



**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 13th 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 ledger¹ 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.

¹ 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.²

| (unaudited; \$) Related Party | Net (Advances) per General Ledger |
|--|--------------------------------------|
| Principals | |
| Muzammil Kodwavi | 753,534 ³ |
| Sajjad Hussain | 93,064 |
| Subtotal | 846,598 |
| Related Parties | |
| Sunrise Acquisitions (Bronte) Inc. | (793,250) |
| Nayyar Shabbar ⁴ | (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 ⁵ | 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.

² 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.

³ Excludes the \$2 million of Deposits.

⁴ 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.

⁵ 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.⁶ 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 |
|--|---|---|---------------------|
| Principals | | | |
| Muzammil Kodwavi ⁷ | (3,828,996) | 753,534 | (4,582,530) |
| Sajjad Hussain | (1,820,576) | 93,064 | (1,913,640) |
| Subtotal | <u>(5,649,572)</u> | <u>846,598</u> | <u>(6,496,170)</u> |
| Related Parties | | | |
| 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 | <u>(6,581,831)</u> | <u>(2,829,254)</u> | <u>(3,752,577)</u> |
| Receipts from Related Party | 869,950 | 1,143,450 | (273,500) |
| Total | <u>(11,361,453)</u> | <u>(839,206)</u> | <u>(10,522,247)</u> |

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.

⁶ 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.

⁷ 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 8th 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 Company⁸. 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 |
| Total Disbursements | 308,000 |

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.

⁸ 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>
Sent: Tuesday, December 01, 2020 4:28 PM
To: Norman Winter <nw@nwinlaw.com>; Alina Ramos <alina@nwinlaw.com>;
Nerissa <nerissa@nwinlaw.com>
Cc: Disenhouse, Josh <JDisenhouse@osler.com>; Storm, Lorna
<LStorm@osler.com>; Daniel Sobel <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>>

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

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>; Alina Ramos <alina@nwinlaw.com>; Nerissa <nerissa@nwinlaw.com>

Cc: Disenhouse, Josh <JDisenhouse@osler.com>; Storm, Lorna <LStorm@osler.com>; Daniel Sobel <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 HST⁹, 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.

⁹ 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”

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 | | | | 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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| 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 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 |
| 65R37967 | 2018/07/31 | PLAN REFERENCE | | | | C |
| YR2872432 | 2018/09/12 | NOTICE REMARKS: YR2572486 | \$5,500,000 | SUNRISE ACQUISITIONS (HWY 7) INC. | KINGSETT MORTGAGE CORPORATION | C |
| YR2872560 | 2018/09/12 | POSTPONEMENT REMARKS: YR2340877 & YR2481743 TO YR2572486, YR2720530 & YR2872432 | | 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 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 |
| 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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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 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.
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 |
| | | 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 |

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 |
|-----------|------------|--|-------------|--|--|-----------|
| | | 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 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 |
| 65R37967 | 2018/07/31 | PLAN REFERENCE | | | | C |
| YR2872432 | 2018/09/12 | NOTICE REMARKS: YR2572486 | \$5,500,000 | SUNRISE ACQUISITIONS (HWY 7) INC. | KINGSETT MORTGAGE CORPORATION | C |
| YR2872560 | 2018/09/12 | POSTPONEMENT REMARKS: YR2340877 & YR2481743 TO YR2572486, YR2720530 & YR2872432 | | 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 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 |
| 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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LAND
REGISTRY
OFFICE #65
* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

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

02985-0598 (LT)

PAGE 1 OF 4
PREPARED FOR Feliciani
ON 2021/05/21 AT 16:17:37

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

29951-0001 (LT)

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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29951-0001 (LT)

| 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”

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

THE HONOURABLE
JUSTICE WILTON-SIEGEL

)
)
)

WEDNESDAY, THE 9TH
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

properties, "Property") was heard this day by Zoom videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Daniel Pollack sworn May 28, 2021 and the Exhibits thereto, the Supplemental Affidavit of Daniel Pollack 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:

- (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;

- (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

subsection 63(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;

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

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.ksyadvisory.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.

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. Khan - L.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

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

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
 Indorsement 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”

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

THE HONOURABLE MR.) MONDAY, THE 13th
)
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 TARIION 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.

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

| Registration No. | Registration Date | Instrument Type | Amount | Parties From | Parties To |
|-------------------------|--------------------------|--|---------------|--|-----------------------------------|
| 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

- and -

SUNRISE ACQUISITIONS (HWY 7) INC.

Applicant

Respondent

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

APPROVAL AND VESTING ORDER
(Lot 43)

BENNETT JONES LLP
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Suite 3400, P.O. Box 130
Toronto, Ontario
M5X 1A4

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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

- (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)



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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_____ (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.

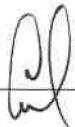
32. REZONING

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)



(Vendor)



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

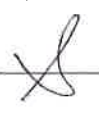
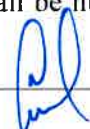
For the purposes of facilitating compliance with the provisions of any applicable Federal and/or Provincial privacy legislation (including without limitation, the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, as amended), the Purchaser hereby consents to the Vendor’s collection 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) 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 1st 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.

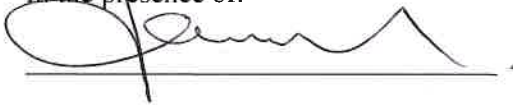
39. SCHEDULES

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: 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.: _____

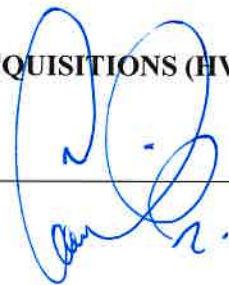
Email: _____

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

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

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) *SL* (Vendor) *AL*

- (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) 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

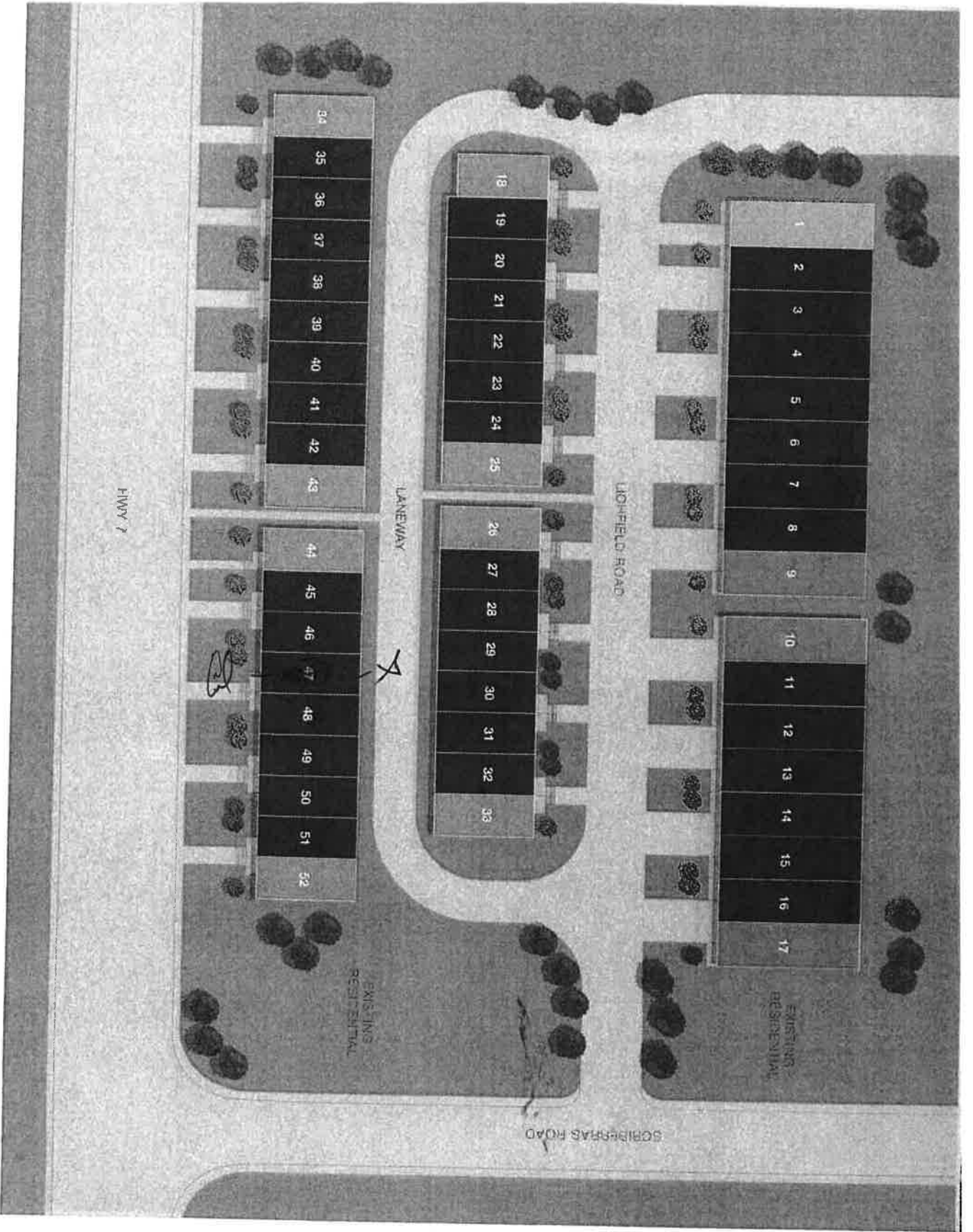
HOMEOWNER WARRANTY PROTECTION

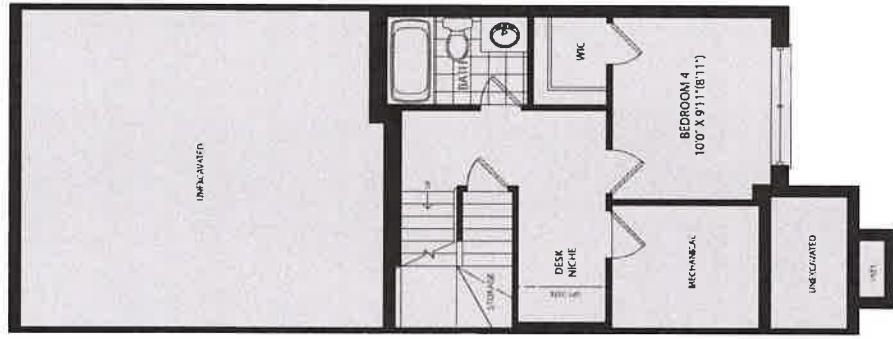
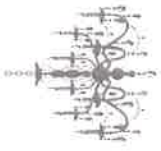
The Tarion Warranty offers: Seven (7) year protection on all structural defects

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

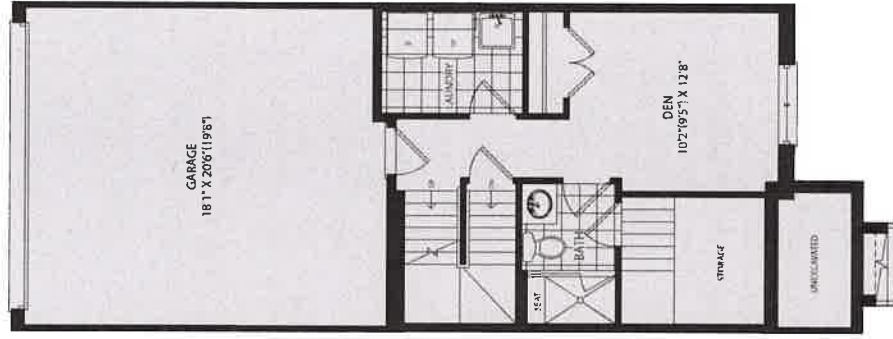
One (1) year protection on all workmanship and material defects



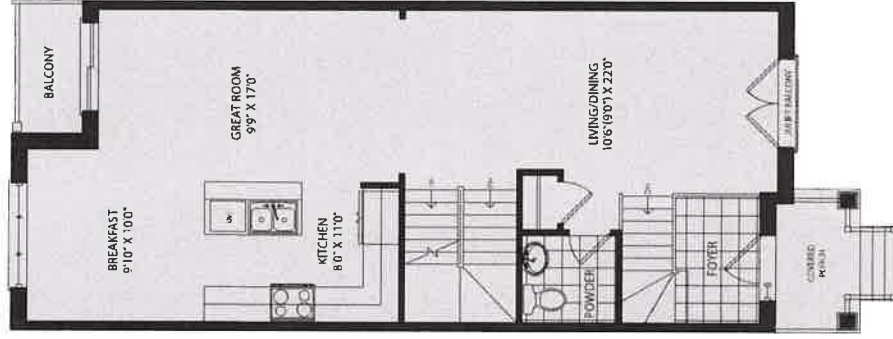




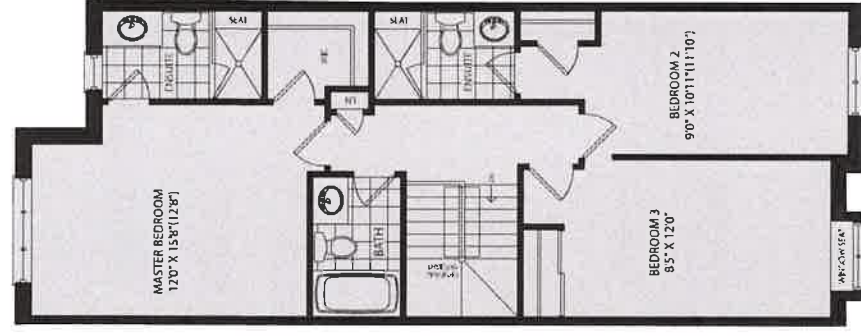
UPPER LEVEL



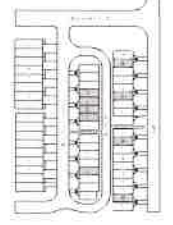
MIDDLE LEVEL



FIRST LEVEL



LOWER LEVEL



UPTOWN COLLECTION u22

TOTAL LIVING AREA: 2,308 SQ.-FT.

X

[Handwritten signature]

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]

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) | 50 West Wilmot Street, Suite 100 | |
| | 46593 | | |
| | Tarion Registration Number | Address | |
| | 905-597-3333 | Richmond Hill | ON L4B 1M5 |
| | Phone | City | Province Postal Code |
| | 905-597-3334 | | |
| | Fax | info@sunrisehomes.ca | |
| | | Email* | |

| | | | |
|------------------|------------------|--------------------------|----------------------|
| PURCHASER | Safan Kodwavi | | |
| | Full Name(s) | Woodbridge, ON L4H 0N8 | |
| | 72 Grand Vellore | | |
| | Address | City | Province Postal Code |
| | 416-827-7099 | | |
| | Phone | safanakodwavi1@gmail.com | |
| | Fax | Email* | |

PROPERTY DESCRIPTION

4144 Hwy 7

| | | |
|-------------------|----------|-------------|
| Municipal Address | ON | L3R 0W9 |
| Markham | | |
| 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":

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

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.

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:

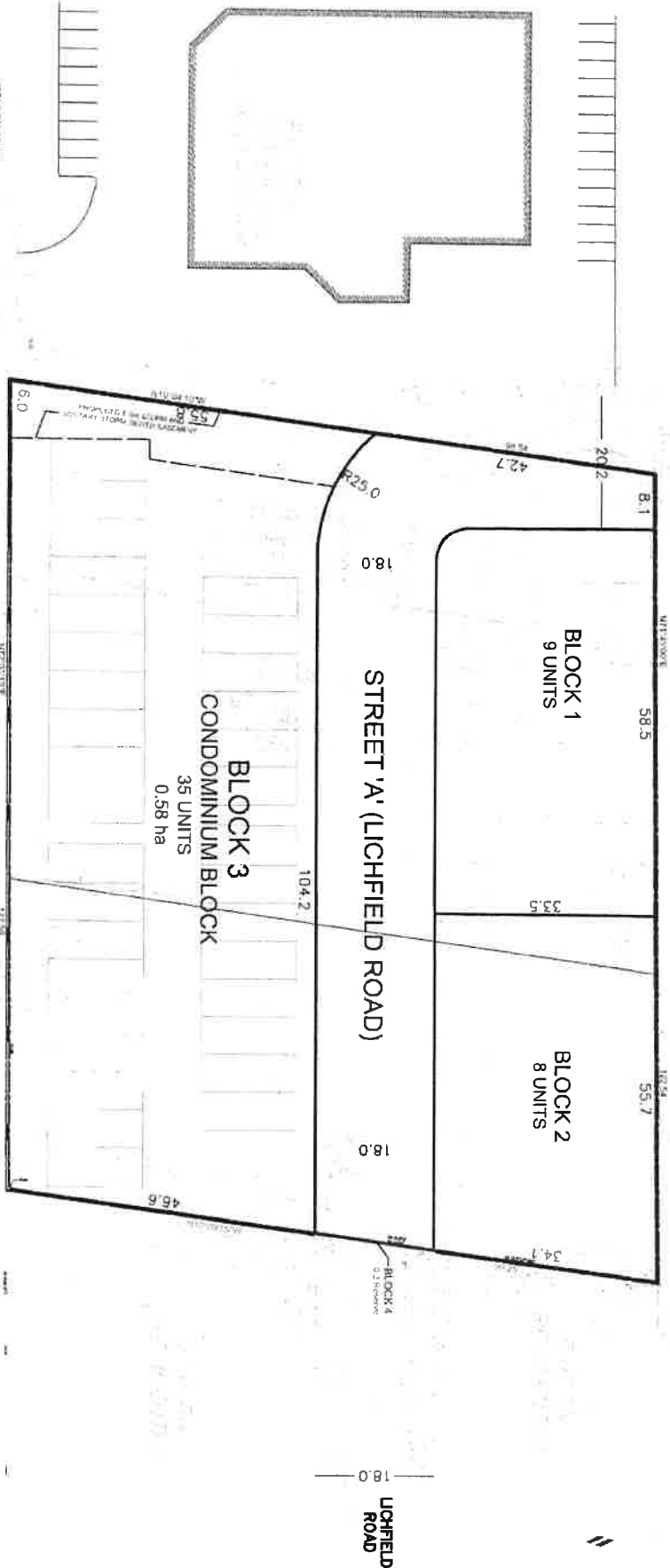
BUILDINGS AND STRUCTURES

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

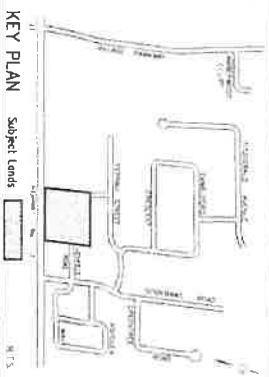
FACILITIES AND SERVICES

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.

LICHFIELD ROAD
20.1



THE KING'S HIGHWAY No. 7
 pour ALTIPLANO, ESTIMATION No. 16 et 17, DECISION No. 16000
 autorisé par le Service des Plans d'Urbanisme (S.P.U.)



HUMPHRIES PLANNING GROUP INC.
 215 - 1000 - 10th Avenue, Suite 200
 Vancouver, B.C. V6C 2E8
 Tel: (604) 681-1111
 Fax: (604) 681-1112

OWNER'S CERTIFICATE:
 I authorize Humphries Planning Group Inc. to prepare and submit this plan for draft approval.

STATEMENT OF CERTIFICATE:
 I hereby certify that the boundaries of the lands being subdivided and their correct relationship to the adjacent lots, roads and existing and proposed streets on this plan are correct and true.

ADDITIONAL INFORMATION:
 (Section 51(1) of the Planning Act, R.S.O. 1990, S.O. 19, 1992, in accordance to April 11, 1997)
 1) - 2) - 3) - 4) - 5) - 6) - 7) - 8) - 9) - 10) - 11) - 12) - 13) - 14) - 15) - 16) - 17) - 18) - 19) - 20) - 21) - 22) - 23) - 24) - 25) - 26) - 27) - 28) - 29) - 30) - 31) - 32) - 33) - 34) - 35) - 36) - 37) - 38) - 39) - 40) - 41) - 42) - 43) - 44) - 45) - 46) - 47) - 48) - 49) - 50) - 51) - 52) - 53) - 54) - 55) - 56) - 57) - 58) - 59) - 60) - 61) - 62) - 63) - 64) - 65) - 66) - 67) - 68) - 69) - 70) - 71) - 72) - 73) - 74) - 75) - 76) - 77) - 78) - 79) - 80) - 81) - 82) - 83) - 84) - 85) - 86) - 87) - 88) - 89) - 90) - 91) - 92) - 93) - 94) - 95) - 96) - 97) - 98) - 99) - 100)

DEVELOPMENT STATISTICS:
 Finished Townhouses 1-2 0.37 ha
 Condominium Block 1 0.29 ha
 Roads Street A @ 18m - 250m 0.24 ha
TOTAL 1.30 ha

UNIT BREAKDOWN:
 Finished Townhouses @ 61m (only) 17
 Condominium Townhouses @ 5.7m (only) 35
Total Units 52

DRAFT PLAN OF SUBDIVISION



| | | | |
|--------------|------------------|-----------------|----|
| Plan Number: | 2007-28-13 | Drawing Number: | A1 |
| Date: | April 21, 1997 | Author: | |
| Drawn By: | VI | Checked By: | |
| Scale: | 1:100 | Scale: | |
| Scale Bar: | 0m, 5m, 10m, 25m | Scale: | |
| Scale: | 1:100 | Scale: | |



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 | |
| TOTAL REVENUE | | \$54,578 |

ADMINISTRATION

| | | |
|--------------------------------------|----------|-----------------|
| Management Fees | \$20,340 | |
| Insurance | 3,000 | |
| Legal | 565 | |
| Audit | 3,843 | |
| Office Expenses | 500 | |
| TOTAL ADMINISTRATION EXPENSES | | \$28,248 |

UTILITIES

| | | |
|------------------------|---------|----------------|
| Hydro | \$1,200 | |
| TOTAL UTILITIES | | \$1,200 |

CONSULTING

| | | |
|-------------------------|---------|----------------|
| Performance Audit | \$6,215 | |
| TOTAL CONSULTING | | \$6,215 |

CONTRACTS

| | | |
|------------------------|---------|----------------|
| Snow Clearing | \$8,000 | |
| TOTAL CONTRACTS | | \$8,000 |

RESERVE FUND

| | | |
|---|---------|-----------------|
| Reserve Fund Provision | \$6,961 | |
| Reserve Fund Provision for Reserve Fund Study | 3,955 | |
| TOTAL RESERVE FUND | | \$10,916 |

| | | |
|-----------------------|--|-----------------|
| TOTAL EXPENSES | | \$54,578 |
|-----------------------|--|-----------------|

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

4. CONTRACTS \$8,000

a. Snow Clearing \$8,000

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.

III. CONTRIBUTION TO THE RESERVE FUND \$10,916

a. Reserve Fund Provision \$6,961

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.

b. Reserve Fund Provision for Reserve Fund Study \$3,955

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.

IV. GENERAL NOTES TO THE BUDGET

- 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.
- 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.
- c. The cost, type, level and frequency of services is detailed in the notes above.
- 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.
- 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.
- 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.
- 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.



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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 |



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 |
| | TOTAL | \$4,548.18 |

Ontario Driver's Licence / Permis de conduire ON CANADA

2 NAME / NOM
KODWANI,
SAFANA, MUZAMMIL

3 ADDRESS / ADRESSE
72 GRAND VILLORE CRES
WOODBIDGE, ON, L4H 0N8

4 NUMBER / NUMERO
K6096 - 68468 - 96018

5 ISSUE / DEL. DATE / DATE DE DEL. 2017/10/18

6 EXPIRES / EXPI. DATE / DATE D'EXPI. 2022/10/18

7 SEX / SEXE
F

8 CLASS / CLASSE
G

9 RESTRICTIONS / RESTRICTIONS
10

11 SIGNATURE / SIGNATURE
12 DOB / DATE DE NAISSANCE
1989/10/18

13 HEIGHT / HAUTEUR
168 CM



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* 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) M (Vendor) [Signature] 2

- (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.

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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

INITIAL (Purchaser) M _____ (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) MY _____ (Vendor) DL _____ 8

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

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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 1st 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) M _____ (Vendor) D _____

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: Makresh
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
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

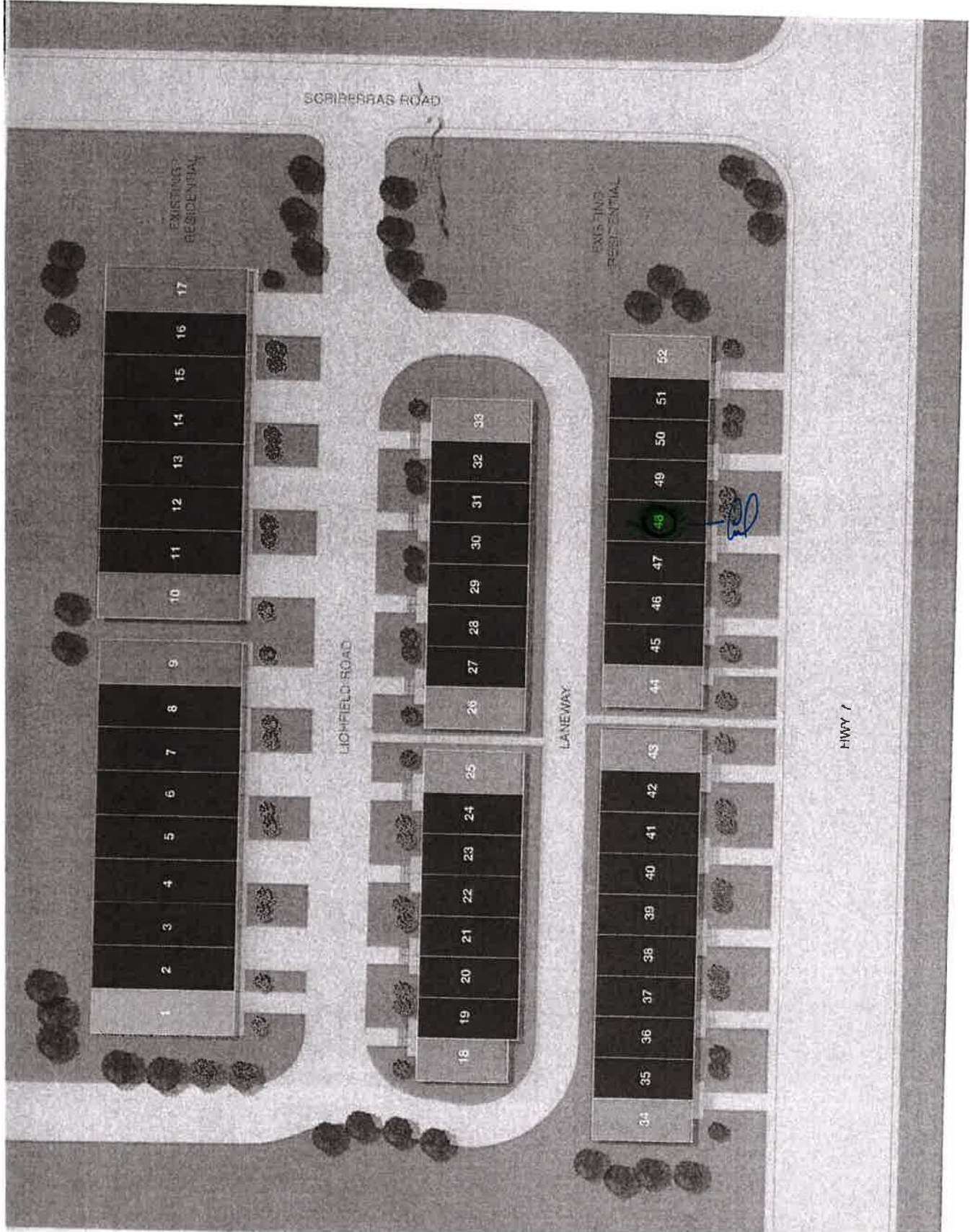
HOMEOWNER WARRANTY PROTECTION

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

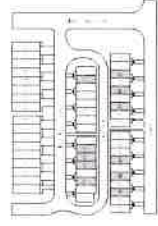
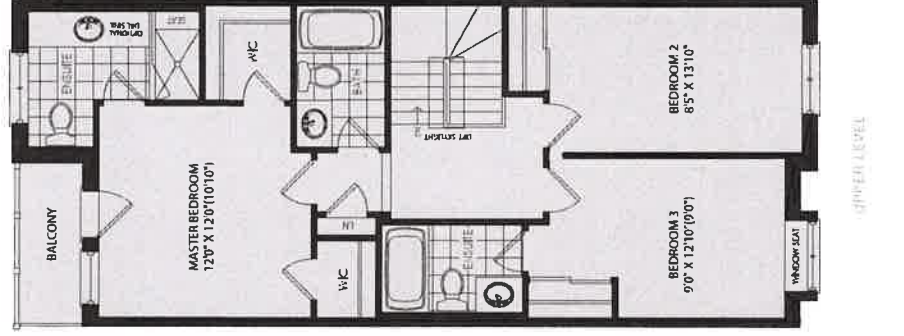
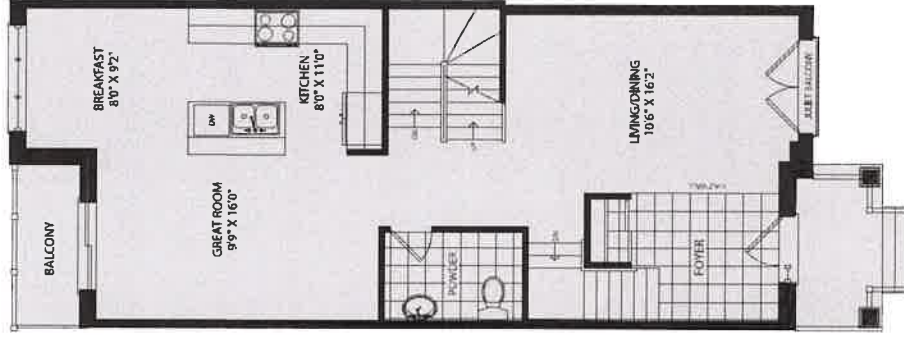
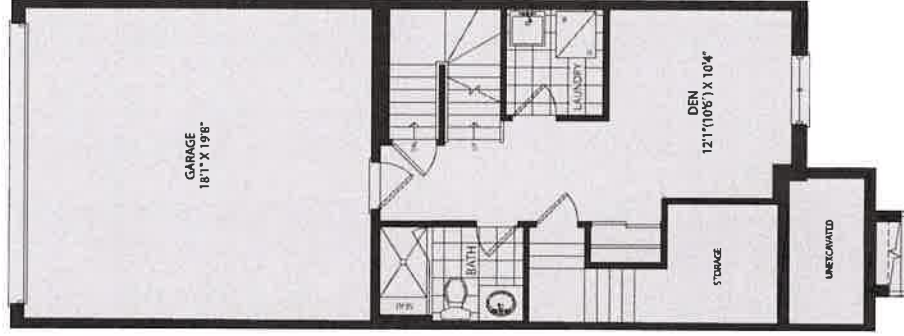
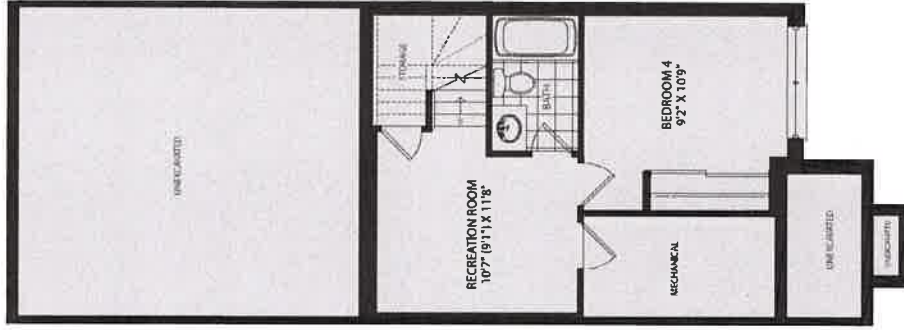
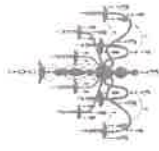
Two (2) year protection on mechanicals and materials including electrical, plumbing, heating and distribution systems, all exterior cladding, windows and doors

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





KS



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 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

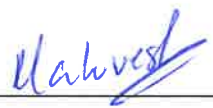
If the home is not complete by the Outside Occupancy Date, then the Purchaser can terminate the transaction during a period of **30 days** thereafter (the "**Purchaser's Termination Period**"), which period, unless extended by mutual agreement, will end on: the 27th day of August, 2020.

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 30th 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.

VENDOR Sunrise Acquisitions (Hwy 7) Inc

| | | | |
|--|-------------------------------|----------|-------------|
| Full Name(s) 46593 | 50 West Wilmot St., Suite 100 | | |
| Tarion Registration Number 905-597-3333 | Address Markham | ON | L4B 1M5 |
| Phone | City | Province | Postal Code |
| 905-597-3334 | info@sunrisehomes.ca | | |
| Fax | Email* | | |

PURCHASER Mahvesh Hussain

| | | | |
|-------------------------------------|--------------------|----------|-------------|
| Full Name(s) 24 Sutherland Drive | Toronto | ON | M4G 1G8 |
| Address 416-399-2869 | City | Province | Postal Code |
| 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

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.

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.

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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)

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

M ✓

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

M

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:

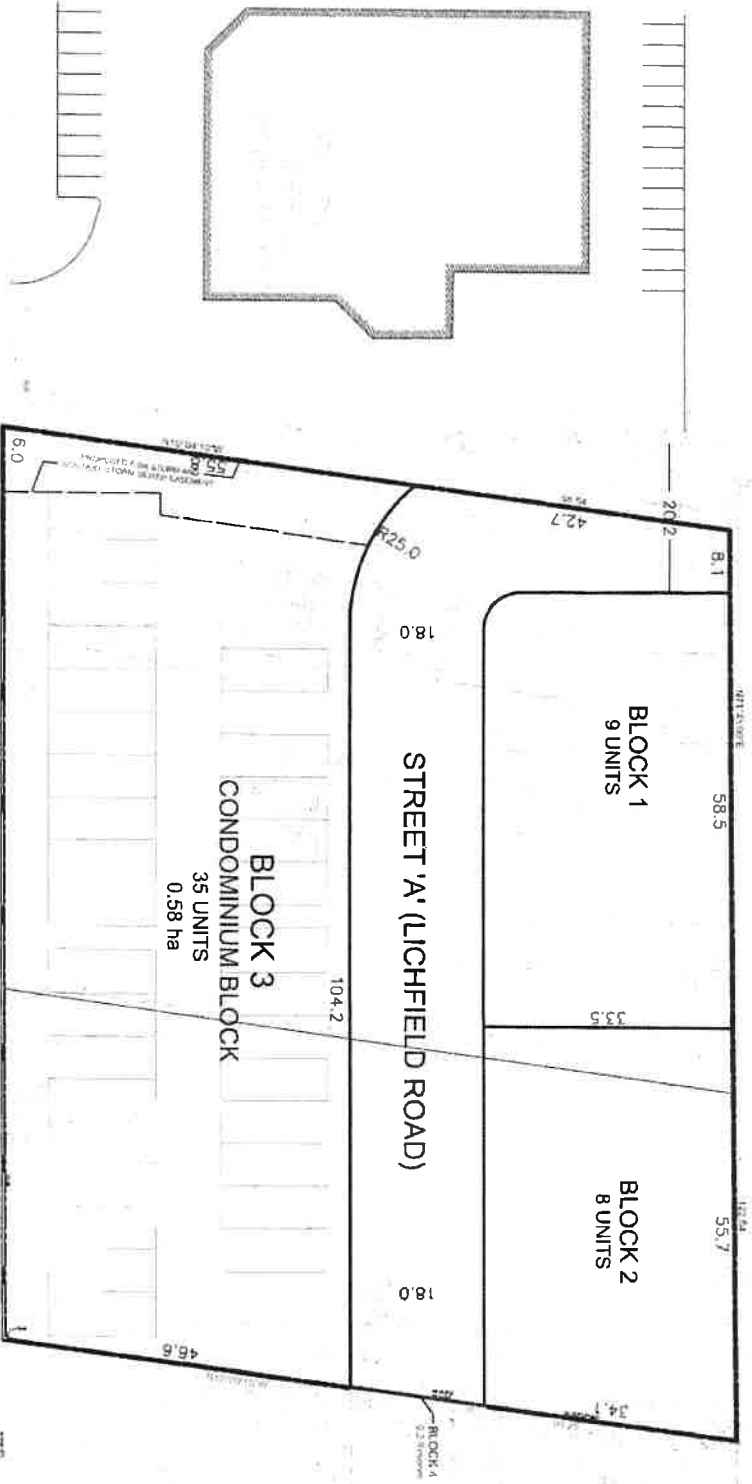
BUILDINGS AND STRUCTURES

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

FACILITIES AND SERVICES

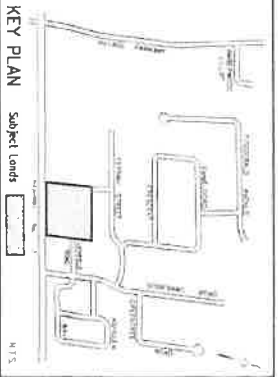
1. Storm and sanitary sewers, sump pumps within common areas, catch basins, manholes, water service, main line tee, shut off valves, fire hydrants, or other services or installations under or over the lands, which supply service to the Common Elements of the Corporation formed upon registration of this 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.

LICHFIELD ROAD
20.1



THE KING'S HIGHWAY No 7
FROM ULTIMATE SECTION (S11) AND T1, SECTION 18
ACCORD TO SUBDIVISION PLAN (S11-18-11)

LICHFIELD ROAD



KEY PLAN
Subject Lands

OWNER'S CERTIFICATE
I, the undersigned, Humphries Planning Group Inc. in presence and support this plan for itself approval.

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.

ADDITIONAL REGULATIONS
[Section 17(1) of the Planning Act, R.S.O. 1990, Chapter P.L. 2, as amended to April 11, 1997]
a) b) c) d) e) f) g) h) i) j) k) l) m) n) o) p) q) r) s) t) u) v) w) x) y) z) aa) ab) ac) ad) ae) af) ag) ah) ai) aj) ak) al) am) an) ao) ap) aq) ar) as) at) au) av) aw) ax) ay) az) ba) bb) bc) bd) be) bf) bg) bh) bi) bj) bk) bl) bm) bn) bo) bp) bq) br) bs) bt) bu) bv) bw) bx) by) bz) ca) cb) cc) cd) ce) cf) cg) ch) ci) cj) ck) cl) cm) cn) co) cp) cq) cr) cs) ct) cu) cv) cw) cx) cy) cz) da) db) dc) dd) de) df) dg) dh) di) dj) dk) dl) dm) dn) do) dp) dq) dr) ds) dt) du) dv) dw) dx) dy) dz) ea) eb) ec) ed) ee) ef) eg) eh) ei) ej) ek) el) em) en) eo) ep) eq) er) es) et) eu) ev) ew) ex) ey) ez) fa) fb) fc) fd) fe) ff) fg) fh) fi) fj) fk) fl) fm) fn) fo) fp) fq) fr) fs) ft) fu) fv) fw) fx) fy) fz) ga) gb) gc) gd) ge) gf) gg) gh) gi) gj) gk) gl) gm) gn) go) gp) gq) gr) gs) gt) gu) gv) gw) gx) gy) gz) ha) hb) hc) hd) he) hf) hg) hh) hi) hj) hk) hl) hm) hn) ho) hp) hq) hr) hs) ht) hu) hv) hw) hx) hy) hz) ia) ib) ic) id) ie) if) ig) ih) ii) ij) ik) il) im) in) io) ip) iq) ir) is) it) iu) iv) iw) ix) iy) iz) ja) jb) jc) jd) je) jf) jg) jh) ji) jj) jk) jl) jm) jn) jo) jp) jq) jr) js) jt) ju) jv) jw) jx) jy) jz) ka) kb) kc) kd) ke) kf) kg) kh) ki) kj) kk) kl) km) kn) ko) kp) kq) kr) ks) kt) ku) kv) kw) kx) ky) kz) la) lb) lc) ld) le) lf) lg) lh) li) lj) lk) ll) lm) ln) lo) lp) lq) lr) ls) lt) lu) lv) lw) lx) ly) lz) ma) mb) mc) md) me) mf) mg) mh) mi) mj) mk) ml) mm) mn) mo) mp) mq) mr) ms) mt) mu) mv) mw) mx) my) mz) na) nb) nc) nd) ne) nf) ng) nh) ni) nj) nk) nl) nm) nn) no) np) nq) nr) ns) nt) nu) nv) nw) nx) ny) nz) oa) ob) oc) od) oe) of) og) oh) oi) oj) ok) ol) om) on) oo) op) oq) or) os) ot) ou) ov) ow) ox) oy) oz) pa) pb) pc) pd) pe) pf) pg) ph) pi) pj) pk) pl) pm) pn) po) pp) pq) pr) ps) pt) pu) pv) pw) px) py) pz) qa) qb) qc) qd) qe) qf) qg) qh) qi) qj) qk) ql) qm) qn) qo) qp) qq) qr) qs) qt) qu) qv) qw) qx) qy) qz) ra) rb) rc) rd) re) rf) rg) rh) ri) rj) rk) rl) rm) rn) ro) rp) rq) rr) rs) rt) ru) rv) rw) rx) ry) rz) sa) sb) sc) sd) se) sf) sg) sh) si) sj) sk) sl) sm) sn) so) sp) sq) sr) ss) st) su) sv) sw) sx) sy) sz) ta) tb) tc) td) te) tf) tg) th) ti) tj) tk) tl) tm) tn) to) tp) tq) tr) ts) tt) tu) tv) tw) tx) ty) tz) ua) ub) uc) ud) ue) uf) ug) uh) ui) uj) uk) ul) um) un) uo) up) uq) ur) us) ut) uu) uv) uw) ux) uy) uz) va) vb) vc) vd) ve) vf) vg) vh) vi) vj) vk) vl) vm) vn) vo) vp) vq) vr) vs) vt) vu) vv) vw) vx) vy) vz) wa) wb) wc) wd) we) wf) wg) wh) wi) wj) wk) wl) wm) wn) wo) wp) wq) wr) ws) wt) wu) wv) ww) wx) wy) wz) xa) xb) xc) xd) xe) xf) xg) xh) xi) xj) xk) xl) xm) xn) xo) xp) xq) xr) xs) xt) xu) xv) xw) xx) xy) xz) ya) yb) yc) yd) ye) yf) yg) yh) yi) yj) yk) yl) ym) yn) yo) yp) yq) yr) ys) yt) yu) yv) yw) yx) yy) yz) za) zb) zc) zd) ze) zf) zg) zh) zi) zj) zk) zl) zm) zn) zo) zp) zq) zr) zs) zt) zu) zv) zw) zx) zy) zz)

DEVELOPMENT STATISTICS

| | | |
|-----------------------------|-----|----------------|
| Proposed Townhouses | 1-2 | 0.37 ha |
| Condominium Block | 3 | 0.99 ha |
| Roads Street A @ 10m - 300m | | 0.24 ha |
| TOTAL | | 1.20 ha |

UNIT BREAKDOWN

| | |
|-----------------------------------|-----------|
| Townhouse @ 6.1m (mb) | 17 |
| Condominium Townhouse @ 5.7m (mb) | 35 |
| Total Units | 52 |

DRAFT PLAN OF SUBDIVISION



| | |
|-------------------------------|------------|
| Humphries Planning Group Inc. | |
| File Number: | NOV 23, 13 |
| Date Drawn: | VI |
| Drawn By: | VI |
| Checked By: | VI |
| Date Revised: | JAN 21, 15 |
| CDP File No.: | A1 |

M



UNIONVILLAS
UPTOWN LIVING IN UNIONVILLE

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

January 2016

M



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 | |
| TOTAL REVENUE | | \$54,578 |

ADMINISTRATION

| | | |
|--------------------------------------|----------|-----------------|
| Management Fees | \$20,340 | |
| Insurance | 3,000 | |
| Legal | 565 | |
| Audit | 3,843 | |
| Office Expenses | 500 | |
| TOTAL ADMINISTRATION EXPENSES | | \$28,248 |

UTILITIES

| | | |
|------------------------|---------|----------------|
| Hydro | \$1,200 | |
| TOTAL UTILITIES | | \$1,200 |

CONSULTING

| | | |
|-------------------------|---------|----------------|
| Performance Audit | \$6,215 | |
| TOTAL CONSULTING | | \$6,215 |

CONTRACTS

| | | |
|------------------------|---------|----------------|
| Snow Clearing | \$8,000 | |
| TOTAL CONTRACTS | | \$8,000 |

RESERVE FUND

| | | |
|---|---------|-----------------|
| Reserve Fund Provision | \$6,961 | |
| Reserve Fund Provision for Reserve Fund Study | 3,955 | |
| TOTAL RESERVE FUND | | \$10,916 |

| | | |
|-----------------------|--|-----------------|
| TOTAL EXPENSES | | \$54,578 |
|-----------------------|--|-----------------|

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 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

| | |
|---|-----------------|
| 4. CONTRACTS | \$8,000 |
| a. Snow Clearing | \$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> | |
| III. CONTRIBUTION TO THE RESERVE FUND | \$10,916 |
| a. Reserve Fund Provision | \$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> | |
| b. Reserve Fund Provision for Reserve Fund Study | \$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> | |
| IV. GENERAL NOTES TO THE BUDGET | |
| 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. | |
| 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. | |
| c. The cost, type, level and frequency of services is detailed in the notes above. | |
| 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. | |
| 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. | |
| 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. | |
| 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. | |



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.

A handwritten signature in blue ink, consisting of a stylized 'M' followed by a long horizontal stroke extending to the right.



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
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 |
| | TOTAL | \$4,548.18 |

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) _____

_____ (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) *AS* _____ (Vendor) *AL* _____

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)

 X

(Vendor)

 [Signature]

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

INITIAL (Purchaser) AS _____ (Vendor) [Signature] 7

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:

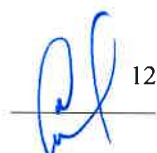
- (a) any companies or legal entities that are associated with, related to or affiliated with the Vendor, other future Real Property declarants that are likewise associated with, related to or affiliated with the Vendor (or with the Vendor's parent/holding company) and are developing one or more other 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 1st 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.

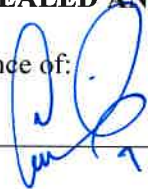
39. SCHEDULES


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 16th 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 16th day of November, 2019.

SUNRISE ACQUISITIONS (HWY 7) INC.

Per: 

Solicitors for the Vendor:
NORMAN H. WINTER
416.964.0325
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

X

al

SCRIBERRAS ROAD

EXISTING
RESERVATION

EXISTING
RESERVATION

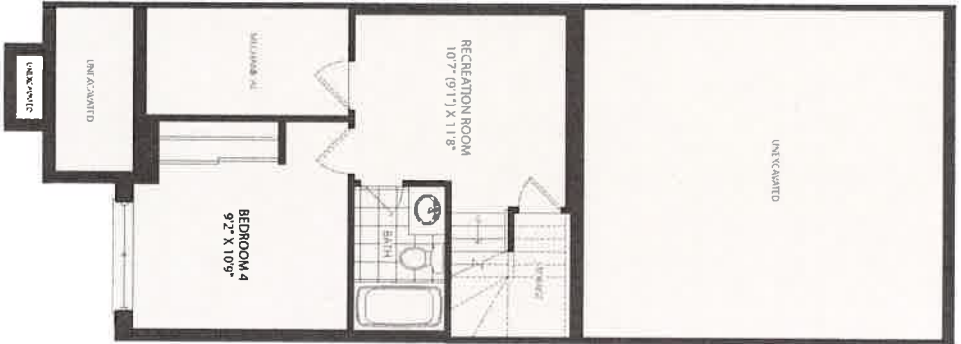
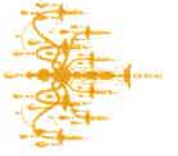
LICHFIELD ROAD

LANEWAY

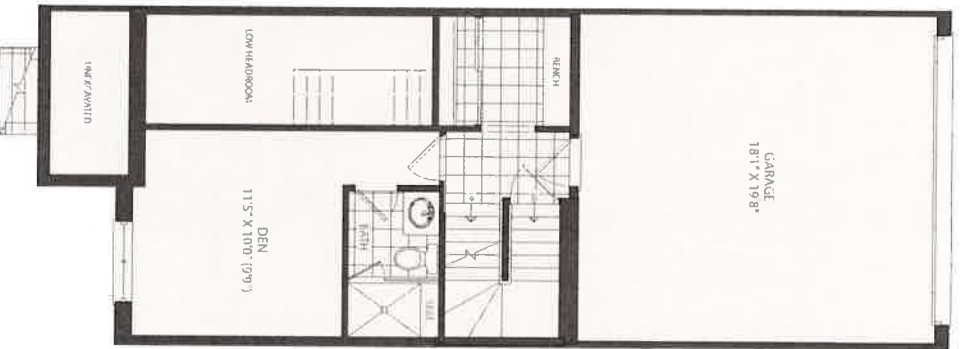
HWY 7



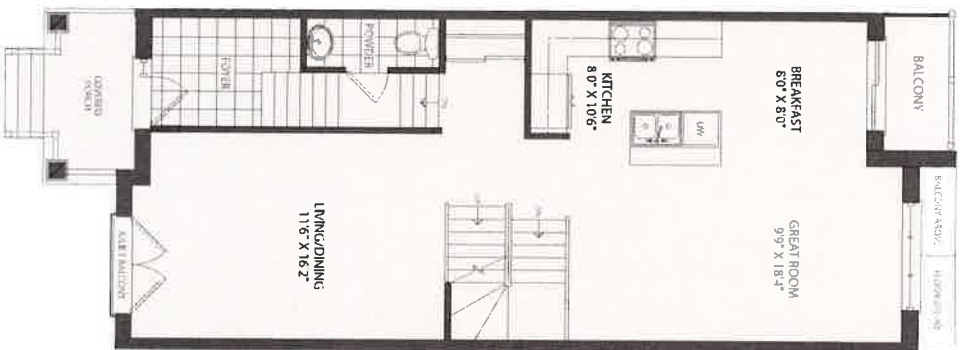
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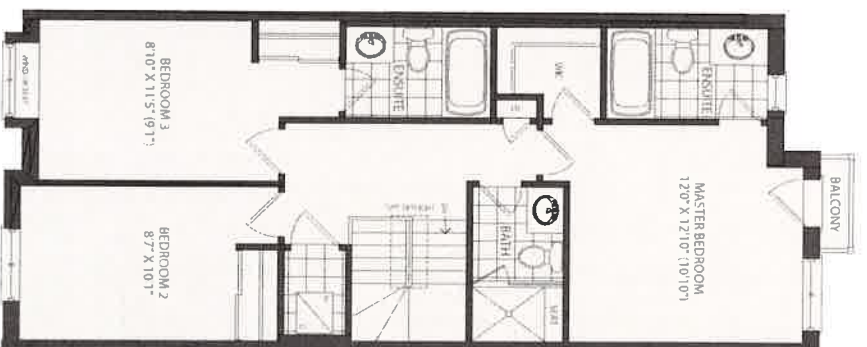
THIRD LEVEL



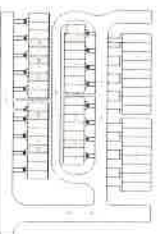
SECOND LEVEL



FIRST LEVEL



GROUND LEVEL



UPTOWN COLLECTION U21
 TOTAL LIVING AREA: 2,265 SQ.FT.

X

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)



(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:

Safana Kodwavi

("Purchaser")

and

SUNRISE ACQUISITIONS (HWY 7) INC.

("Vendor")

Dated April 30, 2019.

(the "Agreement")

INITIAL (Purchaser)



(Vendor)



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, 2019.

VENDOR: [Signature]

PURCHASER: [Signature]

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) | 50 West Wilmot St., Suite 100 | | |
| 46593 | | | |
| Tarion Registration Number | Address | City | Postal Code |
| 905-597-3333 | Richmond Hill | ON | L4B 1M5 |
| Phone | Province | Postal Code | |
| 905-597-3334 | City | Province | Postal Code |
| Fax | info@sunrisehomes.ca | | |
| | Email* | | |

PURCHASER Safan Kodwavi

| | | | |
|------------------------|--------------------------|----------|-------------|
| Full Name(s) | Woodbridge | | |
| 72 Grand Vellore Cres. | ON | | |
| Address | City | Province | Postal Code |
| 416-827-7099 | City | Province | L4H 0N8 |
| Phone | safanakodwavi1@gmail.com | | |
| Fax | Email* | | |

PROPERTY DESCRIPTION

4148 Hwy 7

| | | | |
|-------------------|----------|-------------|-------------|
| Municipal Address | City | Province | Postal Code |
| Markham | 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":

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

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.

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.

1
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.



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 | |
| TOTAL REVENUE | | \$54,578 |

ADMINISTRATION

| | | |
|--------------------------------------|----------|-----------------|
| Management Fees | \$20,340 | |
| Insurance | 3,000 | |
| Legal | 565 | |
| Audit | 3,843 | |
| Office Expenses | 500 | |
| TOTAL ADMINISTRATION EXPENSES | | \$28,248 |

UTILITIES

| | | |
|------------------------|---------|----------------|
| Hydro | \$1,200 | |
| TOTAL UTILITIES | | \$1,200 |

CONSULTING

| | | |
|-------------------------|---------|----------------|
| Performance Audit | \$6,215 | |
| TOTAL CONSULTING | | \$6,215 |

CONTRACTS

| | | |
|------------------------|---------|----------------|
| Snow Clearing | \$8,000 | |
| TOTAL CONTRACTS | | \$8,000 |

RESERVE FUND

| | | |
|---|---------|-----------------|
| Reserve Fund Provision | \$6,961 | |
| Reserve Fund Provision for Reserve Fund Study | 3,955 | |
| TOTAL RESERVE FUND | | \$10,916 |

| | | |
|-----------------------|--|-----------------|
| TOTAL EXPENSES | | \$54,578 |
|-----------------------|--|-----------------|

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

| | |
|---|-----------------|
| 4. CONTRACTS | \$8,000 |
| a. Snow Clearing | \$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> | |
| III. CONTRIBUTION TO THE RESERVE FUND | \$10,916 |
| a. Reserve Fund Provision | \$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> | |
| b. Reserve Fund Provision for Reserve Fund Study | \$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> | |
| IV. GENERAL NOTES TO THE BUDGET | |
| 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. | |
| 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. | |
| c. The cost, type, level and frequency of services is detailed in the notes above. | |
| 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. | |
| 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. | |
| 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. | |
| 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. | |



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 |
| TOTAL | | \$4,548.18 |

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) *JS* (Vendor) *AL* 2

- (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.

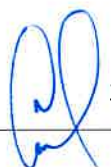
Without limiting the generality of the foregoing, the Purchaser acknowledges and agrees as follows:

- (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)



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) _____

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

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

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) 

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)

(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:

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

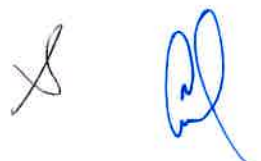
100 AMP electrical service

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

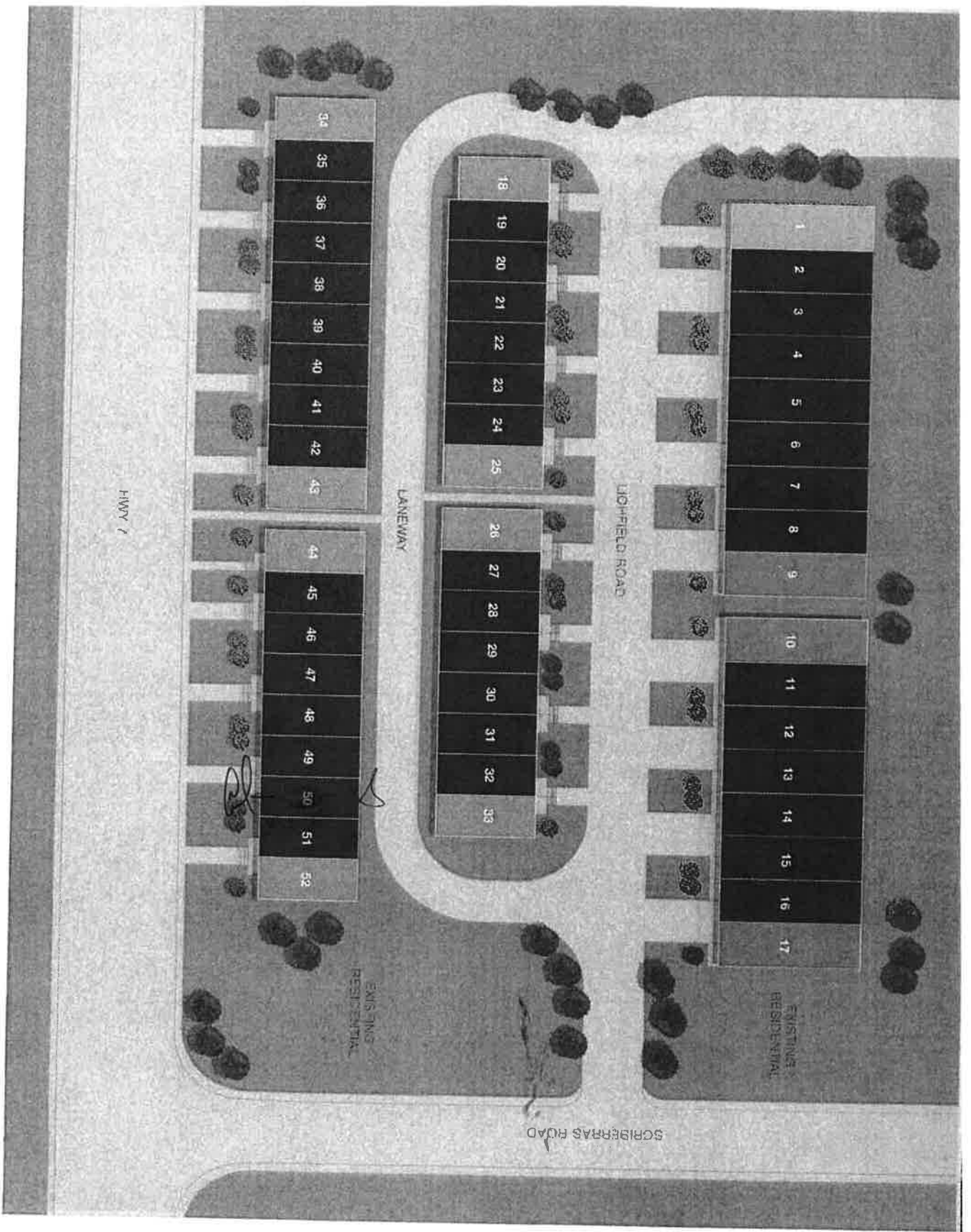
HOMEOWNER WARRANTY PROTECTION

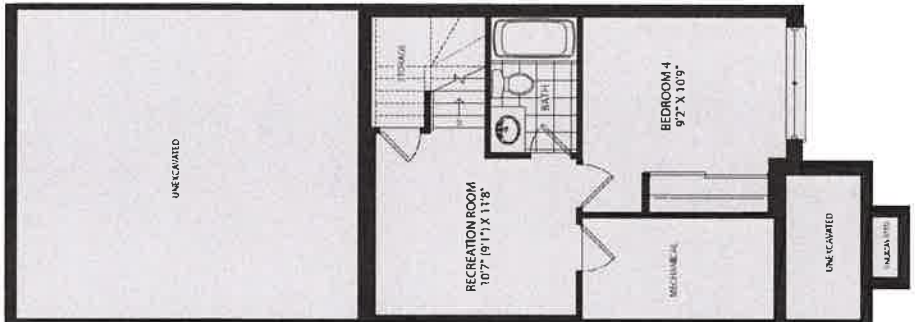
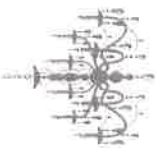
The Tarion Warranty offers: Seven (7) year protection on all structural defects

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

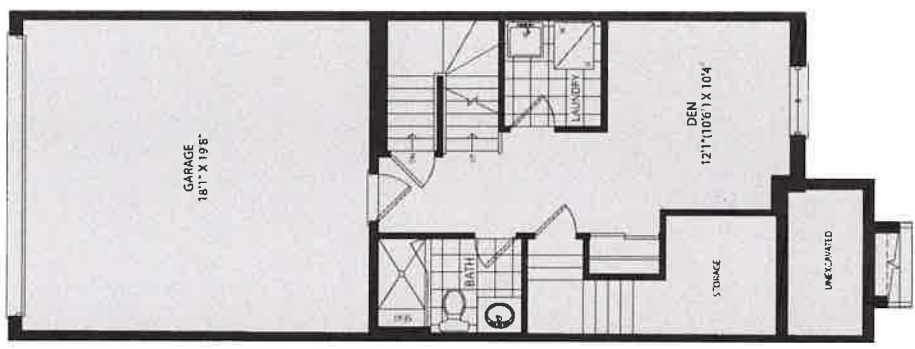
One (1) year protection on all workmanship and material defects

Two handwritten signatures in blue ink are located in the bottom right corner of the page. The signature on the left is a simple, stylized 'X' or 'A' shape. The signature on the right is a more complex, cursive signature.

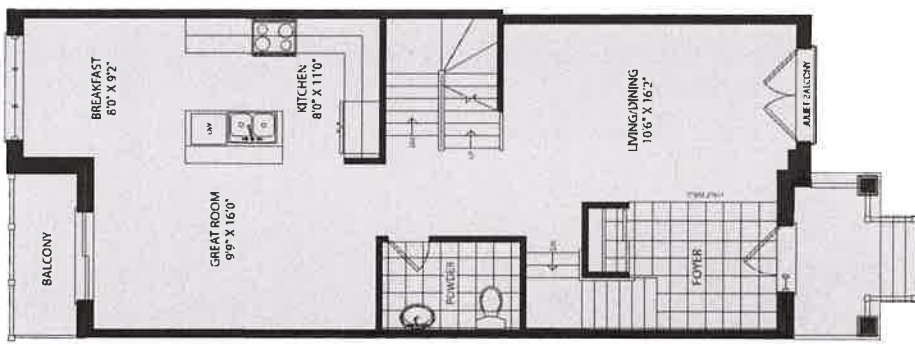




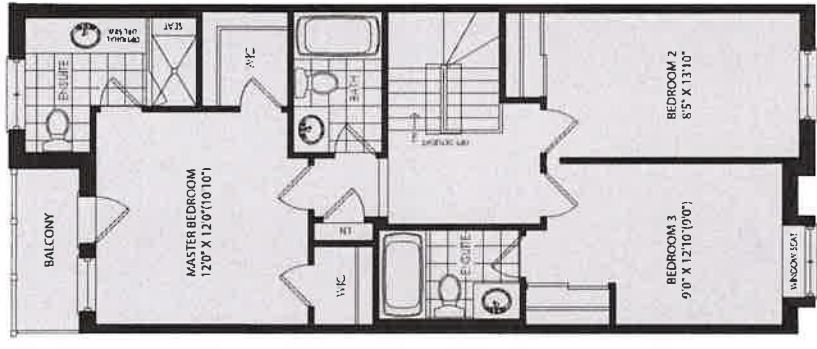
FIRST-FLR BASEMENT



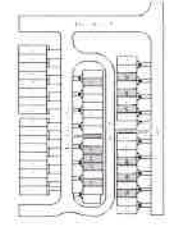
SECOND LEVEL



MAIN LEVEL



UPPER LEVEL



UPTOWN COLLECTION U23

TOTAL LIVING AREA 2,311 SQ.FT.

Handwritten signatures in blue ink.

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 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 25th day of JANUARY, 2019.

VENDOR: [Signature]

PURCHASER: [Signature]

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) | 50 West Wilmot Street, Suite 100 | |
| | 46593 | | |
| | Tarion Registration Number | Address | |
| | 905-597-3333 | Richmond Hill | ON L4B 1M5 |
| | Phone | City | Province Postal Code |
| | 905-597-3334 | info@sunrisehomes.ca | |
| | Fax | Email* | |

| | | | |
|------------------|------------------|--------------------------|----------------------|
| PURCHASER | Safan Kodwavi | | |
| | Full Name(s) | Woodbridge, | ON L4H 0N8 |
| | 72 Grand Vellore | City | Province Postal Code |
| | Address | | |
| | 416-827-7099 | | |
| | Phone | safanakodwavi1@gmail.com | |
| | Fax | Email* | |

PROPERTY DESCRIPTION

| | | | |
|-------------------------|----------|-------------|--|
| 4144 Hwy 7 | | | |
| Municipal Address | ON | L3R 0W9 | |
| Markham | Province | Postal Code | |
| City | | | |
| 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":

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

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.

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

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

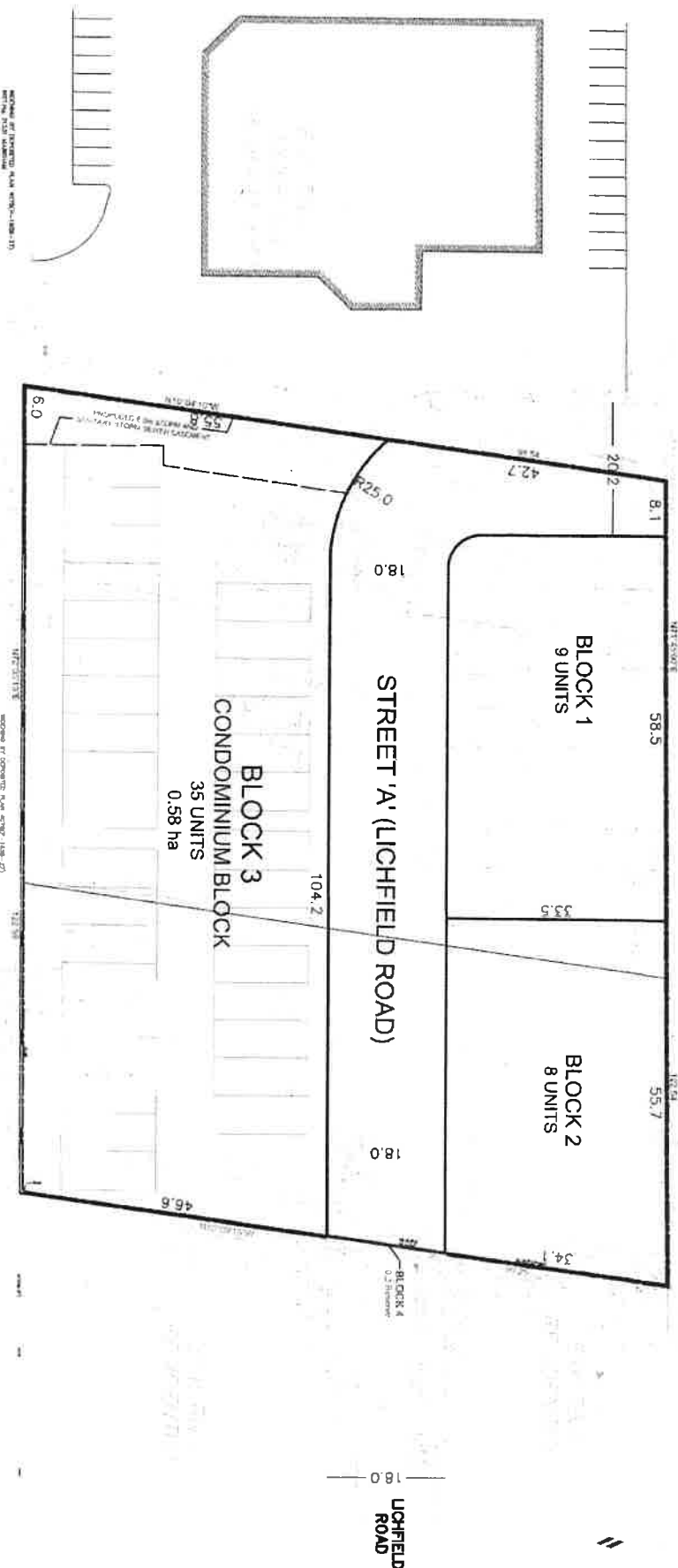
There are no buildings or structures located within the Common Elements of the Corporation.

FACILITIES AND SERVICES

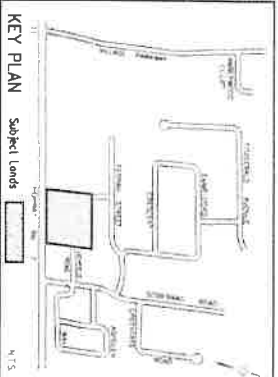
1. Storm and sanitary sewers, sump pumps within common areas, catch basins, manholes, water service, main line tee, shut off valves, fire hydrants, or other services or installations under or over the lands, which supply service to the Common Elements of the Corporation formed upon registration of this 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.

LICHFIELD ROAD

20.1



THE KING'S HIGHWAY No. 7
 (P.L.A.) AUTHORITY SETBACK LINE TO THE R.T. DIVISION IS
 SHOWN BY DOTTED LINE (N=100, V=10)



HUMPHRIES PLANNING GROUP INC.

111 HUMPHRIES PLANNING GROUP INC.
 111 HUMPHRIES PLANNING GROUP INC.
 111 HUMPHRIES PLANNING GROUP INC.

OWNER'S CERTIFICATE:

I authorize Humphries Planning Group Inc. to prepare and submit this plan for draft approval.

Date: _____

STATE'S CERTIFICATE:

I hereby certify that the boundaries of the lands, the area and the acreage of the lots and the different lots are correctly and correctly shown on this plan.

Date: _____

ADDITIONAL INFORMATION:

(Section 31(7) of the Planning Act, R.S.O. 1990, G.O. 1, 1, on compliance is April 11, 1997)

1 - on lot plan (a) & (b) on plan.

2 - see section 31(7) of the Planning Act, R.S.O. 1990, G.O. 1, 1, on compliance is April 11, 1997

3 - see section 31(7) of the Planning Act, R.S.O. 1990, G.O. 1, 1, on compliance is April 11, 1997

4 - see section 31(7) of the Planning Act, R.S.O. 1990, G.O. 1, 1, on compliance is April 11, 1997

5 - see section 31(7) of the Planning Act, R.S.O. 1990, G.O. 1, 1, on compliance is April 11, 1997

DEVELOPMENT STATISTICS:

| | | |
|------------------------------|-----|----------------|
| Freshfield Townhouses | 1-2 | 0.37 ha |
| Condominium Block | 3 | 0.59 ha |
| Roads: Street A @ 12m - 300m | | 0.24 ha |
| TOTAL | | 1.20 ha |

UNIT BREAKDOWN:

| | |
|-------------------------------------|-----------|
| Freshfield Townhouses @ 8.1m (fwh) | 17 |
| Condominium Townhouses @ 5.7m (fwh) | 35 |
| Total Units | 52 |

DRAFT PLAN OF SUBDIVISION

SCALE:

5 0 5 10 25m

111 HUMPHRIES PLANNING GROUP INC.

| | | | |
|---------------|-------------|-----------------|----|
| File Number: | 111-111-111 | Drawing Number: | A1 |
| Date Created: | NOV 23, 13 | | |
| Created By: | TRM | | |
| Date Revised: | JAN 26, 15 | | |
| 2-D File No.: | | | |



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 | |
| TOTAL REVENUE | | \$54,578 |

ADMINISTRATION

| | | |
|--------------------------------------|----------|-----------------|
| Management Fees | \$20,340 | |
| Insurance | 3,000 | |
| Legal | 565 | |
| Audit | 3,843 | |
| Office Expenses | 500 | |
| TOTAL ADMINISTRATION EXPENSES | | \$28,248 |

UTILITIES

| | | |
|------------------------|---------|----------------|
| Hydro | \$1,200 | |
| TOTAL UTILITIES | | \$1,200 |

CONSULTING

| | | |
|-------------------------|---------|----------------|
| Performance Audit | \$6,215 | |
| TOTAL CONSULTING | | \$6,215 |

CONTRACTS

| | | |
|------------------------|---------|----------------|
| Snow Clearing | \$8,000 | |
| TOTAL CONTRACTS | | \$8,000 |

RESERVE FUND

| | | |
|---|---------|-----------------|
| Reserve Fund Provision | \$6,961 | |
| Reserve Fund Provision for Reserve Fund Study | 3,955 | |
| TOTAL RESERVE FUND | | \$10,916 |

| | | |
|-----------------------|--|-----------------|
| TOTAL EXPENSES | | \$54,578 |
|-----------------------|--|-----------------|

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 |
| | <p>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.</p> | |
| b. Less Declarant Subsidy | | \$0 |
| | <p>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 .</p> | |
| c. Insurance | | \$3,000 |
| | <p>This amount covers all insurance costs, including fire (all risk), comprehensive general liability, all major equipment and directors and officers liability coverage, as applicable.</p> | |
| d. Legal | | \$565 |
| | <p>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.</p> | |
| e. Audit | | \$3,843 |
| | <p>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.</p> | |



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

4. CONTRACTS \$8,000

a. Snow Clearing \$8,000

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.

III. CONTRIBUTION TO THE RESERVE FUND \$10,916

a. Reserve Fund Provision \$6,961

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.

b. Reserve Fund Provision for Reserve Fund Study \$3,955

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.

IV. GENERAL NOTES TO THE BUDGET

- 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.
- 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.
- c. The cost, type, level and frequency of services is detailed in the notes above.
- 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.
- 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.
- 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.
- 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.



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 |
| | TOTAL | \$4,548.18 |



Driver's Licence
Permis de conduire

ON
CANADA



1,2 NAME/ NOM
KODWAVI,
SAFANA MUZAMMIL
72 GRAND VILLAGE CRES
WOODBIDGE, 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



Appendix “E”



Emily Klein

ksv advisory inc.

150 King Street West, Suite 2308

Toronto, Ontario, M5H 1J9

T +1 416 932 6259

F +1 416 932 6266

eklein@ksvadvisory.com

ksvadvisory.com

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**

A handwritten signature in black ink, appearing to read "Emily Klein". The signature is written in a cursive, flowing style.

Per: Emily Klein

Encl.
c.c. Noah Goldstein (KSV Restructuring Inc.)
Sean Zweig and Aiden Nelms (Bennett Jones LLP)

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE
JUSTICE WILTON-SIEGEL

)
)
)

WEDNESDAY, THE 9TH
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

properties, "Property") was heard this day by Zoom videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Daniel Pollack sworn May 28, 2021 and the Exhibits thereto, the Supplemental Affidavit of Daniel Pollack 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:

- (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;

- (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

subsection 63(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;

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

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.ksyadvisory.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.

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. Khan - L.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

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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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**

A handwritten signature in black ink, appearing to read "Emily Klein", is written over a faint, circular embossed seal or watermark.

Per: Emily Klein

Encl.

c.c. Noah Goldstein (KSV Restructuring Inc.)
Sean Zweig and Aiden Nelms (Bennett Jones LLP)

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE
JUSTICE WILTON-SIEGEL

)
)
)

WEDNESDAY, THE 9TH
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

properties, "Property") was heard this day by Zoom videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Daniel Pollack sworn May 28, 2021 and the Exhibits thereto, the Supplemental Affidavit of Daniel Pollack 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:

- (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;

- (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

subsection 63(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;

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

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.ksyadvisory.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.

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. Khan - L.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

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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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**

A handwritten signature in black ink, appearing to read "Emily Klein", is written over a faint, circular embossed seal or watermark.

Per: Emily Klein

Encl.

c.c. Noah Goldstein (KSV Restructuring Inc.)
Sean Zweig and Aiden Nelms (Bennett Jones LLP)

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE
JUSTICE WILTON-SIEGEL

)
)
)

WEDNESDAY, THE 9TH
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

properties, "Property") was heard this day by Zoom videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Daniel Pollack sworn May 28, 2021 and the Exhibits thereto, the Supplemental Affidavit of Daniel Pollack 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:

- (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;

- (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

subsection 63(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;

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

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.ksyadvisory.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.

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. Khan - L.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

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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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**

A handwritten signature in black ink, appearing to read "Emily Klein". The signature is written in a cursive, flowing style.

Per: Emily Klein

Encl.

c.c. Noah Goldstein (KSV Restructuring Inc.)
Sean Zweig and Aiden Nelms (Bennett Jones LLP)

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE
JUSTICE WILTON-SIEGEL

)
)
)

WEDNESDAY, THE 9TH
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

properties, "Property") was heard this day by Zoom videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Daniel Pollack sworn May 28, 2021 and the Exhibits thereto, the Supplemental Affidavit of Daniel Pollack 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:

- (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;

- (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

subsection 63(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;

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

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.ksyadvisory.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.

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. Khan - L.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

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

Ryan Jacobs LSO #: 59510J
Tel: 416.860.6465
Fax: 416.640.3189
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Ben Goodie LSO #: 70303H
Tel: 416.969.5312
Fax: 416-640-3199
bgoodie@cassels.com

Lawyers for the Applicant

Appendix “F”

Emily Klein

From: Emily Klein
Sent: July 28, 2021 1:27 PM
To: Muzammil Kodwavi
Subject: RE: Sunrise Group Companies - advances and receipts
Attachments: sunrise---first-report-to-court---final.pdf

Muzammil,

I apologize for the delayed response.

In preparing our schedule, we added all the intercompany payments we identified in the general ledgers from 2015 to 2021. The numbers should be reflective of your intercompany account balances.

We did another review and made a few small changes to the schedule. This updated schedule is reflected in our report (as attached) on page 4 & 5.

Please advise if you have any further questions.

Regards,



Emily Klein
Senior Associate

T 416.932.6259
M 905.809.7331
W www.ksvadvisory.com

From: Muzammil Kodwavi <mkodwavi@sunrisehomes.ca>
Sent: July 26, 2021 1:14 PM
To: Emily Klein <eklein@ksvadvisory.com>
Subject: RE: Sunrise Group Companies - advances and receipts

Hi Emily,

In regards to below information – my controller is currently checking and verifying all amounts. Can you kindly – forward breakdowns of each account, so we can cross check each item and totals and get back to you. 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

From: Emily Klein <eklein@ksvadvisory.com>

Sent: July 19, 2021 3:58 PM

To: Muzammil Kodwavi <mkodwavi@sunrisehomes.ca>

Cc: Noah Goldstein <ngoldstein@ksvadvisory.com>; zweigs@bennettjones.com; Colby Linthwaite <colby@fredtayar.com>; Fred Tayar <fred@fredtayar.com>

Subject: Sunrise Group Companies - advances and receipts

Muzammil,

We have reviewed the Sunrise Acquisitions (Hwy 7) Inc. General Ledger from 2015 to 2021 and summarized the advances and receipts to other companies in the Sunrise Group. We have not summarized any disbursements to you or your other partners. Since the bank account information is not yet available, we have not been able to tie this information to third party documentation, although we have confirmed the amounts in the bank statements. Please review the summary below and confirm if this information is correct.

| Party | Receipts from Party | Advances to Party | Net |
|--|---------------------|-----------------------|-----------------------|
| Net Advances | | | |
| Sunrise Acquisitions (Bronte) Inc | 669,100.00 | (1,525,850.00) | (856,750.00) |
| Sunrise Homes Ltd | 47,350.00 | (502,150.00) | (454,800.00) |
| SH & MK Management Inc | 391,000.00 | (765,361.50) | (374,361.50) |
| Sunrise Acquisitions (Tisdale) Inc | 0.00 | (352,800.00) | (352,800.00) |
| Sunrise Acquisitions (Unionville) Inc | 196,500.00 | (495,600.00) | (299,100.00) |
| Sunrise Acquisitions (Keswick II) Inc | 0.00 | (80,200.00) | (80,200.00) |
| Sunrise Acquisitions Inc | 0.00 | (38,250.00) | (38,250.00) |
| Sunrise Acquisitions (Tisdale II) Inc | 0.00 | (6,650.00) | (6,650.00) |
| Sunrise Acquisitions (Burlington) Inc | 0.00 | (300.00) | (300.00) |
| Subtotal | 1,303,950.00 | (3,766,861.50) | (2,462,911.50) |
| Net Receipts | | | |
| Sunrise Acquisitions (Bond Head) Inc | 838,500.00 | (63,750.00) | 774,750.00 |
| Sunrise Acquisitions (Keswick) Inc | 590,000.00 | (324,350.00) | 265,650.00 |
| Sunrise Acq (Bond Head II) LP | 88,000.00 | 0.00 | 88,000.00 |
| Sunrise Acquisitions - (remainder of name cut off on GL) | 61,500.00 | (11,250.00) | 50,250.00 |
| Sunrise Acquisitions (Barrie) | 35,000.00 | 0.00 | 35,000.00 |
| Subtotal | 1,613,000.00 | (399,350.00) | 1,213,650.00 |
| Net | 2,916,950.00 | (4,166,211.50) | (1,249,261.50) |

Please confirm it is your intention to repay the balances owed from each intercompany. The net positive amounts (owed by Sunrise Acquisitions (Hwy 7) Inc.) are unsecured claims and cannot be repaid unless and until the secured claims are paid in full.

Regards,



Emily Klein
Senior Associate

T 416.932.6259
M 905.809.7331
E eklein@ksvadvisory.com

KSV Advisory Inc.
150 King Street West
Suite 2308, Box 42
Toronto, Ontario, M5H 1J9

T 416.932.6262 | F 416.932.6266

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Appendix “G”



ksv advisory inc.

150 King Street West, Suite 2308

Toronto, Ontario, M5H 1J9

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F +1 416 932 6266

ksvadvisory.com

September 8, 2021

DELIVERED BY E-MAIL (shussain@sunrisehomes.ca and mkodwavi@sunrisehomes.ca)

Attention: Sajjad Hussain and Muzammil Kodwavi

Dear Mr. Hussain and Mr. Kodwavi:

Re: Receivership of Sunrise Acquisitions (Hwy 7) Inc. (the "Company")

As you are aware, pursuant to an order (the "Receivership Order") of the Ontario Superior Court of Justice dated June 9, 2021, KSV Restructuring Inc. was appointed receiver and manager ("Receiver") of all the assets, undertakings and properties of the Company and the proceeds therefrom (collectively, the "Property"). A copy of the Receivership Order has previously been provided to you.

As you are also aware, the Receiver is investigating certain transactions involving the Company. In connection with the investigation, you provided the Receiver with the Company's internally prepared general ledger. The Receiver has also received the Company's bank statements and most of the cheques supporting the disbursements in the Company's bank account.

The Receiver has compared the transactions in the general ledger to the Company's bank statements and notes several significant discrepancies, especially as it relates to related party transactions. For example, the general ledger reflects approximately \$1.4 million paid to Mr. Kodwavi whereas the bank statements reflect at least \$4.9 million paid to Mr. Kodwavi. A preliminary summary of the known discrepancies related to disbursements to related parties is attached as Appendix "A". As noted above, the Receiver has yet to receive all cheque information so the variances are subject to change and could materially increase.

The Receiver is concerned that you attempted to deliberately mislead the Receiver's investigation. Accordingly, the Receiver requires that you provide explanations for the discrepancies, if any, by Friday, September 10, 2021 at 5pm EST. The explanations should be provided to Emily Klein (eklein@ksvadvisory.com).

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

c.c. Sean Zweig (Bennett Jones LLP)

Appendix "A"

Unaudited; based on preliminary information

| Party | Disbursements per cheques | Disbursements per general ledger | Variance |
|---------------------------------------|--------------------------------------|---|-----------------|
| Muzammil Kodwavi | 4,948,068 | 1,374,237 | (3,573,831) |
| Sunrise Acquisitions (Keswick) Inc | 1,397,875 | 320,650 | (1,077,225) |
| Sajjad Hussain | 1,827,309 | 900,288 | (927,021) |
| SH & MK Management Inc | 1,714,062 | 796,062 | (918,000) |
| Sunrise Acquisitions (Unionville) Inc | 1,174,250 | 497,850 | (676,400) |
| Sunrise Acquisitions (Bronte) Inc | 2,133,900 | 1,525,850 | (608,050) |
| Sunrise Acquisitions (Bond Head) Inc | 267,250 | 63,750 | (203,500) |
| Sunrise Acquisitions (Barrie) Inc | 125,000 | - | (125,000) |
| Sunrise Acquisitions Inc. | 30,740 | 38,250 | 7,510 |
| Sunrise Acquisitions (Keswick II) Inc | 14,500 | 80,200 | 65,700 |
| Sunrise Homes Ltd. | 365,250 | 532,150 | 166,900 |

Appendix “H”

LOAN AGREEMENT

THIS AGREEMENT made as of the 6th day of August, 2015,

BETWEEN:

SORRENTI LAW PROFESSIONAL CORPORATION, in Trust

(called the "Lender")

- and -

SUNRISE ACQUISITIONS (HWY 7) INC.

(called the "Borrower")

WHEREAS the Lender has agreed to advance the Loan to the Borrower on the basis set forth herein;

AND WHEREAS the Loan will be secured by a second-ranking mortgage against the Property;

AND WHEREAS the balance of the terms of the Loan are set out in this Agreement;

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. **Defined Terms**

Unless expressly stated otherwise, the following capitalized terms shall have the meanings indicated:

- (a) "Agreement" means this agreement and all amendments thereof;
- (b) "Borrower" means Sunrise Acquisitions (Hwy 7) Inc. and its successors and permitted assigns;
- (c) "Bridge Lender" shall have the meaning attributed thereto in Section 3(c) hereof;
- (d) "Bridge Loan" shall have the meaning attributed thereto in Section 3(c) hereof;
- (e) "Business Day" means any day other than a Saturday, Sunday or statutory holiday in the Province of Ontario;
- (f) "Conditions Precedent" shall have the meaning attributed thereto in Section 12 hereof;



- (g) **"Default"** means an event or condition, the occurrence of which would, with the lapse of time or the giving of notice, or both, become an Event of Default;
- (h) **"Deferred Lender Fee"** shall have the meaning attributed thereto in Section 9 hereof;
- (i) **"Development Consultant Agreement"** means the agreement between Fortress and the Borrower of even date relating to the provision of certain services to the Borrower for the Project;
- (j) **"Development Fees"** means any and all development management fees or construction management fees payable by the Borrower or any related parties in connection with the Project;
- (k) **"Early Repayment"** shall have the meaning attributed thereto in Subsection 17(f) hereof;
- (l) **"Event of Default"** shall have the meaning attributed thereto in Section 16 hereof;
- (m) **"First-Ranking Construction Loan"** means collectively, one or more secured Project construction loans, in favour of arm's-length lender(s), in an aggregate principal amount not to exceed \$55,000,000 (plus a 10% contingency) ranking *pari passu* or with stated priority between them (in the case of multiple loans), with usual cost-to-complete advances and related security/documentation;
- (n) **"First-Ranking Construction Loan Security"** means the security to be provided to the Senior Lender to service the First-Ranking Construction Loan;
- (o) **"Fortress"** means Fortress Real Developments Inc.;
- (p) **"Hazardous Substances"** means all contaminants, pollutants, substances and materials that, when released to the natural environment, could cause, at some immediate or future time, harm or degradation to the natural environment or risk to human health, whether or not such contaminants, pollutants, substances and/or materials are or shall become prohibited, controlled or regulated pursuant to environmental laws and shall include "contaminants", "dangerous substances", "hazardous materials", "hazardous substances", "hazardous wastes", "industrial wastes", "liquid wastes", "pollutants" and "toxic substances", all as defined in, referred to and/or contemplated in environmental laws, but exclude all cleaning or construction and related products used in the usual construction, operation and maintenance of property;
- (q) **"Interest Reserve"** means the amount of monies actually raised from investors and included in the Loan to cover interest payments on the Net Equity advanced under the Loan;



- (r) **"Lender"** means Sorrenti Law Professional Corporation, in trust, for and on behalf of certain persons/entities, and their respective successors and assigns;
- (s) **"Loan"** shall have the meaning attributed thereto in Section 3 hereof;
- (t) **"Loan Documents"** means this Agreement, the Security, all other documentation delivered in connection with the Loan and all amendments thereof;
- (u) **"Maturity Date"** shall have the meaning attributed thereto in Section 4 hereof;
- (v) **"Net Equity"** means a portion of the principal amount of the Loan advanced to the Borrower, from time to time, excluding: (1) the Interest Reserve; (2) all other accrued interest; (3) the Deferred Lender Fee (if applicable); (4) the amounts raised and paid out on account of interest payments, and (5) all fees paid by the Borrower to Fortress under the Development Consultant Agreement as Development Consultant Fees / Costs, as defined therein;
- (w) **"Notice"** shall have the meaning attributed thereto in Subsection 18(b) hereof;
- (x) **"Permitted Encumbrances"** means the First-Ranking Construction Loan Security, a mortgage to secure any insurer providing bonding to the Taron Warranty Corporation or providing excess deposit insurance to purchasers of condo and/or other units and such non-financial encumbrances as shall be reasonable for a development such as the Project (including, without limitation, encumbrances pertaining to easements, rights-of-way, subdivision agreements, condominium development or related agreements, site plan control agreements, Development Consultant Agreements, cost-sharing agreements, encroachment agreements, zoning/use laws, utility licences, utility easements, Crown patent reservations and restrictive covenants existing or required from time to time);
- (y) **"Pledge of Shares"** shall have the meaning attributed thereto in Section 10(g) hereof;
- (z) **"Project"** means an approximately 52 unit residential development to be constructed on the Property, comprised of lands located at Warden Road and Highway 7, Markham, Ontario;
- (aa) **"Project Budget"** means the Project budget attached hereto as Schedule "B";
- (bb) **"Project Cost Consultant"** means an arm's-length cost consultant approved by the Lender, acting reasonably. Such Project Cost Consultant may be the same as the consultant used by the Senior Lender(s);
- (cc) **"Property"** means the lands municipally and legally described in Schedule "A" attached hereto, together with all personal, intellectual and other property and all contracts relating thereto or associated therewith;
- (dd) **"Purchase Agreement"** means the Agreement of Purchase and Sale between IKH Holdings Inc. as purchaser and Litchfield Developments Limited as vendor;

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- (ee) "Security" shall have the meaning attributed thereto in Section 10 hereof;
- (ff) "Senior Lender(s)" means Kingsett Mortgage Corporation ("Kingsett") and any other arm's length recognized financial institution providing the First-Ranking Construction Loan for the Project and receiving the First-Ranking Construction Loan Security, all such lenders other than Kingsett as approved by the Lender, acting reasonably;
- (gg) "Substantial Completion" shall have the meaning attributed thereto pursuant to the *Construction Lien Act* (Ontario);
- (hh) "Term" shall have the meaning attributed thereto in Section 4 hereof; and
- (ii) "Waterfall" has the meaning attributed thereto under Schedule "C".

2. **Schedules**

The following are the schedules attached to and forming part of this Agreement:

- (a) Schedule "A" - Municipal and Legal Description of the Property
- (b) Schedule "B" - Project Budget
- (c) Schedule "C" - Waterfall

3. **Loan**

- (a) The Lender hereby establishes a non-revolving loan (the "Loan") in favour of the Borrower in an amount of \$7,691,757 to provide funding for the Borrower's costs related to the acquisition of the Property (including reimbursements for such costs already advanced), as set out in Schedule "B" attached hereto (the "Project Budget") 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 (as determined by the Senior Lender in its sole, absolute and unfettered discretion) prior to the first advance of the First-Ranking Construction Loan, and for other Project expenses all as set out in the Project Budget, but specifically excluding Development Fees which are to be funded by the Senior Lender;
- (b) If, for any reason whatsoever and notwithstanding any other provision hereof, the Lender is unable to fund the full Loan for the Project above the first advance of \$5,384,615.00 ("Additional Loan"), as and when required, as per the Schedule shown in the Project Budget as approved by the Lender, as amended from time to time, with consent of both the Lender and Borrower within ninety (90) days of being required to do so, then the security for the Loan funded shall be postponed and subordinated in favour of any and all security required by a lender providing the loan for the shortfall of the Additional Loan (the "Replacement Lender") and shall be postponed and subordinated in favour of the Security held by the

8

Replacement Lender for advances to the Project. Either the Lender or the Borrower shall have the right to obtain a Replacement Lender on the best commercial terms available; and

- (c) Notwithstanding any other provision hereof, in the event that, for any reason whatsoever, less than the principal amount of the Additional Loan is arranged for ultimate advance to the Borrower, as and when required as set out herein, then the Lender may, in its sole, absolute and unfettered discretion and at its sole cost, agree to arrange a financing of the shortfall through an additional loan ("**Bridge Loan**") from a third party lender ("**Bridge Lender**") on the same terms as the Loan, as herein set out, and otherwise at no additional cost to the Borrower. The Bridge Loan shall rank in priority to the Loan and the Loan Documents and rank behind the First-Ranking Construction Loan Security (if applicable), and the Borrower and Lender agree to execute and deliver all reasonable documentation to provide required Security and related documents to the Bridge Lender as it may reasonably require to secure the Bridge Loan, and reflect such priority/ranking. The Bridge Loan shall provide for usual cost-to-complete advances and be secured by all usual security/documentation similar to the Security herein.
- (d) The parties agree that the loan by the Replacement Lender and/or Bridge Lender will be subject to Kingsett's approval and that such lender(s) will be required to enter into a postponement, subordination and standstill agreement in Kingsett's form.
- (e) In the event the Lender has not advance the full Additional Loan, all fees payable by the Borrower hereunder shall be reduced proportionately.

4. **Term**

- (a) Twenty-Four (24) months, commencing on the date of first advance and ending on the final day of such period (the "**Maturity Date**"). At the Borrower's option (to be exercised in writing not less than three (3) months prior to the Maturity Date), the Borrower may extend the Maturity Date for ~~4~~¹² additional months.

The first advance of \$5,384,615.00 (the "**First Advance**") shall be made on or prior to August 20, 2015 concurrently with delivery of the Security and after satisfaction of all Conditions Precedent.

Failing the First Advance being completed as aforesaid due to the Borrower's default, the First Advance will be postponed to no later than August 31, 2015, failing advance due the Borrower's default, the Lender at its option, may terminate this Agreement and all parties shall be relieved of all liability hereunder.

5. **Interest Rate**

Eight Percent (8%) per annum.

Notwithstanding any other provision hereof, the aggregate fees, donations, interest, share

of profits, penalties and all other payments pursuant to the Loan (in addition to the repayment of Loan principal) shall be deemed not to exceed an effective annual rate of interest of 59% (calculated in accordance with generally accepted actuarial practices and principles).

6. **Interest Payment**

Calculated annually, not in advance, and payable quarterly, not in advance, both before and after default, first payment thereof to be made on the 20th day of November, 2015 and then on the first day of every third month following.

An interest reserve shall be raised by the Lender, or failing same, interest shall be accrued to the Maturity Date.

7. **Method of Payment of Quarterly Interest Payment**

If an interest reserve is raised, the Borrower shall subscribe to the "pre-authorized payment" system to allow monthly instalments to be withdrawn automatically, to be advanced from the Interest Reserve to the extent raised by the Lender (or the Lender is directed to make necessary advances from the Interest Reserve to make the monthly interest payments as and when due).

8. **Prepayment/Repayment of Principal**

- (a) The Borrower may prepay the Loan, in whole but not in part (except from closing proceeds of home sales, as set out in the Budget and/or pro-forma), upon two (2) Business Days' prior written notice to the Lender and without bonus, but the obligations to pay the Deferred Lender Fee and any payments to Fortress under the Development Consultant Agreement shall continue;
- (b) The outstanding Loan principal together with accrued interest owing and all other amounts due and owing, if any, pursuant to the Loan Documents shall become wholly due and payable on the earlier of Maturity Date or the occurrence of an unremedied Event of Default;
- (c) To the extent the Project is refinanced, to the extent that such equity can be repatriated to the Borrower, same shall be paid to the Lender to pay down the Loan or at the option of the Lender, held in a separate trust account and pledged to the Lender to secure and be used to fund the unfunded Interest Reserve and interest payments; and
- (d) Repayment of the Loan shall be subject to and in accordance with the provisions of the "Waterfall" in Schedule "C".

9. **Project Completion – Deferred Lender Fee:**

In addition to the above and not later than thirty (30) days following full completion and full sale of the Project, the Borrower shall pay to the Lender a Project completion fee/deferred lender fee ("Deferred Lender Fee") as set forth below and which fees shall

be secured under the Security:

- (a) in the event that the Project Profit is less than \$7,650,000 there will be no Deferred Lender Fee;
- (b) in the event that the Project Profit exceeds \$7,650,000.01 the Deferred Lender Fee would be equal to 2% of the Loan principal, to be paid out of the Development Consultant's share of the profit;

For accounting purposes only, Project Profit shall be determined in accordance with GAAP upon completion of the Project and 95% residential sales having been completed with a projection on the value of the remaining 5%, but shall exclude all fees payable to Fortress pursuant to the Development Consultant Agreement. The Lender's Security shall remain in full force and effect until the project completion fee is paid in full. Actual Project Profit shall be determined and paid within sixty (60) days after 100% of residential sales having been completed and all costs determined and paid in full. The Deferred Lender Fee shall be deducted from fees otherwise payable to the Development Consultant pursuant to the Development Consultant Agreement.

10. **Security**

The security for the Loan (as amended, hereinafter the "Security") shall be as follows, subject only to the Permitted Encumbrances:

- (a) Property mortgage executed by the Borrower in the principal face amount of \$12,000,000.00 ; ^{up to}
- (b) if the Property beneficial owner is not the Borrower, then a direction, acknowledgement and security agreement executed by the beneficial owner, Borrower and Lender charging the beneficial owner's interest in the Project (but non-recourse to such beneficial owner's other assets), including confirmation of a second ranking charge of the beneficial owner's interest in the Property and a direction by the beneficial owner to the Borrower to execute the Loan Documents to which the Borrower is a party, such direction to be duly acknowledged by the Borrower;
- (c) a general security agreement executed by the Borrower charging the personal property and undertaking of the Borrower, present and future, used in connection with the Property including, without limitation, all accounts, equipment, goods, inventory, chattel paper, documents of title, intangibles, securities and proceeds therefrom;
- (d) an indemnity from the Borrower indemnifying the Lender from and against all losses, demands, claims, liabilities, costs, actions, penalties, obligations and expenses imposed upon the Lender and arising in connection with the Lender being a lender hereunder in respect of the Property and all assets relating thereto, save and except in respect of matters arising and caused by the negligence of the Lender during any period in which the Lender shall be in exclusive possession of

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the Property and/or arising and caused after a completed foreclosure proceeding or sale proceeding pursuant to the Security and/or caused by the negligence of the Lender; such indemnity shall survive the full payment and discharge of the Loan including *inter alia*, an appropriate indemnity for all environmental matters;

- (e) a completion guarantee from the Borrower;
- (f) an undertaking by the Borrower to obtain construction financing from the Senior Lender for all approved Project costs as described in the Project Budget, save for the equity to be advanced by way of the Loan Amounts under this Loan Agreement, on commercially reasonable terms to be approved by the Lender, acting reasonably. The Lender confirms approval of the construction financing and terms from Kingsett;
- (g) a second pledge of all the voting shares of the Borrower; and
- (h) such further and/or other security relating to the Property as the Lender shall reasonably require and as contemplated herein.

11. **Deliveries to Lender**

The Borrower shall deliver, within five (5) Business Days following execution of this Agreement, a copy of each of the following:

- (a) the Property parcel pages, existing registered encumbrances and existing surveys thereof (receipt and approval confirmed);
- (b) the appraisal and professional reports described in Section 12 hereof (receipt and approval confirmed);
- (c) the financial statements and Project Budget described in Section 12 hereof (receipt and approval confirmed);
- (d) the off-title search results and corporate/personalty search results described in Section 12 hereof (receipt and approval confirmed);
- (e) evidence of liability insurance in satisfactory amounts, with the Lender included as a named insured;
- (f) all existing material Project contracts (receipt and approval confirmed);
- (g) all Project plans and specifications and all periodic Project development reports issued to date (receipt and approval confirmed);
- (h) all architectural and engineering documents and any other consultant or internally generated developments reports with respect to the Project, together with the draft plan, zoning analysis, traffic study, sanitary study, water study, storm-water study, utility study and road study, if available (receipt and approval confirmed); and



- (i) a copy of the Purchase Agreement and closing statement of adjustments (receipt and approval confirmed); and
- (j) all other information and/or documentation in respect of the Project, the Property and/or the Borrower as the Lender may request, acting reasonably.

12. **Conditions Precedent to Advance**

Each advance pursuant to the Loan shall be conditional upon the Lender's receipt of the following (the "**Conditions Precedent**"), which Conditions Precedent are inserted for the sole benefit of the Lender and may be waived by the Lender, in whole or in part:

- (a) the Security, duly registered and perfected (as the case may be) together with all other documentation relating to the Loan, the Property, the Project and the Borrower required by the Lender, acting reasonably;
- (b) title insurance from a title insurance company approved by the Lender, acting reasonably;
- (c) an opinion from Borrower's counsel confirming the subsistence, power and authority of the Borrower, the due authorization, execution, delivery and enforceability (subject to customary assumptions and qualifications) of the Loan Documents and such other matters as the Lender shall reasonably require;
- (d) a mortgage statement from a Permitted Encumbrance mortgagee(s) confirming that the relevant mortgage loan is in good standing and the terms thereof;
- (e) certificate from the Borrower certifying no Event of Default or default, the truth of all representations and warranties, the satisfaction of all conditions and compliance with all covenants set out in the Loan Documents;
- (f) an appraisal (at Lender's cost) indicating completed Project value of not less than \$22,000,000 (receipt and approval confirmed);
- (g) satisfactory environmental report, geotechnical report, mechanical engineering report, structural engineering report and zoning report, prepared by the appropriate professionals (with reliance letters in favour of the Lender (receipt and approval confirmed));
- (h) confirmation that realty taxes have been paid to the relevant date;
- (i) satisfactory financial statements in respect of the Borrower and a satisfactory summary of Borrower share ownership (receipt and approval confirmed);
- (j) satisfactory Project Budget, duly approved by the Lender (receipt and approval confirmed);
- (k) satisfactory insurance coverage for the Project, duly approved by the Lender's insurance consultant (if any) and the Lender;



- (l) all relevant consents pursuant to the Loan Documents (receipt and approval confirmed);
- (m) certificate from the Borrower certifying that there have been no material changes affecting the Property and/or the Borrower since the later of the date of execution of this Agreement and the immediately prior advance hereunder and;
- (n) After the First Advance, confirmation of investors' interest – the Borrower acknowledges that the Lender will be syndicating this loan to individual investors, either through cash investments or RRSP investments and that each investor will have an individual beneficial interest in the Loan Amount proportionate to the overall contributions. As part of the syndication process, the Borrower agrees to execute a confirmation of Lender's interest in the Lender's standard form with each of the investors to confirm their individual Loan Amounts.

13. **Reporting & Default Mechanisms**

13.1 Reporting Mechanisms

The Borrower hereby covenants and agrees to deliver and provide the following with respect to the Project on a monthly basis including:

- (a) copies of the Project Cost Consultant's reports with each advance, as well as any preliminary or supplementary reports including the last version issued by the Project Cost Consultant;
- (b) a monthly report as to the status of all zoning and planning approvals;
- (c) a monthly status report as to revisions to the Budget, negotiations with Senior Lender, as well as updated plans and specifications for the Project. To the extent such plans and specifications materially change from those received and are approved by the Lender at the outset, same will require the approval of the Lender, acting reasonably;
- (d) financial reporting as to loan advances, sales reports, project expense reports and such other reasonable reporting requirements of the Lender and consistent with those to be provided to the Project Cost Consultant and the Senior Lender;
- (e) advice as to any material deviations to the Project Budget;
- (f) all preliminary and final plans for the design, layout, suite mix and proposed pricing of the Project and the units, any any other Project specifications required by the Lender, as amended from time to time, all to be approved by the Lender, acting reasonably; and
- (g) such other reasonable requirements of the Lender consistent with the terms of this Loan Agreement and industry practice for similar types of equity/loans.

The Borrower acknowledges that Fortress will be delegated the responsibilities of monitoring the Project and receiving all reports from the Borrower as contemplated in the Loan Agreement including completing the due diligence with respect to the funding obligation of the Lender under the Loan Agreement and providing approvals where required for the Lender, and the cost/fee thereof are included in the fees payable under the Development Consultant Agreement.

13.2 Default Mechanisms

In the event that there is an Event of Default and the Lender exercises any of its remedies under its Security, Fortress will be delegated all responsibilities of determining the best course of action for enforcement, including managing the affairs of the Borrower pursuant to the exercise of the pledge of shares of the Borrower in order to maximize the recovery of the Loan for the Lender and its underlying investors.

14. Representations and Warranties

The Borrower represents and warrants as follows:

- (a) the Borrower is duly constituted and validly subsisting under the laws of the Province of Ontario, has all necessary power and authority to own its properties and assets and to carry on its business as now conducted and is duly licensed or registered or otherwise qualified in all jurisdictions wherein the nature of its assets or the business transacted by it makes such licensing, registration or qualification necessary;
- (b) the Borrower has full power and capacity to enter into, deliver and perform its obligations under the Loan Documents to which it is a party and all other instruments contemplated hereunder to which it is a party;
- (c) subject to Kingsett's consent, the execution and delivery and performance by the Borrower of the Loan Documents to which it is a party and all obligations contained herein and therein, and all other instruments contemplated hereunder to which it is a party and the consummation of the transactions contemplated hereby and thereby:
 - (i) have been duly authorized by all necessary action;
 - (ii) do not and will not conflict with, result in any breach or violation of, or constitute a default under any such party's constating documents or by-laws, or any applicable laws or judgment presently in effect and applicable to it, or, subject to Kingsett's consent, of any material Project agreement to which any such party is bound;
 - (iii) do not (except for the Security) result in or require the creation of any security interest or encumbrance upon or with respect to which the Borrower is bound; and

- (iv) do not require the consent or approval (other than Kingsett and those consents or approvals already obtained and copies of which have been delivered to the Lender and other than those consents which, if not obtained, would not adversely affect any material component of the Security, the value of the Property or the operation of the business of the Borrower at the Property) of, or registration or filing with (except as contemplated herein), any other person, including any public authority.
- (d) the Borrower has provided to the Lender accurate and complete copies of all material Project agreements;
- (e) each Loan Document and all other instruments contemplated hereunder are, or when executed and delivered to the Lender will be, legal, valid and binding obligations enforceable against the Borrower in accordance with their respective terms, subject to the limitations with respect to enforcement imposed under law in connection with bankruptcy, insolvency, liquidation, reorganization and other laws affecting the enforcement of creditors' rights generally and subject to the availability of equitable remedies which are only available in the discretion of the court from which they are sought;
- (f) the Security granted by the Borrower constitutes an assignment, a fixed and specific mortgage and charge, a floating charge and security on its undertaking, property and assets purported to be assigned, mortgaged, charged or subjected to the Security thereby and ranks in priority to all other security interests upon such undertaking, property and assets other than Permitted Encumbrances;
- (g) subject to any limitations stated therein, all financial statements which were furnished to the Lender hereunder, fairly present the financial condition of the relevant party as at the date thereof, and no material adverse change has occurred since the date of such delivery;
- (h) no event has occurred and is continuing, and no circumstance exists which has not been waived, which:
 - (i) constitutes a default or Event of Default; or
 - (ii) constitutes a default or event of default under any Permitted Encumbrance which may materially adversely affect the value of the Property or impair the validity or enforceability of the Security.
- (i) the Borrower is not in violation of any terms of its constating documents or, in any material respect, of any applicable law (including, without limitation, all building, zoning, planning, development, construction, construction lien, environmental and occupation laws);
- (j) the Borrower owns all intellectual property used and/or to be used in connection with the Project, free from all encumbrances;

- (k) the Borrower is solvent and will not become insolvent after giving effect to the transactions contemplated in this Agreement;
- (l)
 - (i) each material Project agreement is in full force and effect and has not been modified or supplemented;
 - (ii) the Borrower is not in default under any material Project agreement, and to the knowledge of the Borrower, no other party to any such material Project agreement is in default of any material obligation thereunder; and in each such case, no event has occurred which, with the giving of notice or the lapse of time, or both, would constitute such a default; and
 - (iii) no notice or other written or oral communication has been provided by or to the Borrower to or from any party under any material Project agreement which alleges that, as of the date hereof, either a default exists or with the passage of time will exist under the provisions of such material Project agreement.
- (m) the Property has full and free legally enforceable access to and from public highways, which access is sufficient for the purposes of the normal operation of the Property and the Borrower has no knowledge of any fact or condition that would result in the interruption or termination of such access;
- (n) all public utilities required for the normal operation of the Property connect into the Property through adjoining public highways or if they pass through adjoining private land, do so in accordance with valid registered easements and are sufficient for the operation of the Property;
- (o) no legal action or other proceeding has been instituted or, to the best of its knowledge after making diligent enquiry, threatened against the Borrower; the Borrower has not received notice of any work orders, deficiency notices or notices of violation pertaining to the Property;
- (p) to the best of its knowledge, and save as otherwise disclosed to the Lender in the reports provided by the Borrower, including without limitation the potential presence of methane, the Property complies with all laws regarding environmental matters; the Property has never been used as a land fill site or to store Hazardous Substances either above or below ground, in storage tanks or otherwise; no Hazardous Substances have been released into the environment or deposited, discharged, placed or disposed of at, on or near the Property; and there are no outstanding directions, writs, injunctions, orders or judgments issued pursuant to environmental laws in respect of the Property;
- (q) the Borrower will on the closing of the Purchase Agreement, have good, valid and marketable title to the Property, free from all encumbrances except the Permitted Encumbrances; and

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- (r) the Borrower has filed or caused to be filed in a timely manner all tax returns, reports and declarations required to be filed under law; all information in such tax returns, reports and declarations is complete and accurate in all material respects; the Borrower has paid all taxes due and payable.

15. Covenants

The Borrower covenants and agrees as follows:

- (a) to defend its right, title and interest in the Property for the benefit of the Lender against all claims and demands whatsoever of all persons/entities, other than holders of Permitted Encumbrances;
- (b) not to create or suffer to exist any encumbrance of any nature (whether prior to, *pari passu* with or subordinate to the Security) upon the Property or any part thereof other than Permitted Encumbrances;
- (c) to preserve, repair and keep in good order, condition and repair or cause to be preserved, repaired and kept in good order, condition and repair the Property and all appurtenances thereto and all properties and assets used in connection with the Property, to the standard of a prudent owner of similar property, and the Borrower shall carry on and conduct, or cause to be carried on and conducted, the operation of the Property in a prudent manner so as to preserve and protect the Property; the Borrower shall keep the Property in good condition and order, or shall cause the Property to be put and kept in good condition and order, and shall promptly make, or cause to be made, all needed repairs and replacements thereto, including such repairs and replacements to implement the recommendations which a prudent owner of a property similar to the Property would deem appropriate or necessary from time to time; the Borrower shall at any and all reasonable times, upon the prior written request of the Lender, permit the Lender to inspect the Property or any part thereof during normal business hours;
- (d) to carry on or cause to be carried on and conduct or cause to be conducted the operation of the Property in a prudent manner so as not to materially impair the value of the Property or the use of the Property for the purpose for which it is held;
- (e) to duly and punctually pay, or cause to be paid, to the Lender the principal of and interest accrued on the Loan, any premium of the Loan and all other amounts owing in respect of the Loan on the dates, at the places, in the monies, and in the manner mentioned herein and in the Loan, in strict conformity therewith, and shall faithfully observe and perform all the conditions, covenants and requirements of all Loan Documents;
- (f) to pay or cause to be paid, on or before the due date thereof, all taxes, rates, levies, duties and assessments, general and special, ordinary and extraordinary, of every nature and kind whatsoever, including local improvement taxes which shall be levied, assessed or imposed upon the Property or any part thereof, or upon the

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Borrower or any other person on account thereof, and shall from time to time as the same are paid, at the written request of the Lender produce for inspection by the Lender, satisfactory evidence that all such taxes have been paid when due (together with such further supporting information or documentation reasonably required by the Lender);

- (g) the Lender shall be entitled to register or file or cause to be registered or filed the Security (or a notice or financing statement in respect hereof) without delay at every public office of record in the Province of Ontario and in any other jurisdiction where the Borrower is "located" for the purposes of perfecting a security interest pursuant to the *Personal Property Security Act* (Ontario), in each case, where the registration or filing thereof is, in the opinion of the Lender, required to preserve, perfect and/or protect the security hereby or thereby created; and the Lender shall be entitled to renew or cause to be renewed any such registrations or filings as may be necessary from time to time to so preserve, perfect and/or protect the security hereby or thereby created;
- (h) the Borrower shall fully and effectively maintain and keep the Security or cause the Security to be maintained and kept as valid and effective security at all times while the Loan is outstanding and shall not permit or suffer the registration of any lien whatsoever, whether of workmen, builders, contractors, engineers, architects or suppliers of material, upon or in respect of any of the Property, which would rank subsequent to, *pari passu* with or prior to the security of the Security other than Permitted Encumbrances;
- (i) the Borrower shall cooperate fully with the Lender with respect to any proceedings before any court, board or other public authority which may in any way materially and adversely affect the rights of the Lender hereunder or any rights obtained by it under any of the Loan Documents and, in connection therewith, shall keep the Lender fully advised of the status of all such proceedings and shall allow the Lender and its counsel at its election to attend meetings in respect of such proceedings; the Borrower shall cooperate with the Lender in obtaining for the Lender the benefits of any insurance proceeds lawfully or equitably payable in connection with the Property to the extent that the Lender is entitled to the same under the terms of the Loan Documents, and the Lender shall be reimbursed for any actual out-of-pocket expenses incurred in connection therewith (including, without limitation, legal fees and disbursements, and the payment by the Borrower of the expense of an appraisal on behalf of the Lender in case of a fire or other casualty affecting the Property or any part thereof) out of such insurance proceeds;
- (j) the Borrower shall cause the Property to be used only for Project purposes and for no other purpose, and the Borrower will do, observe and perform or cause to be done, observed and performed, in all material respects, all of its obligations and all matters and things necessary or expedient to be done, observed or performed under or by virtue of all applicable laws;

- (k) the Borrower shall do, observe and perform, or cause to be done, observed and performed, in all material respects, all of the obligations and things necessary or expedient to be done, observed or performed by the Borrower under or by virtue of all Permitted Encumbrances and material Project agreements; for greater certainty, this covenant regarding Permitted Encumbrances applies to all prior-ranking financial encumbrances which are Permitted Encumbrances;
- (l) if the Borrower shall fail to perform any covenant on its part contained in this Agreement after first receiving prior notice and opportunity to cure, as set out in Section 16 herein, the Lender may, after giving concurrent notice to the Borrower, itself perform (but shall not be obliged to perform), any of such covenants provided no payment or expenditure of funds is required in connection therewith, or, if a Default has occurred, and, after first receiving prior notice and opportunity to cure, as set out in Section 16 herein, if any such covenant requires the payment or expenditure of money, it may make such payment or expenditure with its own funds, or with money borrowed by or advanced to it for such purpose; all sums so expended or advanced shall be payable by the Borrower together with interest thereon which shall accrue, until paid, at the interest rate applicable to the Loan from the date of such expenditure or advance until repayment but no such performance or payment shall be deemed to relieve the Borrower from any default hereunder;
- (m) the Borrower shall encumber or cause to be encumbered in favour of the Lender, as part of the Security, all additional improvements, licenses, easements and rights of way which, in any way or manner, it shall hereafter acquire in connection with the Property, and the Borrower shall make or cause to be made all requisite registrations required by this Agreement with respect thereto; any and all times the Borrower will do, execute, acknowledge and deliver or will cause to be done, executed, acknowledged and delivered all and every such further acts, deeds and assurances in law as the Lender shall reasonably require, for the purpose of giving the Lender a valid encumbrance of the nature herein specified upon all such property (subject only to Permitted Encumbrances) for the better encumbering unto the Lender all and singular the lands and premises, and property encumbered under the Security, or intended so to be or which the Borrower may hereafter become bound to encumber or cause to be encumbered in favour of the Lender;
- (n) so long as the Loan or any portion thereof remains outstanding the Borrower shall not, except in the ordinary course, cancel or materially amend any material Project agreements (such as reducing the number of units to be constructed, or amending the plans such that the Project will incur significant cost overruns) without the Lender's consent;
- (o) the Borrower shall give prompt notice to the Lender upon the occurrence of any default or any Event of Default or any event, circumstance or matter which may reasonably be expected to have a material adverse effect on the financial condition of the Borrower and/or the Property; the Borrower shall not create, assume, incur or suffer to exist any security interest in or upon any of its

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undertakings, properties, rights or assets secured by the Security except for Permitted Encumbrances;

- (p) upon two (2) Business Days' prior written notice or at any time in an emergency as reasonably determined by the Lender, the Borrower shall permit the Lender to have reasonable access at all reasonable times and from time to time, to the Property and to all related records (including records pertaining to the Borrower), and shall permit the Lender, acting reasonably, to make copies of and abstracts from such records;
- (q) the Borrower shall give to the Lender prompt written notice of any material adverse change in the condition of the business, financial or otherwise, of the Borrower;
- (r) the Borrower shall give to the Lender prompt written notice of all actions, suits, litigation or other proceeding commenced or threatened against the Borrower and/or in respect of the Property;
- (s) the Borrower shall obtain and maintain during the Term the following Property insurance coverage:
 - (i) prior to commencing construction, all risk builder's insurance with extended coverage for all other risks and perils in, representing an amount equal to 100% of the gross replacement cost of all buildings located on the Property, without deduction for foundations or footings; the proceeds payable under such policy shall be payable to the Lender as mortgage creditor, pursuant to a standard mortgage clause approved by the Insurance Bureau of Canada;
 - (ii) if applicable and prior to commencement of construction, broad form boiler insurance with coverage on all electrical equipment, mechanical equipment and pressure vessels; such policy shall contain a standard mortgage clause approved by the Canadian Boiler and Machinery Underwriters Association, or an equivalent clause, with proceeds payable thereunder to the Lender as mortgage creditor;
 - (iii) general liability insurance covering damages in an amount of not less than \$2,000,000.00 per occurrence; and
 - (iv) such other insurance as shall be requested by the Lender, acting reasonably.
- (t) the Borrower shall deliver to the Lender, within one hundred and twenty (120) days following the Borrower's fiscal year, unaudited financial statements in respect of the Property and unaudited financial statements in respect of the Borrower, prepared internally by a qualified person in accordance with generally accepted accounting principles, consistent with prior years, and shall include all appropriate documents, explanatory notes and additional information; in addition

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to the above financial statements, the Borrower covenants to provide to the Lender, from time to time, upon request, any further financial information then still undisclosed and reasonably required, pertaining to the Property and/or the Borrower; the Lender reserves the right to disclose to third parties any financial information concerning the Property and/or the Borrower, provided that such third parties shall be limited to potential assignees of part or all of the Loan, the Lender's auditors, the Lender's solicitors, the Lender's bankers, the Lender's other advisors and persons to whom such information is ordinarily disclosed in a mortgage securitization or mortgage syndication;

- (u) the Borrower covenants to develop and construct and/or cause the development and construction of the Property in accordance with the delivered plans and specifications using only new materials and not Hazardous Substances, without defect in construction, installation and/or materials;
- (v) the Borrower covenants not to materially amend the delivered plans and specifications or fail to construct in accordance with the delivered plans (except in the ordinary course of construction) and specifications without the Lender's prior written consent, which consent shall not be unreasonably withheld;
- (w) the Borrower shall pay, regardless of whether any part of the Loan shall be advanced due to the Borrower's default, all reasonable third party costs (but not the Lender or Consultant), fees and expenses incurred by the Lender in connection with the transaction hereunder including, without limitation:
 - (i) all costs incurred in connection with a credit review and an insurance review;
 - (ii) all legal fees and disbursements of the Lender's solicitors for enforcement only; and
 - (iii) all registration, recording and filing fees and land transfer and mortgage taxes, if applicable.
- (x) the Borrower shall not sell, transfer, lease, license or otherwise convey an interest in the Property or any part thereof, save and except as contemplated for the staging and completion of the Project or to an entity approved by the Lender, in its sole, absolute and unfettered discretion.
- (y) the Borrower agrees to establish a Project-specific bank account with a Schedule I Bank of the Lender's choosing, to which the Borrower shall give the Lender access for the purpose of monitoring the account activity from time to time and at any time.

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16. **Events of Default**

Events of Default ("Events of Default") shall be as follows:

- (a) if the Borrower fails to pay interest, principal or other amount owing hereunder on a due date during the Term and such default remains outstanding for ten (10) days after written notice to the Borrower; or
- (b) if the Borrower fails to pay all principal on the Maturity Date, subject to the Waterfall; or
- (c) if the Borrower fails to complete all obligations it may have under the Purchase Agreement; or
- (d) if the Borrower fails to pay, or cause to be paid, taxes, rates, levies, duties, public utility charges and assessments, general and special, ordinary and extraordinary, of any nature or kind whatsoever, including local improvement taxes, which shall be levied, assessed or imposed upon the Property or any part thereof, or upon the Borrower, on account thereof and any such default shall continue either for a period of five (5) Business Days after written notice to the Borrower from the Lender or for such shorter period as would, if continued, render the Property, or any part thereof, liable to forfeiture or sale; or
- (e) if the Borrower creates, permits or suffers to exist, any encumbrance against the Property or any part thereof, other than Permitted Encumbrances and, in the case of encumbrances which have not been created by the Borrower, the same continue to exist for a period of thirty (30) days after written notice thereof has been given to the Borrower by the Lender or for such shorter period as would, if continued, render the Property or any part thereof, liable to forfeiture or sale; or
- (f) if any representation or warranty in any of the Loan Documents or any financial statements delivered pursuant thereto, is (or, at the time it was given or repeated, was) false or erroneous in any material respect and such false or erroneous condition shall continue for a period of ten (10) days following the Borrower's receipt of written notice thereof from the Lender; or
- (g) if the Borrower shall fail to comply with any covenant/agreement in any of the Loan Documents and such non-compliance shall continue for a period of ten (10) days following the Borrower's receipt of written notice thereof from the Lender, or such longer cure period as may be reasonable in the circumstances, provided the Borrower takes diligent and commercially reasonable steps to cure such default as soon as possible; or
- (h) if any material provision in the Loan Documents shall for any reason caused by the Borrower cease to be valid, binding and enforceable in accordance with its terms or the Borrower shall so assert in writing; or any security interest created under any of the Loan Documents shall due to the Borrower's action or omission

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cease to be a valid and perfected security interest having the priority in any of the collateral purported to be covered thereby; or

- (i) if the Borrower does, or fails to do, anything which would entitle an insurer to cancel or not renew a policy of insurance on the Property required hereunder which is not rectified within fifteen (15) days following the Borrower becoming aware of such entitlement to cancel or not renew, and in any event not later than ten (10) days prior to the termination or expiry of such policy, or if any policy of insurance is cancelled, expires or terminates and is not replaced in accordance with the requirements of this Agreement; or
- (j) if all or any material part of the Property is expropriated; or
- (k) if one or more final non-appealable judgments for the payment of money (which is not covered by insurance) shall be rendered against the Borrower and remain unpaid for thirty (30) days; or
- (l) if any writ, attachment, execution, enforcement, sequestration, extent, distress or any other similar process shall become enforceable against the Borrower and is not being contested by the Borrower and is not lifted within 120 days of becoming enforceable, or if a distress or any analogous process is levied against any properties or assets of the Borrower on or relating to the Project and is not being contested by the Borrower and is not discharged within 120 days of levy; or
- (m) if the Borrower shall suspend or cease or threaten to suspend or cease its business; or
- (n) if the Borrower shall breach any law which results in a notice or control order or cancellation of any license or certificate or approval that results in any material disruption of the business at the Property or that could reasonably be expected to have a material adverse effect on the Security, the repayment of the Loan, the Lender's rights under the Loan Documents, the Property or the business operations, prospect or condition of the Borrower (financial or otherwise) and same is not rectified within thirty (30) days or is otherwise not being contested by the Borrower; or
- (o) if any environmental order is issued by any public authority against the Property and such environmental order has not been satisfied or discharged within the shorter of time allowed for in such environmental order and within thirty (30) days after the date such environmental order was received by the Borrower; or
- (p) if the Borrower shall admit its inability to pay its debts generally as they become due or otherwise acknowledges its insolvency or if an order shall be made or an effective resolution passed for the winding up of such entity or if such entity shall make an assignment for the benefit of its creditors or if a receiver or a liquidator or a trustee in bankruptcy of such entity shall be appointed or if such entity shall make a proposal to its creditors under a bankruptcy act including, without limitation, the *Companies' Creditors Arrangement Act* (Canada); or

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- (q) if any proceeding is instituted for the winding up of the Borrower or a petition in bankruptcy be presented against such entity under a bankruptcy act and if in either case such proceeding or petition shall not have been dismissed or withdrawn within twenty (20) days of the commencement of the proceeding or petition; or
- (r) if ownership control of the Borrower shall be transferred without the Lender's approval to a party other than a Related Person (as defined in the Income Tax Act (Canada), which approval may be withheld in the Lender's sole, absolute and unfettered discretion; or
- (s) if the Borrower shall sell, transfer, lease, license or otherwise convey an interest in the Property or any part thereof in contravention of Subsection 15(x) hereof, or if the Borrower shall mortgage or otherwise encumber an interest in the Property or any part thereof in contravention of this Agreement, then the Lender may, in its sole, absolute and unfettered discretion, demand immediate repayment of the Loan principal in full together with all accrued interest and all other amounts due hereunder; or
- (t) if the Borrower is in default of any Permitted Encumbrance for more than fifteen (15) days after receiving written notice of such default; or
- (u) in the event that the Lender determines in its sole discretion and in conjunction with the consultations with the Project Cost Consultant, if any, that the Borrower is substantially in default of meeting the Project development and construction schedule including, inter alia, development approvals, servicing and sale of units, or if there are substantial cost overruns occurring (excluding causes beyond the reasonable control of the Borrower or its construction manager).

17. **Postponement and Subordination and Partial Discharge**

The Lender covenants and agrees as follows:

- (a) to postpone and subordinate the Loan Documents in favour of First-Ranking Construction Loan Security and to enter into such standstill agreements as shall be reasonable in the circumstances;
- (b) to postpone and subordinate the Loan Documents in favour of each non-financial encumbrance, as well as any deposit insurer security, if applicable, which is reasonable for a development such as the Project and which individually does not materially adversely affect the market value of the Property (including, without limitation, encumbrances pertaining to roads, sidewalks, easements, rights-of-way, subdivision agreements and/or condominium agreements and registrations, site plan control agreements, development agreements, cost-sharing agreements, encroachment agreements, zoning/use laws, utility licences, utility easements, Crown patent reservations and restrictive covenants);
- (c) to discharge the Loan Documents in respect of any part of the Property which is not material to the Project and/or the market value of the Property or which is

8

required by any governmental authority, without requirement for payment or prepayment of any part of the Loan;

- (d) if applicable, to provide partial discharges of the Loan Documents in respect of all Project unit sales to third parties and in respect of all Project sales to third parties, without compensation, provided that the full proceeds thereof shall be used immediately to first pay down the First-Ranking Construction Loan Security, real estate commissions and legal fees, and then to pay down other Project trade creditors;
- (e) if applicable, to enter into a non-disturbance agreement, upon request, with any Project; such non-disturbance agreement shall provide for the tenant's postponement and subordination of its lease in favour of the Loan Documents and the tenant's agreement to attorn to the Lender and its successors and assigns upon an Event of Default; and
- (f) The Borrower acknowledges that in the event there is an early repayment of the Loan by the Borrower (excluding receipts from enforcement or sale of Project units) ("**Early Repayment**"), same shall be paid to the Lender who is to pay investors in the Loan in the order of priority of advance by the applicable tranche in the original Loan, *pari passu*, amongst the investors who had their share of the Loan funded within the same loan tranche.

18. General

- (a) If the Borrower shall be comprised of more than one person/entity, then such persons/entities shall be jointly and severally liable for all of the obligations of the Borrower pursuant to this Agreement.
- (b) All notices, directions, service, correspondence and communications ("**Notice**") between the parties hereunder shall be in writing and delivered, sent by prepaid registered mail or electronically communicated by telecopier or e-mail as set forth below; delivered Notices shall be deemed to have been delivered on the day of delivery, if delivered at or before 5:00 p.m. (Toronto time) on a Business Day, or on the next Business Day if delivered after that time; Notices sent by prepaid registered mail shall be deemed to have been received on the third (3rd) Business Day following the date of mailing (notwithstanding the date of actual receipt and the fact that it may not have then been received), except in the event of interruption of postal service during which period Notices shall not be mailed; Notices electronically communicated by telecopier shall be deemed to have been delivered on the day of communication with confirmation of transmission, if communicated at or before 5:00 p.m. (Toronto time), or on the next Business Day if communicated after that time; any party may provide Notice of a change of its address and/or telefax number, provided that the Notice is communicated in accordance with this Subsection 18(b):

To the Lender:

Sorrenti Law Professional Corporation, in
Trust

Suite 310, 3300 Highway 7, Vaughan, ON
L4K 4M3

Attention: Derek Sorrenti

To the Borrower:

50 West Wilmot Street,
Suite 100
Richmond Hill, ON.

L4B 1M5

Attn: Sajjad Hussain

- (c) The Borrower shall not assign its rights and obligations pursuant to this Agreement, in whole or in part, without the Lender's prior written consent, which consent may be withheld in the Lender's sole, absolute and unfettered discretion.
- (d) The Lender shall be entitled to assign all or part of its right, title and interest pursuant to this Agreement to one or more assignees, by way of simple assignment, syndication, securitization and/or other method of assignment.
- (e) All Loan Documents shall be governed by and interpreted in accordance with the laws in effect within the Province of Ontario.
- (f) The terms and conditions contained in this Agreement are inserted for the exclusive benefit of the Lender and may be waived, in whole or in part, by the Lender at any time or times. In the event of inconsistency or conflict between the provisions of this Agreement and the provisions of the Security, this Agreement shall prevail to the extent of such inconsistency or conflict.
- (g) This Agreement and the Loan Documents constitute the entire agreement between the parties hereto pertaining to the subject-matter hereof and supersede all prior agreements, negotiations, understandings and discussions, whether written or oral.
- (h) If any obligation contained in this Agreement or any other Loan Document or the application thereof to any person or circumstance is, to any extent, invalid or unenforceable, the remainder of this Agreement or such Loan Document and the application of such obligation to persons or circumstances other than those to whom/which it is held invalid or unenforceable, shall not be affected thereby and each obligation contained in this Agreement and each other Loan Document shall be separately valid and enforceable to the fullest extent permitted by law.
- (i) All amendments of this Agreement and any other Loan Document shall be in writing.
- (j) Time shall be of the essence of this Agreement and each other Loan Document.



- (k) This Agreement and each other Loan Document shall enure to the benefit of and be binding upon the successors and permitted assigns of the Borrower and the successors and assigns of the Lender.
- (l) Words importing the singular number only shall include the plural, and vice versa, and words importing the masculine gender shall include the feminine gender and words importing persons shall include firms and corporations, and vice versa. Similarly, all references to any party or parties herein shall be read with such changes in number as the context or reference may require. References to any statute herein includes such statute as amended, revised, re-enacted and/or consolidated from time to time and any successor statute thereto.
- (m) In the event that any day on which any action is required to be taken hereunder is not a Business Day, then such action shall be required to be taken on or before the requisite time on the first Business Day thereafter.
- (n) Any legal action or proceeding with respect to this Agreement shall be brought in the courts of the Province of Ontario and such courts shall have exclusive jurisdiction to deal with all matters relating to the interpretation of, or enforcement of rights under all Loan Documents and each of the parties hereto hereby irrevocably attorns to the jurisdiction of such courts.
- (o) Unless specifically otherwise provided herein, all references to dollar amounts herein or other money amounts herein are expressed in terms of lawful money of Canada.
- (p) The Borrower shall, at all times during the Term and for a period of two (2) years thereafter, maintain as confidential this Agreement and all related matters, except as required under law and except as disclosed to advisors and/or employees (who shall be bound by the same obligation).
- (q) The failure of any party hereto to insist upon the strict performance of any provision of this Agreement or to exercise any right or remedy contained herein, shall not be construed as a waiver or relinquishment of such provision/right/remedy, which provision/right/remedy shall remain in full force and effect.
- (r) This Agreement may be executed in counterparts.

SIGNATURE PAGE FOLLOWS



**SORRENTI LAW PROFESSIONAL CORPORATION,
in Trust**

Per: _____
Name:
Title:

Per: _____
Name:
Title:

I/We have the authority to bind the Corporation.

SUNRISE ACQUISITIONS (HWY 7) INC.

Per: _____
Name: SAJJAD HUSSAIN
Title: DIRECTOR

Per: _____
Name:
Title:

I/We have the authority to bind the Corporation.

SCHEDULE "A" TO LOAN AGREEMENT

MUNICIPAL AND LEGAL DESCRIPTION OF THE PROPERTY

Municipal Address: 4116, 4128 & 4142 Highway 7 East, Markham, Ontario

Legal Description:

PT LT 11 CON 5 MARKHAM AS IN R422788; CITY OF MARKHAM 02985-0260 (LT)

PT LT 11 CON 5 MARKHAM AS IN R501471; CITY OF MARKHAM 02985-0261 (LT)

PT LT 11 CON 5 MARKHAM AS IN 65R8877; CITY OF MARKHAM 02985-0262 (LT)

SCHEDULE "B" TO LOAN AGREEMENT

PROJECT BUDGET

| PROJECT ECONOMICS | Total | Per Unit | Per F.F. | % |
|-------------------------------|----------------------|-------------------|------------------|----------------|
| Serviced Lot Transfer Value | \$ 23,600,250 | \$ 453,851 | \$ 23,887 | 100.00% |
| Serviced Lot Value | \$ 23,600,250 | \$ 453,851 | \$ 23,887 | 100.00% |
| Total Costs | | | | |
| Land Acquisition Costs | \$ 13,500,000 | \$ 269,615 | \$ 13,664 | 57.20% |
| Land Closing Costs | \$ 550,000 | \$ 10,577 | \$ 557 | 2.33% |
| Land Acquisition Costs | \$ 14,050,000 | \$ 270,192 | \$ 14,221 | 69.53% |
| External Servicing Works | \$ 2,000,000 | \$ 38,462 | \$ 2,024 | 8.47% |
| Internal Servicing Works | \$ 700,000 | \$ 13,462 | \$ 709 | 2.97% |
| Servicing Costs | \$ 2,700,000 | \$ 51,923 | \$ 2,733 | 11.44% |
| Development Charges | \$ 4,000,000 | \$ 78,923 | \$ 4,049 | 16.98% |
| Soft Costs | \$ 400,000 | \$ 7,892 | \$ 406 | 1.69% |
| Interest | \$ 1,965,000 | \$ 37,788 | \$ 1,989 | 8.33% |
| Commitment Fees | \$ 465,250 | \$ 9,352 | \$ 491 | 2.06% |
| Total Costs | \$ 23,600,250 | \$ 453,851 | \$ 23,887 | 100.00% |
| Total Profit | \$ - | \$ - | \$ - | 0.00% |

| PROJECT ECONOMICS | Total | Per Unit | Per S.F. | % |
|---------------------------|----------------------|-------------------|---------------|----------------|
| Unit Revenue | \$ 50,980,000 | \$ 980,000 | \$ 408 | 107.65% |
| Upgrade Revenue | \$ 780,000 | \$ 15,000 | \$ 6 | 1.65% |
| Leas: H.S.T. | \$ 4,399,252 | \$ 84,601 | \$ 35 | 9.29% |
| Net Sales Revenue | \$ 47,340,748 | \$ 910,399 | \$ 378 | 100.00% |
| Serviced Land Cost | \$ 23,600,250 | \$ 453,851 | \$ 189 | 49.85% |
| Hard Construction Costs | \$ 13,104,000 | \$ 252,000 | \$ 105 | 27.68% |
| Soft Costs | \$ 2,700,000 | \$ 51,923 | \$ 22 | 5.70% |
| Total Costs | \$ 39,404,250 | \$ 767,774 | \$ 316 | 83.24% |
| Total Gross Profit | \$ 7,936,498 | \$ 162,625 | \$ 64 | 16.76% |
| Fortress Management Fee | \$ 1,187,084 | \$ 22,829 | \$ 10 | 2.51% |
| Total Net Profit | \$ 6,749,414 | \$ 129,796 | \$ 54 | 14.28% |

K

SCHEDULE "C" TO LOAN AGREEMENT

WATERFALL

1. to pay the principal and interest and other monies payable under First-Ranking Construction Loan;
2. to repay to the Lender principal loan advances made directly to the Borrower (excluding interest and Development Consultant Fee/Costs) (the "Principal Equity Advances") currently estimated to be \$3,900,000;
3. to repay the Lender for advances made to pay the priority profit payment to the Development Consultant in an amount equal to the Development Consultant Fee/Costs (estimated to be \$2,762,862);
4. to repay the Lender for advances made to pay to the Development Consultant an amount equal to the interest raised by the Lender and used to make interest payments or otherwise accrued (estimated to be \$1,460,585);
5. a profit payment to the Borrower in an amount equal to the sum of (3) & (4) multiplied by the Borrower Profit Share and divided by the Fortress Profit Share (estimated to be \$2,898,723); and
6. then to pay the balance of profit to each of the Borrower and the Development Consultant on a 40.7%/59.3% *pari passu* basis (the amount payable to the Development Consultant includes the 2% fee referenced in Section 9(b)).



Appendix “I”

From: Sean Zweig <ZweigS@bennettjones.com>
Sent: July 13, 2021 4:41 PM
To: Fred Tayar <fred@fredtayar.com>
Cc: Noah Goldstein <ngoldstein@ksvadisory.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

From: Fred Tayar <fred@fredtayar.com>
Sent: Tuesday, July 13, 2021 2:57 PM
To: Sean Zweig <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>
Date: Wed, Jan 29, 2020 at 9:50 AM
Subject: Re: Lots 47-50 - SOA's
To: Justin Walton <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

From: Mia Zumrov <mia@nwinlaw.com>
Sent: January 28, 2020 3:02 PM
To: Veniece Omand <v.omand@sunrisehomes.ca>
Cc: Muzammil Kodwavi <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>
Cc: Muzammil Kodwavi <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>
Sent: January 28, 2020 1:03 PM
To: Veniece Omand <v.omand@sunrisehomes.ca>
Cc: Muzammil Kodwavi <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

N. H. WINTER LAW, PROFESSIONAL CORPORATION

21 Dundas Square, 11th 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>
Cc: Muzammil Kodwavi <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

N. H. WINTER LAW, PROFESSIONAL CORPORATION

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

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If you no longer wish to receive commercial messages, you can unsubscribe by accessing this link:
<http://www.bennettjones.com/unsubscribe>

Appendix “J”

From: Stidwill, Sean

Sent: Tuesday, December 01, 2020 6:33 PM

To: Norman Winter <nw@nwinlaw.com>; Alina Ramos <alina@nwinlaw.com>; Nerissa <nerissa@nwinlaw.com>

Cc: Disenhouse, Josh <JDisenhouse@osler.com>; Storm, Lorna <LStorm@osler.com>; Daniel Sobel <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

416.862.4871 (Toronto) | 613.787.1100 (Ottawa)

Osler, Hoskin & Harcourt LLP | Osler.com

From: Norman Winter <nw@nwinlaw.com>

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

To: Stidwill, Sean <SStidwill@osler.com>; Alina Ramos <alina@nwinlaw.com>; Nerissa <nerissa@nwinlaw.com>

Cc: Disenhouse, Josh <JDisenhouse@osler.com>; Storm, Lorna <LStorm@osler.com>; Daniel Sobel <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

N. H. WINTER LAW, PROFESSIONAL CORPORATION

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

From: Stidwill, Sean <SStidwill@osler.com>

Sent: December 1, 2020 4:28 PM

To: Norman Winter <nw@nwinlaw.com>; Alina Ramos <alina@nwinlaw.com>; Nerissa <nerissa@nwinlaw.com>

Cc: Disenhouse, Josh <JDisenhouse@osler.com>; Storm, Lorna <LStorm@osler.com>; Daniel Sobel <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

416.862.4871 (Toronto) | 613.787.1100 (Ottawa)

Osler, Hoskin & Harcourt LLP | Osler.com

From: Alina Ramos <alina@nwinlaw.com>

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

To: Stidwill, Sean <SStidwill@osler.com>

Cc: Norman Winter <nw@nwinlaw.com>; Nerissa <nerissa@nwinlaw.com>; Disenhouse, Josh <JDisenhouse@osler.com>; Storm, Lorna <LStorm@osler.com>; Daniel Sobel <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

N. H. WINTER LAW, PROFESSIONAL CORPORATION

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

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From: Stidwill, Sean <SStidwill@osler.com>

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

To: Alina Ramos <alina@nwinlaw.com>

Cc: Norman Winter <nw@nwinlaw.com>; Nerissa <nerissa@nwinlaw.com>; Disenhouse, Josh <JDisenhouse@osler.com>; Storm, Lorna <LStorm@osler.com>; Daniel Sobel <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

416.862.4871 (Toronto) | 613.787.1100 (Ottawa)

Osler, Hoskin & Harcourt LLP | Osler.com

From: Alina Ramos <alina@nwinlaw.com>
Sent: Monday, November 23, 2020 3:37 PM
To: Stidwill, Sean <SStidwill@osler.com>
Cc: Norman Winter <nw@nwinlaw.com>; Nerissa <nerissa@nwinlaw.com>; Disenhouse, Josh <JDisenhouse@osler.com>; Storm, Lorna <LStorm@osler.com>; Daniel Sobel <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

N. H. WINTER LAW, PROFESSIONAL CORPORATION

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

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From: Stidwill, Sean <SStidwill@osler.com>
Sent: Monday, November 23, 2020 11:46 AM
To: Alina Ramos <alina@nwinlaw.com>
Cc: Norman Winter <nw@nwinlaw.com>; Nerissa <nerissa@nwinlaw.com>; Disenhouse, Josh <JDisenhouse@osler.com>; Storm, Lorna <LStorm@osler.com>; Daniel Sobel <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
416.862.4871 (Toronto) | 613.787.1100 (Ottawa)
Osler, Hoskin & Harcourt LLP | Osler.com

From: Alina Ramos <alina@nwinlaw.com>
Sent: Friday, November 20, 2020 2:18 PM
To: Stidwill, Sean <SStidwill@osler.com>; Daniel Sobel <daniel@faanmortgageadmin.com>
Cc: Norman Winter <nw@nwinlaw.com>; Nerissa <nerissa@nwinlaw.com>; Disenhouse, Josh <JDisenhouse@osler.com>; Storm, Lorna <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

N. H. WINTER LAW, PROFESSIONAL CORPORATION
21 Dundas Square, 11th Floor, Toronto, Ontario M5B 1B7 Canada | T. 416.964-0325| F. 416.964.2494

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From: Stidwill, Sean <SStidwill@osler.com>

Sent: Monday, January 25, 2021 2:05 PM

To: Norman Winter <nw@nwinlaw.com>; Alina Ramos <alina@nwinlaw.com>; Nerissa <nerissa@nwinlaw.com>

Cc: Disenhouse, Josh <JDisenhouse@osler.com>; Storm, Lorna <LStorm@osler.com>; Daniel Sobel <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
416.862.4871 (Toronto) | 613.787.1100 (Ottawa)
Osler, Hoskin & Harcourt LLP | Osler.com

From: Norman Winter <nw@nwinlaw.com>

Sent: Tuesday, December 01, 2020 6:37 PM

To: Stidwill, Sean <SStidwill@osler.com>; Alina Ramos <alina@nwinlaw.com>; Nerissa <nerissa@nwinlaw.com>

Cc: Disenhouse, Josh <JDisenhouse@osler.com>; Storm, Lorna <LStorm@osler.com>; Daniel Sobel <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 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

N. H. WINTER LAW, PROFESSIONAL CORPORATION

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

From: Stidwill, Sean <SStidwill@osler.com>

Sent: December 1, 2020 6:33 PM

To: Norman Winter <nw@nwinlaw.com>; Alina Ramos <alina@nwinlaw.com>; Nerissa <nerissa@nwinlaw.com>

Cc: Disenhouse, Josh <JDisenhouse@osler.com>; Storm, Lorna <LStorm@osler.com>; Daniel Sobel <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

416.862.4871 (Toronto) | 613.787.1100 (Ottawa)

Osler, Hoskin & Harcourt LLP | Osler.com

From: Norman Winter <nw@nwinlaw.com>

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

To: Stidwill, Sean <SStidwill@osler.com>; Alina Ramos <alina@nwinlaw.com>; Nerissa <nerissa@nwinlaw.com>

Cc: Disenhouse, Josh <JDisenhouse@osler.com>; Storm, Lorna <LStorm@osler.com>; Daniel Sobel <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

N. H. WINTER LAW, PROFESSIONAL CORPORATION

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

From: Stidwill, Sean <SStidwill@osler.com>

Sent: December 1, 2020 4:28 PM

To: Norman Winter <nw@nwinlaw.com>; Alina Ramos <alina@nwinlaw.com>; Nerissa <nerissa@nwinlaw.com>

Cc: Disenhouse, Josh <JDisenhouse@osler.com>; Storm, Lorna <LStorm@osler.com>; Daniel Sobel <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

416.862.4871 (Toronto) | 613.787.1100 (Ottawa)

Osler, Hoskin & Harcourt LLP | Osler.com

From: Alina Ramos <alina@nwinlaw.com>

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

To: Stidwill, Sean <SStidwill@osler.com>

Cc: Norman Winter <nw@nwinlaw.com>; Nerissa <nerissa@nwinlaw.com>; Disenhouse, Josh <JDisenhouse@osler.com>; Storm, Lorna <LStorm@osler.com>; Daniel Sobel <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

N. H. WINTER LAW, PROFESSIONAL CORPORATION

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Cc: Norman Winter <nw@nwinlaw.com>; Nerissa <nerissa@nwinlaw.com>; Disenhouse, Josh <JDisenhouse@osler.com>; Storm, Lorna <LStorm@osler.com>; Daniel Sobel <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
416.862.4871 (Toronto) | 613.787.1100 (Ottawa)
Osler, Hoskin & Harcourt LLP | Osler.com

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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

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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

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<Undertaking re LCs - FAAN.pdf>

Appendix “K”

BMO Bank of Montreal · Banque de Montréal

CANADIAN \$ DRAFT / TRAITE EN DOLLARS CANADIENS

TIMES SQUARE BRANCH
550 HIGHWAY NO 7 EAST
RICHMOND HILL, ONTARIO, CANADA L4B 3Z4

680209

DATE 20170505
Y/A M/M D/J

CTI

Pay to the order of / Payez à l'ordre de SUNRISE ACQUISITIONS (HWY7) INC

\$ 125,000⁰⁰/~~XX~~

BANK OF MONTREAL 12500000

/100 Canadian Dollars Canadiens

MUZAMMIL YOCINUS KODIYAN
Name of remitter / Nom de l'expéditeur

Signing Officer / Signataire

SI KEVI CREC LAB 308 CN. CA.
Address of remitter / Adresse de l'expéditeur

Signing Officer / Signataire

069520001 3434026802096 90

ItemSeqNum: 2400466567
TrRoutNumCDN: 6952
FNumCDN: 1
Account: 3434026802096
CheckAmt: 12500000
CapturDate: 20170505
Batch_ID: 42113

08642-010
MAY 04 2017
300 WEST BEAVER CREEK RD
RICHMOND HILL, ONTARIO
08642-010

Endorsement - Signature or Stamp
Endossement - Signature ou timbre

CIBC
TORONTO PC
05/05/2017
2400466567

BACK / ENDOS

ItemSeqNum: 2400466567
TrRoutNumCDN: 6952
FNumCDN: 1
Account: 3434026802096
CheckAmt: 12500000
CapturDate: 20170505
Batch_ID: 42113

BMO Bank of Montreal · Banque de Montréal

CANADIAN \$ DRAFT / TRAITE EN DOLLARS CANADIENS

TIMES SQUARE BRANCH
550 HIGHWAY NO 7 EAST
RICHMOND HILL, ONTARIO, CANADA L4B 3Z4

680341

DATE 20170517
Y/A M/M D/D

CTI

Pay to the order of / Payez à l'ordre de SUNRISE ACQUISITION CHWY 771 \$ 300,000.⁰⁰/₁₀₀

BANK OF MONTREAL CAD 30000000 INC.

for Bank of Montreal/pour la Banque de Montréal /100 Canadian Dollars Canadiens

MUZAMMIL YOUNUS KODWANI
Name of remitter / Nom de l'expéditeur

[Signature]
Signing Officer / Signataire

51 KEVI CRES, RICHMOND HILL
Address of remitter / Adresse de l'expéditeur

069520001 3434026803417 90

ItemSeqNum: 3500429496
TrRoutNumCDN: 6952
FNumCDN: 1
Account: 3434026803417
CheckAmt: 30000000
CapturDate: 20170517
Batch_ID: 42102

08642-010
MAY 17 2017
300 WEST BEAVER CREEK RD
RICHMOND HILL, ONTARIO
08642-010

08642-2060612

Endorsement - Signature or Stamp
Endossement - Signature ou timbre

CIBC
TORONTO_PC
05/17/2017
3500429496

BACK / ENDOS

ItemSeqNum: 3500429496
TrRoutNumCDN: 6952
FNumCDN: 1
Account: 3434026803417
CheckAmt: 30000000
CapturDate: 20170517
Batch_ID: 42102

IBP OPERATING DATE : APR 02 18 (CURRENT DATED)

SER/LOC# DR TOT FOREIGN AMT PARTICULARS O/R OPERATOR
 CR CDN EQUIVALENT CUR LEV SUPERVISOR

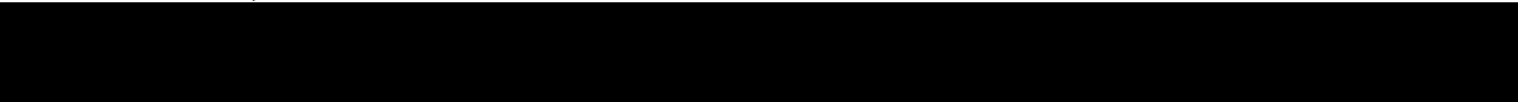
INTERBRANCH PAYMENTS - RECEIVED



7244424 DR 374,985.00 CAD F/AMT: 374,985.00 R/SRCE:BUL C/NUM:N/A C/RATE:N/A CNTR:1.0000000 AUTOPOST
 374,985.00 CAD CHARGES : N/A
 SOURCE : 08642/2060612 COMM:
 REMITTER: MR MUZAMMIL YOUNUS KODWAVI 72 GRAND VELLORE CRES
 ON CA L4H0N8
 WOODBRIDGE
 ACCT : 2060612
 BENEF : SUNRISE ACQUISITIONS (HWY 7) INC. 100-50 WEST WILMOT STREET, RICHMON
 D HILL ON CA L4B1M5
 DETAILS : LAND DEPOSIT CC0010(08642)
 INSTRUCT: PAY ON APPLICATION & ID

 CURR/AMT/RATE: CAD 375,000.00
 SENDERS CHARGES: CAD 0.00 CAD 15.00
 DETAILS OF CHARGES: BENEFICIARY
 SND TRAN: 09602/INTERNATIONAL DEPARTMENT
 DTE RECD: 02APR/18 TIME RECD: 08:43:41
 ICN : TO180402009721501I

7244424 DR 374,985.00 CAD VALUE DATE : 02APR/18 AUTOPOST
SETTLED 374,985.00 CAD ENTRY DATE : 02APR/18



1016004-E/F_2014-03



HSBC Bank Canada
Banque HSBC Canada

111 - 330 HIGHWAY 7 EAST
RICHMOND HILL ON L4B 3P8

THIS DRAFT CONTAINS A SECURITY WATERMARK ON REVERSE - HOLD AT AN ANGLE TO VIEW
LE VERSO DE CETTE TRAITE A ETE FILIGRANE A DES FINS DE SECURITE. LA TENIR EN ANGLE POUR LE CONSTATER.

CANADIAN DOLLAR BANK DRAFT
TRAITE BANCAIRE EN DOLLARS CANADIENS

348202

2 0 1 8 1 0 0 9
DATE Y/A M/M D/J

PAY TO THE ORDER OF
PAYEZ A L'ORDRE DE

SUNRISE ACQUISITIONS (HWY 7) INC.

\$ **200,000.00

CAD TWO HUNDRED THOUSAND ONLY

Account Name: Muzamil Younis Kohli

MA, Wai Young Raymond

62432

CANADIAN DOLLARS
DOLLARS CANADIENS

AUTHORIZED SIGNATURE / SIGNATURE AUTORISEE

COUNTERSIGNED / CONTRESIGNE
Jason Szelo

053817

⑈ 348 20 2⑈ ⑆ 10 1 2 2 0 1 6 ⑆ 930 28 2 0 1 0 ⑈

ItemSeqNum: 7100520099
TrRoutNumCDN: 10122
FNumCDN: 16
Account: 930282010
CheckAmt: 20000000
CapturDate: 20181009
Batch_ID: 48287

Printer ID#1011F-B

CIBC-010
08642 004 10/09/2018
08642 / 2060612
3200102512882 1

08642 - 2060612

Endorsement - Signature or Stamp
Endossement - Signature ou étampe

BACK/ENDOS

ItemSeqNum: 7100520099
TrRoutNumCDN: 10122
FNumCDN: 16
Account: 930282010
CheckAmt: 20000000
CapturDate: 20181009
Batch_ID: 48287

1016004-EPF_2014-03



HSBC Bank Canada
Banque HSBC Canada
111 - 330 HIGHWAY 7 EAST
RICHMOND HILL ON L4B 3P8

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LE VERSO DE CETTE TRAITE A ETE FILIGRANE A DES FINS DE SECURITE. LA TENIR EN ANGLE POUR LE CONSTATER.

CANADIAN DOLLAR BANK DRAFT
TRAITE BANCAIRE EN DOLLARS CANADIENS

348239

20181011

DATE Y/A M/M D/J

SUNRISE ACQUISITIONS (HWY 7) INC.

PAY TO THE ORDER OF
PAYEZ A L'ORDRE DE

\$ **150,000.00

CAD ONE HUNDRED FIFTY THOUSAND ONLY

Account name: Muzamil Younis Kodwari

MA, Wai Yeung Raymond
62432

[Signature]
CANADIAN DOLLARS
DOLLARS CANADIENS
AUTHORIZED SIGNATURE / SIGNATURE AUTORISEE
Jason Sze
053817

⑈ 348239 ⑆ ⑆ 10122 ⑆ 016 ⑆ 930282 ⑆ 010 ⑆

ItemSeqNum: 7400003621
TrRoutNumCDN: 10122
FNumCDN: 16
Account: 930282010
CheckAmt: 15000000
CapturDate: 20181011
Batch_ID: 48290

Printer ID#1011F-B

CIBC-010
08642 006 10/11/2018
08642 / 2060612
3200102943489 1

08642 - 2060612

Endorsement - Signature or Stamp
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BACK/ENDOS

ItemSeqNum: 7400003621
TrRoutNumCDN: 10122
FNumCDN: 16
Account: 930282010
CheckAmt: 15000000
CapturDate: 20181011
Batch_ID: 48290

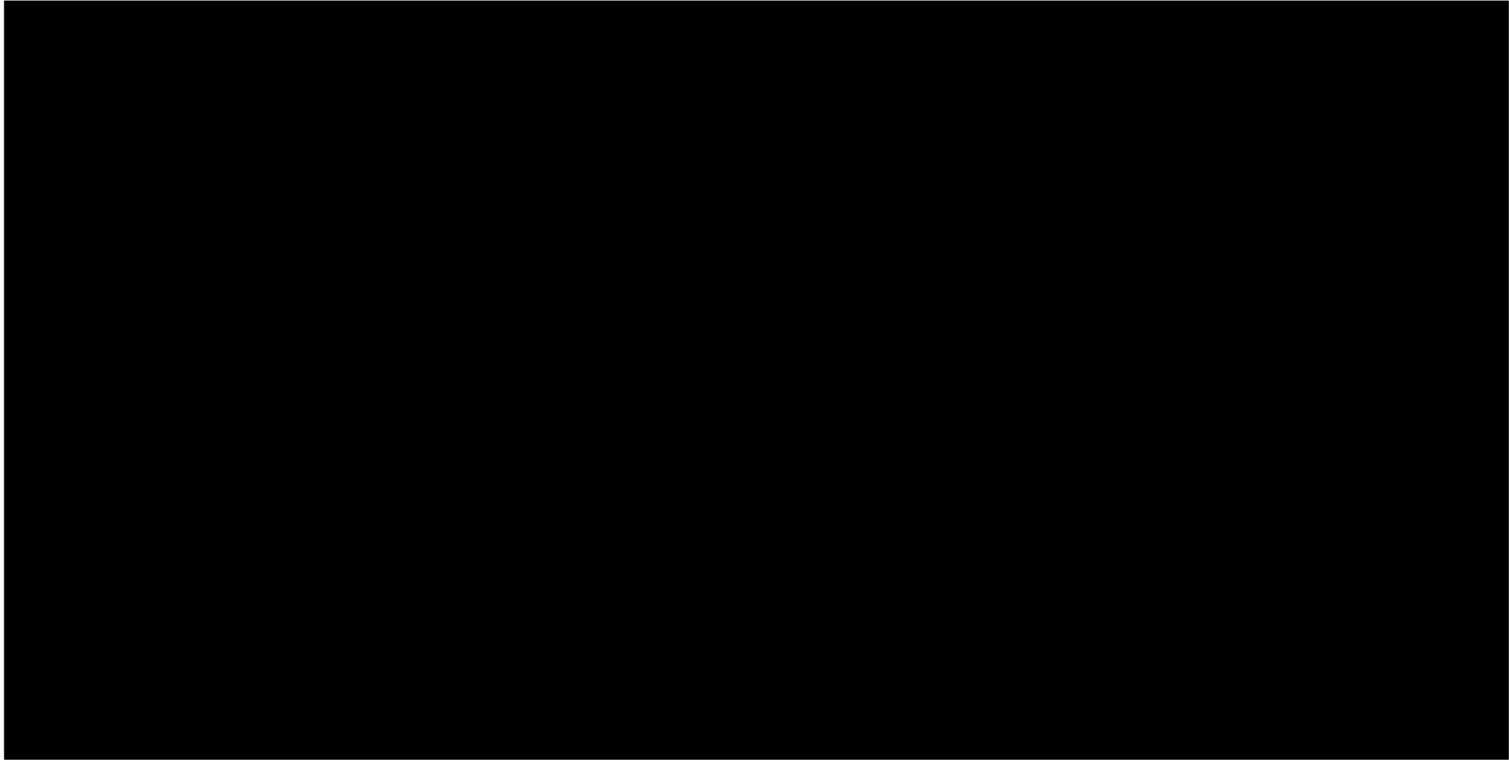
7/29/2021

COI1FE81 08642 HWY 7 & WEST BEAVER CREEK BKG CTR ACTIVITY REPORT FOREIGN EXCHANGE SYSTEM FOR 29 NOV 18 PAGE 28
300 WEST BEAVER CREEK *** C O N F I D E N T I A L ***

IBP OPERATING DATE : NOV 28 18 (CURRENT DATED)

SER/LOC# DR TOT FOREIGN AMT PARTICULARS O/R OPERATOR
 CR CDN EQUIVALENT CUR LEV SUPERVISOR

INTERBRANCH PAYMENTS - RECEIVED



8403324 DR 349,971.00 CAD F/AMT: 349,971.00 R/SRCE:BUL C/NUM:N/A C/RATE:N/A CNTR:1.0000000 AUTOPOST
 349,971.00 CAD CHARGES : N/A
 SOURCE : 08642/2060612 COMM:
 REMITTER: MUZAMMIL YOUNUS KODWAVI 72, GRAND VELLORE CRESCENT
 VAUGHAN ON L4H 0N8 CANADA
 ACCT : 2060612
 BENEF : SUNRISE ACQUISITIONS (HWY 7) INC 100-50 WEST WILMOT STREET

CONFIDENTIAL - FOR INTERNAL USE ONLY / CONFIDENTIEL - RÉSERVÉ À L'USAGE INTERNE

7/29/2021

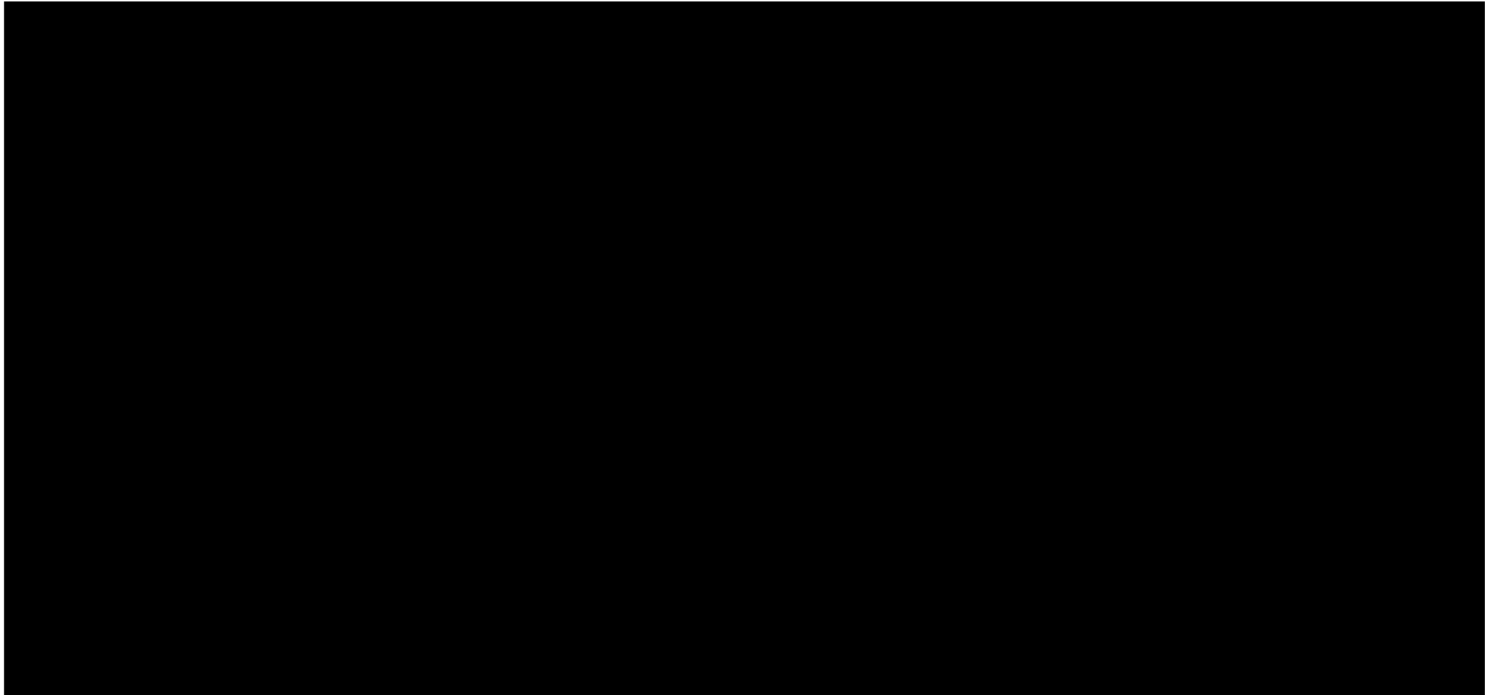
COI1FE81 08642 HWY 7 & WEST BEAVER CREEK BKG CTR ACTIVITY REPORT FOREIGN EXCHANGE SYSTEM FOR 29 NOV 18 PAGE 29
300 WEST BEAVER CREEK *** C O N F I D E N T I A L ***

IBP OPERATING DATE : NOV 28 18 (CURRENT DATED)

SER/LOC# DR TOT FOREIGN AMT PARTICULARS O/R OPERATOR
 CR CDN EQUIVALENT CUR LEV SUPERVISOR

INTERBRANCH PAYMENTS - RECEIVED

 RICHMOND HILL ON L4B 1M5 CANADA
 DETAILS : INVESTMENT - LAND PURCHASE
 INSTRUCT:
 CURR/AMT/RATE: CAD 350,000.00
 SENDERS CHARGES: CAD 14.00 CAD 15.00
 DETAILS OF CHARGES: SHARED
 SND TRAN: 09602/INTERNATIONAL DEPARTMENT
 DTE RECD: 28NOV/18 TIME RECD: 16:27:18
 ICN : TO181128068229501I
8403324 DR 349,971.00 CAD VALUE DATE : 28NOV/18 AUTOPOST
SETTLED 349,971.00 CAD ENTRY DATE : 28NOV/18



IBP OPERATING DATE : DEC 18 18 (CURRENT DATED)

SER/LOC# DR TOT FOREIGN AMT PARTICULARS O/R OPERATOR
 CR CDN EQUIVALENT CUR LEV SUPERVISOR

INTERBRANCH PAYMENTS - RECEIVED

| | | | | | | | | | | | | | | |
|---------|----|-----------|-----|---------------------|----------------------------------|------------|----------|--------|-------|---------------------------|-----|-------|-----------|----------|
| 8509941 | DR | 29,971.00 | CAD | F/AMT: | 29,971.00 | R/SRCE: | BUL | C/NUM: | N/A | C/RATE: | N/A | CNTR: | 1.0000000 | AUTOPOST |
| | | 29,971.00 | CAD | | | CHARGES : | N/A | | | | | | | |
| | | | | SOURCE : | 08642/2060612 | COMM: | | | | | | | | |
| | | | | REMITTER: | MUZAMMIL YOUNUS KODWAVI | | | | | 72 GRAND VELLORE CRESCENT | | | | |
| | | | | | VAUGHAN ON L4H 0N8 | | | | | CANADA | | | | |
| | | | | ACCT : | 2060612 | | | | | | | | | |
| | | | | BENEF : | SUNRISE ACQUISITIONS (HWY 7) INC | | | | | 100-50 WEST WILMOT STREET | | | | |
| | | | | | RICHMOND HILL ON L4B 1M5 | | | | | CANADA | | | | |
| | | | | DETAILS : | INVESTMENT - LAND PURCHASE | | | | | | | | | |
| | | | | INSTRUCT: | | | | | | | | | | |
| | | | | CURR/AMT/RATE: | CAD | 30,000.00 | | | | | | | | |
| | | | | SENDERS CHARGES: | CAD | 14.00 | | CAD | 15.00 | | | | | |
| | | | | DETAILS OF CHARGES: | SHARED | | | | | | | | | |
| | | | | SND TRAN: | 09602/INTERNATIONAL DEPARTMENT | | | | | | | | | |
| | | | | DTE RECD: | 18DEC/18 | TIME RECD: | 16:03:28 | | | | | | | |
| | | | | ICN : | TO181218075680501I | | | | | | | | | |
| 8509941 | DR | 29,971.00 | CAD | VALUE DATE : | 18DEC/18 | | | | | | | | | AUTOPOST |

1016004-E/F_2014-03



HSBC Bank Canada
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108 - 3601 HIGHWAY 7 EAST
MARKHAM ON L3R 0M3

THIS DRAFT CONTAINS A SECURITY WATERMARK ON REVERSE - HOLD AT AN ANGLE TO VIEW
LE VERSO DE CETTE TRAITE A ETE FILIGRANE A DES FINS DE SECURITE. LA TENIR EN ANGLE POUR LE CONSTATER.

CANADIAN DOLLAR BANK DRAFT
TRAITE BANCAIRE EN DOLLARS CANADIENS

323765

2 0 1 8 1 2 1 9

DATE Y/A M/M D/J

SUNRISE ACQUISITIONS (HWY 7) INC.

\$ **50,000.00

PAY TO THE ORDER OF
PAYEZ A L'ORDRE DE

CAD FIFTY THOUSAND ONLY

CANADIAN DOLLARS
DOLLARS CANADIENS

16980 [Signature]

AUTHORIZED SIGNATURE / SIGNATURE AUTORISEE

COUNTERSIGNED / CONTRESIGNE

A/C KODWANI, MUZAMMIL YOUNUS

⑈ 3 2 3 7 6 5 ⑈ ⑆ 1 0 4 8 2 ⑆ ⑆ 1 6 ⑆ 9 3 0 2 8 4 ⑆ ⑆ 1 0 ⑈

ItemSeqNum: 7100739875
TrRoutNumCDN: 10482
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CheckAmt: 5000000
CapturDate: 20181219
Batch_ID: 48141

Printer ID#1011F-B

CIBC-010
08642 004 12/19/2018
08642 / 2060612
3200114481239 1

Endorsement - Signature or Stamp
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BACK/ENDOS

ItemSeqNum: 7100739875
TrRoutNumCDN: 10482
FNumCDN: 16
Account: 930284010
CheckAmt: 5000000
CapturDate: 20181219
Batch_ID: 48141

Appendix “L”



Agreement to Lease Residential

Form 400

for use in the Province of Ontario

This Agreement to Lease (Agreement) dated this 9 day of June, 2020

TENANT: Haoran Zhang; Junhao Liao & Gaoxiang Zhou; Binyu Li
(Full legal names of all Tenants)

LANDLORD: Safana Kodwavi
(Full legal name of Landlord)

ADDRESS OF LANDLORD: _____
(Legal address for the purpose of receiving notices)

The Tenant hereby offers to lease from the Landlord the premises as described herein on the terms and subject to the conditions as set out in this Agreement. For the purposes of this Agreement "Tenant" includes lessee and "Landlord" includes lessor.

1. PREMISES: Having inspected the premises and provided the present tenant vacates, I/we, the Tenant hereby offer to lease, premises known as:
4144 Highway 7 E Markham L3R0W9

2. TERM OF LEASE: The lease shall be for a term of one year commencing 7/1/2020

3. RENT: The Tenant will pay to the said Landlord monthly and every month during the said term of the lease the sum of
Three Thousand Five Hundred Dollars (CDN\$) 3,500.00
payable in advance on the 1st day of each and every month during the currency of the said term. First and last months' rent to be paid in advance upon completion or date of occupancy, whichever comes first.

4. DEPOSIT AND PREPAID RENT: The Tenant delivers upon acceptance
(Herewith/Upon acceptance/as otherwise described in this Agreement)
by negotiable cheque payable to CENTURY 21 ALPHA REALTY INC., BROKERAGE "Deposit Holder"
in the amount of Seven Thousand Dollars (CDN\$) 7,000.00
as a deposit to be held in trust as security for the faithful performance by the Tenant of all terms, covenants and conditions of the Agreement and to be applied by the Landlord against the first and last month's rent. If the Agreement is not accepted, the deposit is to be returned to the Tenant without interest or deduction.

For the purposes of this Agreement, "Upon Acceptance" shall mean that the Tenant is required to deliver the deposit to the Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that, unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

5. USE: The Tenant and Landlord agree that unless otherwise agreed to herein, only the Tenant named above and any person named in a Rental Application completed prior to this Agreement will occupy the premises.

Premises to be used only for:
Residential use

6. SERVICES AND COSTS: The cost of the following services applicable to the premises shall be paid as follows:

| | LANDLORD | TENANT | | LANDLORD | TENANT |
|----------------------------|--------------------------|-------------------------------------|--------------------------------|-------------------------------------|-------------------------------------|
| Gas | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Cable TV | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Oil | <input type="checkbox"/> | <input type="checkbox"/> | Condominium/Cooperative fees | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Electricity | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Garbage Removal | <input type="checkbox"/> | <input type="checkbox"/> |
| Hot water heater rental | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Other: <u>Internet</u> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Water and Sewerage Charges | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Other: <u>Tenant Insurance</u> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

The Landlord will pay the property taxes, but if the Tenant is assessed as a Separate School Supporter, Tenant will pay to the Landlord a sum sufficient to cover the excess of the Separate School Tax over the Public School Tax, if any, for a full calendar year, said sum to be estimated on the tax rate for the current year, and to be payable in equal monthly installments in addition to the above mentioned rental, provided however, that the full amount shall become due and be payable on demand on the Tenant.

INITIALS OF TENANT(S): [*] [JL] [GZ] [BL] INITIALS OF LANDLORD(S): [S]

7. **PARKING:**

2 garage parking

8. **ADDITIONAL TERMS:**

Stainless Steel (Fridge, Stove, Microwave, Rangehood, Dishwasher), Washer, Dryer, Elfs, Cvac, Egdo, Win Cover, Gb&E, Cac, Hwb (R).



9. **SCHEDULES:** The schedules attached hereto shall form an integral part of this Agreement to Lease and consist of: **Schedule(s)** A B



10. **IRREVOCABILITY:** This offer shall be irrevocable by Landlord ~~Tenant~~ until 11:59 on the 10 day of June 2020 after which time if not accepted, this Agreement shall be null and void and all monies paid thereon shall be returned to the Tenant without interest or deduction.

11. **NOTICES:** The Landlord hereby appoints the Listing Brokerage as agent for the Landlord for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Tenant's Brokerage) has entered into a representation agreement with the Tenant, the Tenant hereby appoints the Tenant's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. **Where a Brokerage represents both the Landlord and the Tenant (multiple representation), the Brokerage shall not be appointed or authorized to be agent for either the Tenant or the Landlord for the purpose of giving and receiving notices.** Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No.: 416-900-2629 (For delivery of Documents to Landlord) FAX No.: 905-909-0202 (For delivery of Documents to Tenant)
Email Address: garylamrealty@hotmail.com (For delivery of Documents to Landlord) Email Address: rwenlong88@gmail.com (For delivery of Documents to Tenant)

12. **EXECUTION OF LEASE:** The Lease shall be drawn by the Landlord on the standard form of lease as prescribed by the Residential Tenancies Act, 2006, as amended from time to time, and shall include the provisions as contained herein and in any attached schedule, and shall be executed by both parties before possession of the premises is given. The Landlord shall provide the Tenant with information relating to the rights and responsibilities of the Tenant and information on the role of the Landlord and Tenant Board and how to contact the Board. (Information For New Tenants as made available by the Landlord and Tenant Board and available at www.lib.gov.on.ca)

13. **LANDLORD AND TENANT ACKNOWLEDGMENT:** The Landlord and Tenant acknowledge and agree that a standard form of lease as prescribed by the Residential Tenancies Act, 2006, as amended from time to time is required.

14. **ACCESS:** The Landlord shall have the right, at reasonable times to enter and show the demised premises to prospective tenants, purchasers or others. The Landlord or anyone on the Landlord's behalf shall also have the right, at reasonable times, to enter and inspect the demised premises.

15. **INSURANCE:** The Tenant agrees to obtain and keep in full force and effect during the entire period of the tenancy and any renewal thereof, at the Tenant's sole cost and expense, fire and property damage and public liability insurance in an amount equal to that which a reasonably prudent Tenant would consider adequate. The Tenant agrees to provide the Landlord, upon demand at any time, proof that said insurance is in full force and effect and to notify the Landlord in writing in the event that such insurance is cancelled or otherwise terminated.

16. **RESIDENCY:** The Landlord shall forthwith notify the Tenant in writing in the event the Landlord is, at the time of entering into this Agreement, or, becomes during the term of the tenancy, a non-resident of Canada as defined under the Income Tax Act, RSC 1985, c.1 (ITA) as amended from time to time, and in such event the Landlord and Tenant agree to comply with the tax withholding provisions of the ITA.

17. **USE AND DISTRIBUTION OF PERSONAL INFORMATION:** The Tenant consents to the collection, use and disclosure of the Tenant's personal information by the Landlord and/or agent of the Landlord, from time to time, for the purpose of determining the creditworthiness of the Tenant for the leasing, selling or financing of the premises or the real property, or making such other use of the personal information as the Landlord and/or agent of the Landlord deems appropriate.

18. **CONFLICT OR DISCREPANCY:** If there is any conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement, including any Schedule attached hereto, shall constitute the entire Agreement between Landlord and Tenant. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. This Agreement shall be read with all changes of gender or number required by the context.

19. **FAMILY LAW ACT:** Landlord warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O. 1990 unless the spouse of the Landlord has executed the consent hereinafter provided.

20. **CONSUMER REPORTS:** The Tenant is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.

INITIALS OF TENANT(S): [Signature] JL GZ BL INITIALS OF LANDLORD(S): [Signature]

21. BINDING AGREEMENT: This Agreement and acceptance thereof shall constitute a binding agreement by the parties to enter into the Lease of the Premises and to abide by the terms and conditions herein contained.

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:

(Witness) _____

Authentisign
 Tenants Junhao Liao (Seal) (Date) 06/09/2020

(Witness) _____

Authentisign
 Gaoxiang Zhou (Seal) (Date) 06/09/2020

(Witness) _____

Authentisign
 Gaoxiang Zhou (Guarantor) (Seal) (Date) 6/9/2020 2:30:45 PM EDT

We/I the Landlord hereby accept the above offer, and agree that the commission together with applicable HST (and any other tax as may hereafter be applicable) may be deducted from the deposit and further agree to pay any remaining balance of commission forthwith.

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:

(Witness) _____

X Safana (Landlord or Authorized Representative) (Seal) (Date) 06-09-2020

(Witness) _____

(Landlord or Authorized Representative) (Seal) (Date)

SPOUSAL CONSENT: The undersigned spouse of the Landlord hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O.1990, and hereby agrees to execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

(Witness) _____

(Spouse) (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally acceptance by all parties at _____ this 9th day of JUNE, 2020.

(Signature of Landlord or Tenant)

| INFORMATION ON BROKERAGE(S) | | |
|-----------------------------|---|--|
| Listing Brokerage | CENTURY 21 ALPHA REALTY INC., BROKERAGE | 416-333-3001 (Tel. No.) |
| | GARY KIM HUNG LAM | (Salesperson/Broker/Broker of Record Name) |
| Co-op/Tenant Brokerage | BAY STREET GROUP INC., BROKERAGE | 905-909-0101 (Tel. No.) |
| | RYAN ZHANG | (Salesperson/Broker/Broker of Record Name) |

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement to Lease and I authorize the Brokerage to forward a copy to my lawyer.

I acknowledge receipt of my signed copy of this accepted Agreement to Lease and I authorize the Brokerage to forward a copy to my lawyer.

X Safana (Landlord) SAFANA KODWANI (Date) 06-09-2020

Authentisign
 Junhao Liao (Date) 06/09/2020

(Landlord) (Date)

Authentisign
 Gaoxiang Zhou (Date) 06/09/2020

Address for Service _____

Address _____

(Tel. No.) _____

(Tel. No.) _____

Landlord's Lawyer _____

Tenant's Lawyer _____

Address _____

Address _____

Email _____

Email _____

(Tel. No.) _____ (Fax. No.) _____

(Tel. No.) _____ (Fax. No.) _____

| FOR OFFICE USE ONLY | COMMISSION TRUST AGREEMENT |
|---|---|
| To: Co-operating Brokerage shown on the foregoing Agreement to Lease: In consideration for the Co-operating Brokerage procuring the foregoing Agreement to Lease, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS [®] Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS [®] Rules and shall be subject to and governed by the MLS [®] Rules pertaining to Commission Trust. DATED as of the date and time of the acceptance of the foregoing Agreement to Lease. | Acknowledged by: Authentisign Ryan Zhang (Authorized to bind the Co-operating Brokerage) (Date) 6/9/2020 1:23:20 PM EDT |



Schedule A Agreement to Lease - Residential

Form 400

for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement to Lease between:

TENANT: Haoran Zhang;Junhao Liao Gaoxiang Zhou;Binyu Li, and

LANDLORD: Safana Kodwavi

for the lease of 4144 Highway 7 E Markham

ON L3R0W9 dated the 9 day of June 20 20

The following chattels belonging to the Landlord are to installed before the closing day and remain on the premises for the Tenant's use: Fridge, Stove, B/I Dishwasher, Washer, Dryer, Blinds, All Electric Light Fixtures.

For the convenience of the Tenant, the Tenant has offered and the Landlord has agreed to accept Ten [10] post-dated cheques payable to the Landlord before closing.

Tenant agrees to pay a \$50.00 service charge to Landlord for any returned cheques.

Tenant agrees to leave all fixtures and chattels in good working condition, subject to normal wear and tear.

Tenant agrees not to assign or sublet the subject premises without the written consent of the Landlord.

Tenant covenants and agrees to abide by the rules and regulations of the condominium corporation as amended from time to time, and all requirements of the declaration/or by-laws thereof, if applicable.

Tenant agrees to perform minor maintenance of the premises at their own expense, such as replacing burnt light bulbs and rubber washer of the water faucet.

Tenant acknowledges that the Corporation may eliminate the recreational and other facilities, or any part thereof at any time without notice to the Tenant and without reduction or abatement of rent hereunder.

Tenant acknowledges that no smoking of any kind and no pets are allowed on the premises.

Tenant acknowledges that the Lease cannot be terminated prematurely before the end of the lease term.

If the Tenant wishes to terminate the tenancy at the end of the term created by this Agreement, any extension or renewal thereof, then the tenant will give notice to the landlord in writing not less than sixty [60] days prior to the expiration of the agreement. Tenant acknowledges that the Lease cannot be terminated prematurely before the end of the lease term.

The Landlord or the agent shall have the right to show the premises during the last sixty [60] days of the term of the lease, to prospective Tenants or Buyers upon giving the Tenant 24 hours prior notice.

Tenant shall maintain the premises in a proper state of cleanliness and order and shall return to the Landlord at the end of the lease term in the same condition as received, save and except for that which shall be regarded as normal wear and tear.

Landlord shall pay real estate taxes, [condominium fees and parking if applicable], and maintain fire insurance on the premises. Tenant acknowledges the Landlord's fire insurance on the premises provides no coverage on Tenant's personal property. Tenant shall obtain sufficient contents insurance and personal liability insurance for said unit and provide proof of such to the Landlord prior to the commencement of the lease term.

This form must be initialed by all parties to the Agreement to Lease.

INITIALS OF TENANT(S): [H] [JL] [GZ] [BL] INITIALS OF LANDLORD(S): [S]

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Schedule A Agreement to Lease - Residential

Form 400

for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement to Lease between:

TENANT: Haoran Zhang;Junhao Liao Gaoxiang Zhou;Binyu Li and

LANDLORD: Safana Kodwavi

for the lease of 4144 Highway 7 E Markham

ON L3R0W9 dated the 9 day of June , 20 20

The Landlord shall not in any event whatsoever be liable or responsible for any damage, loss, personal injury, or death that may be suffered or sustained by the Tenant or any other person who may be upon the rented premise.

The Tenant agrees and covenants to indemnify, save harmless, and fully release the Landlord from any and all liability caused or arisen from the above.

Tenant agrees to provide \$400.00 as the key deposit. The Tenant agrees that the \$400.00 deposit may be used to deduct against any damages or garbage removal from the premises at the end of the lease term should it be required. The deposit shall be fully refunded without interest provided the Tenant returns all keys and garage openers to the Landlord upon completion of the Lease.

Tenant agrees to maintain all the fixtures, chattels and appliances provided by the Landlord at Tenant's expense, and pay the first \$50.00 for the cost of each repair per each item with the Landlord paying the balance. The Tenant will be responsible for the full cost of repair if any of the damage is due to the Tenant's or his invites' negligence or willful damages.

Upon acceptance of this offer by the Landlord this Agreement shall be firm and binding and shall constitute the actual lease.

The residential occupancy of the rental property is limited [4] people [except for occasional overnight guests]. No Business pursuits of signs are permitted on the premises, Violation of this provision shall entitle the Landlord, to terminate this agreement.

The Tenant agrees to pay for all utilities not limited to gas, water, hydro and hwt which not included in the maintenance fee and Landlord pays realty tax and maintenance fee only during the term of the lease and any extension thereof.

The Tenant agrees that when vacating the premises will be left in broom swept condition and all appliances will be cleaned and include all-electric light fixtures, fridge, stove, built-in dishwasher, washer, dryer, all window coverings, and all other permanent fixtures attached to the property and belonging to the Landlord and removed all garbage.

The Tenant agrees to provide tenant insurance confirmation upon closing for at least two million dollars.

The Buyer and Seller acknowledge that the types of representation as defined in the Real Estate and Business Brokers Act, 2002, were explained prior to the execution of this offer and the confirmation of Co-operation and representation was completed prior to the offer being signed by the Buyer and reviewed and signed by the Seller.

This form must be initialed by all parties to the Agreement to Lease.

INITIALS OF TENANT(S): [H] [JL] [GZ] [BL] **INITIALS OF LANDLORD(S):** [A]



Agreement to Lease Residential

Form 400

for use in the Province of Ontario

This Agreement to Lease (Agreement) dated this 24 day of May, 2020

TENANT: Julliya Cha Boo Sun (Helen) Kim
(Full legal names of all Tenants)

LANDLORD: Kodwavi, Safana
(Full legal name of Landlord)

ADDRESS OF LANDLORD: _____
(Legal address for the purpose of receiving notices)

The Tenant hereby offers to lease from the Landlord the premises as described herein on the terms and subject to the conditions as set out in this Agreement. For the purposes of this Agreement "Tenant" includes lessee and "Landlord" includes lessor.

1. PREMISES: Having inspected the premises and provided the present tenant vacates, I/we, the Tenant hereby offer to lease, premises known as:
4148 Highway 7 E Markham L3R0W9

2. TERM OF LEASE: The lease shall be for a term of 1 YEAR commencing 6/1/2020

3. RENT: The Tenant will pay to the said Landlord monthly and every month during the said term of the lease the sum of
Three Thousand Five Hundred Dollars (CDN\$) 3,500.00
payable in advance on the FIRST day of each and every month during the currency of the said term. First and last months' rent to be paid in advance upon completion or date of occupancy, whichever comes first.

4. DEPOSIT AND PREPAID RENT: The Tenant delivers upon acceptance
(Herewith/Upon acceptance/as otherwise described in this Agreement)
by negotiable cheque payable to CENTURY 21 ALPHA REALTY INC., BROKERAGE "Deposit Holder"
in the amount of Ten Thousand Five Hundred Dollars (CDN\$) 10,500.00
as a deposit to be held in trust as security for the faithful performance by the Tenant of all terms, covenants and conditions of the Agreement and to be applied by the Landlord against the FIRST, SECOND and LAST month's rent. If the Agreement is not accepted, the deposit is to be returned to the Tenant without interest or deduction.

For the purposes of this Agreement, "Upon Acceptance" shall mean that the Tenant is required to deliver the deposit to the Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that, unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

5. USE: The Tenant and Landlord agree that unless otherwise agreed to herein, only the Tenant named above and any person named in a Rental Application completed prior to this Agreement will occupy the premises.

Premises to be used only for:
RESIDENTIAL LEASE

6. SERVICES AND COSTS: The cost of the following services applicable to the premises shall be paid as follows:

| | LANDLORD | TENANT | | LANDLORD | TENANT |
|----------------------------|--------------------------|-------------------------------------|------------------------------|--------------------------|-------------------------------------|
| Gas | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Cable TV | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Oil | <input type="checkbox"/> | <input type="checkbox"/> | Condominium/Cooperative fees | <input type="checkbox"/> | <input type="checkbox"/> |
| Electricity | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Garbage Removal | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Hot water heater rental | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Other: | <input type="checkbox"/> | <input type="checkbox"/> |
| Water and Sewerage Charges | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Other: | <input type="checkbox"/> | <input type="checkbox"/> |

The Landlord will pay the property taxes, but if the Tenant is assessed as a Separate School Supporter, Tenant will pay to the Landlord a sum sufficient to cover the excess of the Separate School Tax over the Public School Tax, if any, for a full calendar year, said sum to be estimated on the tax rate for the current year, and to be payable in equal monthly installments in addition to the above mentioned rental, provided however, that the full amount shall become due and be payable on demand on the Tenant.

INITIALS OF TENANT(S):

INITIALS OF LANDLORD(S):

7. **PARKING:** included in monthly rent: 2 Garage Parking

8. **ADDITIONAL TERMS:**

9. **SCHEDULES:** The schedules attached hereto shall form an integral part of this Agreement to Lease and consist of: **Schedule(s) A, B**

10. **IRREVOCABILITY:** This offer shall be irrevocable by Tenant (Landlord/Tenant) until 12:30 (a.m./p.m.) on the 25 day of May, 2020 after which time if not accepted, this Agreement shall be null and void and all monies paid thereon shall be returned to the Tenant without interest or deduction.

11. **NOTICES:** The Landlord hereby appoints the Listing Brokerage as agent for the Landlord for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Tenant's Brokerage) has entered into a representation agreement with the Tenant, the Tenant hereby appoints the Tenant's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. **Where a Brokerage represents both the Landlord and the Tenant (multiple representation), the Brokerage shall not be appointed or authorized to be agent for either the Tenant or the Landlord for the purpose of giving and receiving notices.** Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No.: 416-900-2629 (For delivery of Documents to Landlord) FAX No.: _____ (For delivery of Documents to Tenant)
Email Address: _____ (For delivery of Documents to Landlord) Email Address: immanuel@getontheblock.com (For delivery of Documents to Tenant)

12. **EXECUTION OF LEASE:** The Lease shall be drawn by the Landlord on the standard form of lease as prescribed by the *Residential Tenancies Act, 2006*, as amended from time to time, and shall include the provisions as contained herein and in any attached schedule, and shall be executed by both parties before possession of the premises is given. The Landlord shall provide the Tenant with information relating to the rights and responsibilities of the Tenant and information on the role of the Landlord and Tenant Board and how to contact the Board. (Information For New Tenants as made available by the Landlord and Tenant Board and available at www.ltb.gov.on.ca)

13. **LANDLORD AND TENANT ACKNOWLEDGMENT:** The Landlord and Tenant acknowledge and agree that a standard form of lease as prescribed by the *Residential Tenancies Act, 2006*, as amended from time to time is required.

14. **ACCESS:** The Landlord shall have the right, at reasonable times to enter and show the demised premises to prospective tenants, purchasers or others. The Landlord or anyone on the Landlord's behalf shall also have the right, at reasonable times, to enter and inspect the demised premises.

15. **INSURANCE:** The Tenant agrees to obtain and keep in full force and effect during the entire period of the tenancy and any renewal thereof, at the Tenant's sole cost and expense, fire and property damage and public liability insurance in an amount equal to that which a reasonably prudent Tenant would consider adequate. The Tenant agrees to provide the Landlord, upon demand at any time, proof that said insurance is in full force and effect and to notify the Landlord in writing in the event that such insurance is cancelled or otherwise terminated.

16. **RESIDENCY:** The Landlord shall forthwith notify the Tenant in writing in the event the Landlord is, at the time of entering into this Agreement, or becomes during the term of the tenancy, a non-resident of Canada as defined under the Income Tax Act, RSC 1985, c.1 (ITA) as amended from time to time, and in such event the Landlord and Tenant agree to comply with the tax withholding provisions of the ITA.

17. **USE AND DISTRIBUTION OF PERSONAL INFORMATION:** The Tenant consents to the collection, use and disclosure of the Tenant's personal information by the Landlord and/or agent of the Landlord, from time to time, for the purpose of determining the creditworthiness of the Tenant for the leasing, selling or financing of the premises or the real property, or making such other use of the personal information as the Landlord and/or agent of the Landlord deems appropriate.

18. **CONFLICT OR DISCREPANCY:** If there is any conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement, including any Schedule attached hereto, shall constitute the entire Agreement between Landlord and Tenant. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. This Agreement shall be read with all changes of gender or number required by the context.

19. **FAMILY LAW ACT:** Landlord warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O. 1990 unless the spouse of the Landlord has executed the consent hereinafter provided.

20. **CONSUMER REPORTS:** The Tenant is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.

INITIALS OF TENANT(S): JC BK D INITIALS OF LANDLORD(S): A

21. BINDING AGREEMENT: This Agreement and acceptance thereof shall constitute a binding agreement by the parties to enter into the Lease of the Premises and to abide by the terms and conditions herein contained.

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:

(Witness) *Julliya Cha* 05/24/2020
 (Landlord or Authorized Representative) (Seal) (Date) 05/24/2020
 (Witness) *David Tang* 05/24/2020
 (Landlord or Authorized Representative) and David Phong Tang (Seal) (Date) 05/24/2020
 (Witness) (Guarantor) (Seal) (Date)

We/I the Landlord hereby accept the above offer, and agree that the commission together with applicable HST (and any other tax as may hereafter be applicable) may be deducted from the deposit and further agree to pay any remaining balance of commission forthwith.

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:

(Witness) *Safana* 05-24-2020
 (Landlord or Authorized Representative) Kodwavi, Safana (Seal) (Date) 05-24-2020
 (Witness) (Landlord or Authorized Representative) (Seal) (Date)

SPOUSAL CONSENT: The undersigned spouse of the Landlord hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O.1990, and hereby agrees to execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

(Witness) (Spouse) (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally acceptance by all parties at

3:15 this 24 day of MAY, 2020.
 (a.m./p.m.)
 (Signature of Landlord or Tenant)

| INFORMATION ON BROKERAGE(S) | |
|-----------------------------|--|
| Listing Brokerage | CENTURY 21 ALPHA REALTY INC., BROKERAGE GARY KIM HUNG LAM (Salesperson/Broker/Broker of Record Name) |
| | 416-333-3001 (Tel.No.) |
| Co-op/Tenant Brokerage | ON THE BLOCK IMMANUEL UY (Salesperson/Broker/Broker of Record Name) |
| | (416) 843-7407 (Tel.No.) |

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement to Lease and I authorize the Brokerage to forward a copy to my lawyer.

(Landlord) *Safana* 05-24-2020 (Date)
 (Landlord) Kodwavi, Safana (Date)
 Address for Service
 (Tel. No.)
 Landlord's Lawyer
 Address
 Email
 (Tel. No.) (Fax. No.)

I acknowledge receipt of my signed copy of this accepted Agreement to Lease and I authorize the Brokerage to forward a copy to my lawyer.

(Tenant) *Julliya Cha, Bao Sun (Helen) Kim* (Date)
 (Tenant) and David Phong Tang (Date)
 Address for Service
 (Tel. No.)
 Tenant's Lawyer
 Address
 Email
 (Tel. No.) (Fax. No.)

FOR OFFICE USE ONLY

COMMISSION TRUST AGREEMENT

To: Co-operating Brokerage shown on the foregoing Agreement to Lease:
 In consideration for the Co-operating Brokerage procuring the foregoing Agreement to Lease, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS[®] Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS[®] Rules and shall be subject to and governed by the MLS[®] Rules pertaining to Commission Trust.

DATED as of the date and time of the acceptance of the foregoing Agreement to Lease.

Authorized by:
IMMANUEL UY
 (Co-operating Brokerage)

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Schedule A Agreement to Lease - Residential

Form 400

for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement to Lease between:

TENANT: Julliya Cha Boo Sun (Helen) Kim and

LANDLORD: Kodwavi, Safana

for the lease of 4148 Highway 7 E Markham

ON L3R0W9 dated the 24 day of May , 20.20

The Tenants will submit upon acceptance FIRST, SECOND, and LAST months rent by CERTIFIED CHEQUE, BANK DRAFT, OR WIRE TRANSFER and will VOLUNTARILY provide 9 post-dated cheques prior to the occupancy date OR pay by way of ELECTRONIC FUNDS TRANSFER (EMAIL TRANSFER) directly to the LANDLORD on the FIRST of every month for the balance of the lease.

The Tenants and The Landlord agree that an accepted Agreement to Lease shall form a completed lease and shall constitute a binding contract under the Residential Tenancies Act, in the absence of a separate Tenancy Agreement.

The Landlord shall pay real estate taxes, maintenance fees, and maintain fire insurance on the premises. The Tenant acknowledges that the Landlord's fire insurance provides no coverage on the Tenant's personal property. Therefore, the Tenant shall obtain sufficient contents insurance and personal liability insurance for said unit and provide (upon request) proof of such to the Landlord.

The Tenants acknowledges that the Landlord's insurance on the premises provides no coverage on the Tenant's personal property and the Tenant agrees to obtain content insurance for his/her personal belongings.

The Tenants agrees to pay all costs for up to \$50.00 for each repairs and maintenance caused by normal wear and tear and the Tenant agrees to pay for all costs by willful damage and negligence by the Tenant.

The Landlord agrees to supply for the exclusive use of the Tenants; fridge, stove, washer, dryer, dishwasher, all existing electric light fixtures and all other permanent fixtures now attached to the property.

The Tenant agrees that they will not make any alterations or improvement for the interior and exterior of the premises WITHOUT the prior written consent from the Landlord.

The Tenants agrees not to sublet the entire premises or part thereof without the Landlord's consent.

The Tenants agrees to pay ALL the utility charges including hydro, gas, water and sewerage charge, water heater, internet, cable television and telephone.

Tenant agrees to pay the Landlord an administration fee of \$20.00 plus additional bank charges for any cheques that are returned by the bank for any reason whatsoever.

Tenant agrees to provide the funds necessary as a Keys and Garage Remote Control deposit to the Landlord BEFORE the commencement of the lease. The deposit shall be FULLY refunded provided that the Tenant returns all of the above mentioned to the Landlord upon termination of the lease. In the event that any keys are lost /damaged at the end of the lease, the deduction will be made from the deposit accordingly.

Landlord represents and warrants that the appliances as listed in this Agreement to Lease will be in normal working order at the commencement of the lease term. Tenant agrees to maintain said appliances in a state of ordinary cleanliness at the Tenant's cost.

This form must be initialed by all parties to the Agreement to Lease.

INITIALS OF TENANT(S):

INITIALS OF LANDLORD(S):

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Schedule A Agreement to Lease - Residential

Form 400

for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement to Lease between:

TENANT: Julliya Cha Boo Sun (Helen) Kim, and

LANDLORD: Kodwavi, Safana

for the lease of 4148 Highway 7 E Markham

ON L3R0W9 dated the 24 day of May 20 20

In the event the Tenants not intent to re-new the lease after the term, Tenant agrees to inform Landlord in writing sixty (60) days prior to expiry of the lease and allow Landlord or his agent to show the premises to potential tenants or purchasers with reasonable advance notice from Landlord or his agent.

Tenant agrees to clean and maintain the premises in a proper state of cleanliness and order and shall return to the Landlord at the end of the lease term in the same condition as received, save and except for normal wear and tear. In the event that the Tenant does not carry out such agreement, the cleaning fee or any other expense incurred shall be deducted from the key deposit accordingly.

Tenant agrees the Landlord has a right to inspect the property from time to time within the lease term with reasonable advance notice (i.e. at least 24 hours notice).

The Landlord agrees to clean the premises prior to the occupancy date and deliver the property in a clean and broom swept condition.

This form must be initialed by all parties to the Agreement to Lease.

INITIALS OF TENANT(S):

INITIALS OF LANDLORD(S):

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Agreement to Lease Residential

Form 400

for use in the Province of Ontario

This Agreement to Lease (Agreement) dated this day of 20.....

TENANT: Haoran Du
(Full legal names of all Tenants)

LANDLORD: Kodwavi, Safana
(Full legal name of Landlord)

ADDRESS OF LANDLORD:
(Legal address for the purpose of receiving notices)

The Tenant hereby offers to lease from the Landlord the premises as described herein on the terms and subject to the conditions as set out in this Agreement. For the purposes of this Agreement "Tenant" includes lessee and "Landlord" includes lessor.

1. **PREMISES:** Having inspected the premises and provided the present tenant vacates, I/we, the Tenant hereby offer to lease, premises known as:

4150 Highway 7 E Markham Ontario L3R 0W9

2. **TERM OF LEASE:** The lease shall be for a term of 1/2 year commencing 6/1/2020

3. **RENT:** The Tenant will pay to the said Landlord monthly and every month during the said term of the lease the sum of Three Thousand Five Hundred Dollars (CDN\$) 3,500.00

payable in advance on the 1 day of each and every month during the currency of the said term. First and last months' rent to be paid in advance upon completion or date of occupancy, whichever comes first.

4. **DEPOSIT AND PREPAID RENT:** The Tenant delivers upon acceptance
(Herewith/Upon acceptance/as otherwise described in this Agreement)

by negotiable cheque payable to CENTURY 21 ALPHA REALTY INC., BROKERAGE "Deposit Holder"

in the amount of Ten Thousand Five Hundred Dollars (CDN\$) 10,500.00

as a deposit to be held in trust as security for the faithful performance by the Tenant of all terms, covenants and conditions of the Agreement and to be applied by the Landlord against the first and last 2 month's rent. If the Agreement is not accepted, the deposit is to be returned to the Tenant without interest or deduction.

For the purposes of this Agreement, "Upon Acceptance" shall mean that the Tenant is required to deliver the deposit to the Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that, unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

5. **USE:** The Tenant and Landlord agree that unless otherwise agreed to herein, only the Tenant named above and any person named in a Rental Application completed prior to this Agreement will occupy the premises.

Premises to be used only for:
residential

6. **SERVICES AND COSTS:** The cost of the following services applicable to the premises shall be paid as follows:

| | LANDLORD | TENANT | | LANDLORD | TENANT |
|----------------------------|--------------------------|-------------------------------------|------------------------------|-------------------------------------|-------------------------------------|
| Gas | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Cable TV | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Oil | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Condominium/Cooperative fees | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Electricity | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Garbage Removal | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Hot water heater rental | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Other: | <input type="checkbox"/> | <input type="checkbox"/> |
| Water and Sewerage Charges | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Other: | <input type="checkbox"/> | <input type="checkbox"/> |

The Landlord will pay the property taxes, but if the Tenant is assessed as a Separate School Supporter, Tenant will pay to the Landlord a sum sufficient to cover the excess of the Separate School Tax over the Public School Tax, if any, for a full calendar year, said sum to be estimated on the tax rate for the current year, and to be payable in equal monthly installments in addition to the above mentioned rental, provided however, that the full amount shall become due and be payable on demand on the Tenant.

INITIALS OF TENANT(S): 

INITIALS OF LANDLORD(S): 

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7. **PARKING:**
2 parking

8. **ADDITIONAL TERMS:**

9. **SCHEDULES:** The schedules attached hereto shall form an integral part of this Agreement to Lease and consist of: **Schedule(s) A**

10. **IRREVOCABILITY:** This offer shall be irrevocable by Tenant (Landlord/Tenant) until 11:59 on the 31 day of May, 2020 after which time if not accepted, this Agreement shall be null and void and all monies paid thereon shall be returned to the Tenant without interest or deduction.

11. **NOTICES:** The Landlord hereby appoints the Listing Brokerage as agent for the Landlord for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Tenant's Brokerage) has entered into a representation agreement with the Tenant, the Tenant hereby appoints the Tenant's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. **Where a Brokerage represents both the Landlord and the Tenant (multiple representation), the Brokerage shall not be appointed or authorized to be agent for either the Tenant or the Landlord for the purpose of giving and receiving notices.** Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No.: (416) 981-3248 (For delivery of Documents to Tenant)
Email Address: tony.ho@zolo.ca (For delivery of Documents to Tenant)

12. **EXECUTION OF LEASE:** The Lease shall be drawn by the Landlord on the standard form of lease as prescribed by the *Residential Tenancies Act, 2006*, as amended from time to time, and shall include the provisions as contained herein and in any attached schedule, and shall be executed by both parties before possession of the premises is given. The Landlord shall provide the Tenant with information relating to the rights and responsibilities of the Tenant and information on the role of the Landlord and Tenant Board and how to contact the Board. (Information For New Tenants as made available by the Landlord and Tenant Board and available at www.lt.gov.on.ca)

13. **LANDLORD AND TENANT ACKNOWLEDGMENT:** The Landlord and Tenant acknowledge and agree that a standard form of lease as prescribed by the *Residential Tenancies Act, 2006*, as amended from time to time is required.

14. **ACCESS:** The Landlord shall have the right, at reasonable times to enter and show the demised premises to prospective tenants, purchasers or others. The Landlord or anyone on the Landlord's behalf shall also have the right, at reasonable times, to enter and inspect the demised premises.

15. **INSURANCE:** The Tenant agrees to obtain and keep in full force and effect during the entire period of the tenancy and any renewal thereof, at the Tenant's sole cost and expense, fire and property damage and public liability insurance in an amount equal to that which a reasonably prudent Tenant would consider adequate. The Tenant agrees to provide the Landlord, upon demand at any time, proof that said insurance is in full force and effect and to notify the Landlord in writing in the event that such insurance is cancelled or otherwise terminated.

16. **RESIDENCY:** The Landlord shall forthwith notify the Tenant in writing in the event the Landlord is, at the time of entering into this Agreement, or becomes during the term of the tenancy, a non-resident of Canada as defined under the Income Tax Act, RSC 1985, c.1 (ITA) as amended from time to time, and in such event the Landlord and Tenant agree to comply with the tax withholding provisions of the ITA.

17. **USE AND DISTRIBUTION OF PERSONAL INFORMATION:** The Tenant consents to the collection, use and disclosure of the Tenant's personal information by the Landlord and/or agent of the Landlord, from time to time, for the purpose of determining the creditworthiness of the Tenant for the leasing, selling or financing of the premises or the real property, or making such other use of the personal information as the Landlord and/or agent of the Landlord deems appropriate.

18. **CONFLICT OR DISCREPANCY:** If there is any conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement, including any Schedule attached hereto, shall constitute the entire Agreement between Landlord and Tenant. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. This Agreement shall be read with all changes of gender or number required by the context.

19. **FAMILY LAW ACT:** Landlord warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O. 1990 unless the spouse of the Landlord has executed the consent hereinafter provided.

20. **CONSUMER REPORTS:** The Tenant is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.

INITIALS OF TENANT(S):

INITIALS OF LANDLORD(S):

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21. BINDING AGREEMENT: This Agreement and acceptance thereof shall constitute a binding agreement by the parties to enter into the Lease of the Premises and to abide by the terms and conditions herein contained.

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:

(Witness)

(Tenant or Authorized Representative) Haoran Du

(Seal) (Date) May 30 2020

(Witness)

(Tenant or Authorized Representative)

(Seal) (Date)

(Witness)

(Guarantor)

(Seal) (Date)

We/I the Landlord hereby accept the above offer, and agree that the commission together with applicable HST (and any other tax as may hereafter be applicable) may be deducted from the deposit and further agree to pay any remaining balance of commission forthwith.

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:

(Witness)

(Landlord or Authorized Representative) Kodwavi, Safana

(Seal) (Date)

(Witness)

(Landlord or Authorized Representative)

(Seal) (Date)

SPOUSAL CONSENT: The undersigned spouse of the Landlord hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O. 1990, and hereby agrees to execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

(Witness)

(Spouse)

(Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally acceptance by all parties at 11:10 this 30 day of MAY, 2020 (a.m./p.m.)

(Signature of Landlord or Tenant)

INFORMATION ON BROKERAGE(S)

Listing Brokerage (Tel.No.)

(Salesperson/Broker/Broker of Record Name)

Co-op/Tenant Brokerage (416) 898-8932 (Tel.No.)

TONY HO (Salesperson/Broker/Broker of Record Name)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement to Lease and I authorize the Brokerage to forward a copy to my lawyer.

(Landlord) Kodwavi, Safana (Date) 30-MAY-2020

(Landlord) (Date)

Address for Service

(Tel. No.)

Landlord's Lawyer

Address

Email

(Tel. No.)

(Fax. No.)

I acknowledge receipt of my signed copy of this accepted Agreement to Lease and I authorize the Brokerage to forward a copy to my lawyer.

(Tenant) Haoran Du (Date) May 30 2020

(Tenant) (Date)

Address for Service 15 Janus Crt

(Tel. No.)

Tenant's Lawyer

Address

Email

(Tel. No.)

(Fax. No.)

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COMMISSION TRUST AGREEMENT

To: Co-operating Brokerage shown on the foregoing Agreement to Lease:

In consideration for the Co-operating Brokerage procuring the foregoing Agreement to Lease, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.

DATED as of the date and time of the acceptance of the foregoing Agreement to Lease.

Acknowledged by:

(Authorized to bind the Listing Brokerage)

(Authorized to bind the Co-operating Brokerage)

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Schedule A Agreement to Lease - Residential

Form 400
for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement to Lease between:

TENANT: Haoran Du, and

LANDLORD: Kodwavi, Safana

for the lease of 4150 Highway 7 E Markham Ontario L3R 0W9

..... dated the day of, 20.....

The following appliances belonging to the Landlord are to remain on the premises for the Tenant's use: fridge, stove, dishwasher, microwave, washer, and dryer.

Landlord agrees to provide to following appliances (fridge, stove, dishwasher, microwave, washer, and dryer) in good condition.

Landlord represents and warrants that the appliances as listed in this Agreement to Lease will be in good working order at the commencement of the lease term. Tenant agrees to maintain said appliances in a state of ordinary cleanliness at the Tenant's cost.

Tenant shall be responsible to pay for any damage(s) caused to the property by the tenant(s) or his/her guests during the term of the lease due to misuse or abuse.

Tenant shall maintain the property, appliances, heating, air conditioning, plumbing and electrical in good working condition and shall pay the entire cost of repair or damage if caused by the tenant's misuse or abuse.

The Tenant agrees to maintain the premises in clean condition during the term of this lease at the Tenant's cost.

Landlord agrees to have the property cleaned prior to the commencement of the lease at the Landlord's cost.

The Tenant agrees not to assign or sublet the Lease without the prior consent of the Landlord, which will not be unreasonably withheld.

The Tenant warrants to the Landlord that there is no other person or persons other than the Tenants listed in the rental application to occupy the premises with the exception of his/her dependants.

Tenant agrees not to make any decorating changes to the premises without the express written consent of the Landlord or his authorized agent.

The Tenant shall provide the remainder months (3) of rent with postdated cheques on closing.

The Tenant agrees to allow the Landlord or his agent to show the property no earlier than 60 days of the lease expiring at all reasonable hours to prospective Buyers or Tenants, after giving the Tenant at least twenty four (24) hours written notice of such showing, and to allow the Landlord to affix a For Sale or For Rent sign on the property.

Landlord shall pay real estate taxes, [condominium fees and parking if applicable] and maintain fire insurance on the premises.

Tenant acknowledges the Landlord's fire insurance on the premises provides no coverage on Tenant's personal property.


This form must be initialed by all parties to the Agreement to Lease.

INITIALS OF TENANT(S):



INITIALS OF LANDLORD(S):



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Schedule A Agreement to Lease - Residential

Form 400
for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement to Lease between:

TENANT: Haoran Du and

LANDLORD: Kodwavi, Safana

for the lease of 4150 Highway 7 E Markham Ontario L3R 0W9

..... dated the day of, 20.....

The Tenant agrees not to change any entrance key or add any chain lock on the entrance doors without the written consent of the Landlord.

The Tenant is responsible for snow removal and garden/lawn maintenance of the property.

The Tenant agrees to obtain at his own expenses and maintain in full force at all times standard Tenant's liability insurance policy protecting the Lessee against loss, damages or theft of any Tenant property.

Tenant agrees to no smoking of any kind on the premises for the duration of the Lease.

Tenant hereby acknowledges that to remove odours (smoking) from a property can cost up to \$50,000. Tenant hereby agrees that in the event the tenant or his/her guest will cause the property to have a smoke odour, the Tenant hereby agrees to cover all of the Landlord's costs, fees and expenses associated with removing such odour caused by smoking, providing the Landlord shall provide the Tenant with actual receipts from removing such odours.

Tenant shall pay \$20.00 administration fee for each N.S.F. or returned cheque, or cheque which the Tenant says cannot be cashed. The Tenant agrees to retain any mail that is addressed to the Landlord and notify or forward such mail to the Landlord when possible.

The Tenant agrees not to use the premises for any illegal or unlawful use during the term of the lease.

The Tenant agrees to have the premises cleaned at the end of the lease (including extensions, if any) at the Tenant's cost.

This form must be initialed by all parties to the Agreement to Lease.

INITIALS OF TENANT(S):

INITIALS OF LANDLORD(S):

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Agreement to Lease Residential

Form 400

for use in the Province of Ontario

This Agreement to Lease (Agreement) dated this 1 day of April, 2020

TENANT: Jemima Khan, Fatema Hazari & Murtadha Al-dallal
(Full legal names of all Tenants)

LANDLORD: Hussain, Mahvesh
(Full legal name of Landlord)

ADDRESS OF LANDLORD: 4146 Highway 7 E Markham, Ontario
(Legal address for the purpose of receiving notices)

The Tenant hereby offers to lease from the Landlord the premises as described herein on the terms and subject to the conditions as set out in this Agreement. For the purposes of this Agreement "Tenant" includes lessee and "Landlord" includes lessor.

1. **PREMISES:** Having inspected the premises and provided the present tenant vacates, I/we, the Tenant hereby offer to lease, premises known as:
4146 Highway 7 E Markham L3R0W9

2. **TERM OF LEASE:** The lease shall be for a term of One Year commencing 5/1/2020

3. **RENT:** The Tenant will pay to the said Landlord monthly and every month during the said term of the lease the sum of
Three Thousand Five Hundred Dollars (CDN\$) 3,500.00,
payable in advance on the first day of each and every month during the currency of the said term. First and last months' rent to be paid in advance upon completion or date of occupancy, whichever comes first.

4. **DEPOSIT AND PREPAID RENT:** The Tenant delivers upon acceptance
(Herewith/Upon acceptance/as otherwise described in this Agreement)
by negotiable cheque payable to CENTURY 21 ALPHA REALTY INC., BROKERAGE "Deposit Holder"
in the amount of Seven Thousand Dollars (CDN\$) 7,000.00
as a deposit to be held in trust as security for the faithful performance by the Tenant of all terms, covenants and conditions of the Agreement and to be applied by the landlord against the first and last month's rent. If the Agreement is not accepted, the deposit is to be returned to the Tenant without interest or deduction.

For the purposes of this Agreement, "Upon Acceptance" shall mean that the Tenant is required to deliver the deposit to the Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that, unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

5. **USE:** The Tenant and Landlord agree that unless otherwise agreed to herein, only the Tenant named above and any person named in a Rental Application completed prior to this Agreement will occupy the premises.

Premises to be used only for:
Single Family Resident

6. **SERVICES AND COSTS:** The cost of the following services applicable to the premises shall be paid as follows:

| | LANDLORD | TENANT | | LANDLORD | TENANT |
|----------------------------|--------------------------|-------------------------------------|------------------------------|-------------------------------------|-------------------------------------|
| Gas | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Cable TV | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Oil | <input type="checkbox"/> | <input type="checkbox"/> | Condominium/Cooperative fees | <input type="checkbox"/> | <input type="checkbox"/> |
| Electricity | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Garbage Removal | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Hot water heater rental | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Other: <u>Property tax</u> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Water and Sewerage Charges | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Other: _____ | <input type="checkbox"/> | <input type="checkbox"/> |

The Landlord will pay the property taxes, but if the Tenant is assessed as a Separate School Supporter, Tenant will pay to the Landlord a sum sufficient to cover the excess of the Separate School Tax over the Public School Tax, if any, for a full calendar year, said sum to be estimated on the tax rate for the current year, and to be payable in equal monthly installments in addition to the above mentioned rental, provided however, that the full amount shall become due and be payable on demand on the Tenant.

INITIALS OF TENANT(S):

(Handwritten initials: JKH, FH, MA)

INITIALS OF LANDLORD(S):

(Handwritten initials: MH)

7. **PARKING:**
Double Car Garage

8. **ADDITIONAL TERMS:**
Stainless Steel (Fridge, Stove, Dishwasher, Rangehood), Washer, Dryer, Elfs, Cvac, Egdo, Win Cover, Gb&E, Cac, Bwt. Double Garage Door Opener with 2 remotes.

9. **SCHEDULES:** The schedules attached hereto shall form an integral part of this Agreement to Lease and consist of: Schedule(s) A

10. **IRREVOCABILITY:** This offer shall be irrevocable by Tenant until 10:00 on the 2
(Landlord/Tenant) (am./p.m.)
day of April, 2020 after which time if not accepted, this Agreement shall be null and void and all monies paid thereon shall be returned to the Tenant without interest or deduction.

11. **NOTICES:** The Landlord hereby appoints the Listing Brokerage as agent for the Landlord for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Tenant's Brokerage) has entered into a representation agreement with the Tenant, the Tenant hereby appoints the Tenant's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage represents both the Landlord and the Tenant (multiple representation), the Brokerage shall not be appointed or authorized to be agent for either the Tenant or the Landlord for the purpose of giving and receiving notices. Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No.: FAX No.:
(For delivery of Documents to Landlord) (For delivery of Documents to Tenant)
Email Address: garylamreality@hotmail.com Email Address: kaysul68@gmail.com
(For delivery of Documents to Landlord) (For delivery of Documents to Tenant)

12. **EXECUTION OF LEASE:** The Lease shall be drawn by the Landlord on the standard form of lease as prescribed by the Residential Tenancies Act, 2006, as amended from time to time, and shall include the provisions as contained herein and in any attached schedule, and shall be executed by both parties before possession of the premises is given. The Landlord shall provide the Tenant with information relating to the rights and responsibilities of the Tenant and information on the role of the Landlord and Tenant Board and how to contact the Board. (Information For New Tenants as made available by the Landlord and Tenant Board and available at www.ltb.gov.on.ca)

13. **LANDLORD AND TENANT ACKNOWLEDGMENT:** The Landlord and Tenant acknowledge and agree that a standard form of lease as prescribed by the Residential Tenancies Act, 2006, as amended from time to time is required.

14. **ACCESS:** The Landlord shall have the right, at reasonable times to enter and show the demised premises to prospective tenants, purchasers or others. The Landlord or anyone on the Landlord's behalf shall also have the right, at reasonable times, to enter and inspect the demised premises.

15. **INSURANCE:** The Tenant agrees to obtain and keep in full force and effect during the entire period of the tenancy and any renewal thereof, at the Tenant's sole cost and expense, fire and property damage and public liability insurance in an amount equal to that which a reasonably prudent Tenant would consider adequate. The Tenant agrees to provide the Landlord, upon demand at any time, proof that said insurance is in full force and effect and to notify the Landlord in writing in the event that such insurance is cancelled or otherwise terminated.

16. **RESIDENCY:** The Landlord shall forthwith notify the Tenant in writing in the event the Landlord is, at the time of entering into this Agreement, or becomes during the term of the tenancy, a non-resident of Canada as defined under the Income Tax Act, RSC 1985, c.1 (ITA) as amended from time to time, and in such event the Landlord and Tenant agree to comply with the tax withholding provisions of the ITA.

17. **USE AND DISTRIBUTION OF PERSONAL INFORMATION:** The Tenant consents to the collection, use and disclosure of the Tenant's personal information by the Landlord and/or agent of the Landlord, from time to time, for the purpose of determining the creditworthiness of the Tenant for the leasing, selling or financing of the premises or the real property, or making such other use of the personal information as the Landlord and/or agent of the Landlord deems appropriate.

18. **CONFLICT OR DISCREPANCY:** If there is any conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement, including any Schedule attached hereto, shall constitute the entire Agreement between Landlord and Tenant. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. This Agreement shall be read with all changes of gender or number required by the context.

19. **FAMILY LAW ACT:** Landlord warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O. 1990 unless the spouse of the Landlord has executed the consent hereinafter provided.

20. **CONSUMER REPORTS:** The Tenant is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.

INITIALS OF TENANT(S):

INITIALS OF LANDLORD(S):

21. BINDING AGREEMENT: This Agreement and acceptance thereof shall constitute a binding agreement by the parties to enter into the Lease of the Premises and to abide by the terms and conditions herein contained.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

(Witness) (Tenant or Authorized Representative) Jemima Khan (Seal) (Date) 01/04/2020
 (Witness) (Tenant or Authorized Representative) Mustadha Al-dallal (Seal) (Date) 01/04/2020
 (Witness) (Tenant or Authorized Representative) Fatema Hazari (Seal) (Date) 01/04/2020

We/I the Landlord hereby accept the above offer, and agree that the commission together with applicable HST (and any other tax as may hereafter be applicable) may be deducted from the deposit and further agree to pay any remaining balance of commission forthwith.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

(Witness) (Landlord or Authorized Representative) Mussala, Mahvesh (Seal) (Date) 2nd April, 2020
 (Witness) (Landlord or Authorized Representative) (Seal) (Date)

SPOUSAL CONSENT: The undersigned spouse of the Landlord hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O. 1990, and hereby agrees to execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

(Witness) (Spouse) (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally acceptance by all parties at 9:59 PM this 2nd day of April, 2020
 (a.m./p.m.) (Signature of Landlord or Tenant) X Mahvesh

| INFORMATION ON BROKERAGE(S) | | |
|-----------------------------|--|------------------------------------|
| Listing Brokerage | <u>CENTURY 21 ALPHA REALTY INC., BROKERAGE</u> | <u>416-333-3001</u> (Tel.No.) |
| | <u>GARY KIM HUNG LAM</u> (Salesperson/Broker/Broker of Record Name) | <u>Salesperson</u> |
| Co-op/Tenant Brokerage | <u>HOMELIFE/BAYVIEW REALTY INC., BROKERAGE</u> | <u>(905) 889-2200</u> (Tel No.) |
| | <u>KAY HSIAO-PING SU</u> (Salesperson/Broker/Broker of Record Name) | <u>Salesperson</u> |

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement to Lease and I authorize the Brokerage to forward a copy to my lawyer.

(Landlord) Mussala, Mahvesh (Date)
 (Landlord) Mahvesh (Date)
 Address for Service 4146 Highway 7 E
 (Tel. No.)
 Landlord's Lawyer
 Address
 Email
 (Tel. No.) (Fax No.)

I acknowledge receipt of my signed copy of this accepted Agreement to Lease and I authorize the Brokerage to forward a copy to my lawyer.

(Tenant) Fatema Hazari (Date) 01/04/2020
 (Tenant) Jemima Khan (Date) 01/04/2020
 (Tenant) Mustadha Al-dallal (Date) 01/04/2020
 Address for Service 325 Johnson Street
Kingston, Ontario (Tel. No.) 6472262689
 Tenant's Lawyer
 Address
 Email
 (Tel. No.) (Fax No.)

| FOR OFFICE USE ONLY | | COMMISSION TRUST AGREEMENT | |
|--|--|--|--|
| To: Co-operating Brokerage shown on the foregoing Agreement to Lease: | | | |
| In consideration for the Co-operating Brokerage procuring the foregoing Agreement to Lease, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust. | | | |
| DATED as of the <u>2nd</u> and time of the acceptance of the foregoing Agreement to Lease. | | Acknowledged by: | |
| <u>[Signature]</u> (Authorized to bind the Co-operating Brokerage) <u>Salesperson</u> | | <u>[Signature]</u> (Authorized to bind the Co-operating Brokerage) <u>salesperson</u> | |

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Schedule A Agreement to Lease - Residential

Form 400

for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement to Lease between:

TENANT: Jemima Khan, Patema Hazari & Murtadha Al-dallal, and

LANDLORD: Hussain, Mahvesh

for the lease of 4146 Highway 7 E Markham

ON L3R0W9 dated the 1 day of April, 2020

Tenant agrees to provide Credit Check information, Letter Of Employment, and References from previous Landlords where applicable within One [1] business day from the date of acceptance of this Offer to Lease. This Offer is conditional for Two [2] business days after receiving the aforesaid information upon the Landlord satisfying herself as to the acceptability of the Tenant, failing which this Offer shall become null and void and the Tenant's rental deposit shall be returned without interest or deduction. This condition is included for the sole benefit of the Landlord and can be waived by her within the time specified.

The Landlord and Tenant agrees and acknowledge that, upon acceptance of this agreement, the parties will execute the RESIDENTIAL TENANCY AGREEMENT (Standard Form Lease). The Parties acknowledge that, if there is a conflict between any provision in the following terms and the applicable legislation of the Residential Tenancies Act, the Act will prevail. The Landlord and Tenant agree that, once the Offer to Lease has been accepted by both parties, the "SCHEDULE A" of the Agreement to Lease will, in turn, form part of the RESIDENTIAL TENANCY AGREEMENT as an attachment. The RESIDENTIAL TENANCY AGREEMENT will include but no limited to the following terms:

Tenant acknowledge the Landlord's fire insurance on the premises provide no coverage on the Tenant's personal property. The Tenant agrees to provide the Landlord with a Certificate Of Tenant Insurance Coverage prior to commencing the lease term. This certificate should covers Content and Personal Liability with an amount of not less than One Million dollars per occurrence.

It is understood and agreed that the premises shall be used and occupied only by the tenant and the persons specified in the Rental Agreement Form as personal residence, and shall not be used or occupied for any other purpose or by any other person or persons without the Landlord's knowledge and written approval. Tenant agrees that the said property shall not to assign, sublet or use the leased premises for Airbnb or similar portals for lodging services during the term of this lease or any renewal or extension thereof, either in whole or in part, violation of this will result in immediate termination of lease and eviction. Tenant will be responsible for damages caused including but no limited to lost of rental income, rental service fee for finding a replacement tenant and legal cost.

The Tenant offers to provide prior to taking possession (10) ten post dated cheques covering the monthly rental payments payable to the landlord. Tenant acknowledges that if any of the Rent Cheques are Returned NSF The Tenant will pay the amount charged by the Landlord bank plus any related administration fees charged.

Tenant agrees to pay the cost of all utilities required on the premises during the term of the Lease and any extension thereof, including but not limited to gas, hydro, water, cable TV, internet and telephone etc.. Tenant further agrees to provide proof to the Landlord on or before the date of possession that the services have been transferred to the Tenant's name.

Tenant agrees to provide \$300 deposit for 3 sets of Keys/Fob and 2 remote garage door openers to landlord at the commencement of the lease, such deposit will be returned when all keys and remote garage door openers are returned entire unit professional cleaning fulfilled at the end of the lease term.

Tenant and Landlord agree that the the property comes equipped with Stainless Steel (fridge, stove, dishwasher, Range hood), washer, dryer, Electronic Light Fixtures, Central Vacuum System, Electronic Garage Door Opener with 2 remotes, Furnace, Central Air Condition, Hot Water Tank, all Window Coverings. The Landlord warrants that the appliances, equipment listed in this Offer are in good working condition at the commencement of the Lease term. The Tenant shall maintain the property, the appliances and equipment in good condition and Tenant agrees to notify landlord and management immediately if any of the above services are damaged in any way. Tenant shall pay the first \$100 of the cost of any repair and Landlord will be responsible for repair cost over \$100.00 per repair, provided that prior notice is

This form must be initialed by all parties to the Agreement to Lease.

INITIALS OF TENANT(S):

(Handwritten initials: JKH, MTK)

INITIALS OF LANDLORD(S):

(Handwritten initials: MH)

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Schedule A Agreement to Lease - Residential

Form 400

for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement to Lease between:

TENANT: Jemima Khan, Fatema Hazari & Murtadha Al-dallal, and

LANDLORD: Hussain, Mahvesh

for the lease of 4146 Highway 7 E Markham

ON L3R0W9 dated the 1 day of April, 2020

given to the Landlord for the subsequent repair arrangement. The tenant agrees to pay the full cost of repairs to the unit and or appliances caused by the tenant or tenant guest negligence or wilful damage, normal wear and tear excepted.

Tenant agrees to notify the Landlord in writing notice 60 days prior to lease expiry of the intent to vacate or extend said lease. Tenant covenants to permit Landlord or Landlord's agent the right to re-enter the premises for the purpose of inspection, repair, post notices or showing for the purposes of selling and/or leasing the premises provided that such re-enter will be at reasonable times, 24 hours prior notice will be given to the Tenant.

Tenant represents and warrants that during the time the Tenant resides at the property, the use of the property and the building and structures thereon will no be used for any illegal activities, including but not limited to the growth and sale of marijuana and manufacture or sale of any illegal substances.

Tenant agrees not to have any form of smoking including but not limited to cigarettes, cigars, vapes, marijuana, etc., and growing plants of any type or quantity that require a room temperature above 22 degree Celsius or which requires any form of moisture, which includes marijuana, cannabis and hydroponics, are not permitted anywhere in the leased premises. Violation of this will result in immediate termination of lease and eviction. Tenant will be responsible for damages caused including but no limited to repair and clean up charges, lost of rental income, rental service fee for finding a replacement tenant and legal cost.

Tenant agrees to permit the Landlord and/or his agent, should decide, to enter the lease premises as required at all reasonable hours to carry out repairs or inspect said premises, 24 hours prior notice will be given to the Tenant.

Tenant agrees not to decorate, renovate, apply any wall coverings, alter the colour of the walls, alter or replace or add locks, bolts or install any other attachments upon any door, interior or exterior without the express written consent of the Landlord. Tenant shall ensure the property be returned in its pre-occupancy condition before vacating the premises. At termination of the lease, tenant shall Professionally fill, sand and repaint with paint matching existing colour and finish, all holes or damage caused by any means including but not limited to move in or move out, fixtures attached to the wall including but not limited to: picture hooks, TV mounts, shelving brackets. Tenant shall clean the unit (Including Bathroom(s) And Appliances) to a professional standard at Tenant's sole expense, before or upon expiration of this Lease term.

Tenant agrees to be responsible for any penalty fees associated with false fire alarm triggers caused by the tenant.

Tenant agrees that there shall be "No Pets" in the premises whatsoever. Tenant Initials: MA FH JK

Tenant hereby understands and agrees that there is a "No Smoking" provision attached to the lease and all invited guests agree to abide by same. Tenant Initials: MA FH JK

The Tenant(s) acknowledges that they have received "Information for New Tenant" document. Tenant Initials: MA FH JK

Tenant covenants and agrees that he/she will immediately notify the Landlord in writing or by fax/email of any and all notices that the Tenant may receive at the premises during the Lease term.

The Tenant understands that the Landlord will maintain a key to the premises and the Tenant shall not change any locks without the written consent of the Landlord.

This form must be initialled by all parties to the Agreement to Lease.

INITIALS OF TENANT(S):

MA FH JK

INITIALS OF LANDLORD(S):

M

Appendix “M”

AGREEMENT OF PURCHASE AND SALE

(LOT [●])

1. PARTIES, REAL PROPERTY AND PRICE

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

(a) "**Closing Date**" or "**Closing**" means [●], as such date may be extended pursuant to the terms of this Agreement.

(b) "**Deposit**": [NTD: **Deposit must be at least 5% of Purchase Price**] [●] (\$[●]) (the "**Deposit**") paid to [●] (the "**Deposit Holder**") on the date of acceptance of this Agreement, pending completion or other termination of this Agreement to be credited against the Purchase Price on Closing.

(c) "**Developer**" or "**Debtor**" means, collectively, Sunrise Acquisitions (HWY 7) Inc. together with any predecessor or present registered owner on title to the Land who has entered obligations for subdivision and/or servicing of the Land.

(d) "**Dwelling**" or "**House**" are used interchangeably and means the townhouse constructed on the Land.

(e) "**Land**" means the land municipally known as [●] Highway 7 East, Markham and legally described as [●].

(f) "**Municipality**" means any municipal corporation or other government authority, whether local, regional, or provincial having jurisdiction over the Real Property.

(g) "**Parties**" means, collectively, the Vendor and Purchaser.

(h) "**Purchase Price**" means [●] Dollars (\$[●]).

(i) "**Purchaser**" means:

Purchaser 1 _____ (D.O.B.) _____
(Address) _____
(Home No.) _____ (Business No.) _____
(Email Address) _____

Purchaser 2 _____ (D.O.B.) _____
(Address) _____
(Home No.) _____ (Business No.) _____
(Email Address) _____

(j) "**Real Property**" means the Land and the Dwelling.

(k) "**Vendor**" means KSV Restructuring Inc., solely in its capacity as court appointed receiver and manager of Sunrise Acquisitions (Hwy 7) Inc. and not in its personal capacity.

(l) "**Warranty Plan Act**" means the *Ontario New Home Warranties Plan Act*, R.S.O. 1990, c. 0.31, as amended, and its successor, the Ontario New Home Warranties and Protection Plan;

(m) "**Warranty Program**" means the Warranty Program (formerly, the Tarion Warranty Corporation) and their successor entities.

2. OFFER

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

- (a) By payment of the Deposit to the Vendor on Closing; and
- (b) By payment of the balance of the Purchase Price, subject to the adjustments set out in Section 6 hereof and in this Agreement, to the Vendor on Closing.

3. ACKNOWLEDGEMENT RE: NO VENDOR LIABILITY

The Purchaser acknowledges that: (i) the Vendor, in executing this Agreement, is entering into this Agreement solely in its capacity as Court appointed receiver and manager of the Debtor and not in its personal or any other capacity; (ii) the Vendor shall have no personal or corporate liability of any kind whether in contract, tort or otherwise, arising from this Agreement; and (iii) the Vendor's authority to act in respect of the Real Property is governed by the Order of the Honourable Justice Wilton-Siegel of the Ontario Superior Court of Justice (the "**Court**") dated June 9, 2021 and the Order of the Honourable Justice Koehnen of the Court dated October 27, 2021.

Notwithstanding any other term to the contrary in this Agreement, and without limiting the generality of the foregoing paragraph, Section 7(a) or Section 7(b), the Purchaser acknowledges that this Agreement (including the Schedules appended hereto) may contain (or contemplate the delivery of) documents and other information that the Vendor has not verified or that are not within the actual possession of the Vendor, and the Purchaser further acknowledges that the Vendor makes no representations or warranties (and shall have no personal or corporate liability of any kind) in respect of such documents or information, or the current or future accuracy or sufficiency of same.

4. COURT APPROVAL

(a) The Vendor's obligations contained in this Agreement shall be conditional upon the Vendor receiving an order of the Court in a form satisfactory to the Vendor, acting reasonably, approving the sale of the Real Property to be vested in the Purchaser, free and clear of all mortgages and/or security interests registered against the Real Property as contemplated by this Agreement (the "**Court Approval**").

(b) The Vendor covenants and agrees to use reasonable commercial efforts to attempt to obtain the Court Approval. If the sale of the Real Property is not approved by the Court, this Agreement shall be terminated without any penalty or liability whatsoever to the Vendor or the Purchaser, other than the return by the Deposit Holder to the Purchaser of the Deposit, but without cost or other compensation, and each of the Vendor and the Purchaser shall be released from all other obligations hereunder except for the obligations of the Purchaser that are specifically stated herein to survive completion or other termination of this Agreement.

(c) In the event that the sale of the Real Property is enjoined or not approved by the Court, where any part of the Real Property is removed from the control of the Vendor by any means or process, or legal proceedings are threatened against the Vendor to restrain the sale of the Real Property, or where the Real Property is redeemed in whole or in part by any party entitled thereto at law on or prior to the completion date, the Vendor, at its option, may terminate this Agreement without any penalty or liability whatsoever to the Vendor or the Purchaser, other than the return by the Deposit Holder to the Purchaser of the Deposit, without deduction, and without cost or other compensation, and each of the Vendor and the Purchaser shall be released from all other obligations hereunder, except for the obligations of the Purchaser that are specifically stated herein to survive completion or other termination of this Agreement.

5. OTHER CONDITIONS

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

- (a) The Court Approval;
-

(b) Compliance with the provisions of the *Planning Act* (Ontario), as amended or restated from time to time, on or before the Closing Date; and

(c) The Early Termination Conditions if any, set out separately and attached to the Tarion Addendum attached hereto as Schedule "D".

6. ADJUSTMENTS

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

(a) realty taxes;

(b) any prepaid expenses such as gas, hydro, water or other utilities;

(c) 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; and

(d) any other items which are usually adjusted in purchase transactions involving assets similar to the Real Property in the context of a receivership sale.

The Closing Date itself shall be apportioned to the Purchaser. The Vendor shall prepare a statement of adjustments and deliver same with all supporting documentation to the Purchaser for its approval no later than five (5) business days prior to the Closing Date. If the amount of any adjustments required to be made pursuant to this Agreement cannot be reasonably determined as of the Closing Date, an estimate shall be agreed upon by the Parties as of the Closing Date based upon the best information available to the Parties at such time, each Party acting reasonably, and such estimate shall serve as a final determination. The allocation of value to any chattels involved in this transaction 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. The Purchaser shall be responsible for the payment of all land transfer taxes payable in connection with the conveyance of the Real Property to the Purchaser.

7. AS-IS, WHERE-IS; COMPLETION INSPECTION

(a) the Real Property is being sold and shall be accepted by the Purchaser on an "as is, where is" and "without recourse" basis with no representations, warranties or condition, express or implied, statutory or otherwise, of any nature and kind whatsoever as to title, encumbrances, description, present or future use, fitness for use, environmental condition including the existence of hazardous substances, merchantability, quantity, defect (latent or patent), condition or location of structures or other improvements (including without limitation all fixtures, furnishings, décor and interior and exterior finishings forming part of the Dwelling), zoning or lawful use of the subject property, rights over adjoining properties and any easements, rights-of-way, rights of re-entry, restrictions and/or covenants which run with or affecting the land, ingress and egress to the subject property, the condition or state of repair of any chattels, encroachments on the subject property by adjoining properties or encroachments by the subject property on adjoining properties, if any, any outstanding work orders, orders to comply, deficiency notices, municipal or other governmental agreements or requirements (including site plan agreements, development agreements, subdivision agreements, building or fire codes, building and zoning by-laws and regulations, development fees, imposts, lot levies and sewer charges), or any other matter or thing whatsoever, either stated or implied;

(b) the Vendor makes no representations or warranties as to title to any fixtures or chattels included in the Purchase Price, and does not warrant the condition or state of repair of the chattels. The Purchaser confirms that it is satisfied in this regard, and accepts the fixtures and chattels on an "as-is, where-is" and "without recourse" basis. The Vendor shall not provide a bill of sale for any chattels or fixtures, and shall make no further adjustments or abatement in the purchase price with respect thereto. The Vendor will not remove and shall not be responsible for the removal of any chattels found on the Real Property prior to or on the Closing Date.

- (c) without in any way limiting or otherwise impacting the "as is, where is", "without recourse" nature of the sale of the Real Property by the Vendor, the Purchaser acknowledges and agrees that:
- (i) the Purchaser will be afforded an opportunity to conduct a pre-delivery inspection of the Dwelling (the "**PDI**") on or before the Closing Date and shall complete and execute and deliver to the Vendor (or as the Vendor may direct) the Warranty Program "Certificate of Completion and Possession" and the PDI form and any other requisite documents all as prescribed from time to time, and required to be completed under the requirements of the Warranty Program (the "**Tarion Forms**"). For greater certainty, (i) the Vendor shall have no liability in respect of the results of such inspection or the content of such completed Tarion Forms (including without limitation with respect to any repairs or other matters that may be subject to the Warranty Program), (ii) there shall be no holdback or deduction on Closing in respect of any work relating to the Real Property; and (iii) this paragraph shall serve as a good and sufficient release of the Vendor in such regard. In the event that the Purchaser fails to execute and deliver the Tarion Forms, the Vendor may declare the Purchaser to be in default under this Agreement and may exercise any or all of its remedies set forth in this Agreement and/or at law. Alternatively, if the Purchaser fails to execute and deliver the Tarion Forms, the Vendor may, at the Vendor's discretion, complete the Tarion Forms on behalf of the Purchaser, and the Purchaser hereby irrevocably appoints and authorizes the Vendor to act as his/her lawful attorney, in order to execute the Tarion Forms issued pursuant to the Warranty Plan Act.
 - (ii) any warranties of workmanship or materials in respect of any aspect of the construction of the Dwelling or of the common elements of the condominium described in Schedule "B" of this Agreement, whether imposed by law, equity or any legislation, shall be restricted to only those warranties, if any, deemed to be given by the Developer (and not the Vendor) under the Warranty Plan Act, and shall extend only for the period and in respect of those items stipulated or covered by the Warranty Program. The Purchaser acknowledges that he/she may be disentitled to the statutory warranties stipulated or covered by the Warranty Plan Act if the Dwelling is not initially occupied by the Purchaser, and that prior to Closing, the Dwelling may have been occupied by one or more tenants.

8. VACANT POSSESSION

Upon completion of this transaction on the Closing Date, vacant possession of the Dwelling will be given to the Purchaser, subject to any tenancies that the Purchaser has agreed in writing to assume.

9. TITLE

- (a) On Closing, 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 any encumbrances permitted by the Court Approval, the Condominium Documents described in Schedule "B", subdivision servicing agreements, site plan agreements, housekeeping agreements, financial and/or security agreements, 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 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 21, 22 and 23 and the Purchaser shall execute and provide the Vendor with any documents and/or agreements required by the Vendor in connection with the foregoing.

- (b) The Purchaser shall be allowed until ten (10) 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.
- (c) For greater certainty, the Vendor shall not be required to deliver a discharge, release or reassignment of any charge/mortgage of land, assignment, lien or other encumbrance: (i) from title to York Region Common Elements Condominium Plan No. 1420 (all of which encumbrances constitute permitted encumbrances hereunder as such encumbrances pertain to the applicable "together with" undivided common interest forming part of the legal description for the Land); or (ii) which would be extinguished by the Court Approval.

10. 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.

11. RISK

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

12. TENDER

Any tender of documents or money under this Agreement may be made upon the Parties or their respective lawyers, and money shall be tendered by wire transfer of immediately available funds to the account specified by the receiving Party.

13. 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.

14. 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.

15. RESIDENCY

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

16. 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.

17. SUCCESSION

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

18. NOTICE

All notices, requests, demands, waivers, consents, agreements, approvals, communications or other writings required or permitted to be given hereunder or for the purposes hereof (each, a "Notice") shall be in writing and be sufficiently given if personally delivered, sent by prepaid registered mail or transmitted by email, addressed to the Party to whom it is given, as follows:

- (a) to the Vendor

KSV Restructuring Inc.
150 King Street West, Suite 2308
Toronto, ON M5H 1J9

Attention: Noah Goldstein and Emily Klein
Tel: (416) 932-6228 / (416) 932-6030
Email: ngoldstein@ksvadvisory.com / eklein@ksvadvisory.com

and a copy to the Vendor's counsel to:

Bennett Jones LLP
3400 One First Canadian Place
Toronto, ON M5X 1A5

Attention: Sean Zweig and Jacob Dubelaar
Tel: (416) 777-6254 / (416) 777-7451
Email: zweigs@bennettjones.com / dubelaarj@bennettjones.com

- (b) to the Purchaser in accordance with the details set out on the first page under the definition of "Purchaser", with a copy to the Purchaser's counsel in accordance with the details set out on the signature page to this Agreement

or such other address of which Notice has been given. Any Notice mailed as aforesaid will be deemed to have been given and received on the third (3rd) business day following the date of its mailing. Any Notice personally delivered will be deemed to have been given and received on the day it is personally delivered, provided that if such day is not a business day, the Notice will be deemed to have been given and received on the business day next following such day. Any Notice transmitted by email will be deemed given and received on the first (1st) business day after its transmission.

19. DEFAULT

Notwithstanding any other term or condition of this Agreement, if this Agreement is terminated as a result of any breach of a representation, warranty, covenant or obligation of the Vendor, the Purchaser shall be entitled to the return of the Deposit without deduction, which shall be returned to the Purchaser forthwith, and this shall be the Purchaser's sole right and remedy pursuant to this Agreement or at law as a result of the Vendor's breach. If this Agreement is terminated as a result of a breach of a representation, warranty, covenant or obligation of the Purchaser, the Deposit shall be forfeited to the Vendor as liquidated damages and not as a penalty, and the Vendor shall have the right to pursue any other rights and remedies available to it as a result of the Purchaser's breach.

20. RIGHTS OF VENDOR

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

21. POST-CLOSING MAINTENANCE/ ALTERATIONS

(a) 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.

(b) 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 if it elects in its sole discretion to complete any work.

(c) 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.

(d) 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 at the Purchaser's sole expense. 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.

(e) Following Closing, the Purchaser shall be solely responsible for watering and general maintenance of the sod 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.

(f) 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. Purchaser specifically agrees that Vendor does not have any obligation to pave the driveway, the Purchaser will pave the driveway (if unpaved on Closing) 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.

(g) The Purchaser acknowledges and agrees that all of the Purchaser's representations, covenants and obligations in the Agreement, including, without limitation, the provisions of Sections 21, 22 and 23 of this 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.

22. 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.

23. RIGHT OF RE-ENTRY

At the option of the Vendor, the Court Approval may 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 may be included in the Court Approval 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.

24. CLOSING DELIVERIES

(a) The Vendor covenants to execute, where applicable, and deliver the following to the Purchaser on the Closing Date or on such other date as expressly provided herein:

- (i) a copy of the issued and entered Court Approval;
 - (ii) a statement of adjustments prepared in accordance with the terms of this Agreement, to be delivered not less than five (5) business days prior to the Closing Date; and
 - (iii) a direction re: funds pursuant to which the Vendor shall direct payment of the balance of the purchase price, subject to adjustments
-

(b) The Purchaser covenants to execute, where applicable, and deliver to the following to the Vendor on the Closing Date or on such other date as expressly provided herein:

- (i) the balance of the Purchase Price, subject to adjustments;
- (ii) the Tarion Forms;
- (iii) a form of written acknowledgement by the Purchaser relating to lot grading and other subdivision matters, if required by the Vendor; and
- (iv) all other agreements or other documents that may be reasonably required by the Vendor in order to complete the transaction contemplated by this Agreement.

25. RECEIVER'S CERTIFICATE; CLOSING

All funds and other closing deliveries exchanged between the Vendor's solicitor and the Purchaser's solicitor shall be held in escrow pending Closing. Upon delivery of all required funds and other closing deliveries described in Section 24 of this Agreement, the Vendor shall deliver to the Purchaser (or the Purchaser's solicitor) the "Receiver's Certificate" comprising Schedule "A" of the Court Approval, and contemporaneously with such delivery all funds and other closing deliveries shall automatically be released from escrow and Closing shall have occurred.

Following Closing the Vendor shall file the Receiver's Certificate with the Court, and the Purchaser's solicitor shall be entitled to register an Application for Vesting Order (in respect of the Court Approval) against title to the Lands; provided for certainty that such filings/registrations shall be completed on a post-closing basis, and that in the event the applicable Land Registry Office advises the Purchaser's solicitor of any problem or deficiency concerning such Application for Vesting Order, the Vendor shall cooperate with the Purchaser in a reasonable and expeditious manner in order to take all requisite steps to facilitate the certification by such Land Registry Office of an Application for Vesting Order evidencing the vesting of title to the Lands in the name of the Purchaser, subject to the applicable encumbrances contemplated in Court Approval.

26. SEVERABILITY

If any provision contained in this Agreement or its application to any party or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or the application of such provision to parties or circumstances other than those to which it is held invalid or unenforceable, shall not be affected, and each provision of this Agreement shall be separately valid and enforceable to the fullest extent permitted by law.

27. 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 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.

28. ACCEPTANCE; PURCHASER'S REVIEW CONDITION

This offer shall be irrevocable by the Purchaser until 11:50 p.m. on the 3rd business day following the date the Purchaser signs this Agreement (as indicated by the date below), after which time, if not accepted by the Vendor, this offer shall be null and void. If accepted, this offer, subject to the condition described below, shall constitute a binding Agreement.

This offer is conditional, for a period of three (3) business days following the date of acceptance by the Vendor (the "**Purchaser's Condition Date**"), upon the Purchaser and the Purchaser's lawyer reviewing this Agreement, the Status Certificate and attachments thereto, and being satisfied with same in the sole and absolute discretion of the Purchaser and the Purchaser's lawyer. Unless the Purchaser delivers written notice to the Vendor on or before 5:00 pm on the Purchaser's Condition Date confirming that the foregoing condition is satisfied or waived in its entirety (a "**Waiver Notice**"), this offer shall be null and void and the Deposit shall be returned to the Purchaser in full without deduction. The foregoing condition is included for the benefit of the Purchaser and may be waived at the Purchaser's sole option by delivering a Waiver Notice to the Vendor within the time period described above.

29. SCHEDULES

Each of the following Schedules and Addendum form part of this Agreement:

- Schedule "A" (Additional Provisions),
- Schedule "B" (CEC Addendum—Purchase of an Interest in a Common Element Condominium)
- Schedule "C" (Condominium Documents)
- Schedule "D" (Tarion Addendum—Firm Occupancy Date- POTL/CEC)
- Schedule "E" (Warranty Information Form)

SIGNED, SEALED AND DELIVERED

Dated this [●] day of [●], 2021.

In the presence of:

Purchaser 1: _____

Driver's License No: _____

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 ____ day of _____ 2021.

KSV RESTRUCTURING INC., solely in its capacity as court appointed receiver and manager of Sunrise Acquisitions (Hwy 7) Inc., and not in its personal capacity

Per: _____

Name: Noah Goldstein

Title: Managing Director

SCHEDULE "A"

ADDITIONAL PROVISIONS

1. HARMONIZED SALES TAX

- (a) Subject to Section 2 below, it is acknowledged and agreed by the Parties hereto that the Purchase Price for the Real Property includes a component equivalent to the HST applicable as at the date hereof to this purchase and sale transaction, less the federal new housing rebate referenced in Section 254 of the *Excise Tax Act* (the "ETA") (the "**GST Rebate**") and the Ontario new housing rebate referenced in Section 41 of the New Harmonized Value-added Tax System Regulations, No. 2 (the "**HST Rebate**").
- (b) The Purchaser hereby represents and warrants to the Vendor that the Purchaser qualifies for the GST Rebate, if any is available, and the HST Rebate (hereinafter sometimes collectively referred to as the "**Rebates**").
- (c) Notwithstanding anything to the contrary in this Agreement, the Purchaser hereby transfers and assigns to the Vendor all of the Purchaser's right, interest and entitlement now or in the future to the Rebates and agrees to execute and deliver to the Vendor, forthwith upon the Vendor's request for same and in any event on or before the Closing Date, all requisite documents and assurances that the Vendor may reasonably require to enable the Vendor to obtain the benefit of the Rebates including, without limitation, Form GST190 (the "**Rebate Form(s)**"), in original wet signature i.e., not a photo or electronic copy and not a digitally signed version.
- (d) The Purchaser shall indemnify and save the Vendor harmless from and against any and all loss, costs, damages and/or liability (including any HST, plus penalties and interest thereon and any reasonable legal costs in connection therewith) which the Vendor may suffer, incur or be charged with as a result of:
 - (i) the Purchaser's failure to qualify for the GST Rebate or the HST Rebate;
 - (ii) the Purchaser having qualified initially but being subsequently not entitled to the GST Rebate or the HST Rebate; or
 - (iii) any amendment to the ETA, or applicable successor legislation, in force as at the date when HST becomes payable in respect of this purchase and sale transaction, the effect of which is to increase the rate of HST payable herein or to decrease the amount of the one or both of the Rebates, or both.

This indemnity shall survive indefinitely the completion or termination of the Agreement. It is understood and agreed by the Parties hereto that should the Purchaser not qualify for the GST Rebate, if any is available, or the HST Rebate or fail to deliver to the Vendor the Rebate Form(s) (duly executed by the Purchaser) by the Closing Date, then notwithstanding anything contained herein (or in the Agreement) to the contrary, the Purchaser shall be obliged to pay to the Vendor on Closing, an amount equivalent to the GST Rebate or HST Rebate, or both, as the case may be, in addition to the outstanding balance of the Purchase Price. It is further understood and agreed by the Parties that in the event that the Purchaser intends to rent out the Property after the Closing Date, the Purchaser shall not be entitled to the Rebates, but may nevertheless be entitled to pursue, on his own after the Closing Date, the federal and provincial new rental housing rebates directly with Canada Revenue Agency, pursuant to the ETA and the Regulations thereto.

- (e) The Purchaser's failure to pay or remit to the Vendor on the Closing Date the HST exigible in connection with this transaction, or if required pursuant to this section to deliver to the Vendor the Rebate Form(s), duly executed by Purchaser, or if required pursuant to this section to pay to the Vendor an amount equivalent to the GST Rebate or HST Rebate, shall constitute a fundamental breach of contract, entitling the Vendor to immediately terminate this Agreement and to retain all

deposit monies theretofore paid (together with all monies paid for any extras or changes requested to be made to the Real Property) as its liquidated damages and not as a penalty, without prejudice to any other rights or remedies available to the Vendor at law or in equity.

- (f) Without limiting any of the foregoing provisions, the Purchaser further covenants and agrees that in the event that any assignment of the Agreement, amendment to the Purchaser Agreement, novation to the Agreement, re-instatement of the Agreement or the acquisition of any upgrades or extras results in the GST Rebate or HST Rebate not being capable of being assigned, in whole, by the Purchaser to the Vendor, then the Purchaser shall pay to the Vendor such forgone amount on Closing in the same manner as hereinbefore contemplated for repayment where purchasers do not qualify for the GST Rebate or HST Rebate.
- (g) Notwithstanding any provision herein to the contrary, if the Purchaser does not qualify for the Rebates, or any of them, or fails to deliver the requisite documentation in connection therewith or takes any action that might disentitle it from receiving the Rebates (such as a resale or rental listing), then, if discovered prior to Closing, the amount of the Rebates shall be paid to the Vendor on Closing or, if discovered after Closing, the Purchaser shall pay the Vendor the amount of the Rebates forthwith upon demand and shall indemnify the Vendor from any loss of the Rebates. Notwithstanding any provision to the contrary in this Agreement or in the applicable legislation, if at any time, in the view of the Vendor or the Vendor's Solicitors, the Purchaser's information might be inaccurate, incomplete or untruthful such that the Rebates, or any of them, may not be properly collected by the Vendor, the Vendor shall be entitled in its sole, subjective and absolute discretion to increase the Purchase Price by the amount of the Rebates and the Purchaser shall pay such additional sum on Closing.
- (h) The Purchaser agrees and acknowledges that the Vendor may request that the Rebate Forms be completed in the name of the Vendor or any person that is designated by the Vendor including, *inter alia*, any party in which the Vendor may have been acting as the disclosed or undisclosed agent for when entering into this Agreement. The Purchaser agrees to execute and provide to the Vendor all Rebate Forms and, to the extent the Vendor has not received adequate Rebate Forms, the Purchaser hereby nominates and appoints any officer of the Vendor (or any other party as may be directed by the Vendor) as the Purchaser's true and lawful attorney and agent pursuant to the provisions of the *Powers of Attorney Act* (Ontario) with full power and authority in the Purchaser's name, place and stead to execute, swear to and record any and all documents that may be required in order to have the Rebates paid and/or credited to the Vendor or any other person that is designated by the Vendor including, *inter alia*, any party in which the Vendor may have been acting as a disclosed or undisclosed agent for when entering into this Agreement.

2. TAX ON CHATTELS

The Purchaser acknowledges that HST is not included on that portion of the Purchase Price allocated to chattels in accordance with this Agreement. The remainder of the Purchase Price is allocated to realty (land and building). The Purchaser agrees to deliver to the Vendor's solicitors, a copy of the Affidavit of Residence and Value of the Consideration on or prior to the Closing Date, indicating that HST will be paid on the value of the chattels, as aforesaid. For the purposes of calculating HST, the Vendor shall allocate the Purchase Price as between realty (land and building) and any chattels included in the agreement as part of the Purchase Price.

3. RESTRICTIONS AND NOTICES PURSUANT TO THE SUBDIVISION AGREEMENT

The Purchaser hereby acknowledges that title to the Lands are subject to a Subdivision Agreement with The Corporation of the Town of Markham and or the Region of York, which Agreement contains 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 is registered against title to the Real Property. The Purchaser acknowledges and agrees that its 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 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.

4. 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.

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

Without limiting the generality of Section 3 above, the Subdivision Agreement clauses reproduced below are incorporated into this Agreement to the extent such clauses are applicable to the Real Property in accordance with the Subdivision Agreement:

2.4 Parking

The Owner covenants and agrees to include the following clauses in all Agreements of Purchase and Sale and/or Lease for all units with a single car garage:

"PURCHASERS/TENANTS ARE ADVISED THAT THE CITY'S PARKING BY-LAW REQUIRES A MINIMUM OF TWO PARKING SPACES. NO MORE THAN ONE REQUIRED PARKING SPACE MAY BE PROVIDED WITHIN THE REQUIRED FRONT YARD OR REQUIRED EXTERIOR SIDE YARD. OUTSIDE A PRIVATE GARAGE PARKING IS ONLY PERMITTED ON A DRIVEWAY"

"PURCHASERS/TENANTS ARE ADVISED THAT THE CITY'S ZONING BY-LAW RESTRICTS DRIVEWAY WIDTHS, WHICH MAY NOT ALLOW TWO CARS TO PARK SIDE BY SIDE."

"PURCHASERS/TENANTS ARE ADVISED THAT OVERNIGHT STREET PARKING WILL NOT BE PERMITTED UNLESS AN OVERNIGHT STREET PARKING SYSTEM IS IMPLEMENTED BY THE CITY."

2.7(5) Issuance of Building Permits and Occupancy of Buildings

The Owner, or any subsequent Owner, of lots within the Subdivision agrees to inform purchasers of the building inspection history of the house being sold by including the following clause in all agreements of purchase and sale: "The certificate of occupancy issued by the municipality will document the building inspection history, including mandatory inspections which were not conducted."

6.6(3) Canada Post

The Owner covenants and agrees to include the following clauses in all Agreements of Purchase and Sale or Lease:

(a) "PURCHASERS/TENANTS ARE ADVISED THAT MAIL DELIVERY WILL BE FROM A DESIGNATED COMMUNITY MAILBOX."

(b) "THE DEVELOPERS/OWNERS WILL BE RESPONSIBLE FOR NOTIFYING THE PURCHASERS OF THE EXACT COMMUNITY MAILBOX LOCATIONS PRIOR TO THE CLOSING OF ANY HOME SALE."

8.4 Noise Warning Clauses and Attenuation Requirements:

The Owner shall install noise attenuation requirements, including but not limited to air conditioning and forced air heating and ventilation, and also include the Warning Clauses below in Agreements of Purchase and Sale of each dwelling units on the lots / blocks identified below in accordance with the Noise Impact Study, which Warning Clauses are hereby registered upon and shall run with title to the lots/ blocks identified below:

| Lot / Blocks Nos. | Noise Attenuation Requirements | | | | | Types of Warning Clauses |
|--|--------------------------------|-----------|-----------|----------------------------------|--|--------------------------|
| | Acoustic Barrier Height | | | Air – Conditioning (Yes / No) | Forced Air Heating And Ventilation (with Provision for AC) (Yes / No) | |
| | Berm (m) | Fence (m) | Total (m) | | | |
| Block 3: All southerly units fronting onto HWY 7 | -- | -- | -- | Yes | No | A, B, D |
| Block 3: Northwest unit with some exposure to HWY 7 | -- | -- | -- | No | Yes | A, C, D |
| Block 3: All Northerly units, except the northwest unit | -- | -- | -- | No | Yes | A, C |
| Block 1: Northwest unit with some exposure to HWY 7 | -- | -- | -- | No | No | D |
| Blocks 1 & 2: All units except the northwest unit in Block 1 | -- | -- | -- | No | No | D |

Types of Standard Warning Clauses

| Type | Purpose | Warning Clauses |
|------|---------|---|
| A | General | "PURCHASERS/TENANTS ARE ADVISED THAT NOISE LEVELS DUE TO INCREASING ROAD TRAFFIC MAY OCCASIONALLY INTERFERE WITH SOME ACTIVITIES OF THE OCCUPANTS AS THE NOISE EXPOSURE LEVELS WILL EXCEED THE SOUND LEVEL CRITERIA OF THE MINISTRY OF THE ENVIRONMENT AND CLIMATE CHANGE." |

| | | |
|---|------------------------------------|---|
| B | Air-conditioning | "PURCHASERS/TENANTS ARE ADVISED THAT, DESPITE THE INCLUSION OF NOISE CONTROL FEATURES IN THIS DEVELOPMENT AREA AND WITHIN THE DWELLING UNITS, THE NOISE LEVELS FROM INCREASING ROAD TRAFFIC MAY OCCASIONALLY INTERFERE WITH SOME ACTIVITIES OF THE OCCUPANTS. THIS DWELLING UNIT HAS, THEREFORE, BEEN EQUIPPED WITH FORCED AIR HEATING AND DUCTING ETC., AS WELL AS CENTRAL AIR CONDITIONING WHICH WILL ALLOW WINDOWS TO BE KEPT CLOSED, THEREBY ACHIEVING INDOOR SOUND LEVELS WITHIN THE LIMITS RECOMMENDED BY THE MINISTRY OF THE ENVIRONMENT AND CLIMATE CHANGE. THE AIR COOLED CONDENSER UNIT SHALL HAVE A SOUND RATING NOT EXCEEDING 7.6 BELS FOR UNIT COOLING CAPACITIES UP TO 3.5 TONS AND SHALL COMPLY WITH THE CITY'S NOISE BY-LAW." |
| C | Forced Air (with provision for AC) | "PURCHASERS/TENANTS ARE ADVISED THAT, DESPITE THE INCLUSION OF NOISE CONTROL FEATURES IN THIS DEVELOPMENT AREA AND WITHIN THE DWELLING UNIT, NOISE LEVELS FROM INCREASING ROAD TRAFFIC MAY OCCASIONALLY INTERFERE WITH SOME ACTIVITIES OF THE OCCUPANTS. THIS DWELLING UNIT HAS, THEREFORE, BEEN EQUIPPED WITH FORCED AIR HEATING AND DUCTING ETC., WITH PROVISION FOR A CENTRAL AIR CONDITIONING SYSTEM AT THE OWNERS' OPTION. THE AIR COOLED CONDENSER UNIT, IF INSTALLED, SHALL HAVE A SOUND RATING NOT EXCEEDING 7.6 BELS FOR UNIT COOLING CAPACITIES UP TO 3.5 TONS AND SHALL COMPLY WITH THE CITY'S NOISE BY-LAW." |
| D | Proximity to Commercial | "PURCHASERS/TENANTS ARE ADVISED THAT THIS DEVELOPMENT IS IN PROXIMITY TO EXISTING COMMERCIAL FACILITIES, AND SOUND LEVELS FROM THESE FACILITIES MAY AT TIMES BE AUDIBLE." |

8.9 Municipal Sidewalks/Walkways

(1) The Owner shall include the following Warning Clause in all Agreements of Purchase and Sale for all lots/ blocks in the Subdivision:

"THE DIRECTOR OF ENGINEERING MAY CHANGE THE LOCATION OF ANY SIDEWALKS/WALKWAYS WITHIN THE SUBDIVISION WITHOUT ANY PRJOR NOTICE."

(2) The Owner shall include the following Warning Clause in all Agreements of Purchase and Sale for all units in Blocks 1 and 3:

"PURCHASERS/TENANTS ARE ADVISED THAT THERE WILL BE A MUNICIPAL SIDEWALK FRONTING AND/OR FLANKING THIS PROPERTY."

8.14 Permanent Servicing Easement

The Owner shall include the following Warning Clauses in Agreements of Purchase and Sale for all westerly units on Block 3, which Warning Clauses are hereby registered upon and shall run with title to Block 3:

(1) "PURCHASERS / TENANTS ARE ADVISED THAT THE CITY HAS AN EXJSTING 6.5M SERVICING EASEMENT ALONG THE WEST PROPERTY LINE FOR THE ON-GOING OPERATION, MAINTENANCE OR REPIACEMENT OF SERVICES LOCATED IN THE SERVICING EASEMENT BLOCK AND THAT A PUBLIC WALKWAY BLOCK WILL BE LOCATED ABUTTING THE SERVICING EASEMENT BLOCK. NO STRUCTURES OR BUILDINGS ARE PERMITTED TO BE CONSTRUCTED ON THE SAID EASEMENT."

(2) "'PURCHASERS / TENANTS ARE FURTHER ADVISED THAT THE CITY IS NOT RESPONSIBLE FOR REPLACING ANY LANDSCAPING FEATURES OR MATERIALS THAT MAY BE DAMAGED AS A RESULT OF THE CITY CARRYING OUT ANY REQUIRED WORKS WITHIN THE EASEMENT.'"

8.19 Infiltration Trench

(1) The Owner shall include the following Warning Clauses in all Agreements of Purchase and Sale for the four (4) westerly units on Block 1 and all units on Block 3, which clauses are hereby registered upon and shall run with title to the four (4) westerly units on Block 1 and all units on Block 3:

"PURCHASERS/TENANTS ARE ADVISED THAT:

(a) THERE IS AN INFILTRATION TRENCH WITHIN 1.5m OF THE REAR LOT LINE OF THIS LOT. THE INFILTRATION TRENCH IS INTENDED FOR PROVIDING STORMWATER MANAGEMENT FOR THE LOT.

(b) NO TREES, SHRUBS, LANDSCAPE FEATURES, STRUCTURES, OR BUILDINGS ARE PERMITTED TO BE INSTALLED OR CONSTRUCTED ON/OVER THE INFILTRATION TRENCH.

(c) THE PURCHASERS ARE RESPONSIBLE TO PERIODICALLY MAINTAIN THE INFILTRATION TRENCH TO ENSURE IT IS WORKING FOR THE PURPOSE OF PROVIDING STORMWATER MANAGEMENT FOR THE LOT."

SCHEDULE "B"

CEC Addendum—Purchase of an Interest in a Common Element Condominium

1. The meaning of words and phrases used in this Schedule shall have the meaning ascribed to them in the *Condominium Act*, S.O. 1998, as amended, the regulations thereunder and any amendments thereto (the “**Condominium Act**”) and other terms used herein shall have ascribed to them the definitions in the Condominium Documents (hereinafter defined) unless otherwise provided for as follows:
 - (a) “**Agreement**” shall mean the Agreement of Purchase and Sale to which this Schedule is attached, including all other Schedules attached thereto and made a part thereof;
 - (b) “**Condominium Documents**” shall mean the Creating Documents (as hereinafter defined), the by-laws of the Condominium Corporation, the disclosure statement and budget statement, as may be amended from time to time;
 - (c) “**Condominium Corporation**” shall mean the York Region Common Element Condominium Corporation No. 1420 created upon registration of the Creating Documents; and
 - (d) “**Creating Documents**” means the declaration and description (as such terms are defined in the Condominium Act), registered on the 17th day of September, 2019, in the Land Registry Office for the Land Titles Division of York Region (No. 65) as Instrument No. YR3009447.
 2. The Purchaser authorizes the Condominium Corporation, to issue a status certificate in the form prescribed by the Condominium Act and at the cost of the Purchaser.
 3. The Purchaser acknowledges that the roadways upon which the Real Property fronts and all services and facilities within the common elements of the condominium which were created by the Creating Documents form part of a common elements condominium corporation pursuant to the Condominium Act and that in connection therewith the Purchaser further acknowledges and agrees that:
 - (i) unless otherwise provided in the Condominium Documents, it is the Condominium Corporation that shall be fully responsible for the maintenance, plowing, upkeep, repair, resurfacing, reconstruction, and/or replacement of all services and facilities within the common elements of the condominium, including, without limitation, utilities, transformers, community maps, the roadway, watermains, storm and sanitary sewer, sidewalks, light standards and any and all other services and facilities, as more particularly described in the Condominium Documents provided to each Purchaser;
 - (ii) the Purchaser hereby indemnifies and saves harmless the Municipality, its officers, employees and agents of, from and against all manner of actions, suits or claims which may be brought against them or made upon the Municipality, its officers, employees and agents or any of them, and of, from and against all loss, costs and damages and expenses which may be sustained, incurred or paid by the Municipality, its officers, employees and agents, or any of them, resulting from the sharing of or access to the aforesaid services and, if requested, the Purchaser agrees to provide such an indemnity addressing the Municipality on the Closing; and
 - (iii) the Municipality will not assume or take responsibility for the aforesaid services and facilities at any time in the future.
 4. In addition to purchasing the Real Property, the Purchaser hereby agrees to purchase a common interest in the Condominium Corporation to be attributable to the Real Property
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as more particularly described in the Condominium Documents and on the terms and conditions set out in this Schedule.

5. The Purchase Price for the common interest in the Condominium Corporation attributable to the Real Property is Two Dollars (\$2.00) which is payable on Closing.
 6. There is no deposit payable by the Purchaser for the purchase of the common interest in the Condominium Corporation attributable to the Real Property. Accordingly, the provisions of the Condominium Act providing that the declarant is entitled to retain the excess of all interest earned on money held in trust over the interest it is required to pay to the Purchaser under the Condominium Act are not applicable.
 7. In addition to the encumbrances and other matters permitted by the Agreement, the Purchaser agrees to accept title subject to the Condominium Documents and acknowledges that the common interest in the Condominium Corporation cannot be severed from the Real Property upon any subsequent sale of the Real Property.
 8. The Vendor's proportionate amount of the common expenses attributable to the Real Property shall be apportioned and allowed to Closing. The Purchaser shall also provide the Vendor on Closing with six (6) post-dated cheques, payable to the Condominium Corporation for common expenses attributable to the common interest.
 9. The Purchaser acknowledges that the Condominium Corporation and the purchase of a common interest in the Condominium Corporation is not warranted by the *Ontario New Home Warranty Plan Act*.
 10. The Purchaser acknowledges that the common elements of the Condominium Corporation is constructed to the standards and/or the requirements of the Municipality. The Purchaser covenants and agrees that the Purchaser shall have no claims against the Vendor for any higher or better standards of workmanship or materials. The Purchaser agrees that the foregoing may be pleaded by the Vendor as an estoppel in any action brought by the Purchaser or his or her successors in title against the Vendor. The Vendor may, from time to time, change, vary or modify in its sole discretion or at the instance of any governmental authority or mortgagee, any part of the Condominium to conform with any municipal requirements related to official plan or official plan amendments, zoning by-laws, committee of adjustment and/or land division committee decisions and/or municipal site plan approval. Such changes may be to the plans and specifications existing at inception of the Condominium Corporation or as they existed at the time the Purchaser entered into the Agreement, or as illustrated on any sales brochures or otherwise. Subject to any applicable provisions of the Ontario New Home Warranties Plan Act to the contrary, the Purchaser shall have no claim for any such changes, variances or modifications nor shall the Vendor be required to give notice thereof. The Purchaser hereby consents to any such alterations and agrees to complete the sale notwithstanding any such modifications.
 11. The provisions of the Agreement pertaining to Purchaser's consent to disclosure of personal information shall be deemed to be revised in each and every respect to be read as the Purchaser additionally consenting to the release of any and all information as contemplated in the Agreement to the Condominium Corporation, the manager of the Condominium Corporation and any matter and/or party ancillary to the operation, registration, upkeep, care and maintenance of the Condominium Corporation.
 12. The Purchaser is advised that the freehold lot comprising the Real Property attached to the common elements Condominium Corporation may be subject to blanket easements or similar arrangements which will allow the Condominium Corporation to place above and below grade services on the Real Property and that, in addition to anything contemplated in the Agreement, the Purchaser's use of front yard or rear yard could be limited by siting of street fixtures (such as utility boxes) and below grade services within the front yard or rear yard. The Purchaser further acknowledges that the Real Property may be subject to gang metering for gas and hydro-electric service and any other utilities in favour of any of the other POTLs. As referenced in the Disclosure Statement provided to Purchasers, portions of the retaining walls may form part of the Condominium or may form a portion of the Potls. In the event that the plans for the development contemplate that the retaining
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walls and the adjacent areas are to form part of the Potl and thereafter the Declarant revises the plans for the development to provide that the retaining walls and any adjacent areas are to form part of the Condominium, then the Purchaser acknowledges and accepts such amendment to the width and/or depth of the Potl and agrees that they shall have no cause of action or claim for an abatement in the purchase price as a result of the loss of such area.

13. Notwithstanding anything contained in this Agreement (or in any Schedule annexed hereto) to the contrary, it is expressly understood and agreed that if the Purchaser has not executed and delivered to the Vendor or its sales representative an acknowledgment of receipt of both the Vendor's disclosure statement and a copy of this Agreement duly executed by both parties hereto, within fifteen (15) days from the date of the Purchaser's execution of this Agreement, then the Purchaser shall be deemed to be in default hereunder and the Vendor shall have the unilateral right to terminate the Agreement at any time thereunder upon delivering written notice confirming such termination to the Purchaser, whereupon the Purchaser's initial deposit cheque shall be forthwith returned to the Purchaser by or on behalf of the Vendor.

SCHEDULE "C"

Purchaser's Acknowledgement

TO: KSV Restructuring Inc., solely in its capacity as court appointed receiver and manager of Sunrise Acquisitions (Hwy 7) Inc. and not in its personal capacity (the "**Vendor**")

RE: Sale to _____ (the "**Purchaser(s)**")
of a common interest in York Region Common Elements Condominium Plan No. 1420 forming part of the land municipally known as [●] Highway 7 East, Markham and legally described as [●] (the "**Property**")

I/WE, the undersigned, being the Purchaser(s) of the Property, acknowledge(s) that I/we have received from the Vendor, on or before the date set out below, copies each of the following documents (by way of email, USB stick or hard copy), which documents are being provided by the Vendor without representation or warranty of any kind, with respect to currency, completeness or otherwise:

1. Registered Declaration (YR3009447).
2. Registered By-Law No. 1 (General) (YR3011927).
3. A copy of the fully executed agreement of purchase and sale for the Property including the accompanying common interest in the Condominium) by the Vendor and the Purchaser(s).
4. A copy of Tarion's Guide to Your New Home Warranty for Freehold and Contract Homes.

IN WITNESS WHEREOF I/we have executed this Acknowledgement.

DATED this day of , 202__.

Witness

Name

Witness

Name

SCHEDULE "D"

Tarion Addendum—Firm Occupancy Date- POTL/CEC

Limited Use Freehold Form
(Firm Occupancy Date – POTL/CEC)

Property _____
Lot No. _____

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

VENDOR KSV Restructuring Inc., solely in its capacity as court appointed receiver and manager of Sunrise Acquisitions (Hwy 7) Inc. and not in its personal capacity
Full Name(s)

PURCHASER
Full Name(s)

1. Critical Dates

The Firm Occupancy Date, which is the date that the Vendor anticipates the home will be completed and ready to move in, is: the ___ day of _____, 20__.

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 Firm Occupancy Date: This Outside Occupancy Date could be as late as: the ___ day of _____, 20__.

2. 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 ___ day of _____, 20__.

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 ___ day of _____, 20__.

VENDOR: _____

PURCHASER: _____

**Limited Use Freehold Form
(Firm 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 KSV Restructuring Inc., solely in its capacity as court appointed receiver and manager of Sunrise Acquisitions (Hwy 7) Inc. and not in its personal capacity

| | | | | | | |
|----------------------|---|--|--|---|----------|-------------|
| Full Name(s) | 48593 (Sunrise Acquisitions (Hwy 7) Inc.) | | | 150 King Street West, Suite 2308 | | |
| H CRA Licence Number | (416) 932-8228 / (416) 932-8030 | | | Address Toronto, ON M5H 1J9 | | |
| Phone | Attention: Noah Goldstein and Emily Klein | | | City | Province | Postal Code |
| Fax | | | | ngoldstein@ksvadvisory.com/eklein@ksvadvisory.com | | |
| | | | | Email* | | |

PURCHASER

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

PROPERTY DESCRIPTION

| | | |
|------------------------------|----------|-------------|
| [o] Highway 7 East | | |
| Municipal Address Markham | Ontario | L3R 0W9 |
| City [o] | Province | Postal Code |
| Short Legal Description | | |

Number of Homes in the Freehold Project _____ (if applicable – see Schedule A)

INFORMATION REGARDING THE PROPERTY

The Vendor confirms that:

- (a) The Property is within a plan of subdivision or a proposed plan of subdivision. Yes No
 If yes, the plan of subdivision is registered. Yes No
 If the plan of subdivision is not registered, approval of the draft plan of subdivision has been given. Yes No
- (b) The Vendor has received confirmation from the relevant government authorities that there is sufficient:
 (i) water capacity; and (ii) sewage capacity to service the Property. Yes No
- If yes, the nature of the confirmation is as follows:
 If the availability of water and sewage capacity is uncertain, the issues to be resolved are as follows:
- (c) A building permit has been issued for the Property. Yes No
 (d) Commencement of Construction: has occurred; or is expected to occur by the ____ day of _____, 20__.

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

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

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(Firm Occupancy Date – POTL/CEC)**

SETTING AND CHANGING CRITICAL DATES

1. Setting 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) **Firm Occupancy Date:** The Vendor shall set a Firm Occupancy Date, which shall be set out in the Statement of Critical Dates at the time the Purchase Agreement is signed.

2. Changing the Firm Occupancy Date – Three Ways

- (a) The Firm Occupancy Date 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.

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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 _____.

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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 Firm Occupancy Date, and will be deemed to be 90 days before the Firm Occupancy Date if no date is specified or if the date specified is later than 90 days before the Firm 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.

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- (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"):

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- (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.

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“**Critical Dates**” means 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.

“**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).

“**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.

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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

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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 8(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
(Firm 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.

Limited Use Freehold Form
(Firm 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.

| Description | Agreement Paragraph Reference, if applicable |
|---|--|
| Realty Taxes | Paragraph 6(a) to the Agreement |
| Any prepaid expenses such as gas, hydro, water or other utilities | Paragraph 6(b) to the Agreement |
| Adjustment in favour of the Vendor for that portion of the HST to be paid by the Purchaser pursuant to this Agreement, if any | Paragraph 6(c) to the Agreement |
| Any other items which are usually adjusted in purchase transactions involving assets similar to the Real Property in the context of a receivership sale | Paragraph 6(d) to the Agreement |

**Limited Use Freehold Form
(Firm Occupancy Date – POTL/CEC)**

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
(Firm 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.

SCHEDULE "E"

Warranty Information Form

Warranty Information for New Homes in Parcel of Tied Land



This information sheet provides a basic overview of the warranties and protections that come with your home on a freehold parcel of tied land which is legally tied to a Common Elements Condominium Corporation. Typically, occupancy of the home is provided before the closing of the sale of the land. This warranty is provided to you by your builder and backed by Tarion. For more detailed information, please visit tarion.com and log into our online learning hub at www.tarion.com/learninghub

The Pre-Delivery Inspection (PDI)

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

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

Deposit Protection

The deposit you provide to your builder is protected up to certain limits if your builder goes bankrupt, fundamentally breaches your Agreement of Purchase and Sale or you exercise your right to terminate it. Deposit coverage limits are \$60,000 if the purchase price is \$600,000 or less and 10% of purchase price to a maximum of \$100,000 if the purchase price is over \$600,000. This protection includes the money you put down towards upgrades and other extras.

Delayed Occupancy Coverage

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

Warranty Coverage

The warranty on work and materials commences on your date of possession and provides up to a maximum of \$300,000 in coverage. There are limitations on scope and duration as follows. Your builder warrants that your home will, on delivery, have these warranties:

One-Year Warranty

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

Two-Year Warranty

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

Seven-Year Warranty

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

Continued...

Warranty Exclusions

Your warranty, provided to you by your builder and backed by Tarion, is a limited warranty, and the protection provided by Tarion is also limited. Exclusions to coverage include: normal wear and tear, damage caused by improper maintenance, damage caused by a third party, secondary damage caused by defects that are under warranty, supplementary warranties, deficiencies caused by homeowner actions, elevators, HVAC appliances, specific defects accepted in writing and damage resulting from an Act of God.

Common Elements Not Covered

There is no Common Element warranty coverage on Common Element Condominium Corporations under the Ontario New Home Warranties Plan Act and Regulations. As a purchaser, you should take note of the common elements associated with your home, as maintenance and repair of these items may be the responsibility of the homeowners in the project, subject to the corporation's declaration. This may include shared facilities, walkways, roadways and services (e.g. water and sewage lines, garbage removal and snow removal).

Construction Performance Guidelines

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

Important Next Steps

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

About Tarion

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

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

Find more warranty information at Tarion.com

Appendix “N”

LAND
REGISTRY
OFFICE #65

02985-0595 (LT)

PAGE 1 OF 7
PREPARED FOR JPetrovic
ON 2021/10/18 AT 10:44:18

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

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 AND DELETED INSTRUMENTS SINCE 2018/11/21 ** | | | | | | |
| **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.
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 |
| | 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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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 |
|-----------|------------|--|-------------|--|--|-----------|
| | | 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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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 | | 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 |
| YR2894722 | 2018/11/07 | CONSTRUCTION LIEN | | *** DELETED AGAINST THIS PROPERTY *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| YR2900177 | 2018/11/21 | APL DEL CONST LIEN | | *** COMPLETELY DELETED *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | | REMARKS: YR2894722. | | | | |
| YR2900443 | 2018/11/22 | CHARGE | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | COLOMBUS ROOFING & ALUMINUM (2015) LTD. | |
| YR2905942 | 2018/12/05 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | | REMARKS: YR2900443. | | | | |
| YR2906158 | 2018/12/05 | CHARGE | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | COLOMBUS ROOFING & ALUMINUM (2015) LTD. | |
| YR2917799 | 2019/01/10 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | | REMARKS: YR2906158. | | | | |
| YR2918544 | 2019/01/11 | CHARGE | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | COLOMBUS ROOFING & ALUMINUM (2015) LTD. | |
| YR2926527 | 2019/02/05 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | | REMARKS: YR2918544. | | | | |

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 |
|-----------|---|--------------------|--------|--|---|---------------|
| YR2928191 | 2019/02/08 | CHARGE | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | COLOMBUS ROOFING & ALUMINUM (2015) LTD. | |
| YR2935580 | 2019/03/04 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | REMARKS: YR2928191. | | | | | |
| YR2936180 | 2019/03/06 | CHARGE | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | COLOMBUS ROOFING & ALUMINUM (2015) LTD. | |
| YR2946528 | 2019/04/03 | CONSTRUCTION LIEN | | *** COMPLETELY DELETED *** NG MARIN INC. | | |
| YR2964215 | 2019/05/24 | CERTIFICATE | | *** COMPLETELY DELETED *** NG MARIN INC. | | |
| | REMARKS: CERTIFICATE OF ACTION: YR2946528 | | | | | |
| YR2964240 | 2019/05/24 | CONSTRUCTION LIEN | | *** COMPLETELY DELETED *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| YR2978138 | 2019/06/28 | CONSTRUCTION LIEN | | *** COMPLETELY DELETED *** AYA KITCHENS AND BATHS LTD. | | |
| YR2981246 | 2019/07/09 | CERTIFICATE | | *** DELETED AGAINST THIS PROPERTY *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | REMARKS: CERTIFICATE OF ACTION RE: YR2964240 - THEN DELETED BY YR3009189 B JAMBOR 2019/10/01 | | | | | |
| YR2983672 | 2019/07/15 | CONSTRUCTION LIEN | | *** COMPLETELY DELETED *** TIMELINE FLOORS INC. O/A QUALITY STERLING GROUP | | |
| YR3003793 | 2019/08/30 | CERTIFICATE | | *** COMPLETELY DELETED *** AYA KITCHENS AND BATHS LTD. | | |
| | REMARKS: CERTIFICATE OF ACTION RE: YR2978138 | | | | | |
| 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 | | | | | |
| YR3009188 | 2019/09/17 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | REMARKS: YR2936180. | | | | | |
| YR3009189 | 2019/09/17 | APL DEL CONST LIEN | | *** COMPLETELY DELETED *** | | |

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 |
|-----------|------------|--|--------|---|--|---------------|
| | | | | COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | | REMARKS: YR2964240. | | | | |
| YR3009190 | 2019/09/17 | APL DEL CONST LIEN | | *** COMPLETELY DELETED *** AYA KITCHENS AND BATHS LTD. | | |
| | | REMARKS: YR2978138. YR3003793 | | | | |
| YR3009191 | 2019/09/17 | APL DEL CONST LIEN | | *** COMPLETELY DELETED *** NG MARIN INC. | | |
| | | REMARKS: YR2946528. YR2964215 | | | | |
| YR3009192 | 2019/09/17 | APL DEL CONST LIEN | | *** COMPLETELY DELETED *** TIMELINE FLOORS INC. O/A QUALITY STERLING GROUP | | |
| | | REMARKS: YR2983672. | | | | |
| 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 |
| YR3017261 | 2019/10/07 | CHARGE | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | PETRO GROUP INTERNATIONAL INC. | |
| YR3019325 | 2019/10/11 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** PETRO GROUP INTERNATIONAL INC. | | |
| | | REMARKS: YR3017261. | | | | |
| YR3190270 | 2021/01/07 | CAUTION-LAND | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | CAMERON STEPHENS MORTGAGE CAPITAL LTD. | |
| | | REMARKS: DELETE 2021/03/08 | | | | |
| YR3239773 | 2021/04/23 | CAUTION-LAND | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | CAMERON STEPHENS MORTGAGE CAPITAL LTD. | |
| | | REMARKS: EXPIRES 60 DAYS FROM 2021/04/23 | | | | |
| YR3241020 | 2021/04/27 | WITHDRAWAL CAUTION | | *** COMPLETELY DELETED *** | | |

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LAND
 REGISTRY
 OFFICE #65

02985-0595 (LT)

* 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: YR3239773. | | CAMERON STEPHENS MORTGAGE CAPITAL LTD. | | |
| YR3267063 | 2021/06/16 | APL COURT ORDER | | ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST) | KSV RESTRUCTURING INC. | C |
| YR3292147 | 2021/08/03 | CONSTRUCTION LIEN | \$669,602 | RIVERVALLEY MASONRY GROUP LTD. | | C |

LAND
REGISTRY
OFFICE #65

02985-0596 (LT)

PAGE 1 OF 7
PREPARED FOR JPetrovic
ON 2021/10/18 AT 10:47:46

* 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
SUNRISE ACQUISITIONS (HWY 7) INC.

CAPACITY SHARE

| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/CHKD |
|--|------------|--------------------|--------------|--|--|-----------|
| ** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2018/11/21 ** | | | | | | |
| **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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|-----------|------------|--|-------------|--|--|-----------|
| | | 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 | | | | |

| 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 |
| YR2894722 | 2018/11/07 | CONSTRUCTION LIEN | | *** DELETED AGAINST THIS PROPERTY *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| YR2900177 | 2018/11/21 | APL DEL CONST LIEN | | *** COMPLETELY DELETED *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | | REMARKS: YR2894722. | | | | |
| YR2900443 | 2018/11/22 | CHARGE | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | COLOMBUS ROOFING & ALUMINUM (2015) LTD. | |
| YR2905942 | 2018/12/05 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | | REMARKS: YR2900443. | | | | |
| YR2906158 | 2018/12/05 | CHARGE | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | COLOMBUS ROOFING & ALUMINUM (2015) LTD. | |
| YR2917799 | 2019/01/10 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | | REMARKS: YR2906158. | | | | |
| YR2918544 | 2019/01/11 | CHARGE | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | COLOMBUS ROOFING & ALUMINUM (2015) LTD. | |
| YR2926527 | 2019/02/05 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | | REMARKS: YR2918544. | | | | |

| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/ CHKD |
|-----------|---|--------------------|--------|--|---|---------------|
| YR2928191 | 2019/02/08 | CHARGE | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | COLOMBUS ROOFING & ALUMINUM (2015) LTD. | |
| YR2935580 | 2019/03/04 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | REMARKS: YR2928191. | | | | | |
| YR2936180 | 2019/03/06 | CHARGE | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | COLOMBUS ROOFING & ALUMINUM (2015) LTD. | |
| YR2946528 | 2019/04/03 | CONSTRUCTION LIEN | | *** COMPLETELY DELETED *** NG MARIN INC. | | |
| YR2964215 | 2019/05/24 | CERTIFICATE | | *** COMPLETELY DELETED *** NG MARIN INC. | | |
| | REMARKS: CERTIFICATE OF ACTION: YR2946528 | | | | | |
| YR2964240 | 2019/05/24 | CONSTRUCTION LIEN | | *** COMPLETELY DELETED *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| YR2978138 | 2019/06/28 | CONSTRUCTION LIEN | | *** COMPLETELY DELETED *** AYA KITCHENS AND BATHS LTD. | | |
| YR2981246 | 2019/07/09 | CERTIFICATE | | *** DELETED AGAINST THIS PROPERTY *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | REMARKS: CERTIFICATE OF ACTION RE: YR2964240 - THEN DELETED BY YR3009189 B JAMBOR 2019/10/01 | | | | | |
| YR2983672 | 2019/07/15 | CONSTRUCTION LIEN | | *** COMPLETELY DELETED *** TIMELINE FLOORS INC. O/A QUALITY STERLING GROUP | | |
| YR3003793 | 2019/08/30 | CERTIFICATE | | *** COMPLETELY DELETED *** AYA KITCHENS AND BATHS LTD. | | |
| | REMARKS: CERTIFICATE OF ACTION RE: YR2978138 | | | | | |
| 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 | | | | | |
| YR3009188 | 2019/09/17 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | REMARKS: YR2936180. | | | | | |
| YR3009189 | 2019/09/17 | APL DEL CONST LIEN | | *** COMPLETELY DELETED *** | | |

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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 |
|-----------|------------|--|--------|---|--|---------------|
| | | | | COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | | REMARKS: YR2964240. | | | | |
| YR3009190 | 2019/09/17 | APL DEL CONST LIEN | | *** COMPLETELY DELETED *** AYA KITCHENS AND BATHS LTD. | | |
| | | REMARKS: YR2978138. YR3003793 | | | | |
| YR3009191 | 2019/09/17 | APL DEL CONST LIEN | | *** COMPLETELY DELETED *** NG MARIN INC. | | |
| | | REMARKS: YR2946528. YR2964215 | | | | |
| YR3009192 | 2019/09/17 | APL DEL CONST LIEN | | *** COMPLETELY DELETED *** TIMELINE FLOORS INC. O/A QUALITY STERLING GROUP | | |
| | | REMARKS: YR2983672. | | | | |
| 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 |
| YR3017261 | 2019/10/07 | CHARGE | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | PETRO GROUP INTERNATIONAL INC. | |
| YR3019325 | 2019/10/11 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** PETRO GROUP INTERNATIONAL INC. | | |
| | | REMARKS: YR3017261. | | | | |
| YR3190270 | 2021/01/07 | CAUTION-LAND | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | CAMERON STEPHENS MORTGAGE CAPITAL LTD. | |
| | | REMARKS: DELETE 2021/03/08 | | | | |
| YR3239773 | 2021/04/23 | CAUTION-LAND | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | CAMERON STEPHENS MORTGAGE CAPITAL LTD. | |
| | | REMARKS: EXPIRES 60 DAYS FROM 2021/04/23 | | | | |
| YR3241020 | 2021/04/27 | WITHDRAWAL CAUTION | | *** COMPLETELY DELETED *** | | |

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LAND
 REGISTRY
 OFFICE #65

02985-0596 (LT)

* 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: YR3239773. | | CAMERON STEPHENS MORTGAGE CAPITAL LTD. | | |
| YR3267063 | 2021/06/16 | APL COURT ORDER | | ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST) | KSV RESTRUCTURING INC. | C |
| YR3292147 | 2021/08/03 | CONSTRUCTION LIEN | \$669,602 | RIVERVALLEY MASONRY GROUP LTD. | | C |

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LAND
REGISTRY
OFFICE #65

02985-0597 (LT)

PAGE 1 OF 7
PREPARED FOR JPetrovic
ON 2021/10/18 AT 10:42:13

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

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 AND DELETED INSTRUMENTS SINCE 2018/11/21 ** | | | | | | |
| **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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|-----------|--|--------------------|-------------|--|--|-----------|
| 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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|-----------|------------|--|-------------|--|--|-----------|
| | | 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 | | | | |

| 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 |
| YR2894722 | 2018/11/07 | CONSTRUCTION LIEN | | *** DELETED AGAINST THIS PROPERTY *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| YR2900177 | 2018/11/21 | APL DEL CONST LIEN | | *** COMPLETELY DELETED *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | | REMARKS: YR2894722. | | | | |
| YR2900443 | 2018/11/22 | CHARGE | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | COLOMBUS ROOFING & ALUMINUM (2015) LTD. | |
| YR2905942 | 2018/12/05 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | | REMARKS: YR2900443. | | | | |
| YR2906158 | 2018/12/05 | CHARGE | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | COLOMBUS ROOFING & ALUMINUM (2015) LTD. | |
| YR2917799 | 2019/01/10 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | | REMARKS: YR2906158. | | | | |
| YR2918544 | 2019/01/11 | CHARGE | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | COLOMBUS ROOFING & ALUMINUM (2015) LTD. | |
| YR2926527 | 2019/02/05 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | | REMARKS: YR2918544. | | | | |

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|-----------|---|--------------------|--------|--|---|---------------|
| YR2928191 | 2019/02/08 | CHARGE | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | COLOMBUS ROOFING & ALUMINUM (2015) LTD. | |
| YR2935580 | 2019/03/04 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | REMARKS: YR2928191. | | | | | |
| YR2936180 | 2019/03/06 | CHARGE | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | COLOMBUS ROOFING & ALUMINUM (2015) LTD. | |
| YR2946528 | 2019/04/03 | CONSTRUCTION LIEN | | *** COMPLETELY DELETED *** NG MARIN INC. | | |
| YR2964215 | 2019/05/24 | CERTIFICATE | | *** COMPLETELY DELETED *** NG MARIN INC. | | |
| | REMARKS: CERTIFICATE OF ACTION: YR2946528 | | | | | |
| YR2964240 | 2019/05/24 | CONSTRUCTION LIEN | | *** COMPLETELY DELETED *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| YR2978138 | 2019/06/28 | CONSTRUCTION LIEN | | *** COMPLETELY DELETED *** AYA KITCHENS AND BATHS LTD. | | |
| YR2981246 | 2019/07/09 | CERTIFICATE | | *** DELETED AGAINST THIS PROPERTY *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | REMARKS: CERTIFICATE OF ACTION RE: YR2964240 - THEN DELETED BY YR3009189 B JAMBOR 2019/10/01 | | | | | |
| YR2983672 | 2019/07/15 | CONSTRUCTION LIEN | | *** COMPLETELY DELETED *** TIMELINE FLOORS INC. O/A QUALITY STERLING GROUP | | |
| YR3003793 | 2019/08/30 | CERTIFICATE | | *** COMPLETELY DELETED *** AYA KITCHENS AND BATHS LTD. | | |
| | REMARKS: CERTIFICATE OF ACTION RE: YR2978138 | | | | | |
| 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 | | | | | |
| YR3009188 | 2019/09/17 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | REMARKS: YR2936180. | | | | | |
| YR3009189 | 2019/09/17 | APL DEL CONST LIEN | | *** COMPLETELY DELETED *** | | |

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| | | REMARKS: YR2964240. | | | | |
| YR3009190 | 2019/09/17 | APL DEL CONST LIEN | | *** COMPLETELY DELETED *** AYA KITCHENS AND BATHS LTD. | | |
| | | REMARKS: YR2978138. YR3003793 | | | | |
| YR3009191 | 2019/09/17 | APL DEL CONST LIEN | | *** COMPLETELY DELETED *** NG MARIN INC. | | |
| | | REMARKS: YR2946528. YR2964215 | | | | |
| YR3009192 | 2019/09/17 | APL DEL CONST LIEN | | *** COMPLETELY DELETED *** TIMELINE FLOORS INC. O/A QUALITY STERLING GROUP | | |
| | | REMARKS: YR2983672. | | | | |
| 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 |
| YR3017261 | 2019/10/07 | CHARGE | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | PETRO GROUP INTERNATIONAL INC. | |
| YR3019325 | 2019/10/11 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** PETRO GROUP INTERNATIONAL INC. | | |
| | | REMARKS: YR3017261. | | | | |
| YR3190270 | 2021/01/07 | CAUTION-LAND | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | CAMERON STEPHENS MORTGAGE CAPITAL LTD. | |
| | | REMARKS: DELETE 2021/03/08 | | | | |
| YR3239773 | 2021/04/23 | CAUTION-LAND | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | CAMERON STEPHENS MORTGAGE CAPITAL LTD. | |
| | | REMARKS: EXPIRES 60 DAYS FROM 2021/04/23 | | | | |
| YR3241020 | 2021/04/27 | WITHDRAWAL CAUTION | | *** COMPLETELY DELETED *** | | |

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 REGISTRY
 OFFICE #65

02985-0597 (LT)

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|-----------|------------|---------------------|-----------|---|------------------------|---------------|
| | | REMARKS: YR3239773. | | CAMERON STEPHENS MORTGAGE CAPITAL LTD. | | |
| YR3267063 | 2021/06/16 | APL COURT ORDER | | ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST) | KSV RESTRUCTURING INC. | C |
| YR3292147 | 2021/08/03 | CONSTRUCTION LIEN | \$669,602 | RIVERVALLEY MASONRY GROUP LTD. | | C |

LAND
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02985-0598 (LT)

PAGE 1 OF 7
PREPARED FOR JPetrovic
ON 2021/10/18 AT 10:39:26

* 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
SUNRISE ACQUISITIONS (HWY 7) INC.

CAPACITY SHARE

| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/CHKD |
|--|------------|--------------------|--------------|--|--|-----------|
| ** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2018/11/21 ** | | | | | | |
| **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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|-----------|------------|--|-------------|--|--|-----------|
| | | 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 | | | | |

| 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 |
| YR2894722 | 2018/11/07 | CONSTRUCTION LIEN | | *** DELETED AGAINST THIS PROPERTY *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| YR2900177 | 2018/11/21 | APL DEL CONST LIEN | | *** COMPLETELY DELETED *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | | REMARKS: YR2894722. | | | | |
| YR2900443 | 2018/11/22 | CHARGE | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | COLOMBUS ROOFING & ALUMINUM (2015) LTD. | |
| YR2905942 | 2018/12/05 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | | REMARKS: YR2900443. | | | | |
| YR2906158 | 2018/12/05 | CHARGE | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | COLOMBUS ROOFING & ALUMINUM (2015) LTD. | |
| YR2917799 | 2019/01/10 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | | REMARKS: YR2906158. | | | | |
| YR2918544 | 2019/01/11 | CHARGE | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | COLOMBUS ROOFING & ALUMINUM (2015) LTD. | |
| YR2926527 | 2019/02/05 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | | REMARKS: YR2918544. | | | | |

| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/ CHKD |
|-----------|---|--------------------|--------|--|---|---------------|
| YR2928191 | 2019/02/08 | CHARGE | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | COLOMBUS ROOFING & ALUMINUM (2015) LTD. | |
| YR2935580 | 2019/03/04 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | REMARKS: YR2928191. | | | | | |
| YR2936180 | 2019/03/06 | CHARGE | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | COLOMBUS ROOFING & ALUMINUM (2015) LTD. | |
| YR2946528 | 2019/04/03 | CONSTRUCTION LIEN | | *** COMPLETELY DELETED *** NG MARIN INC. | | |
| YR2964215 | 2019/05/24 | CERTIFICATE | | *** COMPLETELY DELETED *** NG MARIN INC. | | |
| | REMARKS: CERTIFICATE OF ACTION: YR2946528 | | | | | |
| YR2964240 | 2019/05/24 | CONSTRUCTION LIEN | | *** COMPLETELY DELETED *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| YR2978138 | 2019/06/28 | CONSTRUCTION LIEN | | *** COMPLETELY DELETED *** AYA KITCHENS AND BATHS LTD. | | |
| YR2981246 | 2019/07/09 | CERTIFICATE | | *** DELETED AGAINST THIS PROPERTY *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | REMARKS: CERTIFICATE OF ACTION RE: YR2964240 - THEN DELETED BY YR3009189 B JAMBOR 2019/10/01 | | | | | |
| YR2983672 | 2019/07/15 | CONSTRUCTION LIEN | | *** COMPLETELY DELETED *** TIMELINE FLOORS INC. O/A QUALITY STERLING GROUP | | |
| YR3003793 | 2019/08/30 | CERTIFICATE | | *** COMPLETELY DELETED *** AYA KITCHENS AND BATHS LTD. | | |
| | REMARKS: CERTIFICATE OF ACTION RE: YR2978138 | | | | | |
| 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 | | | | | |
| YR3009188 | 2019/09/17 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | REMARKS: YR2936180. | | | | | |
| YR3009189 | 2019/09/17 | APL DEL CONST LIEN | | *** COMPLETELY DELETED *** | | |

| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/CHKD |
|-----------|------------|--|--------|---|--|-----------|
| | | | | COLOMBUS ROOFING & ALUMINUM (2015) LTD. | | |
| | | REMARKS: YR2964240. | | | | |
| YR3009190 | 2019/09/17 | APL DEL CONST LIEN | | *** COMPLETELY DELETED *** AYA KITCHENS AND BATHS LTD. | | |
| | | REMARKS: YR2978138. YR3003793 | | | | |
| YR3009191 | 2019/09/17 | APL DEL CONST LIEN | | *** COMPLETELY DELETED *** NG MARIN INC. | | |
| | | REMARKS: YR2946528. YR2964215 | | | | |
| YR3009192 | 2019/09/17 | APL DEL CONST LIEN | | *** COMPLETELY DELETED *** TIMELINE FLOORS INC. O/A QUALITY STERLING GROUP | | |
| | | REMARKS: YR2983672. | | | | |
| 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 |
| YR3017261 | 2019/10/07 | CHARGE | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | PETRO GROUP INTERNATIONAL INC. | |
| YR3019325 | 2019/10/11 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** PETRO GROUP INTERNATIONAL INC. | | |
| | | REMARKS: YR3017261. | | | | |
| YR3190270 | 2021/01/07 | CAUTION-LAND | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | CAMERON STEPHENS MORTGAGE CAPITAL LTD. | |
| | | REMARKS: DELETE 2021/03/08 | | | | |
| YR3239773 | 2021/04/23 | CAUTION-LAND | | *** COMPLETELY DELETED *** SUNRISE ACQUISITIONS (HWY 7) INC. | CAMERON STEPHENS MORTGAGE CAPITAL LTD. | |
| | | REMARKS: EXPIRES 60 DAYS FROM 2021/04/23 | | | | |
| YR3241020 | 2021/04/27 | WITHDRAWAL CAUTION | | *** COMPLETELY DELETED *** | | |

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LAND
 REGISTRY
 OFFICE #65

02985-0598 (LT)

* 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: YR3239773. | | CAMERON STEPHENS MORTGAGE CAPITAL LTD. | | |
| YR3267063 | 2021/06/16 | APL COURT ORDER | | ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST) | KSV RESTRUCTURING INC. | C |
| YR3292147 | 2021/08/03 | CONSTRUCTION LIEN | \$669,602 | RIVERVALLEY MASONRY GROUP LTD. | | C |

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