than one year has passed since the registration of the declaration and description for the corporation;
- (b) a substantial addition, alteration or improvement within the meaning of subsection 97(6) that the corporation makes to the common elements after a turnover meeting has been held under section 43;
- (c) a change in the portion of units or proposed units that the declarant intends to lease;
- (d) a change in the schedule of the proposed commencement and completion dates for the amenities of which construction had not been

completed as of the date on which the disclosure statement was made; or

(e) a change in the information contained in the statement described in subsection 161(1) of the services provided by the municipality for the Minister of Municipal Affairs and Housing, as the case may be as described in that subsection if the unit or the proposed unit is in a vacant land condominium corporation.

(3) The revised disclosure statement or notice required under subsection (1) shall clearly identify all changes that in the reasonable belief of the declarant may be material changes and summarize the particulars of them.

(4) The declarant shall deliver the revised disclosure statement or notice to the purchaser within a reasonable time after the material change mentioned in subsection (1) occurs and, in any event, no later than 10 days before delivering to the purchaser a deed to the unit being purchased that is in registerable form.

(5) Within 10 days after receiving a revised disclosure statement or a notice under subsection (1), a purchaser may make an application to the Ontario Court (General Division) for a determination whether a change or a series of changes set out in the statement or notice is a material change.

(6) If a change or a series of changes set out in a revised disclosure statement or a notice delivered to a purchaser constitutes a material change or if a material change occurs that the declarant does not disclose in a revised disclosure statement or notice required by subsection (1), the purchaser may, before accepting a deed to the unit being purchased that is in registerable form, rescind the agreement of purchase and sale within 10 days of the latest of,

(a) the date on which the purchaser receives the revised disclosure statement or the notice, if the declarant delivered a revised disclosure statement or notice to the purchaser;

(b) the date on which the purchaser becomes aware of a material change, if the declarant has not delivered a revised disclosure statement or notice to the purchaser as required by subsection (1) with respect to the change; and

(c) the date on which the Ontario Court (General Division) makes a determination under subsection (5) or (6) that the change is material, if the purchaser or declarant, as the case may be, has made an application for the determination.

(7) To rescind an agreement of purchase and sale under this section, a purchaser or the purchaser's solicitor shall give a written notice of rescission to the declarant or to the declarant's solicitor.

(8) Within 10 days after receiving a notice of rescission, the declarant may make an application to the Ontario Court (General Division) for a determination whether the change or the series of changes on which the rescission is based constitutes a material change, if the purchaser has not already made an application under subsection (5).

(9) A declarant who receives a notice of rescission from a purchaser under this section shall refund, without penalty or charge, to the purchaser, all money received from the purchaser under the agreement and credited towards the purchase price, together with interest on the money calculated at the prescribed rate from the date that the declarant received the money until the date the declarant refunds it.

(10) The declarant shall make the refund,

(a) within 10 days after received a notice of rescission, if neither the purchaser nor the declarant has made an application for a determination described in subsection (5) or (8) respectively; or

(b) within 10 days after the court makes a determination that the change is material, if the purchaser has made an application under subsection (5) or the declarant has made an application under subsection (8).

## DECLARATION

### COMMON ELEMENTS CONDOMINIUM

THIS DECLARATION (hereinafter called the "Declaration") is made and executed pursuant to the provisions of the *Condominium Act*, 1998, and the regulations made thereunder, as amended from time to time (all of which are hereinafter collectively referred to as the "Act"), by:

#### SUNRISE ACQUISITIONS (HWY 7) INC.

(hereinafter called the "Declarant")

WHEREAS:

- A. The Declarant is the owner in fee simple of certain lands and premises situate in the City of Markham, in the Province of Ontario and being more particularly described in Schedule "A" annexed hereto and in the description submitted herewith by the Declarant (hereinafter called the "Description") for registration in accordance with the Act and which lands are sometimes referred to as the "Lands" or the "Property"; and
- B. The Declarant intends that the Property shall be governed by the Act and that the registration of this Declaration and the Description will create a freehold common elements condominium corporation.

**NOW THEREFORE THE DECLARANT HEREBY DECLARES AS FOLLOWS:**

#### ARTICLE I – INTRODUCTORY

##### 1.1 Common Elements Condominium

The registration of this Declaration and the Description will create a freehold common elements condominium corporation.

##### 1.2 Division of POTLS

A parcel of tied land may not be divided into two (2) or more parcels unless an amendment is registered to the Declaration that takes into account the division of a parcel of tied land.

##### 1.3 Definitions

The terms used in the Declaration shall have the meanings ascribed to them in the Act unless this Declaration specifies otherwise or unless the context otherwise requires and in particular:

- (a) "Board" means the Corporation's Board of Directors;
- (b) "By-Laws" means the by-laws of the Corporation enacted from time to time;
- (c) "Common Elements" means all the Property;
- (d) "Corporation" means the Condominium Corporation created by the registration of this Declaration;
- (e) "Owner" means the Owner or Owners of the freehold homes in a POTL and who owns, pursuant to the Act, a common interest in the common elements, but does not include a mortgagee of a POTL unless in possession;

- (f) "POTL" or "POTLS" means the parcel or parcel(s) of tied land to which a common interest is attached as described in Schedule "D" to this declaration; and
- (g) "Rules" means the Rules passed by the Board.

#### **1.4 Act Governs the Property**

The Lands described in Schedule "A" annexed hereto and in the Description together with all interests appurtenant to the Lands are governed by the Act.

#### **1.5 Consent of Encumbrancers**

The consent of every person having a registered mortgage against the Property or interests appurtenant thereto and against each POTL is contained in Schedule "B" attached hereto.

#### **1.6 Common Interest and Common Expenses**

Each Owner shall have an undivided interest in the Common Elements as a tenant in common with all other Owners in the proportions set forth opposite each POTL in Schedule "D" attached hereto and shall contribute to the Common Expenses in the proportion set forth opposite each POTL in Schedule "D" attached hereto. The total of the proportions of the common interests and proportionate contribution to Common Expenses shall each be one hundred (100%) percent.

#### **1.7 Address for Service. Municipal Address and Mailing Address of the Corporation**

- (a) The Corporation's address for service shall be 50 West Wilmot Street, Richmond Hill, Ontario L4B 1M5 or such other address as the Corporation may by resolution of the Board determine;
- (b) the Corporation's mailing address shall be 50 West Wilmot Street, Richmond Hill, Ontario L4B 1M5 or such other address as the Corporation may by resolution of the Board determine.
- (c) The Corporation's municipal address is 50 West Wilmot St., Richmond Hill, Ontario L4B 1M5

#### **1.8 Architect Engineer Certificates**

The certificate(s) of the architect and/or engineer(s) that all buildings and structures that the declaration and description show are included in the Common Elements and have been constructed in accordance with the regulations is/are contained in Schedule "G" attached hereto.

#### **1.9 Exclusive Use Common Elements**

There are no exclusive use of parts of the Common Elements designated in Schedule "F" attached hereto.

### **ARTICLE II - COMMON EXPENSES**

#### **2.1 Specification of Common Expenses**

Common Expenses means the expenses of the performance of the objects and duties



of the Corporation and such other expenses, costs and sums of money designated as Common Expenses in the Act and this Declaration and without limiting the generality of the foregoing, shall include those expenses set out in Schedules "E" attached hereto.

## **2.2 Payment of Common Expenses**

Each Owner, including the Declarant, shall pay to the Corporation its proportionate share of the Common Expenses, as may be provided for by the By-laws and the assessment and collection of contributions toward Common Expenses may be regulated by the Board pursuant to the By-laws. In addition to the foregoing, any losses, costs or damages incurred by the Corporation by reason of a breach of any provision of this Declaration, or in any Bylaws or rules in force from time to time by any Owner, or by members of its family and/or its respective tenants, invitees or licensees shall be borne and paid for by such Owner and may be recovered by the Corporation against such Owner in the same manner as Common Expenses.

## **2.3 Reserve Fund**

- (a) The Corporation shall establish and maintain one or more Reserve Funds and shall collect from the Owners as part of their contribution towards the Common Expenses, amounts that are reasonably expected to provide sufficient funds for major repair and replacement of Common Elements and assets of the Corporation; and
- (b) No part of the Reserve Fund shall be used except for the purpose for which the funds were established. The Reserve Fund shall constitute an asset of the Corporation and shall not be distributed to any Owner except on termination of the Corporation in accordance with the Act.

## **2.4 Status Certificate**

The Corporation shall, upon request, provide the requesting party with a status certificate and accompanying documentation and information in accordance with the Act. The Corporation shall forthwith provide the Declarant with a status certificate and all such accompanying documentation and information, as may be requested from time to time by or on behalf of the Declarant for any reason whatsoever, all at no charge or fee to the Declarant or the person requesting same on behalf of the Declarant.

## **2.5 Monies Owning**

Monies owing pursuant to this Declaration by the Owner to the Corporation shall bear interest at the prime lending rate of the Corporation's Bank as it may set from time to time plus five percent (5%) compounded monthly until paid, calculated semi-annually, not in advance, or at such other rate or interest as the Board may from time to time establish.

## **2.6 Collection**

All costs, charges and expenses including solicitors' costs, on the basis of costs between a solicitor and the solicitor's own client, incurred by the Corporation in enforcing its rights against an owner, arising from the Act, the Declaration, the By-Laws, the Rules or otherwise, including the costs of bringing an application under Section 134 of the Act, shall be payable by the Owner to the Corporation. All monies, interests and costs payable by an Owner to the Corporation may be collected as additional Common Expense payments and shall be recoverable as such.

# **ARTICLE III - COMMON ELEMENTS**

## **3.1 Use of Common Elements**

Subject to the provisions of the Act, this Declaration, the By-laws and any rules, each Owner has the full use, occupancy and enjoyment of the whole or any parts of the Common Elements for residential purposes only and for uses ancillary thereto, except as herein otherwise provided. Provided that until the sale of all Units and the completion of construction of the Project, the Declarant, its agents and contractors may:

- (i) operation of a model home within a POTL and maintain promotional signage and displays on the Common Elements and on the said POTL;
- (ii) maintain construction trailers or offices on the Common Elements;
- (iii) maintain construction materials on the Common Elements; and
- (iv) have access to the Common Elements to complete construction.

### **3.2 Restricted Access**

Without the consent in writing of the Board, no Owner shall have the right of access to those parts of the Common Elements used from time to time for the care, maintenance or operation of the Property or any part thereof as designated by the Board, from time to time.

### **3.3 Modifications of Common Elements, Assets and Services**

#### **(a) General Prohibition**

No owner shall make any change or alteration to the Common Elements whatsoever, including any installation(s) thereon, nor alter, decorate, renovate, maintain or repair any part of the Common Elements (except for maintaining those parts of the Common Elements which it has a duty to maintain in accordance with the provisions of this Declaration) without obtaining the prior written approval of the Board and having entered into an agreement with the Corporation in accordance with Section 98 of the Act.

#### **(b) Non-Substantial Additions, Alterations and Improvements by the Corporation**

The Corporation may make an addition, alteration, or improvement to the Common Elements, a change in the assets of the Corporation or a change in a service that the Corporation provides to the Owners in accordance with subsections 97(2) and (3) of the Act.

#### **(c) Substantial Additions, Alterations and Improvements by the Corporation**

The Corporation may, by a vote of Owners who own at least sixty-six and two thirds (66 2/3%) percent of the POTLS make a substantial addition, alteration or improvement to the Common Elements, a substantial change in the assets of the Corporation or a substantial change in a service the Corporation provides to the Owners in accordance with subsections 97 (4), (5) and (6) of the Act.

### **3.4 Parking**

Parking shall be permitted only on those parts of the Common Elements designated by the Corporation for parking and as set forth in the Rules. All costs to effect compliance with this provision by any Owner of a POTL may be levied as an additional common expense attributable to such POTL.

## **ARTICLE IV - MAINTENANCE AND REPAIRS**

#### 4.1 Responsibility of Owner

- (a) Each Owner shall be responsible for all damage to the Common Elements, which is caused by the negligence or wilful misconduct of the Owner, its tenants, licensees or invitees, save and except for any such damage for which the cost of repairing same may be recovered under any policy of insurance held by the Corporation.
- (b) Each Owner shall be responsible for the repair, maintenance and replacement costs of the fencing, berming, and retaining walls and acoustical walls on its POTL and at the rear of or at the flankage of the POTL. No owner may substantially change the colour, materials, style, design or type of fences without the prior written consent of the Board.

#### 4.2 Repair and Maintenance by Corporation

The Corporation shall maintain and repair the Common Elements at its own expense. The Corporation shall also maintain and repair all facilities (including without limitation, water mains, storm and sanitary sewers and street lights) which service more than one POTL, whether located within the Common Elements or wholly or partly within a POTL and the Corporation and its designated agents shall have full access to a POTL to carry out its obligation pursuant to this paragraph.

#### 4.3 Snow Clearance by Corporation

The Corporation may pile snow cleared from the Common Elements onto the front or side yards of the POTLS.

### ARTICLE V - INDEMNIFICATION

- 5.1 Each Owner shall indemnify and save harmless the Corporation from and against any loss, costs, damage, injury or liability whatsoever which the Corporation may suffer or incur resulting from or caused by an act or omission of such Owner, its family, guests, visitors or tenants to or with respect to the Common Elements, except for any loss, costs, damages, injury or liability caused by an insured (as defined in any policy or policies of insurance) and insured against by the Corporation. All payments to be made by an Owner pursuant to this Article shall be deemed to be additional contributions toward Common Expenses payable by such Owner and shall be recoverable as such. In the event that any insurance proceeds payable to the Corporation are reduced by the amount of a deductible, and the loss giving rise to such payments was occasioned by the failure, breach, act or omission of an Owner, as set out above, then such Owner shall be liable to the Corporation for the amount of such deductible.

### ARTICLE VI - INSURANCE

#### 6.1 By the Corporation

The Corporation shall obtain and maintain insurance on its own behalf and on behalf of the owners as required or permitted by the Act in such amounts and upon such terms as the Board of Directors may determine from time to time. Every policy of insurance shall insure the interests of the Corporation and the Owners from time to time, as their respective interests may appear

#### 6.2 General Provisions

- (a) The Corporation, its Board and its officers shall have the exclusive right, on behalf of itself and as agents for the Owners, to adjust any loss and settle any claims with respect to all insurance placed by the Corporation, and to give such releases as are required, and any claimant, shall be bound by such adjustment.

- (b) Every mortgagee shall be deemed to have agreed to waive any right to have proceeds of any insurance applied on account of the mortgage where such application would prevent application of the insurance proceeds in satisfaction of an obligation to repair. This subparagraph 6.2(b) shall be read without prejudice to the right of any mortgagee to exercise the right of an Owner to vote or to consent if the mortgage itself contains a provision giving the mortgagee that right;
- (c) A certificate or memorandum of all insurance policies, and endorsements thereto, shall be issued as soon as possible to each Owner, and a duplicate original or certified copy of the policy to each mortgagee who has notified the Corporation of its interest in any POTL. Renewal certificates or certificates of new insurance policies shall be furnished to each Owner and to each mortgagee noted on the records of the Corporation who have requested same. The master policy for any insurance coverage shall be kept by the Corporation in its offices, available for inspection by any Owner or mortgagee on reasonable notice to the Corporation;
- (d) No insured, other than the Corporation, shall be entitled to amend any policy or policies of insurance obtained and maintained by the Corporation. No insured shall be entitled to direct that the loss shall be payable in any manner other than as provided in the Declaration and the Act;
- (e) Where insurance proceeds are received by the Corporation or any other person, they shall be held in trust and applied for the same purposes as are specified otherwise in this Article VI; and
- (f) Prior to obtaining any new policy or policies of insurance and at such other time as the Board may deem advisable and in any event, at least every three (3) years, the Board shall obtain an appraisal from an independent qualified appraiser of the full replacement cost of the assets for the purpose of determining the amount of insurance to be effected and the cost of such appraisal shall be a Common Expense.

### 6.3 By the Owner

It is acknowledged that the foregoing insurance is the only insurance required to be obtained and maintained by the Corporation and that the following insurance should be obtained and maintained by each Owner at such Owner's own risk:

- (a) Insurance on the Owner's POTL and all buildings constructed thereon. Every such policy of insurance shall contain waiver of subrogation against the Corporation, its manager, agents, employees and servants and against the other Owners and any members of their household or guests except for any damage arising from arson, fraud, vehicle impact, vandalism or malicious mischief caused or contributed by any of the aforementioned parties.
- (b) Public liability insurance covering any liability of any Owner or any resident, tenant, invitee or licensee of such Owner, to the extent not covered by any public liability and property damage insurance obtained and maintained by the Corporation.
- (c) Insurance covering the deductible on the Corporation's main policy for which an owner may be responsible.

**ARTICLE VII - GENERAL MATTERS AND ADMINISTRATION**

**7.1 Invalidity**

Each of the provisions of this Declaration shall be deemed independent and severable, and the invalidity or unenforceability in whole or in part of any one or more of such provisions shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration, and in such event all of the other provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been included herein.

**7.2 Waiver**

The failure to take action to enforce any provision contained in the Act, this Declaration, the By-laws or any other rules and regulations of the Corporation, irrespective of the number of violations or breaches which may occur, shall not constitute a waiver of the right to do so thereafter, nor be deemed to abrogate or waive any such provision.

**7.3 Interpretation of Declaration**

This Declaration shall be read with all changes of number and gender required by the context.

**7.4 Headings**

The headings in the body of this Declaration form no part of the Declaration but shall be deemed to be inserted for convenience of reference only.

**IN WITNESS WHEREOF** the Declarant has hereunto executed this Declaration under the hands of its proper officer duly authorized in that behalf.

DATED at Markham this \_\_\_\_ day of \_\_\_\_\_, 2016.

**SUNRISE ACQUISITIONS (HWY 7) INC.**

Per: \_\_\_\_\_  
Sajjad Hussain – ASO

I have authority to bind the Corporation

**SCHEDULE "B"**

**CONSENT**

(under clause 7(2)(b) of the Act)

**CONSENT UNDER CLAUSE 7(2)(b) OF THE ACT**

1. KingSett Mortgage Capital has a registered mortgage within the meaning of clause 7(2)(b) of the *Condominium Act, 1998*, registered at the Land Registry Office for the Land Titles Division of York.
2. KingSett Mortgage Capital hereby consents to the registration of this Declaration pursuant to the *Condominium Act, 1998*, against the land or interests appurtenant to the land as the land and the interests are described in the Description.
3. KingSett Mortgage Capital postpones its mortgage and the interests under it to the Declaration and the easements described in Schedule "A" to the Declaration.
4. KingSett Mortgage Capital is entitled by law to grant this consent and postponement.

DATED at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

KingSett Mortgage Capital

Per: \_\_\_\_\_  
 Name:  
 Title:

Per: \_\_\_\_\_  
 Name:  
 Title:

I/We have authority to bind the Corporation

SCHEDULE "B"

CONSENT TO ATTACHMENT OF A COMMON INTEREST

(under clause 140(c) of the Condominium Act, 1998)

1. KingSett Mortgage Captial has a mortgage registered in the Land Titles Division of against a parcel of land (known as the "Parcel") to which a common interest in a common elements condominium corporation (known as the "Corporation") will attach upon the registration of the attached declaration (known as the "Declaration") dated \_\_\_\_\_ and the description (known as the "Description") creating the Corporation.
2. KingSett Mortgage Captial acknowledges that, upon the registration of this Declaration and Description, the Parcel will become subject to all encumbrances, if any, outstanding against the property described in Schedule "A" to the Declaration.
3. KingSett Mortgage Captial consents to the registration of a notice in the prescribed form indicating that a common interest in the Corporation, as the common interest is set out in Schedule "D" to the Declaration, attaches to the Parcel upon the registration of the Declaration and Description.

DATED at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

KingSett Mortgage Captial

Per: \_\_\_\_\_  
Name:  
Title:

Per: \_\_\_\_\_  
Name:  
Title:

I/We have authority to bind the Corporation

## SPECIFICATION OF COMMON EXPENSES

### (Common Elements Condominium)

Common expenses, without limiting the definition ascribed thereto, shall include the following:

- (a) all sums of money paid or payable by the Corporation in connection with the performance of any of its objects, duties and powers whether such objects, duties and powers are imposed by the Act or this Declaration and By-laws of the Corporation or other law or by agreement;
- (b) all sums of money properly paid by the Corporation on account of any and all public and private suppliers to the Corporation of insurance coverage, utilities and services including, without limiting the generality of the foregoing, levies or charges payable on account of:
  - (i) insurance premiums;
  - (ii) electricity respecting common elements;
  - (iii) maintenance materials, tools and supplies;
  - (iv) snow removal from common element roads and to remove same from the site, if required, and landscaping of common element areas: and
  - (v) utilities (hydro) to service the common elements, including all street lighting.
- (c) all sums of money paid or payable by the Corporation pursuant to any management contract which may be entered into between the Corporation and a manager;
- (d) all sums of money required by the Corporation for the acquisition or retention of real property for the use and enjoyment of the property or for the acquisition, repair, maintenance or replacement of personal property for the use and enjoyment in or about the common elements;
- (e) all sums of money paid or payable by the Corporation to any and all persons, firms, or companies engaged or retained by the Corporation, its duly authorized agents, servants and employees for the purpose of performing any or all of the objects, duties and powers of the Corporation including, without limitation, legal, engineering, accounting, auditing, expert appraising, advising, maintenance, managerial, secretarial or other professional advice and service required by the Corporation;
- (f) the cost of the repair, maintenance, inspection, or replacement of the Common Elements as required from time to time;
- (g) the cost of borrowing money for the carrying out of the objects, duties and powers of the Corporation;
- (h) the fees and disbursements of the Insurance Trustee, if and when required, and of obtaining insurance appraisals;
- (i) the cost of maintaining fidelity bonds as provided by By-law;
- (j) all sums required to be paid to the reserve fund as required by the Declaration or in accordance with the agreed upon annual budget of the Corporation.



**SCHEDULE "F"**  
**EXCLUSIVE USE COMMON ELEMENTS**

There are no exclusive use common elements

DRAFT

**SCHEDULE "G"**

**Form 17**

*Condominium Act, 1998*

CERTIFICATE OF ARCHITECT OR ENGINEER  
(SCHEDULE G TO DECLARATION FOR A COMMON ELEMENTS)  
(under clauses 8 (1) (e) and (h) or clauses 157 (1) (c) and (e) of the *Condominium Act, 1998*)

I certify that:

Each building and structure that the declaration and description show are included in the common elements has been constructed in accordance with the regulations made under the *Condominium Act, 1998*, with respect to the following matters:

- 1,2,3 The declaration and description show that there are no buildings or structures included in the common elements.
4. There are no underground garages.
5. There are no elevating devices as defined in the *Elevating Devices Act*, except for elevating devices contained wholly in a unit and designed for use only within the unit.
6. All installations with respect to the provision of water and sewage services are in place and operable.
7. There are no installations with respect to the provision of heat and ventilation.
8. There are no installations with respect to the provision of air conditioning.
9. All installations with respect to the provision of electricity are in place and operable.
10. There are no indoor and outdoor swimming pools.
11. All facilities and services that the declaration and description show are included in the common elements have been installed and provided in accordance with the requirements of the municipalities in which the land is situated or the requirements of the Minister of Municipal Affairs and Housing, if the land is not situated in a municipality.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
(print name)

Professional Architect/Engineer

**SCHEDULE "H"**

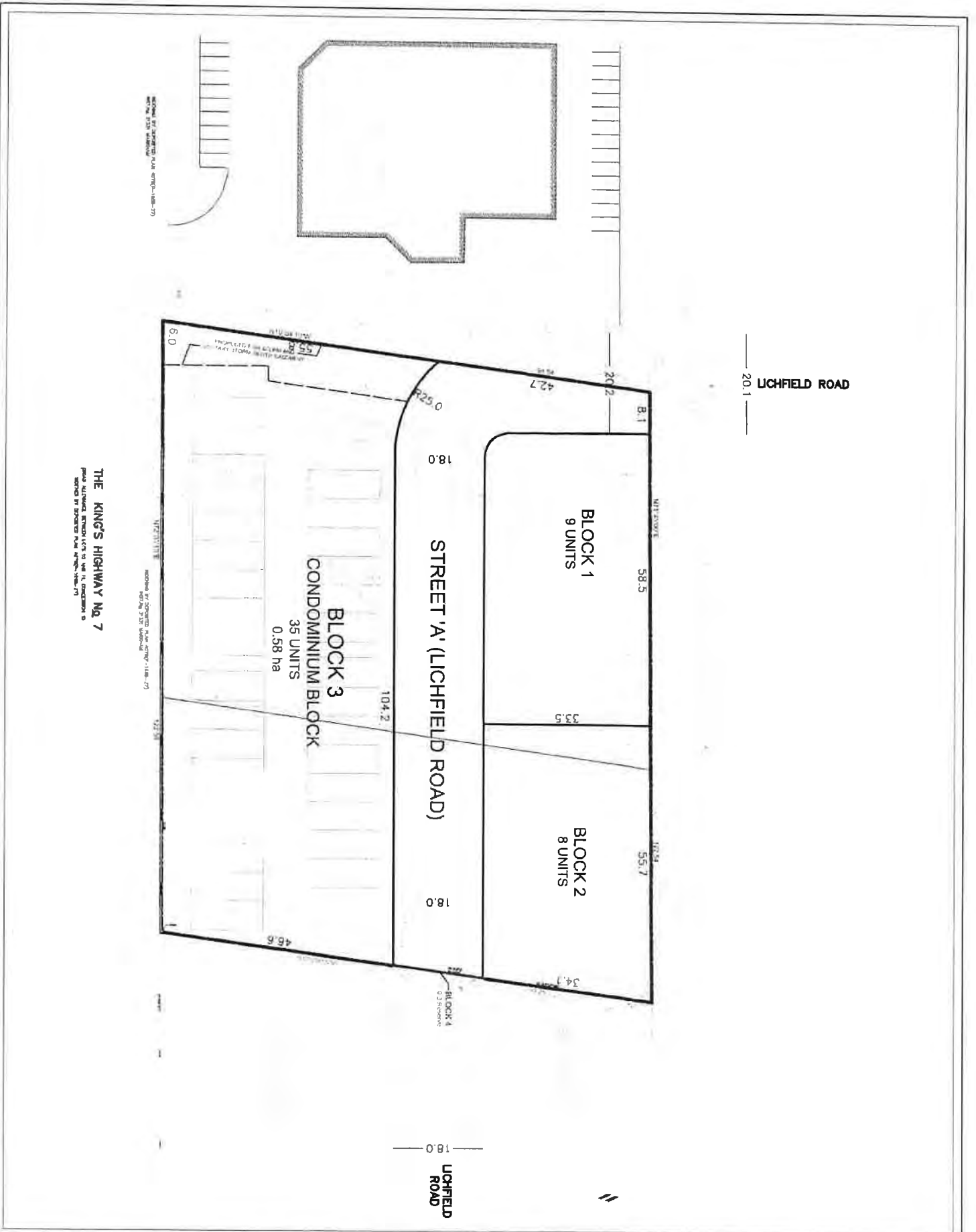
**List of all buildings, structures, facilities and services that are included in the Common Elements:**

**BUILDINGS AND STRUCTURES**

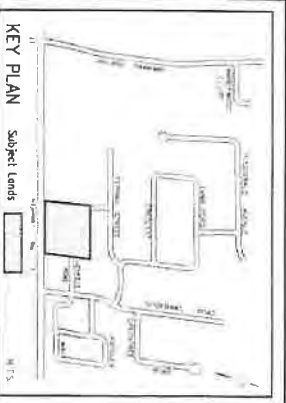
There are no buildings or structures located within the Common Elements of the Corporation.

**FACILITIES AND SERVICES**

1. Storm and sanitary sewers, sump pumps within common areas, catch basins, manholes, water service, main line tee, shut off valves, fire hydrants, or other services or installations under or over the lands, which supply service to the Common Elements of the Corporation formed upon registration of this declaration and description and to more than one POTL.
2. electrical, switch gear, transformers, wires, pipes, valves, meters or other services or installations through, under or over the lands, which supply electrical service to the Common Elements of the Corporation formed upon registration of this declaration and description and to more than one POTL.
3. Street Lighting.
4. Common mail box.
5. Roads and sidewalks and perimeter fencing at edges of roads.
6. Provision of gas service.
7. Provision of telephone conduits.
8. Provision of television and cable conduits.



**THE KING'S HIGHWAY No. 7**  
 FROM ALTERNATE EMBANKMENTS TO THE 11.00000000  
 POINT OF BEGINNING OF THE 11.00000000



**HUMPHRIES PLANNING GROUP INC.**  
 111 WINDERMERE AVENUE, SUITE 100, WILLOWDALE, ONTARIO M2H 1P1  
 PHONE: (416) 491-1111  
 FAX: (416) 491-1112  
 WWW: WWW.HUMPHRIESPG.COM

**OWNER'S CERTIFICATE:**  
 I authorize Humphries Planning Group Inc. to prepare and submit this plan for draft approval.

**SURVEYOR'S CERTIFICATE:**  
 I hereby certify that the boundaries of the lands being subdivided and their correct relationship to the adjoining lots, roads, streets and easements shown on this plan

**ADDITIONAL INFORMATION:**  
 (Section 51(1) of the Planning Act, R.S.O. 1990, G.O. 13, as amended to April 11, 1997)  
 1) - 1/4, 1/2, 3/4, 0/2, 0/4, 0/8 on plan  
 2) - per Registrar  
 3) - paved surface to be installed by developer  
 4) - roads, curbs to be installed by developer  
 5) - other

**DEVELOPMENT STATISTICS:**

Frontal Footprints	1-2	0.37 ha
Condominium Units	1	0.24 ha
Residential Units @ 10m x 250m	35	0.24 ha
<b>TOTAL</b>		<b>1.20 ha</b>

**UNIT BREAKDOWN:**

Frontal Townhouses @ 6.1m (min)	17
Condominium Townhouses @ 5.7m (min)	35
<b>Total Units</b>	<b>52</b>

**DRAFT PLAN OF SUBDIVISION**

**SCALE**  
 1" = 25m  
 0 5 10 25m

**Drawn by:** [Signature]

**Checked by:** [Signature]

**Date:** 2008.08.13

**Scale:** 1:1000

**Sheet No.:** 1 of 1

**Project No.:** 040.184.11.15

**City:** A1





**UNIONVILLAS**  
UPTOWN LIVING IN UNIONVILLE

**BUDGET STATEMENT**  
**FOR THE FIRST YEAR OF OPERATIONS**

**January 2016**



**UNIONVILLAS**  
UPTOWN LIVING IN UNIONVILLE

Budget statement for the common expenses for the year following registration of the declaration and description of the proposed Common Element Condominium corporation at Lichfield Road, Markham, Ontario.

**REVENUE**

Common Element Fees	\$54,578	
<b>TOTAL REVENUE</b>		<b>\$54,578</b>

**ADMINISTRATION**

Management Fees	\$20,340	
Insurance	3,000	
Legal	565	
Audit	3,843	
Office Expenses	500	
<b>TOTAL ADMINISTRATION EXPENSES</b>		<b>\$28,248</b>

**UTILITIES**

Hydro	\$1,200	
<b>TOTAL UTILITIES</b>		<b>\$1,200</b>

**CONSULTING**

Performance Audit	\$6,215	
<b>TOTAL CONSULTING</b>		<b>\$6,215</b>

**CONTRACTS**

Snow Clearing	\$8,000	
<b>TOTAL CONTRACTS</b>		<b>\$8,000</b>

**RESERVE FUND**

Reserve Fund Provision	\$6,961	
Reserve Fund Provision for Reserve Fund Study	3,955	
<b>TOTAL RESERVE FUND</b>		<b>\$10,916</b>

<b>TOTAL EXPENSES</b>		<b>\$54,578</b>
-----------------------	--	-----------------

If registration of the declaration and description occurs after December 31, 2017, then the budget statement shall be read as increased by an inflation rate of 7.5% per annum and compounded annually. The date contained in this clause is not a guarantee that registration will take place on this date.



**UNIONVILLAS**  
 UPTOWN LIVING IN UNIONVILLE

**NOTES TO THE BUDGET**

**I. INDIVIDUAL POTL ASSESSMENT:**

The monthly common element charge for each unit is determined by dividing the total budgeted common element fees attributed to the property by twelve (12) to determine the monthly assessment. This amount is multiplied by the POTL's percentage contribution to common expenses, as shown in Schedule "D" of the proposed declaration, to find the monthly individual common element charges.

**1. Total Monthly Common Element Assessment:**

$$\$54,578 \text{ divided by } 12 = \$4,548.18$$

**2. Monthly Individual Common Element Assessment:**

Individual POTL monthly common element assessments are determined by multiplying the total monthly common element assessment (\$4,548.18) by the percentage contribution to common expenses of each POTL. Please see the Schedule at the back of this Budget Statement for the individual POTL monthly common element assessment.

**II. OPERATING EXPENSES:**

**1. ADMINISTRATION \$28,248**

**a. Management Fees \$20,340**

This covers the cost of the services of a property management company to administer the affairs of the condominium corporation and as detailed in the property management contract included in the Disclosure Statement Package. The contract for the first year is set at \$35.00 per unit per month plus the H.S.T. for part time property management.

**b. Less Declarant Subsidy \$0**

The cost of the Property Management services for the 1st 12 (twelve) months after registration will be paid for by the Declarant at the contracted price of \$0 plus the H.S.T. as stated in the Budget Notes above .

**c. Insurance \$3,000**

This amount covers all insurance costs, including fire (all risk), comprehensive general liability, all major equipment and directors and officers liability coverage, as applicable.

**d. Legal \$565**

Provision has been made for the appointment of independent legal counsel for the Corporation at the discretion of the Board of Directors and to a maximum amount of \$500 plus the H.S.T.

**e. Audit \$3,843**

Section 43(7) of the Condominium Act requires an audit sixty (60) days after the turn over meeting (The Turnover Audit) and Section 67 requires an audit for each fiscal year. This provision is the estimated cost to complete both the audits during the year.





UNIONVILLAS  
UPTOWN LIVING IN UNIONVILLE

## NOTES TO THE BUDGET

- f. Office Expenses \$500

This budgeted amount provides for any office expenses directly related to the operation of the corporation including various office supplies, photocopying, mailings, the annual general meeting, CCI membership, bank charges and other such expenses.

- 2. UTILITIES \$1,200**

- a. Hydro \$1,200

The budget is based on comparable property requirements and the current rates from the PowerStream website of 9.9 cents per kilowatt hour and administrative/distribution charges have been escalated by 3% and compounded annually. The budget includes electricity for the common areas only such as for street lighting etc. Each POTL will be separately metered or check metered and the cost of electricity to the POTL will be the responsibility of the respective POTL owner and will not form part of the common expenses. Should the rates for hydro at time of registration be greater than 10.5 cents per kilowatt hour or the administrative/distribution charges have increased from current charges, then the budget will be adjusted accordingly to reflect the rates at the time of registration.

- 3. CONSULTING \$6,215**

- a. Performance Audit \$6,215

The cost of the engineering study, to be conducted by the Declarant Board of Directors, to examine the common element areas and to file with the Tarion Warranty Program during the first year. This is a one time expense.

The Declarant shall arrange for an Agreement on behalf of the Corporation with an independent engineering consultant to prepare a Performance Audit within one (1) year immediately following registration of the Declaration and the Description. The Performance Audit shall be conducted by professional consulting engineers who shall make a thorough examination of the common element areas and assess the as-constructed condition of the various systems and components of the common element areas in order to provide the corporation with a report on the common element areas which will assist the corporation in assessing repair and maintenance requirements and in preserving any rights which the corporation may have under the Ontario New Home Warranties Plan Act. The Declarant has negotiated a price for the Performance Audit (the "Contracted Price") which has been included in the Budget as a first year expense of the corporation.

The Corporation is not restricted to the consulting engineers for the Performance Audit being prepared as set out herein. However, in the event that the corporation retains an alternate and/or additional consulting engineer to undertake the Performance Audit, at a higher cost than the Contracted Price negotiated by the Declarant then, the Declarant shall only be responsible for the amount of the Contracted Price, pursuant to Section 75 of the Condominium Act, and any expenses in excess of this stated amount shall be the sole responsibility of the condominium corporation.



UNIONVILLAS  
UPTOWN LIVING IN UNIONVILLE

## NOTES TO THE BUDGET

<b>4. CONTRACTS</b>	<b>\$8,000</b>
<ul style="list-style-type: none"> <li>a. Snow Clearing</li> </ul>	\$8,000
<p>Provision to clear snow and ice from Common Element roadway(s) in the winter, including the cost of sand and ice melting salt substitute. The provision does not include snow clearing from the front of walkways, stairs and driveways as applicable, or with in any POTL. As such, snow clearing within each POTL will be the responsibility of POTL owner.</p>	
<b>III. CONTRIBUTION TO THE RESERVE FUND</b>	<b>\$10,916</b>
<ul style="list-style-type: none"> <li>a. Reserve Fund Provision</li> </ul>	\$6,961
<p>The Condominium Act 1998 of Ontario defines the reserve fund as a fund set up by the corporation in a special account for the major repair and replacement of common elements and assets of the corporation. The provision is calculated at 25%, including the cost of the reserve fund study, of the estimated operating expenses. Future allocations will be dictated by the reserve fund study, to be completed in the first year after registration.</p>	
<ul style="list-style-type: none"> <li>b. Reserve Fund Provision for Reserve Fund Study</li> </ul>	\$3,955
<p>The Condominium Act of Ontario (Section 94 (4)) requires every condominium corporation to establish a reserve fund based on a study to be conducted in the first year after registration. Section 94(7) allows for the reserve fund study to be expensed from the reserve fund.</p>	
<b>IV. GENERAL NOTES TO THE BUDGET</b>	
<ul style="list-style-type: none"> <li>a. The total common expenses of this proposed Condominium Corporation, including the provision to the reserve fund is \$54,578 as shown on the Budget Statement.</li> <li>b. The cost of each expense item is shown on the Budget Statement. The cost of the Reserve Fund Study is \$3,500 plus H.S.T.; the cost of the Performance Audit is \$5,500 plus H.S.T.; the cost of both the turn over and year end financial audits is \$3,401 plus H.S.T.</li> <li>c. The cost, type, level and frequency of services is detailed in the notes above.</li> <li>e. As stated in the notes above, 25% of the operating expenses will be paid into the reserve fund account. The provision is \$10,916.</li> <li>f. At the time of preparation of the Budget Statement, January 2016, there are no judgments, with respect to the property, against the Declarant nor is the Declarant Corporation a party to any lawsuit material to the within property.</li> <li>g. There are no services not included in the foregoing Budget that the Declarant provides, or expenses that the Declarant pays and that might reasonably be expected to become, at a subsequent time, a common expense prior to the turn-over meeting.</li> <li>h. There are no services not included in the foregoing Budget that the Declarant provides, or expenses that the Declarant pays and that might reasonably be expected to become, at a subsequent time, a common expense.</li> </ul>	



UNIONVILLAS  
UPTOWN LIVING IN UNIONVILLE

## NOTES TO THE BUDGET

- i. As at the date of the foregoing Budget, the Condominium Corporation has not been created and accordingly, there are no amounts in the Reserve Fund. At the end of the first year after registration, there should be \$6,960.64 in the reserve fund account.
- j. As at the date of the foregoing Budget, January 2016, the Condominium Corporation has not been created and accordingly, there is no reserve fund study. As stated in the Notes above, the reserve fund study will be completed after registration by an independent engineer.
- k. The Harmonized Sales Tax is included in all applicable expense items on the Budget Statement.
- l. There are no current or expected fees, charges, rents or other revenue to be paid to or by the Corporation or by any of the owners for the use of the common elements or other facilities related to the property.
- m. Inflation rate of 7.5% is to be applied per annum (unless otherwise stated) each year after December 31, 2017. Provided however, that due to the significant fluctuation in gas, hydro and water utility rates recently, in respect to which the Declarant has no control, in the event that the relevant utility company/provider obtains relevant government approval for, or in any other way effects a significant annual increase in the utility rates above the assumed inflation rate of 3%, the Declarant reserves the right to revise the first year budget statement to reflect such significant increase in the cost of supplying these utilities from the relevant utility company/provider, and to provide each unit purchaser with a revised copy of the condominium Corporation's first year budget statement. In such event, purchasers acknowledge and agree that they shall be bound by such revised budget, and the acceptance of such revised budget should not be considered nor be construed as a material change to the Disclosure Statement.
- n. The Declaration contains a provision whereby during the first year following registration of the Declaration, the Declarant shall not be required to contribute to the payment of common expenses for a POTL until the registration of a Transfer of title from the Declarant for such POTL. Purchasers acknowledge that this may give rise to a deficit in the Budget for the first year following registration of the Declaration, however, the Purchaser acknowledges that the Declarant is responsible for any deficit in accordance with the provisions of Section 75 of the Act. In order to offset any such deficit, the Declarant will provide certain services set out in the Budget, as it determines, in its sole discretion, during the first year following registration of the Declaration, in order to reduce certain actual expenses to be incurred by the Corporation.



## MONTHLY COMMON ELEMENT FEES

POTL NO.	POTL DESCRIPTION	MONTHLY COMMON ELEMENT FEES BY POTL
1	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 1 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
2	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 2 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
3	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 3 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
4	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 4 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
5	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 5 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
6	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 6 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
7	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 7 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
8	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 8 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
9	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 9 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
10	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 10 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
11	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 11 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
12	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 12 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
13	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 13 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
14	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 14 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
15	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 15 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95



UNIONVILLAS  
UPTOWN LIVING IN UNIONVILLE

## MONTHLY COMMON ELEMENT FEES

POTL NO.	POTL DESCRIPTION	MONTHLY COMMON ELEMENT FEES BY POTL
16	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 16 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
17	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 17 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
18	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 18 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
19	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 19 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
20	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 20 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
21	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 21 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
22	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 22 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
23	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 23 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
24	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 24 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
25	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 25 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
26	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 26 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
27	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 27 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
28	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
29	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
30	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95



UNIONVILLAS  
UPTOWN LIVING IN UNIONVILLE

## MONTHLY COMMON ELEMENT FEES

POTL NO.	POTL DESCRIPTION	MONTHLY COMMON ELEMENT FEES BY POTL
31	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
32	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
33	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
34	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
35	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
	<b>TOTAL</b>	<b>\$4,548.18</b>



**AGREEMENT OF PURCHASE AND SALE**

**1. PARTIES, REAL PROPERTY AND PRICE**

In this Agreement, the following terms have the following meanings:

- (a) "Vendor" means SUNRISE ACQUISITIONS (HWY 7) INC.
- (b) "Purchaser" means Purchaser 1: Mahvesh Hussain (D.O.B.) 1979/06/13
- (c) Purchaser 2: \_\_\_\_\_ (D.O.B.) \_\_\_\_\_  
 (Address) 24 Sutherland Drive, Toronto, ON, M4G 1G8  
 (Home No.) 416-399-2869 (Business No.) \_\_\_\_\_ (Fax No.) \_\_\_\_\_  
 (Email Address) mahveshh@yahoo.com
- (d) "Real Property" means the Land and the Dwelling.
- (e) "Land" means Lot 48 on a draft plan of subdivision, Town of Markham, as shown on Schedule "B" attached hereto.
- (f) "Dwelling" or "House" are used interchangeably and means the townhouse to be constructed on the Land pursuant to this Agreement.  
 Model & Elevation: RT-2, U23
- (g) "Purchase Price" means Nine Hundred and Fifty Thousand Dollars  
 (\$ 950,000.00 )
- (g) "Deposit": Five Hundred Thousand Dollars (\$ 500,000.00 )  
 ("Initial Deposit") paid to the Vendor forthwith, pending completion or other termination of this Agreement to be credited against the Purchase Price on Closing, plus such further deposits as are set out below:

<u>No.</u>	<u>Deposit Amount</u>	<u>Due Date</u>
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____

The Purchaser shall deliver to the Vendor at the time of executing this Agreement post-dated cheques for the further deposit amount referred to above along with the cheque for the Initial Deposit.

- (h) "Closing Date" or "Closing" means March 29 , 2019, being the date set forth as the First Tentative Closing Date on the Statement of Critical Dates included as part of the Addendum to Agreement of Purchase and Sale – Delayed Closing Warranty, which is attached hereto and incorporated herein as Schedule "D", as such date may be extended and/or advanced pursuant to the terms of this Agreement and said Addendum.
- (i) "Developer" means any predecessor or present registered owner on title to the Land who has entered obligations for subdivision and/or servicing of the Land.
- (j) "Municipality" means any municipal corporation or other government authority, whether local, regional, or provincial having jurisdiction over the Real Property.
- (k) "Agent" means \_\_\_\_\_ Corporation.

INITIAL (Purchaser)   *mh*   (Vendor)   *al*



## 2. OFFER

The Purchaser hereby offers to purchase the Real Property from the Vendor on the terms and conditions contained in this Agreement for the Purchase Price payable as follows:

- (a) By payment of the Deposit to the Vendor; and
- (b) By payment of the balance of the Purchase Price to the Vendor on Closing, subject to the adjustments set out in Section 7 hereof and in this Agreement.

## 3. PLANNING STATUS

The Land is currently within a draft plan of subdivision for which draft approval has been issued.

## 4. CONDITIONS

The Purchaser hereby acknowledges and agrees that the completion of this Agreement is conditional upon the following:

- (a) Compliance with the provisions of the Planning Act (Ontario), as amended or restated from time to time, on or before the Closing Date;
- (b) Approval of the subdivision agreement and site plan by the Municipality;
- (c) Vendor being satisfied, in its sole and absolute discretion, that the Purchaser has the financial resources to complete the transaction, as further set out in Schedule "C" attached hereto; and
- (d) The Early Termination Conditions if any, set out separately and attached to the Tarion Addendum attached hereto as Schedule "D".

## 5. ONTARIO NEW HOME WARRANTIES PROGRAM

The Ontario New Home Warranties Plan registration number for the Vendor is 40310 and the enrolment number for the Dwelling is \_\_\_\_\_, (if available).

## 6. BUILDER

For further information about this Agreement, the Vendor may be contacted at telephone no. (905) 597-3333, fax no. (905) 597-3334.

## 7. ADJUSTMENTS

The Purchase Price shall be increased or adjusted as of Closing by the following:

- (a) the enrolment fee required pursuant to the Tarion Warranty Program and costs or fees paid or payable by the Vendor with respect to the issuance of any security to or with the Program or any excess deposit insurance the Vendor may elect to obtain;
- (b) realty taxes, adjusted on the Vendor's reasonable estimate as though the Dwelling were fully completed, the Real Property separately assessed and the taxes paid. The Purchaser is advised that the Municipality may issue a realty tax bill for supplementary assessment following Closing, which taxes may be in addition to those adjusted with the Vendor and shall be the responsibility of the Purchaser. In addition, the Purchaser shall lodge with the Vendor a deposit of \$2,000.00, to be held by the Vendor as security for compliance by the Purchaser of its obligations to pay realty taxes after Closing. The said security deposit, if not utilized by the Vendor, shall be returned to the Purchaser within six (6) months after the Land has been assessed and entered on the collector's roll according to the registered plan of subdivision;
- (c) all additional or increased charges and levies imposed or assessed in connection with the development of the Land by any municipal, regional or other governmental authorities at the time the Vendor is required to pay same in excess of the charges and levies imposed or assessed by such governmental authorities relating to the development of the Land as of the date of this Agreement;
- (d) an amount equal to the unused portion of any insurance premium relating to the Real Property where the policy has been arranged by the Vendor and is to be assumed by the Purchaser;

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- (e) any prepaid expenses such as gas, hydro, water or other utilities;
- (f) any charges for the connection or energization of gas, hydro, water or other utilities;
- (g) any charges relating to the installation of meters used to measure the consumption rate of gas, hydro, water or other utilities;
- (h) any extras ordered by the Purchaser (and not yet paid);
- (i) in the event that the Purchaser arranges mortgage financing with the financial institution recommended by the Vendor (the "Lender"), all legal fees and disbursements charged by the Lender's solicitor relating to such mortgage loan transaction;
- (j) interest adjustment on any Vendor-take-back financing, if any;
- (k) any other usual adjustments;
- (l) an adjustment in favour of the Vendor for that portion of the HST to be paid by the Purchaser pursuant to this Agreement, if any;
- (m) a \$250.00 administration fee shall be charged to the Purchaser for any cheque which is returned "N.S.F." or on which a "stop-payment" has been ordered;
- (n) the charge imposed by the Law Society of Upper Canada upon the Vendor or its solicitor with respect to this transaction;
- (o) driveway paving charge in the amount of \$2,185.00 for a two car garage driveway and \$1,645.00 for a one car garage driveway, plus HST thereon;
- (p) \$1,995.00 with respect to landscaping, which does not include any charge for the cost of any street tree (which may be required to be planted by the Vendor and/or the Developer in accordance with the subdivision agreement or requirements of the Municipality); and
- (q) The cost of supplying recycling contained to the Purchaser as required by the Subdivision Agreement.

The Closing Date itself shall be apportioned to the Purchaser. The parties agree to readjust any of the items referred to above, if necessary, after Closing. If there are chattels involved in this transaction, the allocation of value to such chattels shall be estimated where necessary by the Vendor and retail sales tax may be collected by the Vendor from the Purchaser and remitted by the Vendor to the appropriate taxing authority.

## **8. CONSTRUCTION**

The Purchaser acknowledges and agrees that the Vendor may from time to time, in its discretion or as required by any governmental authority or the Developer, change, vary or modify the plans, colours, materials, equipment and specifications pertaining to the Dwelling (including architectural, structural, landscaping, grading, mechanical or other plans) from the plans and specifications existing at the time the Purchaser entered into this Agreement or as same may be illustrated in any sales brochures, models or otherwise. With respect to any aspect of construction, finishing or equipment, the Vendor shall have the right, without the Purchaser's consent, to make any necessary changes to the plans and to substitute materials or equipment for those described in this Agreement or in the plans or specifications, provided the substituted materials or equipment are of equal or better quality, or if substituted materials or equipment (whether sold by sample or otherwise) is of lesser quality, the Vendor will reimburse the Purchaser for the difference in cost between the substituted material or equipment, and the material or equipment described in this Agreement. The Purchaser hereby consents to any such changes, modifications and/or substitutions and agrees to complete the transaction of purchase and sale notwithstanding same. All work will be performed in a workmanlike manner and in compliance with the Ontario Building Code.

Without limiting the generality of the foregoing, the Purchaser acknowledges and agrees as follows:

- (a) The Vendor shall have the right to construct the reverse mirror image of the Dwelling, including reversal of the garage siting and reversal of the interior floor plan layout, without notice to the Purchaser and without compensation or abatement to the Purchase Price.

INITIAL (Purchaser)



(Vendor)



- (b) As of the date of this Agreement, the final site plan relating to the Land showing the actual siting of the Dwelling on the Land may not have been completed by the Vendor or approved by the Municipality. Consequently, the Purchaser acknowledges and agrees that the Vendor shall have the right to construct the Dwelling on the Land in a location or angle different than as depicted in any sales brochures, renderings and other plans and specifications reviewed by the Purchaser at the time of entering into this Agreement, without notice to the Purchaser and without compensation or abatement to the Purchase Price.
- (c) The Purchaser hereby acknowledges that, as of the date of this Agreement, final grading plans relating to the Land may not have been completed by the Vendor or approved by the Municipality. Consequently, the Purchaser acknowledges and agrees that the Vendor shall have the right to construct the Dwelling at a grade level different than as depicted in any sales brochures, renderings and other plans and specifications reviewed by the Purchaser at the time of entering into this Agreement, without notice to the Purchaser and without compensation or abatement to the Purchase Price.
- (d) In the event that this Agreement calls for the construction of a walkout basement and such is not possible pursuant to final approved grading, engineering and/or site plans, the Purchaser shall accept a credit to the Purchase Price in lieu thereof. If this Agreement does not call for a walkout basement and such is required by the Municipality pursuant to final approved grading, engineering and/or site plans, the Purchase Price shall be increased by the cost of constructing a walkout basement. The amount of the credit to the Purchase Price or the additional cost of constructing the walkout basement shall be determined by the Vendor in its sole and absolute discretion acting reasonably.
- (e) In the event that the Dwelling is constructed at a grade level different than as depicted in any sales brochures, renderings and other plans and specifications reviewed by the Purchaser at the time of entering into this Agreement necessitating a step or series of steps to the front door, side door, rear door or any other door of the Dwelling, the Purchaser hereby irrevocably agrees to accept such change without notice, without any right of abatement to the Purchase Price and in full satisfaction of the Vendor's obligations with respect to the construction of the Dwelling.
- (f) The Purchaser acknowledges that the dimensions of the Real Property as shown in any brochures or other materials are approximate only and the dimensions of the dwelling are also approximate. In the event that the frontage, depth or area of the Real Property is varied by up to and including 5% from the specifications set out in this Agreement, the Purchaser acknowledges and agrees to accept all such variations without notice and without a claim for compensation or abatement to the Purchase Price.
- (g) As of the date of this Agreement, the final grading plan relating to the Land may not have been completed by the Vendor or approved by the Municipality. Consequently, the Purchaser acknowledges and agrees that the grading of the Land may require the use of retaining walls on the Land or on adjoining properties. The Purchaser acknowledges and agrees that the Vendor shall have the right to construct such retaining walls without notice to the Purchaser and without compensation or abatement to the Purchase Price. In addition, the Purchaser acknowledges and agrees that the Vendor may construct any fences and/or berms on or near the Lands, as may be required.
- (h) The Purchaser acknowledges that the subdivision agreement between the Developer and the Municipality may require the Vendor to provide the Purchaser with certain notices, including, but not limited to, notice regarding land usage, maintenance of municipal fencing, school transportation, postal delivery to a community mail box, public transit and transit stops, noise level and noise level from adjacent roadways. Without limiting the generality of the foregoing, the Purchaser acknowledges that a YRT/Viva standing area/shelter pad will be constructed adjacent to the Land on the north side of Highway 7. Purchaser further acknowledges that despite the inclusion of noise attenuation features within the development area and within the individual Dwellings, noise levels will continue to increase, occasionally interfering with some activities of the occupants of the Dwelling. The Purchaser agrees to be bound by the content of any such notice and covenants to execute forthwith upon request an acknowledgement containing the notices if and when required to do so by the Vendor, the Municipality and/or the Developer. The Purchaser further acknowledges being advised that title to the Land may require maintenance, easements and/or encroachments/easements. The Purchaser further covenants and agrees to obtain a similar covenant in favour of the Vendor and developer from any person purchasing from the Purchaser and shall cause such covenant to run with the Land.

INITIAL (Purchaser)



(Vendor)



The Purchaser shall not have the right to enter the Real Property prior to Closing unless accompanied by a representative of the Vendor.

The Purchase Price shall include those items listed on Schedule "A". The Purchaser acknowledges that the furnishings, decor, finishes, equipment, fixtures, improvements and samples which may be displayed in any model suite or any sales office or in any brochures are for display purposes only and are not included in the Purchase Price unless specified in Schedule "A". The Purchaser acknowledges that the appliances for the Dwelling are not included in the Purchase Price unless specified in Schedule "A". The Purchaser hereby agrees to make any selection of any finishing items from the Vendor's available samples within seven (7) days after notice has been given by the Vendor to the Purchaser requesting the Purchaser to make selections from the available samples. If any such items are unavailable to the Vendor or the acquisition thereof by the Vendor may result in a delay in the construction of the Dwelling or any other unit in this project, then on seven (7) days notice from the Vendor the Purchaser shall re-attend at the Vendor's office and make a selection from the Vendor's available substitute finishing items. If the Purchaser fails to make selections following notice for the Vendor, then the Vendor shall be entitled to select such finishing items and the Purchaser hereby agrees that such selections made by the Vendor shall be binding on the Purchaser. The Purchaser acknowledges that variations from the Vendor's samples may occur in kitchen cabinets, vanity cabinets, floor finishes, wall finishes and other finishing materials as a result of normal production processes. The Purchaser acknowledges and agrees that where adjoining rooms are finished in different materials there may be a difference in elevation between the rooms and the Vendor may, at its discretion, install a threshold as a method of finishing the connection between the adjoining rooms.

The Purchaser acknowledges and agrees that the hot water heater tank may be rented. In such event, the hot water heater tank shall remain the property of the applicable utility company and shall not be or become a fixture and/or part of the Dwelling. Further, in such event, the Purchaser agrees to execute a rental contract as may be required by the applicable utility company with respect to the hot water heater and tank.

The Purchaser acknowledges and agrees that the Purchaser shall pay for all extras in full at the time of selection unless the Vendor otherwise agrees in writing. The Purchaser acknowledges that such payment shall not be refunded if this transaction is not completed as a result of a breach of contract by the Purchaser. If any extra is omitted, then the Purchaser shall be credited with the amount that the Purchaser was charged for it and this credit shall be the limit of the Vendor's liability.

The Purchaser acknowledges and agrees that if due to grading or other requirements, as determined by the Vendor, at its sole discretion, the Vendor determines, at its sole discretion, that it cannot or will not to build a side door and/or door to the garage, the Vendor need not build such door(s) and the Purchaser covenants and agrees to accept the Dwelling without such door(s), at reduction in the Purchase Price.

**9. (a) COMPLETION**

For the purposes of Closing, the Dwelling shall be deemed to be completed when all interior work has been substantially completed so that the Dwelling may be occupied, notwithstanding that there remains interior or exterior work to be completed including, but not limited to, painting, driveway paving, grading, sodding and landscaping. There shall be no holdback or deduction on Closing for uncompleted work. If required, the Purchaser shall be responsible to obtain confirmation of allowable occupancy and, if available a copy of any occupancy certificate from the Municipality, and otherwise as may be required as set out in Schedule "D".

**(b) COMPLETION INSPECTION**

The Vendor agrees to make available and the Purchaser agrees to meet a representative of the Vendor prior to Closing, during normal working hours, to inspect the Dwelling and verify that the Dwelling has been completed in accordance with the provisions of this Agreement. If there is any deficient or uncompleted work remaining at the time of inspection, such items shall be listed on the Certificate of Completion and Possession required to be completed pursuant to the provisions of the Ontario New Home Warranty Program. This Certificate when executed by the Vendor and Purchaser, together with the warranty itself under the Ontario New Home Warranty Program, shall constitute the Vendor's only undertaking to remedy or complete the Dwelling and the Vendor's only warranty with respect to the Real Property. Such work will be performed as soon as is reasonably possible, as determined by the Vendor.

**10. EXTENSION AND ADVANCEMENT OF THE CLOSING DATE**

This transaction of purchase and sale shall be completed on the Closing Date or any earlier or later date as may be permitted under this Agreement and as set out on Schedule "D", at which time vacant possession of the Dwelling will be given to the Purchaser.

INITIAL (Purchaser)



(Vendor)





## 11. TITLE

On the Closing Date, the parties hereby acknowledge and agree that title to the Real Property shall be good and free from encumbrances except that it may be subject to subdivision servicing agreement, site plan agreement, housekeeping agreement, financial and/or security agreement, or other agreements, covenants and restrictions (which restrictions may include the power to waive or vary), encroachments from or on adjoining lands (including, without limitation, eaves, roofs, attachments to roofs), easements, licenses and rights required by the Vendor, Developer, adjoining landowners, Municipality or other authorities, including utilities, catch basins, transformers, poles, fences, hydrants and berms, all of which the Purchaser shall accept provided there does not exist default under any and provided that the Purchaser's use of the Real Property for residential purposes is permitted, or provided the Real Property is an insurable title. The Purchaser shall satisfy himself or herself as to compliance with such matters. Title may also be subject to easements for maintenance or encroachments required for adjoining properties. If any of the foregoing easements, restrictions or rights are required to be created after Closing, the Purchaser shall execute any documents needed. The Purchaser further acknowledges and agrees that title shall also be subject to the rights of re-entry referred to in paragraphs 15, 28 and 29 and these rights as well as any of the above may be contained in the transfer delivered to the Purchaser, and/or the Purchaser shall execute and provide the Vendor with any documents and/or agreements required by the Vendor.

The Purchaser shall be allowed until 30 days before the Closing Date to examine title to the Real Property at his or her own expense and if, within that time, any valid objection to title is made in writing to the Vendor, which the Vendor is unable or unwilling to remove and which the Purchaser will not waive, this Agreement shall be terminated and the Deposit shall be returned without interest or deduction and the Vendor shall not be liable for any damages or costs whatever. Save as to any valid objections so made within such time or going to the root of title, the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Real Property. The Vendor shall provide the Purchaser with its standard undertaking and statutory declaration, and need not sign nor provide any other documents, nor need the Vendor's solicitor reply to any requisition from the Purchaser's solicitor that is otherwise addressed in this Agreement, the Vendor's documents or is otherwise not applicable.

The Vendor shall provide a survey of the Real Property on or before Closing.

The Purchaser acknowledges that the Vendor may have agreed to acquire registered title to the Real Property from the Developer on terms set forth in a separate agreement. The Purchaser agrees to accept a transfer of the Real Property as directed by the Vendor and the Purchaser agrees to provide and execute and deliver on Closing, whatever indemnities, releases, assurances and other documentation that may be required by the Vendor in order to transfer title as aforesaid.

## 12. PRIOR MORTGAGES

Title to the Land may be encumbered by mortgages or other loan security (whether to a bank, non-institutional lender, "private" lender or any other party) not to be assumed by the Purchaser on Closing. The Purchaser agrees to complete the transaction notwithstanding any such mortgage or other security and to accept the Vendor's undertaking to obtain and register complete or partial discharges of such mortgages as soon as reasonably possible after Closing, as determined by the Vendor in accordance with its building and sales program.

Notwithstanding anything herein contained and notwithstanding the provisions of the *Land Titles Act* of Ontario, and any amendments thereto or any successor legislation, where any mortgages, charges or debentures are registered on title and where discharges, cessations, partial discharges or partial cessations thereof are tendered for registration in the appropriate Land Titles Office, such mortgages, charges, or debenture shall be deemed to be discharged for all purposes once the discharges, cessations, partial discharges or partial cessations have been accepted for registration, notwithstanding that the Parcel Register has not been signed to reflect such registration and notwithstanding any statutory terms to the contrary as contained in the Land Titles Act of Ontario, as amended, and any successor legislation.

## 13. RISK

The Dwelling shall remain at the Vendor's risk until Closing.

## 14. TRANSFER AND CLOSING

The transfer/deed of land shall be prepared by the Vendor's solicitors and shall be registered on Closing by the Purchaser, at the Purchaser's expense. The Purchaser agrees to advise the Vendor's solicitors, at least 30 days prior to the Closing Date, (or such earlier time if so required by the Vendor) as to how the Purchaser will take title to the Real Property and of the birth dates of all parties taking title to the Real Property, failing which the Vendor may insert the Purchaser(s) name(s) set out herein.

INITIAL (Purchaser)



(Vendor)



The Purchaser agrees that keys may be released to the Purchaser at the construction site upon completion of this transaction or at the Registry Office, at the Vendor's option. The Purchaser agrees that the Vendor's solicitor's advice that keys are available for release to the Purchaser shall constitute a valid tender of keys on the Purchaser.

If the transaction is completed by electronic registration the Vendor's solicitor shall not be required to release the Transfer until it is in receipt of all closing certified funds. In addition, the Purchaser shall be required to reimburse the Vendor or the Vendor's solicitor directly, the amount of \$250.00, plus HST thereon, with respect to the Vendor's solicitor's fee pertaining to such electronic registration procedure.

#### 15. AFTER CLOSING

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

The Purchaser agrees not to alter the grading or drainage pattern of the Land in any way and shall not construct any fences, pools, patios, sheds, decks or similar structures prior to final grading approval by the Municipality, without the Vendor's consent. Some settlement of the Land and/or Dwelling is to be expected and the Purchaser shall repair minor settlement at its own expense.

The Purchaser agrees not to finish the whole or any part of the basement of the Dwelling for a period of twenty-four months after the Closing Date. The Purchaser hereby releases the Vendor from any liability whatsoever in respect of damage to basement improvements and for chattels stored in basement resulting from any water seepage through the foundation walls or rupture, back-up, leakage or other malfunction or defect of the plumbing, storm or sanitary sewer or drainage systems.

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

The Purchaser acknowledges and agrees that the provisions of this section and all of the Purchaser's representations, covenants and obligation in the Agreement shall not merge and shall survive the closing of this transaction. The Purchaser agrees to sign all documentation required by the Vendor and deliver same on closing in order to give effect to the foregoing.

#### 16. LIMITATION

The rights, remedies and recourses of the Purchaser in connection with this Agreement are limited to the Vendor, notwithstanding that Vendor may be, or deemed to be by law, acting as an agent or otherwise on behalf of some other person, firm or corporation and the Purchaser hereby agrees that with respect to this Agreement it shall not have any rights, remedies or recourses against such other person, firm or corporation, at law or otherwise.

#### 17. NON ASSIGNABLE

The Purchaser covenants and agrees not to advertise for sale, list for sale, offer for sale, sell or enter into any other agreement, conditional or otherwise, to sell the Real Property or assign the Purchaser's interest in this Agreement to any person without the prior written consent of the Vendor which may be unreasonably or arbitrarily withheld. Any offering for sale, assignment, sale or other disposition of the Purchaser's interest in the Real Property or this Agreement shall constitute a breach of this covenant which shall, at the Vendor's sole option, entitle the Vendor to terminate this Agreement, in which event, the Vendor shall be entitled to retain the Deposit and all other amounts paid by the Purchaser to the Vendor hereunder as liquidated damages and not as a penalty (in addition to any other remedy available to it) and the Purchaser shall have no further interest in the Real Property or this Agreement.

#### 18. TENDER

The Purchaser waives personal tender and agrees that failing other mutually acceptable arrangements, tender may be validly made by the Vendor if the Vendor attends at the Registry Office in which title to the Real Property is recorded, at 12:00 noon on the Closing Date and remains there until 12:30 p.m., or at any other time of which the Vendor's solicitor notifies the Purchaser's solicitor on said date for ½ hour, and is ready, willing and able to complete this transaction. Alternatively, a tender may be validly and effectively made on the solicitor for the Purchaser, either personally or by facsimile. The Purchaser agrees that payment must be made or tendered by bank draft or certified cheque. Mortgages not being assumed by the Purchaser need not be paid by the Vendor, only arrangements to do so in case the Purchaser should complete the transaction. Notwithstanding the foregoing, in the event that the Purchaser or his solicitor

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indicates or expresses to the Vendor or its solicitor, either verbally or in writing, on or before the Closing Date, that the Purchaser is unable or unwilling to complete this purchase transaction, the Vendor shall be relieved of any obligation to make any formal tender on the Purchaser or his solicitor and the Vendor may exercise forthwith any and all of its rights and remedies provided for in this Agreement and at law.

In the event that an electronic registration system (the "System") under part III of the *Land Registration Reform Act*, R.S.O. 1990 c. L. 4, as amended, is operative in the applicable Land Titles Office in which the Land is registered, then the Purchaser agrees to do all things necessary and as may be requested or required by the Vendor or its solicitor to complete this transaction using the System. The Purchaser acknowledges that: (i) the System is an electronic, paperless land registration System that no longer relies on signatures for such documents as a transfer/deed of land; (ii) he will not be entitled to receive the transfer/deed or land unless the balance due on closing in accordance with the Vendor's statement of adjustments is in the hands of the Vendor's solicitors (either by personal delivery or electronic funds transfer) at least one business day before the Closing Date; and (iii) the delivery and exchange of documents and money governed by the Registration Agreement (as hereinafter defined).

Where the System is operative, it will therefore be necessary for the Purchaser and the Purchaser agrees: (i) to use a lawyer authorized to use the System and who is in good standing with the Law Society of Upper Canada; (ii) to authorize and direct such lawyer to enter into the Vendor's solicitors standard form of escrow closing agreement (the "Registration Agreement") which will establish the procedures for closing the transaction; and (iii) that if the Purchaser's lawyer is unwilling or unable to complete this transaction under the System, then the Purchaser's lawyer must attend at the Vendor's solicitor's office at such time on the Closing Date as directed by the Vendor's solicitor to complete the transaction under the System utilizing the Vendor's solicitor's computer facilities and the Purchaser agrees to pay the Vendor's solicitor directly the sum of \$295.00, plus HST, for such service.

#### 19. WHOLE AGREEMENT

The parties acknowledge that there is no representation, warranty, collateral agreement or condition affecting this Agreement or the Real Property except as contained in this Agreement. This Agreement may not be amended other than in writing.

#### 20. INTERPRETATION

This Agreement is to be read with all changes of gender or number required by the context. Time shall in all respects be of the essence. All headings are for convenience of reference only and have no bearing or meaning in the interpretation of any particular clause in this Agreement. Unless otherwise specified herein, all statements of or references to dollar amounts in this Agreement shall mean lawful money of Canada.

#### 21. RESIDENCY

The Vendor represents that it is not a non-resident for the purposes of section 116 of the *Income Tax Act*, Canada.

#### 22. NO REGISTRATION

The Purchaser agrees not to register nor allow or caused to be registered against title to the Land any notice, lien, execution, encumbrance or caution or other reference to this Agreement or his interest in or against the Land. If any such registration occurs, the Vendor may terminate this Agreement forthwith and the Vendor shall be entitled to retain the Deposit and all other amounts paid by the Purchaser to the Vendor hereunder as liquidated damages and not as a penalty (in addition to any other remedy available to it) and the Purchaser shall have no further right to or interest in this Agreement or the Real Property. Further, the Purchaser hereby irrevocably consents to a court order removing such registration and agrees to pay all costs of obtaining such order.

#### 23. SUCCESSION

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

#### 24. NOTICE

Any notice required to be given pursuant to this Agreement to the Purchaser may either be delivered personally or be sent by prepaid mail, or by facsimile transmission addressed to the Purchasers' solicitor or the Purchaser at his or her address listed on Page 1 hereof and, in the case of the Vendor, any notice required to be given pursuant to this Agreement may either be delivered personally or be sent by facsimile and prepaid mail to the Vendor's solicitor and a copy to the Vendor at the addresses indicated herein. If such notice is mailed it shall be deemed to have been received by the party to whom it is addressed on the

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third business day following the date of its mailing. In the event of a mail stoppage or interruption all notices shall be delivered or sent by facsimile transmission.

**25. DEFAULT**

(a) In the event that the Purchaser defaults with respect to any of the covenants, representations, warranties, acknowledgements or obligations to be performed by the Purchaser pursuant to this Agreement and such default continues for seven (7) days after written notice thereof has been given to the Purchaser or his solicitor by the Vendor or its solicitor, or in the event the Purchaser fails to complete the transaction on the Closing Date the Vendor shall have the right to declare this Agreement null and void and, in such event, the Deposit and all other amounts paid by the Purchaser to the Vendor hereunder shall be forfeited to the Vendor as liquidated damages and not as a penalty and without prejudice to or limiting the rights of the Vendor to claim for damages in excess of such amounts and without limiting any other rights or remedies to which the Vendor may be entitled in law.

(b) **EVIDENCE OF DEFAULT**

A certificate of an officer of the Vendor that default has been made and the date of default and that notice, if required, of such default has been mailed to the Purchaser, shall be conclusive evidence of the facts therein stated.

(c) **DOCUMENTS IF TRANSACTION DOES NOT CLOSE**

If the within transaction is not completed for any reason whatsoever and notwithstanding refund or forfeiture of the deposit, the Purchaser shall execute and deliver such documents affecting title to the Real Property or the Mortgage 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 and deliver such documents, the Purchaser hereby authorizes the Vendor, its true and lawful attorney to so execute the said documentation. Notwithstanding non-completion of the transaction, the Purchaser is liable for the full cost of extras ordered whether completed in whole or in part.

**26. RIGHTS OF VENDOR**

It is understood and agreed that the rights contained in paragraph 25 on the part of the Vendor are in addition to any other rights (whether of a more onerous nature or not) which the Vendor may have at law, in equity or under any other provisions of this Agreement, and the Vendor expressly has the right to exercise all or any one or more of the rights contained in this Agreement, or at law or in equity, without exercising at such time, the remainder of such right or rights and without prejudice to the subsequent right of the Vendor to exercise any remaining right or rights at law, in equity or in this Agreement. In the event the Purchaser fails to make payment as and when required pursuant to the terms of this Agreement, the payment amount shall bear interest at a rate equal to 5% above the Prime Rate, calculated from the due date to the date of payment. Prime Rate for any day means the prime lending rate of interest expressed as a rate per annum (computed on a year of 365 days) which Royal Bank of Canada establishes from time to time as the reference rate of interest in order to determine interest rates it will charge for demand loans made in Canada in Canadian dollars as the same is in effect from time to time.

**27. GRADING/FENCING**

(a) The Purchaser covenants that he will not remove any topsoil or subsoil or do anything which may alter the grading or change or obstruct the drainage of the Real Property or surrounding lands and shall not construct any fences, pools, patios, sheds or similar structures prior to final grading approval, without the Vendor's consent and, upon default, the Developer, the Municipality or the Vendor or their respective servants, agents, successors and assigns may enter upon the Real Property and correct such grading or remove such obstruction at the Purchaser's sole expense. Any expense incurred by the Developer, the Municipality or the Vendor in this regard shall be payable by the Purchaser forthwith upon demand. Some settlement of the Land is to be expected and the Purchaser shall repair minor settlement. The Purchaser shall care for sod, shrubs and other landscaping provided as a result of the remedying of such defects.

(b) The Purchaser will not, prior to lot grading completion and Municipal approval therefor, install any fence, deck, storage shed or other structure on the Land. In order to provide side-yard access between buildings so that abutting house purchasers can repair and maintain their respective side-yard building portions, no side-yard fence or storage shall be permitted from 3 meters back of the common side-yard's most rear structure to the frontage street. No fence along a lot boundary abutting a street, open space or parkland will be installed except in compliance with the requirements of the development architect as to fence type, design and finishing as well as fence height and location. The Purchaser will not install any boundary fence except in accordance with

INITIAL (Purchaser)       M      

(Vendor)       [Signature]



Municipal requirements, and if the Purchaser installs a fence that runs along the boundary of any lands then owned by the Developer, the Developer will have no obligation to pay any portion of the fence cost. The Purchaser will maintain any fence along or adjacent to the lot boundary and will not remove, place a gate in or otherwise alter such fence.

**28. TEMPORARY EASEMENT**

The Purchaser shall grant a temporary right-of-way over the rear ten feet (10') of the Land over the full width to all purchasers in the subdivision, their agents and workmen through, along and over the said Land for the purpose of reaching their own land or transporting materials, machinery or equipment thereto until such time as roads and streets are useable and the Purchaser agrees to keep such right-of-way clear of surface earth or material.

**29. RIGHT OF RE-ENTRY**

The transfer herein shall contain a provision that the transfer/conveyance is subject to the rights of the Vendor, Municipality/Region and/or other service provider, their successors and assigns, in the nature of a license or easement for themselves and parties authorized by any of them to enter upon any part of the Land excluding the dwelling at any time prior to the complete acceptance of the subdivision by the Municipality for the purpose of doing any work as may be required in order to satisfy the requirements to the Subdivision Agreement or of any other agreement with the service providers entered into or to be entered into by the Subdivider, including without limiting the generality of the foregoing, the right to complete or adjust the grading and/or drainage of any of the Land and effect any corrective measures required without such re-entry being deemed a trespass. The Purchaser covenants that in any transfer or disposition to any subsequent party, it shall reserve unto and assign the benefit of a similar right to re-entry to the Vendor, Municipality, Region and other service providers, and parties authorized by any of them. The aforesaid covenant shall be included in the Transfer/Deed to the Purchaser and shall run with the land conveyed to the Purchaser. The Purchaser, is hereby advised that the proposed lot grading may require the use of retaining walls, fences, easements for drainage purposes, culverts, drains, catch basins and/or lot sloping. Any such retaining walls and fences shall be maintained in good condition and repair solely at the cost and obligation of Purchaser. Purchaser agrees to allow the erection and maintenance on the land of entry features or other structures and hereby consents to allow the erection and maintenance thereof after closing. The Purchaser is hereby given notice that the Land may require some or all of the aforementioned.

**30. MAINTENANCE OF SOD**

The Purchaser shall be solely responsible for watering and general maintenance of the sod from the Closing Date or from the date that the sod is laid, whichever shall be the later, and the Vendor shall have no obligation in that regard. In the event the Vendor is, for any reason, required to replace laid sod, the Purchaser shall be solely responsible to pay for same, plus an administrative fee thereon, and the Vendor may, but shall not be obligated to do so until payment has been made therefore by the Purchaser.

**31. DRIVEWAY**

The Purchaser shall be solely responsible for any settlement of the driveway after the Closing Date. Purchaser acknowledges that it has been advised by Vendor that settlement is likely to occur after Closing. Purchaser agrees that it will at no time modify, extend, enlarge or change the driveway or its dimensions or location. If the Purchase Price specifically includes the paving of the driveway, Vendor shall only have an obligation to pave such driveway to the access point of lot and on the portion of the lot owned by Purchaser, only once and such paving, it is agreed, shall occur within 24 months after Closing, subject to weather conditions. Purchaser specifically agrees that in the event that Vendor does not have any obligation to pave the driveway, the Purchaser will pave the driveway and will not take any other steps or actions to damage, alter, move or interfere with any water box(es) located thereon. Purchaser shall be liable for all damage, loss and expense caused to the water box(es). Purchaser agrees to consult with and obtain the approval of the Vendor, Subdivider, or Municipal Water Department prior to commencing any work in, on or around the water box(es). On certain lots, service trenches cross the driveway and settlement may occur. Purchasers are also advised that prior to paving, they should ensure that there is no further settlement taking place.

**32. REZONING**

The Purchaser acknowledges receipt of notice from the Vendor that the Developer, Subdivider or its related/associated corporation(s) may develop other lands in the vicinity of the herein Land and apply for zoning/rezoning thereof, and the Purchaser agrees on behalf of himself, his heirs, executors, administrators, successors and assigns to consent to any such development zoning/rezoning application, and agrees that this paragraph may be pleaded as a bar to any objection thereto. The Purchaser covenants with the Vendor to the intent that the burden of this covenant shall run with and be binding upon the Land

INITIAL (Purchaser) My (Vendor) AL 10

to be conveyed hereunder and every part hereof and to the intent that the benefit thereof shall be annexed to and run with any lands owned by the Vendor and its predecessor and successors in title within the Subdivision or contiguous thereto, that the Purchaser will not oppose any application for severance or for rezoning (including all applications ancillary hereto) by the Vendor and its predecessor and successors or assigns in the Subdivision or contiguous there, for use as a commercial, industrial or multiple family purposes and that this covenant may be pleaded by the said Vendor, its predecessor, successors or assigns, as an estoppel to any such opposition or in aid of an injunction restraining such opposition. The Purchaser shall extract a similar covenant from all successors in title. Without limiting the generality of the foregoing, the Vendor or its predecessor may apply for, and the Purchaser will not oppose, any application for zoning in accordance with the present Official Plan.

### **33. SUBORDINATION AND POSTPONEMENT**

The Purchaser acknowledges that the Vendor is or may be borrowing money from a financial institution to be secured by one or more charges registered or to be registered against the Real Property and the Purchaser agrees that this Agreement, any interest of the Purchaser in this Agreement (whether such interests are in equity or at law), and any and all Deposits paid or to be paid by the Purchaser pursuant to this Agreement and any purchaser's lien arising by the terms of this Agreement or from the payment of any Deposit pursuant to this Agreement or arising by operation of law is hereby subordinated and postponed to and will be subordinated and postponed to any mortgages, charges, debentures and trust deeds registered or to be registered against title to the Real Property and any advances thereunder, made from time to time, and to any easement, license or other agreements to provide services to the Real Property or to any lands adjacent thereto. The Purchaser agrees to execute any and all documentation necessary to give full force and effect to same forthwith after being requested to do so by the Vendor.

### **34. PURCHASER'S DOCUMENTS TO BE DELIVERED ON CLOSING**

The Purchaser agrees to forthwith execute and deliver to the Vendor, on or before Closing, or at such other time as advised by the Vendor, all documents as may be required by the Vendor in order to close this transaction including but not limited to (i) the execution of the transfer by the Purchaser (ii) the execution and delivery of the Vendor's standard form of Purchaser's Acknowledgement and Undertaking as may be required by the Vendor; and (iii) any form of written acknowledgement by the Purchaser relating to lot grading and other subdivision matters.

### **35. INVALIDITY**

The invalidity of any particular paragraph of this Agreement shall not affect the validity of any other provision and, in such event, this Agreement shall be construed as if such invalid provision was omitted.

### **36. CAUSE OF ACTION/ASSIGNMENT**

- (a) The Purchaser acknowledges and agrees that notwithstanding any rights which he or she 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, and this acknowledgment and agreement may be pleaded as an estoppel and bar against the Purchaser in any action, suit, application or proceeding brought by or on behalf of the Purchaser to assert any of such rights, claims or causes of action against any such third parties.
- (b) At any time prior to the Closing Date, the Vendor shall be permitted to assign this Agreement (and its rights, benefits and interests hereunder) to any person, firm, partnership or corporation registered as a vendor pursuant to the Ontario New Home Warranty Plan Act and upon any such assignee assuming all obligations under this Agreement and notifying the Purchaser's solicitor of such assignment, the Vendor named herein shall be automatically released from all obligations and liabilities to the Purchaser arising from this Agreement, and said assignee shall be deemed for all purposes to be the vendor herein as if it had been an original party to this Agreement, in the place and stead of the Vendor.

### **37. PURCHASER'S CONSENT TO THE COLLECTION AND LIMITED USE OF PERSONAL INFORMATION**

For the purposes of facilitating compliance with the provisions of any applicable Federal and/or Provincial privacy legislation (including without limitation, the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, as amended), the Purchaser hereby consents to the Vendor's collection and use of the Purchaser's personal information necessary and sufficient to enable the Vendor to proceed with the Purchaser's purchase of the Real Property, including without limitation the



Purchaser's name, home address, email address, telefax/telephone number, age, date of birth, and in respect of marital status only for the limited purposes described in subparagraphs (c), (g), (h) and (i) below, and in respect of residency status, and social insurance number only for the limited purpose described in subparagraph (h) below, as well as the Purchaser's financial information and desired home design(s) and colour/finish selections, in connection with the completion of this transaction and for post-closing and after-sales customer care purposes, and to the disclosure and/or distribution of any or all of such personal information to the following entities, on the express understanding and agreement that the Vendor shall not sell or otherwise provide or distribute such personal information to anyone other than the following entities, namely to:

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

### 38. ACCEPTANCE

This offer shall be irrevocable by the Purchaser until 11:50 p.m. on the 1<sup>st</sup> business day for 3 business days after the Purchaser signs this Agreement, after which time, if not accepted, this offer shall be null

INITIAL (Purchaser) \_\_\_\_\_

(Vendor) \_\_\_\_\_



and void. If accepted, this offer, subject to applicable three (3) day review period set out in Schedule "D" only if applicable, shall constitute a binding Agreement of Purchase and Sale. The Purchaser acknowledges that the Purchaser shall be responsible for determining whether the Vendor has accepted this Agreement. In this regard, the Purchaser shall contact the Vendor or the Vendor's sales agent to determine whether the Agreement has been accepted by the Vendor. The Purchaser acknowledges and agrees that the Vendor shall not be responsible for notifying the Purchaser that the Agreement has been accepted by the Vendor, nor shall the Vendor be responsible for delivering a fully executed copy of the Agreement to the Purchaser. The Purchaser shall be responsible for obtaining a copy of the fully executed Agreement from the Vendor or from the Vendor's sales agent.

**39. SCHEDULES**

All Schedules and Addendum being Schedules "A" (items included), "B" (Lot on draft Plan of Subdivision), "C" (Additional Provisions), and "D" (Tarion Addendum) attached to this Agreement shall form a part of it.

**SIGNED, SEALED AND DELIVERED**

Dated this 25th day of January, 2017.

In the presence of:

  
\_\_\_\_\_  
  
\_\_\_\_\_

Purchaser 1: Makwesh

Driver's License No: H9455-51007-95613

S.I.N. No.: \_\_\_\_\_

Purchaser 2: \_\_\_\_\_

Driver's License No.: \_\_\_\_\_

S.I.N. No.: \_\_\_\_\_

Solicitors for the Purchaser: \_\_\_\_\_

Telephone No: \_\_\_\_\_

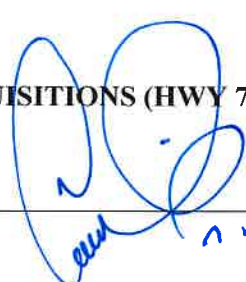
Fax No.: \_\_\_\_\_

Email: \_\_\_\_\_

The Vendor hereby accepts the above offer.

**DATED** this 25th day of January, 2017.

**SUNRISE ACQUISITIONS (HWY 7) INC.**

Per:   
\_\_\_\_\_

Solicitors for the Vendor:  
**NORMAN H. WINTER**  
416.964.0325  
[nw@nwinlaw.com](mailto:nw@nwinlaw.com)  
**LAW OFFICES OF NORMAN H. WINTER**  
1 St. Clair Avenue East, Suite 801,  
Toronto, Ontario M4T 2V7 Canada - T. 416.964.0325 - F. 416.964.2494

## *Features and Finishes*

### ARCHITECTURAL FEATURE

Architecturally controlled streetscapes with pleasing exterior colour schemes, styles and elevations.  
 Precast concrete and / or stucco window sills, headers and arches, per elevation  
 35 year self-sheathing shingles  
 Low maintenance aluminum soffits, fascia, downspouts and eaves troughs  
 Prefinished aluminum roll-up garage doors with tempered and thermal privacy glazing.  
 Designer decorative exterior lights on front and rear facades  
 Fully sodded lot, where applicable  
 Fully paved driveway consisting of a base and top coat finish  
 Luxurious Stone Veneer and Brick Exteriors  
 Spacious Decks, where grade permits  
 Vinyl Sliding Doors with Screen, per elevation  
 Vinyl casement windows, air tight  
 All operating windows will be screened  
 8' high wood insulated front entry door with accenting glass inserts  
 Garage to house entry door, where grade permits  
 Front entry doors with brushed silver grip set, and passage and deadbolts used all on side and rear entry doors with matching floor mounted doorstops (except for sliding doors)

### INTERIOR FEATURES

Smooth ceilings throughout  
 8 foot wood grain front doors  
 Ceiling height of approximately 9' on Main  
 Porcelain 12" x 24" tile in Baths and Laundry  
 Upgraded casings and millwork - 3" window and door casing, 5" baseboard  
 Two tone paint - Semi gloss white shade on casings and millwork and flat high grade paint on the walls in a neutral tone selected from 5 colours in our Design Centre  
 Approximately 7' high interior doors throughout  
 Stained Oak Stairs to match wood flooring, with buyer's choice of Iron or Wood Pickets  
 Smart system Programmable Home Thermostat from NEST  
 Rough-in for Security Alarm  
 Garage Door Opener  
 High efficiency furnace and air conditioning units per suite  
 Vented Cold Cellars with interior Light, where applicable  
 Spray Foam Insulation over Garage Ceilings  
 Single handle faucets in Kitchen & Bathrooms  
 Pre-wired for Phone, Cable, Internet in Bedrooms and Main living areas  
 Your choice of traditional or contemporary fireplace where plan permits

### FLOORING

Imported 12" x 24" porcelain tile in the foyer, powder room, laundry room and all bathrooms (per plan) selected in our Design Centre  
 High style 3 1/8" inch wood plank floor, engineered to be used everywhere in your home, except the bathrooms, laundry room and foyer  
 Engineered Floor Joist System

## DESIGNER KITCHEN

High grade, 5-piece panel style Kitchen Cabinetry, with extended uppers

Selection of hardware for cabinets

Custom fit Quartz or Granite countertops with one double basin under mount sink

Custom backsplash - either tile or painted glass

Chrome Riobel Kitchen faucet. A single handle faucet with integrated pull-out spray handle

Deluxe Stainless Steel Appliance Package (Refrigerator, Stove, Microwave and Dishwasher)

## BATHS

High grade, 5-piece panel style Bathroom Vanity Cabinets

Selection of hardware for cabinets

Custom fit Quartz or Granite countertops with under mount sink in first Master Ensuite

Single-hole chrome superior Riobel faucet package in each bath, with mechanical pop up drain.

Frameless Glass Showers with a Light, where applicable

Rain showers in the Master bathroom

Custom wall tile, Floor to ceiling in the bath and shower areas, with accent tile design

Toto toilets

Shut off Valves installed for all Sinks & Toilets

Full, 4-piece bathroom in all finished basements

Vanity to ceiling mirrors in baths

Upgraded light fixtures on mirrors in all baths

## LAUNDRY ROOMS

Full sized Washer & Dryer

Laundry tubs, as per plan

All required plumbing, electrical and venting rough-ins

Modern open shelf storage cabinets above the laundry tub, as plan permits

## COMFORT FEATURES

Control switch located in the interior of the home near the garage to power off the garage door opener for added safety and security

Capped gas line at the outside rear of the home for future barbeque hook up

Complete central vac system in the garage

Smoke and carbon monoxide detectors installed and hard wired as per Building Codes

NEST Smart technology thermostat compatible with your smart phone for energy saving

Door chimes for the front door

Duct work sized for air conditioner installed

Two exterior water taps

Pre-wires for Phone, Cable, Internet in Bedrooms and Main living areas

White Decora Light Switches & Plugs

## LIGHTING ELECTRICAL AND TECHNOLOGY

100 AMP electrical service

15 LED, energy saving pot lights on main floor

One exterior seasonal electrical outlet

European height white Decora plugs and switches throughout, per electrical standard specifications

Ceiling light fixtures in all rooms with the exception of the living room, which will have a switched wall outlet

Weather proof exterior outlets, one at the front of the home and one at the rear of the home  
Electrical wall outlets in the garage and an electrical outlet for the garage door and opener

#### SUPERIOR CONSTRUCTION

Approximately 8' poured concrete walls with heavy duty damp proofing, drainage board, weeping tiles and full height blanket insulation

Tongue and groove subfloor to be glued, screwed and sanded

2 X 6 exterior wall construction

Conventional air circulating system

High efficiency gas furnace

Poured concrete porch

Reinforced concrete garage floors and grade beams

Spray foam insulation in the garage ceiling below livable areas as well as all cantilevered box out window areas

Finished basements

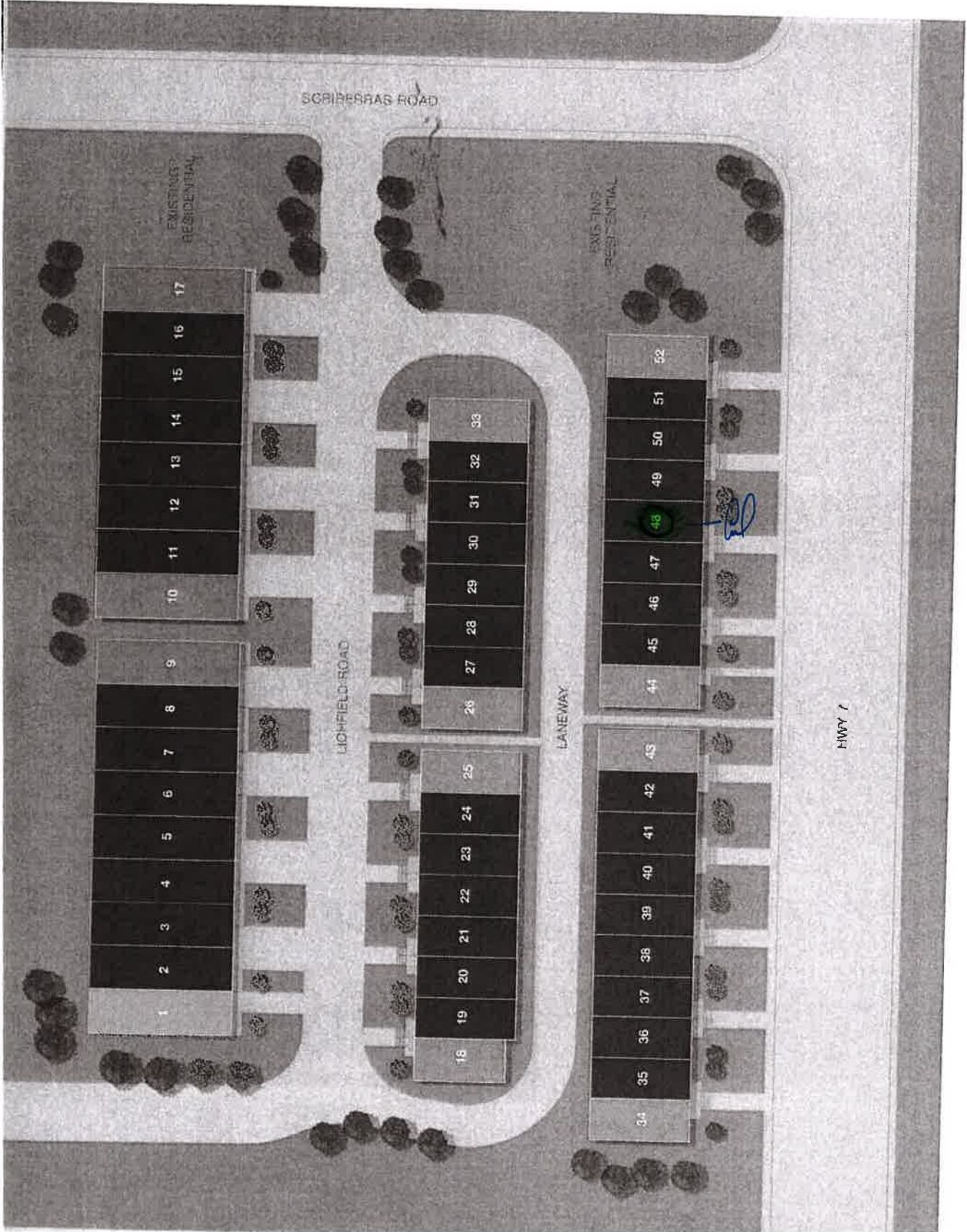
#### HOMEOWNER WARRANTY PROTECTION

The Tarion Warranty offers: Seven (7) year protection on all structural defects

Two (2) year protection on mechanicals and materials including electrical, plumbing, heating and distribution systems, all exterior cladding, windows and doors

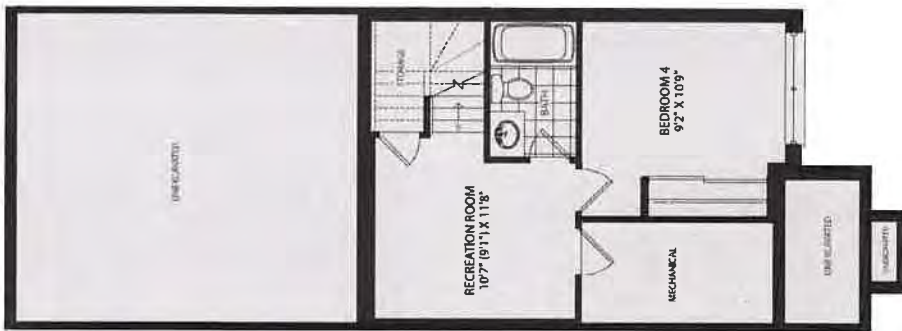
One (1) year protection on all workmanship and material defects



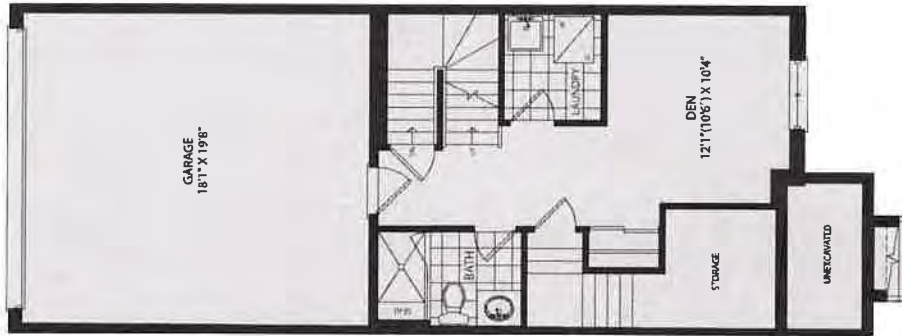


*Handwritten signature*

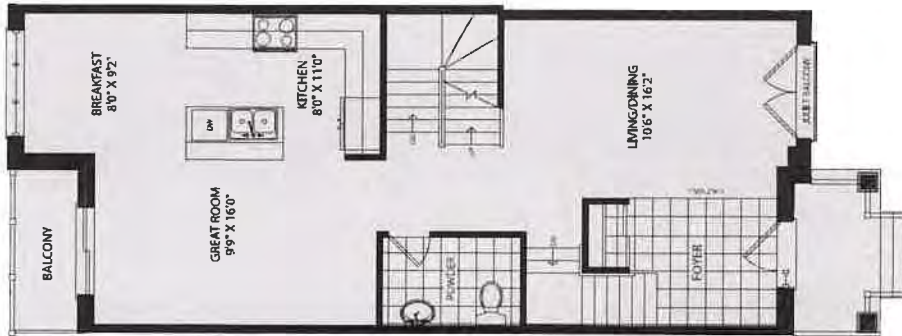




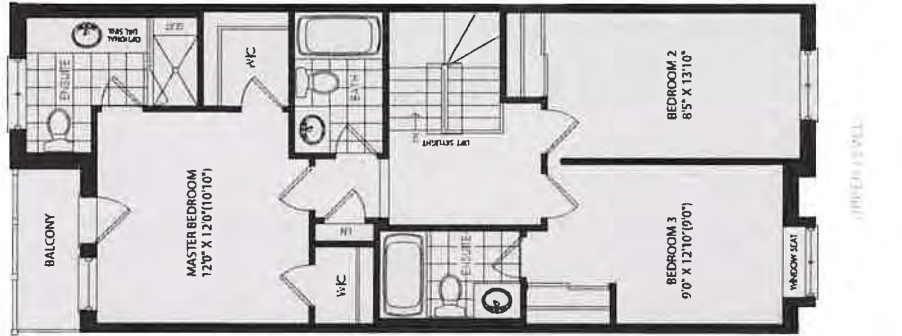
UNIT 101 - 1010



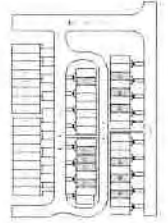
UNIT 102 - 1020



UNIT 103 - 1030



UNIT 104 - 1040



UPTOWN COLLECTION U23

TOTAL LIVING AREA 2,211 SQ. FT.

*Handwritten signatures in blue ink.*

SCHEDULE "C"ADDITIONAL PROVISIONS**1. HARMONIZED SALES TAX**

The Purchaser and Vendor hereby acknowledge and agree that subject to compliance with and accuracy of the Purchaser's representations, warranties, acknowledgements, covenants and agreements herein the Purchase Price includes the Harmonized Sales Tax ("HST") exigible pursuant to Part IX of the Excise Tax Act (Canada) (the "HST Legislation"), net of the new housing rebate permitted under the HST Legislation, if any (the "Rebate").

The Purchaser acknowledges and agrees that the Vendor shall insert in Box 4 of the Transfer/Deed of Land delivered on Closing relating to the Real Property the actual consideration for the Real Property, being the Purchase Price less HST net of the Rebate, if any.

The Purchaser hereby covenants and agrees that he/she is acquiring the Real Property for use as his/her primary place of residence (as defined in the HST Legislation). The Purchaser further covenants and agrees that, forthwith after Closing, he/she shall personally occupy the Real Property or cause one or more of his/her relations (as defined in the HST Legislation) to occupy the Real Property as his/her primary place of residence for such period of time as required by Canada Customs and Revenue Agency pursuant to its administrative guide lines or under the HST Legislation in order to entitle the Purchaser to the Rebate.

The Purchaser hereby irrevocably assigns to and in favour of the Vendor any and all rights he/she may have on Closing or thereafter to any rebates, refunds or credits pursuant to the HST Legislation, including without limiting the generality of the foregoing, the Rebate.

The Purchaser covenants and agrees to execute and deliver to the Vendor on Closing all applications, assignments, authorizations, directions, forms and such other documents as may be requested by the Vendor or its solicitors to verify entitlement to such rebate, refund or credit and to effect the proper assignment thereof to the Vendor including, without limiting the generality of the foregoing, an independent form of the Purchaser's covenant to assign set out above.

Notwithstanding any other provision of this Agreement, the Purchaser acknowledges and agrees that the Purchase Price does not include any HST exigible with respect to any of the adjustments payable by the Purchaser pursuant to this Agreement or any extras, changes 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 in accordance with the HST Legislation.

In the event that the Purchaser does not qualify for the Rebate, the Vendor agrees to pay the HST exigible with respect to the purchase of the Real Property and the Vendor acknowledges that such HST is included in the Purchase Price provided, however, the Purchaser shall reimburse the Vendor as an adjustment on Closing with the amount equal to the Rebate to which the Purchaser would have been entitled if the Purchaser had qualified for the Rebate.

**2. RESTRICTIONS AND NOTICES PURSUANT TO THE SUBDIVISION AGREEMENT**

The Purchaser hereby acknowledges that title to the Lands will be subject to a Subdivision Agreement with The Corporation of the Town of Markham and or the Region of York, which Agreement may contain warning clauses and restrictions which the Vendor is required to bring to the attention of the Purchaser by incorporating same into this Agreement. The Purchaser acknowledges that the Subdivision Agreement will be registered against title to the Real Property prior to the Closing Date. The Purchaser acknowledges and agrees that his solicitor will search title to the Real Property prior to the Closing Date and shall be responsible for reviewing the Subdivision Agreement and identifying for the Purchaser any warning clauses and/or restrictions, if any, which are prescribed by the Subdivision Agreement. The Purchaser's solicitor shall be responsible for explaining the nature and importance of any such warning clauses and/or restrictions to the Purchaser. The Purchaser acknowledges and agrees that, on registration of the Subdivision Agreement against title to the Real Property, all warning clauses and/or restrictions prescribed by the Subdivision Agreement shall be deemed to be incorporated into and shall be deemed to form a part of this Agreement and, if required by the Vendor or the Municipality, the Purchaser covenants and agrees to execute, on or prior to Closing an acknowledgement and/or amendment in that regard, without same affecting the balance of this Agreement.

**3. PURCHASER'S FINANCING**

The Purchaser hereby covenants and agrees to provide to the Vendor such financial information regarding the Purchaser forthwith after the Purchaser signing this Agreement, and thereafter as the Vendor may require from time to time prior to the Closing Date for the purpose of confirming that the Purchaser has the financial capability of completing the transaction of purchase and sale contemplated by this Agreement. If the Purchaser fails to provide such information within ten days of the request for same by the Vendor, then the Purchaser shall be considered to be in default pursuant to this Agreement. In the event that the Vendor is not satisfied, in its sole and absolute discretion, with the financial strength of the Purchaser or with the completeness and accuracy of the information provided by the Purchaser, the Purchaser hereby acknowledges and agrees that the Vendor shall have the right, in its sole, absolute and arbitrary discretion, to:

INITIAL (Purchaser)

(Vendor)



**SCHEDULE "D"**

**TARION WARRANTY CORPORATION**  
THIS DOCUMENT CONTAINS IMPORTANT INFORMATION  
FOR THE CONSUMER

**ADDENDUM TO AGREEMENT OF PURCHASE AND SALE**

This addendum forms part of the Agreement of Purchase and Sale between:

Mahvesh Hussain

("Purchaser")

and

**SUNRISE ACQUISITIONS (HWY 7) INC.**

("Vendor")

dated January 25, 2017 .

(the "Agreement")

INITIAL (Purchaser)

(Vendor)



Property Lot 48

**Statement of Critical Dates**  
Delayed Occupancy Warranty

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

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

**VENDOR** Sunrise Acquisitions (Hwy 7) Inc.  
Full Name(s)

**PURCHASER** Mahvesh Hussain  
Full Name(s)

**1. Critical Dates**

The **First Tentative Occupancy Date**, which is the date that the Vendor anticipates the home will be completed and ready to move in, is: the 29th day of March, 2019.

A **Second Tentative Occupancy Date** can subsequently be set by the Vendor by giving proper written notice at least 90 days before the First Tentative Occupancy Date. The Second Tentative Occupancy Date can be up to 120 days after the First Tentative Occupancy Date, and so could be as late as: the 29th day of July, 2019.

The Vendor must set a **Firm Occupancy Date** by giving proper written notice at least 90 days before the Second Tentative Occupancy Date. The Firm Occupancy Date can be up to 120 days after the Second Tentative Occupancy Date, and so could be as late as: the 26th day of November, 2019.

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

The Vendor can set a Delayed Occupancy Date that is up to 365 days after the earlier of the Second Tentative Occupancy Date and the Firm Occupancy Date: This **Outside Occupancy Date** could be as late as: the 28th day of July, 2020.

**2. Notice Period for an Occupancy Delay**

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

Notice of a delay beyond the First Tentative Occupancy Date must be given no later than: the 28th day of December, 2018.

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

Notice of a second delay in Occupancy must be given no later than: the 30th day of April, 2019.

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

**3. Purchaser's Termination Period**

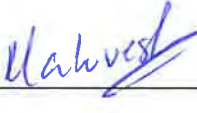
If the home is not complete by the Outside Occupancy Date, then the Purchaser can terminate the transaction during a period of **30 days** thereafter (the "**Purchaser's Termination Period**"), which period, unless extended by mutual agreement, will end on: the 27th day of August, 2020.

If the Purchaser terminates the transaction during the Purchaser's Termination Period, then the Purchaser is entitled to delayed occupancy compensation and to a full refund of all monies paid plus interest (see sections 7, 11 and 12 of the Addendum).

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

Acknowledged this 30<sup>th</sup> day of JANUARY, 2019.

VENDOR: 

PURCHASER: 

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

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

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

**The Vendor shall complete all blanks set out below.**

<b>VENDOR</b>	Sunrise Acquisitions (Hwy 7) Inc		
Full Name(s)	50 West Wilmot St., Suite 100		
46593	Address	Markham	ON L4B 1M5
Tarion Registration Number	City	Province	Postal Code
905-597-3333			
Phone	info@sunrisehomes.ca		
905-597-3334	Email*		
Fax			

<b>PURCHASER</b>	Mahvesh Hussain		
Full Name(s)	Toronto ON M4G 1G8		
24 Sutherland Drive	Address	City	Province Postal Code
416-399-2869			
Phone	mahveshh@yahoo.com		
Fax	Email*		

**PROPERTY DESCRIPTION**

4146 Hwy 7			
Municipal Address	Markham	ON	L3R 0W9
City		Province	Postal Code
Short Legal Description			

Number of Homes in the Freehold Project 52 (if applicable – see Schedule A)

**INFORMATION REGARDING THE PROPERTY**

The Vendor confirms that:

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

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

DPA

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

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

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

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



## SETTING AND CHANGING CRITICAL DATES

### 1. Setting Tentative Occupancy Dates and the Firm Occupancy Date

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

### 2. Changing the Firm Occupancy Date – Three Ways

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

### 3. Changing the Firm Occupancy Date – By Setting a Delayed Occupancy Date

- (a) If the Vendor cannot provide Occupancy on the Firm Occupancy Date and sections 4 and 5 do not apply, the Vendor shall select and give written notice to the Purchaser of a Delayed Occupancy Date in accordance with this section, and delayed occupancy compensation is payable in accordance with section 7.
- (b) The Delayed Occupancy Date may be any Business Day after the date the Purchaser receives written notice of the Delayed Occupancy Date but not later than the Outside Occupancy Date.
- (c) The Vendor shall give written notice to the Purchaser of the Delayed Occupancy Date as soon as the Vendor knows that it will be unable to provide Occupancy on the Firm Occupancy Date, and in any event at least 10 days before the Firm Occupancy Date, failing which delayed occupancy compensation is payable from the date that is 10 days before the Firm Occupancy Date, in accordance with paragraph 7(c). If notice of a new Delayed Occupancy Date is not given by the Vendor, before the Firm Occupancy Date, then the new Delayed Occupancy Date shall be deemed to be the date which is 90 days after the Firm Occupancy Date.
- (d) After the Delayed Occupancy Date is set, if the Vendor cannot provide Occupancy on the Delayed Occupancy Date, the Vendor shall select and give written notice to the Purchaser of a new Delayed Occupancy Date, unless the delay arises due to Unavoidable Delay under section 5 or is mutually agreed upon under section 4, in which case the requirements of those sections must be met. Paragraphs (b) and (c) above apply with respect to the setting of the new Delayed Occupancy Date.
- (e) Nothing in this section affects the right of the Purchaser or Vendor to terminate the Purchase Agreement on the bases set out in section 11.

### 4. Changing Critical Dates – By Mutual Agreement

- (a) This Addendum sets out a framework for setting, extending and/or accelerating Critical Dates, which cannot be altered contractually except as set out in this section 4. Any amendment not in accordance with this section is voidable at the option of the Purchaser. For greater certainty, this Addendum does not restrict any extensions of the Closing date (i.e., title transfer date) where Occupancy of the home has already been given to the Purchaser.
- (b) The Vendor and Purchaser may at any time, after signing the Purchase Agreement, mutually agree in writing to accelerate or extend any of the Critical Dates. Any amendment which accelerates or extends any of the Critical Dates must include the following provisions:
  - (i) the Purchaser and Vendor agree that the amendment is entirely voluntary – the Purchaser has no obligation to sign the amendment and each understands that this purchase transaction will still be valid if the Purchaser does not sign this amendment;
  - (ii) the amendment includes a revised Statement of Critical Dates which replaces the previous Statement of Critical Dates;

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

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

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

#### **5. Extending Dates – Due to Unavoidable Delay**

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

#### **EARLY TERMINATION CONDITIONS**

##### **6. Early Termination Conditions**

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



**Condition #1 (if applicable)**

Description of the Early Termination Condition:

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

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

**Condition #2 (if applicable)**

Description of the Early Termination Condition:

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

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

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

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

- (e) There are no Early Termination Conditions applicable to this Purchase Agreement other than those identified in subparagraph (d) above and any appendix listing additional Early Termination Conditions.
- (f) The Vendor agrees to take all commercially reasonable steps within its power to satisfy the Early Termination Conditions identified in subparagraph (d) above.
- (g) For conditions under paragraph 1(a) of Schedule A the following applies:
- (i) conditions in paragraph 1(a) of Schedule A may not be waived by either party;
  - (ii) the Vendor shall provide written notice not later than five (5) Business Days after the date specified for satisfaction of a condition that: (A) the condition has been satisfied; or (B) the condition has not been satisfied (together with reasonable details and backup materials) and that as a result the Purchase Agreement is terminated; and
  - (iii) if notice is not provided as required by subparagraph (ii) above then the condition is deemed not satisfied and the Purchase Agreement is terminated.
- (h) For conditions under paragraph 1(b) of Schedule A the following applies:
- (i) conditions in paragraph 1(b) of Schedule A may be waived by the Vendor;
  - (ii) the Vendor shall provide written notice on or before the date specified for satisfaction of the condition that: (A) the condition has been satisfied or waived; or (B) the condition has not been satisfied nor waived, and that as a result the Purchase Agreement is terminated; and
  - (iii) if notice is not provided as required by subparagraph (ii) above then the condition is deemed satisfied or waived and the Purchase Agreement will continue to be binding on both parties.
- (i) If a Purchase Agreement or proposed Purchase Agreement contains Early Termination Conditions, the Purchaser has three (3) Business Days after the day of receipt of a true and complete copy of the Purchase Agreement or proposed Purchase Agreement to review the nature of the conditions (preferably with legal counsel). If the Purchaser is not satisfied, in the Purchaser's sole discretion, with the Early Termination Conditions, the Purchaser may revoke the Purchaser's offer as set out in the proposed Purchase Agreement, or terminate the Purchase Agreement, as the case may be, by giving written notice to the Vendor within those three Business Days.
- (j) The Purchase Agreement may be conditional until Closing (transfer to the Purchaser of title to the home), upon compliance with the subdivision control provisions (section 50) of the *Planning Act* and, if applicable, registration of a related common elements condominium corporation under the *Condominium Act, 1998*, which compliance shall be obtained by the Vendor at its sole expense, on or before Closing.
- (k) The Purchaser is cautioned that there may be other conditions in the Purchase Agreement that allow the Vendor to terminate the Purchase Agreement due to the fault of the Purchaser.
- (l) The Purchase Agreement may include any condition that is for the sole benefit of the Purchaser and that is agreed to by the Vendor (e.g., the sale of an existing dwelling, Purchaser financing or a basement walkout). The Purchase Agreement may specify that the Purchaser has a right to terminate the Purchase Agreement if any such condition is not met, and may set out the terms on which termination by the Purchaser may be effected.

## MAKING A COMPENSATION CLAIM

### 7. Delayed Occupancy Compensation

- (a) The Vendor warrants to the Purchaser that, if Occupancy is delayed beyond the Firm Occupancy Date (other than by mutual agreement or as a result of Unavoidable Delay as permitted under sections 4 and 5), then the Vendor shall compensate the Purchaser up to a total amount of \$7,500, which amount includes: (i) payment to the Purchaser of a set amount of \$150 a day for living expenses for each day of delay until the Occupancy Date; or the date of termination of the Purchase Agreement, as applicable under paragraph (b) below; and (ii) any other expenses (supported by receipts) incurred by the Purchaser due to the delay.
- (b) Delayed occupancy compensation is payable only if: (i) Occupancy and Closing occurs; or (ii) the Purchase Agreement is terminated or deemed to have been terminated under paragraph 11(b) of this Addendum. Delayed occupancy compensation is payable only if the Purchaser's claim is made to Tarion in writing within one (1) year after Occupancy, or after termination of the Purchase Agreement, as the case may be, and otherwise in accordance with this Addendum. Compensation claims are subject to any further conditions set out in the ONHWP Act.
- (c) If the Vendor gives written notice of a Delayed Occupancy Date to the Purchaser less than 10 days before the Firm Occupancy Date, contrary to the requirements of paragraph 3(c), then delayed occupancy compensation is payable from the date that is 10 days before the Firm Occupancy Date.
- (d) Living expenses are direct living costs such as for accommodation and meals. Receipts are not required in support of a claim for living expenses, as a set daily amount of \$150 per day is payable. The Purchaser must provide receipts in support of any claim for other delayed occupancy compensation, such as for moving and storage costs. Submission of false receipts disentitles the Purchaser to any delayed occupancy compensation in connection with a claim.
- (e) If delayed occupancy compensation is payable, the Purchaser may make a claim to the Vendor for that compensation after Occupancy or after termination of the Purchase Agreement, as the case may be, and shall include all receipts (apart from living expenses) which evidence any part of the Purchaser's claim. The Vendor shall assess the Purchaser's claim by determining the amount of delayed occupancy compensation payable based on the rules set out in section 7 and the receipts provided by the Purchaser, and the Vendor shall promptly provide that assessment information to the Purchaser. The Purchaser and the Vendor shall use reasonable efforts to settle the claim and when the claim is settled, the Vendor shall prepare an acknowledgement signed by both parties which:
- (i) includes the Vendor's assessment of the delayed occupancy compensation payable;
  - (ii) describes in reasonable detail the cash amount, goods, services, or other consideration which the Purchaser accepts as compensation (the "Compensation"), if any; and
  - (iii) contains a statement by the Purchaser that the Purchaser accepts the Compensation in full satisfaction of any delayed occupancy compensation payable by the Vendor.
- (f) If the Vendor and Purchaser cannot agree as contemplated in paragraph 7(e), then to make a claim to Tarion the Purchaser must file a claim with Tarion in writing within one (1) year after Occupancy. A claim may also be made and the same rules apply if the sale transaction is terminated under paragraph 11(b), in which case, the deadline for a claim is one (1) year after termination.
- (g) If delayed occupancy compensation is payable, the Vendor shall either: pay the compensation as soon as the proper amount is determined; or pay such amount with interest (at the prescribed rate as specified in subsection 19(1) of O.Reg. 48/01 of the *Condominium Act, 1998*), from the Occupancy Date to the date of Closing, such amount to be an adjustment to the balance due on the day of Closing.

### 8. Adjustments to Purchase Price

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

### 9. Occupancy

If the Purchaser accepts or is required to accept Occupancy in advance of receiving a title transfer of the home, then the provisions of Schedule C shall apply.

## MISCELLANEOUS

### 10. Ontario Building Code – Conditions of Occupancy

- (a) On or before the Occupancy Date, the Vendor shall deliver to the Purchaser:
- (i) an Occupancy Permit (as defined in paragraph (d)) for the home; or

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

#### 11. Termination of the Purchase Agreement

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

#### 12. Refund of Monies Paid on Termination

- (a) If the Purchase Agreement is terminated (other than as a result of breach of contract by the Purchaser), then unless there is agreement to the contrary under paragraph 11(a), the Vendor shall refund all monies paid by the Purchaser including deposit(s) and monies for upgrades and extras, within 10 days of such termination, with interest from the date each amount was paid to the Vendor to the date of refund to the Purchaser. The Purchaser cannot be compelled by the Vendor to execute a release of the Vendor as a prerequisite to obtaining the refund of monies payable as a result of termination of the Purchase Agreement under this paragraph, although the Purchaser may be required to sign a written acknowledgement confirming the amount of monies refunded and termination of the purchase transaction. Nothing in this Addendum prevents the Vendor and Purchaser from entering into such other termination agreement and/or release as may be agreed to by the parties.
- (b) The rate of interest payable on the Purchaser's monies shall be calculated in accordance with the *Condominium Act, 1998*.
- (c) Notwithstanding paragraphs (a) and (b) above, if either party initiates legal proceedings to contest termination of the Purchase Agreement or the refund of monies paid by the Purchaser, and obtains a legal determination, such amounts and interest shall be payable as determined in those proceedings.

#### 13. Definitions

**"Business Day"** means any day other than: Saturday; Sunday; New Year's Day; Family Day; Good Friday; Easter Monday; Victoria Day; Canada Day; Civic Holiday; Labour Day; Thanksgiving Day; Remembrance Day; Christmas Day; Boxing Day; and any special holiday proclaimed by the Governor General or the Lieutenant Governor; and

where New Year's Day, Canada Day or Remembrance Day falls on a Saturday or Sunday, the following Monday is not a Business Day, and where Christmas Day falls on a Saturday or Sunday, the following Monday and Tuesday are not Business Days; and where Christmas Day falls on a Friday, the following Monday is not a Business Day.

“**Closing**” means the completion of the sale of the home including transfer of title to the home to the Purchaser.

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

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

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

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

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

“**First Tentative Occupancy Date**” means the date on which the Vendor, at the time of signing the Purchase Agreement, anticipates that the home will be complete and ready for Occupancy, as set out in the Statement of Critical Dates.

“**Occupancy**” means the right to use or occupy the home in accordance with the Purchase Agreement.

“**Occupancy Date**” means the date the Purchaser is given Occupancy on or before Closing.

“**Outside Occupancy Date**” means the latest date that the Vendor agrees to provide Occupancy to the Purchaser, as confirmed in the Statement of Critical Dates.

“**Property**” or “**home**” means the freehold home being acquired by the Purchaser from the Vendor, and its interest in the related common elements condominium corporation.

“**Purchaser's Termination Period**” means the 30-day period during which the Purchaser may terminate the Purchase Agreement for delay, in accordance with paragraph 11(b).

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

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

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

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

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

#### 14. Addendum Prevails

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

#### 15. Time Periods, and How Notice Must Be Sent

- (a) Any written notice required under this Addendum may be given personally or sent by email, fax, courier or registered mail to the Purchaser or the Vendor at the address/contact numbers identified on page 2 or replacement address/contact numbers as provided in paragraph (c) below. Notices may also be sent to the solicitor for each party if necessary contact information is provided, but notices in all events must be sent to the Purchaser and Vendor, as applicable. If email addresses are set out on page 2 of this Addendum, then the parties agree that notices may be sent by email to such addresses, subject to paragraph (c) below.
- (b) Written notice given by one of the means identified in paragraph (a) is deemed to be given and received: on the date of delivery or transmission, if given personally or sent by email or fax (or the next Business Day if the date of delivery or transmission is not a Business Day); on the second Business Day following the date of sending by courier; or on the fifth Business Day following the date of sending, if sent by registered mail. If a postal stoppage or interruption occurs, notices shall not be sent by registered mail, and any notice sent by registered mail within 5 Business Days prior to the commencement of the postal stoppage or interruption must be re-sent by another means in order to be effective. For purposes of this section 15, Business Day includes Remembrance Day, if it falls on a day other than Saturday or Sunday, and Easter Monday.
- (c) If either party wishes to receive written notice under this Addendum at an address/contact number other than those identified on page 2 of this Addendum, then the party shall send written notice of the change of address, fax number, or email address to the other party in accordance with paragraph (b) above.
- (d) Time periods within which or following which any act is to be done shall be calculated by excluding the day of delivery or transmission and including the day on which the period ends.
- (e) Time periods shall be calculated using calendar days including Business Days but subject to paragraphs (f), (g) and (h) below.

- (f) Where the time for making a claim under this Addendum expires on a day that is not a Business Day, the claim may be made on the next Business Day.
- (g) Prior notice periods that begin on a day that is not a Business Day shall begin on the next earlier Business Day, except that notices may be sent and/or received on Remembrance Day, if it falls on a day other than Saturday or Sunday, or Easter Monday.
- (h) Every Critical Date must occur on a Business Day. If the Vendor sets a Critical Date that occurs on a date other than a Business Day, the Critical Date is deemed to be the next Business Day.
- (i) Words in the singular include the plural and words in the plural include the singular.
- (j) Gender-specific terms include both sexes and include corporations.

#### **16. Disputes Regarding Termination**

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

**For more information please visit [www.tarion.com](http://www.tarion.com)**

**SCHEDULE A**

**Types of Permitted Early Termination Conditions**

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

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

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

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

(b) upon:

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

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

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

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

**2. The following definitions apply in this Schedule:**

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

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

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

**3. Each condition must:**

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

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

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

**SCHEDULE B**

**Adjustments to Purchase Price or Balance Due on Closing**

**PART I Stipulated Amounts/Adjustments**

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

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

1. As per Agreement of Purchase and Sale Clause 7 - Adjustments
  
- 2.
  
- 3.

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

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

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

1. As per Agreement of Purchase and Sale Clause 7 - Adjustments

2.

3.



## SCHEDULE C

### Terms of Occupancy Licence

If the purchaser takes Occupancy of the home before the date of Closing or is required to do so under the Purchase Agreement, then the following provisions shall apply:

1. The Purchaser shall be given Occupancy of the home on the Occupancy Date.
2. The Purchaser shall not be required to pay the balance due on the purchase price on the Occupancy Date unless the Occupancy Date is also the Closing Date.
3. The Purchaser shall pay to the Vendor a monthly **Occupancy Fee** from and after the Occupancy Date which shall not exceed an amount calculated as follows:
  - (i) interest calculated on a monthly basis on the unpaid balance of the purchase price at the prescribed rate as specified in subsection 19(1) of O.Reg 48/01 to the Condominium Act, 1998; plus
  - (ii) an amount reasonably estimated by the Vendor on a monthly basis for municipal realty taxes attributable by the Vendor to the home; plus
  - (iii) the projected monthly common expense contribution for the home's share of the common elements condominium corporation (CEC).

The Occupancy Fee shall be payable on the first day of each month in advance until the date of Closing. The Occupancy Fee is a fee for the use of the home and no part of it shall be credited as payments on account of the Purchase Price. If Occupancy does not occur on the first day of the month, the Purchaser shall pay on the Occupancy Date a pro rata amount for the balance of the month.

4. If the Vendor charges the Purchaser a monthly Occupancy Fee for longer than six (6) months and the monthly Occupancy Fee includes a projected contribution to the reserve fund for the CEC, then, with respect to the Occupancy Fee for each month after the sixth month, the Vendor shall hold in trust and remit to the CEC upon registering the declaration and description for the CEC, the portion of the monthly Occupancy Fee that represents the projected contribution to the reserve fund.
5. The Vendor, during the Purchaser's period of Occupancy,
  - (a) shall provide those services that the CEC corporation will have a duty to provide to owners after the registration of the CEC declaration and description;
  - (b) shall repair and maintain the CEC property in the same manner as the CEC corporation will have a duty to repair after damage and maintain after the registration of the CEC declaration and description;
  - (c) has the same right of entry to CEC property that the CEC corporation will have after the registration of the CEC declaration and description;
  - (d) may withhold consent to an assignment of the right to use CEC property; and
  - (e) may charge a reasonable fee for consenting to an assignment of the right to use CEC property.
6. The Vendor shall proceed with due diligence to register the CEC declaration and description. The Vendor shall, within 30 days of the registration of the CEC declaration and description, notify the Purchaser in writing of the date and instrument numbers of the registration, unless within that time the Purchaser receives a deed to the home that is in registerable form. Upon registration of the CEC declaration and description, the Vendor and Purchaser shall proceed to complete the title transfer on a date designated by the Vendor or its solicitor which shall be no later than sixty (60) days after the registration of the CEC declaration and description. If the Vendor for any reason whatsoever is unable to register the CEC declaration and description and therefore is unable to deliver a registerable Transfer/Deed to the Purchaser within twelve (12) months of the Occupancy Date, the Purchaser shall have the right for a period of 30 days after such twelve (12) month period, to give sixty (60) days written notice to the Vendor, to terminate the Occupancy licence and this Purchase Agreement. If the Purchaser gives notice of termination, the Purchaser shall give up vacant possession and pay the Occupancy Fee to the date of termination, after which this Purchase Agreement and Occupancy licence shall be terminated and section 7 of the Addendum applies.
7. The rights and duties described in section 5 above, apply despite any provision to the contrary in the *Residential Tenancies Act, 2006*.
8. The Vendor shall, on delivering to the Purchaser a Transfer Deed that is in registerable form or as soon as is practicable after delivery, refund to the Purchaser the portion of the monthly Occupancy Fee that the Purchaser has paid on account of municipal taxes attributable to the home in excess of the amount actually assessed against the home.

**Limited Use Freehold Form  
(Tentative Occupancy Date – POTL/CEC)**

9. If the portion of the monthly Occupancy Fee that the Purchaser has paid on account of municipal taxes attributable to the home is insufficient to pay the amount actually assessed against the home, the Vendor may require the Purchaser to pay the difference between the two amounts.
10. Sections 149, 150, 151, 165, 166 and 167 and Part VII of the *Residential Tenancies Act, 2006*, do not apply to Occupancy and monthly Occupancy Fees charged under this Schedule C.
11. In accordance with section 58(1).4 of the *Residential Tenancies Act, 2006*, if the Occupancy arose by virtue of or collateral to the Purchase Agreement, then if the Purchase Agreement is terminated, the Occupancy shall correspondingly be terminated.
12. The Purchaser shall maintain the home in a clean and sanitary condition and not make any alterations or improvements without the prior written approval of the Vendor which may not be unreasonably withheld.
13. The Purchaser shall be responsible for all utility, telephone expenses, cable television service, or other charges and expenses billed directly to the occupant of the home by the supplier of such services.
14. The Purchaser shall as at the Occupancy Date insure the home for the full replacement value thereof and provide a copy of the insurance certificate to the Vendor. The Vendor is not liable for the Purchaser's loss occasioned by fire, theft or other casualty, unless caused or contributed to by the Vendor.
15. The Vendor and Purchaser may agree upon additional provisions relating to Occupancy, provided such provisions do not derogate from, do not conflict with and are not inconsistent with provisions of this Schedule C.



The Declarant reserves the right to increase or decrease the number of POTLs, provided that each Purchaser's proportionate share of the common expenses shall not increase in a material fashion, and any such changes shall not constitute a material change.

Purchasers of POTLs are advised that during the construction of the Condominium and of the dwellings on the POTLs, the Declarant, its workmen, trades, suppliers, agents, contractors and servants shall be entitled to use those portions of the common elements as may be necessary. Purchasers are advised that construction activity may result in noise, dust, debris and heavy traffic during the day and may interfere with the ordinary use and enjoyment of the Condominium and the POTLs. The Declarant shall make reasonable efforts to minimize such disruption during the course of construction, but nothing shall derogate from the right of the Declarant to complete construction.

(b) Proposed Types and number of Buildings and Units

The Condominium shall consist of common roadways, with the POTLs located adjacent to the Condominium.

(c) Utilities and Other Services

Hydro service supplied to the common elements will be bulk metered and billed directly to the Condominium Corporation by the utility and included in the budget.

It is presently anticipated that there will be no door to door mail delivery, and mail delivery to a communal mail box will be available to the POTLs.

(d) Amenities

Perimeter fencing or a privacy hedge of trees may be required along the edge of the roadway where there is no outlet and will be maintained by the Condominium Corporation and are included in the budget. Privacy fencing required for all POTLs, along with retaining walls and acoustical walls which may be required for some of the POTLs, will be maintained by the owners of the POTLs and shall not be an obligation of the Condominium Corporation.

(e) Easements and Restrictions

The Condominium shall be subject to such easements as disclosed by registered title and described in Schedule "A" to the Declaration. In addition to the easements existing and noted on title to the property as of the date of this Disclosure Statement, further easements are contemplated to be registered. These easements may include an easement for vehicular and pedestrian ingress and egress, for utilities, and for storm and sanitary sewers. Some easements have been described in this Disclosure Statement in a general nature and will be finalized once the specific locations and nature of such easements have been determined.

The POTLs will be subject to easements in favour of the Condominium Corporation for the purposes of installing, maintaining, repairing and replacing, as required, any services which are necessary for the common elements or for providing services to the owners of the POTLs.

**5. DECLARATION, BY-LAWS, RULES AND INSURANCE TRUST AGREEMENT**

Accompanying this Disclosure Statement is a copy of the proposed Declaration, By-laws, Rules and Insurance Trust Agreement.

**6. BRIEF DESCRIPTION OF SIGNIFICANT FEATURES OF VARIOUS AGREEMENTS SUBJECT TO TERMINATION**

(a) Proposed Management Agreement (Section 111 of the Act)

The Corporation will enter into a management agreement following registration of the Condominium for the first year following registration. A copy of the proposed Management Agreement is included with this Disclosure Statement. Purchasers are advised to review the proposed Management Agreement for an understanding of the provisions contained therein.

(b) Other Agreements (Section 112 of the Act)

Such contracts as may be necessary or required for the provision of services to the Condominium may be entered into, including, without limitation, electrical services, landscaping, snow removal, provision of supplies, insurance, legal and accounting services, and other such matters as may be required for the orderly operation of the business of Corporation.

(c) Proposed Insurance Trust Agreement (Section 114 of the Act)

Corporation will not enter into an insurance trust agreement following registration of the Condominium.

**7. MISCELLANEOUS MATTERS**

(a) ONTARIO NEW HOME WARRANTIES PLAN ACT ("ONHWPA")

The Property is not subject to ONHWPA. The Declarant does not intend to enroll the Property under ONHWPA.

(b) The Declarant reserves the right to market POTLs in blocks to investors, but has no present intention of doing so. No restriction has been placed on the number of POTLs that may be purchased by an individual or a corporation.

(d) Declarant does not intend to cause Corporation to amalgamate with another corporation nor does Declarant have any knowledge that Corporation intends to amalgamate with another corporation.

(e) No building on the Property has been or will be converted from a previous use and no buildings are proposed to be constructed on the Property aside from a construction office and/or a sales office which shall remain on the Property until such time as the POTLs are sold.

(f) A Budget Statement for the one year period immediately following registration of Declaration and Description is included with this Disclosure Statement.

(g) There are no fees or charges that Corporation is required to pay to Declarant or another person except as set forth in the Budget. Refer to Budget for all expenses of Corporation and services being provided.

(h) Pursuant to subsection 82(8) of the Act, Declarant is entitled to retain the excess of all interest earned on money held in trust over the interest Declarant is required to pay to purchaser under Section 82 of the Act.

(i) Declarant does not intend to permit any part of common elements to be used for commercial or other purposes not ancillary to residential purposes on the POTLs.

(j) Declarant does not intend to provide any major assets or property to Corporation.

(k) There are no units, assets or services that Corporation is required to acquire nor are there any agreements or leases that Corporation must enter into with Declarant or a subsidiary body corporate, holding body corporate or affiliated body corporate of Declarant.

(l) Declarant owns lands adjacent to the Condominium lands which are presently vacant and which will comprise the POTLs. Application for site plan approval

from the City of Markham is pending.

- (m) No part of the common elements is subject to a lease or license.

8. **RESCISSION RIGHTS (Section 73 of the Act)**

The following is a copy of Section 73 of the Act which sets out the rescission rights available to a Purchaser of a Unit in the Condominium:

"(1) A purchaser who receives a disclosure statement under subsection 72(1) may, in accordance with this section, rescind the agreement of purchase and sale before accepting a deed to the unit being purchased that is in registrable form.

(2) To rescind an agreement of purchase and sale under this section, a purchaser or the purchaser's solicitor shall give a written notice of rescission to the declarant or to the declarant's solicitor who must receive the notice within 10 days of the later of,

- (a) the date that the purchaser receives the disclosure statement; and
- (b) the date that the purchaser receives a copy of the agreement of purchase and sale executed by the declarant and the purchaser.

(3) If a declarant or the declarant solicitor receives a notice of rescission from a purchaser under this section, the declarant shall promptly refund, without penalty or charge, to the purchaser, all money received from the purchaser under the agreement and credited towards the purchase price, together with interest on the money calculated at the prescribed rate from the date that the declarant received the money until the date the declarant refunds it."

10. **RESCISSION RIGHTS UPON MATERIAL CHANGE (Section 74 of the Act)**

The following is a copy of Section 74 of the Agreement which sets out what constitutes a "material change" and the rescission rights available to a purchaser of a POTL in the event of a material change:

"(1) Whenever there is a material change in the information contained or required to be contained in a disclosure statement delivered to a purchaser under subsection 72(1) or a revised disclosure statement or a notice delivered to a purchaser under this section, the declarant shall deliver a revised disclosure statement or a notice to the purchaser.

(2) In this section,

"material change" means a change or a series of changes that a reasonable purchaser, on an objective basis, would have regarded collectively as sufficiently important to the decision to purchase a unit or proposed unit in the corporation that it is likely that the purchaser would not have entered into an agreement of purchase and sale for the unit or the proposed unit or would have exercised the right to rescind such an agreement of purchase and sale under section 73, if the disclosure statement had contained the change or series of changes, but does not include,

- (a) a change in the contents of the budget of the corporation for the current fiscal year if more than one year has passed since the registration of the declaration and description for the corporation;
- (b) a substantial addition, alteration or improvement within the meaning of subsection 97(6) that the corporation makes to the common elements after a turnover meeting has been held under section 43;
- (c) a change in the portion of units or proposed units that the declarant intends to lease;
- (d) a change in the schedule of the proposed commencement and completion dates for the amenities of which construction had not been

completed as of the date on which the disclosure statement was made; or

(e) a change in the information contained in the statement described in subsection 161(1) of the services provided by the municipality for the Minister of Municipal Affairs and Housing, as the case may be as described in that subsection if the unit or the proposed unit is in a vacant land condominium corporation.

(3) The revised disclosure statement or notice required under subsection (1) shall clearly identify all changes that in the reasonable belief of the declarant may be material changes and summarize the particulars of them.

(4) The declarant shall deliver the revised disclosure statement or notice to the purchaser within a reasonable time after the material change mentioned in subsection (1) occurs and, in any event, no later than 10 days before delivering to the purchaser a deed to the unit being purchased that is in registerable form.

(5) Within 10 days after receiving a revised disclosure statement or a notice under subsection (1), a purchaser may make an application to the Ontario Court (General Division) for a determination whether a change or a series of changes set out in the statement or notice is a material change.

(6) If a change or a series of changes set out in a revised disclosure statement or a notice delivered to a purchaser constitutes a material change or if a material change occurs that the declarant does not disclose in a revised disclosure statement or notice required by subsection (1), the purchaser may, before accepting a deed to the unit being purchased that is in registerable form, rescind the agreement of purchase and sale within 10 days of the latest of,

(a) the date on which the purchaser receives the revised disclosure statement or the notice, if the declarant delivered a revised disclosure statement or notice to the purchaser;

(b) the date on which the purchaser becomes aware of a material change, if the declarant has not delivered a revised disclosure statement or notice to the purchaser as required by subsection (1) with respect to the change; and

(c) the date on which the Ontario Court (General Division) makes a determination under subsection (5) or (6) that the change is material, if the purchaser or declarant, as the case may be, has made an application for the determination.

(7) To rescind an agreement of purchase and sale under this section, a purchaser or the purchaser's solicitor shall give a written notice of rescission to the declarant or to the declarant's solicitor.

(8) Within 10 days after receiving a notice of rescission, the declarant may make an application to the Ontario Court (General Division) for a determination whether the change or the series of changes on which the rescission is based constitutes a material change, if the purchaser has not already made an application under subsection (5).

(9) A declarant who receives a notice of rescission from a purchaser under this section shall refund, without penalty or charge, to the purchaser, all money received from the purchaser under the agreement and credited towards the purchase price, together with interest on the money calculated at the prescribed rate from the date that the declarant received the money until the date the declarant refunds it.

(10) The declarant shall make the refund,

(a) within 10 days after received a notice of rescission, if neither the purchaser nor the declarant has made an application for a determination described in subsection (5) or (8) respectively; or

(b) within 10 days after the court makes a determination that the change is material, if the purchaser has made an application under subsection (5) or the declarant has made an application under subsection (8).





**DECLARATION**

**COMMON ELEMENTS CONDOMINIUM**

THIS DECLARATION (hereinafter called the "Declaration") is made and executed pursuant to the provisions of the *Condominium Act*, 1998, and the regulations made thereunder, as amended from time to time (all of which are hereinafter collectively referred to as the "Act"), by:

**SUNRISE ACQUISITIONS (HWY 7) INC.**

(hereinafter called the "Declarant")

WHEREAS:

- A. The Declarant is the owner in fee simple of certain lands and premises situate in the City of Markham, in the Province of Ontario and being more particularly described in Schedule "A" annexed hereto and in the description submitted herewith by the Declarant (hereinafter called the "Description") for registration in accordance with the Act and which lands are sometimes referred to as the "Lands" or the "Property"; and
- B. The Declarant intends that the Property shall be governed by the Act and that the registration of this Declaration and the Description will create a freehold common elements condominium corporation.

**NOW THEREFORE THE DECLARANT HEREBY DECLARES AS FOLLOWS:**

**ARTICLE I – INTRODUCTORY**

**1.1 Common Elements Condominium**

The registration of this Declaration and the Description will create a freehold common elements condominium corporation.

**1.2 Division of POTLS**

A parcel of tied land may not be divided into two (2) or more parcels unless an amendment is registered to the Declaration that takes into account the division of a parcel of tied land.

**1.3 Definitions**

The terms used in the Declaration shall have the meanings ascribed to them in the Act unless this Declaration specifies otherwise or unless the context otherwise requires and in particular:

- (a) "Board" means the Corporation's Board of Directors;
- (b) "By-Laws" means the by-laws of the Corporation enacted from time to time;
- (c) "Common Elements" means all the Property;
- (d) "Corporation" means the Condominium Corporation created by the registration of this Declaration;
- (e) "Owner" means the Owner or Owners of the freehold homes in a POTL and who owns, pursuant to the Act, a common interest in the common elements, but does not include a mortgagee of a POTL unless in possession;

- (f) "POTL" or "POTLS" means the parcel or parcel(s) of tied land to which a common interest is attached as described in Schedule "D" to this declaration; and
- (g) "Rules" means the Rules passed by the Board.

#### **1.4 Act Governs the Property**

The Lands described in Schedule "A" annexed hereto and in the Description together with all interests appurtenant to the Lands are governed by the Act.

#### **1.5 Consent of Encumbrancers**

The consent of every person having a registered mortgage against the Property or interests appurtenant thereto and against each POTL is contained in Schedule "B" attached hereto.

#### **1.6 Common Interest and Common Expenses**

Each Owner shall have an undivided interest in the Common Elements as a tenant in common with all other Owners in the proportions set forth opposite each POTL in Schedule "D" attached hereto and shall contribute to the Common Expenses in the proportion set forth opposite each POTL in Schedule "D" attached hereto. The total of the proportions of the common interests and proportionate contribution to Common Expenses shall each be one hundred (100%) percent.

#### **1.7 Address for Service. Municipal Address and Mailing Address of the Corporation**

- (a) The Corporation's address for service shall be 50 West Wilmot Street, Richmond Hill, Ontario L4B 1M5 or such other address as the Corporation may by resolution of the Board determine;
- (b) the Corporation's mailing address shall be 50 West Wilmot Street, Richmond Hill, Ontario L4B 1M5 or such other address as the Corporation may by resolution of the Board determine.
- (c) The Corporation's municipal address is 50 West Wilmot St., Richmond Hill, Ontario L4B 1M5

#### **1.8 Architect Engineer Certificates**

The certificate(s) of the architect and/or engineer(s) that all buildings and structures that the declaration and description show are included in the Common Elements and have been constructed in accordance with the regulations is/are contained in Schedule "G" attached hereto.

#### **1.9 Exclusive Use Common Elements**

There are no exclusive use of parts of the Common Elements designated in Schedule "F" attached hereto.

### **ARTICLE II - COMMON EXPENSES**

#### **2.1 Specification of Common Expenses**

Common Expenses means the expenses of the performance of the objects and duties

of the Corporation and such other expenses, costs and sums of money designated as Common Expenses in the Act and this Declaration and without limiting the generality of the foregoing, shall include those expenses set out in Schedules "E" attached hereto.

## **2.2 Payment of Common Expenses**

Each Owner, including the Declarant, shall pay to the Corporation its proportionate share of the Common Expenses, as may be provided for by the By-laws and the assessment and collection of contributions toward Common Expenses may be regulated by the Board pursuant to the By-laws. In addition to the foregoing, any losses, costs or damages incurred by the Corporation by reason of a breach of any provision of this Declaration, or in any Bylaws or rules in force from time to time by any Owner, or by members of its family and/or its respective tenants, invitees or licensees shall be borne and paid for by such Owner and may be recovered by the Corporation against such Owner in the same manner as Common Expenses.

## **2.3 Reserve Fund**

- (a) The Corporation shall establish and maintain one or more Reserve Funds and shall collect from the Owners as part of their contribution towards the Common Expenses, amounts that are reasonably expected to provide sufficient funds for major repair and replacement of Common Elements and assets of the Corporation; and
- (b) No part of the Reserve Fund shall be used except for the purpose for which the funds were established. The Reserve Fund shall constitute an asset of the Corporation and shall not be distributed to any Owner except on termination of the Corporation in accordance with the Act.

## **2.4 Status Certificate**

The Corporation shall, upon request, provide the requesting party with a status certificate and accompanying documentation and information in accordance with the Act. The Corporation shall forthwith provide the Declarant with a status certificate and all such accompanying documentation and information, as may be requested from time to time by or on behalf of the Declarant for any reason whatsoever, all at no charge or fee to the Declarant or the person requesting same on behalf of the Declarant.

## **2.5 Monies Owing**

Monies owing pursuant to this Declaration by the Owner to the Corporation shall bear interest at the prime lending rate of the Corporation's Bank as it may set from time to time plus five percent (5%) compounded monthly until paid, calculated semi-annually, not in advance, or at such other rate or interest as the Board may from time to time establish.

## **2.6 Collection**

All costs, charges and expenses including solicitors' costs, on the basis of costs between a solicitor and the solicitor's own client, incurred by the Corporation in enforcing its rights against an owner, arising from the Act, the Declaration, the By-Laws, the Rules or otherwise, including the costs of bringing an application under Section 134 of the Act, shall be payable by the Owner to the Corporation. All monies, interests and costs payable by an Owner to the Corporation may be collected as additional Common Expense payments and shall be recoverable as such.

# **ARTICLE III - COMMON ELEMENTS**

## **3.1 Use of Common Elements**

Subject to the provisions of the Act, this Declaration, the By-laws and any rules, each Owner has the full use, occupancy and enjoyment of the whole or any parts of the Common Elements for residential purposes only and for uses ancillary thereto, except as herein otherwise provided. Provided that until the sale of all Units and the completion of construction of the Project, the Declarant, its agents and contractors may:

- (i) operation of a model home within a POTL and maintain promotional signage and displays on the Common Elements and on the said POTL;
- (ii) maintain construction trailers or offices on the Common Elements;
- (iii) maintain construction materials on the Common Elements; and
- (iv) have access to the Common Elements to complete construction.

### **3.2 Restricted Access**

Without the consent in writing of the Board, no Owner shall have the right of access to those parts of the Common Elements used from time to time for the care, maintenance or operation of the Property or any part thereof as designated by the Board, from time to time.

### **3.3 Modifications of Common Elements, Assets and Services**

#### **(a) General Prohibition**

No owner shall make any change or alteration to the Common Elements whatsoever, including any installation(s) thereon, nor alter, decorate, renovate, maintain or repair any part of the Common Elements (except for maintaining those parts of the Common Elements which it has a duty to maintain in accordance with the provisions of this Declaration) without obtaining the prior written approval of the Board and having entered into an agreement with the Corporation in accordance with Section 98 of the Act.

#### **(b) Non-Substantial Additions, Alterations and Improvements by the Corporation**

The Corporation may make an addition, alteration, or improvement to the Common Elements, a change in the assets of the Corporation or a change in a service that the Corporation provides to the Owners in accordance with subsections 97(2) and (3) of the Act.

#### **(c) Substantial Additions, Alterations and Improvements by the Corporation**

The Corporation may, by a vote of Owners who own at least sixty-six and two thirds (66 2/3%) percent of the POTLS make a substantial addition, alteration or improvement to the Common Elements, a substantial change in the assets of the Corporation or a substantial change in a service the Corporation provides to the Owners in accordance with subsections 97 (4), (5) and (6) of the Act.

### **3.4 Parking**

Parking shall be permitted only on those parts of the Common Elements designated by the Corporation for parking and as set forth in the Rules. All costs to effect compliance with this provision by any Owner of a POTL may be levied as an additional common expense attributable to such POTL.

## **ARTICLE IV - MAINTENANCE AND REPAIRS**

#### 4.1 Responsibility of Owner

- (a) Each Owner shall be responsible for all damage to the Common Elements, which is caused by the negligence or wilful misconduct of the Owner, its tenants, licensees or invitees, save and except for any such damage for which the cost of repairing same may be recovered under any policy of insurance held by the Corporation.
- (b) Each Owner shall be responsible for the repair, maintenance and replacement costs of the fencing, berming, and retaining walls and acoustical walls on its POTL and at the rear of or at the flankage of the POTL. No owner may substantially change the colour, materials, style, design or type of fences without the prior written consent of the Board.

#### 4.2 Repair and Maintenance by Corporation

The Corporation shall maintain and repair the Common Elements at its own expense. The Corporation shall also maintain and repair all facilities (including without limitation, water mains, storm and sanitary sewers and street lights) which service more than one POTL, whether located within the Common Elements or wholly or partly within a POTL and the Corporation and its designated agents shall have full access to a POTL to carry out its obligation pursuant to this paragraph.

#### 4.3 Snow Clearance by Corporation

The Corporation may pile snow cleared from the Common Elements onto the front or side yards of the POTLS.

### ARTICLE V - INDEMNIFICATION

- 5.1 Each Owner shall indemnify and save harmless the Corporation from and against any loss, costs, damage, injury or liability whatsoever which the Corporation may suffer or incur resulting from or caused by an act or omission of such Owner, its family, guests, visitors or tenants to or with respect to the Common Elements, except for any loss, costs, damages, injury or liability caused by an insured (as defined in any policy or policies of insurance) and insured against by the Corporation. All payments to be made by an Owner pursuant to this Article shall be deemed to be additional contributions toward Common Expenses payable by such Owner and shall be recoverable as such. In the event that any insurance proceeds payable to the Corporation are reduced by the amount of a deductible, and the loss giving rise to such payments was occasioned by the failure, breach, act or omission of an Owner, as set out above, then such Owner shall be liable to the Corporation for the amount of such deductible.

### ARTICLE VI - INSURANCE

#### 6.1 By the Corporation

The Corporation shall obtain and maintain insurance on its own behalf and on behalf of the owners as required or permitted by the Act in such amounts and upon such terms as the Board of Directors may determine from time to time. Every policy of insurance shall insure the interests of the Corporation and the Owners from time to time, as their respective interests may appear

#### 6.2 General Provisions

- (a) The Corporation, its Board and its officers shall have the exclusive right, on behalf of itself and as agents for the Owners, to adjust any loss and settle any claims with respect to all insurance placed by the Corporation, and to give such releases as are required, and any claimant, shall be bound by such adjustment.

- (b) Every mortgagee shall be deemed to have agreed to waive any right to have proceeds of any insurance applied on account of the mortgage where such application would prevent application of the insurance proceeds in satisfaction of an obligation to repair. This subparagraph 6.2(b) shall be read without prejudice to the right of any mortgagee to exercise the right of an Owner to vote or to consent if the mortgage itself contains a provision giving the mortgagee that right;
- (c) A certificate or memorandum of all insurance policies, and endorsements thereto, shall be issued as soon as possible to each Owner, and a duplicate original or certified copy of the policy to each mortgagee who has notified the Corporation of its interest in any POTL. Renewal certificates or certificates of new insurance policies shall be furnished to each Owner and to each mortgagee noted on the records of the Corporation who have requested same. The master policy for any insurance coverage shall be kept by the Corporation in its offices, available for inspection by any Owner or mortgagee on reasonable notice to the Corporation;
- (d) No insured, other than the Corporation, shall be entitled to amend any policy or policies of insurance obtained and maintained by the Corporation. No insured shall be entitled to direct that the loss shall be payable in any manner other than as provided in the Declaration and the Act;
- (e) Where insurance proceeds are received by the Corporation or any other person, they shall be held in trust and applied for the same purposes as are specified otherwise in this Article VI; and
- (f) Prior to obtaining any new policy or policies of insurance and at such other time as the Board may deem advisable and in any event, at least every three (3) years, the Board shall obtain an appraisal from an independent qualified appraiser of the full replacement cost of the assets for the purpose of determining the amount of insurance to be effected and the cost of such appraisal shall be a Common Expense.

### 6.3 By the Owner

It is acknowledged that the foregoing insurance is the only insurance required to be obtained and maintained by the Corporation and that the following insurance should be obtained and maintained by each Owner at such Owner's own risk:

- (a) Insurance on the Owner's POTL and all buildings constructed thereon. Every such policy of insurance shall contain waiver of subrogation against the Corporation, its manager, agents, employees and servants and against the other Owners and any members of their household or guests except for any damage arising from arson, fraud, vehicle impact, vandalism or malicious mischief caused or contributed by any of the aforementioned parties.
- (b) Public liability insurance covering any liability of any Owner or any resident, tenant, invitee or licensee of such Owner, to the extent not covered by any public liability and property damage insurance obtained and maintained by the Corporation.
- (c) Insurance covering the deductible on the Corporation's main policy for which an owner may be responsible.

**ARTICLE VII - GENERAL MATTERS AND ADMINISTRATION**

**7.1 Invalidity**

Each of the provisions of this Declaration shall be deemed independent and severable, and the invalidity or unenforceability in whole or in part of any one or more of such provisions shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration, and in such event all of the other provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been included herein.

**7.2 Waiver**

The failure to take action to enforce any provision contained in the Act, this Declaration, the By-laws or any other rules and regulations of the Corporation, irrespective of the number of violations or breaches which may occur, shall not constitute a waiver of the right to do so thereafter, nor be deemed to abrogate or waive any such provision.

**7.3 Interpretation of Declaration**

This Declaration shall be read with all changes of number and gender required by the context.

**7.4 Headings**

The headings in the body of this Declaration form no part of the Declaration but shall be deemed to be inserted for convenience of reference only.

**IN WITNESS WHEREOF** the Declarant has hereunto executed this Declaration under the hands of its proper officer duly authorized in that behalf.

DATED at Markham this \_\_\_\_ day of \_\_\_\_\_, 2016.

**SUNRISE ACQUISITIONS (HWY 7) INC.**

Per: \_\_\_\_\_  
Sajjad Hussain – ASO

I have authority to bind the Corporation

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**SCHEDULE "B"**

**CONSENT**

(under clause 7(2)(b) of the Act)

**CONSENT UNDER CLAUSE 7(2)(b) OF THE ACT**

1. KingSett Mortgage Capital has a registered mortgage within the meaning of clause 7(2)(b) of the *Condominium Act, 1998*, registered at the Land Registry Office for the Land Titles Division of York.
2. KingSett Mortgage Capital hereby consents to the registration of this Declaration pursuant to the *Condominium Act, 1998*, against the land or interests appurtenant to the land as the land and the interests are described in the Description.
3. KingSett Mortgage Capital postpones its mortgage and the interests under it to the Declaration and the easements described in Schedule "A" to the Declaration.
4. KingSett Mortgage Capital is entitled by law to grant this consent and postponement.

DATED at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

KingSett Mortgage Capital

Per: \_\_\_\_\_  
Name:  
Title:

Per: \_\_\_\_\_  
Name:  
Title:

I/We have authority to bind the Corporation





**SCHEDULE "B"**

**CONSENT TO ATTACHMENT OF A COMMON INTEREST**

(under clause 140(c) of the *Condominium Act, 1998*)

1. KingSett Mortgage Captial has a mortgage registered in the Land Titles Division of against a parcel of land (known as the "Parcel") to which a common interest in a common elements condominium corporation (known as the "Corporation") will attach upon the registration of the attached declaration (known as the "Declaration") dated \_\_\_\_\_ and the description (known as the "Description") creating the Corporation.
2. KingSett Mortgage Captial acknowledges that, upon the registration of this Declaration and Description, the Parcel will become subject to all encumbrances, if any, outstanding against the property described in Schedule "A" to the Declaration.
3. KingSett Mortgage Captial consents to the registration of a notice in the prescribed form indicating that a common interest in the Corporation, as the common interest is set out in Schedule "D" to the Declaration, attaches to the Parcel upon the registration of the Declaration and Description.

DATED at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

KingSett Mortgage Captial

Per: \_\_\_\_\_  
Name:  
Title:

Per: \_\_\_\_\_  
Name:  
Title:

I/We have authority to bind the Corporation



## SPECIFICATION OF COMMON EXPENSES

(Common Elements Condominium)

Common expenses, without limiting the definition ascribed thereto, shall include the following:

- (a) all sums of money paid or payable by the Corporation in connection with the performance of any of its objects, duties and powers whether such objects, duties and powers are imposed by the Act or this Declaration and By-laws of the Corporation or other law or by agreement;
- (b) all sums of money properly paid by the Corporation on account of any and all public and private suppliers to the Corporation of insurance coverage, utilities and services including, without limiting the generality of the foregoing, levies or charges payable on account of:
  - (i) insurance premiums;
  - (ii) electricity respecting common elements;
  - (iii) maintenance materials, tools and supplies;
  - (iv) snow removal from common element roads and to remove same from the site, if required, and landscaping of common element areas: and
  - (v) utilities (hydro) to service the common elements, including all street lighting.
- (c) all sums of money paid or payable by the Corporation pursuant to any management contract which may be entered into between the Corporation and a manager;
- (d) all sums of money required by the Corporation for the acquisition or retention of real property for the use and enjoyment of the property or for the acquisition, repair, maintenance or replacement of personal property for the use and enjoyment in or about the common elements;
- (e) all sums of money paid or payable by the Corporation to any and all persons, firms, or companies engaged or retained by the Corporation, its duly authorized agents, servants and employees for the purpose of performing any or all of the objects, duties and powers of the Corporation including, without limitation, legal, engineering, accounting, auditing, expert appraising, advising, maintenance, managerial, secretarial or other professional advice and service required by the Corporation;
- (f) the cost of the repair, maintenance, inspection, or replacement of the Common Elements as required from time to time;
- (g) the cost of borrowing money for the carrying out of the objects, duties and powers of the Corporation;
- (h) the fees and disbursements of the Insurance Trustee, if and when required, and of obtaining insurance appraisals;
- (i) the cost of maintaining fidelity bonds as provided by By-law;
- (j) all sums required to be paid to the reserve fund as required by the Declaration or in accordance with the agreed upon annual budget of the Corporation.



**SCHEDULE "F"**  
**EXCLUSIVE USE COMMON ELEMENTS**

There are no exclusive use common elements

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## SCHEDULE "G"

## Form 17

*Condominium Act, 1998*

CERTIFICATE OF ARCHITECT OR ENGINEER  
 (SCHEDULE G TO DECLARATION FOR A COMMON ELEMENTS)  
 (under clauses 8 (1) (e) and (h) or clauses 157 (1) (c) and (e) of the *Condominium Act, 1998*)

I certify that:

Each building and structure that the declaration and description show are included in the common elements has been constructed in accordance with the regulations made under the *Condominium Act, 1998*, with respect to the following matters:

- 1,2,3 The declaration and description show that there are no buildings or structures included in the common elements.
4. There are no underground garages.
5. There are no elevating devices as defined in the *Elevating Devices Act*, except for elevating devices contained wholly in a unit and designed for use only within the unit.
6. All installations with respect to the provision of water and sewage services are in place and operable.
7. There are no installations with respect to the provision of heat and ventilation.
8. There are no installations with respect to the provision of air conditioning.
9. All installations with respect to the provision of electricity are in place and operable.
10. There are no indoor and outdoor swimming pools.
11. All facilities and services that the declaration and description show are included in the common elements have been installed and provided in accordance with the requirements of the municipalities in which the land is situated or the requirements of the Minister of Municipal Affairs and Housing, if the land is not situated in a municipality.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
 (print name)

Professional Architect/Engineer



**SCHEDULE "H"**

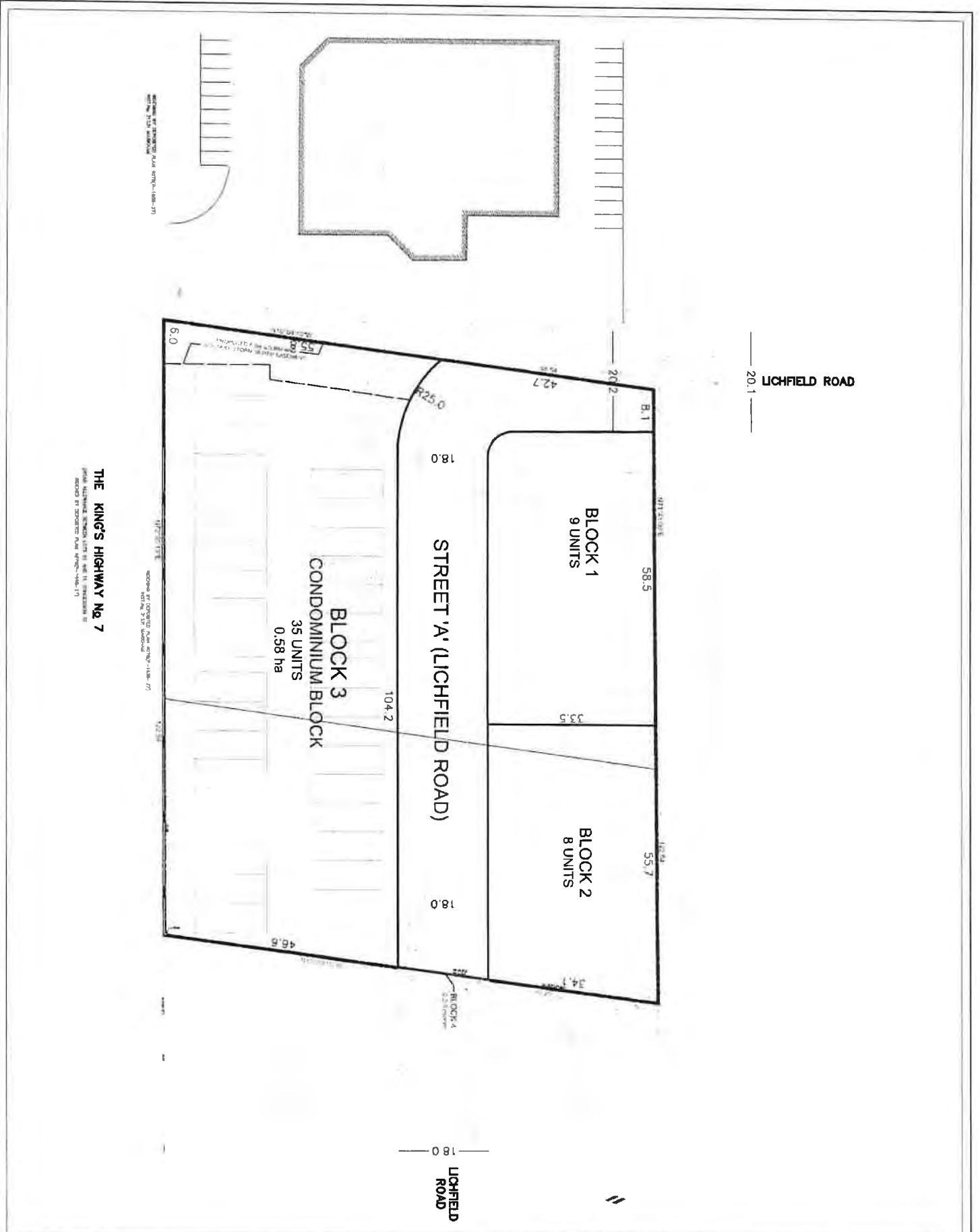
**List of all buildings, structures, facilities and services that are included in the Common Elements:**

**BUILDINGS AND STRUCTURES**

There are no buildings or structures located within the Common Elements of the Corporation.

**FACILITIES AND SERVICES**

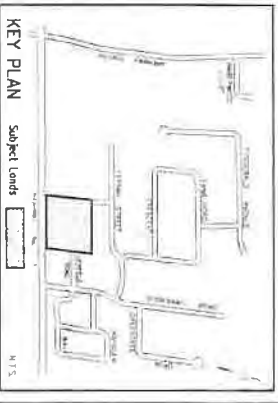
1. Storm and sanitary sewers, sump pumps within common areas, catch basins, manholes, water service, main line tee, shut off valves, fire hydrants, or other services or installations under or over the lands, which supply service to the Common Elements of the Corporation formed upon registration of this declaration and description and to more than one POTL.
2. electrical, switch gear, transformers, wires, pipes, valves, meters or other services or installations through, under or over the lands, which supply electrical service to the Common Elements of the Corporation formed upon registration of this declaration and description and to more than one POTL.
3. Street Lighting.
4. Common mail box.
5. Roads and sidewalks and perimeter fencing at edges of roads.
6. Provision of gas service.
7. Provision of telephone conduits.
8. Provision of television and cable conduits.



**THE KING'S HIGHWAY No. 7**  
 FROM ULTIMATE SECTION 107 II (467-11, 118-11)  
 ZONED IN ZONING PLAN 400-1-10-11

20.1  
 LICHFIELD ROAD

LICHFIELD ROAD



**KEY PLAN**  
 Subject Lands

**OWNER'S CERTIFICATE**  
 I, Humphries Planning Group Inc., in presence of \_\_\_\_\_ and submit this plan for draft approval.

**DATE OF SUBMISSION:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**STATE OF S. CERTIFICATE**  
 I hereby certify that the boundaries of the lands being subdivided and their correct relationship to the adjacent lands are accurately and correctly shown on this plan.

**DATE:** \_\_\_\_\_

**ADDITIONAL REGULATIONS**  
 (Section 17(1) of the Planning Act, R.S.O. 1990, Chapter P.3, as amended to April 11, 1997)

a) 1-2 - on lot plan  
 b) 3 - on lot plan  
 c) 35 - on lot plan  
 d) 52 - on lot plan  
 e) 52 - on lot plan  
 f) 52 - on lot plan  
 g) 52 - on lot plan  
 h) 52 - on lot plan  
 i) 52 - on lot plan  
 j) 52 - on lot plan

**DEVELOPMENT STATISTICS**

Frontlot Townhouses	1-2	0.37 ha
Condominium Block	3	0.99 ha
Roads	Street A @ 10m - 300m	0.24 ha
<b>TOTAL</b>		<b>1.20 ha</b>

**UNIT BREAKDOWN**

Frontlot Townhouses @ 61m (m/h)	17
Condominium Townhouses @ 57m (m/h)	35
<b>Total Units</b>	<b>52</b>

**DRAFT PLAN OF SUBDIVISION**



Humphries Planning Group Inc.	
File Number:	_____
Date Drawn:	NOV 23, 13
Drawn By:	YT
Checked By:	BA
Date Printed:	JAN 21, 15
CDP 728 Rev. 1	

**A1**



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**UNIONVILLAS**  
UPTOWN LIVING IN UNIONVILLE

**BUDGET STATEMENT  
FOR THE FIRST YEAR OF OPERATIONS**

January 2016

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**UNIONVILLAS**  
UPTOWN LIVING IN UNIONVILLE

Budget statement for the common expenses for the year following registration of the declaration and description of the proposed Common Element Condominium corporation at Lichfield Road, Markham, Ontario.

**REVENUE**

Common Element Fees	\$54,578	
<b>TOTAL REVENUE</b>		<b>\$54,578</b>

**ADMINISTRATION**

Management Fees	\$20,340	
Insurance	3,000	
Legal	565	
Audit	3,843	
Office Expenses	500	
<b>TOTAL ADMINISTRATION EXPENSES</b>		<b>\$28,248</b>

**UTILITIES**

Hydro	\$1,200	
<b>TOTAL UTILITIES</b>		<b>\$1,200</b>

**CONSULTING**

Performance Audit	\$6,215	
<b>TOTAL CONSULTING</b>		<b>\$6,215</b>

**CONTRACTS**

Snow Clearing	\$8,000	
<b>TOTAL CONTRACTS</b>		<b>\$8,000</b>

**RESERVE FUND**

Reserve Fund Provision	\$6,961	
Reserve Fund Provision for Reserve Fund Study	3,955	
<b>TOTAL RESERVE FUND</b>		<b>\$10,916</b>

<b>TOTAL EXPENSES</b>		<b>\$54,578</b>
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If registration of the declaration and description occurs after December 31, 2017, then the budget statement shall be read as increased by an inflation rate of 7.5% per annum and compounded annually. The date contained in this clause is not a guarantee that registration will take place on this date.



**UNIONVILLAS**  
UPTOWN LIVING IN UNIONVILLE

**NOTES TO THE BUDGET**

**I. INDIVIDUAL POTL ASSESSMENT:**

The monthly common element charge for each unit is determined by dividing the total budgeted common element fees attributed to the property by twelve (12) to determine the monthly assessment. This amount is multiplied by the POTL's percentage contribution to common expenses, as shown in Schedule "D" of the proposed declaration, to find the monthly individual common element charges.

**1. Total Monthly Common Element Assessment:**

$$\$54,578 \text{ divided by } 12 = \$4,548.18$$

**2. Monthly Individual Common Element Assessment:**

Individual POTL monthly common element assessments are determined by multiplying the total monthly common element assessment (\$4,548.18) by the percentage contribution to common expenses of each POTL. Please see the Schedule at the back of this Budget Statement for the individual POTL monthly common element assessment.

**II. OPERATING EXPENSES:**

**1. ADMINISTRATION \$28,248**

**a. Management Fees \$20,340**

This covers the cost of the services of a property management company to administer the affairs of the condominium corporation and as detailed in the property management contract included in the Disclosure Statement Package. The contract for the first year is set at \$35.00 per unit per month plus the H.S.T. for part time property management.

**b. Less Declarant Subsidy \$0**

The cost of the Property Management services for the 1st 12 (twelve) months after registration will be paid for by the Declarant at the contracted price of \$0 plus the H.S.T. as stated in the Budget Notes above .

**c. Insurance \$3,000**

This amount covers all insurance costs, including fire (all risk), comprehensive general liability, all major equipment and directors and officers liability coverage, as applicable.

**d. Legal \$565**

Provision has been made for the appointment of independent legal counsel for the Corporation at the discretion of the Board of Directors and to a maximum amount of \$500 plus the H.S.T.

**e. Audit \$3,843**

Section 43(7) of the Condominium Act requires an audit sixty (60) days after the turn over meeting (The Turnover Audit) and Section 67 requires an audit for each fiscal year. This provision is the estimated cost to complete both the audits during the year.



**UNIONVILLAS**  
UPTOWN LIVING IN UNIONVILLE

## NOTES TO THE BUDGET

f.	Office Expenses	\$500
	<p>This budgeted amount provides for any office expenses directly related to the operation of the corporation including various office supplies, photocopying, mailings, the annual general meeting, CCI membership, bank charges and other such expenses.</p>	
<b>2.</b>	<b>UTILITIES</b>	<b>\$1,200</b>
a.	Hydro	\$1,200
	<p>The budget is based on comparable property requirements and the current rates from the PowerStream website of 9.9 cents per kilowatt hour and administrative/distribution charges have been escalated by 3% and compounded annually. The budget includes electricity for the common areas only such as for street lighting etc. Each POTL will be separately metered or check metered and the cost of electricity to the POTL will be the responsibility of the respective POTL owner and will not form part of the common expenses. Should the rates for hydro at time of registration be greater than 10.5 cents per kilowatt hour or the administrative/distribution charges have increased from current charges, then the budget will be adjusted accordingly to reflect the rates at the time of registration.</p>	
<b>3.</b>	<b>CONSULTING</b>	<b>\$6,215</b>
a.	Performance Audit	\$6,215
	<p>The cost of the engineering study, to be conducted by the Declarant Board of Directors, to examine the common element areas and to file with the Tarion Warranty Program during the first year. This is a one time expense.</p> <p>The Declarant shall arrange for an Agreement on behalf of the Corporation with an independent engineering consultant to prepare a Performance Audit within one (1) year immediately following registration of the Declaration and the Description. The Performance Audit shall be conducted by professional consulting engineers who shall make a thorough examination of the common element areas and assess the as-constructed condition of the various systems and components of the common element areas in order to provide the corporation with a report on the common element areas which will assist the corporation in assessing repair and maintenance requirements and in preserving any rights which the corporation may have under the Ontario New Home Warranties Plan Act. The Declarant has negotiated a price for the Performance Audit (the "Contracted Price") which has been included in the Budget as a first year expense of the corporation.</p> <p>The Corporation is not restricted to the consulting engineers for the Performance Audit being prepared as set out herein. However, in the event that the corporation retains an alternate and/or additional consulting engineer to undertake the Performance Audit, at a higher cost than the Contracted Price negotiated by the Declarant then, the Declarant shall only be responsible for the amount of the Contracted Price, pursuant to Section 75 of the Condominium Act, and any expenses in excess of this stated amount shall be the sole responsibility of the condominium corporation.</p>	



**UNIONVILLAS**  
UPTOWN LIVING IN UNIONVILLE

## NOTES TO THE BUDGET

<b>4. CONTRACTS</b>	<b>\$8,000</b>
<p>a. Snow Clearing</p> <p>Provision to clear snow and ice from Common Element roadway(s) in the winter, including the cost of sand and ice melting salt substitute. The provision does not include snow clearing from the front of walkways, stairs and driveways as applicable, or with in any POTL. As such, snow clearing within each POTL will be the responsibility of POTL owner.</p>	\$8,000
<b>III. CONTRIBUTION TO THE RESERVE FUND</b>	<b>\$10,916</b>
<p>a. Reserve Fund Provision</p> <p>The Condominium Act 1998 of Ontario defines the reserve fund as a fund set up by the corporation in a special account for the major repair and replacement of common elements and assets of the corporation. The provision is calculated at 25%, including the cost of the reserve fund study, of the estimated operating expenses. Future allocations will be dictated by the reserve fund study, to be completed in the first year after registration.</p>	\$6,961
<p>b. Reserve Fund Provision for Reserve Fund Study</p> <p>The Condominium Act of Ontario (Section 94 (4)) requires every condominium corporation to establish a reserve fund based on a study to be conducted in the first year after registration. Section 94(7) allows for the reserve fund study to be expensed from the reserve fund.</p>	\$3,955
<b>IV. GENERAL NOTES TO THE BUDGET</b>	
<p>a. The total common expenses of this proposed Condominium Corporation, including the provision to the reserve fund is \$54,578 as shown on the Budget Statement.</p> <p>b. The cost of each expense item is shown on the Budget Statement. The cost of the Reserve Fund Study is \$3,500 plus H.S.T.; the cost of the Performance Audit is \$5,500 plus H.S.T.; the cost of both the turn over and year end financial audits is \$3,401 plus H.S.T.</p> <p>c. The cost, type, level and frequency of services is detailed in the notes above.</p> <p>e. As stated in the notes above, 25% of the operating expenses will be paid into the reserve fund account. The provision is \$10,916.</p> <p>f. At the time of preparation of the Budget Statement, January 2016, there are no judgments, with respect to the property, against the Declarant nor is the Declarant Corporation a party to any lawsuit material to the within property.</p> <p>g. There are no services not included in the foregoing Budget that the Declarant provides, or expenses that the Declarant pays and that might reasonably be expected to become, at a subsequent time, a common expense prior to the turn-over meeting.</p> <p>h. There are no services not included in the foregoing Budget that the Declarant provides, or expenses that the Declarant pays and that might reasonably be expected to become, at a subsequent time, a common expense.</p>	



**UNIONVILLAS**  
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## NOTES TO THE BUDGET

- i. As at the date of the foregoing Budget, the Condominium Corporation has not been created and accordingly, there are no amounts in the Reserve Fund. At the end of the first year after registration, there should be \$6,960.64 in the reserve fund account.
- j. As at the date of the foregoing Budget, January 2016, the Condominium Corporation has not been created and accordingly, there is no reserve fund study. As stated in the Notes above, the reserve fund study will be completed after registration by an independent engineer.
- k. The Harmonized Sales Tax is included in all applicable expense items on the Budget Statement.
- l. There are no current or expected fees, charges, rents or other revenue to be paid to or by the Corporation or by any of the owners for the use of the common elements or other facilities related to the property.
- m. Inflation rate of 7.5% is to be applied per annum (unless otherwise stated) each year after December 31, 2017. Provided however, that due to the significant fluctuation in gas, hydro and water utility rates recently, in respect to which the Declarant has no control, in the event that the relevant utility company/provider obtains relevant government approval for, or in any other way effects a significant annual increase in the utility rates above the assumed inflation rate of 3%, the Declarant reserves the right to revise the first year budget statement to reflect such significant increase in the cost of supplying these utilities from the relevant utility company/provider, and to provide each unit purchaser with a revised copy of the condominium Corporation's first year budget statement. In such event, purchasers acknowledge and agree that they shall be bound by such revised budget, and the acceptance of such revised budget should not be considered nor be construed as a material change to the Disclosure Statement.
- n. The Declaration contains a provision whereby during the first year following registration of the Declaration, the Declarant shall not be required to contribute to the payment of common expenses for a POTL until the registration of a Transfer of title from the Declarant for such POTL. Purchasers acknowledge that this may give rise to a deficit in the Budget for the first year following registration of the Declaration, however, the Purchaser acknowledges that the Declarant is responsible for any deficit in accordance with the provisions of Section 75 of the Act. In order to offset any such deficit, the Declarant will provide certain services set out in the Budget, as it determines, in its sole discretion, during the first year following registration of the Declaration, in order to reduce certain actual expenses to be incurred by the Corporation.

A handwritten signature in blue ink, consisting of a stylized 'M' followed by a long horizontal stroke.



**MONTHLY COMMON ELEMENT FEES**

POTL NO.	POTL DESCRIPTION	MONTHLY COMMON ELEMENT FEES BY POTL
1	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 1 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
2	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 2 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
3	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 3 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
4	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 4 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
5	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 5 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
6	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 6 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
7	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 7 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
8	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 8 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
9	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 9 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
10	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 10 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
11	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 11 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
12	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 12 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
13	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 13 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
14	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 14 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
15	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 15 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95





**MONTHLY COMMON ELEMENT FEES**

POTL NO.	POTL DESCRIPTION	MONTHLY COMMON ELEMENT FEES BY POTL
16	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 16 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
17	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 17 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
18	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 18 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
19	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 19 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
20	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 20 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
21	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 21 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
22	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 22 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
23	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 23 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
24	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 24 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
25	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 25 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
26	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 26 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
27	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 27 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
28	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
29	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
30	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95



**UNIONVILLAS**  
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## MONTHLY COMMON ELEMENT FEES

POTL NO.	POTL DESCRIPTION	MONTHLY COMMON ELEMENT FEES BY POTL
31	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
32	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
33	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
34	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
35	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
	<b>TOTAL</b>	<b>\$4,548.18</b>



**AGREEMENT OF PURCHASE AND SALE**

**1. PARTIES, REAL PROPERTY AND PRICE**

In this Agreement, the following terms have the following meanings:

- (a) "Vendor" means SUNRISE ACQUISITIONS (HWY 7) INC.
- (b) "Purchaser" means Purchaser 1: Safana Kodwavi (D.O.B.) 1989/10/18
- (c) Purchaser 2: \_\_\_\_\_ (D.O.B.) \_\_\_\_\_  
 (Address) 72 Grand Vellore, Woodbridge, ON, L4H 0N8  
 (Home No.) 416-827-7099 (Business No.) \_\_\_\_\_ (Fax No.) \_\_\_\_\_  
 (Email Address) safanakodwavi@gmail.com
- (d) "Real Property" means the Land and the Dwelling.
- (e) "Land" means Lot 49 on a draft plan of subdivision, Town of Markham, as shown on Schedule "B" attached hereto.
- (f) "Dwelling" or "House" are used interchangeably and means the townhouse to be constructed on the Land pursuant to this Agreement.  
 Model & Elevation: RT-1, U21
- (g) "Purchase Price" means Nine Hundred and Fifty Thousand Dollars  
 (\$ 950,000.00)
- (g) "Deposit": Five Hundred Thousand Dollars (\$ 500,000.00)  
 ("Initial Deposit") paid to the Vendor forthwith, pending completion or other termination of this Agreement to be credited against the Purchase Price on Closing, plus such further deposits as are set out below:

<u>No.</u>	<u>Deposit Amount</u>	<u>Due Date</u>
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____

The Purchaser shall deliver to the Vendor at the time of executing this Agreement post-dated cheques for the further deposit amount referred to above along with the cheque for the Initial Deposit.

- (h) "Closing Date" or "Closing" means May 28, 2019, being the date set forth as the First Tentative Closing Date on the Statement of Critical Dates included as part of the Addendum to Agreement of Purchase and Sale – Delayed Closing Warranty, which is attached hereto and incorporated herein as Schedule "D", as such date may be extended and/or advanced pursuant to the terms of this Agreement and said Addendum.
- (i) "Developer" means any predecessor or present registered owner on title to the Land who has entered obligations for subdivision and/or servicing of the Land.
- (j) "Municipality" means any municipal corporation or other government authority, whether local, regional, or provincial having jurisdiction over the Real Property.
- (k) "Agent" means \_\_\_\_\_

INITIAL (Purchaser)  (Vendor)  1

**2. OFFER**

The Purchaser hereby offers to purchase the Real Property from the Vendor on the terms and conditions contained in this Agreement for the Purchase Price payable as follows:

- (a) By payment of the Deposit to the Vendor; and
- (b) By payment of the balance of the Purchase Price to the Vendor on Closing, subject to the adjustments set out in Section 7 hereof and in this Agreement.

**3. PLANNING STATUS**

The Land is currently within a draft plan of subdivision for which draft approval has been issued.

**4. CONDITIONS**

The Purchaser hereby acknowledges and agrees that the completion of this Agreement is conditional upon the following:

- (a) Compliance with the provisions of the Planning Act (Ontario), as amended or restated from time to time, on or before the Closing Date;
- (b) Approval of the subdivision agreement and site plan by the Municipality;
- (c) Vendor being satisfied, in its sole and absolute discretion, that the Purchaser has the financial resources to complete the transaction, as further set out in Schedule "C" attached hereto; and
- (d) The Early Termination Conditions if any, set out separately and attached to the Tarion Addendum attached hereto as Schedule "D".

**5. ONTARIO NEW HOME WARRANTIES PROGRAM**

The Ontario New Home Warranties Plan registration number for the Vendor is 40310 and the enrolment number for the Dwelling is \_\_\_\_\_, (if available).

**6. BUILDER**

For further information about this Agreement, the Vendor may be contacted at telephone no. (905) 597-3333, fax no. (905) 597-3334.

**7. ADJUSTMENTS**

The Purchase Price shall be increased or adjusted as of Closing by the following:

- (a) the enrolment fee required pursuant to the Tarion Warranty Program and costs or fees paid or payable by the Vendor with respect to the issuance of any security to or with the Program or any excess deposit insurance the Vendor may elect to obtain;
- (b) realty taxes, adjusted on the Vendor's reasonable estimate as though the Dwelling were fully completed, the Real Property separately assessed and the taxes paid. The Purchaser is advised that the Municipality may issue a realty tax bill for supplementary assessment following Closing, which taxes may be in addition to those adjusted with the Vendor and shall be the responsibility of the Purchaser. In addition, the Purchaser shall lodge with the Vendor a deposit of \$2,000.00, to be held by the Vendor as security for compliance by the Purchaser of its obligations to pay realty taxes after Closing. The said security deposit, if not utilized by the Vendor, shall be returned to the Purchaser within six (6) months after the Land has been assessed and entered on the collector's roll according to the registered plan of subdivision;
- (c) all additional or increased charges and levies imposed or assessed in connection with the development of the Land by any municipal, regional or other governmental authorities at the time the Vendor is required to pay same in excess of the charges and levies imposed or assessed by such governmental authorities relating to the development of the Land as of the date of this Agreement;
- (d) an amount equal to the unused portion of any insurance premium relating to the Real Property where the policy has been arranged by the Vendor and is to be assumed by the Purchaser;

INITIAL (Purchaser)   A  

\_\_\_\_\_ (Vendor)   [Signature]

- (e) any prepaid expenses such as gas, hydro, water or other utilities;
- (f) any charges for the connection or energization of gas, hydro, water or other utilities;
- (g) any charges relating to the installation of meters used to measure the consumption rate of gas, hydro, water or other utilities;
- (h) any extras ordered by the Purchaser (and not yet paid);
- (i) in the event that the Purchaser arranges mortgage financing with the financial institution recommended by the Vendor (the "Lender"), all legal fees and disbursements charged by the Lender's solicitor relating to such mortgage loan transaction;
- (j) interest adjustment on any Vendor-take-back financing, if any;
- (k) any other usual adjustments;
- (l) an adjustment in favour of the Vendor for that portion of the HST to be paid by the Purchaser pursuant to this Agreement, if any;
- (m) a \$250.00 administration fee shall be charged to the Purchaser for any cheque which is returned "N.S.F." or on which a "stop-payment" has been ordered;
- (n) the charge imposed by the Law Society of Upper Canada upon the Vendor or its solicitor with respect to this transaction;
- (o) driveway paving charge in the amount of \$2,185.00 for a two car garage driveway and \$1,645.00 for a one car garage driveway, plus HST thereon;
- (p) \$1,995.00 with respect to landscaping, which does not include any charge for the cost of any street tree (which may be required to be planted by the Vendor and/or the Developer in accordance with the subdivision agreement or requirements of the Municipality); and
- (q) The cost of supplying recycling contained to the Purchaser as required by the Subdivision Agreement.

The Closing Date itself shall be apportioned to the Purchaser. The parties agree to readjust any of the items referred to above, if necessary, after Closing. If there are chattels involved in this transaction, the allocation of value to such chattels shall be estimated where necessary by the Vendor and retail sales tax may be collected by the Vendor from the Purchaser and remitted by the Vendor to the appropriate taxing authority.

## 8. CONSTRUCTION

The Purchaser acknowledges and agrees that the Vendor may from time to time, in its discretion or as required by any governmental authority or the Developer, change, vary or modify the plans, colours, materials, equipment and specifications pertaining to the Dwelling (including architectural, structural, landscaping, grading, mechanical or other plans) from the plans and specifications existing at the time the Purchaser entered into this Agreement or as same may be illustrated in any sales brochures, models or otherwise. With respect to any aspect of construction, finishing or equipment, the Vendor shall have the right, without the Purchaser's consent, to make any necessary changes to the plans and to substitute materials or equipment for those described in this Agreement or in the plans or specifications, provided the substituted materials or equipment are of equal or better quality, or if substituted materials or equipment (whether sold by sample or otherwise) is of lesser quality, the Vendor will reimburse the Purchaser for the difference in cost between the substituted material or equipment, and the material or equipment described in this Agreement. The Purchaser hereby consents to any such changes, modifications and/or substitutions and agrees to complete the transaction of purchase and sale notwithstanding same. All work will be performed in a workmanlike manner and in compliance with the Ontario Building Code.

Without limiting the generality of the foregoing, the Purchaser acknowledges and agrees as follows:

- (a) The Vendor shall have the right to construct the reverse mirror image of the Dwelling, including reversal of the garage siting and reversal of the interior floor plan layout, without notice to the Purchaser and without compensation or abatement to the Purchase Price.

INITIAL (Purchaser) \_\_\_\_\_

\_\_\_\_\_ (Vendor)

- (b) As of the date of this Agreement, the final site plan relating to the Land showing the actual siting of the Dwelling on the Land may not have been completed by the Vendor or approved by the Municipality. Consequently, the Purchaser acknowledges and agrees that the Vendor shall have the right to construct the Dwelling on the Land in a location or angle different than as depicted in any sales brochures, renderings and other plans and specifications reviewed by the Purchaser at the time of entering into this Agreement, without notice to the Purchaser and without compensation or abatement to the Purchase Price.
- (c) The Purchaser hereby acknowledges that, as of the date of this Agreement, final grading plans relating to the Land may not have been completed by the Vendor or approved by the Municipality. Consequently, the Purchaser acknowledges and agrees that the Vendor shall have the right to construct the Dwelling at a grade level different than as depicted in any sales brochures, renderings and other plans and specifications reviewed by the Purchaser at the time of entering into this Agreement, without notice to the Purchaser and without compensation or abatement to the Purchase Price.
- (d) In the event that this Agreement calls for the construction of a walkout basement and such is not possible pursuant to final approved grading, engineering and/or site plans, the Purchaser shall accept a credit to the Purchase Price in lieu thereof. If this Agreement does not call for a walkout basement and such is required by the Municipality pursuant to final approved grading, engineering and/or site plans, the Purchase Price shall be increased by the cost of constructing a walkout basement. The amount of the credit to the Purchase Price or the additional cost of constructing the walkout basement shall be determined by the Vendor in its sole and absolute discretion acting reasonably.
- (e) In the event that the Dwelling is constructed at a grade level different than as depicted in any sales brochures, renderings and other plans and specifications reviewed by the Purchaser at the time of entering into this Agreement necessitating a step or series of steps to the front door, side door, rear door or any other door of the Dwelling, the Purchaser hereby irrevocably agrees to accept such change without notice, without any right of abatement to the Purchase Price and in full satisfaction of the Vendor's obligations with respect to the construction of the Dwelling.
- (f) The Purchaser acknowledges that the dimensions of the Real Property as shown in any brochures or other materials are approximate only and the dimensions of the dwelling are also approximate. In the event that the frontage, depth or area of the Real Property is varied by up to and including 5% from the specifications set out in this Agreement, the Purchaser acknowledges and agrees to accept all such variations without notice and without a claim for compensation or abatement to the Purchase Price.
- (g) As of the date of this Agreement, the final grading plan relating to the Land may not have been completed by the Vendor or approved by the Municipality. Consequently, the Purchaser acknowledges and agrees that the grading of the Land may require the use of retaining walls on the Land or on adjoining properties. The Purchaser acknowledges and agrees that the Vendor shall have the right to construct such retaining walls without notice to the Purchaser and without compensation or abatement to the Purchase Price. In addition, the Purchaser acknowledges and agrees that the Vendor may construct any fences and/or berms on or near the Lands, as may be required.
- (h) The Purchaser acknowledges that the subdivision agreement between the Developer and the Municipality may require the Vendor to provide the Purchaser with certain notices, including, but not limited to, notice regarding land usage, maintenance of municipal fencing, school transportation, postal delivery to a community mail box, public transit and transit stops, noise level and noise level from adjacent roadways. Without limiting the generality of the foregoing, the Purchaser acknowledges that a YRT/Viva standing area/shelter pad will be constructed adjacent to the Land on the north side of Highway 7. Purchaser further acknowledges that despite the inclusion of noise attenuation features within the development area and within the individual Dwellings, noise levels will continue to increase, occasionally interfering with some activities of the occupants of the Dwelling. The Purchaser agrees to be bound by the content of any such notice and covenants to execute forthwith upon request an acknowledgement containing the notices if and when required to do so by the Vendor, the Municipality and/or the Developer. The Purchaser further acknowledges being advised that title to the Land may require maintenance, easements and/or encroachments/easements. The Purchaser further covenants and agrees to obtain a similar covenant in favour of the Vendor and developer from any person purchasing from the Purchaser and shall cause such covenant to run with the Land.

INITIAL (Purchaser)



(Vendor)





The Purchaser shall not have the right to enter the Real Property prior to Closing unless accompanied by a representative of the Vendor.

The Purchase Price shall include those items listed on Schedule "A". The Purchaser acknowledges that the furnishings, decor, finishes, equipment, fixtures, improvements and samples which may be displayed in any model suite or any sales office or in any brochures are for display purposes only and are not included in the Purchase Price unless specified in Schedule "A". The Purchaser acknowledges that the appliances for the Dwelling are not included in the Purchase Price unless specified in Schedule "A". The Purchaser hereby agrees to make any selection of any finishing items from the Vendor's available samples within seven (7) days after notice has been given by the Vendor to the Purchaser requesting the Purchaser to make selections from the available samples. If any such items are unavailable to the Vendor or the acquisition thereof by the Vendor may result in a delay in the construction of the Dwelling or any other unit in this project, then on seven (7) days notice from the Vendor the Purchaser shall re-attend at the Vendor's office and make a selection from the Vendor's available substitute finishing items. If the Purchaser fails to make selections following notice for the Vendor, then the Vendor shall be entitled to select such finishing items and the Purchaser hereby agrees that such selections made by the Vendor shall be binding on the Purchaser. The Purchaser acknowledges that variations from the Vendor's samples may occur in kitchen cabinets, vanity cabinets, floor finishes, wall finishes and other finishing materials as a result of normal production processes. The Purchaser acknowledges and agrees that where adjoining rooms are finished in different materials there may be a difference in elevation between the rooms and the Vendor may, at its discretion, install a threshold as a method of finishing the connection between the adjoining rooms.

The Purchaser acknowledges and agrees that the hot water heater tank may be rented. In such event, the hot water heater tank shall remain the property of the applicable utility company and shall not be or become a fixture and/or part of the Dwelling. Further, in such event, the Purchaser agrees to execute a rental contract as may be required by the applicable utility company with respect to the hot water heater and tank.

The Purchaser acknowledges and agrees that the Purchaser shall pay for all extras in full at the time of selection unless the Vendor otherwise agrees in writing. The Purchaser acknowledges that such payment shall not be refunded if this transaction is not completed as a result of a breach of contract by the Purchaser. If any extra is omitted, then the Purchaser shall be credited with the amount that the Purchaser was charged for it and this credit shall be the limit of the Vendor's liability.

The Purchaser acknowledges and agrees that if due to grading or other requirements, as determined by the Vendor, at its sole discretion, the Vendor determines, at its sole discretion, that it cannot or will not to build a side door and/or door to the garage, the Vendor need not build such door(s) and the Purchaser covenants and agrees to accept the Dwelling without such door(s), at reduction in the Purchase Price.

**9. (a) COMPLETION**

For the purposes of Closing, the Dwelling shall be deemed to be completed when all interior work has been substantially completed so that the Dwelling may be occupied, notwithstanding that there remains interior or exterior work to be completed including, but not limited to, painting, driveway paving, grading, sodding and landscaping. There shall be no holdback or deduction on Closing for uncompleted work. If required, the Purchaser shall be responsible to obtain confirmation of allowable occupancy and, if available a copy of any occupancy certificate from the Municipality, and otherwise as may be required as set out in Schedule "D".

**(b) COMPLETION INSPECTION**

The Vendor agrees to make available and the Purchaser agrees to meet a representative of the Vendor prior to Closing, during normal working hours, to inspect the Dwelling and verify that the Dwelling has been completed in accordance with the provisions of this Agreement. If there is any deficient or uncompleted work remaining at the time of inspection, such items shall be listed on the Certificate of Completion and Possession required to be completed pursuant to the provisions of the Ontario New Home Warranty Program. This Certificate when executed by the Vendor and Purchaser, together with the warranty itself under the Ontario New Home Warranty Program, shall constitute the Vendor's only undertaking to remedy or complete the Dwelling and the Vendor's only warranty with respect to the Real Property. Such work will be performed as soon as is reasonably possible, as determined by the Vendor.

**10. EXTENSION AND ADVANCEMENT OF THE CLOSING DATE**

This transaction of purchase and sale shall be completed on the Closing Date or any earlier or later date as may be permitted under this Agreement and as set out on Schedule "D", at which time vacant possession of the Dwelling will be given to the Purchaser.

INITIAL (Purchaser)



(Vendor)



**11. TITLE**

On the Closing Date, the parties hereby acknowledge and agree that title to the Real Property shall be good and free from encumbrances except that it may be subject to subdivision servicing agreement, site plan agreement, housekeeping agreement, financial and/or security agreement, or other agreements, covenants and restrictions (which restrictions may include the power to waive or vary), encroachments from or on adjoining lands (including, without limitation, eaves, roofs, attachments to roofs), easements, licenses and rights required by the Vendor, Developer, adjoining landowners, Municipality or other authorities, including utilities, catch basins, transformers, poles, fences, hydrants and berms, all of which the Purchaser shall accept provided there does not exist default under any and provided that the Purchaser's use of the Real Property for residential purposes is permitted, or provided the Real Property is an insurable title. The Purchaser shall satisfy himself or herself as to compliance with such matters. Title may also be subject to easements for maintenance or encroachments required for adjoining properties. If any of the foregoing easements, restrictions or rights are required to be created after Closing, the Purchaser shall execute any documents needed. The Purchaser further acknowledges and agrees that title shall also be subject to the rights of re-entry referred to in paragraphs 15, 28 and 29 and these rights as well as any of the above may be contained in the transfer delivered to the Purchaser, and/or the Purchaser shall execute and provide the Vendor with any documents and/or agreements required by the Vendor.

The Purchaser shall be allowed until 30 days before the Closing Date to examine title to the Real Property at his or her own expense and if, within that time, any valid objection to title is made in writing to the Vendor, which the Vendor is unable or unwilling to remove and which the Purchaser will not waive, this Agreement shall be terminated and the Deposit shall be returned without interest or deduction and the Vendor shall not be liable for any damages or costs whatever. Save as to any valid objections so made within such time or going to the root of title, the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Real Property. The Vendor shall provide the Purchaser with its standard undertaking and statutory declaration, and need not sign nor provide any other documents, nor need the Vendor's solicitor reply to any requisition from the Purchaser's solicitor that is otherwise addressed in this Agreement, the Vendor's documents or is otherwise not applicable.

The Vendor shall provide a survey of the Real Property on or before Closing.

The Purchaser acknowledges that the Vendor may have agreed to acquire registered title to the Real Property from the Developer on terms set forth in a separate agreement. The Purchaser agrees to accept a transfer of the Real Property as directed by the Vendor and the Purchaser agrees to provide and execute and deliver on Closing, whatever indemnities, releases, assurances and other documentation that may be required by the Vendor in order to transfer title as aforesaid.

**12. PRIOR MORTGAGES**

Title to the Land may be encumbered by mortgages or other loan security (whether to a bank, non-institutional lender, "private" lender or any other party) not to be assumed by the Purchaser on Closing. The Purchaser agrees to complete the transaction notwithstanding any such mortgage or other security and to accept the Vendor's undertaking to obtain and register complete or partial discharges of such mortgages as soon as reasonably possible after Closing, as determined by the Vendor in accordance with its building and sales program.

Notwithstanding anything herein contained and notwithstanding the provisions of the *Land Titles Act* of Ontario, and any amendments thereto or any successor legislation, where any mortgages, charges or debentures are registered on title and where discharges, cessations, partial discharges or partial cessations thereof are tendered for registration in the appropriate Land Titles Office, such mortgages, charges, or debenture shall be deemed to be discharged for all purposes once the discharges, cessations, partial discharges or partial cessations have been accepted for registration, notwithstanding that the Parcel Register has not been signed to reflect such registration and notwithstanding any statutory terms to the contrary as contained in the Land Titles Act of Ontario, as amended, and any successor legislation.

**13. RISK**

The Dwelling shall remain at the Vendor's risk until Closing.

**14. TRANSFER AND CLOSING**

The transfer/deed of land shall be prepared by the Vendor's solicitors and shall be registered on Closing by the Purchaser, at the Purchaser's expense. The Purchaser agrees to advise the Vendor's solicitors, at least 30 days prior to the Closing Date, (or such earlier time if so required by the Vendor) as to how the Purchaser will take title to the Real Property and of the birth dates of all parties taking title to the Real Property, failing which the Vendor may insert the Purchaser(s) name(s) set out herein.

INITIAL (Purchaser)



(Vendor)







indicates or expresses to the Vendor or its solicitor, either verbally or in writing, on or before the Closing Date, that the Purchaser is unable or unwilling to complete this purchase transaction, the Vendor shall be relieved of any obligation to make any formal tender on the Purchaser or his solicitor and the Vendor may exercise forthwith any and all of its rights and remedies provided for in this Agreement and at law.

In the event that an electronic registration system (the "System") under part III of the *Land Registration Reform Act*, R.S.O. 1990 c. L. 4, as amended, is operative in the applicable Land Titles Office in which the Land is registered, then the Purchaser agrees to do all things necessary and as may be requested or required by the Vendor or its solicitor to complete this transaction using the System. The Purchaser acknowledges that: (i) the System is an electronic, paperless land registration System that no longer relies on signatures for such documents as a transfer/deed of land; (ii) he will not be entitled to receive the transfer/deed or land unless the balance due on closing in accordance with the Vendor's statement of adjustments is in the hands of the Vendor's solicitors (either by personal delivery or electronic funds transfer) at least one business day before the Closing Date; and (iii) the delivery and exchange of documents and money governed by the Registration Agreement (as hereinafter defined).

Where the System is operative, it will therefore be necessary for the Purchaser and the Purchaser agrees: (i) to use a lawyer authorized to use the System and who is in good standing with the Law Society of Upper Canada; (ii) to authorize and direct such lawyer to enter into the Vendor's solicitors standard form of escrow closing agreement (the "Registration Agreement") which will establish the procedures for closing the transaction; and (iii) that if the Purchaser's lawyer is unwilling or unable to complete this transaction under the System, then the Purchaser's lawyer must attend at the Vendor's solicitor's office at such time on the Closing Date as directed by the Vendor's solicitor to complete the transaction under the System utilizing the Vendor's solicitor's computer facilities and the Purchaser agrees to pay the Vendor's solicitor directly the sum of \$295.00, plus HST, for such service.

#### 19. WHOLE AGREEMENT

The parties acknowledge that there is no representation, warranty, collateral agreement or condition affecting this Agreement or the Real Property except as contained in this Agreement. This Agreement may not be amended other than in writing.

#### 20. INTERPRETATION

This Agreement is to be read with all changes of gender or number required by the context. Time shall in all respects be of the essence. All headings are for convenience of reference only and have no bearing or meaning in the interpretation of any particular clause in this Agreement. Unless otherwise specified herein, all statements of or references to dollar amounts in this Agreement shall mean lawful money of Canada.

#### 21. RESIDENCY

The Vendor represents that it is not a non-resident for the purposes of section 116 of the *Income Tax Act*, Canada.

#### 22. NO REGISTRATION

The Purchaser agrees not to register nor allow or caused to be registered against title to the Land any notice, lien, execution, encumbrance or caution or other reference to this Agreement or his interest in or against the Land. If any such registration occurs, the Vendor may terminate this Agreement forthwith and the Vendor shall be entitled to retain the Deposit and all other amounts paid by the Purchaser to the Vendor hereunder as liquidated damages and not as a penalty (in addition to any other remedy available to it) and the Purchaser shall have no further right to or interest in this Agreement or the Real Property. Further, the Purchaser hereby irrevocably consents to a court order removing such registration and agrees to pay all costs of obtaining such order.

#### 23. SUCCESSION

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

#### 24. NOTICE

Any notice required to be given pursuant to this Agreement to the Purchaser may either be delivered personally or be sent by prepaid mail, or by facsimile transmission addressed to the Purchasers' solicitor or the Purchaser at his or her address listed on Page 1 hereof and, in the case of the Vendor, any notice required to be given pursuant to this Agreement may either be delivered personally or be sent by facsimile and prepaid mail to the Vendor's solicitor and a copy to the Vendor at the addresses indicated herein. If such notice is mailed it shall be deemed to have been received by the party to whom it is addressed on the

INITIAL (Purchaser) X

(Vendor) [Signature]



third business day following the date of its mailing. In the event of a mail stoppage or interruption all notices shall be delivered or sent by facsimile transmission.

**25. DEFAULT**

(a) In the event that the Purchaser defaults with respect to any of the covenants, representations, warranties, acknowledgements or obligations to be performed by the Purchaser pursuant to this Agreement and such default continues for seven (7) days after written notice thereof has been given to the Purchaser or his solicitor by the Vendor or its solicitor, or in the event the Purchaser fails to complete the transaction on the Closing Date the Vendor shall have the right to declare this Agreement null and void and, in such event, the Deposit and all other amounts paid by the Purchaser to the Vendor hereunder shall be forfeited to the Vendor as liquidated damages and not as a penalty and without prejudice to or limiting the rights of the Vendor to claim for damages in excess of such amounts and without limiting any other rights or remedies to which the Vendor may be entitled in law.

(b) **EVIDENCE OF DEFAULT**

A certificate of an officer of the Vendor that default has been made and the date of default and that notice, if required, of such default has been mailed to the Purchaser, shall be conclusive evidence of the facts therein stated.

(c) **DOCUMENTS IF TRANSACTION DOES NOT CLOSE**

If the within transaction is not completed for any reason whatsoever and notwithstanding refund or forfeiture of the deposit, the Purchaser shall execute and deliver such documents affecting title to the Real Property or the Mortgage 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 and deliver such documents, the Purchaser hereby authorizes the Vendor, its true and lawful attorney to so execute the said documentation. Notwithstanding non-completion of the transaction, the Purchaser is liable for the full cost of extras ordered whether completed in whole or in part.

**26. RIGHTS OF VENDOR**

It is understood and agreed that the rights contained in paragraph 25 on the part of the Vendor are in addition to any other rights (whether of a more onerous nature or not) which the Vendor may have at law, in equity or under any other provisions of this Agreement, and the Vendor expressly has the right to exercise all or any one or more of the rights contained in this Agreement, or at law or in equity, without exercising at such time, the remainder of such right or rights and without prejudice to the subsequent right of the Vendor to exercise any remaining right or rights at law, in equity or in this Agreement. In the event the Purchaser fails to make payment as and when required pursuant to the terms of this Agreement, the payment amount shall bear interest at a rate equal to 5% above the Prime Rate, calculated from the due date to the date of payment. Prime Rate for any day means the prime lending rate of interest expressed as a rate per annum (computed on a year of 365 days) which Royal Bank of Canada establishes from time to time as the reference rate of interest in order to determine interest rates it will charge for demand loans made in Canada in Canadian dollars as the same is in effect from time to time.

**27. GRADING/FENCING**

(a) The Purchaser covenants that he will not remove any topsoil or subsoil or do anything which may alter the grading or change or obstruct the drainage of the Real Property or surrounding lands and shall not construct any fences, pools, patios, sheds or similar structures prior to final grading approval, without the Vendor's consent and, upon default, the Developer, the Municipality or the Vendor or their respective servants, agents, successors and assigns may enter upon the Real Property and correct such grading or remove such obstruction at the Purchaser's sole expense. Any expense incurred by the Developer, the Municipality or the Vendor in this regard shall be payable by the Purchaser forthwith upon demand. Some settlement of the Land is to be expected and the Purchaser shall repair minor settlement. The Purchaser shall care for sod, shrubs and other landscaping provided as a result of the remedying of such defects.

(b) The Purchaser will not, prior to lot grading completion and Municipal approval therefor, install any fence, deck, storage shed or other structure on the Land. In order to provide side-yard access between buildings so that abutting house purchasers can repair and maintain their respective side-yard building portions, no side-yard fence or storage shall be permitted from 3 meters back of the common side-yard's most rear structure to the frontage street. No fence along a lot boundary abutting a street, open space or parkland will be installed except in compliance with the requirements of the development architect as to fence type, design and finishing as well as fence height and location. The Purchaser will not install any boundary fence except in accordance with



Municipal requirements, and if the Purchaser installs a fence that runs along the boundary of any lands then owned by the Developer, the Developer will have no obligation to pay any portion of the fence cost. The Purchaser will maintain any fence along or adjacent to the lot boundary and will not remove, place a gate in or otherwise alter such fence.

**28. TEMPORARY EASEMENT**

The Purchaser shall grant a temporary right-of-way over the rear ten feet (10') of the Land over the full width to all purchasers in the subdivision, their agents and workmen through, along and over the said Land for the purpose of reaching their own land or transporting materials, machinery or equipment thereto until such time as roads and streets are useable and the Purchaser agrees to keep such right-of-way clear of surface earth or material.

**29. RIGHT OF RE-ENTRY**

The transfer herein shall contain a provision that the transfer/conveyance is subject to the rights of the Vendor, Municipality/Region and/or other service provider, their successors and assigns, in the nature of a license or easement for themselves and parties authorized by any of them to enter upon any part of the Land excluding the dwelling at any time prior to the complete acceptance of the subdivision by the Municipality for the purpose of doing any work as may be required in order to satisfy the requirements to the Subdivision Agreement or of any other agreement with the service providers entered into or to be entered into by the Subdivider, including without limiting the generality of the foregoing, the right to complete or adjust the grading and/or drainage of any of the Land and effect any corrective measures required without such re-entry being deemed a trespass. The Purchaser covenants that in any transfer or disposition to any subsequent party, it shall reserve unto and assign the benefit of a similar right to re-entry to the Vendor, Municipality, Region and other service providers, and parties authorized by any of them. The aforesaid covenant shall be included in the Transfer/Deed to the Purchaser and shall run with the land conveyed to the Purchaser. The Purchaser, is hereby advised that the proposed lot grading may require the use of retaining walls, fences, easements for drainage purposes, culverts, drains, catch basins and/or lot sloping. Any such retaining walls and fences shall be maintained in good condition and repair solely at the cost and obligation of Purchaser. Purchaser agrees to allow the erection and maintenance on the land of entry features or other structures and hereby consents to allow the erection and maintenance thereof after closing. The Purchaser is hereby given notice that the Land may require some or all of the aforementioned.

**30. MAINTENANCE OF SOD**

The Purchaser shall be solely responsible for watering and general maintenance of the sod from the Closing Date or from the date that the sod is laid, whichever shall be the later, and the Vendor shall have no obligation in that regard. In the event the Vendor is, for any reason, required to replace laid sod, the Purchaser shall be solely responsible to pay for same, plus an administrative fee thereon, and the Vendor may, but shall not be obligated to do so until payment has been made therefore by the Purchaser.

**31. DRIVEWAY**

The Purchaser shall be solely responsible for any settlement of the driveway after the Closing Date. Purchaser acknowledges that it has been advised by Vendor that settlement is likely to occur after Closing. Purchaser agrees that it will at no time modify, extend, enlarge or change the driveway or its dimensions or location. If the Purchase Price specifically includes the paving of the driveway, Vendor shall only have an obligation to pave such driveway to the access point of lot and on the portion of the lot owned by Purchaser, only once and such paving, it is agreed, shall occur within 24 months after Closing, subject to weather conditions. Purchaser specifically agrees that in the event that Vendor does not have any obligation to pave the driveway, the Purchaser will pave the driveway and will not take any other steps or actions to damage, alter, move or interfere with any water box(es) located thereon. Purchaser shall be liable for all damage, loss and expense caused to the water box(es). Purchaser agrees to consult with and obtain the approval of the Vendor, Subdivider, or Municipal Water Department prior to commencing any work in, on or around the water box(es). On certain lots, service trenches cross the driveway and settlement may occur. Purchasers are also advised that prior to paving, they should ensure that there is no further settlement taking place.

**32. REZONING**

The Purchaser acknowledges receipt of notice from the Vendor that the Developer, Subdivider or its related/associated corporation(s) may develop other lands in the vicinity of the herein Land and apply for zoning/rezoning thereof, and the Purchaser agrees on behalf of himself, his heirs, executors, administrators, successors and assigns to consent to any such development zoning/rezoning application, and agrees that this paragraph may be pleaded as a bar to any objection thereto. The Purchaser covenants with the Vendor to the intent that the burden of this covenant shall run with and be binding upon the Land

INITIAL (Purchaser)   X   \_\_\_\_\_ (Vendor)   [Signature]   10

to be conveyed hereunder and every part hereof and to the intent that the benefit thereof shall be annexed to and run with any lands owned by the Vendor and its predecessor and successors in title within the Subdivision or contiguous thereto, that the Purchaser will not oppose any application for severance or for rezoning (including all applications ancillary hereto) by the Vendor and its predecessor and successors or assigns in the Subdivision or contiguous there, for use as a commercial, industrial or multiple family purposes and that this covenant may be pleaded by the said Vendor, its predecessor, successors or assigns, as an estoppel to any such opposition or in aid of an injunction restraining such opposition. The Purchaser shall extract a similar covenant from all successors in title. Without limiting the generality of the foregoing, the Vendor or its predecessor may apply for, and the Purchaser will not oppose, any application for zoning in accordance with the present Official Plan.

**33. SUBORDINATION AND POSTPONEMENT**

The Purchaser acknowledges that the Vendor is or may be borrowing money from a financial institution to be secured by one or more charges registered or to be registered against the Real Property and the Purchaser agrees that this Agreement, any interest of the Purchaser in this Agreement (whether such interests are in equity or at law), and any and all Deposits paid or to be paid by the Purchaser pursuant to this Agreement and any purchaser's lien arising by the terms of this Agreement or from the payment of any Deposit pursuant to this Agreement or arising by operation of law is hereby subordinated and postponed to and will be subordinated and postponed to any mortgages, charges, debentures and trust deeds registered or to be registered against title to the Real Property and any advances thereunder, made from time to time, and to any easement, license or other agreements to provide services to the Real Property or to any lands adjacent thereto. The Purchaser agrees to execute any and all documentation necessary to give full force and effect to same forthwith after being requested to do so by the Vendor.

**34. PURCHASER'S DOCUMENTS TO BE DELIVERED ON CLOSING**

The Purchaser agrees to forthwith execute and deliver to the Vendor, on or before Closing, or at such other time as advised by the Vendor, all documents as may be required by the Vendor in order to close this transaction including but not limited to (i) the execution of the transfer by the Purchaser (ii) the execution and delivery of the Vendor's standard form of Purchaser's Acknowledgement and Undertaking as may be required by the Vendor; and (iii) any form of written acknowledgement by the Purchaser relating to lot grading and other subdivision matters.

**35. INVALIDITY**

The invalidity of any particular paragraph of this Agreement shall not affect the validity of any other provision and, in such event, this Agreement shall be construed as if such invalid provision was omitted.

**36. CAUSE OF ACTION/ASSIGNMENT**

- (a) The Purchaser acknowledges and agrees that notwithstanding any rights which he or she 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, and this acknowledgment and agreement may be pleaded as an estoppel and bar against the Purchaser in any action, suit, application or proceeding brought by or on behalf of the Purchaser to assert any of such rights, claims or causes of action against any such third parties.
- (b) At any time prior to the Closing Date, the Vendor shall be permitted to assign this Agreement (and its rights, benefits and interests hereunder) to any person, firm, partnership or corporation registered as a vendor pursuant to the Ontario New Home Warranty Plan Act and upon any such assignee assuming all obligations under this Agreement and notifying the Purchaser's solicitor of such assignment, the Vendor named herein shall be automatically released from all obligations and liabilities to the Purchaser arising from this Agreement, and said assignee shall be deemed for all purposes to be the vendor herein as if it had been an original party to this Agreement, in the place and stead of the Vendor.

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

For the purposes of facilitating compliance with the provisions of any applicable Federal and/or Provincial privacy legislation (including without limitation, the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, as amended), the Purchaser hereby consents to the Vendor's collection and use of the Purchaser's personal information necessary and sufficient to enable the Vendor to proceed with the Purchaser's purchase of the Real Property, including without limitation, the



Purchaser's name, home address, email address, telefax/telephone number, age, date of birth, and in respect of marital status only for the limited purposes described in subparagraphs (c), (g), (h) and (i) below, and in respect of residency status, and social insurance number only for the limited purpose described in subparagraph (h) below, as well as the Purchaser's financial information and desired home design(s) and colour/finish selections, in connection with the completion of this transaction and for post-closing and after-sales customer care purposes, and to the disclosure and/or distribution of any or all of such personal information to the following entities, on the express understanding and agreement that the Vendor shall not sell or otherwise provide or distribute such personal information to anyone other than the following entities, namely to:

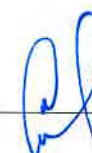
- (a) any companies or legal entities that are associated with, related to or affiliated with the Vendor, other future Real Property declarants that are likewise associated with, related to or affiliated with the Vendor (or with the Vendor's parent/holding company) and are developing one or more other Real Property 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 Real Property and/or related services to the Purchaser and/or members of the Purchaser's family;
- (c) any financial institution(s) providing (or wishing to provide) mortgage financing, banking and/or other financial or related services to the Purchaser and/or members of the Purchaser's family, including without limitation, the Vendor's construction lender(s), the Tarion Warranty Corporation and/or any warranty bond provider and/or excess Real Property deposit insurer, required in connection with the development and/or construction financing of the Real Property and/or the financing of the Purchaser's acquisition of the Property from the Vendor;
- (d) any insurance companies providing (or wishing to provide) insurance coverage with respect to the Property (or any portion thereof), any title insurance companies providing (or wishing to provide) title insurance to the Purchaser or the Purchaser's mortgage lender(s) in connection with the completion of this transaction;
- (e) any trades/suppliers or sub-trades/suppliers, who have been retained by or on behalf of the Vendor (or who are otherwise dealing with the Vendor) to facilitate the completion and finishing of the Home and the installation of any extras or upgrades ordered or requested by the Purchaser;
- (f) one or more providers of cable television, telephone, telecommunication, security alarm systems, hydro-electricity, chilled water/hot water, gas and/or other similar or related services to the Property (or any portion thereof) unless the Purchaser advises the Vendor in writing not to provide such personal information to entity providing security alarm systems and services;
- (g) any relevant governmental authorities or agencies, including without limitation, the Land Titles Office (in which the Real Property is registered), the Ministry of Finance for the Province of Ontario (i.e. with respect to Land Transfer Tax), and Canada Revenue Agency (i.e. with respect to HST);
- (h) Canada Customs & Revenue Agency, to whose attention the T-5 interest income tax information return and/or the NR4 non-resident withholding tax information return is submitted (where applicable), which will contain or refer to the Purchaser's social insurance number or business registration number (as the case may be), as required by Regulation 201(1)(b)(ii) of the *Income Tax Act*, R.S.C. 1985, as amended;
- (i) the Vendor's solicitors, to facilitate the interim occupancy and/or final closing of this transaction, including the closing by electronic means via the Teraview Electronic Registration System, and which may (in turn) involve the disclosure of such personal information to an internet application service provider for distribution of documentation; and
- (j) any person, where the Purchaser further consents to such disclosure or disclosures required by law.

### 38. ACCEPTANCE

INITIAL (Purchaser)



(Vendor)



This offer shall be irrevocable by the Purchaser until 11:50 p.m. on the 1<sup>st</sup> business day for 3 business days after the Purchaser signs this Agreement, after which time, if not accepted, this offer shall be null and void. If accepted, this offer, subject to applicable three (3) day review period set out in Schedule "D" only if applicable, shall constitute a binding Agreement of Purchase and Sale. The Purchaser acknowledges that the Purchaser shall be responsible for determining whether the Vendor has accepted this Agreement. In this regard, the Purchaser shall contact the Vendor or the Vendor's sales agent to determine whether the Agreement has been accepted by the Vendor. The Purchaser acknowledges and agrees that the Vendor shall not be responsible for notifying the Purchaser that the Agreement has been accepted by the Vendor, nor shall the Vendor be responsible for delivering a fully executed copy of the Agreement to the Purchaser. The Purchaser shall be responsible for obtaining a copy of the fully executed Agreement from the Vendor or from the Vendor's sales agent.

**39. SCHEDULES**

All Schedules and Addendum being Schedules "A" (items included), "B" (Lot on draft Plan of Subdivision), "C" (Additional Provisions), and "D" (Tarion Addendum) attached to this Agreement shall form a part of it.

**SIGNED, SEALED AND DELIVERED**

Dated this 16<sup>th</sup> day of November, 2019.

In the presence of:

  
\_\_\_\_\_  
  
\_\_\_\_\_

Purchaser 1:  \_\_\_\_\_

Driver's Licence No: k6096-68468-96018

S.I.N. No.: \_\_\_\_\_

Purchaser 2: \_\_\_\_\_

Driver's License No.: \_\_\_\_\_

S.I.N. No.: \_\_\_\_\_

Solicitors for the Purchaser: \_\_\_\_\_

Telephone No: \_\_\_\_\_

Fax No.: \_\_\_\_\_

Email: \_\_\_\_\_

The Vendor hereby accepts the above offer.

**DATED** this 16<sup>th</sup> day of November, 2019.

**SUNRISE ACQUISITIONS (HWY 7) INC.**

Per:  \_\_\_\_\_

Solicitors for the Vendor:  
**NORMAN H. WINTER**  
416.964.0325  
[nw@nwinlaw.com](mailto:nw@nwinlaw.com)  
**LAW OFFICES OF NORMAN H. WINTER**  
1 St. Clair Avenue East, Suite 801,  
Toronto, Ontario M4T 2V7 Canada - T. 416.964.0325 - F. 416.964.2494

## Features and Finishes

### ARCHITECTURAL FEATURE

Architecturally controlled streetscapes with pleasing exterior colour schemes, styles and elevations.  
 Precast concrete and / or stucco window sills, headers and arches, per elevation  
 35 year self-sheathing shingles  
 Low maintenance aluminum soffits, fascia, downspouts and eaves troughs  
 Prefinished aluminum roll-up garage doors with tempered and thermal privacy glazing.  
 Designer decorative exterior lights on front and rear facades  
 Fully sodded lot, where applicable  
 Fully paved driveway consisting of a base and top coat finish  
 Luxurious Stone Veneer and Brick Exteriors  
 Spacious Decks, where grade permits  
 Vinyl Sliding Doors with Screen, per elevation  
 Vinyl casement windows, air tight  
 All operating windows will be screened  
 8' high wood insulated front entry door with accenting glass inserts  
 Garage to house entry door, where grade permits  
 Front entry doors with brushed silver grip set, and passage and deadbolts used all on side and rear  
 entry doors with matching floor mounted doorstops (except for sliding doors)

### INTERIOR FEATURES

Smooth ceilings throughout  
 8 foot wood grain front doors  
 Ceiling height of approximately 9' on Main  
 Porcelain 12" x 24" tile in Baths and Laundry  
 Upgraded casings and millwork - 3" window and door casing, 5" baseboard  
 Two tone paint - Semi gloss white shade on casings and millwork and flat high grade paint on the  
 walls in a neutral tone selected from 5 colours in our Design Centre  
 Approximately 7' high interior doors throughout  
 Stained Oak Stairs to match wood flooring, with buyer's choice of Iron or Wood Pickets  
 Smart system Programmable Home Thermostat from NEST  
 Rough-in for Security Alarm  
 Garage Door Opener  
 High efficiency furnace and air conditioning units per suite  
 Vented Cold Cellars with interior Light, where applicable  
 Spray Foam Insulation over Garage Ceilings  
 Single handle faucets in Kitchen & Bathrooms  
 Pre-wired for Phone, Cable, Internet in Bedrooms and Main living areas  
 Your choice of traditional or contemporary fireplace where plan permits

### FLOORING

Imported 12" x 24" porcelain tile in the foyer, powder room, laundry room and all bathrooms (per  
 plan) selected in our Design Centre  
 High style 3 1/8" inch wood plank floor, engineered to be used everywhere in your home, except  
 the bathrooms, laundry room and foyer  
 Engineered Floor Joist System

## DESIGNER KITCHEN

High grade, 5-piece panel style Kitchen Cabinetry, with extended uppers

Selection of hardware for cabinets

Custom fit Quartz or Granite countertops with one double basin under mount sink

Custom backsplash - either tile or painted glass

Chrome Riobel Kitchen faucet. A single handle faucet with integrated pull-out spray handle

Deluxe Stainless Steel Appliance Package (Refrigerator, Stove, Microwave and Dishwasher)

## BATHS

High grade, 5-piece panel style Bathroom Vanity Cabinets

Selection of hardware for cabinets

Custom fit Quartz or Granite countertops with under mount sink in first Master Ensuite

Single-hole chrome superior Riobel faucet package in each bath, with mechanical pop up drain.

Frameless Glass Showers with a Light, where applicable

Rain showers in the Master bathroom

Custom wall tile, Floor to ceiling in the bath and shower areas, with accent tile design

Toto toilets

Shut off Valves installed for all Sinks & Toilets

Full, 4-piece bathroom in all finished basements

Vanity to ceiling mirrors in baths

Upgraded light fixtures on mirrors in all baths

## LAUNDRY ROOMS

Full sized Washer & Dryer

Laundry tubs, as per plan

All required plumbing, electrical and venting rough-ins

Modern open shelf storage cabinets above the laundry tub, as plan permits

## COMFORT FEATURES

Control switch located in the interior of the home near the garage to power off the garage door opener for added safety and security

Capped gas line at the outside rear of the home for future barbeque hook up

Complete central vac system in the garage

Smoke and carbon monoxide detectors installed and hard wired as per Building Codes

NEST Smart technology thermostat compatible with your smart phone for energy saving

Door chimes for the front door

Duct work sized for air conditioner installed

Two exterior water taps

Pre-wires for Phone, Cable, Internet in Bedrooms and Main living areas

White Decora Light Switches & Plugs

## LIGHTING ELECTRICAL AND TECHNOLOGY

100 AMP electrical service

15 LED, energy saving pot lights on main floor

One exterior seasonal electrical outlet

European height white Decora plugs and switches throughout, per electrical standard specifications

Ceiling light fixtures in all rooms with the exception of the living room, which will have a switched wall outlet



Weather proof exterior outlets, one at the front of the home and one at the rear of the home  
Electrical wall outlets in the garage and an electrical outlet for the garage door and opener

#### SUPERIOR CONSTRUCTION

Approximately 8' poured concrete walls with heavy duty damp proofing, drainage board, weeping tiles and full height blanket insulation

Tongue and groove subfloor to be glued, screwed and sanded

2 X 6 exterior wall construction

Conventional air circulating system

High efficiency gas furnace

Poured concrete porch

Reinforced concrete garage floors and grade beams

Spray foam insulation in the garage ceiling below livable areas as well as all cantilevered box out window areas

Finished basements

#### HOMEOWNER WARRANTY PROTECTION

The Tarion Warranty offers: Seven (7) year protection on all structural defects

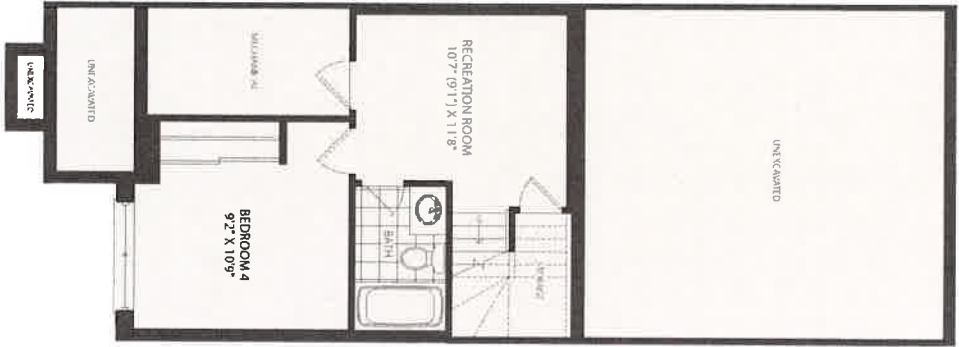
Two (2) year protection on mechanicals and materials including electrical, plumbing, heating and distribution systems, all exterior cladding, windows and doors

One (1) year protection on all workmanship and material defects

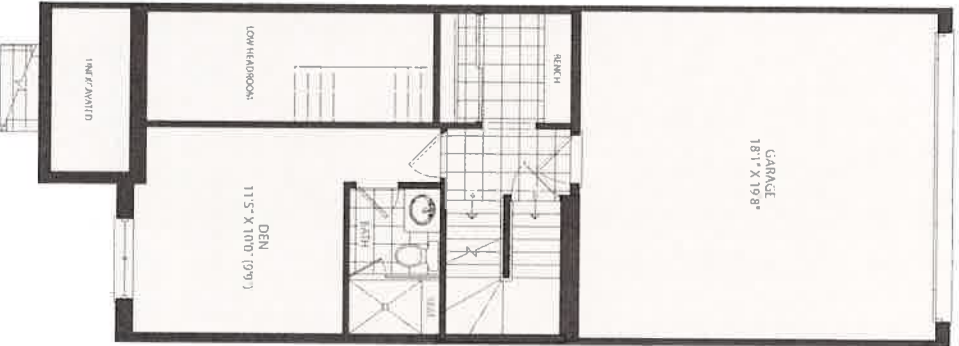




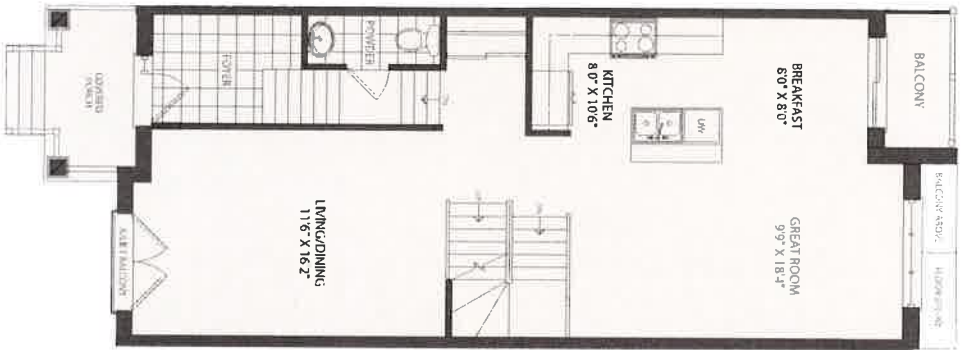
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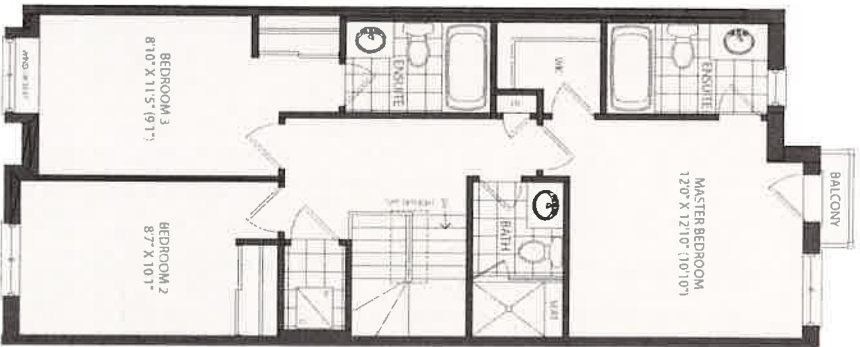
REAR PORCH LEVEL



LOWER LEVEL



MAIN LEVEL



UPPER LEVEL

UPTOWN COLLECTION U21

TOTAL LIVING AREA: 2,265 SQ.FT.



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SCHEDULE "C"ADDITIONAL PROVISIONS**1. HARMONIZED SALES TAX**

The Purchaser and Vendor hereby acknowledge and agree that subject to compliance with and accuracy of the Purchaser's representations, warranties, acknowledgements, covenants and agreements herein the Purchase Price includes the Harmonized Sales Tax ("HST") exigible pursuant to Part IX of the Excise Tax Act (Canada) (the "HST Legislation"), net of the new housing rebate permitted under the HST Legislation, if any (the "Rebate").

The Purchaser acknowledges and agrees that the Vendor shall insert in Box 4 of the Transfer/Deed of Land delivered on Closing relating to the Real Property the actual consideration for the Real Property, being the Purchase Price less HST net of the Rebate, if any.

The Purchaser hereby covenants and agrees that he/she is acquiring the Real Property for use as his/her primary place of residence (as defined in the HST Legislation). The Purchaser further covenants and agrees that, forthwith after Closing, he/she shall personally occupy the Real Property or cause one or more of his/her relations (as defined in the HST Legislation) to occupy the Real Property as his/her primary place of residence for such period of time as required by Canada Customs and Revenue Agency pursuant to its administrative guide lines or under the HST Legislation in order to entitle the Purchaser to the Rebate.

The Purchaser hereby irrevocably assigns to and in favour of the Vendor any and all rights he/she may have on Closing or thereafter to any rebates, refunds or credits pursuant to the HST Legislation, including without limiting the generality of the foregoing, the Rebate.

The Purchaser covenants and agrees to execute and deliver to the Vendor on Closing all applications, assignments, authorizations, directions, forms and such other documents as may be requested by the Vendor or its solicitors to verify entitlement to such rebate, refund or credit and to effect the proper assignment thereof to the Vendor including, without limiting the generality of the foregoing, an independent form of the Purchaser's covenant to assign set out above.

Notwithstanding any other provision of this Agreement, the Purchaser acknowledges and agrees that the Purchase Price does not include any HST exigible with respect to any of the adjustments payable by the Purchaser pursuant to this Agreement or any extras, changes 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 in accordance with the HST Legislation.

In the event that the Purchaser does not qualify for the Rebate, the Vendor agrees to pay the HST exigible with respect to the purchase of the Real Property and the Vendor acknowledges that such HST is included in the Purchase Price provided, however, the Purchaser shall reimburse the Vendor as an adjustment on Closing with the amount equal to the Rebate to which the Purchaser would have been entitled if the Purchaser had qualified for the Rebate.

**2. RESTRICTIONS AND NOTICES PURSUANT TO THE SUBDIVISION AGREEMENT**

The Purchaser hereby acknowledges that title to the Lands will be subject to a Subdivision Agreement with The Corporation of the Town of Markham and or the Region of York, which Agreement may contain warning clauses and restrictions which the Vendor is required to bring to the attention of the Purchaser by incorporating same into this Agreement. The Purchaser acknowledges that the Subdivision Agreement will be registered against title to the Real Property prior to the Closing Date. The Purchaser acknowledges and agrees that his solicitor will search title to the Real Property prior to the Closing Date and shall be responsible for reviewing the Subdivision Agreement and identifying for the Purchaser any warning clauses and/or restrictions, if any, which are prescribed by the Subdivision Agreement. The Purchaser's solicitor shall be responsible for explaining the nature and importance of any such warning clauses and/or restrictions to the Purchaser. The Purchaser acknowledges and agrees that, on registration of the Subdivision Agreement against title to the Real Property, all warning clauses and/or restrictions prescribed by the Subdivision Agreement shall be deemed to be incorporated into and shall be deemed to form a part of this Agreement and, if required by the Vendor or the Municipality, the Purchaser covenants and agrees to execute, on or prior to Closing an acknowledgement and/or amendment in that regard, without same affecting the balance of this Agreement.

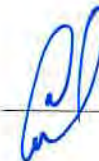
**3. PURCHASER'S FINANCING**

The Purchaser hereby covenants and agrees to provide to the Vendor such financial information regarding the Purchaser forthwith after the Purchaser signing this Agreement, and thereafter as the Vendor may require from time to time prior to the Closing Date for the purpose of confirming that the Purchaser has the financial capability of completing the transaction of purchase and sale contemplated by this Agreement. If the Purchaser fails to provide such information within ten days of the request for same by the Vendor, then the Purchaser shall be considered to be in default pursuant to this Agreement. In the event that the Vendor is not satisfied, in its sole and absolute discretion, with the financial strength of the Purchaser or with the completeness and accuracy of the information provided by the Purchaser, the Purchaser hereby acknowledges and agrees that the Vendor shall have the right, in its sole, absolute and arbitrary discretion, to:

INITIAL (Purchaser)



(Vendor)



- (a) require the Purchaser to pay an additional deposit in such amount as may be determined by the Vendor, in its sole and absolute discretion, which amount shall immediately become due and shall be paid by the Purchaser to the Vendor by certified cheque within five days of written notice given by the Vendor to the Purchaser in this regard, failing payment the Purchaser shall be in default pursuant to this Agreement; or
- (b) terminate this agreement. Upon such termination, the Deposit paid by the Purchaser to such date shall be returned to the Purchaser without interest or deduction and the Vendor shall not be liable for any losses, costs or damages incurred by the Purchaser whatsoever as a result of such termination.

In the event that the Purchaser is arranging mortgage financing for the purpose of completing the transaction of purchase and sale on the Closing Date, the Purchaser hereby covenants and agrees to apply for such mortgage financing within 10 days from the date of acceptance of this Agreement by the Vendor and forthwith provide the Vendor with evidence of said application and a copy of approval or rejection. In the event that the Purchaser fails to diligently comply with this provision, the Purchaser acknowledges and agrees that the Vendor shall have the right, in its sole, absolute and arbitrary discretion, to:

- (a) require the Purchaser to pay an additional deposit in such amount as may be determined by the Vendor, in its sole and absolute discretion, which amount shall immediately become due and shall be paid by the Purchaser to the Vendor by certified cheque within five days of written notice given by the Vendor to the Purchaser in this regard, failing payment the Purchaser shall be in default pursuant to this Agreement; or
- (b) terminate this agreement. Upon such termination, the Deposit paid by the Purchaser to such date shall be returned to the Purchaser without interest or deduction and the Vendor shall not be liable for any losses, costs or damages incurred by the Purchaser whatsoever as a result of such termination.

**4. LOT NUMBERS**

If on or after registration of the plan of subdivision, and any subsequent subdivision or reference plan, the lot number of the Land is changed, the Purchaser agrees to accept such variation in lot number, and this Agreement shall be read with all amendments required thereby.

**5. CERTIFICATE OF OCCUPANCY**

The Certificate of Occupancy issued by the Municipality will document the building inspection history, including mandatory inspections which were not conducted.

**6. SPECIFIC RESTRICTIONS AND NOTICES WHICH MAY AFFECT THE LOT PURSUANT TO THE SUBDIVISION AGREEMENT**

TO BE DETERMINED.

**7. FENCING FEATURES**

The Purchaser covenants and agrees that all fencing adjacent to road allowances and walkways will be erected entirely on private property and will not be erected on the lot line or into any road allowance or public property.

**8. COMMUNITY MAILBOXES**

Purchasers are advised that mail delivery will be from a designated Community Mail box.

INITIAL (Purchaser)   X   (Vendor)   [Signature]

**SCHEDULE "D"**

**TARION WARRANTY CORPORATION**  
THIS DOCUMENT CONTAINS IMPORTANT INFORMATION  
FOR THE CONSUMER

**ADDENDUM TO AGREEMENT OF PURCHASE AND SALE**

This addendum forms part of the Agreement of Purchase and Sale between:

Safana Kodwavi

("Purchaser")

and

**SUNRISE ACQUISITIONS (HWY 7) INC.**

("Vendor")

Dated April 30, 2019.

(the "Agreement")

INITIAL (Purchaser)



(Vendor)





Limited Use Freehold Form
(Tentative Occupancy Date - POTL/CEC)

Property Lot 49

Statement of Critical Dates
Delayed Occupancy Warranty

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

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

VENDOR Sunrise Acquisitions (Hwy 7) Inc
Full Name(s)
PURCHASER Safana Kodwavi
Full Name(s)

1. Critical Dates

The First Tentative Occupancy Date, which is the date that the Vendor anticipates the home will be completed and ready to move in, is: the 4th day of February, 2020.

A Second Tentative Occupancy Date can subsequently be set by the Vendor by giving proper written notice at least 90 days before the First Tentative Occupancy Date. The Second Tentative Occupancy Date can be up to 120 days after the First Tentative Occupancy Date, and so could be as late as: the 3rd day of June, 2020.

The Vendor must set a Firm Occupancy Date by giving proper written notice at least 90 days before the Second Tentative Occupancy Date. The Firm Occupancy Date can be up to 120 days after the Second Tentative Occupancy Date, and so could be as late as: the 1st day of October, 2020.

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

The Vendor can set a Delayed Occupancy Date that is up to 365 days after the earlier of the Second Tentative Occupancy Date and the Firm Occupancy Date: This Outside Occupancy Date could be as late as: the 3rd day of June, 2021.

2. Notice Period for an Occupancy Delay

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

Notice of a delay beyond the First Tentative Occupancy Date must be given no later than: the 6th day of November, 2019
(i.e., at least 90 days before the First Tentative Occupancy Date), or else the First Tentative Occupancy Date automatically becomes the Firm Occupancy Date.

Notice of a second delay in Occupancy must be given no later than: the 5th day of March, 2020.
(i.e., at least 90 days before the Second Tentative Occupancy Date), or else the Second Tentative Occupancy Date becomes the Firm Occupancy Date.

3. Purchaser's Termination Period

If the home is not complete by the Outside Occupancy Date, then the Purchaser can terminate the transaction during a period of 30 days thereafter (the "Purchaser's Termination Period"), which period, unless extended by mutual agreement, will end on: the 5th day of July, 2021.

If the Purchaser terminates the transaction during the Purchaser's Termination Period, then the Purchaser is entitled to delayed occupancy compensation and to a full refund of all monies paid plus interest (see sections 7, 11 and 12 of the Addendum).

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

Acknowledged this 16 day of NOVEMBER, 20 19.

VENDOR: [Signature]

PURCHASER: [Signature]





**Limited Use Freehold Form  
(Tentative Occupancy Date – POTL/CEC)**

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

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

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

The Vendor shall complete all blanks set out below.

**VENDOR** Sunrise Acquisitions (Hwy 7) Inc

Full Name(s) 46593	50 West Wilmot St., Suite 100		
Tarion Registration Number 905-597-3333	Address Richmond Hill	ON	L4B 1M5
Phone	City	Province	Postal Code
905-597-3334	info@sunrisehomes.ca		
Fax	Email*		

**PURCHASER** Safan Kodwavi

Full Name(s) 72 Grand Vellore Cres.	Woodbridge	ON	L4H 0N8
Address 416-827-7099	City	Province	Postal Code
Phone	safanakodwavi1@gmail.com		
Fax	Email*		

**PROPERTY DESCRIPTION**

4148 Hwy 7			
Municipal Address Markham	ON	L3R 0W9	
City	Province	Postal Code	
Short Legal Description			

Number of Homes in the Freehold Project 52 (if applicable – see Schedule A)

**INFORMATION REGARDING THE PROPERTY**

The Vendor confirms that:

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

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

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

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

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

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

## SETTING AND CHANGING CRITICAL DATES

### 1. Setting Tentative Occupancy Dates and the Firm Occupancy Date

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

### 2. Changing the Firm Occupancy Date – Three Ways

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

### 3. Changing the Firm Occupancy Date – By Setting a Delayed Occupancy Date

- (a) If the Vendor cannot provide Occupancy on the Firm Occupancy Date and sections 4 and 5 do not apply, the Vendor shall select and give written notice to the Purchaser of a Delayed Occupancy Date in accordance with this section, and delayed occupancy compensation is payable in accordance with section 7.
- (b) The Delayed Occupancy Date may be any Business Day after the date the Purchaser receives written notice of the Delayed Occupancy Date but not later than the Outside Occupancy Date.
- (c) The Vendor shall give written notice to the Purchaser of the Delayed Occupancy Date as soon as the Vendor knows that it will be unable to provide Occupancy on the Firm Occupancy Date, and in any event at least 10 days before the Firm Occupancy Date, failing which delayed occupancy compensation is payable from the date that is 10 days before the Firm Occupancy Date, in accordance with paragraph 7(c). If notice of a new Delayed Occupancy Date is not given by the Vendor, before the Firm Occupancy Date, then the new Delayed Occupancy Date shall be deemed to be the date which is 90 days after the Firm Occupancy Date.
- (d) After the Delayed Occupancy Date is set, if the Vendor cannot provide Occupancy on the Delayed Occupancy Date, the Vendor shall select and give written notice to the Purchaser of a new Delayed Occupancy Date, unless the delay arises due to Unavoidable Delay under section 5 or is mutually agreed upon under section 4, in which case the requirements of those sections must be met. Paragraphs (b) and (c) above apply with respect to the setting of the new Delayed Occupancy Date.
- (e) Nothing in this section affects the right of the Purchaser or Vendor to terminate the Purchase Agreement on the bases set out in section 11.

### 4. Changing Critical Dates – By Mutual Agreement

- (a) This Addendum sets out a framework for setting, extending and/or accelerating Critical Dates, which cannot be altered contractually except as set out in this section 4. Any amendment not in accordance with this section is voidable at the option of the Purchaser. For greater certainty, this Addendum does not restrict any extensions of the Closing date (i.e., title transfer date) where Occupancy of the home has already been given to the Purchaser.
- (b) The Vendor and Purchaser may at any time, after signing the Purchase Agreement, mutually agree in writing to accelerate or extend any of the Critical Dates. Any amendment which accelerates or extends any of the Critical Dates must include the following provisions:
  - (i) the Purchaser and Vendor agree that the amendment is entirely voluntary – the Purchaser has no obligation to sign the amendment and each understands that this purchase transaction will still be valid if the Purchaser does not sign this amendment;
  - (ii) the amendment includes a revised Statement of Critical Dates which replaces the previous Statement of Critical Dates;

- (iii) the Purchaser acknowledges that the amendment may affect delayed occupancy compensation payable; and
- (iv) if the change involves extending either the Firm Occupancy Date or the Delayed Occupancy Date, then the amending agreement shall:

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

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

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

#### **5. Extending Dates – Due to Unavoidable Delay**

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

#### **EARLY TERMINATION CONDITIONS**

##### **6. Early Termination Conditions**

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



**Limited Use Freehold Form**  
**(Tentative Occupancy Date – POTL/CEC)**

**Condition #1 (if applicable)**

Description of the Early Termination Condition:

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

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

**Condition #2 (if applicable)**

Description of the Early Termination Condition:

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

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

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

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

- (e) There are no Early Termination Conditions applicable to this Purchase Agreement other than those identified in subparagraph (d) above and any appendix listing additional Early Termination Conditions.
- (f) The Vendor agrees to take all commercially reasonable steps within its power to satisfy the Early Termination Conditions identified in subparagraph (d) above.
- (g) For conditions under paragraph 1(a) of Schedule A the following applies:
  - (i) conditions in paragraph 1(a) of Schedule A may not be waived by either party;
  - (ii) the Vendor shall provide written notice not later than five (5) Business Days after the date specified for satisfaction of a condition that: (A) the condition has been satisfied; or (B) the condition has not been satisfied (together with reasonable details and backup materials) and that as a result the Purchase Agreement is terminated; and
  - (iii) if notice is not provided as required by subparagraph (ii) above then the condition is deemed not satisfied and the Purchase Agreement is terminated.
- (h) For conditions under paragraph 1(b) of Schedule A the following applies:
  - (i) conditions in paragraph 1(b) of Schedule A may be waived by the Vendor;
  - (ii) the Vendor shall provide written notice on or before the date specified for satisfaction of the condition that: (A) the condition has been satisfied or waived; or (B) the condition has not been satisfied nor waived, and that as a result the Purchase Agreement is terminated; and
  - (iii) if notice is not provided as required by subparagraph (ii) above then the condition is deemed satisfied or waived and the Purchase Agreement will continue to be binding on both parties.
- (i) If a Purchase Agreement or proposed Purchase Agreement contains Early Termination Conditions, the Purchaser has three (3) Business Days after the day of receipt of a true and complete copy of the Purchase Agreement or proposed Purchase Agreement to review the nature of the conditions (preferably with legal counsel). If the Purchaser is not satisfied, in the Purchaser's sole discretion, with the Early Termination Conditions, the Purchaser may revoke the Purchaser's offer as set out in the proposed Purchase Agreement, or terminate the Purchase Agreement, as the case may be, by giving written notice to the Vendor within those three Business Days.
- (j) The Purchase Agreement may be conditional until Closing (transfer to the Purchaser of title to the home), upon compliance with the subdivision control provisions (section 50) of the *Planning Act* and, if applicable, registration of a related common elements condominium corporation under the *Condominium Act, 1998*, which compliance shall be obtained by the Vendor at its sole expense, on or before Closing.
- (k) The Purchaser is cautioned that there may be other conditions in the Purchase Agreement that allow the Vendor to terminate the Purchase Agreement due to the fault of the Purchaser.
- (l) The Purchase Agreement may include any condition that is for the sole benefit of the Purchaser and that is agreed to by the Vendor (e.g., the sale of an existing dwelling, Purchaser financing or a basement walkout). The Purchase Agreement may specify that the Purchaser has a right to terminate the Purchase Agreement if any such condition is not met, and may set out the terms on which termination by the Purchaser may be effected.

## MAKING A COMPENSATION CLAIM

### 7. Delayed Occupancy Compensation

- (a) The Vendor warrants to the Purchaser that, if Occupancy is delayed beyond the Firm Occupancy Date (other than by mutual agreement or as a result of Unavoidable Delay as permitted under sections 4 and 5), then the Vendor shall compensate the Purchaser up to a total amount of \$7,500, which amount includes: (i) payment to the Purchaser of a set amount of \$150 a day for living expenses for each day of delay until the Occupancy Date; or the date of termination of the Purchase Agreement, as applicable under paragraph (b) below; and (ii) any other expenses (supported by receipts) incurred by the Purchaser due to the delay.
- (b) Delayed occupancy compensation is payable only if: (i) Occupancy and Closing occurs; or (ii) the Purchase Agreement is terminated or deemed to have been terminated under paragraph 11(b) of this Addendum. Delayed occupancy compensation is payable only if the Purchaser's claim is made to Tarion in writing within one (1) year after Occupancy, or after termination of the Purchase Agreement, as the case may be, and otherwise in accordance with this Addendum. Compensation claims are subject to any further conditions set out in the ONHWP Act.
- (c) If the Vendor gives written notice of a Delayed Occupancy Date to the Purchaser less than 10 days before the Firm Occupancy Date, contrary to the requirements of paragraph 3(c), then delayed occupancy compensation is payable from the date that is 10 days before the Firm Occupancy Date.
- (d) Living expenses are direct living costs such as for accommodation and meals. Receipts are not required in support of a claim for living expenses, as a set daily amount of \$150 per day is payable. The Purchaser must provide receipts in support of any claim for other delayed occupancy compensation, such as for moving and storage costs. Submission of false receipts disentitles the Purchaser to any delayed occupancy compensation in connection with a claim.
- (e) If delayed occupancy compensation is payable, the Purchaser may make a claim to the Vendor for that compensation after Occupancy or after termination of the Purchase Agreement, as the case may be, and shall include all receipts (apart from living expenses) which evidence any part of the Purchaser's claim. The Vendor shall assess the Purchaser's claim by determining the amount of delayed occupancy compensation payable based on the rules set out in section 7 and the receipts provided by the Purchaser, and the Vendor shall promptly provide that assessment information to the Purchaser. The Purchaser and the Vendor shall use reasonable efforts to settle the claim and when the claim is settled, the Vendor shall prepare an acknowledgement signed by both parties which:
- (i) includes the Vendor's assessment of the delayed occupancy compensation payable;
  - (ii) describes in reasonable detail the cash amount, goods, services, or other consideration which the Purchaser accepts as compensation (the "Compensation"), if any; and
  - (iii) contains a statement by the Purchaser that the Purchaser accepts the Compensation in full satisfaction of any delayed occupancy compensation payable by the Vendor.
- (f) If the Vendor and Purchaser cannot agree as contemplated in paragraph 7(e), then to make a claim to Tarion the Purchaser must file a claim with Tarion in writing within one (1) year after Occupancy. A claim may also be made and the same rules apply if the sale transaction is terminated under paragraph 11(b), in which case, the deadline for a claim is one (1) year after termination.
- (g) If delayed occupancy compensation is payable, the Vendor shall either: pay the compensation as soon as the proper amount is determined; or pay such amount with interest (at the prescribed rate as specified in subsection 19(1) of O.Reg. 48/01 of the *Condominium Act, 1998*), from the Occupancy Date to the date of Closing, such amount to be an adjustment to the balance due on the day of Closing.

### 8. Adjustments to Purchase Price

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

### 9. Occupancy

If the Purchaser accepts or is required to accept Occupancy in advance of receiving a title transfer of the home, then the provisions of Schedule C shall apply.

## MISCELLANEOUS

### 10. Ontario Building Code – Conditions of Occupancy

- (a) On or before the Occupancy Date, the Vendor shall deliver to the Purchaser:
- (i) an Occupancy Permit (as defined in paragraph (d)) for the home; or

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

#### 11. Termination of the Purchase Agreement

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

#### 12. Refund of Monies Paid on Termination

- (a) If the Purchase Agreement is terminated (other than as a result of breach of contract by the Purchaser), then unless there is agreement to the contrary under paragraph 11(a), the Vendor shall refund all monies paid by the Purchaser including deposit(s) and monies for upgrades and extras, within 10 days of such termination, with interest from the date each amount was paid to the Vendor to the date of refund to the Purchaser. The Purchaser cannot be compelled by the Vendor to execute a release of the Vendor as a prerequisite to obtaining the refund of monies payable as a result of termination of the Purchase Agreement under this paragraph, although the Purchaser may be required to sign a written acknowledgement confirming the amount of monies refunded and termination of the purchase transaction. Nothing in this Addendum prevents the Vendor and Purchaser from entering into such other termination agreement and/or release as may be agreed to by the parties.
- (b) The rate of interest payable on the Purchaser's monies shall be calculated in accordance with the *Condominium Act, 1998*.
- (c) Notwithstanding paragraphs (a) and (b) above, if either party initiates legal proceedings to contest termination of the Purchase Agreement or the refund of monies paid by the Purchaser, and obtains a legal determination, such amounts and interest shall be payable as determined in those proceedings.

#### 13. Definitions

**"Business Day"** means any day other than: Saturday; Sunday; New Year's Day; Family Day; Good Friday; Easter Monday; Victoria Day; Canada Day; Civic Holiday; Labour Day; Thanksgiving Day; Remembrance Day; Christmas Day; Boxing Day; and any special holiday proclaimed by the Governor General or the Lieutenant Governor; and



where New Year's Day, Canada Day or Remembrance Day falls on a Saturday or Sunday, the following Monday is not a Business Day, and where Christmas Day falls on a Saturday or Sunday, the following Monday and Tuesday are not Business Days; and where Christmas Day falls on a Friday, the following Monday is not a Business Day.

“**Closing**” means the completion of the sale of the home including transfer of title to the home to the Purchaser.

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

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

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

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

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

“**First Tentative Occupancy Date**” means the date on which the Vendor, at the time of signing the Purchase Agreement, anticipates that the home will be complete and ready for Occupancy, as set out in the Statement of Critical Dates.

“**Occupancy**” means the right to use or occupy the home in accordance with the Purchase Agreement.

“**Occupancy Date**” means the date the Purchaser is given Occupancy on or before Closing.

“**Outside Occupancy Date**” means the latest date that the Vendor agrees to provide Occupancy to the Purchaser, as confirmed in the Statement of Critical Dates.

“**Property**” or “**home**” means the freehold home being acquired by the Purchaser from the Vendor, and its interest in the related common elements condominium corporation.

“**Purchaser's Termination Period**” means the 30-day period during which the Purchaser may terminate the Purchase Agreement for delay, in accordance with paragraph 11(b).

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

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

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

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

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

#### 14. Addendum Prevails

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

#### 15. Time Periods, and How Notice Must Be Sent

- (a) Any written notice required under this Addendum may be given personally or sent by email, fax, courier or registered mail to the Purchaser or the Vendor at the address/contact numbers identified on page 2 or replacement address/contact numbers as provided in paragraph (c) below. Notices may also be sent to the solicitor for each party if necessary contact information is provided, but notices in all events must be sent to the Purchaser and Vendor, as applicable. If email addresses are set out on page 2 of this Addendum, then the parties agree that notices may be sent by email to such addresses, subject to paragraph (c) below.
- (b) Written notice given by one of the means identified in paragraph (a) is deemed to be given and received: on the date of delivery or transmission, if given personally or sent by email or fax (or the next Business Day if the date of delivery or transmission is not a Business Day); on the second Business Day following the date of sending by courier; or on the fifth Business Day following the date of sending, if sent by registered mail. If a postal stoppage or interruption occurs, notices shall not be sent by registered mail, and any notice sent by registered mail within 5 Business Days prior to the commencement of the postal stoppage or interruption must be re-sent by another means in order to be effective. For purposes of this section 15, Business Day includes Remembrance Day, if it falls on a day other than Saturday or Sunday, and Easter Monday.
- (c) If either party wishes to receive written notice under this Addendum at an address/contact number other than those identified on page 2 of this Addendum, then the party shall send written notice of the change of address, fax number, or email address to the other party in accordance with paragraph (b) above.
- (d) Time periods within which or following which any act is to be done shall be calculated by excluding the day of delivery or transmission and including the day on which the period ends.
- (e) Time periods shall be calculated using calendar days including Business Days but subject to paragraphs (f), (g) and (h) below.



- (f) Where the time for making a claim under this Addendum expires on a day that is not a Business Day, the claim may be made on the next Business Day.
- (g) Prior notice periods that begin on a day that is not a Business Day shall begin on the next earlier Business Day, except that notices may be sent and/or received on Remembrance Day, if it falls on a day other than Saturday or Sunday, or Easter Monday.
- (h) Every Critical Date must occur on a Business Day. If the Vendor sets a Critical Date that occurs on a date other than a Business Day, the Critical Date is deemed to be the next Business Day.
- (i) Words in the singular include the plural and words in the plural include the singular.
- (j) Gender-specific terms include both sexes and include corporations.

**16. Disputes Regarding Termination**

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

**For more information please visit [www.tarion.com](http://www.tarion.com)**

**SCHEDULE A**

**Types of Permitted Early Termination Conditions**

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

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

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

(b) upon:

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

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

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

**2. The following definitions apply in this Schedule:**

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

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

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

**3. Each condition must:**

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

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

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



**Limited Use Freehold Form  
(Tentative Occupancy Date – POTL/CEC)**

**SCHEDULE B**

**Adjustments to Purchase Price or Balance Due on Closing**

**PART I Stipulated Amounts/Adjustments**

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

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

1. As per Agreement of Purchase and Sale Clause 7 - Adjustments
  
- 2.
  
- 3.



**Limited Use Freehold Form  
(Tentative Occupancy Date – POTL/CEC)**

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

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

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

1. As per Agreement of Purchase and Sale Clause 7 - Adjustments

2.

3.

## SCHEDULE C

### Terms of Occupancy Licence

If the purchaser takes Occupancy of the home before the date of Closing or is required to do so under the Purchase Agreement, then the following provisions shall apply:

1. The Purchaser shall be given Occupancy of the home on the Occupancy Date.
2. The Purchaser shall not be required to pay the balance due on the purchase price on the Occupancy Date unless the Occupancy Date is also the Closing Date.
3. The Purchaser shall pay to the Vendor a monthly **Occupancy Fee** from and after the Occupancy Date which shall not exceed an amount calculated as follows:
  - (i) interest calculated on a monthly basis on the unpaid balance of the purchase price at the prescribed rate as specified in subsection 19(1) of O.Reg 48/01 to the Condominium Act, 1998; plus
  - (ii) an amount reasonably estimated by the Vendor on a monthly basis for municipal realty taxes attributable by the Vendor to the home; plus
  - (iii) the projected monthly common expense contribution for the home's share of the common elements condominium corporation (CEC).

The Occupancy Fee shall be payable on the first day of each month in advance until the date of Closing. The Occupancy Fee is a fee for the use of the home and no part of it shall be credited as payments on account of the Purchase Price. If Occupancy does not occur on the first day of the month, the Purchaser shall pay on the Occupancy Date a pro rata amount for the balance of the month.

4. If the Vendor charges the Purchaser a monthly Occupancy Fee for longer than six (6) months and the monthly Occupancy Fee includes a projected contribution to the reserve fund for the CEC, then, with respect to the Occupancy Fee for each month after the sixth month, the Vendor shall hold in trust and remit to the CEC upon registering the declaration and description for the CEC, the portion of the monthly Occupancy Fee that represents the projected contribution to the reserve fund.
5. The Vendor, during the Purchaser's period of Occupancy,
  - (a) shall provide those services that the CEC corporation will have a duty to provide to owners after the registration of the CEC declaration and description;
  - (b) shall repair and maintain the CEC property in the same manner as the CEC corporation will have a duty to repair after damage and maintain after the registration of the CEC declaration and description;
  - (c) has the same right of entry to CEC property that the CEC corporation will have after the registration of the CEC declaration and description;
  - (d) may withhold consent to an assignment of the right to use CEC property; and
  - (e) may charge a reasonable fee for consenting to an assignment of the right to use CEC property.
6. The Vendor shall proceed with due diligence to register the CEC declaration and description. The Vendor shall, within 30 days of the registration of the CEC declaration and description, notify the Purchaser in writing of the date and instrument numbers of the registration, unless within that time the Purchaser receives a deed to the home that is in registerable form. Upon registration of the CEC declaration and description, the Vendor and Purchaser shall proceed to complete the title transfer on a date designated by the Vendor or its solicitor which shall be no later than sixty (60) days after the registration of the CEC declaration and description. If the Vendor for any reason whatsoever is unable to register the CEC declaration and description and therefore is unable to deliver a registerable Transfer/Deed to the Purchaser within twelve (12) months of the Occupancy Date, the Purchaser shall have the right for a period of 30 days after such twelve (12) month period, to give sixty (60) days written notice to the Vendor, to terminate the Occupancy licence and this Purchase Agreement. If the Purchaser gives notice of termination, the Purchaser shall give up vacant possession and pay the Occupancy Fee to the date of termination, after which this Purchase Agreement and Occupancy licence shall be terminated and section 7 of the Addendum applies.
7. The rights and duties described in section 5 above, apply despite any provision to the contrary in the *Residential Tenancies Act, 2006*.
8. The Vendor shall, on delivering to the Purchaser a Transfer Deed that is in registerable form or as soon as is practicable after delivery, refund to the Purchaser the portion of the monthly Occupancy Fee that the Purchaser has paid on account of municipal taxes attributable to the home in excess of the amount actually assessed against the home.



**Limited Use Freehold Form**  
**(Tentative Occupancy Date – POTL/CEC)**

9. If the portion of the monthly Occupancy Fee that the Purchaser has paid on account of municipal taxes attributable to the home is insufficient to pay the amount actually assessed against the home, the Vendor may require the Purchaser to pay the difference between the two amounts.
10. Sections 149, 150, 151, 165, 166 and 167 and Part VII of the *Residential Tenancies Act, 2006*, do not apply to Occupancy and monthly Occupancy Fees charged under this Schedule C.
11. In accordance with section 58(1).4 of the *Residential Tenancies Act, 2006*, if the Occupancy arose by virtue of or collateral to the Purchase Agreement, then if the Purchase Agreement is terminated, the Occupancy shall correspondingly be terminated.
12. The Purchaser shall maintain the home in a clean and sanitary condition and not make any alterations or improvements without the prior written approval of the Vendor which may not be unreasonably withheld.
13. The Purchaser shall be responsible for all utility, telephone expenses, cable television service, or other charges and expenses billed directly to the occupant of the home by the supplier of such services.
14. The Purchaser shall as at the Occupancy Date insure the home for the full replacement value thereof and provide a copy of the insurance certificate to the Vendor. The Vendor is not liable for the Purchaser's loss occasioned by fire, theft or other casualty, unless caused or contributed to by the Vendor.
15. The Vendor and Purchaser may agree upon additional provisions relating to Occupancy, provided such provisions do not derogate from, do not conflict with and are not inconsistent with provisions of this Schedule C.





The Declarant reserves the right to increase or decrease the number of POTLs, provided that each Purchaser's proportionate share of the common expenses shall not increase in a material fashion, and any such changes shall not constitute a material change.

Purchasers of POTLs are advised that during the construction of the Condominium and of the dwellings on the POTLs, the Declarant, its workmen, trades, suppliers, agents, contractors and servants shall be entitled to use those portions of the common elements as may be necessary. Purchasers are advised that construction activity may result in noise, dust, debris and heavy traffic during the day and may interfere with the ordinary use and enjoyment of the Condominium and the POTLs. The Declarant shall make reasonable efforts to minimize such disruption during the course of construction, but nothing shall derogate from the right of the Declarant to complete construction.

(b) Proposed Types and number of Buildings and Units

The Condominium shall consist of common roadways, with the POTLs located adjacent to the Condominium.

(c) Utilities and Other Services

Hydro service supplied to the common elements will be bulk metered and billed directly to the Condominium Corporation by the utility and included in the budget.

It is presently anticipated that there will be no door to door mail delivery, and mail delivery to a communal mail box will be available to the POTLs.

(d) Amenities

Perimeter fencing or a privacy hedge of trees may be required along the edge of the roadway where there is no outlet and will be maintained by the Condominium Corporation and are included in the budget. Privacy fencing required for all POTLs, along with retaining walls and acoustical walls which may be required for some of the POTLs, will be maintained by the owners of the POTLs and shall not be an obligation of the Condominium Corporation.

(e) Easements and Restrictions

The Condominium shall be subject to such easements as disclosed by registered title and described in Schedule "A" to the Declaration. In addition to the easements existing and noted on title to the property as of the date of this Disclosure Statement, further easements are contemplated to be registered. These easements may include an easement for vehicular and pedestrian ingress and egress, for utilities, and for storm and sanitary sewers. Some easements have been described in this Disclosure Statement in a general nature and will be finalized once the specific locations and nature of such easements have been determined.

The POTLs will be subject to easements in favour of the Condominium Corporation for the purposes of installing, maintaining, repairing and replacing, as required, any services which are necessary for the common elements or for providing services to the owners of the POTLs.

5. **DECLARATION, BY-LAWS, RULES AND INSURANCE TRUST AGREEMENT**

Accompanying this Disclosure Statement is a copy of the proposed Declaration, By-laws, Rules and Insurance Trust Agreement.

6. **BRIEF DESCRIPTION OF SIGNIFICANT FEATURES OF VARIOUS AGREEMENTS SUBJECT TO TERMINATION**

(a) Proposed Management Agreement (Section 111 of the Act)

The Corporation will enter into a management agreement following registration of the Condominium for the first year following registration. A copy of the proposed Management Agreement is included with this Disclosure Statement. Purchasers are advised to review the proposed Management Agreement for an understanding of the provisions contained therein.

(b) Other Agreements (Section 112 of the Act)

Such contracts as may be necessary or required for the provision of services to the Condominium may be entered into, including, without limitation, electrical services, landscaping, snow removal, provision of supplies, insurance, legal and accounting services, and other such matters as may be required for the orderly operation of the business of Corporation.

(c) Proposed Insurance Trust Agreement (Section 114 of the Act)

Corporation will not enter into an insurance trust agreement following registration of the Condominium.

**7. MISCELLANEOUS MATTERS**

(a) ONTARIO NEW HOME WARRANTIES PLAN ACT ("ONHWPA")

The Property is not subject to ONHWPA. The Declarant does not intend to enroll the Property under ONHWPA.

(b) The Declarant reserves the right to market POTLs in blocks to investors, but has no present intention of doing so. No restriction has been placed on the number of POTLs that may be purchased by an individual or a corporation.

(d) Declarant does not intend to cause Corporation to amalgamate with another corporation nor does Declarant have any knowledge that Corporation intends to amalgamate with another corporation.

(e) No building on the Property has been or will be converted from a previous use and no buildings are proposed to be constructed on the Property aside from a construction office and/or a sales office which shall remain on the Property until such time as the POTLs are sold.

(f) A Budget Statement for the one year period immediately following registration of Declaration and Description is included with this Disclosure Statement.

(g) There are no fees or charges that Corporation is required to pay to Declarant or another person except as set forth in the Budget. Refer to Budget for all expenses of Corporation and services being provided.

(h) Pursuant to subsection 82(8) of the Act, Declarant is entitled to retain the excess of all interest earned on money held in trust over the interest Declarant is required to pay to purchaser under Section 82 of the Act.

(i) Declarant does not intend to permit any part of common elements to be used for commercial or other purposes not ancillary to residential purposes on the POTLs.

(j) Declarant does not intend to provide any major assets or property to Corporation.

(k) There are no units, assets or services that Corporation is required to acquire nor are there any agreements or leases that Corporation must enter into with Declarant or a subsidiary body corporate, holding body corporate or affiliated body corporate of Declarant.

(l) Declarant owns lands adjacent to the Condominium lands which are presently vacant and which will comprise the POTLs. Application for site plan approval

from the City of Markham is pending.

(m) No part of the common elements is subject to a lease or license.

8. **RESCISSION RIGHTS (Section 73 of the Act)**

The following is a copy of Section 73 of the Act which sets out the rescission rights available to a Purchaser of a Unit in the Condominium:

"(1) A purchaser who receives a disclosure statement under subsection 72(1) may, in accordance with this section, rescind the agreement of purchase and sale before accepting a deed to the unit being purchased that is in registrable form.

(2) To rescind an agreement of purchase and sale under this section, a purchaser or the purchaser's solicitor shall give a written notice of rescission to the declarant or to the declarant's solicitor who must receive the notice within 10 days of the later of,

- (a) the date that the purchaser receives the disclosure statement; and
- (b) the date that the purchaser receives a copy of the agreement of purchase and sale executed by the declarant and the purchaser.

(3) If a declarant or the declarant solicitor receives a notice of rescission from a purchaser under this section, the declarant shall promptly refund, without penalty or charge, to the purchaser, all money received from the purchaser under the agreement and credited towards the purchase price, together with interest on the money calculated at the prescribed rate from the date that the declarant received the money until the date the declarant refunds it."

10. **RESCISSION RIGHTS UPON MATERIAL CHANGE (Section 74 of the Act)**

The following is a copy of Section 74 of the Agreement which sets out what constitutes a "material change" and the rescission rights available to a purchaser of a POTL in the event of a material change:

"(1) Whenever there is a material change in the information contained or required to be contained in a disclosure statement delivered to a purchaser under subsection 72(1) or a revised disclosure statement or a notice delivered to a purchaser under this section, the declarant shall deliver a revised disclosure statement or a notice to the purchaser.

(2) In this section,

"material change" means a change or a series of changes that a reasonable purchaser, on an objective basis, would have regarded collectively as sufficiently important to the decision to purchase a unit or proposed unit in the corporation that it is likely that the purchaser would not have entered into an agreement of purchase and sale for the unit or the proposed unit or would have exercised the right to rescind such an agreement of purchase and sale under section 73, if the disclosure statement had contained the change or series of changes, but does not include,

- (a) a change in the contents of the budget of the corporation for the current fiscal year if more than one year has passed since the registration of the declaration and description for the corporation;
- (b) a substantial addition, alteration or improvement within the meaning of subsection 97(6) that the corporation makes to the common elements after a turnover meeting has been held under section 43;
- (c) a change in the portion of units or proposed units that the declarant intends to lease;
- (d) a change in the schedule of the proposed commencement and completion dates for the amenities of which construction had not been

completed as of the date on which the disclosure statement was made; or

(e) a change in the information contained in the statement described in subsection 161(1) of the services provided by the municipality for the Minister of Municipal Affairs and Housing, as the case may be as described in that subsection if the unit or the proposed unit is in a vacant land condominium corporation.

(3) The revised disclosure statement or notice required under subsection (1) shall clearly identify all changes that in the reasonable belief of the declarant may be material changes and summarize the particulars of them.

(4) The declarant shall deliver the revised disclosure statement or notice to the purchaser within a reasonable time after the material change mentioned in subsection (1) occurs and, in any event, no later than 10 days before delivering to the purchaser a deed to the unit being purchased that is in registerable form.

(5) Within 10 days after receiving a revised disclosure statement or a notice under subsection (1), a purchaser may make an application to the Ontario Court (General Division) for a determination whether a change or a series of changes set out in the statement or notice is a material change.

(6) If a change or a series of changes set out in a revised disclosure statement or a notice delivered to a purchaser constitutes a material change or if a material change occurs that the declarant does not disclose in a revised disclosure statement or notice required by subsection (1), the purchaser may, before accepting a deed to the unit being purchased that is in registerable form, rescind the agreement of purchase and sale within 10 days of the latest of,

(a) the date on which the purchaser receives the revised disclosure statement or the notice, if the declarant delivered a revised disclosure statement or notice to the purchaser;

(b) the date on which the purchaser becomes aware of a material change, if the declarant has not delivered a revised disclosure statement or notice to the purchaser as required by subsection (1) with respect to the change; and

(c) the date on which the Ontario Court (General Division) makes a determination under subsection (5) or (6) that the change is material, if the purchaser or declarant, as the case may be, has made an application for the determination.

(7) To rescind an agreement of purchase and sale under this section, a purchaser or the purchaser's solicitor shall give a written notice of rescission to the declarant or to the declarant's solicitor.

(8) Within 10 days after receiving a notice of rescission, the declarant may make an application to the Ontario Court (General Division) for a determination whether the change or the series of changes on which the rescission is based constitutes a material change, if the purchaser has not already made an application under subsection (5).

(9) A declarant who receives a notice of rescission from a purchaser under this section shall refund, without penalty or charge, to the purchaser, all money received from the purchaser under the agreement and credited towards the purchase price, together with interest on the money calculated at the prescribed rate from the date that the declarant received the money until the date the declarant refunds it.

(10) The declarant shall make the refund,

(a) within 10 days after received a notice of rescission, if neither the purchaser nor the declarant has made an application for a determination described in subsection (5) or (8) respectively; or

(b) within 10 days after the court makes a determination that the change is material, if the purchaser has made an application under subsection (5) or the declarant has made an application under subsection (8).

**DECLARATION**  
**COMMON ELEMENTS CONDOMINIUM**

THIS DECLARATION (hereinafter called the "Declaration") is made and executed pursuant to the provisions of the *Condominium Act*, 1998, and the regulations made thereunder, as amended from time to time (all of which are hereinafter collectively referred to as the "Act"), by:

**SUNRISE ACQUISITIONS (HWY 7) INC.**

(hereinafter called the "Declarant")

WHEREAS:

- A. The Declarant is the owner in fee simple of certain lands and premises situate in the City of Markham, in the Province of Ontario and being more particularly described in Schedule "A" annexed hereto and in the description submitted herewith by the Declarant (hereinafter called the "Description") for registration in accordance with the Act and which lands are sometimes referred to as the "Lands" or the "Property"; and
- B. The Declarant intends that the Property shall be governed by the Act and that the registration of this Declaration and the Description will create a freehold common elements condominium corporation.

**NOW THEREFORE THE DECLARANT HEREBY DECLARES AS FOLLOWS:**

**ARTICLE I – INTRODUCTORY**

**1.1 Common Elements Condominium**

The registration of this Declaration and the Description will create a freehold common elements condominium corporation.

**1.2 Division of POTLS**

A parcel of tied land may not be divided into two (2) or more parcels unless an amendment is registered to the Declaration that takes into account the division of a parcel of tied land.

**1.3 Definitions**

The terms used in the Declaration shall have the meanings ascribed to them in the Act unless this Declaration specifies otherwise or unless the context otherwise requires and in particular:

- (a) "Board" means the Corporation's Board of Directors;
- (b) "By-Laws" means the by-laws of the Corporation enacted from time to time;
- (c) "Common Elements" means all the Property;
- (d) "Corporation" means the Condominium Corporation created by the registration of this Declaration;
- (e) "Owner" means the Owner or Owners of the freehold homes in a POTL and who owns, pursuant to the Act, a common interest in the common elements, but does not include a mortgagee of a POTL unless in possession;

- (f) "POTL" or "POTLS" means the parcel or parcel(s) of tied land to which a common interest is attached as described in Schedule "D" to this declaration; and
- (g) "Rules" means the Rules passed by the Board.

#### **1.4 Act Governs the Property**

The Lands described in Schedule "A" annexed hereto and in the Description together with all interests appurtenant to the Lands are governed by the Act.

#### **1.5 Consent of Encumbrancers**

The consent of every person having a registered mortgage against the Property or interests appurtenant thereto and against each POTL is contained in Schedule "B" attached hereto.

#### **1.6 Common Interest and Common Expenses**

Each Owner shall have an undivided interest in the Common Elements as a tenant in common with all other Owners in the proportions set forth opposite each POTL in Schedule "D" attached hereto and shall contribute to the Common Expenses in the proportion set forth opposite each POTL in Schedule "D" attached hereto. The total of the proportions of the common interests and proportionate contribution to Common Expenses shall each be one hundred (100%) percent.

#### **1.7 Address for Service, Municipal Address and Mailing Address of the Corporation**

- (a) The Corporation's address for service shall be 50 West Wilmot Street, Richmond Hill, Ontario L4B 1M5 or such other address as the Corporation may by resolution of the Board determine;
- (b) the Corporation's mailing address shall be 50 West Wilmot Street, Richmond Hill, Ontario L4B 1M5 or such other address as the Corporation may by resolution of the Board determine.
- (c) The Corporation's municipal address is 50 West Wilmot St., Richmond Hill, Ontario L4B 1M5

#### **1.8 Architect Engineer Certificates**

The certificate(s) of the architect and/or engineer(s) that all buildings and structures that the declaration and description show are included in the Common Elements and have been constructed in accordance with the regulations is/are contained in Schedule "G" attached hereto.

#### **1.9 Exclusive Use Common Elements**

There are no exclusive use of parts of the Common Elements designated in Schedule "F" attached hereto.

### **ARTICLE II - COMMON EXPENSES**

#### **2.1 Specification of Common Expenses**

Common Expenses means the expenses of the performance of the objects and duties



of the Corporation and such other expenses, costs and sums of money designated as Common Expenses in the Act and this Declaration and without limiting the generality of the foregoing, shall include those expenses set out in Schedules "E" attached hereto.

## **2.2 Payment of Common Expenses**

Each Owner, including the Declarant, shall pay to the Corporation its proportionate share of the Common Expenses, as may be provided for by the By-laws and the assessment and collection of contributions toward Common Expenses may be regulated by the Board pursuant to the By-laws. In addition to the foregoing, any losses, costs or damages incurred by the Corporation by reason of a breach of any provision of this Declaration, or in any Bylaws or rules in force from time to time by any Owner, or by members of its family and/or its respective tenants, invitees or licensees shall be borne and paid for by such Owner and may be recovered by the Corporation against such Owner in the same manner as Common Expenses.

## **2.3 Reserve Fund**

- (a) The Corporation shall establish and maintain one or more Reserve Funds and shall collect from the Owners as part of their contribution towards the Common Expenses, amounts that are reasonably expected to provide sufficient funds for major repair and replacement of Common Elements and assets of the Corporation; and
- (b) No part of the Reserve Fund shall be used except for the purpose for which the funds were established. The Reserve Fund shall constitute an asset of the Corporation and shall not be distributed to any Owner except on termination of the Corporation in accordance with the Act.

## **2.4 Status Certificate**

The Corporation shall, upon request, provide the requesting party with a status certificate and accompanying documentation and information in accordance with the Act. The Corporation shall forthwith provide the Declarant with a status certificate and all such accompanying documentation and information, as may be requested from time to time by or on behalf of the Declarant for any reason whatsoever, all at no charge or fee to the Declarant or the person requesting same on behalf of the Declarant.

## **2.5 Monies Owning**

Monies owing pursuant to this Declaration by the Owner to the Corporation shall bear interest at the prime lending rate of the Corporation's Bank as it may set from time to time plus five percent (5%) compounded monthly until paid, calculated semi-annually, not in advance, or at such other rate or interest as the Board may from time to time establish.

## **2.6 Collection**

All costs, charges and expenses including solicitors' costs, on the basis of costs between a solicitor and the solicitor's own client, incurred by the Corporation in enforcing its rights against an owner, arising from the Act, the Declaration, the By-Laws, the Rules or otherwise, including the costs of bringing an application under Section 134 of the Act, shall be payable by the Owner to the Corporation. All monies, interests and costs payable by an Owner to the Corporation may be collected as additional Common Expense payments and shall be recoverable as such.

# **ARTICLE III - COMMON ELEMENTS**

## **3.1 Use of Common Elements**

Subject to the provisions of the Act, this Declaration, the By-laws and any rules, each Owner has the full use, occupancy and enjoyment of the whole or any parts of the Common Elements for residential purposes only and for uses ancillary thereto, except as herein otherwise provided. Provided that until the sale of all Units and the completion of construction of the Project, the Declarant, its agents and contractors may:

- (i) operation of a model home within a POTL and maintain promotional signage and displays on the Common Elements and on the said POTL;
- (ii) maintain construction trailers or offices on the Common Elements;
- (iii) maintain construction materials on the Common Elements; and
- (iv) have access to the Common Elements to complete construction.

### 3.2 Restricted Access

Without the consent in writing of the Board, no Owner shall have the right of access to those parts of the Common Elements used from time to time for the care, maintenance or operation of the Property or any part thereof as designated by the Board, from time to time.

### 3.3 Modifications of Common Elements, Assets and Services

#### (a) General Prohibition

No owner shall make any change or alteration to the Common Elements whatsoever, including any installation(s) thereon, nor alter, decorate, renovate, maintain or repair any part of the Common Elements (except for maintaining those parts of the Common Elements which it has a duty to maintain in accordance with the provisions of this Declaration) without obtaining the prior written approval of the Board and having entered into an agreement with the Corporation in accordance with Section 98 of the Act.

#### (b) Non-Substantial Additions, Alterations and Improvements by the Corporation

The Corporation may make an addition, alteration, or improvement to the Common Elements, a change in the assets of the Corporation or a change in a service that the Corporation provides to the Owners in accordance with subsections 97(2) and (3) of the Act.

#### (c) Substantial Additions, Alterations and Improvements by the Corporation

The Corporation may, by a vote of Owners who own at least sixty-six and two thirds (66 2/3%) percent of the POTLS make a substantial addition, alteration or improvement to the Common Elements, a substantial change in the assets of the Corporation or a substantial change in a service the Corporation provides to the Owners in accordance with subsections 97 (4), (5) and (6) of the Act.

### 3.4 Parking

Parking shall be permitted only on those parts of the Common Elements designated by the Corporation for parking and as set forth in the Rules. All costs to effect compliance with this provision by any Owner of a POTL may be levied as an additional common expense attributable to such POTL.

## ARTICLE IV - MAINTENANCE AND REPAIRS

#### 4.1 Responsibility of Owner

- (a) Each Owner shall be responsible for all damage to the Common Elements, which is caused by the negligence or wilful misconduct of the Owner, its tenants, licensees or invitees, save and except for any such damage for which the cost of repairing same may be recovered under any policy of insurance held by the Corporation.
- (b) Each Owner shall be responsible for the repair, maintenance and replacement costs of the fencing, berming, and retaining walls and acoustical walls on its POTL and at the rear of or at the flankage of the POTL. No owner may substantially change the colour, materials, style, design or type of fences without the prior written consent of the Board.

#### 4.2 Repair and Maintenance by Corporation

The Corporation shall maintain and repair the Common Elements at its own expense. The Corporation shall also maintain and repair all facilities (including without limitation, water mains, storm and sanitary sewers and street lights) which service more than one POTL, whether located within the Common Elements or wholly or partly within a POTL and the Corporation and its designated agents shall have full access to a POTL to carry out its obligation pursuant to this paragraph.

#### 4.3 Snow Clearance by Corporation

The Corporation may pile snow cleared from the Common Elements onto the front or side yards of the POTLS.

### ARTICLE V - INDEMNIFICATION

- 5.1 Each Owner shall indemnify and save harmless the Corporation from and against any loss, costs, damage, injury or liability whatsoever which the Corporation may suffer or incur resulting from or caused by an act or omission of such Owner, its family, guests, visitors or tenants to or with respect to the Common Elements, except for any loss, costs, damages, injury or liability caused by an insured (as defined in any policy or policies of insurance) and insured against by the Corporation. All payments to be made by an Owner pursuant to this Article shall be deemed to be additional contributions toward Common Expenses payable by such Owner and shall be recoverable as such. In the event that any insurance proceeds payable to the Corporation are reduced by the amount of a deductible, and the loss giving rise to such payments was occasioned by the failure, breach, act or omission of an Owner, as set out above, then such Owner shall be liable to the Corporation for the amount of such deductible.

### ARTICLE VI - INSURANCE

#### 6.1 By the Corporation

The Corporation shall obtain and maintain insurance on its own behalf and on behalf of the owners as required or permitted by the Act in such amounts and upon such terms as the Board of Directors may determine from time to time. Every policy of insurance shall insure the interests of the Corporation and the Owners from time to time, as their respective interests may appear

#### 6.2 General Provisions

- (a) The Corporation, its Board and its officers shall have the exclusive right, on behalf of itself and as agents for the Owners, to adjust any loss and settle any claims with respect to all insurance placed by the Corporation, and to give such releases as are required, and any claimant, shall be bound by such adjustment.

proceeds of any insurance applied on account of the mortgage where such application would prevent application of the insurance proceeds in satisfaction of an obligation to repair. This subparagraph 6.2(b) shall be read without prejudice to the right of any mortgagee to exercise the right of an Owner to vote or to consent if the mortgage itself contains a provision giving the mortgagee that right;

- (c) A certificate or memorandum of all insurance policies, and endorsements thereto, shall be issued as soon as possible to each Owner, and a duplicate original or certified copy of the policy to each mortgagee who has notified the Corporation of its interest in any POTL. Renewal certificates or certificates of new insurance policies shall be furnished to each Owner and to each mortgagee noted on the records of the Corporation who have requested same. The master policy for any insurance coverage shall be kept by the Corporation in its offices, available for inspection by any Owner or mortgagee on reasonable notice to the Corporation;
- (d) No insured, other than the Corporation, shall be entitled to amend any policy or policies of insurance obtained and maintained by the Corporation. No insured shall be entitled to direct that the loss shall be payable in any manner other than as provided in the Declaration and the Act;
- (e) Where insurance proceeds are received by the Corporation or any other person, they shall be held in trust and applied for the same purposes as are specified otherwise in this Article VI; and
- (f) Prior to obtaining any new policy or policies of insurance and at such other time as the Board may deem advisable and in any event, at least every three (3) years, the Board shall obtain an appraisal from an independent qualified appraiser of the full replacement cost of the assets for the purpose of determining the amount of insurance to be effected and the cost of such appraisal shall be a Common Expense.

### **6.3 By the Owner**

It is acknowledged that the foregoing insurance is the only insurance required to be obtained and maintained by the Corporation and that the following insurance should be obtained and maintained by each Owner at such Owner's own risk:

- (a) Insurance on the Owner's POTL and all buildings constructed thereon. Every such policy of insurance shall contain waiver of subrogation against the Corporation, its manager, agents, employees and servants and against the other Owners and any members of their household or guests except for any damage arising from arson, fraud, vehicle impact, vandalism or malicious mischief caused or contributed by any of the aforementioned parties.
- (b) Public liability insurance covering any liability of any Owner or any resident, tenant, invitee or licensee of such Owner, to the extent not covered by any public liability and property damage insurance obtained and maintained by the Corporation.
- (c) Insurance covering the deductible on the Corporation's main policy for which an owner may be responsible.

**ARTICLE VII - GENERAL MATTERS AND ADMINISTRATION**

**7.1 Invalidity**

Each of the provisions of this Declaration shall be deemed independent and severable, and the invalidity or unenforceability in whole or in part of any one or more of such provisions shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration, and in such event all of the other provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been included herein.

**7.2 Waiver**

The failure to take action to enforce any provision contained in the Act, this Declaration, the By-laws or any other rules and regulations of the Corporation, irrespective of the number of violations or breaches which may occur, shall not constitute a waiver of the right to do so thereafter, nor be deemed to abrogate or waive any such provision.

**7.3 Interpretation of Declaration**

This Declaration shall be read with all changes of number and gender required by the context.

**7.4 Headings**

The headings in the body of this Declaration form no part of the Declaration but shall be deemed to be inserted for convenience of reference only.

**IN WITNESS WHEREOF** the Declarant has hereunto executed this Declaration under the hands of its proper officer duly authorized in that behalf.

DATED at Markham this \_\_\_\_ day of \_\_\_\_\_, 2016.

**SUNRISE ACQUISITIONS (HWY 7) INC.**

Per: \_\_\_\_\_  
Sajjad Hussain – ASO  
I have authority to bind the Corporation

**SCHEDULE "B"**

**CONSENT**

(under clause 7(2)(b) of the Act)

**CONSENT UNDER CLAUSE 7(2)(b) OF THE ACT**

1. KingSett Mortgage Capital has a registered mortgage within the meaning of clause 7(2)(b) of the *Condominium Act, 1998*, registered at the Land Registry Office for the Land Titles Division of York.
2. KingSett Mortgage Capital hereby consents to the registration of this Declaration pursuant to the *Condominium Act, 1998*, against the land or interests appurtenant to the land as the land and the interests are described in the Description.
3. KingSett Mortgage Capital postpones its mortgage and the interests under it to the Declaration and the easements described in Schedule "A" to the Declaration.
4. KingSett Mortgage Capital is entitled by law to grant this consent and postponement.

DATED at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

KingSett Mortgage Capital

Per: \_\_\_\_\_  
 Name:  
 Title:

Per: \_\_\_\_\_  
 Name:  
 Title:

I/We have authority to bind the Corporation

**SCHEDULE "B"**

**CONSENT TO ATTACHMENT OF A COMMON INTEREST**

(under clause 140(c) of the *Condominium Act, 1998*)

1. KingSett Mortgage Captial has a mortgage registered in the Land Titles Division of against a parcel of land (known as the "Parcel") to which a common interest in a common elements condominium corporation (known as the "Corporation") will attach upon the registration of the attached declaration (known as the "Declaration") dated \_\_\_\_\_ and the description (known as the "Description") creating the Corporation.
2. KingSett Mortgage Captial acknowledges that, upon the registration of this Declaration and Description, the Parcel will become subject to all encumbrances, if any, outstanding against the property described in Schedule "A" to the Declaration.
3. KingSett Mortgage Captial consents to the registration of a notice in the prescribed form indicating that a common interest in the Corporation, as the common interest is set out in Schedule "D" to the Declaration, attaches to the Parcel upon the registration of the Declaration and Description.

DATED at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

KingSett Mortgage Captial

Per: \_\_\_\_\_  
Name:  
Title:

Per: \_\_\_\_\_  
Name:  
Title:

I/We have authority to bind the Corporation



## SPECIFICATION OF COMMON EXPENSES

(Common Elements Condominium)

Common expenses, without limiting the definition ascribed thereto, shall include the following:

- (a) all sums of money paid or payable by the Corporation in connection with the performance of any of its objects, duties and powers whether such objects, duties and powers are imposed by the Act or this Declaration and By-laws of the Corporation or other law or by agreement;
- (b) all sums of money properly paid by the Corporation on account of any and all public and private suppliers to the Corporation of insurance coverage, utilities and services including, without limiting the generality of the foregoing, levies or charges payable on account of:
  - (i) insurance premiums;
  - (ii) electricity respecting common elements;
  - (iii) maintenance materials, tools and supplies;
  - (iv) snow removal from common element roads and to remove same from the site, if required, and landscaping of common element areas: and
  - (v) utilities (hydro) to service the common elements, including all street lighting.
- (c) all sums of money paid or payable by the Corporation pursuant to any management contract which may be entered into between the Corporation and a manager;
- (d) all sums of money required by the Corporation for the acquisition or retention of real property for the use and enjoyment of the property or for the acquisition, repair, maintenance or replacement of personal property for the use and enjoyment in or about the common elements;
- (e) all sums of money paid or payable by the Corporation to any and all persons, firms, or companies engaged or retained by the Corporation, its duly authorized agents, servants and employees for the purpose of performing any or all of the objects, duties and powers of the Corporation including, without limitation, legal, engineering, accounting, auditing, expert appraising, advising, maintenance, managerial, secretarial or other professional advice and service required by the Corporation;
- (f) the cost of the repair, maintenance, inspection, or replacement of the Common Elements as required from time to time;
- (g) the cost of borrowing money for the carrying out of the objects, duties and powers of the Corporation;
- (h) the fees and disbursements of the Insurance Trustee, if and when required, and of obtaining insurance appraisals;
- (i) the cost of maintaining fidelity bonds as provided by By-law;
- (j) all sums required to be paid to the reserve fund as required by the Declaration or in accordance with the agreed upon annual budget of the Corporation.

**SCHEDULE "F"**  
**EXCLUSIVE USE COMMON ELEMENTS**

There are no exclusive use common elements

**SCHEDULE "G"**

**Form 17**

*Condominium Act, 1998*

CERTIFICATE OF ARCHITECT OR ENGINEER  
(SCHEDULE G TO DECLARATION FOR A COMMON ELEMENTS)  
(under clauses 8 (1) (e) and (h) or clauses 157 (1) (c) and (e) of the *Condominium Act, 1998*)

I certify that:

Each building and structure that the declaration and description show are included in the common elements has been constructed in accordance with the regulations made under the *Condominium Act, 1998*, with respect to the following matters:

- 1,2,3 The declaration and description show that there are no buildings or structures included in the common elements.
4. There are no underground garages.
5. There are no elevating devices as defined in the *Elevating Devices Act*, except for elevating devices contained wholly in a unit and designed for use only within the unit.
6. All installations with respect to the provision of water and sewage services are in place and operable.
7. There are no installations with respect to the provision of heat and ventilation.
8. There are no installations with respect to the provision of air conditioning.
9. All installations with respect to the provision of electricity are in place and operable.
10. There are no indoor and outdoor swimming pools.
11. All facilities and services that the declaration and description show are included in the common elements have been installed and provided in accordance with the requirements of the municipalities in which the land is situated or the requirements of the Minister of Municipal Affairs and Housing, if the land is not situated in a municipality.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
(print name)

Professional Architect/Engineer

**SCHEDULE "H"**

**List of all buildings, structures, facilities and services that are included in the Common Elements:**

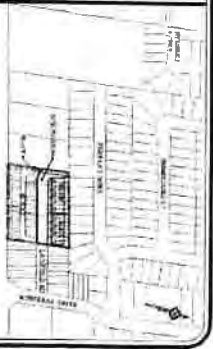
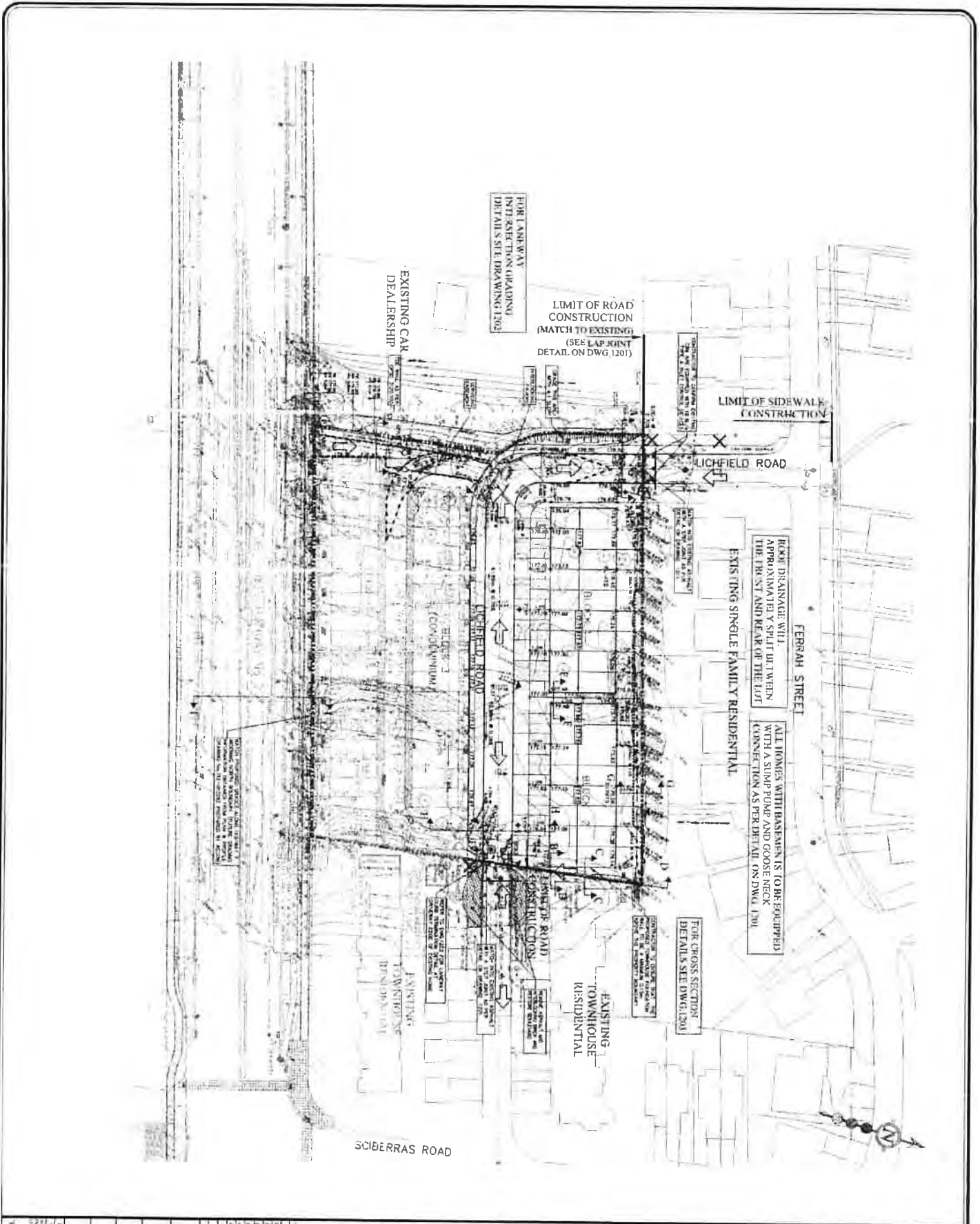
**BUILDINGS AND STRUCTURES**

There are no buildings or structures located within the Common Elements of the Corporation.

**FACILITIES AND SERVICES**

1. Storm and sanitary sewers, sump pumps within common areas, catch basins, manholes, water service, main line tee, shut off valves, fire hydrants, or other services or installations under or over the lands, which supply service to the Common Elements of the Corporation formed upon registration of this declaration and description and to more than one POTL.
2. electrical, switch gear, transformers, wires, pipes, valves, meters or other services or installations through, under or over the lands, which supply electrical service to the Common Elements of the Corporation formed upon registration of this declaration and description and to more than one POTL.
3. Street Lighting.
4. Common mail box.
5. Roads and sidewalks and perimeter fencing at edges of roads.
6. Provision of gas service.
7. Provision of telephone conduits.
8. Provision of television and cable conduits.





**BENCHMARK:** ELEV. 177.082

**LEGEND:**

- CONTOUR
- PROPOSED
- EXISTING
- 1% SLOPE
- 2% SLOPE
- 3% SLOPE
- 4% SLOPE
- 5% SLOPE
- 6% SLOPE
- 7% SLOPE
- 8% SLOPE
- 9% SLOPE
- 10% SLOPE
- 11% SLOPE
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- 42% SLOPE
- 43% SLOPE
- 44% SLOPE
- 45% SLOPE
- 46% SLOPE
- 47% SLOPE
- 48% SLOPE
- 49% SLOPE
- 50% SLOPE

RECEIVED  
MAY 19 2016

**NOTES:**

1. ALL CONTOUR LINES SHALL BE SPACED AT 1' INTERVALS.
2. ALL CONTOUR LINES SHALL BE SPACED AT 2' INTERVALS.
3. ALL CONTOUR LINES SHALL BE SPACED AT 3' INTERVALS.
4. ALL CONTOUR LINES SHALL BE SPACED AT 4' INTERVALS.
5. ALL CONTOUR LINES SHALL BE SPACED AT 5' INTERVALS.
6. ALL CONTOUR LINES SHALL BE SPACED AT 6' INTERVALS.
7. ALL CONTOUR LINES SHALL BE SPACED AT 7' INTERVALS.
8. ALL CONTOUR LINES SHALL BE SPACED AT 8' INTERVALS.
9. ALL CONTOUR LINES SHALL BE SPACED AT 9' INTERVALS.
10. ALL CONTOUR LINES SHALL BE SPACED AT 10' INTERVALS.
11. ALL CONTOUR LINES SHALL BE SPACED AT 11' INTERVALS.
12. ALL CONTOUR LINES SHALL BE SPACED AT 12' INTERVALS.
13. ALL CONTOUR LINES SHALL BE SPACED AT 13' INTERVALS.
14. ALL CONTOUR LINES SHALL BE SPACED AT 14' INTERVALS.
15. ALL CONTOUR LINES SHALL BE SPACED AT 15' INTERVALS.
16. ALL CONTOUR LINES SHALL BE SPACED AT 16' INTERVALS.
17. ALL CONTOUR LINES SHALL BE SPACED AT 17' INTERVALS.
18. ALL CONTOUR LINES SHALL BE SPACED AT 18' INTERVALS.
19. ALL CONTOUR LINES SHALL BE SPACED AT 19' INTERVALS.
20. ALL CONTOUR LINES SHALL BE SPACED AT 20' INTERVALS.

**MARKHAM**  
INCORPORATED  
10000 W. BROADWAY, SUITE 100  
DENVER, CO 80231  
TEL: 303.751.1000  
WWW.MARKHAMINC.COM

**SUNRISE ACQUISITIONS**  
(HIGHWAY 7) INC.  
1730  
401

**GRADING PLAN**

DATE: 05/18/16  
SCALE: AS SHOWN  
PROJECT: SUNRISE ACQUISITIONS (HIGHWAY 7) INC.  
SHEET NO.: 401



**UNIONVILLAS**  
UPTOWN LIVING IN UNIONVILLE

**BUDGET STATEMENT  
FOR THE FIRST YEAR OF OPERATIONS**

**January 2016**





Budget statement for the common expenses for the year following registration of the declaration and description of the proposed Common Element Condominium corporation at Lichfield Road, Markham, Ontario.

**REVENUE**

Common Element Fees	\$54,578	
<b>TOTAL REVENUE</b>		<b>\$54,578</b>

**ADMINISTRATION**

Management Fees	\$20,340	
Insurance	3,000	
Legal	565	
Audit	3,843	
Office Expenses	500	
<b>TOTAL ADMINISTRATION EXPENSES</b>		<b>\$28,248</b>

**UTILITIES**

Hydro	\$1,200	
<b>TOTAL UTILITIES</b>		<b>\$1,200</b>

**CONSULTING**

Performance Audit	\$6,215	
<b>TOTAL CONSULTING</b>		<b>\$6,215</b>

**CONTRACTS**

Snow Clearing	\$8,000	
<b>TOTAL CONTRACTS</b>		<b>\$8,000</b>

**RESERVE FUND**

Reserve Fund Provision	\$6,961	
Reserve Fund Provision for Reserve Fund Study	3,955	
<b>TOTAL RESERVE FUND</b>		<b>\$10,916</b>

<b>TOTAL EXPENSES</b>		<b>\$54,578</b>
-----------------------	--	-----------------

If registration of the declaration and description occurs after December 31, 2017, then the budget statement shall be read as increased by an inflation rate of 7.5% per annum and compounded annually. The date contained in this clause is not a guarantee that registration will take place on this date.



**UNIONVILLAS**  
 UPTOWN LIVING IN UNIONVILLE

**NOTES TO THE BUDGET**

**I. INDIVIDUAL POTL ASSESSMENT:**

The monthly common element charge for each unit is determined by dividing the total budgeted common element fees attributed to the property by twelve (12) to determine the monthly assessment. This amount is multiplied by the POTL's percentage contribution to common expenses, as shown in Schedule "D" of the proposed declaration, to find the monthly individual common element charges.

**1. Total Monthly Common Element Assessment:**

$$\$54,578 \text{ divided by } 12 = \$4,548.18$$

**2. Monthly Individual Common Element Assessment:**

Individual POTL monthly common element assessments are determined by multiplying the total monthly common element assessment (\$4,548.18) by the percentage contribution to common expenses of each POTL. Please see the Schedule at the back of this Budget Statement for the individual POTL monthly common element assessment.

**II. OPERATING EXPENSES:**

**1. ADMINISTRATION \$28,248**

**a. Management Fees \$20,340**

This covers the cost of the services of a property management company to administer the affairs of the condominium corporation and as detailed in the property management contract included in the Disclosure Statement Package. The contract for the first year is set at \$35.00 per unit per month plus the H.S.T. for part time property management.

**b. Less Declarant Subsidy \$0**

The cost of the Property Management services for the 1st 12 (twelve) months after registration will be paid for by the Declarant at the contracted price of \$0 plus the H.S.T. as stated in the Budget Notes above .

**c. Insurance \$3,000**

This amount covers all insurance costs, including fire (all risk), comprehensive general liability, all major equipment and directors and officers liability coverage, as applicable.

**d. Legal \$565**

Provision has been made for the appointment of independent legal counsel for the Corporation at the discretion of the Board of Directors and to a maximum amount of \$500 plus the H.S.T.

**e. Audit \$3,843**

Section 43(7) of the Condominium Act requires an audit sixty (60) days after the turn over meeting (The Turnover Audit) and Section 67 requires an audit for each fiscal year. This provision is the estimated cost to complete both the audits during the year.



**UNIONVILLAS**  
UPTOWN LIVING IN UNIONVILLE

## NOTES TO THE BUDGET

- f. Office Expenses \$500

This budgeted amount provides for any office expenses directly related to the operation of the corporation including various office supplies, photocopying, mailings, the annual general meeting, CCI membership, bank charges and other such expenses.

- 2. UTILITIES \$1,200**

- a. Hydro \$1,200

The budget is based on comparable property requirements and the current rates from the PowerStream website of 9.9 cents per kilowatt hour and administrative/distribution charges have been escalated by 3% and compounded annually. The budget includes electricity for the common areas only such as for street lighting etc. Each POTL will be separately metered or check metered and the cost of electricity to the POTL will be the responsibility of the respective POTL owner and will not form part of the common expenses. Should the rates for hydro at time of registration be greater than 10.5 cents per kilowatt hour or the administrative/distribution charges have increased from current charges, then the budget will be adjusted accordingly to reflect the rates at the time of registration.

- 3. CONSULTING \$6,215**

- a. Performance Audit \$6,215

The cost of the engineering study, to be conducted by the Declarant Board of Directors, to examine the common element areas and to file with the Tarion Warranty Program during the first year. This is a one time expense.

The Declarant shall arrange for an Agreement on behalf of the Corporation with an independent engineering consultant to prepare a Performance Audit within one (1) year immediately following registration of the Declaration and the Description. The Performance Audit shall be conducted by professional consulting engineers who shall make a thorough examination of the common element areas and assess the as-constructed condition of the various systems and components of the common element areas in order to provide the corporation with a report on the common element areas which will assist the corporation in assessing repair and maintenance requirements and in preserving any rights which the corporation may have under the Ontario New Home Warranties Plan Act. The Declarant has negotiated a price for the Performance Audit (the "Contracted Price") which has been included in the Budget as a first year expense of the corporation.

The Corporation is not restricted to the consulting engineers for the Performance Audit being prepared as set out herein. However, in the event that the corporation retains an alternate and/or additional consulting engineer to undertake the Performance Audit, at a higher cost than the Contracted Price negotiated by the Declarant then, the Declarant shall only be responsible for the amount of the Contracted Price, pursuant to Section 75 of the Condominium Act, and any expenses in excess of this stated amount shall be the sole responsibility of the condominium corporation.



**UNIONVILLAS**  
UPTOWN LIVING IN UNIONVILLE

## NOTES TO THE BUDGET

<b>4. CONTRACTS</b>	<b>\$8,000</b>
<ul style="list-style-type: none"> <li>a. Snow Clearing</li> </ul>	\$8,000
<p>Provision to clear snow and ice from Common Element roadway(s) in the winter, including the cost of sand and ice melting salt substitute. The provision does not include snow clearing from the front of walkways, stairs and driveways as applicable, or with in any POTL. As such, snow clearing within each POTL will be the responsibility of POTL owner.</p>	
<b>III. CONTRIBUTION TO THE RESERVE FUND</b>	<b>\$10,916</b>
<ul style="list-style-type: none"> <li>a. Reserve Fund Provision</li> </ul>	\$6,961
<p>The Condominium Act 1998 of Ontario defines the reserve fund as a fund set up by the corporation in a special account for the major repair and replacement of common elements and assets of the corporation. The provision is calculated at 25%, including the cost of the reserve fund study, of the estimated operating expenses. Future allocations will be dictated by the reserve fund study, to be completed in the first year after registration.</p>	
<ul style="list-style-type: none"> <li>b. Reserve Fund Provision for Reserve Fund Study</li> </ul>	\$3,955
<p>The Condominium Act of Ontario (Section 94 (4)) requires every condominium corporation to establish a reserve fund based on a study to be conducted in the first year after registration. Section 94(7) allows for the reserve fund study to be expensed from the reserve fund.</p>	
<b>IV. GENERAL NOTES TO THE BUDGET</b>	
<ul style="list-style-type: none"> <li>a. The total common expenses of this proposed Condominium Corporation, including the provision to the reserve fund is \$54,578 as shown on the Budget Statement.</li> <li>b. The cost of each expense item is shown on the Budget Statement. The cost of the Reserve Fund Study is \$3,500 plus H.S.T.; the cost of the Performance Audit is \$5,500 plus H.S.T.; the cost of both the turn over and year end financial audits is \$3,401 plus H.S.T.</li> <li>c. The cost, type, level and frequency of services is detailed in the notes above.</li> <li>e. As stated in the notes above, 25% of the operating expenses will be paid into the reserve fund account. The provision is \$10,916.</li> <li>f. At the time of preparation of the Budget Statement, January 2016, there are no judgments, with respect to the property, against the Declarant nor is the Declarant Corporation a party to any lawsuit material to the within property.</li> <li>g. There are no services not included in the foregoing Budget that the Declarant provides, or expenses that the Declarant pays and that might reasonably be expected to become, at a subsequent time, a common expense prior to the turn-over meeting.</li> <li>h. There are no services not included in the foregoing Budget that the Declarant provides, or expenses that the Declarant pays and that might reasonably be expected to become, at a subsequent time, a common expense.</li> </ul>	



**UNIONVILLAS**  
UPTOWN LIVING IN UNIONVILLE

## NOTES TO THE BUDGET

- i. As at the date of the foregoing Budget, the Condominium Corporation has not been created and accordingly, there are no amounts in the Reserve Fund. At the end of the first year after registration, there should be \$6,960.64 in the reserve fund account.
- j. As at the date of the foregoing Budget, January 2016, the Condominium Corporation has not been created and accordingly, there is no reserve fund study. As stated in the Notes above, the reserve fund study will be completed after registration by an independent engineer.
- k. The Harmonized Sales Tax is included in all applicable expense items on the Budget Statement.
- l. There are no current or expected fees, charges, rents or other revenue to be paid to or by the Corporation or by any of the owners for the use of the common elements or other facilities related to the property.
- m. Inflation rate of 7.5% is to be applied per annum (unless otherwise stated) each year after December 31, 2017. Provided however, that due to the significant fluctuation in gas, hydro and water utility rates recently, in respect to which the Declarant has no control, in the event that the relevant utility company/provider obtains relevant government approval for, or in any other way effects a significant annual increase in the utility rates above the assumed inflation rate of 3%, the Declarant reserves the right to revise the first year budget statement to reflect such significant increase in the cost of supplying these utilities from the relevant utility company/provider, and to provide each unit purchaser with a revised copy of the condominium Corporation's first year budget statement. In such event, purchasers acknowledge and agree that they shall be bound by such revised budget, and the acceptance of such revised budget should not be considered nor be construed as a material change to the Disclosure Statement.
- n. The Declaration contains a provision whereby during the first year following registration of the Declaration, the Declarant shall not be required to contribute to the payment of common expenses for a POTL until the registration of a Transfer of title from the Declarant for such POTL. Purchasers acknowledge that this may give rise to a deficit in the Budget for the first year following registration of the Declaration, however, the Purchaser acknowledges that the Declarant is responsible for any deficit in accordance with the provisions of Section 75 of the Act. In order to offset any such deficit, the Declarant will provide certain services set out in the Budget, as it determines, in its sole discretion, during the first year following registration of the Declaration, in order to reduce certain actual expenses to be incurred by the Corporation.



## MONTHLY COMMON ELEMENT FEES

POTL NO.	POTL DESCRIPTION	MONTHLY COMMON ELEMENT FEES BY POTL
1	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 1 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
2	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 2 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
3	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 3 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
4	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 4 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
5	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 5 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
6	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 6 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
7	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 7 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
8	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 8 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
9	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 9 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
10	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 10 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
11	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 11 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
12	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 12 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
13	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 13 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
14	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 14 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
15	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 15 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95





**MONTHLY COMMON ELEMENT FEES**

POTL NO.	POTL DESCRIPTION	MONTHLY COMMON ELEMENT FEES BY POTL
16	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 16 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
17	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 17 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
18	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 18 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
19	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 19 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
20	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 20 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
21	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 21 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
22	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 22 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
23	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 23 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
24	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 24 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
25	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 25 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
26	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 26 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
27	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 27 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
28	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
29	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
30	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95





**MONTHLY COMMON ELEMENT FEES**

POTL NO.	POTL DESCRIPTION	MONTHLY COMMON ELEMENT FEES BY POTL
31	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
32	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
33	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
34	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
35	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
<b>TOTAL</b>		<b>\$4,548.18</b>

**AGREEMENT OF PURCHASE AND SALE**

**1. PARTIES, REAL PROPERTY AND PRICE**

In this Agreement, the following terms have the following meanings:

- (a) "Vendor" means SUNRISE ACQUISITIONS (HWY 7) INC.
- (b) "Purchaser" means Purchaser 1: Safana Kodwavi (D.O.B.) 1989/10/18
- (c) Purchaser 2: \_\_\_\_\_ (D.O.B.) \_\_\_\_\_  
 (Address) 72 Grand Vellore, Woodbridge, ON, L4H 0N8  
 (Home No.) 416-827-7099 (Business No.) \_\_\_\_\_ (Fax No.) \_\_\_\_\_  
 (Email Address) safanakodwavi1@gmail.com
- (d) "Real Property" means the Land and the Dwelling.
- (e) "Land" means Lot 50 on a draft plan of subdivision, Town of Markham, as shown on Schedule "B" attached hereto.
- (f) "Dwelling" or "House" are used interchangeably and means the townhouse to be constructed on the Land pursuant to this Agreement.  
 Model & Elevation: RT-2, U23
- (g) "Purchase Price" means Nine Hundred and Fifty Thousand Dollars  
 (\$ 950,000.00 )
- (g) "Deposit": Five Hundred Thousand Dollars (\$ 500,000.00 )  
 ("Initial Deposit") paid to the Vendor forthwith, pending completion or other termination of this Agreement to be credited against the Purchase Price on Closing, plus such further deposits as are set out below:

<u>No.</u>	<u>Deposit Amount</u>	<u>Due Date</u>
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____

The Purchaser shall deliver to the Vendor at the time of executing this Agreement post-dated cheques for the further deposit amount referred to above along with the cheque for the Initial Deposit.

- (h) "Closing Date" or "Closing" means March 29 , 2019, being the date set forth as the First Tentative Closing Date on the Statement of Critical Dates included as part of the Addendum to Agreement of Purchase and Sale – Delayed Closing Warranty, which is attached hereto and incorporated herein as Schedule "D", as such date may be extended and/or advanced pursuant to the terms of this Agreement and said Addendum.
- (i) "Developer" means any predecessor or present registered owner on title to the Land who has entered obligations for subdivision and/or servicing of the Land.
- (j) "Municipality" means any municipal corporation or other government authority, whether local, regional, or provincial having jurisdiction over the Real Property.
- (k) "Agent" means \_\_\_\_\_ Corporation.

INITIAL (Purchaser) S \_\_\_\_\_ (Vendor) [Signature] 1

**2. OFFER**

The Purchaser hereby offers to purchase the Real Property from the Vendor on the terms and conditions contained in this Agreement for the Purchase Price payable as follows:

- (a) By payment of the Deposit to the Vendor; and
- (b) By payment of the balance of the Purchase Price to the Vendor on Closing, subject to the adjustments set out in Section 7 hereof and in this Agreement.

**3. PLANNING STATUS**

The Land is currently within a draft plan of subdivision for which draft approval has been issued.

**4. CONDITIONS**

The Purchaser hereby acknowledges and agrees that the completion of this Agreement is conditional upon the following:

- (a) Compliance with the provisions of the Planning Act (Ontario), as amended or restated from time to time, on or before the Closing Date;
- (b) Approval of the subdivision agreement and site plan by the Municipality;
- (c) Vendor being satisfied, in its sole and absolute discretion, that the Purchaser has the financial resources to complete the transaction, as further set out in Schedule "C" attached hereto; and
- (d) The Early Termination Conditions if any, set out separately and attached to the Tarion Addendum attached hereto as Schedule "D".

**5. ONTARIO NEW HOME WARRANTIES PROGRAM**

The Ontario New Home Warranties Plan registration number for the Vendor is 40310 and the enrolment number for the Dwelling is \_\_\_\_\_, (if available).

**6. BUILDER**

For further information about this Agreement, the Vendor may be contacted at telephone no. (905) 597-3333, fax no. (905) 597-3334.

**7. ADJUSTMENTS**

The Purchase Price shall be increased or adjusted as of Closing by the following:

- (a) the enrolment fee required pursuant to the Tarion Warranty Program and costs or fees paid or payable by the Vendor with respect to the issuance of any security to or with the Program or any excess deposit insurance the Vendor may elect to obtain;
- (b) realty taxes, adjusted on the Vendor's reasonable estimate as though the Dwelling were fully completed, the Real Property separately assessed and the taxes paid. The Purchaser is advised that the Municipality may issue a realty tax bill for supplementary assessment following Closing, which taxes may be in addition to those adjusted with the Vendor and shall be the responsibility of the Purchaser. In addition, the Purchaser shall lodge with the Vendor a deposit of \$2,000.00, to be held by the Vendor as security for compliance by the Purchaser of its obligations to pay realty taxes after Closing. The said security deposit, if not utilized by the Vendor, shall be returned to the Purchaser within six (6) months after the Land has been assessed and entered on the collector's roll according to the registered plan of subdivision;
- (c) all additional or increased charges and levies imposed or assessed in connection with the development of the Land by any municipal, regional or other governmental authorities at the time the Vendor is required to pay same in excess of the charges and levies imposed or assessed by such governmental authorities relating to the development of the Land as of the date of this Agreement;
- (d) an amount equal to the unused portion of any insurance premium relating to the Real Property where the policy has been arranged by the Vendor and is to be assumed by the Purchaser;

INITIAL (Purchaser)



(Vendor)



- (e) any prepaid expenses such as gas, hydro, water or other utilities;
- (f) any charges for the connection or energization of gas, hydro, water or other utilities;
- (g) any charges relating to the installation of meters used to measure the consumption rate of gas, hydro, water or other utilities;
- (h) any extras ordered by the Purchaser (and not yet paid);
- (i) in the event that the Purchaser arranges mortgage financing with the financial institution recommended by the Vendor (the "Lender"), all legal fees and disbursements charged by the Lender's solicitor relating to such mortgage loan transaction;
- (j) interest adjustment on any Vendor-take-back financing, if any;
- (k) any other usual adjustments;
- (l) an adjustment in favour of the Vendor for that portion of the HST to be paid by the Purchaser pursuant to this Agreement, if any;
- (m) a \$250.00 administration fee shall be charged to the Purchaser for any cheque which is returned "N.S.F." or on which a "stop-payment" has been ordered;
- (n) the charge imposed by the Law Society of Upper Canada upon the Vendor or its solicitor with respect to this transaction;
- (o) driveway paving charge in the amount of \$2,185.00 for a two car garage driveway and \$1,645.00 for a one car garage driveway, plus HST thereon;
- (p) \$1,995.00 with respect to landscaping, which does not include any charge for the cost of any street tree (which may be required to be planted by the Vendor and/or the Developer in accordance with the subdivision agreement or requirements of the Municipality); and
- (q) The cost of supplying recycling contained to the Purchaser as required by the Subdivision Agreement.

The Closing Date itself shall be apportioned to the Purchaser. The parties agree to readjust any of the items referred to above, if necessary, after Closing. If there are chattels involved in this transaction, the allocation of value to such chattels shall be estimated where necessary by the Vendor and retail sales tax may be collected by the Vendor from the Purchaser and remitted by the Vendor to the appropriate taxing authority.

## 8. CONSTRUCTION

The Purchaser acknowledges and agrees that the Vendor may from time to time, in its discretion or as required by any governmental authority or the Developer, change, vary or modify the plans, colours, materials, equipment and specifications pertaining to the Dwelling (including architectural, structural, landscaping, grading, mechanical or other plans) from the plans and specifications existing at the time the Purchaser entered into this Agreement or as same may be illustrated in any sales brochures, models or otherwise. With respect to any aspect of construction, finishing or equipment, the Vendor shall have the right, without the Purchaser's consent, to make any necessary changes to the plans and to substitute materials or equipment for those described in this Agreement or in the plans or specifications, provided the substituted materials or equipment are of equal or better quality, or if substituted materials or equipment (whether sold by sample or otherwise) is of lesser quality, the Vendor will reimburse the Purchaser for the difference in cost between the substituted material or equipment, and the material or equipment described in this Agreement. The Purchaser hereby consents to any such changes, modifications and/or substitutions and agrees to complete the transaction of purchase and sale notwithstanding same. All work will be performed in a workmanlike manner and in compliance with the Ontario Building Code.

Without limiting the generality of the foregoing, the Purchaser acknowledges and agrees as follows:

- (a) The Vendor shall have the right to construct the reverse mirror image of the Dwelling, including reversal of the garage siting and reversal of the interior floor plan layout, without notice to the Purchaser and without compensation or abatement to the Purchase Price.

INITIAL (Purchaser)



(Vendor)



- (b) As of the date of this Agreement, the final site plan relating to the Land showing the actual siting of the Dwelling on the Land may not have been completed by the Vendor or approved by the Municipality. Consequently, the Purchaser acknowledges and agrees that the Vendor shall have the right to construct the Dwelling on the Land in a location or angle different than as depicted in any sales brochures, renderings and other plans and specifications reviewed by the Purchaser at the time of entering into this Agreement, without notice to the Purchaser and without compensation or abatement to the Purchase Price.
- (c) The Purchaser hereby acknowledges that, as of the date of this Agreement, final grading plans relating to the Land may not have been completed by the Vendor or approved by the Municipality. Consequently, the Purchaser acknowledges and agrees that the Vendor shall have the right to construct the Dwelling at a grade level different than as depicted in any sales brochures, renderings and other plans and specifications reviewed by the Purchaser at the time of entering into this Agreement, without notice to the Purchaser and without compensation or abatement to the Purchase Price.
- (d) In the event that this Agreement calls for the construction of a walkout basement and such is not possible pursuant to final approved grading, engineering and/or site plans, the Purchaser shall accept a credit to the Purchase Price in lieu thereof. If this Agreement does not call for a walkout basement and such is required by the Municipality pursuant to final approved grading, engineering and/or site plans, the Purchase Price shall be increased by the cost of constructing a walkout basement. The amount of the credit to the Purchase Price or the additional cost of constructing the walkout basement shall be determined by the Vendor in its sole and absolute discretion acting reasonably.
- (e) In the event that the Dwelling is constructed at a grade level different than as depicted in any sales brochures, renderings and other plans and specifications reviewed by the Purchaser at the time of entering into this Agreement necessitating a step or series of steps to the front door, side door, rear door or any other door of the Dwelling, the Purchaser hereby irrevocably agrees to accept such change without notice, without any right of abatement to the Purchase Price and in full satisfaction of the Vendor's obligations with respect to the construction of the Dwelling.
- (f) The Purchaser acknowledges that the dimensions of the Real Property as shown in any brochures or other materials are approximate only and the dimensions of the dwelling are also approximate. In the event that the frontage, depth or area of the Real Property is varied by up to and including 5% from the specifications set out in this Agreement, the Purchaser acknowledges and agrees to accept all such variations without notice and without a claim for compensation or abatement to the Purchase Price.
- (g) As of the date of this Agreement, the final grading plan relating to the Land may not have been completed by the Vendor or approved by the Municipality. Consequently, the Purchaser acknowledges and agrees that the grading of the Land may require the use of retaining walls on the Land or on adjoining properties. The Purchaser acknowledges and agrees that the Vendor shall have the right to construct such retaining walls without notice to the Purchaser and without compensation or abatement to the Purchase Price. In addition, the Purchaser acknowledges and agrees that the Vendor may construct any fences and/or berms on or near the Lands, as may be required.
- (h) The Purchaser acknowledges that the subdivision agreement between the Developer and the Municipality may require the Vendor to provide the Purchaser with certain notices, including, but not limited to, notice regarding land usage, maintenance of municipal fencing, school transportation, postal delivery to a community mail box, public transit and transit stops, noise level and noise level from adjacent roadways. Without limiting the generality of the foregoing, the Purchaser acknowledges that a YRT/Viva standing area/shelter pad will be constructed adjacent to the Land on the north side of Highway 7. Purchaser further acknowledges that despite the inclusion of noise attenuation features within the development area and within the individual Dwellings, noise levels will continue to increase, occasionally interfering with some activities of the occupants of the Dwelling. The Purchaser agrees to be bound by the content of any such notice and covenants to execute forthwith upon request an acknowledgement containing the notices if and when required to do so by the Vendor, the Municipality and/or the Developer. The Purchaser further acknowledges being advised that title to the Land may require maintenance, easements and/or encroachments/easements. The Purchaser further covenants and agrees to obtain a similar covenant in favour of the Vendor and developer from any person purchasing from the Purchaser and shall cause such covenant to run with the Land.

INITIAL (Purchaser)



(Vendor)





The Purchaser shall not have the right to enter the Real Property prior to Closing unless accompanied by a representative of the Vendor.

The Purchase Price shall include those items listed on Schedule "A". The Purchaser acknowledges that the furnishings, decor, finishes, equipment, fixtures, improvements and samples which may be displayed in any model suite or any sales office or in any brochures are for display purposes only and are not included in the Purchase Price unless specified in Schedule "A". The Purchaser acknowledges that the appliances for the Dwelling are not included in the Purchase Price unless specified in Schedule "A". The Purchaser hereby agrees to make any selection of any finishing items from the Vendor's available samples within seven (7) days after notice has been given by the Vendor to the Purchaser requesting the Purchaser to make selections from the available samples. If any such items are unavailable to the Vendor or the acquisition thereof by the Vendor may result in a delay in the construction of the Dwelling or any other unit in this project, then on seven (7) days notice from the Vendor the Purchaser shall re-attend at the Vendor's office and make a selection from the Vendor's available substitute finishing items. If the Purchaser fails to make selections following notice for the Vendor, then the Vendor shall be entitled to select such finishing items and the Purchaser hereby agrees that such selections made by the Vendor shall be binding on the Purchaser. The Purchaser acknowledges that variations from the Vendor's samples may occur in kitchen cabinets, vanity cabinets, floor finishes, wall finishes and other finishing materials as a result of normal production processes. The Purchaser acknowledges and agrees that where adjoining rooms are finished in different materials there may be a difference in elevation between the rooms and the Vendor may, at its discretion, install a threshold as a method of finishing the connection between the adjoining rooms.

The Purchaser acknowledges and agrees that the hot water heater tank may be rented. In such event, the hot water heater tank shall remain the property of the applicable utility company and shall not be or become a fixture and/or part of the Dwelling. Further, in such event, the Purchaser agrees to execute a rental contract as may be required by the applicable utility company with respect to the hot water heater and tank.

The Purchaser acknowledges and agrees that the Purchaser shall pay for all extras in full at the time of selection unless the Vendor otherwise agrees in writing. The Purchaser acknowledges that such payment shall not be refunded if this transaction is not completed as a result of a breach of contract by the Purchaser. If any extra is omitted, then the Purchaser shall be credited with the amount that the Purchaser was charged for it and this credit shall be the limit of the Vendor's liability.

The Purchaser acknowledges and agrees that if due to grading or other requirements, as determined by the Vendor, at its sole discretion, the Vendor determines, at its sole discretion, that it cannot or will not to build a side door and/or door to the garage, the Vendor need not build such door(s) and the Purchaser covenants and agrees to accept the Dwelling without such door(s), at reduction in the Purchase Price.

**9. (a) COMPLETION**

For the purposes of Closing, the Dwelling shall be deemed to be completed when all interior work has been substantially completed so that the Dwelling may be occupied, notwithstanding that there remains interior or exterior work to be completed including, but not limited to, painting, driveway paving, grading, sodding and landscaping. There shall be no holdback or deduction on Closing for uncompleted work. If required, the Purchaser shall be responsible to obtain confirmation of allowable occupancy and, if available a copy of any occupancy certificate from the Municipality, and otherwise as may be required as set out in Schedule "D".

**(b) COMPLETION INSPECTION**

The Vendor agrees to make available and the Purchaser agrees to meet a representative of the Vendor prior to Closing, during normal working hours, to inspect the Dwelling and verify that the Dwelling has been completed in accordance with the provisions of this Agreement. If there is any deficient or uncompleted work remaining at the time of inspection, such items shall be listed on the Certificate of Completion and Possession required to be completed pursuant to the provisions of the Ontario New Home Warranty Program. This Certificate when executed by the Vendor and Purchaser, together with the warranty itself under the Ontario New Home Warranty Program, shall constitute the Vendor's only undertaking to remedy or complete the Dwelling and the Vendor's only warranty with respect to the Real Property. Such work will be performed as soon as is reasonably possible, as determined by the Vendor.

**10. EXTENSION AND ADVANCEMENT OF THE CLOSING DATE**

This transaction of purchase and sale shall be completed on the Closing Date or any earlier or later date as may be permitted under this Agreement and as set out on Schedule "D", at which time vacant possession of the Dwelling will be given to the Purchaser.

INITIAL (Purchaser)

(Vendor)

**11. TITLE**

On the Closing Date, the parties hereby acknowledge and agree that title to the Real Property shall be good and free from encumbrances except that it may be subject to subdivision servicing agreement, site plan agreement, housekeeping agreement, financial and/or security agreement, or other agreements, covenants and restrictions (which restrictions may include the power to waive or vary), encroachments from or on adjoining lands (including, without limitation, eaves, roofs, attachments to roofs), easements, licenses and rights required by the Vendor, Developer, adjoining landowners, Municipality or other authorities, including utilities, catch basins, transformers, poles, fences, hydrants and berms, all of which the Purchaser shall accept provided there does not exist default under any and provided that the Purchaser's use of the Real Property for residential purposes is permitted, or provided the Real Property is an insurable title. The Purchaser shall satisfy himself or herself as to compliance with such matters. Title may also be subject to easements for maintenance or encroachments required for adjoining properties. If any of the foregoing easements, restrictions or rights are required to be created after Closing, the Purchaser shall execute any documents needed. The Purchaser further acknowledges and agrees that title shall also be subject to the rights of re-entry referred to in paragraphs 15, 28 and 29 and these rights as well as any of the above may be contained in the transfer delivered to the Purchaser, and/or the Purchaser shall execute and provide the Vendor with any documents and/or agreements required by the Vendor.

The Purchaser shall be allowed until 30 days before the Closing Date to examine title to the Real Property at his or her own expense and if, within that time, any valid objection to title is made in writing to the Vendor, which the Vendor is unable or unwilling to remove and which the Purchaser will not waive, this Agreement shall be terminated and the Deposit shall be returned without interest or deduction and the Vendor shall not be liable for any damages or costs whatever. Save as to any valid objections so made within such time or going to the root of title, the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Real Property. The Vendor shall provide the Purchaser with its standard undertaking and statutory declaration, and need not sign nor provide any other documents, nor need the Vendor's solicitor reply to any requisition from the Purchaser's solicitor that is otherwise addressed in this Agreement, the Vendor's documents or is otherwise not applicable.

The Vendor shall provide a survey of the Real Property on or before Closing.

The Purchaser acknowledges that the Vendor may have agreed to acquire registered title to the Real Property from the Developer on terms set forth in a separate agreement. The Purchaser agrees to accept a transfer of the Real Property as directed by the Vendor and the Purchaser agrees to provide and execute and deliver on Closing, whatever indemnities, releases, assurances and other documentation that may be required by the Vendor in order to transfer title as aforesaid.

**12. PRIOR MORTGAGES**

Title to the Land may be encumbered by mortgages or other loan security (whether to a bank, non-institutional lender, "private" lender or any other party) not to be assumed by the Purchaser on Closing. The Purchaser agrees to complete the transaction notwithstanding any such mortgage or other security and to accept the Vendor's undertaking to obtain and register complete or partial discharges of such mortgages as soon as reasonably possible after Closing, as determined by the Vendor in accordance with its building and sales program.

Notwithstanding anything herein contained and notwithstanding the provisions of the *Land Titles Act* of Ontario, and any amendments thereto or any successor legislation, where any mortgages, charges or debentures are registered on title and where discharges, cessations, partial discharges or partial cessations thereof are tendered for registration in the appropriate Land Titles Office, such mortgages, charges, or debenture shall be deemed to be discharged for all purposes once the discharges, cessations, partial discharges or partial cessations have been accepted for registration, notwithstanding that the Parcel Register has not been signed to reflect such registration and notwithstanding any statutory terms to the contrary as contained in the *Land Titles Act* of Ontario, as amended, and any successor legislation.

**13. RISK**

The Dwelling shall remain at the Vendor's risk until Closing.

**14. TRANSFER AND CLOSING**

The transfer/deed of land shall be prepared by the Vendor's solicitors and shall be registered on Closing by the Purchaser, at the Purchaser's expense. The Purchaser agrees to advise the Vendor's solicitors, at least 30 days prior to the Closing Date, (or such earlier time if so required by the Vendor) as to how the Purchaser will take title to the Real Property and of the birth dates of all parties taking title to the Real Property, failing which the Vendor may insert the Purchaser(s) name(s) set out herein.

INITIAL (Purchaser)



(Vendor)





The Purchaser agrees that keys may be released to the Purchaser at the construction site upon completion of this transaction or at the Registry Office, at the Vendor's option. The Purchaser agrees that the Vendor's solicitor's advice that keys are available for release to the Purchaser shall constitute a valid tender of keys on the Purchaser.

If the transaction is completed by electronic registration the Vendor's solicitor shall not be required to release the Transfer until it is in receipt of all closing certified funds. In addition, the Purchaser shall be required to reimburse the Vendor or the Vendor's solicitor directly, the amount of \$250.00, plus HST thereon, with respect to the Vendor's solicitor's fee pertaining to such electronic registration procedure.

**15. AFTER CLOSING**

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

The Purchaser agrees not to alter the grading or drainage pattern of the Land in any way and shall not construct any fences, pools, patios, sheds, decks or similar structures prior to final grading approval by the Municipality, without the Vendor's consent. Some settlement of the Land and/or Dwelling is to be expected and the Purchaser shall repair minor settlement at its own expense.

The Purchaser agrees not to finish the whole or any part of the basement of the Dwelling for a period of twenty-four months after the Closing Date. The Purchaser hereby releases the Vendor from any liability whatsoever in respect of damage to basement improvements and for chattels stored in basement resulting from any water seepage through the foundation walls or rupture, back-up, leakage or other malfunction or defect of the plumbing, storm or sanitary sewer or drainage systems.

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

The Purchaser acknowledges and agrees that the provisions of this section and all of the Purchaser's representations, covenants and obligation in the Agreement shall not merge and shall survive the closing of this transaction. The Purchaser agrees to sign all documentation required by the Vendor and deliver same on closing in order to give effect to the foregoing.

**16. LIMITATION**

The rights, remedies and recourses of the Purchaser in connection with this Agreement are limited to the Vendor, notwithstanding that Vendor may be, or deemed to be by law, acting as an agent or otherwise on behalf of some other person, firm or corporation and the Purchaser hereby agrees that with respect to this Agreement it shall not have any rights, remedies or recourses against such other person, firm or corporation, at law or otherwise.

**17. NON ASSIGNABLE**

The Purchaser covenants and agrees not to advertise for sale, list for sale, offer for sale, sell or enter into any other agreement, conditional or otherwise, to sell the Real Property or assign the Purchaser's interest in this Agreement to any person without the prior written consent of the Vendor which may be unreasonably or arbitrarily withheld. Any offering for sale, assignment, sale or other disposition of the Purchaser's interest in the Real Property or this Agreement shall constitute a breach of this covenant which shall, at the Vendor's sole option, entitle the Vendor to terminate this Agreement, in which event, the Vendor shall be entitled to retain the Deposit and all other amounts paid by the Purchaser to the Vendor hereunder as liquidated damages and not as a penalty (in addition to any other remedy available to it) and the Purchaser shall have no further interest in the Real Property or this Agreement.

**18. TENDER**

The Purchaser waives personal tender and agrees that failing other mutually acceptable arrangements, tender may be validly made by the Vendor if the Vendor attends at the Registry Office in which title to the Real Property is recorded, at 12:00 noon on the Closing Date and remains there until 12:30 p.m., or at any other time of which the Vendor's solicitor notifies the Purchaser's solicitor on said date for 1/2 hour, and is ready, willing and able to complete this transaction. Alternatively, a tender may be validly and effectively made on the solicitor for the Purchaser, either personally or by facsimile. The Purchaser agrees that payment must be made or tendered by bank draft or certified cheque. Mortgages not being assumed by the Purchaser need not be paid by the Vendor, only arrangements to do so in case the Purchaser should complete the transaction. Notwithstanding the foregoing, in the event that the Purchaser or his solicitor

INITIAL (Purchaser) X \_\_\_\_\_ (Vendor) [Signature] 7

indicates or expresses to the Vendor or its solicitor, either verbally or in writing, on or before the Closing Date, that the Purchaser is unable or unwilling to complete this purchase transaction, the Vendor shall be relieved of any obligation to make any formal tender on the Purchaser or his solicitor and the Vendor may exercise forthwith any and all of its rights and remedies provided for in this Agreement and at law.

In the event that an electronic registration system (the "System") under part III of the *Land Registration Reform Act*, R.S.O. 1990 c. L. 4, as amended, is operative in the applicable Land Titles Office in which the Land is registered, then the Purchaser agrees to do all things necessary and as may be requested or required by the Vendor or its solicitor to complete this transaction using the System. The Purchaser acknowledges that: (i) the System is an electronic, paperless land registration System that no longer relies on signatures for such documents as a transfer/deed of land; (ii) he will not be entitled to receive the transfer/deed or land unless the balance due on closing in accordance with the Vendor's statement of adjustments is in the hands of the Vendor's solicitors (either by personal delivery or electronic funds transfer) at least one business day before the Closing Date; and (iii) the delivery and exchange of documents and money governed by the Registration Agreement (as hereinafter defined).

Where the System is operative, it will therefore be necessary for the Purchaser and the Purchaser agrees: (i) to use a lawyer authorized to use the System and who is in good standing with the Law Society of Upper Canada; (ii) to authorize and direct such lawyer to enter into the Vendor's solicitors standard form of escrow closing agreement (the "Registration Agreement") which will establish the procedures for closing the transaction; and (iii) that if the Purchaser's lawyer is unwilling or unable to complete this transaction under the System, then the Purchaser's lawyer must attend at the Vendor's solicitor's office at such time on the Closing Date as directed by the Vendor's solicitor to complete the transaction under the System utilizing the Vendor's solicitor's computer facilities and the Purchaser agrees to pay the Vendor's solicitor directly the sum of \$295.00, plus HST, for such service.

#### 19. WHOLE AGREEMENT

The parties acknowledge that there is no representation, warranty, collateral agreement or condition affecting this Agreement or the Real Property except as contained in this Agreement. This Agreement may not be amended other than in writing.

#### 20. INTERPRETATION

This Agreement is to be read with all changes of gender or number required by the context. Time shall in all respects be of the essence. All headings are for convenience of reference only and have no bearing or meaning in the interpretation of any particular clause in this Agreement. Unless otherwise specified herein, all statements of or references to dollar amounts in this Agreement shall mean lawful money of Canada.

#### 21. RESIDENCY

The Vendor represents that it is not a non-resident for the purposes of section 116 of the *Income Tax Act*, Canada.

#### 22. NO REGISTRATION

The Purchaser agrees not to register nor allow or caused to be registered against title to the Land any notice, lien, execution, encumbrance or caution or other reference to this Agreement or his interest in or against the Land. If any such registration occurs, the Vendor may terminate this Agreement forthwith and the Vendor shall be entitled to retain the Deposit and all other amounts paid by the Purchaser to the Vendor hereunder as liquidated damages and not as a penalty (in addition to any other remedy available to it) and the Purchaser shall have no further right to or interest in this Agreement or the Real Property. Further, the Purchaser hereby irrevocably consents to a court order removing such registration and agrees to pay all costs of obtaining such order.

#### 23. SUCCESSION

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

#### 24. NOTICE

Any notice required to be given pursuant to this Agreement to the Purchaser may either be delivered personally or be sent by prepaid mail, or by facsimile transmission addressed to the Purchasers' solicitor or the Purchaser at his or her address listed on Page 1 hereof and, in the case of the Vendor, any notice required to be given pursuant to this Agreement may either be delivered personally or be sent by facsimile and prepaid mail to the Vendor's solicitor and a copy to the Vendor at the addresses indicated herein. If such notice is mailed it shall be deemed to have been received by the party to whom it is addressed on the

INITIAL (Purchaser) \_\_\_\_\_

(Vendor) \_\_\_\_\_

third business day following the date of its mailing. In the event of a mail stoppage or interruption all notices shall be delivered or sent by facsimile transmission.

**25. DEFAULT**

(a) In the event that the Purchaser defaults with respect to any of the covenants, representations, warranties, acknowledgements or obligations to be performed by the Purchaser pursuant to this Agreement and such default continues for seven (7) days after written notice thereof has been given to the Purchaser or his solicitor by the Vendor or its solicitor, or in the event the Purchaser fails to complete the transaction on the Closing Date the Vendor shall have the right to declare this Agreement null and void and, in such event, the Deposit and all other amounts paid by the Purchaser to the Vendor hereunder shall be forfeited to the Vendor as liquidated damages and not as a penalty and without prejudice to or limiting the rights of the Vendor to claim for damages in excess of such amounts and without limiting any other rights or remedies to which the Vendor may be entitled in law.

(b) **EVIDENCE OF DEFAULT**

A certificate of an officer of the Vendor that default has been made and the date of default and that notice, if required, of such default has been mailed to the Purchaser, shall be conclusive evidence of the facts therein stated.

(c) **DOCUMENTS IF TRANSACTION DOES NOT CLOSE**

If the within transaction is not completed for any reason whatsoever and notwithstanding refund or forfeiture of the deposit, the Purchaser shall execute and deliver such documents affecting title to the Real Property or the Mortgage 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 and deliver such documents, the Purchaser hereby authorizes the Vendor, its true and lawful attorney to so execute the said documentation. Notwithstanding non-completion of the transaction, the Purchaser is liable for the full cost of extras ordered whether completed in whole or in part.

**26. RIGHTS OF VENDOR**

It is understood and agreed that the rights contained in paragraph 25 on the part of the Vendor are in addition to any other rights (whether of a more onerous nature or not) which the Vendor may have at law, in equity or under any other provisions of this Agreement, and the Vendor expressly has the right to exercise all or any one or more of the rights contained in this Agreement, or at law or in equity, without exercising at such time, the remainder of such right or rights and without prejudice to the subsequent right of the Vendor to exercise any remaining right or rights at law, in equity or in this Agreement. In the event the Purchaser fails to make payment as and when required pursuant to the terms of this Agreement, the payment amount shall bear interest at a rate equal to 5% above the Prime Rate, calculated from the due date to the date of payment. Prime Rate for any day means the prime lending rate of interest expressed as a rate per annum (computed on a year of 365 days) which Royal Bank of Canada establishes from time to time as the reference rate of interest in order to determine interest rates it will charge for demand loans made in Canada in Canadian dollars as the same is in effect from time to time.

**27. GRADING/FENCING**

(a) The Purchaser covenants that he will not remove any topsoil or subsoil or do anything which may alter the grading or change or obstruct the drainage of the Real Property or surrounding lands and shall not construct any fences, pools, patios, sheds or similar structures prior to final grading approval, without the Vendor's consent and, upon default, the Developer, the Municipality or the Vendor or their respective servants, agents, successors and assigns may enter upon the Real Property and correct such grading or remove such obstruction at the Purchaser's sole expense. Any expense incurred by the Developer, the Municipality or the Vendor in this regard shall be payable by the Purchaser forthwith upon demand. Some settlement of the Land is to be expected and the Purchaser shall repair minor settlement. The Purchaser shall care for sod, shrubs and other landscaping provided as a result of the remedying of such defects.

(b) The Purchaser will not, prior to lot grading completion and Municipal approval therefor, install any fence, deck, storage shed or other structure on the Land. In order to provide side-yard access between buildings so that abutting house purchasers can repair and maintain their respective side-yard building portions, no side-yard fence or storage shall be permitted from 3 meters back of the common side-yard's most rear structure to the frontage street. No fence along a lot boundary abutting a street, open space or parkland will be installed except in compliance with the requirements of the development architect as to fence type, design and finishing as well as fence height and location. The Purchaser will not install any boundary fence except in accordance with

INITIAL (Purchaser) \_\_\_\_\_

(Vendor) \_\_\_\_\_



Municipal requirements, and if the Purchaser installs a fence that runs along the boundary of any lands then owned by the Developer, the Developer will have no obligation to pay any portion of the fence cost. The Purchaser will maintain any fence along or adjacent to the lot boundary and will not remove, place a gate in or otherwise alter such fence.

**28. TEMPORARY EASEMENT**

The Purchaser shall grant a temporary right-of-way over the rear ten feet (10') of the Land over the full width to all purchasers in the subdivision, their agents and workmen through, along and over the said Land for the purpose of reaching their own land or transporting materials, machinery or equipment thereto until such time as roads and streets are useable and the Purchaser agrees to keep such right-of-way clear of surface earth or material.

**29. RIGHT OF RE-ENTRY**

The transfer herein shall contain a provision that the transfer/conveyance is subject to the rights of the Vendor, Municipality/Region and/or other service provider, their successors and assigns, in the nature of a license or easement for themselves and parties authorized by any of them to enter upon any part of the Land excluding the dwelling at any time prior to the complete acceptance of the subdivision by the Municipality for the purpose of doing any work as may be required in order to satisfy the requirements to the Subdivision Agreement or of any other agreement with the service providers entered into or to be entered into by the Subdivider, including without limiting the generality of the foregoing, the right to complete or adjust the grading and/or drainage of any of the Land and effect any corrective measures required without such re-entry being deemed a trespass. The Purchaser covenants that in any transfer or disposition to any subsequent party, it shall reserve unto and assign the benefit of a similar right to re-entry to the Vendor, Municipality, Region and other service providers, and parties authorized by any of them. The aforesaid covenant shall be included in the Transfer/Deed to the Purchaser and shall run with the land conveyed to the Purchaser. The Purchaser, is hereby advised that the proposed lot grading may require the use of retaining walls, fences, easements for drainage purposes, culverts, drains, catch basins and/or lot sloping. Any such retaining walls and fences shall be maintained in good condition and repair solely at the cost and obligation of Purchaser. Purchaser agrees to allow the erection and maintenance on the land of entry features or other structures and hereby consents to allow the erection and maintenance thereof after closing. The Purchaser is hereby given notice that the Land may require some or all of the aforementioned.

**30. MAINTENANCE OF SOD**

The Purchaser shall be solely responsible for watering and general maintenance of the sod from the Closing Date or from the date that the sod is laid, whichever shall be the later, and the Vendor shall have no obligation in that regard. In the event the Vendor is, for any reason, required to replace laid sod, the Purchaser shall be solely responsible to pay for same, plus an administrative fee thereon, and the Vendor may, but shall not be obligated to do so until payment has been made therefore by the Purchaser.

**31. DRIVEWAY**

The Purchaser shall be solely responsible for any settlement of the driveway after the Closing Date. Purchaser acknowledges that it has been advised by Vendor that settlement is likely to occur after Closing. Purchaser agrees that it will at no time modify, extend, enlarge or change the driveway or its dimensions or location. If the Purchase Price specifically includes the paving of the driveway, Vendor shall only have an obligation to pave such driveway to the access point of lot and on the portion of the lot owned by Purchaser, only once and such paving, it is agreed, shall occur within 24 months after Closing, subject to weather conditions. Purchaser specifically agrees that in the event that Vendor does not have any obligation to pave the driveway, the Purchaser will pave the driveway and will not take any other steps or actions to damage, alter, move or interfere with any water box(es) located thereon. Purchaser shall be liable for all damage, loss and expense caused to the water box(es). Purchaser agrees to consult with and obtain the approval of the Vendor, Subdivider, or Municipal Water Department prior to commencing any work in, on or around the water box(es). On certain lots, service trenches cross the driveway and settlement may occur. Purchasers are also advised that prior to paving, they should ensure that there is no further settlement taking place.

**32. REZONING**

The Purchaser acknowledges receipt of notice from the Vendor that the Developer, Subdivider or its related/associated corporation(s) may develop other lands in the vicinity of the herein Land and apply for zoning/rezoning thereof, and the Purchaser agrees on behalf of himself, his heirs, executors, administrators, successors and assigns to consent to any such development zoning/rezoning application, and agrees that this paragraph may be pleaded as a bar to any objection thereto. The Purchaser covenants with the Vendor to the intent that the burden of this covenant shall run with and be binding upon the Land

INITIAL (Purchaser)     *S*     (Vendor)     *[Signature]*     10

to be conveyed hereunder and every part hereof and to the intent that the benefit thereof shall be annexed to and run with any lands owned by the Vendor and its predecessor and successors in title within the Subdivision or contiguous thereto, that the Purchaser will not oppose any application for severance or for rezoning (including all applications ancillary hereto) by the Vendor and its predecessor and successors or assigns in the Subdivision or contiguous there, for use as a commercial, industrial or multiple family purposes and that this covenant may be pleaded by the said Vendor, its predecessor, successors or assigns, as an estoppel to any such opposition or in aid of an injunction restraining such opposition. The Purchaser shall extract a similar covenant from all successors in title. Without limiting the generality of the foregoing, the Vendor or its predecessor may apply for, and the Purchaser will not oppose, any application for zoning in accordance with the present Official Plan.

### 33. SUBORDINATION AND POSTPONEMENT

The Purchaser acknowledges that the Vendor is or may be borrowing money from a financial institution to be secured by one or more charges registered or to be registered against the Real Property and the Purchaser agrees that this Agreement, any interest of the Purchaser in this Agreement (whether such interests are in equity or at law), and any and all Deposits paid or to be paid by the Purchaser pursuant to this Agreement and any purchaser's lien arising by the terms of this Agreement or from the payment of any Deposit pursuant to this Agreement or arising by operation of law is hereby subordinated and postponed to and will be subordinated and postponed to any mortgages, charges, debentures and trust deeds registered or to be registered against title to the Real Property and any advances thereunder, made from time to time, and to any easement, license or other agreements to provide services to the Real Property or to any lands adjacent thereto. The Purchaser agrees to execute any and all documentation necessary to give full force and effect to same forthwith after being requested to do so by the Vendor.

### 34. PURCHASER'S DOCUMENTS TO BE DELIVERED ON CLOSING

The Purchaser agrees to forthwith execute and deliver to the Vendor, on or before Closing, or at such other time as advised by the Vendor, all documents as may be required by the Vendor in order to close this transaction including but not limited to (i) the execution of the transfer by the Purchaser (ii) the execution and delivery of the Vendor's standard form of Purchaser's Acknowledgement and Undertaking as may be required by the Vendor; and (iii) any form of written acknowledgement by the Purchaser relating to lot grading and other subdivision matters.

### 35. INVALIDITY

The invalidity of any particular paragraph of this Agreement shall not affect the validity of any other provision and, in such event, this Agreement shall be construed as if such invalid provision was omitted.

### 36. CAUSE OF ACTION/ASSIGNMENT

- (a) The Purchaser acknowledges and agrees that notwithstanding any rights which he or she 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, and this acknowledgment and agreement may be pleaded as an estoppel and bar against the Purchaser in any action, suit, application or proceeding brought by or on behalf of the Purchaser to assert any of such rights, claims or causes of action against any such third parties.
- (b) At any time prior to the Closing Date, the Vendor shall be permitted to assign this Agreement (and its rights, benefits and interests hereunder) to any person, firm, partnership or corporation registered as a vendor pursuant to the Ontario New Home Warranty Plan Act and upon any such assignee assuming all obligations under this Agreement and notifying the Purchaser's solicitor of such assignment, the Vendor named herein shall be automatically released from all obligations and liabilities to the Purchaser arising from this Agreement, and said assignee shall be deemed for all purposes to be the vendor herein as if it had been an original party to this Agreement, in the place and stead of the Vendor.

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

For the purposes of facilitating compliance with the provisions of any applicable Federal and/or Provincial privacy legislation (including without limitation, the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, as amended), the Purchaser hereby consents to the Vendor's collection and use of the Purchaser's personal information necessary and sufficient to enable the Vendor to proceed with the Purchaser's purchase of the Real Property, including without limitation, the

INITIAL (Purchaser) \_\_\_\_\_

\_\_\_\_\_ (Vendor)

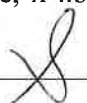
Purchaser's name, home address, email address, telefax/telephone number, age, date of birth, and in respect of marital status only for the limited purposes described in subparagraphs (c), (g), (h) and (i) below, and in respect of residency status, and social insurance number only for the limited purpose described in subparagraph (h) below, as well as the Purchaser's financial information and desired home design(s) and colour/finish selections, in connection with the completion of this transaction and for post-closing and after-sales customer care purposes, and to the disclosure and/or distribution of any or all of such personal information to the following entities, on the express understanding and agreement that the Vendor shall not sell or otherwise provide or distribute such personal information to anyone other than the following entities, namely to:

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

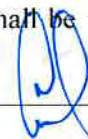
### 38. ACCEPTANCE

This offer shall be irrevocable by the Purchaser until 11:50 p.m. on the 1<sup>st</sup> business day for 3 business days after the Purchaser signs this Agreement, after which time, if not accepted, this offer shall be null

INITIAL (Purchaser)



(Vendor)





and void. If accepted, this offer, subject to applicable three (3) day review period set out in Schedule "D" only if applicable, shall constitute a binding Agreement of Purchase and Sale. The Purchaser acknowledges that the Purchaser shall be responsible for determining whether the Vendor has accepted this Agreement. In this regard, the Purchaser shall contact the Vendor or the Vendor's sales agent to determine whether the Agreement has been accepted by the Vendor. The Purchaser acknowledges and agrees that the Vendor shall not be responsible for notifying the Purchaser that the Agreement has been accepted by the Vendor, nor shall the Vendor be responsible for delivering a fully executed copy of the Agreement to the Purchaser. The Purchaser shall be responsible for obtaining a copy of the fully executed Agreement from the Vendor or from the Vendor's sales agent.

**39. SCHEDULES**

All Schedules and Addendum being Schedules "A" (items included), "B" (Lot on draft Plan of Subdivision), "C" (Additional Provisions), and "D" (Tarion Addendum) attached to this Agreement shall form a part of it.

**SIGNED, SEALED AND DELIVERED**

Dated this 25th day of January, 2017.

In the presence of:



Purchaser 1: Sajana

Driver's License No.: K6096-68468-96018

S.I.N. No.: \_\_\_\_\_

Purchaser 2: \_\_\_\_\_

Driver's License No.: \_\_\_\_\_

S.I.N. No.: \_\_\_\_\_

Solicitors for the Purchaser: \_\_\_\_\_

Telephone No: \_\_\_\_\_

Fax No.: \_\_\_\_\_

Email: \_\_\_\_\_

The Vendor hereby accepts the above offer.

**DATED** this 25th day of January, 2017.

**SUNRISE ACQUISITIONS (HWY 7) INC.**

Per: 

Solicitors for the Vendor:  
**NORMAN H. WINTER**  
416.964.0325  
[nw@nwinlaw.com](mailto:nw@nwinlaw.com)  
**LAW OFFICES OF NORMAN H. WINTER**  
1 St. Clair Avenue East, Suite 801,  
Toronto, Ontario M4T 2V7 Canada - T. 416.964.0325 - F. 416.964.2494

INITIAL (Purchaser) X (Vendor) SW



SCHEDULE "C"ADDITIONAL PROVISIONS**1. HARMONIZED SALES TAX**

The Purchaser and Vendor hereby acknowledge and agree that subject to compliance with and accuracy of the Purchaser's representations, warranties, acknowledgements, covenants and agreements herein the Purchase Price includes the Harmonized Sales Tax ("HST") exigible pursuant to Part IX of the Excise Tax Act (Canada) (the "HST Legislation"), net of the new housing rebate permitted under the HST Legislation, if any (the "Rebate").

The Purchaser acknowledges and agrees that the Vendor shall insert in Box 4 of the Transfer/Deed of Land delivered on Closing relating to the Real Property the actual consideration for the Real Property, being the Purchase Price less HST net of the Rebate, if any.

The Purchaser hereby covenants and agrees that he/she is acquiring the Real Property for use as his/her primary place of residence (as defined in the HST Legislation). The Purchaser further covenants and agrees that, forthwith after Closing, he/she shall personally occupy the Real Property or cause one or more of his/her relations (as defined in the HST Legislation) to occupy the Real Property as his/her primary place of residence for such period of time as required by Canada Customs and Revenue Agency pursuant to its administrative guide lines or under the HST Legislation in order to entitle the Purchaser to the Rebate.

The Purchaser hereby irrevocably assigns to and in favour of the Vendor any and all rights he/she may have on Closing or thereafter to any rebates, refunds or credits pursuant to the HST Legislation, including without limiting the generality of the foregoing, the Rebate.

The Purchaser covenants and agrees to execute and deliver to the Vendor on Closing all applications, assignments, authorizations, directions, forms and such other documents as may be requested by the Vendor or its solicitors to verify entitlement to such rebate, refund or credit and to effect the proper assignment thereof to the Vendor including, without limiting the generality of the foregoing, an independent form of the Purchaser's covenant to assign set out above.

Notwithstanding any other provision of this Agreement, the Purchaser acknowledges and agrees that the Purchase Price does not include any HST exigible with respect to any of the adjustments payable by the Purchaser pursuant to this Agreement or any extras, changes 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 in accordance with the HST Legislation.

In the event that the Purchaser does not qualify for the Rebate, the Vendor agrees to pay the HST exigible with respect to the purchase of the Real Property and the Vendor acknowledges that such HST is included in the Purchase Price provided, however, the Purchaser shall reimburse the Vendor as an adjustment on Closing with the amount equal to the Rebate to which the Purchaser would have been entitled if the Purchaser had qualified for the Rebate.

**2. RESTRICTIONS AND NOTICES PURSUANT TO THE SUBDIVISION AGREEMENT**

The Purchaser hereby acknowledges that title to the Lands will be subject to a Subdivision Agreement with The Corporation of the Town of Markham and or the Region of York, which Agreement may contain warning clauses and restrictions which the Vendor is required to bring to the attention of the Purchaser by incorporating same into this Agreement. The Purchaser acknowledges that the Subdivision Agreement will be registered against title to the Real Property prior to the Closing Date. The Purchaser acknowledges and agrees that his solicitor will search title to the Real Property prior to the Closing Date and shall be responsible for reviewing the Subdivision Agreement and identifying for the Purchaser any warning clauses and/or restrictions, if any, which are prescribed by the Subdivision Agreement. The Purchaser's solicitor shall be responsible for explaining the nature and importance of any such warning clauses and/or restrictions to the Purchaser. The Purchaser acknowledges and agrees that, on registration of the Subdivision Agreement against title to the Real Property, all warning clauses and/or restrictions prescribed by the Subdivision Agreement shall be deemed to be incorporated into and shall be deemed to form a part of this Agreement and, if required by the Vendor or the Municipality, the Purchaser covenants and agrees to execute, on or prior to Closing an acknowledgement and/or amendment in that regard, without same affecting the balance of this Agreement.

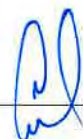
**3. PURCHASER'S FINANCING**

The Purchaser hereby covenants and agrees to provide to the Vendor such financial information regarding the Purchaser forthwith after the Purchaser signing this Agreement, and thereafter as the Vendor may require from time to time prior to the Closing Date for the purpose of confirming that the Purchaser has the financial capability of completing the transaction of purchase and sale contemplated by this Agreement. If the Purchaser fails to provide such information within ten days of the request for same by the Vendor, then the Purchaser shall be considered to be in default pursuant to this Agreement. In the event that the Vendor is not satisfied, in its sole and absolute discretion, with the financial strength of the Purchaser or with the completeness and accuracy of the information provided by the Purchaser, the Purchaser hereby acknowledges and agrees that the Vendor shall have the right, in its sole, absolute and arbitrary discretion, to:

INITIAL (Purchaser)



(Vendor)



- (a) require the Purchaser to pay an additional deposit in such amount as may be determined by the Vendor, in its sole and absolute discretion, which amount shall immediately become due and shall be paid by the Purchaser to the Vendor by certified cheque within five days of written notice given by the Vendor to the Purchaser in this regard, failing payment the Purchaser shall be in default pursuant to this Agreement; or
- (b) terminate this agreement. Upon such termination, the Deposit paid by the Purchaser to such date shall be returned to the Purchaser without interest or deduction and the Vendor shall not be liable for any losses, costs or damages incurred by the Purchaser whatsoever as a result of such termination.

In the event that the Purchaser is arranging mortgage financing for the purpose of completing the transaction of purchase and sale on the Closing Date, the Purchaser hereby covenants and agrees to apply for such mortgage financing within 10 days from the date of acceptance of this Agreement by the Vendor and forthwith provide the Vendor with evidence of said application and a copy of approval or rejection. In the event that the Purchaser fails to diligently comply with this provision, the Purchaser acknowledges and agrees that the Vendor shall have the right, in its sole, absolute and arbitrary discretion, to:

- (a) require the Purchaser to pay an additional deposit in such amount as may be determined by the Vendor, in its sole and absolute discretion, which amount shall immediately become due and shall be paid by the Purchaser to the Vendor by certified cheque within five days of written notice given by the Vendor to the Purchaser in this regard, failing payment the Purchaser shall be in default pursuant to this Agreement; or
- (b) terminate this agreement. Upon such termination, the Deposit paid by the Purchaser to such date shall be returned to the Purchaser without interest or deduction and the Vendor shall not be liable for any losses, costs or damages incurred by the Purchaser whatsoever as a result of such termination.

**4. LOT NUMBERS**

If on or after registration of the plan of subdivision, and any subsequent subdivision or reference plan, the lot number of the Land is changed, the Purchaser agrees to accept such variation in lot number, and this Agreement shall be read with all amendments required thereby.

**5. CERTIFICATE OF OCCUPANCY**

The Certificate of Occupancy issued by the Municipality will document the building inspection history, including mandatory inspections which were not conducted.

**6. SPECIFIC RESTRICTIONS AND NOTICES WHICH MAY AFFECT THE LOT PURSUANT TO THE SUBDIVISION AGREEMENT**

TO BE DETERMINED.

**7. FENCING FEATURES**

The Purchaser covenants and agrees that all fencing adjacent to road allowances and walkways will be erected entirely on private property and will not be erected on the lot line or into any road allowance or public property.

**8. COMMUNITY MAILBOXES**

Purchasers are advised that mail delivery will be from a designated Community Mail box.

INITIAL (Purchaser)     *JS*     (Vendor)     *AL*

**SCHEDULE "D"**

**TARION WARRANTY CORPORATION**  
THIS DOCUMENT CONTAINS IMPORTANT INFORMATION  
FOR THE CONSUMER

**ADDENDUM TO AGREEMENT OF PURCHASE AND SALE**

This addendum forms part of the Agreement of Purchase and Sale between:

Safana Kodwavi

("Purchaser")

and

**SUNRISE ACQUISITIONS (HWY 7) INC.**

("Vendor")

dated January 25, 2017 .

(the "Agreement")

INITIAL (Purchaser)



(Vendor)



## *Features and Finishes*

### ARCHITECTURAL FEATURE

Architecturally controlled streetscapes with pleasing exterior colour schemes, styles and elevations.  
 Precast concrete and / or stucco window sills, headers and arches, per elevation  
 35 year self-sheathing shingles  
 Low maintenance aluminum soffits, fascia, downspouts and eaves troughs  
 Prefinished aluminum roll-up garage doors with tempered and thermal privacy glazing.  
 Designer decorative exterior lights on front and rear facades  
 Fully sodded lot, where applicable  
 Fully paved driveway consisting of a base and top coat finish  
 Luxurious Stone Veneer and Brick Exteriors  
 Spacious Decks, where grade permits  
 Vinyl Sliding Doors with Screen, per elevation  
 Vinyl casement windows, air tight  
 All operating windows will be screened  
 8' high wood insulated front entry door with accenting glass inserts  
 Garage to house entry door, where grade permits  
 Front entry doors with brushed silver grip set, and passage and deadbolts used all on side and rear entry doors with matching floor mounted doorstops (except for sliding doors)

### INTERIOR FEATURES

Smooth ceilings throughout  
 8 foot wood grain front doors  
 Ceiling height of approximately 9' on Main  
 Porcelain 12" x 24" tile in Baths and Laundry  
 Upgraded casings and millwork - 3" window and door casing, 5" baseboard  
 Two tone paint - Semi gloss white shade on casings and millwork and flat high grade paint on the walls in a neutral tone selected from 5 colours in our Design Centre  
 Approximately 7' high interior doors throughout  
 Stained Oak Stairs to match wood flooring, with buyer's choice of Iron or Wood Pickets  
 Smart system Programmable Home Thermostat from NEST  
 Rough-in for Security Alarm  
 Garage Door Opener  
 High efficiency furnace and air conditioning units per suite  
 Vented Cold Cellars with interior Light, where applicable  
 Spray Foam Insulation over Garage Ceilings  
 Single handle faucets in Kitchen & Bathrooms  
 Pre-wired for Phone, Cable, Internet in Bedrooms and Main living areas  
 Your choice of traditional or contemporary fireplace where plan permits

### FLOORING

Imported 12" x 24" porcelain tile in the foyer, powder room, laundry room and all bathrooms (per plan) selected in our Design Centre  
 High style 3 1/8" inch wood plank floor, engineered to be used everywhere in your home, except the bathrooms, laundry room and foyer  
 Engineered Floor Joist System

## DESIGNER KITCHEN

High grade, 5-piece panel style Kitchen Cabinetry, with extended uppers

Selection of hardware for cabinets

Custom fit Quartz or Granite countertops with one double basin under mount sink

Custom backsplash - either tile or painted glass

Chrome Riobel Kitchen faucet. A single handle faucet with integrated pull-out spray handle

Deluxe Stainless Steel Appliance Package (Refrigerator, Stove, Microwave and Dishwasher)

## BATHS

High grade, 5-piece panel style Bathroom Vanity Cabinets

Selection of hardware for cabinets

Custom fit Quartz or Granite countertops with under mount sink in first Master Ensuite

Single-hole chrome superior Riobel faucet package in each bath, with mechanical pop up drain.

Frameless Glass Showers with a Light, where applicable

Rain showers in the Master bathroom

Custom wall tile, Floor to ceiling in the bath and shower areas, with accent tile design

Toto toilets

Shut off Valves installed for all Sinks & Toilets

Full, 4-piece bathroom in all finished basements

Vanity to ceiling mirrors in baths

Upgraded light fixtures on mirrors in all baths

## LAUNDRY ROOMS

Full sized Washer & Dryer

Laundry tubs, as per plan

All required plumbing, electrical and venting rough-ins

Modern open shelf storage cabinets above the laundry tub, as plan permits

## COMFORT FEATURES

Control switch located in the interior of the home near the garage to power off the garage door opener for added safety and security

Capped gas line at the outside rear of the home for future barbeque hook up

Complete central vac system in the garage

Smoke and carbon monoxide detectors installed and hard wired as per Building Codes

NEST Smart technology thermostat compatible with your smart phone for energy saving

Door chimes for the front door

Duct work sized for air conditioner installed

Two exterior water taps

Pre-wires for Phone, Cable, Internet in Bedrooms and Main living areas

White Decora Light Switches & Plugs

## LIGHTING ELECTRICAL AND TECHNOLOGY

100 AMP electrical service

15 LED, energy saving pot lights on main floor

One exterior seasonal electrical outlet

European height white Decora plugs and switches throughout, per electrical standard specifications

Ceiling light fixtures in all rooms with the exception of the living room, which will have a switched wall outlet

Weather proof exterior outlets, one at the front of the home and one at the rear of the home  
Electrical wall outlets in the garage and an electrical outlet for the garage door and opener

#### SUPERIOR CONSTRUCTION

Approximately 8' poured concrete walls with heavy duty damp proofing, drainage board, weeping tiles and full height blanket insulation

Tongue and groove subfloor to be glued, screwed and sanded

2 X 6 exterior wall construction

Conventional air circulating system

High efficiency gas furnace

Poured concrete porch

Reinforced concrete garage floors and grade beams

Spray foam insulation in the garage ceiling below livable areas as well as all cantilevered box out window areas

Finished basements

#### HOMEOWNER WARRANTY PROTECTION

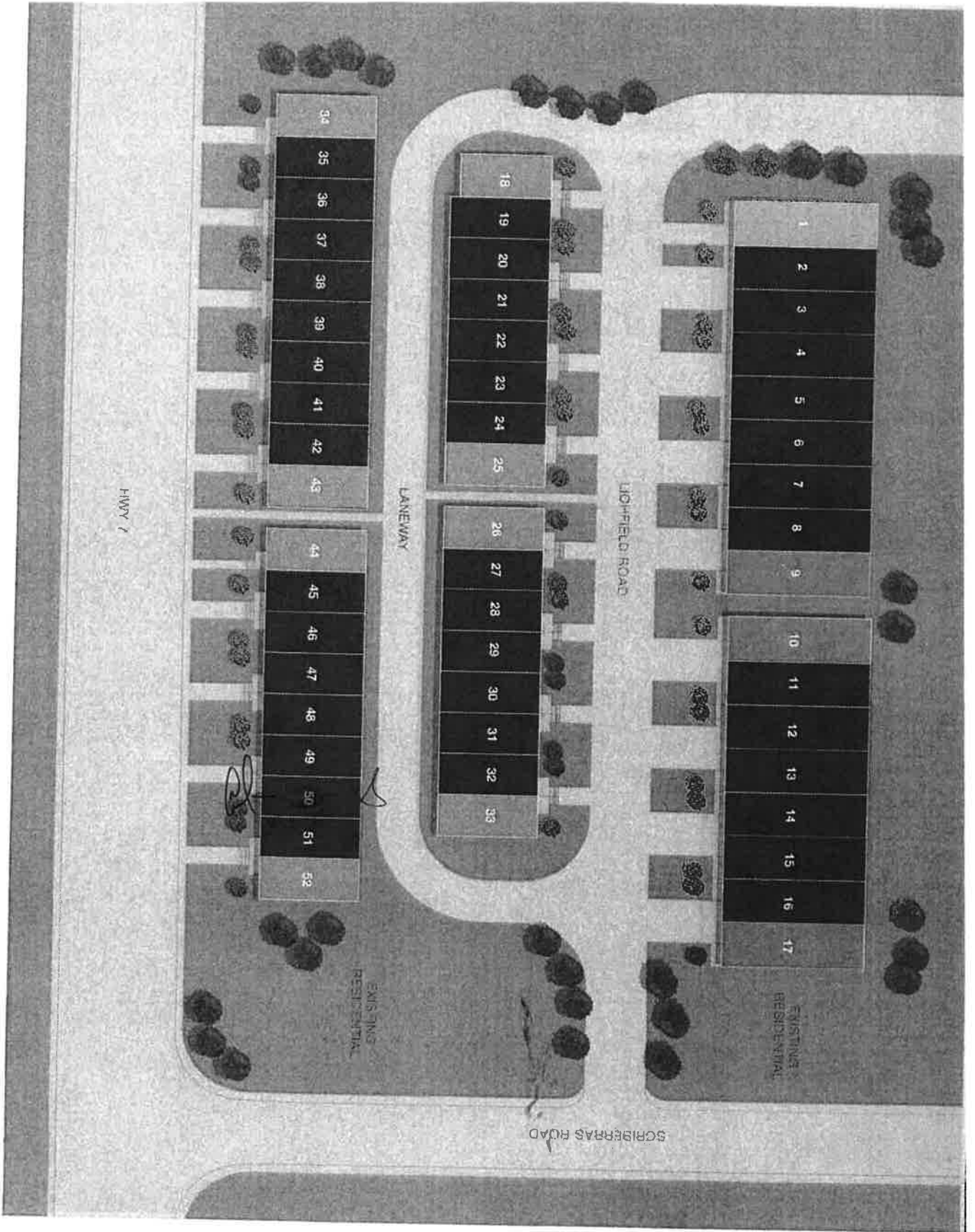
The Tarion Warranty offers: Seven (7) year protection on all structural defects

Two (2) year protection on mechanicals and materials including electrical, plumbing, heating and distribution systems, all exterior cladding, windows and doors

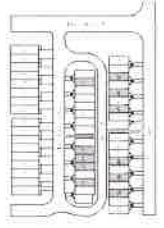
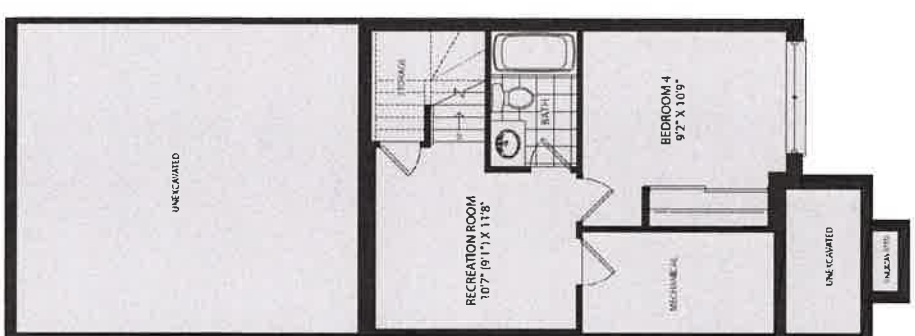
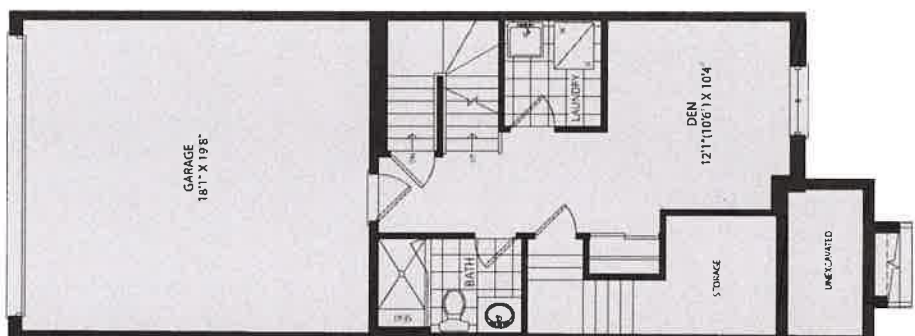
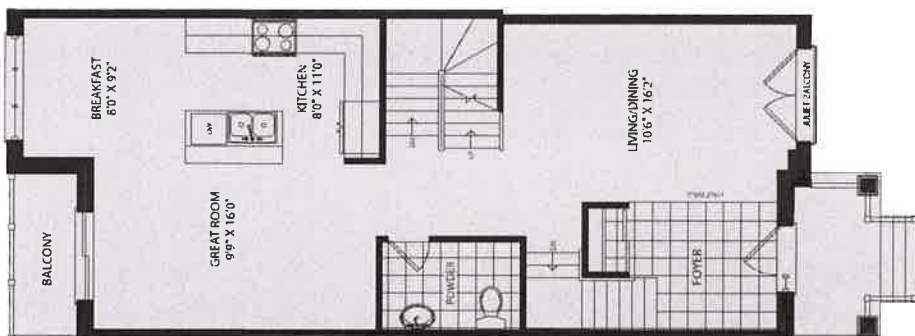
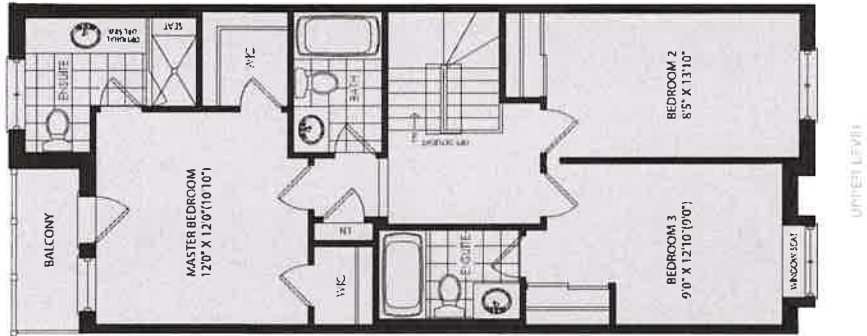
One (1) year protection on all workmanship and material defects

Handwritten signature and initials in blue ink.





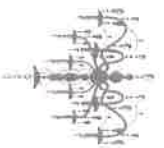




UPTOWN COLLECTION U23

TOTAL LIVING AREA 2,311 SQ.FT.

*[Handwritten signatures]*





**Limited Use Freehold Form  
(Tentative Occupancy Date – POTL/CEC)**

Property Lot 50

**Statement of Critical Dates**  
Delayed Occupancy Warranty

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

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

**VENDOR** Sunrise Acquisitions (Hwy 7) Inc  
Full Name(s)  
**PURCHASER** Safana Kodwavi  
Full Name(s)

**1. Critical Dates**

The **First Tentative Occupancy Date**, which is the date that the Vendor anticipates the home will be completed and ready to move in, is: the 29th day of March, 2019.

A **Second Tentative Occupancy Date** can subsequently be set by the Vendor by giving proper written notice at least 90 days before the First Tentative Occupancy Date. The Second Tentative Occupancy Date can be up to 120 days after the First Tentative Occupancy Date, and so could be as late as: the 29th day of July, 2019.

The Vendor must set a **Firm Occupancy Date** by giving proper written notice at least 90 days before the Second Tentative Occupancy Date. The Firm Occupancy Date can be up to 120 days after the Second Tentative Occupancy Date, and so could be as late as: the 26th day of November, 2019.

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

The Vendor can set a Delayed Occupancy Date that is up to 365 days after the earlier of the Second Tentative Occupancy Date and the Firm Occupancy Date: This **Outside Occupancy Date** could be as late as: the 28th day of July, 2020.

**2. Notice Period for an Occupancy Delay**

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

Notice of a delay beyond the First Tentative Occupancy Date must be given no later than: the 28th day of December, 2018.

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

Notice of a second delay in Occupancy must be given no later than: the 30th day of April, 2019.

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

**3. Purchaser's Termination Period**

If the home is not complete by the Outside Occupancy Date, then the Purchaser can terminate the transaction during a period of **30 days** thereafter (the "**Purchaser's Termination Period**"), which period, unless extended by mutual agreement, will end on: the 27th day of August, 2020.

If the Purchaser terminates the transaction during the Purchaser's Termination Period, then the Purchaser is entitled to delayed occupancy compensation and to a full refund of all monies paid plus interest (see sections 7, 11 and 12 of the Addendum).

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

Acknowledged this 25<sup>th</sup> day of JANUARY, 2019.

VENDOR: [Signature]

PURCHASER: [Signature]



**Limited Use Freehold Form  
(Tentative Occupancy Date – POTL/CEC)**

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

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

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

The Vendor shall complete all blanks set out below.

**VENDOR** Sunrise Acquisitions (Hwy 7) Inc

Full Name(s) 46593	50 West Wilmot Street, Suite 100		
Tarion Registration Number 905-597-3333	Address Richmond Hill	ON	L4B 1M5
Phone 905-597-3334	City	Province	Postal Code
Fax	info@sunrisehomes.ca Email*		

**PURCHASER** Safan Kodwavi

Full Name(s) 72 Grand Vellore	Woodbridge,	ON	L4H 0N8
Address 416-827-7099	City	Province	Postal Code
Phone	safanakodwavi1@gmail.com		
Fax	Email*		

**PROPERTY DESCRIPTION**

4144 Hwy 7

Municipal Address Markham	ON	L3R 0W9
City	Province	Postal Code
Short Legal Description		

Number of Homes in the Freehold Project 52 (if applicable – see Schedule A)

**INFORMATION REGARDING THE PROPERTY**

The Vendor confirms that:

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

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

DPA

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

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

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

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

## SETTING AND CHANGING CRITICAL DATES

### 1. Setting Tentative Occupancy Dates and the Firm Occupancy Date

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

### 2. Changing the Firm Occupancy Date – Three Ways

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

### 3. Changing the Firm Occupancy Date – By Setting a Delayed Occupancy Date

- (a) If the Vendor cannot provide Occupancy on the Firm Occupancy Date and sections 4 and 5 do not apply, the Vendor shall select and give written notice to the Purchaser of a Delayed Occupancy Date in accordance with this section, and delayed occupancy compensation is payable in accordance with section 7.
- (b) The Delayed Occupancy Date may be any Business Day after the date the Purchaser receives written notice of the Delayed Occupancy Date but not later than the Outside Occupancy Date.
- (c) The Vendor shall give written notice to the Purchaser of the Delayed Occupancy Date as soon as the Vendor knows that it will be unable to provide Occupancy on the Firm Occupancy Date, and in any event at least 10 days before the Firm Occupancy Date, failing which delayed occupancy compensation is payable from the date that is 10 days before the Firm Occupancy Date, in accordance with paragraph 7(c). If notice of a new Delayed Occupancy Date is not given by the Vendor, before the Firm Occupancy Date, then the new Delayed Occupancy Date shall be deemed to be the date which is 90 days after the Firm Occupancy Date.
- (d) After the Delayed Occupancy Date is set, if the Vendor cannot provide Occupancy on the Delayed Occupancy Date, the Vendor shall select and give written notice to the Purchaser of a new Delayed Occupancy Date, unless the delay arises due to Unavoidable Delay under section 5 or is mutually agreed upon under section 4, in which case the requirements of those sections must be met. Paragraphs (b) and (c) above apply with respect to the setting of the new Delayed Occupancy Date.
- (e) Nothing in this section affects the right of the Purchaser or Vendor to terminate the Purchase Agreement on the bases set out in section 11.

### 4. Changing Critical Dates – By Mutual Agreement

- (a) This Addendum sets out a framework for setting, extending and/or accelerating Critical Dates, which cannot be altered contractually except as set out in this section 4. Any amendment not in accordance with this section is voidable at the option of the Purchaser. For greater certainty, this Addendum does not restrict any extensions of the Closing date (i.e., title transfer date) where Occupancy of the home has already been given to the Purchaser.
- (b) The Vendor and Purchaser may at any time, after signing the Purchase Agreement, mutually agree in writing to accelerate or extend any of the Critical Dates. Any amendment which accelerates or extends any of the Critical Dates must include the following provisions:
  - (i) the Purchaser and Vendor agree that the amendment is entirely voluntary – the Purchaser has no obligation to sign the amendment and each understands that this purchase transaction will still be valid if the Purchaser does not sign this amendment;
  - (ii) the amendment includes a revised Statement of Critical Dates which replaces the previous Statement of Critical Dates;

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

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

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

#### **5. Extending Dates – Due to Unavoidable Delay**

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

#### **EARLY TERMINATION CONDITIONS**

##### **6. Early Termination Conditions**

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



**Limited Use Freehold Form**  
**(Tentative Occupancy Date – POTL/CEC)**

**Condition #1 (if applicable)**

Description of the Early Termination Condition:

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

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

**Condition #2 (if applicable)**

Description of the Early Termination Condition:

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

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

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

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

- (e) There are no Early Termination Conditions applicable to this Purchase Agreement other than those identified in subparagraph (d) above and any appendix listing additional Early Termination Conditions.
- (f) The Vendor agrees to take all commercially reasonable steps within its power to satisfy the Early Termination Conditions identified in subparagraph (d) above.
- (g) For conditions under paragraph 1(a) of Schedule A the following applies:
  - (i) conditions in paragraph 1(a) of Schedule A may not be waived by either party;
  - (ii) the Vendor shall provide written notice not later than five (5) Business Days after the date specified for satisfaction of a condition that: (A) the condition has been satisfied; or (B) the condition has not been satisfied (together with reasonable details and backup materials) and that as a result the Purchase Agreement is terminated; and
  - (iii) if notice is not provided as required by subparagraph (ii) above then the condition is deemed not satisfied and the Purchase Agreement is terminated.
- (h) For conditions under paragraph 1(b) of Schedule A the following applies:
  - (i) conditions in paragraph 1(b) of Schedule A may be waived by the Vendor;
  - (ii) the Vendor shall provide written notice on or before the date specified for satisfaction of the condition that: (A) the condition has been satisfied or waived; or (B) the condition has not been satisfied nor waived, and that as a result the Purchase Agreement is terminated; and
  - (iii) if notice is not provided as required by subparagraph (ii) above then the condition is deemed satisfied or waived and the Purchase Agreement will continue to be binding on both parties.
- (i) If a Purchase Agreement or proposed Purchase Agreement contains Early Termination Conditions, the Purchaser has three (3) Business Days after the day of receipt of a true and complete copy of the Purchase Agreement or proposed Purchase Agreement to review the nature of the conditions (preferably with legal counsel). If the Purchaser is not satisfied, in the Purchaser's sole discretion, with the Early Termination Conditions, the Purchaser may revoke the Purchaser's offer as set out in the proposed Purchase Agreement, or terminate the Purchase Agreement, as the case may be, by giving written notice to the Vendor within those three Business Days.
- (j) The Purchase Agreement may be conditional until Closing (transfer to the Purchaser of title to the home), upon compliance with the subdivision control provisions (section 50) of the *Planning Act* and, if applicable, registration of a related common elements condominium corporation under the *Condominium Act, 1998*, which compliance shall be obtained by the Vendor at its sole expense, on or before Closing.
- (k) The Purchaser is cautioned that there may be other conditions in the Purchase Agreement that allow the Vendor to terminate the Purchase Agreement due to the fault of the Purchaser.
- (l) The Purchase Agreement may include any condition that is for the sole benefit of the Purchaser and that is agreed to by the Vendor (e.g., the sale of an existing dwelling, Purchaser financing or a basement walkout). The Purchase Agreement may specify that the Purchaser has a right to terminate the Purchase Agreement if any such condition is not met, and may set out the terms on which termination by the Purchaser may be effected.



## MAKING A COMPENSATION CLAIM

### 7. Delayed Occupancy Compensation

- (a) The Vendor warrants to the Purchaser that, if Occupancy is delayed beyond the Firm Occupancy Date (other than by mutual agreement or as a result of Unavoidable Delay as permitted under sections 4 and 5), then the Vendor shall compensate the Purchaser up to a total amount of \$7,500, which amount includes: (i) payment to the Purchaser of a set amount of \$150 a day for living expenses for each day of delay until the Occupancy Date; or the date of termination of the Purchase Agreement, as applicable under paragraph (b) below; and (ii) any other expenses (supported by receipts) incurred by the Purchaser due to the delay.
- (b) Delayed occupancy compensation is payable only if: (i) Occupancy and Closing occurs; or (ii) the Purchase Agreement is terminated or deemed to have been terminated under paragraph 11(b) of this Addendum. Delayed occupancy compensation is payable only if the Purchaser's claim is made to Tarion in writing within one (1) year after Occupancy, or after termination of the Purchase Agreement, as the case may be, and otherwise in accordance with this Addendum. Compensation claims are subject to any further conditions set out in the ONHWP Act.
- (c) If the Vendor gives written notice of a Delayed Occupancy Date to the Purchaser less than 10 days before the Firm Occupancy Date, contrary to the requirements of paragraph 3(c), then delayed occupancy compensation is payable from the date that is 10 days before the Firm Occupancy Date.
- (d) Living expenses are direct living costs such as for accommodation and meals. Receipts are not required in support of a claim for living expenses, as a set daily amount of \$150 per day is payable. The Purchaser must provide receipts in support of any claim for other delayed occupancy compensation, such as for moving and storage costs. Submission of false receipts disentitles the Purchaser to any delayed occupancy compensation in connection with a claim.
- (e) If delayed occupancy compensation is payable, the Purchaser may make a claim to the Vendor for that compensation after Occupancy or after termination of the Purchase Agreement, as the case may be, and shall include all receipts (apart from living expenses) which evidence any part of the Purchaser's claim. The Vendor shall assess the Purchaser's claim by determining the amount of delayed occupancy compensation payable based on the rules set out in section 7 and the receipts provided by the Purchaser, and the Vendor shall promptly provide that assessment information to the Purchaser. The Purchaser and the Vendor shall use reasonable efforts to settle the claim and when the claim is settled, the Vendor shall prepare an acknowledgement signed by both parties which:
- (i) includes the Vendor's assessment of the delayed occupancy compensation payable;
  - (ii) describes in reasonable detail the cash amount, goods, services, or other consideration which the Purchaser accepts as compensation (the "Compensation"), if any; and
  - (iii) contains a statement by the Purchaser that the Purchaser accepts the Compensation in full satisfaction of any delayed occupancy compensation payable by the Vendor.
- (f) If the Vendor and Purchaser cannot agree as contemplated in paragraph 7(e), then to make a claim to Tarion the Purchaser must file a claim with Tarion in writing within one (1) year after Occupancy. A claim may also be made and the same rules apply if the sale transaction is terminated under paragraph 11(b), in which case, the deadline for a claim is one (1) year after termination.
- (g) If delayed occupancy compensation is payable, the Vendor shall either: pay the compensation as soon as the proper amount is determined; or pay such amount with interest (at the prescribed rate as specified in subsection 19(1) of O.Reg. 48/01 of the *Condominium Act, 1998*), from the Occupancy Date to the date of Closing, such amount to be an adjustment to the balance due on the day of Closing.

### 8. Adjustments to Purchase Price

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

### 9. Occupancy

If the Purchaser accepts or is required to accept Occupancy in advance of receiving a title transfer of the home, then the provisions of Schedule C shall apply.

## MISCELLANEOUS

### 10. Ontario Building Code – Conditions of Occupancy

- (a) On or before the Occupancy Date, the Vendor shall deliver to the Purchaser:
- (i) an Occupancy Permit (as defined in paragraph (d)) for the home; or



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

#### 11. Termination of the Purchase Agreement

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

#### 12. Refund of Monies Paid on Termination

- (a) If the Purchase Agreement is terminated (other than as a result of breach of contract by the Purchaser), then unless there is agreement to the contrary under paragraph 11(a), the Vendor shall refund all monies paid by the Purchaser including deposit(s) and monies for upgrades and extras, within 10 days of such termination, with interest from the date each amount was paid to the Vendor to the date of refund to the Purchaser. The Purchaser cannot be compelled by the Vendor to execute a release of the Vendor as a prerequisite to obtaining the refund of monies payable as a result of termination of the Purchase Agreement under this paragraph, although the Purchaser may be required to sign a written acknowledgement confirming the amount of monies refunded and termination of the purchase transaction. Nothing in this Addendum prevents the Vendor and Purchaser from entering into such other termination agreement and/or release as may be agreed to by the parties.
- (b) The rate of interest payable on the Purchaser's monies shall be calculated in accordance with the *Condominium Act, 1998*.
- (c) Notwithstanding paragraphs (a) and (b) above, if either party initiates legal proceedings to contest termination of the Purchase Agreement or the refund of monies paid by the Purchaser, and obtains a legal determination, such amounts and interest shall be payable as determined in those proceedings.

#### 13. Definitions

"**Business Day**" means any day other than: Saturday; Sunday; New Year's Day; Family Day; Good Friday; Easter Monday; Victoria Day; Canada Day; Civic Holiday; Labour Day; Thanksgiving Day; Remembrance Day; Christmas Day; Boxing Day; and any special holiday proclaimed by the Governor General or the Lieutenant Governor; and

where New Year's Day, Canada Day or Remembrance Day falls on a Saturday or Sunday, the following Monday is not a Business Day, and where Christmas Day falls on a Saturday or Sunday, the following Monday and Tuesday are not Business Days; and where Christmas Day falls on a Friday, the following Monday is not a Business Day.

“**Closing**” means the completion of the sale of the home including transfer of title to the home to the Purchaser.

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

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

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

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

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

“**First Tentative Occupancy Date**” means the date on which the Vendor, at the time of signing the Purchase Agreement, anticipates that the home will be complete and ready for Occupancy, as set out in the Statement of Critical Dates.

“**Occupancy**” means the right to use or occupy the home in accordance with the Purchase Agreement.

“**Occupancy Date**” means the date the Purchaser is given Occupancy on or before Closing.

“**Outside Occupancy Date**” means the latest date that the Vendor agrees to provide Occupancy to the Purchaser, as confirmed in the Statement of Critical Dates.

“**Property**” or “**home**” means the freehold home being acquired by the Purchaser from the Vendor, and its interest in the related common elements condominium corporation.

“**Purchaser's Termination Period**” means the 30-day period during which the Purchaser may terminate the Purchase Agreement for delay, in accordance with paragraph 11(b).

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

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

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

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

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

#### 14. Addendum Prevails

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

#### 15. Time Periods, and How Notice Must Be Sent

- (a) Any written notice required under this Addendum may be given personally or sent by email, fax, courier or registered mail to the Purchaser or the Vendor at the address/contact numbers identified on page 2 or replacement address/contact numbers as provided in paragraph (c) below. Notices may also be sent to the solicitor for each party if necessary contact information is provided, but notices in all events must be sent to the Purchaser and Vendor, as applicable. If email addresses are set out on page 2 of this Addendum, then the parties agree that notices may be sent by email to such addresses, subject to paragraph (c) below.
- (b) Written notice given by one of the means identified in paragraph (a) is deemed to be given and received: on the date of delivery or transmission, if given personally or sent by email or fax (or the next Business Day if the date of delivery or transmission is not a Business Day); on the second Business Day following the date of sending by courier; or on the fifth Business Day following the date of sending, if sent by registered mail. If a postal stoppage or interruption occurs, notices shall not be sent by registered mail, and any notice sent by registered mail within 5 Business Days prior to the commencement of the postal stoppage or interruption must be re-sent by another means in order to be effective. For purposes of this section 15, Business Day includes Remembrance Day, if it falls on a day other than Saturday or Sunday, and Easter Monday.
- (c) If either party wishes to receive written notice under this Addendum at an address/contact number other than those identified on page 2 of this Addendum, then the party shall send written notice of the change of address, fax number, or email address to the other party in accordance with paragraph (b) above.
- (d) Time periods within which or following which any act is to be done shall be calculated by excluding the day of delivery or transmission and including the day on which the period ends.
- (e) Time periods shall be calculated using calendar days including Business Days but subject to paragraphs (f), (g) and (h) below.



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(Tentative Occupancy Date – POTL/CEC)**

- (f) Where the time for making a claim under this Addendum expires on a day that is not a Business Day, the claim may be made on the next Business Day.
- (g) Prior notice periods that begin on a day that is not a Business Day shall begin on the next earlier Business Day, except that notices may be sent and/or received on Remembrance Day, if it falls on a day other than Saturday or Sunday, or Easter Monday.
- (h) Every Critical Date must occur on a Business Day. If the Vendor sets a Critical Date that occurs on a date other than a Business Day, the Critical Date is deemed to be the next Business Day.
- (i) Words in the singular include the plural and words in the plural include the singular.
- (j) Gender-specific terms include both sexes and include corporations.

**16. Disputes Regarding Termination**

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

**For more information please visit [www.tarion.com](http://www.tarion.com)**

**SCHEDULE A**

**Types of Permitted Early Termination Conditions**

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

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

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

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

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

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

**2. The following definitions apply in this Schedule:**

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

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

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

**3. Each condition must:**

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

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

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



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(Tentative Occupancy Date – POTL/CEC)**

**SCHEDULE B**

**Adjustments to Purchase Price or Balance Due on Closing**

**PART I Stipulated Amounts/Adjustments**

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

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

1. As per Agreement of Purchase and Sale Clause 7 - Adjustments
  
- 2.
  
- 3.



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(Tentative Occupancy Date – POTL/CEC)**

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

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

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

1. As per Agreement of Purchase and Sale Clause 7 - Adjustments

2.

3.

### SCHEDULE C

#### Terms of Occupancy Licence

If the purchaser takes Occupancy of the home before the date of Closing or is required to do so under the Purchase Agreement, then the following provisions shall apply:

1. The Purchaser shall be given Occupancy of the home on the Occupancy Date.
2. The Purchaser shall not be required to pay the balance due on the purchase price on the Occupancy Date unless the Occupancy Date is also the Closing Date.
3. The Purchaser shall pay to the Vendor a monthly **Occupancy Fee** from and after the Occupancy Date which shall not exceed an amount calculated as follows:
  - (i) interest calculated on a monthly basis on the unpaid balance of the purchase price at the prescribed rate as specified in subsection 19(1) of O.Reg 48/01 to the Condominium Act, 1998; plus
  - (ii) an amount reasonably estimated by the Vendor on a monthly basis for municipal realty taxes attributable by the Vendor to the home; plus
  - (iii) the projected monthly common expense contribution for the home's share of the common elements condominium corporation (CEC).

The Occupancy Fee shall be payable on the first day of each month in advance until the date of Closing. The Occupancy Fee is a fee for the use of the home and no part of it shall be credited as payments on account of the Purchase Price. If Occupancy does not occur on the first day of the month, the Purchaser shall pay on the Occupancy Date a pro rata amount for the balance of the month.

4. If the Vendor charges the Purchaser a monthly Occupancy Fee for longer than six (6) months and the monthly Occupancy Fee includes a projected contribution to the reserve fund for the CEC, then, with respect to the Occupancy Fee for each month after the sixth month, the Vendor shall hold in trust and remit to the CEC upon registering the declaration and description for the CEC, the portion of the monthly Occupancy Fee that represents the projected contribution to the reserve fund.
5. The Vendor, during the Purchaser's period of Occupancy,
  - (a) shall provide those services that the CEC corporation will have a duty to provide to owners after the registration of the CEC declaration and description;
  - (b) shall repair and maintain the CEC property in the same manner as the CEC corporation will have a duty to repair after damage and maintain after the registration of the CEC declaration and description;
  - (c) has the same right of entry to CEC property that the CEC corporation will have after the registration of the CEC declaration and description;
  - (d) may withhold consent to an assignment of the right to use CEC property; and
  - (e) may charge a reasonable fee for consenting to an assignment of the right to use CEC property.
6. The Vendor shall proceed with due diligence to register the CEC declaration and description. The Vendor shall, within 30 days of the registration of the CEC declaration and description, notify the Purchaser in writing of the date and instrument numbers of the registration, unless within that time the Purchaser receives a deed to the home that is in registerable form. Upon registration of the CEC declaration and description, the Vendor and Purchaser shall proceed to complete the title transfer on a date designated by the Vendor or its solicitor which shall be no later than sixty (60) days after the registration of the CEC declaration and description. If the Vendor for any reason whatsoever is unable to register the CEC declaration and description and therefore is unable to deliver a registerable Transfer/Deed to the Purchaser within twelve (12) months of the Occupancy Date, the Purchaser shall have the right for a period of 30 days after such twelve (12) month period, to give sixty (60) days written notice to the Vendor, to terminate the Occupancy licence and this Purchase Agreement. If the Purchaser gives notice of termination, the Purchaser shall give up vacant possession and pay the Occupancy Fee to the date of termination, after which this Purchase Agreement and Occupancy licence shall be terminated and section 7 of the Addendum applies.
7. The rights and duties described in section 5 above, apply despite any provision to the contrary in the *Residential Tenancies Act, 2006*.
8. The Vendor shall, on delivering to the Purchaser a Transfer Deed that is in registerable form or as soon as is practicable after delivery, refund to the Purchaser the portion of the monthly Occupancy Fee that the Purchaser has paid on account of municipal taxes attributable to the home in excess of the amount actually assessed against the home.





**Limited Use Freehold Form  
(Tentative Occupancy Date – POTL/CEC)**

9. If the portion of the monthly Occupancy Fee that the Purchaser has paid on account of municipal taxes attributable to the home is insufficient to pay the amount actually assessed against the home, the Vendor may require the Purchaser to pay the difference between the two amounts.
10. Sections 149, 150, 151, 165, 166 and 167 and Part VII of the *Residential Tenancies Act, 2006*, do not apply to Occupancy and monthly Occupancy Fees charged under this Schedule C.
11. In accordance with section 58(1).4 of the *Residential Tenancies Act, 2006*, if the Occupancy arose by virtue of or collateral to the Purchase Agreement, then if the Purchase Agreement is terminated, the Occupancy shall correspondingly be terminated.
12. The Purchaser shall maintain the home in a clean and sanitary condition and not make any alterations or improvements without the prior written approval of the Vendor which may not be unreasonably withheld.
13. The Purchaser shall be responsible for all utility, telephone expenses, cable television service, or other charges and expenses billed directly to the occupant of the home by the supplier of such services.
14. The Purchaser shall as at the Occupancy Date insure the home for the full replacement value thereof and provide a copy of the insurance certificate to the Vendor. The Vendor is not liable for the Purchaser's loss occasioned by fire, theft or other casualty, unless caused or contributed to by the Vendor.
15. The Vendor and Purchaser may agree upon additional provisions relating to Occupancy, provided such provisions do not derogate from, do not conflict with and are not inconsistent with provisions of this Schedule C.

**DISCLOSURE STATEMENT**  
(under subsection 72(3) of the Condominium Act, 1998)

1. **DATE OF DISCLOSURE STATEMENT**  3  day of June, 2016
2. **TYPE OF CORPORATION**                      The Corporation is a freehold condominium corporation that is a common elements condominium corporation.
3. **NAME AND MUNICIPAL ADDRESS OF DECLARANT**
  - (a) Name of Declarant:                      Sunrise Acquisitions (HWY 7) Inc.
  - (b) Municipal Address of Declarant:      c/o Sunrise Homes Ltd.  
50 West Wilmot Street, Suite: 100  
Markham, ON L4B 1M5
  - (c) Mailing Address of the  
Condominium:                              50 West Wilmot Street, Suite: 100  
Markham, ON L4B 1M5
  - (d) Municipal Address of the Condominium:

There is presently no municipal address for the Common Elements Condominium Corporation. It is intended that the Common Elements Condominium Corporation shall consist primarily of common driveways and walkways and shared services including hydro and gas, and storm and sanitary sewers. The parcels of tied land shall have municipal addresses assigned to them in such fashion as may be determined by the municipality.

4. **GENERAL DESCRIPTION OF THE PROPERTY**

- (a) Division and Composition of the Project

The proposed Condominium is a freehold condominium that is a common elements condominium corporation as defined by the Act.

The Declarant proposes to develop a common elements condominium that will be comprised, for the most part, of common driveways and walkways with various shared services including hydro, telephone, gas, and cable, and storm and sanitary sewers located within the common elements. The Condominium is to be developed in conjunction with the development of thirty five (35) townhouse dwellings. Each of Lots 1 through 35 shall form one parcel of tied land ("POTL") on which townhouse dwellings shall be constructed.

A common interest in the Condominium shall attach to each POTL, described in the Declaration, and cannot be severed from any POTL upon a sale or enforcement of any encumbrance registered against title to a POTL.

Delivered to each Purchaser with this Disclosure Statement is a reduced copy of the preliminary draft Condominium Plan showing the location of the Condominium, Draft Site Plan The actual location of certain structures may be altered and/or revised to comply with the final site plan and other approvals from the appropriate governmental authorities. Purchasers are advised that, at present, certain services and facilities intended to be located beneath or within the internal road or on Condominium Property to service the development may be required to be located in areas outside the Condominium Property, and therefore may be located within the proposed POTLs. Accordingly, these areas may be subject to easements in favour of the Corporation or other owners enjoying the use of such services for access, use, repair, maintenance and replacement of such services or facilities.

The Declarant reserves the right to increase or decrease the number of POTLs, provided that each Purchaser's proportionate share of the common expenses shall not increase in a material fashion, and any such changes shall not constitute a material change.

Purchasers of POTLs are advised that during the construction of the Condominium and of the dwellings on the POTLs, the Declarant, its workmen, trades, suppliers, agents, contractors and servants shall be entitled to use those portions of the common elements as may be necessary. Purchasers are advised that construction activity may result in noise, dust, debris and heavy traffic during the day and may interfere with the ordinary use and enjoyment of the Condominium and the POTLs. The Declarant shall make reasonable efforts to minimize such disruption during the course of construction, but nothing shall derogate from the right of the Declarant to complete construction.

(b) Proposed Types and number of Buildings and Units

The Condominium shall consist of common roadways, with the POTLs located adjacent to the Condominium.

(c) Utilities and Other Services

Hydro service supplied to the common elements will be bulk metered and billed directly to the Condominium Corporation by the utility and included in the budget.

It is presently anticipated that there will be no door to door mail delivery, and mail delivery to a communal mail box will be available to the POTLs.

(d) Amenities

Perimeter fencing or a privacy hedge of trees may be required along the edge of the roadway where there is no outlet and will be maintained by the Condominium Corporation and are included in the budget. Privacy fencing required for all POTLs, along with retaining walls and acoustical walls which may be required for some of the POTLs, will be maintained by the owners of the POTLs and shall not be an obligation of the Condominium Corporation.

(e) Easements and Restrictions

The Condominium shall be subject to such easements as disclosed by registered title and described in Schedule "A" to the Declaration. In addition to the easements existing and noted on title to the property as of the date of this Disclosure Statement, further easements are contemplated to be registered. These easements may include an easement for vehicular and pedestrian ingress and egress, for utilities, and for storm and sanitary sewers. Some easements have been described in this Disclosure Statement in a general nature and will be finalized once the specific locations and nature of such easements have been determined.

The POTLs will be subject to easements in favour of the Condominium Corporation for the purposes of installing, maintaining, repairing and replacing, as required, any services which are necessary for the common elements or for providing services to the owners of the POTLs.

5. **DECLARATION, BY-LAWS, RULES AND INSURANCE TRUST AGREEMENT**

Accompanying this Disclosure Statement is a copy of the proposed Declaration, By-laws, Rules and Insurance Trust Agreement.

6. **BRIEF DESCRIPTION OF SIGNIFICANT FEATURES OF VARIOUS AGREEMENTS SUBJECT TO TERMINATION**

(a) Proposed Management Agreement (Section 111 of the Act)

The Corporation will enter into a management agreement following registration of the Condominium for the first year following registration. A copy of the proposed Management Agreement is included with this Disclosure Statement. Purchasers are advised to review the proposed Management Agreement for an understanding of the provisions contained therein.

(b) Other Agreements (Section 112 of the Act)

Such contracts as may be necessary or required for the provision of services to the Condominium may be entered into, including, without limitation, electrical services, landscaping, snow removal, provision of supplies, insurance, legal and accounting services, and other such matters as may be required for the orderly operation of the business of Corporation.

(c) Proposed Insurance Trust Agreement (Section 114 of the Act)

Corporation will not enter into an insurance trust agreement following registration of the Condominium.

**7. MISCELLANEOUS MATTERS**

(a) ONTARIO NEW HOME WARRANTIES PLAN ACT ("ONHWPA")

The Property is not subject to ONHWPA. The Declarant does not intend to enroll the Property under ONHWPA.

(b) The Declarant reserves the right to market POTLs in blocks to investors, but has no present intention of doing so. No restriction has been placed on the number of POTLs that may be purchased by an individual or a corporation.

(d) Declarant does not intend to cause Corporation to amalgamate with another corporation nor does Declarant have any knowledge that Corporation intends to amalgamate with another corporation.

(e) No building on the Property has been or will be converted from a previous use and no buildings are proposed to be constructed on the Property aside from a construction office and/or a sales office which shall remain on the Property until such time as the POTLs are sold.

(f) A Budget Statement for the one year period immediately following registration of Declaration and Description is included with this Disclosure Statement.

(g) There are no fees or charges that Corporation is required to pay to Declarant or another person except as set forth in the Budget. Refer to Budget for all expenses of Corporation and services being provided.

(h) Pursuant to subsection 82(8) of the Act, Declarant is entitled to retain the excess of all interest earned on money held in trust over the interest Declarant is required to pay to purchaser under Section 82 of the Act.

(i) Declarant does not intend to permit any part of common elements to be used for commercial or other purposes not ancillary to residential purposes on the POTLs.

(j) Declarant does not intend to provide any major assets or property to Corporation.

(k) There are no units, assets or services that Corporation is required to acquire nor are there any agreements or leases that Corporation must enter into with Declarant or a subsidiary body corporate, holding body corporate or affiliated body corporate of Declarant.

(l) Declarant owns lands adjacent to the Condominium lands which are presently vacant and which will comprise the POTLs. Application for site plan approval

from the City of Markham is pending.

- (m) No part of the common elements is subject to a lease or license.

8. **RESCISSION RIGHTS (Section 73 of the Act)**

The following is a copy of Section 73 of the Act which sets out the rescission rights available to a Purchaser of a Unit in the Condominium:

"(1) A purchaser who receives a disclosure statement under subsection 72(1) may, in accordance with this section, rescind the agreement of purchase and sale before accepting a deed to the unit being purchased that is in registrable form.

(2) To rescind an agreement of purchase and sale under this section, a purchaser or the purchaser's solicitor shall give a written notice of rescission to the declarant or to the declarant's solicitor who must receive the notice within 10 days of the later of,

- (a) the date that the purchaser receives the disclosure statement; and
- (b) the date that the purchaser receives a copy of the agreement of purchase and sale executed by the declarant and the purchaser.

(3) If a declarant or the declarant solicitor receives a notice of rescission from a purchaser under this section, the declarant shall promptly refund, without penalty or charge, to the purchaser, all money received from the purchaser under the agreement and credited towards the purchase price, together with interest on the money calculated at the prescribed rate from the date that the declarant received the money until the date the declarant refunds it."

10. **RESCISSION RIGHTS UPON MATERIAL CHANGE (Section 74 of the Act)**

The following is a copy of Section 74 of the Agreement which sets out what constitutes a "material change" and the rescission rights available to a purchaser of a POTL in the event of a material change:

"(1) Whenever there is a material change in the information contained or required to be contained in a disclosure statement delivered to a purchaser under subsection 72(1) or a revised disclosure statement or a notice delivered to a purchaser under this section, the declarant shall deliver a revised disclosure statement or a notice to the purchaser.

(2) In this section,

"material change" means a change or a series of changes that a reasonable purchaser, on an objective basis, would have regarded collectively as sufficiently important to the decision to purchase a unit or proposed unit in the corporation that it is likely that the purchaser would not have entered into an agreement of purchase and sale for the unit or the proposed unit or would have exercised the right to rescind such an agreement of purchase and sale under section 73, if the disclosure statement had contained the change or series of changes, but does not include,

- (a) a change in the contents of the budget of the corporation for the current fiscal year if more than one year has passed since the registration of the declaration and description for the corporation;
- (b) a substantial addition, alteration or improvement within the meaning of subsection 97(6) that the corporation makes to the common elements after a turnover meeting has been held under section 43;
- (c) a change in the portion of units or proposed units that the declarant intends to lease;
- (d) a change in the schedule of the proposed commencement and completion dates for the amenities of which construction had not been

completed as of the date on which the disclosure statement was made; or

(e) a change in the information contained in the statement described in subsection 161(1) of the services provided by the municipality for the Minister of Municipal Affairs and Housing, as the case may be as described in that subsection if the unit or the proposed unit is in a vacant land condominium corporation.

(3) The revised disclosure statement or notice required under subsection (1) shall clearly identify all changes that in the reasonable belief of the declarant may be material changes and summarize the particulars of them.

(4) The declarant shall deliver the revised disclosure statement or notice to the purchaser within a reasonable time after the material change mentioned in subsection (1) occurs and, in any event, no later than 10 days before delivering to the purchaser a deed to the unit being purchased that is in registerable form.

(5) Within 10 days after receiving a revised disclosure statement or a notice under subsection (1), a purchaser may make an application to the Ontario Court (General Division) for a determination whether a change or a series of changes set out in the statement or notice is a material change.

(6) If a change or a series of changes set out in a revised disclosure statement or a notice delivered to a purchaser constitutes a material change or if a material change occurs that the declarant does not disclose in a revised disclosure statement or notice required by subsection (1), the purchaser may, before accepting a deed to the unit being purchased that is in registerable form, rescind the agreement of purchase and sale within 10 days of the latest of,

(a) the date on which the purchaser receives the revised disclosure statement or the notice, if the declarant delivered a revised disclosure statement or notice to the purchaser;

(b) the date on which the purchaser becomes aware of a material change, if the declarant has not delivered a revised disclosure statement or notice to the purchaser as required by subsection (1) with respect to the change; and

(c) the date on which the Ontario Court (General Division) makes a determination under subsection (5) or (6) that the change is material, if the purchaser or declarant, as the case may be, has made an application for the determination.

(7) To rescind an agreement of purchase and sale under this section, a purchaser or the purchaser's solicitor shall give a written notice of rescission to the declarant or to the declarant's solicitor.

(8) Within 10 days after receiving a notice of rescission, the declarant may make an application to the Ontario Court (General Division) for a determination whether the change or the series of changes on which the rescission is based constitutes a material change, if the purchaser has not already made an application under subsection (5).

(9) A declarant who receives a notice of rescission from a purchaser under this section shall refund, without penalty or charge, to the purchaser, all money received from the purchaser under the agreement and credited towards the purchase price, together with interest on the money calculated at the prescribed rate from the date that the declarant received the money until the date the declarant refunds it.

(10) The declarant shall make the refund,

(a) within 10 days after received a notice of rescission, if neither the purchaser nor the declarant has made an application for a determination described in subsection (5) or (8) respectively; or

(b) within 10 days after the court makes a determination that the change is material, if the purchaser has made an application under subsection (5) or the declarant has made an application under subsection (8).



## DECLARATION

### COMMON ELEMENTS CONDOMINIUM

THIS DECLARATION (hereinafter called the "Declaration") is made and executed pursuant to the provisions of the *Condominium Act*, 1998, and the regulations made thereunder, as amended from time to time (all of which are hereinafter collectively referred to as the "Act"), by:

#### SUNRISE ACQUISITIONS (HWY 7) INC.

(hereinafter called the "Declarant")

WHEREAS:

- A. The Declarant is the owner in fee simple of certain lands and premises situate in the City of Markham, in the Province of Ontario and being more particularly described in Schedule "A" annexed hereto and in the description submitted herewith by the Declarant (hereinafter called the "Description") for registration in accordance with the Act and which lands are sometimes referred to as the "Lands" or the "Property"; and
- B. The Declarant intends that the Property shall be governed by the Act and that the registration of this Declaration and the Description will create a freehold common elements condominium corporation.

**NOW THEREFORE THE DECLARANT HEREBY DECLARES AS FOLLOWS:**

#### ARTICLE I – INTRODUCTORY

1.1 **Common Elements Condominium**

The registration of this Declaration and the Description will create a freehold common elements condominium corporation.

1.2 **Division of POTLS**

A parcel of tied land may not be divided into two (2) or more parcels unless an amendment is registered to the Declaration that takes into account the division of a parcel of tied land.

1.3 **Definitions**

The terms used in the Declaration shall have the meanings ascribed to them in the Act unless this Declaration specifies otherwise or unless the context otherwise requires and in particular:

- (a) "Board" means the Corporation's Board of Directors;
- (b) "By-Laws" means the by-laws of the Corporation enacted from time to time;
- (c) "Common Elements" means all the Property;
- (d) "Corporation" means the Condominium Corporation created by the registration of this Declaration;
- (e) "Owner" means the Owner or Owners of the freehold homes in a POTL and who owns, pursuant to the Act, a common interest in the common elements, but does not include a mortgagee of a POTL unless in possession;

- (f) "POTL" or "POTLS" means the parcel or parcel(s) of tied land to which a common interest is attached as described in Schedule "D" to this declaration; and
- (g) "Rules" means the Rules passed by the Board.

**1.4 Act Governs the Property**

The Lands described in Schedule "A" annexed hereto and in the Description together with all interests appurtenant to the Lands are governed by the Act.

**1.5 Consent of Encumbrancers**

The consent of every person having a registered mortgage against the Property or interests appurtenant thereto and against each POTL is contained in Schedule "B" attached hereto.

**1.6 Common Interest and Common Expenses**

Each Owner shall have an undivided interest in the Common Elements as a tenant in common with all other Owners in the proportions set forth opposite each POTL in Schedule "D" attached hereto and shall contribute to the Common Expenses in the proportion set forth opposite each POTL in Schedule "D" attached hereto. The total of the proportions of the common interests and proportionate contribution to Common Expenses shall each be one hundred (100%) percent.

**1.7 Address for Service. Municipal Address and Mailing Address of the Corporation**

- (a) The Corporation's address for service shall be 50 West Wilmot Street, Richmond Hill, Ontario L4B 1M5 or such other address as the Corporation may by resolution of the Board determine;
- (b) the Corporation's mailing address shall be 50 West Wilmot Street, Richmond Hill, Ontario L4B 1M5 or such other address as the Corporation may by resolution of the Board determine.
- (c) The Corporation's municipal address is 50 West Wilmot St., Richmond Hill, Ontario L4B 1M5

**1.8 Architect Engineer Certificates**

The certificate(s) of the architect and/or engineer(s) that all buildings and structures that the declaration and description show are included in the Common Elements and have been constructed in accordance with the regulations is/are contained in Schedule "G" attached hereto.

**1.9 Exclusive Use Common Elements**

There are no exclusive use of parts of the Common Elements designated in Schedule "F" attached hereto.

**ARTICLE II - COMMON EXPENSES**

**2.1 Specification of Common Expenses**

Common Expenses means the expenses of the performance of the objects and duties

of the Corporation and such other expenses, costs and sums of money designated as Common Expenses in the Act and this Declaration and without limiting the generality of the foregoing, shall include those expenses set out in Schedules "E" attached hereto.

## **2.2 Payment of Common Expenses**

Each Owner, including the Declarant, shall pay to the Corporation its proportionate share of the Common Expenses, as may be provided for by the By-laws and the assessment and collection of contributions toward Common Expenses may be regulated by the Board pursuant to the By-laws. In addition to the foregoing, any losses, costs or damages incurred by the Corporation by reason of a breach of any provision of this Declaration, or in any Bylaws or rules in force from time to time by any Owner, or by members of its family and/or its respective tenants, invitees or licensees shall be borne and paid for by such Owner and may be recovered by the Corporation against such Owner in the same manner as Common Expenses.

## **2.3 Reserve Fund**

- (a) The Corporation shall establish and maintain one or more Reserve Funds and shall collect from the Owners as part of their contribution towards the Common Expenses, amounts that are reasonably expected to provide sufficient funds for major repair and replacement of Common Elements and assets of the Corporation; and
- (b) No part of the Reserve Fund shall be used except for the purpose for which the funds were established. The Reserve Fund shall constitute an asset of the Corporation and shall not be distributed to any Owner except on termination of the Corporation in accordance with the Act.

## **2.4 Status Certificate**

The Corporation shall, upon request, provide the requesting party with a status certificate and accompanying documentation and information in accordance with the Act. The Corporation shall forthwith provide the Declarant with a status certificate and all such accompanying documentation and information, as may be requested from time to time by or on behalf of the Declarant for any reason whatsoever, all at no charge or fee to the Declarant or the person requesting same on behalf of the Declarant.

## **2.5 Monies Owning**

Monies owing pursuant to this Declaration by the Owner to the Corporation shall bear interest at the prime lending rate of the Corporation's Bank as it may set from time to time plus five percent (5%) compounded monthly until paid, calculated semi-annually, not in advance, or at such other rate or interest as the Board may from time to time establish.

## **2.6 Collection**

All costs, charges and expenses including solicitors' costs, on the basis of costs between a solicitor and the solicitor's own client, incurred by the Corporation in enforcing its rights against an owner, arising from the Act, the Declaration, the By-Laws, the Rules or otherwise, including the costs of bringing an application under Section 134 of the Act, shall be payable by the Owner to the Corporation. All monies, interests and costs payable by an Owner to the Corporation may be collected as additional Common Expense payments and shall be recoverable as such.

# **ARTICLE III - COMMON ELEMENTS**

## **3.1 Use of Common Elements**

Subject to the provisions of the Act, this Declaration, the By-laws and any rules, each Owner has the full use, occupancy and enjoyment of the whole or any parts of the Common Elements for residential purposes only and for uses ancillary thereto, except as herein otherwise provided. Provided that until the sale of all Units and the completion of construction of the Project, the Declarant, its agents and contractors may:

- (i) operation of a model home within a POTL and maintain promotional signage and displays on the Common Elements and on the said POTL;
- (ii) maintain construction trailers or offices on the Common Elements;
- (iii) maintain construction materials on the Common Elements; and
- (iv) have access to the Common Elements to complete construction.

### **3.2 Restricted Access**

Without the consent in writing of the Board, no Owner shall have the right of access to those parts of the Common Elements used from time to time for the care, maintenance or operation of the Property or any part thereof as designated by the Board, from time to time.

### **3.3 Modifications of Common Elements, Assets and Services**

#### **(a) General Prohibition**

No owner shall make any change or alteration to the Common Elements whatsoever, including any installation(s) thereon, nor alter, decorate, renovate, maintain or repair any part of the Common Elements (except for maintaining those parts of the Common Elements which it has a duty to maintain in accordance with the provisions of this Declaration) without obtaining the prior written approval of the Board and having entered into an agreement with the Corporation in accordance with Section 98 of the Act.

#### **(b) Non-Substantial Additions, Alterations and Improvements by the Corporation**

The Corporation may make an addition, alteration, or improvement to the Common Elements, a change in the assets of the Corporation or a change in a service that the Corporation provides to the Owners in accordance with subsections 97(2) and (3) of the Act.

#### **(c) Substantial Additions, Alterations and Improvements by the Corporation**

The Corporation may, by a vote of Owners who own at least sixty-six and two thirds (66 2/3%) percent of the POTLS make a substantial addition, alteration or improvement to the Common Elements, a substantial change in the assets of the Corporation or a substantial change in a service the Corporation provides to the Owners in accordance with subsections 97 (4), (5) and (6) of the Act.

### **3.4 Parking**

Parking shall be permitted only on those parts of the Common Elements designated by the Corporation for parking and as set forth in the Rules. All costs to effect compliance with this provision by any Owner of a POTL may be levied as an additional common expense attributable to such POTL.

## **ARTICLE IV - MAINTENANCE AND REPAIRS**

#### 4.1 Responsibility of Owner

- (a) Each Owner shall be responsible for all damage to the Common Elements, which is caused by the negligence or wilful misconduct of the Owner, its tenants, licensees or invitees, save and except for any such damage for which the cost of repairing same may be recovered under any policy of insurance held by the Corporation.
- (b) Each Owner shall be responsible for the repair, maintenance and replacement costs of the fencing, berming, and retaining walls and acoustical walls on its POTL and at the rear of or at the flankage of the POTL. No owner may substantially change the colour, materials, style, design or type of fences without the prior written consent of the Board.

#### 4.2 Repair and Maintenance by Corporation

The Corporation shall maintain and repair the Common Elements at its own expense. The Corporation shall also maintain and repair all facilities (including without limitation, water mains, storm and sanitary sewers and street lights) which service more than one POTL, whether located within the Common Elements or wholly or partly within a POTL and the Corporation and its designated agents shall have full access to a POTL to carry out its obligation pursuant to this paragraph.

#### 4.3 Snow Clearance by Corporation

The Corporation may pile snow cleared from the Common Elements onto the front or side yards of the POTLS.

### ARTICLE V - INDEMNIFICATION

- 5.1 Each Owner shall indemnify and save harmless the Corporation from and against any loss, costs, damage, injury or liability whatsoever which the Corporation may suffer or incur resulting from or caused by an act or omission of such Owner, its family, guests, visitors or tenants to or with respect to the Common Elements, except for any loss, costs, damages, injury or liability caused by an insured (as defined in any policy or policies of insurance) and insured against by the Corporation. All payments to be made by an Owner pursuant to this Article shall be deemed to be additional contributions toward Common Expenses payable by such Owner and shall be recoverable as such. In the event that any insurance proceeds payable to the Corporation are reduced by the amount of a deductible, and the loss giving rise to such payments was occasioned by the failure, breach, act or omission of an Owner, as set out above, then such Owner shall be liable to the Corporation for the amount of such deductible.

### ARTICLE VI - INSURANCE

#### 6.1 By the Corporation

The Corporation shall obtain and maintain insurance on its own behalf and on behalf of the owners as required or permitted by the Act in such amounts and upon such terms as the Board of Directors may determine from time to time. Every policy of insurance shall insure the interests of the Corporation and the Owners from time to time, as their respective interests may appear

#### 6.2 General Provisions

- (a) The Corporation, its Board and its officers shall have the exclusive right, on behalf of itself and as agents for the Owners, to adjust any loss and settle any claims with respect to all insurance placed by the Corporation, and to give such releases as are required, and any claimant, shall be bound by such adjustment.

- (b) Every mortgagee shall be deemed to have agreed to waive any right to have proceeds of any insurance applied on account of the mortgage where such application would prevent application of the insurance proceeds in satisfaction of an obligation to repair. This subparagraph 6.2(b) shall be read without prejudice to the right of any mortgagee to exercise the right of an Owner to vote or to consent if the mortgage itself contains a provision giving the mortgagee that right;
- (c) A certificate or memorandum of all insurance policies, and endorsements thereto, shall be issued as soon as possible to each Owner, and a duplicate original or certified copy of the policy to each mortgagee who has notified the Corporation of its interest in any POTL. Renewal certificates or certificates of new insurance policies shall be furnished to each Owner and to each mortgagee noted on the records of the Corporation who have requested same. The master policy for any insurance coverage shall be kept by the Corporation in its offices, available for inspection by any Owner or mortgagee on reasonable notice to the Corporation;
- (d) No insured, other than the Corporation, shall be entitled to amend any policy or policies of insurance obtained and maintained by the Corporation. No insured shall be entitled to direct that the loss shall be payable in any manner other than as provided in the Declaration and the Act;
- (e) Where insurance proceeds are received by the Corporation or any other person, they shall be held in trust and applied for the same purposes as are specified otherwise in this Article VI; and
- (f) Prior to obtaining any new policy or policies of insurance and at such other time as the Board may deem advisable and in any event, at least every three (3) years, the Board shall obtain an appraisal from an independent qualified appraiser of the full replacement cost of the assets for the purpose of determining the amount of insurance to be effected and the cost of such appraisal shall be a Common Expense.

### **6.3 By the Owner**

It is acknowledged that the foregoing insurance is the only insurance required to be obtained and maintained by the Corporation and that the following insurance should be obtained and maintained by each Owner at such Owner's own risk:

- (a) Insurance on the Owner's POTL and all buildings constructed thereon. Every such policy of insurance shall contain waiver of subrogation against the Corporation, its manager, agents, employees and servants and against the other Owners and any members of their household or guests except for any damage arising from arson, fraud, vehicle impact, vandalism or malicious mischief caused or contributed by any of the aforementioned parties.
- (b) Public liability insurance covering any liability of any Owner or any resident, tenant, invitee or licensee of such Owner, to the extent not covered by any public liability and property damage insurance obtained and maintained by the Corporation.
- (c) Insurance covering the deductible on the Corporation's main policy for which an owner may be responsible.

**ARTICLE VII - GENERAL MATTERS AND ADMINISTRATION**

**7.1 Invalidity**

Each of the provisions of this Declaration shall be deemed independent and severable, and the invalidity or unenforceability in whole or in part of any one or more of such provisions shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration, and in such event all of the other provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been included herein.

**7.2 Waiver**

The failure to take action to enforce any provision contained in the Act, this Declaration, the By-laws or any other rules and regulations of the Corporation, irrespective of the number of violations or breaches which may occur, shall not constitute a waiver of the right to do so thereafter, nor be deemed to abrogate or waive any such provision.

**7.3 Interpretation of Declaration**

This Declaration shall be read with all changes of number and gender required by the context.

**7.4 Headings**

The headings in the body of this Declaration form no part of the Declaration but shall be deemed to be inserted for convenience of reference only.

**IN WITNESS WHEREOF** the Declarant has hereunto executed this Declaration under the hands of its proper officer duly authorized in that behalf.

DATED at Markham this \_\_\_\_ day of \_\_\_\_\_, 2016.

**SUNRISE ACQUISITIONS (HWY 7) INC.**

Per: \_\_\_\_\_  
Sajjad Hussain – ASO

I have authority to bind the Corporation



**SCHEDULE "B"**

**CONSENT**

(under clause 7(2)(b) of the Act)

**CONSENT UNDER CLAUSE 7(2)(b) OF THE ACT**

1. KingSett Mortgage Capital has a registered mortgage within the meaning of clause 7(2)(b) of the *Condominium Act, 1998*, registered at the Land Registry Office for the Land Titles Division of York.
2. KingSett Mortgage Capital hereby consents to the registration of this Declaration pursuant to the *Condominium Act, 1998*, against the land or interests appurtenant to the land as the land and the interests are described in the Description.
3. KingSett Mortgage Capital postpones its mortgage and the interests under it to the Declaration and the easements described in Schedule "A" to the Declaration.
4. KingSett Mortgage Capital is entitled by law to grant this consent and postponement.

DATED at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

KingSett Mortgage Capital

Per: \_\_\_\_\_  
 Name:  
 Title:

Per: \_\_\_\_\_  
 Name:  
 Title:

I/We have authority to bind the Corporation

**SCHEDULE "B"**

**CONSENT TO ATTACHMENT OF A COMMON INTEREST**

(under clause 140(c) of the *Condominium Act, 1998*)

1. KingSett Mortgage Captial has a mortgage registered in the Land Titles Division of against a parcel of land (known as the "Parcel") to which a common interest in a common elements condominium corporation (known as the "Corporation") will attach upon the registration of the attached declaration (known as the "Declaration") dated \_\_\_\_\_ and the description (known as the "Description") creating the Corporation.
2. KingSett Mortgage Captial acknowledges that, upon the registration of this Declaration and Description, the Parcel will become subject to all encumbrances, if any, outstanding against the property described in Schedule "A" to the Declaration.
3. KingSett Mortgage Captial consents to the registration of a notice in the prescribed form indicating that a common interest in the Corporation, as the common interest is set out in Schedule "D" to the Declaration, attaches to the Parcel upon the registration of the Declaration and Description.

DATED at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

KingSett Mortgage Captial

Per: \_\_\_\_\_  
Name:  
Title:

Per: \_\_\_\_\_  
Name:  
Title:

I/We have authority to bind the Corporation

## SPECIFICATION OF COMMON EXPENSES

### (Common Elements Condominium)

Common expenses, without limiting the definition ascribed thereto, shall include the following:

- (a) all sums of money paid or payable by the Corporation in connection with the performance of any of its objects, duties and powers whether such objects, duties and powers are imposed by the Act or this Declaration and By-laws of the Corporation or other law or by agreement;
- (b) all sums of money properly paid by the Corporation on account of any and all public and private suppliers to the Corporation of insurance coverage, utilities and services including, without limiting the generality of the foregoing, levies or charges payable on account of:
  - (i) insurance premiums;
  - (ii) electricity respecting common elements;
  - (iii) maintenance materials, tools and supplies;
  - (iv) snow removal from common element roads and to remove same from the site, if required, and landscaping of common element areas: and
  - (v) utilities (hydro) to service the common elements, including all street lighting.
- (c) all sums of money paid or payable by the Corporation pursuant to any management contract which may be entered into between the Corporation and a manager;
- (d) all sums of money required by the Corporation for the acquisition or retention of real property for the use and enjoyment of the property or for the acquisition, repair, maintenance or replacement of personal property for the use and enjoyment in or about the common elements;
- (e) all sums of money paid or payable by the Corporation to any and all persons, firms, or companies engaged or retained by the Corporation, its duly authorized agents, servants and employees for the purpose of performing any or all of the objects, duties and powers of the Corporation including, without limitation, legal, engineering, accounting, auditing, expert appraising, advising, maintenance, managerial, secretarial or other professional advice and service required by the Corporation;
- (f) the cost of the repair, maintenance, inspection, or replacement of the Common Elements as required from time to time;
- (g) the cost of borrowing money for the carrying out of the objects, duties and powers of the Corporation;
- (h) the fees and disbursements of the Insurance Trustee, if and when required, and of obtaining insurance appraisals;
- (i) the cost of maintaining fidelity bonds as provided by By-law;
- (j) all sums required to be paid to the reserve fund as required by the Declaration or in accordance with the agreed upon annual budget of the Corporation.

**SCHEDULE "F"**  
**EXCLUSIVE USE COMMON ELEMENTS**

There are no exclusive use common elements

DRAFT

**SCHEDULE "G"**

**Form 17**

*Condominium Act, 1998*

CERTIFICATE OF ARCHITECT OR ENGINEER  
(SCHEDULE G TO DECLARATION FOR A COMMON ELEMENTS)  
(under clauses 8 (1) (e) and (h) or clauses 157 (1) (c) and (e) of the *Condominium Act, 1998*)

I certify that:

Each building and structure that the declaration and description show are included in the common elements has been constructed in accordance with the regulations made under the *Condominium Act, 1998*, with respect to the following matters:

- 1,2,3 The declaration and description show that there are no buildings or structures included in the common elements.
4. There are no underground garages.
5. There are no elevating devices as defined in the *Elevating Devices Act*, except for elevating devices contained wholly in a unit and designed for use only within the unit.
6. All installations with respect to the provision of water and sewage services are in place and operable.
7. There are no installations with respect to the provision of heat and ventilation.
8. There are no installations with respect to the provision of air conditioning.
9. All installations with respect to the provision of electricity are in place and operable.
10. There are no indoor and outdoor swimming pools.
11. All facilities and services that the declaration and description show are included in the common elements have been installed and provided in accordance with the requirements of the municipalities in which the land is situated or the requirements of the Minister of Municipal Affairs and Housing, if the land is not situated in a municipality.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
(print name)

Professional Architect/Engineer

**SCHEDULE "H"**

**List of all buildings, structures, facilities and services that are included in the Common Elements:**

**BUILDINGS AND STRUCTURES**

There are no buildings or structures located within the Common Elements of the Corporation.

**FACILITIES AND SERVICES**

1. Storm and sanitary sewers, sump pumps within common areas, catch basins, manholes, water service, main line tee, shut off valves, fire hydrants, or other services or installations under or over the lands, which supply service to the Common Elements of the Corporation formed upon registration of this declaration and description and to more than one POTL.
2. electrical, switch gear, transformers, wires, pipes, valves, meters or other services or installations through, under or over the lands, which supply electrical service to the Common Elements of the Corporation formed upon registration of this declaration and description and to more than one POTL.
3. Street Lighting.
4. Common mail box.
5. Roads and sidewalks and perimeter fencing at edges of roads.
6. Provision of gas service.
7. Provision of telephone conduits.
8. Provision of television and cable conduits.









**UNIONVILLAS**  
UPTOWN LIVING IN UNIONVILLE

**BUDGET STATEMENT**  
**FOR THE FIRST YEAR OF OPERATIONS**

**January 2016**



**UNIONVILLAS**  
UPTOWN LIVING IN UNIONVILLE

Budget statement for the common expenses for the year following registration of the declaration and description of the proposed Common Element Condominium corporation at Lichfield Road, Markham, Ontario.

**REVENUE**

Common Element Fees	\$54,578	
<b>TOTAL REVENUE</b>		<b>\$54,578</b>

**ADMINISTRATION**

Management Fees	\$20,340	
Insurance	3,000	
Legal	565	
Audit	3,843	
Office Expenses	500	
<b>TOTAL ADMINISTRATION EXPENSES</b>		<b>\$28,248</b>

**UTILITIES**

Hydro	\$1,200	
<b>TOTAL UTILITIES</b>		<b>\$1,200</b>

**CONSULTING**

Performance Audit	\$6,215	
<b>TOTAL CONSULTING</b>		<b>\$6,215</b>

**CONTRACTS**

Snow Clearing	\$8,000	
<b>TOTAL CONTRACTS</b>		<b>\$8,000</b>

**RESERVE FUND**

Reserve Fund Provision	\$6,961	
Reserve Fund Provision for Reserve Fund Study	3,955	
<b>TOTAL RESERVE FUND</b>		<b>\$10,916</b>

<b>TOTAL EXPENSES</b>		<b>\$54,578</b>
-----------------------	--	-----------------

If registration of the declaration and description occurs after December 31, 2017, then the budget statement shall be read as increased by an inflation rate of 7.5% per annum and compounded annually. The date contained in this clause is not a guarantee that registration will take place on this date.



**UNIONVILLAS**  
 UPTOWN LIVING IN UNIONVILLE

**NOTES TO THE BUDGET**

**I. INDIVIDUAL POTL ASSESSMENT:**

The monthly common element charge for each unit is determined by dividing the total budgeted common element fees attributed to the property by twelve (12) to determine the monthly assessment. This amount is multiplied by the POTL's percentage contribution to common expenses, as shown in Schedule "D" of the proposed declaration, to find the monthly individual common element charges.

**1. Total Monthly Common Element Assessment:**

$$\$54,578 \text{ divided by } 12 = \$4,548.18$$

**2. Monthly Individual Common Element Assessment:**

Individual POTL monthly common element assessments are determined by multiplying the total monthly common element assessment (\$4,548.18) by the percentage contribution to common expenses of each POTL. Please see the Schedule at the back of this Budget Statement for the individual POTL monthly common element assessment.

**II. OPERATING EXPENSES:**

**1. ADMINISTRATION \$28,248**

**a. Management Fees \$20,340**

This covers the cost of the services of a property management company to administer the affairs of the condominium corporation and as detailed in the property management contract included in the Disclosure Statement Package. The contract for the first year is set at \$35.00 per unit per month plus the H.S.T. for part time property management.

**b. Less Declarant Subsidy \$0**

The cost of the Property Management services for the 1st 12 (twelve) months after registration will be paid for by the Declarant at the contracted price of \$0 plus the H.S.T. as stated in the Budget Notes above .

**c. Insurance \$3,000**

This amount covers all insurance costs, including fire (all risk), comprehensive general liability, all major equipment and directors and officers liability coverage, as applicable.

**d. Legal \$565**

Provision has been made for the appointment of independent legal counsel for the Corporation at the discretion of the Board of Directors and to a maximum amount of \$500 plus the H.S.T.

**e. Audit \$3,843**

Section 43(7) of the Condominium Act requires an audit sixty (60) days after the turn over meeting (The Turnover Audit) and Section 67 requires an audit for each fiscal year. This provision is the estimated cost to complete both the audits during the year.



UNIONVILLAS  
UPTOWN LIVING IN UNIONVILLE

## NOTES TO THE BUDGET

- f. Office Expenses \$500

This budgeted amount provides for any office expenses directly related to the operation of the corporation including various office supplies, photocopying, mailings, the annual general meeting, CCI membership, bank charges and other such expenses.

- 2. UTILITIES \$1,200**

- a. Hydro \$1,200

The budget is based on comparable property requirements and the current rates from the PowerStream website of 9.9 cents per kilowatt hour and administrative/distribution charges have been escalated by 3% and compounded annually. The budget includes electricity for the common areas only such as for street lighting etc. Each POTL will be separately metered or check metered and the cost of electricity to the POTL will be the responsibility of the respective POTL owner and will not form part of the common expenses. Should the rates for hydro at time of registration be greater than 10.5 cents per kilowatt hour or the administrative/distribution charges have increased from current charges, then the budget will be adjusted accordingly to reflect the rates at the time of registration.

- 3. CONSULTING \$6,215**

- a. Performance Audit \$6,215

The cost of the engineering study, to be conducted by the Declarant Board of Directors, to examine the common element areas and to file with the Tarion Warranty Program during the first year. This is a one time expense.

The Declarant shall arrange for an Agreement on behalf of the Corporation with an independent engineering consultant to prepare a Performance Audit within one (1) year immediately following registration of the Declaration and the Description. The Performance Audit shall be conducted by professional consulting engineers who shall make a thorough examination of the common element areas and assess the as-constructed condition of the various systems and components of the common element areas in order to provide the corporation with a report on the common element areas which will assist the corporation in assessing repair and maintenance requirements and in preserving any rights which the corporation may have under the Ontario New Home Warranties Plan Act. The Declarant has negotiated a price for the Performance Audit (the "Contracted Price") which has been included in the Budget as a first year expense of the corporation.

The Corporation is not restricted to the consulting engineers for the Performance Audit being prepared as set out herein. However, in the event that the corporation retains an alternate and/or additional consulting engineer to undertake the Performance Audit, at a higher cost than the Contracted Price negotiated by the Declarant then, the Declarant shall only be responsible for the amount of the Contracted Price, pursuant to Section 75 of the Condominium Act, and any expenses in excess of this stated amount shall be the sole responsibility of the condominium corporation.



UNIONVILLAS  
UPTOWN LIVING IN UNIONVILLE

## NOTES TO THE BUDGET

<b>4. CONTRACTS</b>	<b>\$8,000</b>
<ul style="list-style-type: none"> <li>a. Snow Clearing</li> </ul>	<ul style="list-style-type: none"> <li>\$8,000</li> </ul>
<p>Provision to clear snow and ice from Common Element roadway(s) in the winter, including the cost of sand and ice melting salt substitute. The provision does not include snow clearing from the front of walkways, stairs and driveways as applicable, or with in any POTL. As such, snow clearing within each POTL will be the responsibility of POTL owner.</p>	
<b>III. CONTRIBUTION TO THE RESERVE FUND</b>	<b>\$10,916</b>
<ul style="list-style-type: none"> <li>a. Reserve Fund Provision</li> </ul>	<ul style="list-style-type: none"> <li>\$6,961</li> </ul>
<p>The Condominium Act 1998 of Ontario defines the reserve fund as a fund set up by the corporation in a special account for the major repair and replacement of common elements and assets of the corporation. The provision is calculated at 25%, including the cost of the reserve fund study, of the estimated operating expenses. Future allocations will be dictated by the reserve fund study, to be completed in the first year after registration.</p>	
<ul style="list-style-type: none"> <li>b. Reserve Fund Provision for Reserve Fund Study</li> </ul>	<ul style="list-style-type: none"> <li>\$3,955</li> </ul>
<p>The Condominium Act of Ontario (Section 94 (4)) requires every condominium corporation to establish a reserve fund based on a study to be conducted in the first year after registration. Section 94(7) allows for the reserve fund study to be expensed from the reserve fund.</p>	
<b>IV. GENERAL NOTES TO THE BUDGET</b>	
<ul style="list-style-type: none"> <li>a. The total common expenses of this proposed Condominium Corporation, including the provision to the reserve fund is \$54,578 as shown on the Budget Statement.</li> <li>b. The cost of each expense item is shown on the Budget Statement. The cost of the Reserve Fund Study is \$3,500 plus H.S.T.; the cost of the Performance Audit is \$5,500 plus H.S.T.; the cost of both the turn over and year end financial audits is \$3,401 plus H.S.T.</li> <li>c. The cost, type, level and frequency of services is detailed in the notes above.</li> <li>e. As stated in the notes above, 25% of the operating expenses will be paid into the reserve fund account. The provision is \$10,916.</li> <li>f. At the time of preparation of the Budget Statement, January 2016, there are no judgments, with respect to the property, against the Declarant nor is the Declarant Corporation a party to any lawsuit material to the within property.</li> <li>g. There are no services not included in the foregoing Budget that the Declarant provides, or expenses that the Declarant pays and that might reasonably be expected to become, at a subsequent time, a common expense prior to the turn-over meeting.</li> <li>h. There are no services not included in the foregoing Budget that the Declarant provides, or expenses that the Declarant pays and that might reasonably be expected to become, at a subsequent time, a common expense.</li> </ul>	



UNIONVILLAS  
UPTOWN LIVING IN UNIONVILLE

## NOTES TO THE BUDGET

- i. As at the date of the foregoing Budget, the Condominium Corporation has not been created and accordingly, there are no amounts in the Reserve Fund. At the end of the first year after registration, there should be \$6,960.64 in the reserve fund account.
- j. As at the date of the foregoing Budget, January 2016, the Condominium Corporation has not been created and accordingly, there is no reserve fund study. As stated in the Notes above, the reserve fund study will be completed after registration by an independent engineer.
- k. The Harmonized Sales Tax is included in all applicable expense items on the Budget Statement.
- l. There are no current or expected fees, charges, rents or other revenue to be paid to or by the Corporation or by any of the owners for the use of the common elements or other facilities related to the property.
- m. Inflation rate of 7.5% is to be applied per annum (unless otherwise stated) each year after December 31, 2017. Provided however, that due to the significant fluctuation in gas, hydro and water utility rates recently, in respect to which the Declarant has no control, in the event that the relevant utility company/provider obtains relevant government approval for, or in any other way effects a significant annual increase in the utility rates above the assumed inflation rate of 3%, the Declarant reserves the right to revise the first year budget statement to reflect such significant increase in the cost of supplying these utilities from the relevant utility company/provider, and to provide each unit purchaser with a revised copy of the condominium Corporation's first year budget statement. In such event, purchasers acknowledge and agree that they shall be bound by such revised budget, and the acceptance of such revised budget should not be considered nor be construed as a material change to the Disclosure Statement.
- n. The Declaration contains a provision whereby during the first year following registration of the Declaration, the Declarant shall not be required to contribute to the payment of common expenses for a POTL until the registration of a Transfer of title from the Declarant for such POTL. Purchasers acknowledge that this may give rise to a deficit in the Budget for the first year following registration of the Declaration, however, the Purchaser acknowledges that the Declarant is responsible for any deficit in accordance with the provisions of Section 75 of the Act. In order to offset any such deficit, the Declarant will provide certain services set out in the Budget, as it determines, in its sole discretion, during the first year following registration of the Declaration, in order to reduce certain actual expenses to be incurred by the Corporation.





**UNIONVILLAS**  
UPTOWN LIVING IN UNIONVILLE

**MONTHLY COMMON ELEMENT FEES**

POTL NO.	POTL DESCRIPTION	MONTHLY COMMON ELEMENT FEES BY POTL
1	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 1 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
2	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 2 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
3	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 3 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
4	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 4 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
5	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 5 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
6	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 6 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
7	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 7 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
8	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 8 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
9	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 9 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
10	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 10 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
11	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 11 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
12	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 12 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
13	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 13 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
14	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 14 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
15	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 15 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95



UNIONVILLAS  
UPTOWN LIVING IN UNIONVILLE

**MONTHLY COMMON ELEMENT FEES**

POTL NO.	POTL DESCRIPTION	MONTHLY COMMON ELEMENT FEES BY POTL
16	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 16 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
17	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 17 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
18	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 18 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
19	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 19 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
20	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 20 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
21	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 21 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
22	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 22 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
23	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 23 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
24	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 24 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
25	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 25 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
26	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 26 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
27	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 27 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
28	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
29	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
30	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95



**UNIONVILLAS**  
 UPTOWN LIVING IN UNIONVILLE

**MONTHLY COMMON ELEMENT FEES**

POTL NO.	POTL DESCRIPTION	MONTHLY COMMON ELEMENT FEES BY POTL
31	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
32	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
33	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
34	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
35	In the City of Markham , County of York being comprised of Block 7, inclusive on Registered Plan 65M-3019 designated as PART 28 on Reference Plan 65R-XXXXX being of P.I.N. XXXXX-XXXX. (LT)	\$129.95
<b>TOTAL</b>		<b>\$4,548.18</b>


**Ontario**

**ON**  
 CANADA

**Driver's Licence**  
**Permis de conduire**



1,2 NAME/ NOM  
**KODWAVI,  
 SAFANA MUZAMMIL**

7 72 GRAND VILLORE CRES  
 WOODBRIDGE, ON, L4H 0N8

4d NUMBER/  
 NUMÉRO **K6096 - 68468 - 96018**

4a ISS/ DEL **2017/10/18**      4b EXP/ EXP. **2022/10/18**

6 DD/ REF **DX9460759**      16 HGT/ HAUT. **168 cm**

15 SEX/ SEXE **F**

9 CLASS/  
 CATEG. **G**

12 REST/  
 COND.



3 DOB/ DDN **1989/10/18**

*Safana Muzammil*

## **Appendix “E”**



August 16, 2021

**DELIVERED BY E-MAIL (safanakodwavi1@gmail.com)**

Safana Kidwavi  
72 Grand Vellore  
Woodbridge, Ontario  
L4H 0N8

Dear Ms. Kodwavi:

**Re: Receivership of Sunrise Acquisitions (Hwy 7) Inc. (the "Company")**

Pursuant to an order (the "Receivership Order") of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated June 9, 2021, KSV Restructuring Inc. was appointed receiver and manager (in such capacity, the "Receiver") of all assets, undertakings and properties of the Company and the proceeds therefrom. A copy of the Receivership Order is enclosed with this letter for your reference.

This letter is being sent to you in connection with the Agreement of Purchase and Sale dated January 25, 2017 (the "APS") between the Company, as vendor, and yourself, as purchaser (the "Purchaser") for Lot 47 on a draft plan of subdivision, Town of Markham attached as Schedule "B" thereto and the house or dwelling defined as RT-3, U22 (the "Property"). Terms not otherwise defined in this letter have the meaning ascribed to them in the APS.

The Receiver has been advised by the Company that you took interim possession of the Property ("Occupancy"). As a result, pursuant to paragraph 3 of Schedule "C" to the Tarion Addendum to Agreement of Purchase and Sale of the APS, the Purchaser is obligated to pay to the Company a monthly Occupancy Fee from and after Occupancy (collectively, the "Occupancy Fees"). The Receiver is hereby requesting evidence in the form of bank statements, cheques or otherwise (the "Occupancy Fee Evidence") that the Occupancy Fees were in fact paid to the Company on a monthly basis in compliance with paragraph 3 of Schedule "C" to the Tarion Addendum to Agreement of Purchase and Sale of the APS.

In addition, while the Receiver has obtained a copy of the lease agreement dated June 9, 2020 between you, as landlord, and Haoran Zhang, Junhao Liao, Gaoxiang Zhou, and Binyu Li, as tenants, we note that the term of the lease expired on June 30, 2021. Please advise as to the current status of the lease arrangement and provide any correspondence or documentation related to any extensions (the "Lease Information", and together with the Occupancy Fee Evidence, the "Requested Information").

The Receiver hereby requests that the Requested Information be provided forthwith, and in any event, no later than August 20, 2021 (the "Deadline"). Failure to provide the Receiver with the Requested Information prior to the Deadline may result in the Receiver taking any steps it deems appropriate, including seeking relief from the Court.



Please note that the Receiver continues to review, among other things, the APS and related matters. Nothing in this letter shall constitute or be deemed to be a waiver by the Receiver of any rights or remedies it might have in connection with the APS. For greater certainty, nothing in this letter shall prejudice any right the Receiver may have to seek to disclaim the APS. The Receiver reserves the right to take such actions as it considers necessary or desirable and to exercise all available rights and remedies in the circumstances, whether at law, in equity or otherwise. Time will, in all respects, be of the essence with respect to the matters set out in this letter.

Should you have any questions, please do not hesitate to contact the undersigned.

Yours very truly,

**KSV RESTRUCTURING INC.  
SOLELY IN ITS CAPACITY AS COURT APPOINTED RECEIVER AND MANAGER OF  
THE PROPERTY  
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITIES**



Per: Emily Klein

Encl.

c.c. Noah Goldstein (KSV Restructuring Inc.)  
Sean Zweig and Aiden Nelms (Bennett Jones LLP)



Court File No. CV-21-00663051-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

THE HONOURABLE

JUSTICE WILTON-SIEGEL

)
   
 )
   
 )

WEDNESDAY, THE 9<sup>TH</sup>

DAY OF JUNE, 2021

**BETWEEN:**

KINGSETT MORTGAGE CORPORATION

Applicant

- and -

SUNRISE ACQUISITIONS (HWY 7) INC.

Respondent



APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

**ORDER  
(appointing Receiver)**

THIS APPLICATION made by the Applicant 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 KSV Restructuring Inc. ("KSV") as receiver and manager (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of Sunrise Acquisitions (Hwy 7) Inc. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor and the proceeds therefrom, including, without limitation, the real property legally described within PINs 02985-0591 (LT), 02985-0595 (LT), 02985-0596 (LT), 02985-0597 (LT), 02985-0598 (LT), and 29951-0001 (LT) (the "Real Property" and, collectively with the Debtor's other assets, undertakings and

-2-

properties, "Property") was heard this day by Zoom videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Daniel Poffack sworn May 28, 2021 and the Exhibits thereto, the Supplemental Affidavit of Daniel Poffack sworn June 1, 2021 and the Exhibit thereto, and the Affidavit of Muzammil Kodwavi sworn June 9, 2021 and the Exhibit thereto, and on hearing the submissions of counsel for the Applicant and such other parties listed on the Participant Information Form, no one appearing for any other party although duly served as appears from the Affidavits of Service of Benjamin Goodis sworn May 28, 2021 and June 1, 2021, and the Affidavit of Service of Norman Ng sworn May 28, 2021, and on reading the Consent of KSV 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 motion 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, KSV is hereby appointed Receiver, without security, of 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:

-3-

- (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) subject to paragraph 4 of this Order, 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 engage consultants, appraisers, agents, real estate brokers, 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;
- (e) subject to paragraph 4 of this Order, 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;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and, subject to paragraph 4 of this Order, to exercise all remedies of the Debtor in collecting such monies; including, without limitation, to enforce any security held by the Debtor;

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- (g) subject to paragraph 4 of this Order, to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) 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;
- (i) subject to paragraph 4 of this Order, 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;
- (j) subject to paragraph 4 of this Order, 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;
- (k) subject to paragraph 4 of this Order, to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
  - (i) without the approval of this Court in respect of any transactions not exceeding \$250,000, provided that the aggregate consideration for all such transactions does not exceed \$500,000; and
  - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause, and in each such case notice under

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subsection 83(4) of the Ontario *Personal Property Security Act* and notice under section 31 of the Ontario *Mortgages Act* shall not be required,

- (l) subject to paragraph 4 of this Order, 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;
- (m) 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;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) 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;
- (p) 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;
- (q) subject to paragraph 4 of this Order, to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

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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 (as defined below), including the Debtor, and without interference from any other Person.

4. THIS COURT ORDERS that the Receiver shall not exercise the powers granted to it in sub-paragraphs 3(c), 3(e), 3(f), 3(g), 3(i), 3(j), 3(k), 3(l), and 3(q) until further Order of the Court, except as may be reasonably necessary to preserve and protect the Property or to examine and investigate the business, contracts, and affairs of the Debtor or relating to the Property.

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER**

5. 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, and (iii) 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.

6. 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

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nothing in this paragraph 6 or in paragraph 7 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.

7. 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.

#### **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 their 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 \$200,000 (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 "A"** 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.

#### SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "Protocol") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) 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 Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: <https://www.ksvadvisory.com/insolvency-cases/case/sunrise-acquisitions>.

26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol 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**

27. 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.

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

29. 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.

30. 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.

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



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32. 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.

W. H. H. - H. M. J.

**SCHEDULE "A"**  
**RECEIVER CERTIFICATE**

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that KSV Restructuring Inc., the receiver and manager (the "Receiver") of the assets, undertakings and properties of Sunrise Acquisitions (Hwy 7) Inc. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor and the proceeds therefrom, including, without limitation, the real property legally described within PINs 02985-0591 (LT), 02985-0595 (LT), 02985-0596 (LT), 02985-0597 (LT), 02985-0598 (LT), and 29951-0001 (LT) (the "Real Property" and, collectively with the Debtor's other assets, undertakings and properties, "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the \_\_\_\_ day of \_\_\_\_\_, 2021 (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

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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 \_\_\_\_\_, 2021.

KSV Restructuring Inc., solely in its capacity as  
Receiver of the Property, and not in its personal  
capacity

Per: \_\_\_\_\_

Name:

Title:

KINGSETT MORTGAGE CORPORATION  
Applicant

and

SUNRISE ACQUISITIONS (HWY 7) INC.  
Respondent

Court File No. CV-21-00863051-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)  
PROCEEDING COMMENCED AT  
TORONTO**

**ORDER (APPOINTING RECEIVER)**

**Cassels Brock & Blackwell LLP**  
2100 Scotia Plaza  
40 King Street West  
Toronto, ON M5H 3C2

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bgoodis@cassels.com

Lawyers for the Applicant



August 16, 2021

**DELIVERED BY E-MAIL (mahveshh@yahoo.com)**

Mahvesh Hussain  
24 Sutherland Drive  
Toronto, Ontario  
M4G 1G8

Dear Ms. Hussain:

**Re: Receivership of Sunrise Acquisitions (Hwy 7) Inc. (the "Company")**

Pursuant to an order (the "Receivership Order") of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated June 9, 2021, KSV Restructuring Inc. was appointed receiver and manager (in such capacity, the "Receiver") of all assets, undertakings and properties of the Company and the proceeds therefrom. A copy of the Receivership Order is enclosed with this letter for your reference.

This letter is being sent to you in connection with the Agreement of Purchase and Sale dated January 25, 2017 (the "APS") between the Company, as vendor, and yourself, as purchaser (the "Purchaser") for Lot 48 on a draft plan of subdivision, Town of Markham attached as Schedule "B" thereto and the house or dwelling defined as RT-2, U23 (the "Property"). Terms not otherwise defined in this letter have the meaning ascribed to them in the APS.

The Receiver has been advised by the Company that you took interim possession of the Property ("Occupancy"). As a result, pursuant to paragraph 3 of Schedule "C" to the Tarion Addendum to Agreement of Purchase and Sale of the APS, the Purchaser is obligated to pay to the Company a monthly Occupancy Fee from and after Occupancy (collectively, the "Occupancy Fees"). The Receiver is hereby requesting evidence in the form of bank statements, cheques or otherwise (the "Occupancy Fee Evidence") that the Occupancy Fees were in fact paid to the Company on a monthly basis in compliance with paragraph 3 of Schedule "C" to the Tarion Addendum to Agreement of Purchase and Sale of the APS.

In addition, while the Receiver has obtained a copy of the lease agreement dated April 1, 2020 between you, as landlord, and Jemima Khan, Fatema Hazari and Murtadha Al-dallal, as tenants, we note that the term of the lease expired on April 30, 2021. Please advise as to the current status of the lease arrangement and provide any correspondence or documentation related to any extensions (the "Lease Information", and together with the Occupancy Fee Evidence, the "Requested Information").

The Receiver hereby requests that the Requested Information be provided forthwith, and in any event, no later than August 20, 2021 (the "Deadline"). Failure to provide the Receiver with the Requested Information prior to the Deadline may result in the Receiver taking any steps it deems appropriate, including seeking relief from the Court.

Please note that the Receiver continues to review, among other things, the APS and related matters. Nothing in this letter shall constitute or be deemed to be a waiver by the Receiver of any rights or remedies it might have in connection with the APS. For greater certainty, nothing in this letter shall prejudice any right the Receiver may have to seek to disclaim the APS. The Receiver reserves the right to take such actions as it considers necessary or desirable and to exercise all available rights and remedies in the circumstances, whether at law, in equity or otherwise. Time will, in all respects, be of the essence with respect to the matters set out in this letter.

Should you have any questions, please do not hesitate to contact the undersigned.

Yours very truly,

**KSV RESTRUCTURING INC.  
SOLELY IN ITS CAPACITY AS COURT APPOINTED RECEIVER AND MANAGER OF  
THE PROPERTY  
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITIES**



Per: Emily Klein

Encl.

c.c. Noah Goldstein (KSV Restructuring Inc.)  
Sean Zweig and Aiden Nelms (Bennett Jones LLP)

Court File No. CV-21-00663051-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

THE HONOURABLE  
JUSTICE WILTON-SIEGEL

)  
)  
)

WEDNESDAY, THE 9<sup>TH</sup>  
DAY OF JUNE, 2021

**BETWEEN:**

**KINGSETT MORTGAGE CORPORATION**

Applicant

- and -

**SUNRISE ACQUISITIONS (HWY 7) INC.**

Respondent



APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

**ORDER  
(appointing Receiver)**

THIS APPLICATION made by the Applicant 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 KSV Restructuring Inc. ("KSV") as receiver and manager (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of Sunrise Acquisitions (Hwy 7) Inc. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor and the proceeds therefrom, including, without limitation, the real property legally described within PINs 02985-0591 (LT), 02985-0595 (LT), 02985-0596 (LT), 02985-0597 (LT), 02985-0598 (LT), and 29951-0001 (LT) (the "Real Property" and, collectively with the Debtor's other assets, undertakings and



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properties, "Property") was heard this day by Zoom videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Daniel Poffack sworn May 28, 2021 and the Exhibits thereto, the Supplemental Affidavit of Daniel Poffack sworn June 1, 2021 and the Exhibit thereto, and the Affidavit of Muzammil Kodwavi sworn June 9, 2021 and the Exhibit thereto, and on hearing the submissions of counsel for the Applicant and such other parties listed on the Participant Information Form, no one appearing for any other party although duly served as appears from the Affidavits of Service of Benjamin Goodis sworn May 28, 2021 and June 1, 2021, and the Affidavit of Service of Norman Ng sworn May 28, 2021, and on reading the Consent of KSV 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 motion 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, KSV is hereby appointed Receiver, without security, of 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:

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- (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) subject to paragraph 4 of this Order, 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 engage consultants, appraisers, agents, real estate brokers, 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;
- (e) subject to paragraph 4 of this Order, 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;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and, subject to paragraph 4 of this Order, to exercise all remedies of the Debtor in collecting such monies; including, without limitation, to enforce any security held by the Debtor;

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- (g) subject to paragraph 4 of this Order, to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) 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;
- (i) subject to paragraph 4 of this Order, 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;
- (j) subject to paragraph 4 of this Order, 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;
- (k) subject to paragraph 4 of this Order, to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
  - (i) without the approval of this Court in respect of any transactions not exceeding \$250,000, provided that the aggregate consideration for all such transactions does not exceed \$500,000; and
  - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause, and in each such case notice under

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subsection 83(4) of the Ontario *Personal Property Security Act* and notice under section 31 of the Ontario *Mortgages Act* shall not be required;

- (l) subject to paragraph 4 of this Order, 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;
- (m) 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;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) 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;
- (p) 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;
- (q) subject to paragraph 4 of this Order, to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

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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 (as defined below), including the Debtor, and without interference from any other Person.

4. THIS COURT ORDERS that the Receiver shall not exercise the powers granted to it in sub-paragraphs 3(c), 3(e), 3(f), 3(g), 3(i), 3(j), 3(k), 3(l), and 3(q) until further Order of the Court, except as may be reasonably necessary to preserve and protect the Property or to examine and investigate the business, contracts, and affairs of the Debtor or relating to the Property.

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER**

5. 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, and (iii) 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.

6. 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

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nothing in this paragraph 6 or in paragraph 7 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.

7. 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.

#### **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 their 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 \$200,000 (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 "A"** 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.

#### SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "Protocol") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) 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 Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: <https://www.ksvadvisory.com/insolvency-cases/case/sunrise-acquisitions>.

26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol 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**

27. 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.

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

29. 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.

30. 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.

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

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32. 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.

W. H. H. - H. M. J.



**SCHEDULE "A"**  
**RECEIVER CERTIFICATE**

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that KSV Restructuring Inc., the receiver and manager (the "Receiver") of the assets, undertakings and properties of Sunrise Acquisitions (Hwy 7) Inc. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor and the proceeds therefrom, including, without limitation, the real property legally described within PINs 02985-0591 (LT), 02985-0595 (LT), 02985-0596 (LT), 02985-0597 (LT), 02985-0598 (LT), and 29951-0001 (LT) (the "Real Property" and, collectively with the Debtor's other assets, undertakings and properties, "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the \_\_\_\_ day of \_\_\_\_\_, 2021 (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

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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 \_\_\_\_\_, 2021.

KSV Restructuring Inc., solely in its capacity as  
Receiver of the Property, and not in its personal  
capacity

Per: \_\_\_\_\_

Name:

Title:

**KINGSETT MORTGAGE CORPORATION**  
Applicant

and

**SUNRISE ACQUISITIONS (HWY 7) INC.**  
Respondent

Court File No. CV-21-00863051-00CL

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**  
**PROCEEDING COMMENCED AT**  
**TORONTO**

**ORDER (APPOINTING RECEIVER)**

**Cassels Brock & Blackwell LLP**  
2100 Scotia Plaza  
40 King Street West  
Toronto, ON M5H 3C2

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bgoodis@cassels.com

Lawyers for the Applicant



August 16, 2021

**DELIVERED BY E-MAIL (safanakodwavi1@gmail.com)**

Safana Kodwavi  
72 Grand Vellore  
Woodbridge, Ontario  
L4H 0N8

Dear Ms. Kodwavi:

**Re: Receivership of Sunrise Acquisitions (Hwy 7) Inc. (the "Company")**

Pursuant to an order (the "Receivership Order") of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated June 9, 2021, KSV Restructuring Inc. was appointed receiver and manager (in such capacity, the "Receiver") of all assets, undertakings and properties of the Company and the proceeds therefrom. A copy of the Receivership Order is enclosed with this letter for your reference.

This letter is being sent to you in connection with the Agreement of Purchase and Sale dated November 16, 2019 (the "APS") between the Company, as vendor, and yourself, as purchaser (the "Purchaser") for Lot 49 on a draft plan of subdivision, Town of Markham attached as Schedule "B" thereto and the house or dwelling defined as RT-1, U21 (the "Property"). Terms not otherwise defined in this letter have the meaning ascribed to them in the APS.

The Receiver has been advised by the Company that you took interim possession of the Property ("Occupancy"). As a result, pursuant to paragraph 3 of Schedule "C" to the Tarion Addendum to Agreement of Purchase and Sale of the APS, the Purchaser is obligated to pay to the Company a monthly Occupancy Fee from and after Occupancy (collectively, the "Occupancy Fees"). The Receiver is hereby requesting evidence in the form of bank statements, cheques or otherwise (the "Occupancy Fee Evidence") that the Occupancy Fees were in fact paid to the Company on a monthly basis in compliance with paragraph 3 of Schedule "C" to the Tarion Addendum to Agreement of Purchase and Sale of the APS.

In addition, while the Receiver has obtained a copy of the lease agreement dated May 24, 2020 between you, as landlord, and Julliia Cha and Boo Sun (Helen) Kim, as tenants, we note that the term of the lease expired on May 31, 2021. Please advise as to the current status of the lease arrangement and provide any correspondence or documentation related to any extensions (the "Lease Information", and together with the Occupancy Fee Evidence, the "Requested Information").

The Receiver hereby requests that the Requested Information be provided forthwith, and in any event, no later than August 20, 2021 (the "Deadline"). Failure to provide the Receiver with the Requested Information prior to the Deadline may result in the Receiver taking any steps it deems appropriate, including seeking relief from the Court.

Please note that the Receiver continues to review, among other things, the APS and related matters. Nothing in this letter shall constitute or be deemed to be a waiver by the Receiver of any rights or remedies it might have in connection with the APS. For greater certainty, nothing in this letter shall prejudice any right the Receiver may have to seek to disclaim the APS. The Receiver reserves the right to take such actions as it considers necessary or desirable and to exercise all available rights and remedies in the circumstances, whether at law, in equity or otherwise. Time will, in all respects, be of the essence with respect to the matters set out in this letter.

Should you have any questions, please do not hesitate to contact the undersigned.

Yours very truly,

**KSV RESTRUCTURING INC.  
SOLELY IN ITS CAPACITY AS COURT APPOINTED RECEIVER AND MANAGER OF  
THE PROPERTY  
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITIES**



Per: Emily Klein

Encl.

c.c. Noah Goldstein (KSV Restructuring Inc.)  
Sean Zweig and Aiden Nelms (Bennett Jones LLP)

Court File No. CV-21-00663051-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

THE HONOURABLE  
JUSTICE WILTON-SIEGEL

)  
)  
)

WEDNESDAY, THE 9<sup>TH</sup>  
DAY OF JUNE, 2021

**BETWEEN:**

**KINGSETT MORTGAGE CORPORATION**

Applicant

- and -

**SUNRISE ACQUISITIONS (HWY 7) INC.**

Respondent



APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

**ORDER  
(appointing Receiver)**

THIS APPLICATION made by the Applicant 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 KSV Restructuring Inc. ("KSV") as receiver and manager (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of Sunrise Acquisitions (Hwy 7) Inc. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor and the proceeds therefrom, including, without limitation, the real property legally described within PINs 02985-0591 (LT), 02985-0595 (LT), 02985-0596 (LT), 02985-0597 (LT), 02985-0598 (LT), and 29951-0001 (LT) (the "Real Property" and, collectively with the Debtor's other assets, undertakings and

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properties, "Property") was heard this day by Zoom videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Daniel Poffack sworn May 28, 2021 and the Exhibits thereto, the Supplemental Affidavit of Daniel Poffack sworn June 1, 2021 and the Exhibit thereto, and the Affidavit of Muzammil Kodwavi sworn June 9, 2021 and the Exhibit thereto, and on hearing the submissions of counsel for the Applicant and such other parties listed on the Participant Information Form, no one appearing for any other party although duly served as appears from the Affidavits of Service of Benjamin Goodis sworn May 28, 2021 and June 1, 2021, and the Affidavit of Service of Norman Ng sworn May 28, 2021, and on reading the Consent of KSV 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 motion 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, KSV is hereby appointed Receiver, without security, of 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:



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- (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) subject to paragraph 4 of this Order, 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 engage consultants, appraisers, agents, real estate brokers, 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;
- (e) subject to paragraph 4 of this Order, 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;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and, subject to paragraph 4 of this Order, to exercise all remedies of the Debtor in collecting such monies; including, without limitation, to enforce any security held by the Debtor;

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- (g) subject to paragraph 4 of this Order, to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) 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;
- (i) subject to paragraph 4 of this Order, 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;
- (j) subject to paragraph 4 of this Order, 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;
- (k) subject to paragraph 4 of this Order, to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
  - (i) without the approval of this Court in respect of any transactions not exceeding \$250,000, provided that the aggregate consideration for all such transactions does not exceed \$500,000; and
  - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause, and in each such case notice under

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subsection 83(4) of the Ontario *Personal Property Security Act* and notice under section 31 of the Ontario *Mortgages Act* shall not be required;

- (l) subject to paragraph 4 of this Order, 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;
- (m) 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;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) 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;
- (p) 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;
- (q) subject to paragraph 4 of this Order, to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

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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 (as defined below), including the Debtor, and without interference from any other Person.

4. THIS COURT ORDERS that the Receiver shall not exercise the powers granted to it in sub-paragraphs 3(c), 3(e), 3(f), 3(g), 3(i), 3(j), 3(k), 3(l), and 3(q) until further Order of the Court, except as may be reasonably necessary to preserve and protect the Property or to examine and investigate the business, contracts, and affairs of the Debtor or relating to the Property.

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER**

5. 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, and (iii) 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.

6. 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

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nothing in this paragraph 6 or in paragraph 7 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.

7. 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.

#### **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 their 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.

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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 \$200,000 (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 "A"** 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.

#### SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "Protocol") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) 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 Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: <https://www.ksvadvisory.com/insolvency-cases/case/sunrise-acquisitions>.

26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol 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**

27. 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.

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

29. 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.

30. 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.

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

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32. 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.

W. H. H. - H. M. J.

**SCHEDULE "A"**  
**RECEIVER CERTIFICATE**

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that KSV Restructuring Inc., the receiver and manager (the "Receiver") of the assets, undertakings and properties of Sunrise Acquisitions (Hwy 7) Inc. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor and the proceeds therefrom, including, without limitation, the real property legally described within PINs 02985-0591 (LT), 02985-0595 (LT), 02985-0596 (LT), 02985-0597 (LT), 02985-0598 (LT), and 29951-0001 (LT) (the "Real Property" and, collectively with the Debtor's other assets, undertakings and properties, "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the \_\_\_\_ day of \_\_\_\_\_, 2021 (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



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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 \_\_\_\_\_, 2021.

KSV Restructuring Inc., solely in its capacity as  
Receiver of the Property, and not in its personal  
capacity

Per: \_\_\_\_\_

Name:

Title:

KINGSETT MORTGAGE CORPORATION  
Applicant

and

SUNRISE ACQUISITIONS (HWY 7) INC.  
Respondent

Court File No. CV-21-00863051-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)  
PROCEEDING COMMENCED AT  
TORONTO**

**ORDER (APPOINTING RECEIVER)**

**Cassels Brock & Blackwell LLP  
2100 Scotia Plaza  
40 King Street West  
Toronto, ON M5H 3C2**

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bgoodis@cassels.com**

**Lawyers for the Applicant**



August 16, 2021

**DELIVERED BY E-MAIL (safanakodwavi1@gmail.com)**

Safana Kodwavi  
72 Grand Vellore  
Woodbridge, Ontario  
L4H 0N8

Dear Ms. Kodwavi:

**Re: Receivership of Sunrise Acquisitions (Hwy 7) Inc. (the "Company")**

Pursuant to an order (the "Receivership Order") of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated June 9, 2021, KSV Restructuring Inc. was appointed receiver and manager (in such capacity, the "Receiver") of all assets, undertakings and properties of the Company and the proceeds therefrom. A copy of the Receivership Order is enclosed with this letter for your reference.

This letter is being sent to you in connection with the Agreement of Purchase and Sale dated January 25, 2017 (the "APS") between the Company, as vendor, and yourself, as purchaser (the "Purchaser") for Lot 50 on a draft plan of subdivision, Town of Markham attached as Schedule "B" thereto and the house or dwelling defined as RT-2, U23 (the "Property"). Terms not otherwise defined in this letter have the meaning ascribed to them in the APS.

The Receiver has been advised by the Company that you took interim possession of the Property ("Occupancy"). As a result, pursuant to paragraph 3 of Schedule "C" to the Tarion Addendum to Agreement of Purchase and Sale of the APS, the Purchaser is obligated to pay to the Company a monthly Occupancy Fee from and after Occupancy (collectively, the "Occupancy Fees"). The Receiver is hereby requesting evidence in the form of bank statements, cheques or otherwise (the "Occupancy Fee Evidence") that the Occupancy Fees were in fact paid to the Company on a monthly basis in compliance with paragraph 3 of Schedule "C" to the Tarion Addendum to Agreement of Purchase and Sale of the APS.

In addition, while the Receiver has obtained a copy of the lease agreement dated May 30, 2020 between you, as landlord, and Haoran Du, as tenant, we note that the term of the lease expired on November 30, 2020. Please advise as to the current status of the lease arrangement and provide any correspondence or documentation related to any extensions (the "Lease Information", and together with the Occupancy Fee Evidence, the "Requested Information").

The Receiver hereby requests that the Requested Information be provided forthwith, and in any event, no later than August 20, 2021 (the "Deadline"). Failure to provide the Receiver with the Requested Information prior to the Deadline may result in the Receiver taking any steps it deems appropriate, including seeking relief from the Court.

Please note that the Receiver continues to review, among other things, the APS and related matters. Nothing in this letter shall constitute or be deemed to be a waiver by the Receiver of any rights or remedies it might have in connection with the APS. For greater certainty, nothing in this letter shall prejudice any right the Receiver may have to seek to disclaim the APS. The Receiver reserves the right to take such actions as it considers necessary or desirable and to exercise all available rights and remedies in the circumstances, whether at law, in equity or otherwise. Time will, in all respects, be of the essence with respect to the matters set out in this letter.

Should you have any questions, please do not hesitate to contact the undersigned.

Yours very truly,

**KSV RESTRUCTURING INC.  
SOLELY IN ITS CAPACITY AS COURT APPOINTED RECEIVER AND MANAGER OF  
THE PROPERTY  
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITIES**



Per: Emily Klein

Encl.

c.c. Noah Goldstein (KSV Restructuring Inc.)  
Sean Zweig and Aiden Nelms (Bennett Jones LLP)

Court File No. CV-21-00663051-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

THE HONOURABLE  
JUSTICE WILTON-SIEGEL

)  
)  
)

WEDNESDAY, THE 9<sup>TH</sup>  
DAY OF JUNE, 2021

**BETWEEN:**

**KINGSETT MORTGAGE CORPORATION**

Applicant

- and -

**SUNRISE ACQUISITIONS (HWY 7) INC.**

Respondent



APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

**ORDER  
(appointing Receiver)**

THIS APPLICATION made by the Applicant 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 KSV Restructuring Inc. ("KSV") as receiver and manager (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of Sunrise Acquisitions (Hwy 7) Inc. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor and the proceeds therefrom, including, without limitation, the real property legally described within PINs 02985-0591 (LT), 02985-0595 (LT), 02985-0596 (LT), 02985-0597 (LT), 02985-0598 (LT), and 29951-0001 (LT) (the "Real Property" and, collectively with the Debtor's other assets, undertakings and

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properties, "Property") was heard this day by Zoom videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Daniel Poffack sworn May 28, 2021 and the Exhibits thereto, the Supplemental Affidavit of Daniel Poffack sworn June 1, 2021 and the Exhibit thereto, and the Affidavit of Muzammil Kodwavi sworn June 9, 2021 and the Exhibit thereto, and on hearing the submissions of counsel for the Applicant and such other parties listed on the Participant Information Form, no one appearing for any other party although duly served as appears from the Affidavits of Service of Benjamin Goodis sworn May 28, 2021 and June 1, 2021, and the Affidavit of Service of Norman Ng sworn May 28, 2021, and on reading the Consent of KSV 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 motion 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, KSV is hereby appointed Receiver, without security, of 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:

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- (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) subject to paragraph 4 of this Order, 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 engage consultants, appraisers, agents, real estate brokers, 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;
- (e) subject to paragraph 4 of this Order, 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;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and, subject to paragraph 4 of this Order, to exercise all remedies of the Debtor in collecting such monies; including, without limitation, to enforce any security held by the Debtor;



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- (g) subject to paragraph 4 of this Order, to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) 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;
- (i) subject to paragraph 4 of this Order, 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;
- (j) subject to paragraph 4 of this Order, 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;
- (k) subject to paragraph 4 of this Order, to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
  - (i) without the approval of this Court in respect of any transactions not exceeding \$250,000, provided that the aggregate consideration for all such transactions does not exceed \$500,000; and
  - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause, and in each such case notice under

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subsection 83(4) of the Ontario *Personal Property Security Act* and notice under section 31 of the Ontario *Mortgages Act* shall not be required;

- (l) subject to paragraph 4 of this Order, 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;
- (m) 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;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) 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;
- (p) 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;
- (q) subject to paragraph 4 of this Order, to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

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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 (as defined below), including the Debtor, and without interference from any other Person.

4. THIS COURT ORDERS that the Receiver shall not exercise the powers granted to it in sub-paragraphs 3(c), 3(e), 3(f), 3(g), 3(i), 3(j), 3(k), 3(l), and 3(q) until further Order of the Court, except as may be reasonably necessary to preserve and protect the Property or to examine and investigate the business, contracts, and affairs of the Debtor or relating to the Property.

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER**

5. 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, and (iii) 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.

6. 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

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nothing in this paragraph 6 or in paragraph 7 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.

7. 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.

#### **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 their 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 \$200,000 (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 "A"** 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.

#### SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "Protocol") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) 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 Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: <https://www.ksvadvisory.com/insolvency-cases/case/sunrise-acquisitions>.

26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol 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**

27. 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.

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

29. 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.

30. 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.

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

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32. 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.

W. H. H. - H. M. J.

**SCHEDULE "A"**  
**RECEIVER CERTIFICATE**

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that KSV Restructuring Inc., the receiver and manager (the "Receiver") of the assets, undertakings and properties of Sunrise Acquisitions (Hwy 7) Inc. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor and the proceeds therefrom, including, without limitation, the real property legally described within PINs 02985-0591 (LT), 02985-0595 (LT), 02985-0596 (LT), 02985-0597 (LT), 02985-0598 (LT), and 29951-0001 (LT) (the "Real Property" and, collectively with the Debtor's other assets, undertakings and properties, "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the \_\_\_\_ day of \_\_\_\_\_, 2021 (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

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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 \_\_\_\_\_, 2021.

KSV Restructuring Inc., solely in its capacity as  
Receiver of the Property, and not in its personal  
capacity

Per: \_\_\_\_\_

Name:

Title:



KINGSETT MORTGAGE CORPORATION  
Applicant

and

SUNRISE ACQUISITIONS (HWY 7) INC.  
Respondent

Court File No. CV-21-00863051-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)  
PROCEEDING COMMENCED AT  
TORONTO**

**ORDER (APPOINTING RECEIVER)**

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Lawyers for the Applicant

KINGSETT MORTGAGE CORPORATION

-and-

SUNRISE ACQUISITIONS (HWY 7) INC.

Applicant

Respondent

Court File No. CV-21-00663051-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

PROCEEDING COMMENCED AT  
TORONTO

**MOTION RECORD OF THE MOVING PARTY AND  
COURT-APPOINTED RECEIVER,  
KSV RESTRUCTURING INC.  
(Returnable December 9, 2022)  
Volume 1 of 3**

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