Court File No. CV-19-630024-00CP

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

NATALIA KARASIK and DANIEL BURTMAN

Plaintiffs

and

1945087 ONTARIO INC., 1945086 ONTARIO INC., LIBERTY DEVELOPMENT CORPORATION and 1834371 ONTARIO INC.

Defendants

Proceeding under the *Class Proceedings Act, 1992*, S.O. 1992, c. 6

MOTION RECORD

December 2, 2020

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Defendant

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NOTICE OF MOTION
(To Approve the Discontinuance of the Class Proceeding)

The Plaintiffs will make a Motion to the Honourable Justice Perell on _____or as soon after that time as the Motion can be heard at the court house in the City of Toronto, Ontario.

PROPOSED METHOD OF HEARING: The Motion is to be heard orally.

THE MOTION IS FOR:

(i) an Order pursuant to s.29 of the *Class Proceedings Act*, *1992* ("*CPA*"), approving the discontinuance of the putative class proceeding without costs; and

(ii) such further and other relief as counsel may advise and this Honourable Court may permit.

THE GROUNDS FOR THE MOTION ARE:

Background to the Litigation

(a) This proceeding concerns the cancellation of a residential condominium development project, known as “Cosmos Towers”;

(b) On or about September 15, 2016, the representative plaintiff Natalia Karasik (“**Karasik**”) entered into an Agreement of Purchase and Sale with one of the Vendors (1945087 Ontario Inc.) to purchase a pre-construction condominium unit in Cosmos Towers. The other representative plaintiff, Daniel Burtman (“**Burtman**”) entered into an Agreement of Purchase and Sale with the other Vendor (1945086 Ontario Inc.) on or about April 30, 2016.

(c) Each of the Agreements of Purchase and Sale entered into by the representative plaintiffs (and all members of the putative class) were conditional on the Vendors obtaining construction financing for Cosmos Towers on terms satisfactory to them;

(d) Specifically, the Vendors required purchasers (including the representative plaintiffs) to sign a standard form Addendum to the Agreements which included an appendix entitled Early Termination Conditions, which provided as follows:

> Description of the Early Termination Condition: The Purchase Agreement is conditional upon receipt by the Vendor of confirmation that the financing for the project on terms satisfactory to the Vendor has been arranged.
>
> The Approving Authority (as that term is defined in Schedule A) is: n/a, the determination of the Vendor in its sole, absolute and unfettered discretion;

(e) In April 2018, the representative plaintiffs were notified that the Vendors were exercising their rights under the Early Termination Condition to cancel the Cosmos Towers project. The Vendors asserted that despite taking all commercially reasonable steps, financing satisfactory to them could not be arranged;

(f) The representative plaintiffs' deposits were returned to them;

The Class Proceeding

(g) This proceeding was commenced by Statement of Claim, issued October 29, 2019. It has been brought as a putative class proceeding on behalf of two proposed classes:

(i) Primarily, a class consisting of all purchasers who entered into Agreements of Purchase and Sale with the Vendors for the purchase of one or more Cosmos Tower condominium units on terms that in all material respects except price were the same as the representative plaintiffs' Agreements (the "**Entire Purchaser Class**"); or

(ii) Alternatively, a class consisting of the Entire Purchase Class, less a group who had brought an earlier, unsuccessful proceeding challenging the Early Termination Condition , in the event that group's claims are found to be *res judicata* or an abuse of process (the "**Alternative Class**");

(h) Including the representative plaintiffs, there are likely between 800 and 1,000 putative members of the Entire Purchaser Class;

(i) Including Karasik, there are likely between 200 and 400 putative members of the Alternative Class;

(j) Essentially, the representative plaintiffs claim the Vendors did not act in good faith when they invoked the Early Termination Condition and cancelled the Project. They allege, among other things, that if the Vendors had acted in a good faith and commercially reasonable manner, they would have been able to obtain construction financing on reasonable commercial terms—and, therefore, would have been able to complete the Project;

Conduct of the Proceeding to Date

(k) On January 27, 2020, the proceeding was assigned to the Honourable Justice Perell for case management;

(l) A settlement meeting was held among counsel on August 7, 2020;

(m) Following the settlement meeting, the plaintiffs instructed counsel to negotiate a without costs discontinuance. The particulars of the settlement meeting and the decision of the plaintiffs are (i) settlement privileged; and (ii) solicitor-client privileged;

(n) A date has not been set for the certification hearing;

The Without Costs Discontinuance

(o) On September 8, 2020, the defendants consented to the without costs discontinuance of this proceeding;

Effect of a Discontinuance on the Putative Class Members

(p) The putative class members will not be prejudiced by the discontinuance of the proceeding;

(q) The putative class members have not been notified of this proceeding;

(r) The limitation period applicable to the putative class members commenced in April 2018 and has been tolled since October 29, 2019, by virtue of section 28(1) of the *Class Proceedings Act*;

(s) The putative class members still have approximately five months within which to commence an individual action in the event this proceeding (of which the class members are unaware) is discontinued;

(t) The issuance of a without costs dismissal will not result in adverse findings being made which could prejudice the individual claims of putative class members;

(u) Counsel for the representative plaintiffs undertakes to publish on their firm's website notice of the discontinuance , together with copies of the pleadings filed to date and any further direction this Honourable Court deems just and appropriate;

Statutory Grounds

(v) Section 9, 12, and 29 of the *Class Proceedings Act*, and Rules 1.04, 12, and 23 of the *Rules of Civil Procedure*; and

(w) Such further and other grounds as the lawyers may advise.

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

(a) The pleadings and proceedings herein;

(b) The Affidavit of Daniel Burtman, affirmed October ____, 2020; and

(c) Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

Date: December 2, 2020

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NATALIA KARASIK, et al.
Plaintiffs

-and-

1945087 ONTARIO INC., et al.
Defendants

Court File No. CV-19-00630024-00CP

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
TORONTO

NOTICE OF MOTION

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Court File No.: CV-19-00630024-00CP

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

NATALIA KARASIK and DANIEL BURTMAN

Plaintiffs

and

1945087 ONTARIO INC., 1945086 ONTARIO INC., LIBERTY DEVELOPMENT CORPORATION and 1834371 ONTARIO INC.

Defendants

AFFIDAVIT OF DANIEL BURTMAN

I, Daniel Burtman, of the City of Toronto, in the Province of Ontario, AFFIRM:

1. I am one of the representative plaintiffs in this putative class proceeding. As such, I have knowledge of the matters contained in this Affidavit. Where my knowledge is based on information and belief, I have stated the source of that information and believe it to be true.

The Cosmos Towers Project

2. In or around the winter of 2016, I learned of a residential condominium project being built in Vaughn, Ontario. The project was known as "Cosmos Towers" and was to consist of three towers: Tower A, Tower B, and Tower III (the "**Cosmos Towers Project**"). Attached to this affidavit as **Exhibit "A"** is a brochure advertising one of the towers (Tower III).

3. The defendant 1945086 Ontario Inc. was the vendor of the condominium units in Towers A and B. The defendant 1945085 Ontario Inc. was the vendor of the condominium units in Tower III (collectively, the "**Vendors**").

4. The defendant Liberty Development Corporation ("**Liberty**") was engaged by the Vendors to provide management services with respect to the development of the Cosmos Towers project.

5. The defendant 1834371 Ontario Inc. ("**183**") owned the lands on which Cosmos Towers was to be built.

6. I understand that the Cosmos Towers Project was to encompass approximately 1,100 residential condominium units.

The Purchase and Sale Agreement

7. On or about April 30, 2016, my wife and I entered into an Agreement of Purchase and Sale with the defendant 1945086 Ontario Inc. to acquire a pre-construction condominium unit in Tower A (the "**APS**"). Attached to this affidavit as **Exhibit "B"** is a copy of the APS.

8. The APS included an addendum the Tarion Warranty Corporation apparently required to be included in every Agreement for the Projec (the "**Tarion Addendum**").

9. I am advised by Natalia Karasik, the other plaintiff in this proceeding, that on or about September 15, 2016, she entered into an Agreement of Purchase and Sale with the defendant 1945087 Ontario Inc. to acquire a pre-construction unit in Tower III. Attached to this affidavit as **Exhibit "C"** is a copy of Ms. Karaski's Agreement of Purchase and Sale. As can be seen, it also includes a Tarion Addendum.

The Cancellation of the Project

10. On April 4, 2018, my wife and I received a letter from Shawn Richardson, on behalf of 1945086 Ontario Inc., informing us that the Early Termination Condition #2 in the Tarion Addendum had not been satisfied or waived within the required period (the "**Vendor Letter**"). The Vendor Letter further advised that "in accordance with Section 6 and 10(d) of the Tarion Addendum….the Purchase Agreement is hereby terminated". A copy of the Vendor Letter is attached to this affidavit as **Exhibit "D"**.

11. In addition to the Vendor Letter, I received a letter from Liberty, also dated April 4, 2018, again advising that the project had been cancelled and the APS terminated (the "**Liberty Letter**"). A copy of the Liberty Letter is attached to this affidavit as **Exhibit "E"**.

12. The Vendor Letter and the Liberty Letter were the first notice I received that the APS was being cancelled. I understand that the other purchasers of units in the Cosmos Towers Project were notified by similar letters at or around the same time as well.

The Application

13. On August 30, 2018, approximately 604 purchasers of units in the Cosmos Towers Project, including myself, commenced an application against the defendants seeking, among other things, a declaration that the Early Termination Condition #2 was null and void or, alternatively, not enforceable (the "**Application**"). A copy of the Notice of Application is attached to this affidavit as **Exhibit "F"**.

14. On April 29, 2019, the Honourable Justice Penny dismissed the Application, having found that the Early Termination Condition was not unenforceable. In his decision, Justice Penny noted

that the issue of the reasonableness and good faith of the Vendors' termination in reliance on the Early Termination Clause was not engaged by the Application. A copy of Justice Penny's decision is attached to this affidavit as **Exhibit "G"**.

The Class Proceeding

15. By Statement of Claim dated October 29, 2019, Natalia Karasik and I commenced this proceeding as representative plaintiffs for all purchasers of units in the Cosmos Towers Project. While I had been involved in the Application, Ms. Karasik had not. Accordingly, both of us were named as plaintiffs in case any concern was raised as to whether the Application dis-entitled me or other applicants in the Application to proceed with the class proceeding. Natalia and I retained Adair Goldblatt Bieber LLP ("**AGB**") as counsel. A copy of the issued Statement of Claim is attached to this affidavit as **Exhibit "H"**.

16. On November 1, 2019, my counsel served the Statement of Claim. In writing to the defendants, my counsel wrote (at the time, without prejudice):

> Our clients understand that you have not been obliged to produce information related to the issue that we propose to litigate, nor would you be required to do so until after certification of the proceeding. Nevertheless, we would request that you immediately produce to us all of the documents in your possession, including but not limited to any correspondence, emails, term sheets, memoranda, and loan agreements, relating to your efforts to obtain construction financing for the Cosmos Towers project.
>
> Our hope is that by you deciding to make immediate production, we can better advise our clients as to the merit of the proposed proceeding. We note that we will not seek appointment of a case management judge until we hear back from you in regard to this request.

17. A copy of the November 1, 2019 letter is as attached to this affidavit **Exhibit "I"**.

18. I am advised by Jordan Goldblatt of AGB and do verily believe that between when the claim was served, and until the Spring of 2020, discussions took place among counsel with the defendants determining what documents they would be prepared to produce in advance of certification. Throughout the Spring, no documents were produced.

19. Ms. Karasik and I instructed Mr. Goldblatt to move the matter forward, and on May 20, 2020, counsel for the parties attended a teleconference with Justice Perell to establish a timetable for this matter. Attached to this affidavit as **Exhibit "J"** is an order/direction from Justice Perell establishing a partial timetable for the Certification Motion.

20. In accordance with the partial timetable, the defendants delivered their Statements of Defence on or about July 17, 2020. Attached to this affidavit as **Exhibit "K"** is a copy of the Statement of Defence of Liberty and 183. Attached to this affidavit as **Exhibit "L"** is a copy of the Statement of Defence of the Vendors.

21. Finally, on August 7, 2020, a meeting took place among all counsel to review certain documents related to the claim. The particulars of that meeting are settlement privileged.

22. Mr. Goldblatt then reported to Ms. Karasik and I following the August 7, 2020 meeting.

The Discontinuance

23. In or around September 2020, Ms. Karasik and I instructed Mr. Goldblatt to request that the proceeding be discontinued on a without cost basis. The reasons for our request are subject to solicitor-client privilege, and I do not, in any way, waive or abrogate said privilege.

24. I am advised by Mr. Goldblatt that he subsequently contacted counsel for the defendants to obtain their consent to a without cost discontinuance. Mr. Goldblatt further advises me that, on our about September 8, 2020, counsel for Liberty and 183 wrote on behalf of all defendants consenting to a without costs discontinuance of the proceeding.

25. Attached to this affidavit as **Exhibit "M"** is a copy of the executed consent from all parties to this proceeding (through counsel), consenting to its without costs dismissal.

Notice to Putative Class Members

26. I am advised by Mr. Goldblatt that, if the discontinuance is granted, his firm intends to publish a notice on the AGB website advising putative class members that this proceeding has been discontinued, along with any the pleadings and any Order granted (the "**Notice"**). A copy of the draft Notice is attached to this affidavit as **Exhibit "N"**. The Notice would remain published for at least 90 days following the date of any discontinuance, and on the "Class Action" section of the AGB website.

27. I am advised by Mr. Goldblatt that his firm made no publication of this proceeding to any other putative class member, and took no step to publicize the claim once issued. In particular, I am advised that neither Mr. Goldblatt nor anyone else at his firm had communicated with putative class members about the proceeding, and the action was not published on the National Class Actions Database of the Canadian Bar Association.

28. This affidavit is being affirmed remotely, in the context of the COVID-19 pandemic.

AFFIRMED *via video conference* by Daniel Burtman at the City of Toronto in the Province of Ontario, before me on December 7, 2020 and in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits
(or as may be)

Administered remotely from the City of
St. John's, Newfoundland and Labrador

DANIEL BURTMAN

This is Exhibit “A” referred to in the Affidavit of Daniel Burtman affirmed December .....7...., 2020.

Commissioner for Taking Affidavits (or as may be)

THE
FUTURE
IS HERE
Future
Transit
Entertainment
Connected
Destination
Shopping
COSMOS III
CONDOMINIUMS

THE FUTURE IS HERE IN DOWNTOWN VAUGHAN

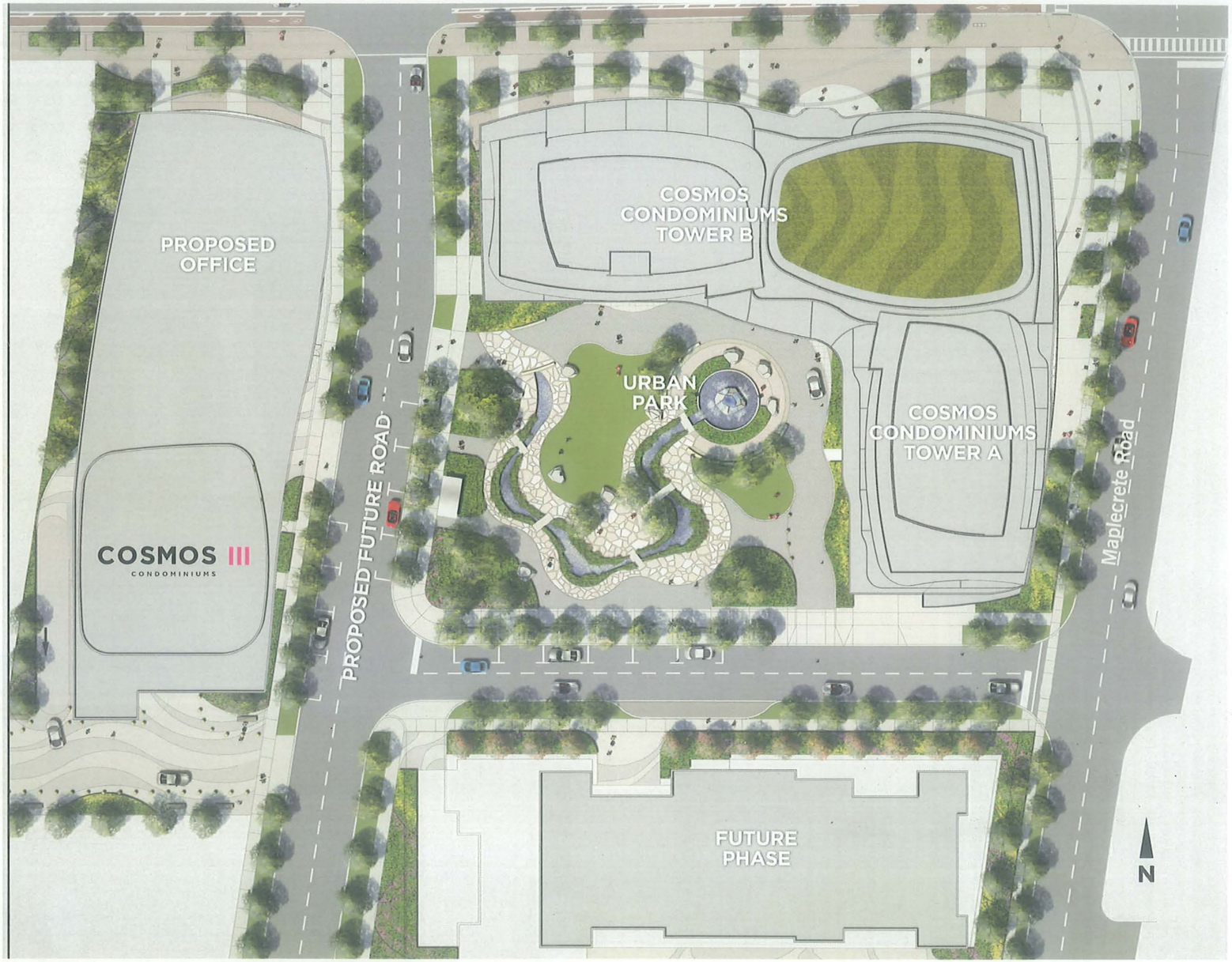
In Downtown Vaughan, at the epicentre of Highway 7 and Jane Street, a futuristic vision is taking shape. After the spectacular success of Cosmos Towers A & B, Liberty Development proudly presents Cosmos III. The third landmark tower continues the futuristic architecture and ultra-modern suite designs of Cosmos, a master-planned community that connects its residents to a universe of exciting possibilities. Live just steps from the TTC's new Vaughan Metropolitan Centre subway station, Hwys 400/407 and all the great amenities in the City of Vaughan.

Welcome to the future of evolved condominium living. Cosmos III.
A community ahead of its time.

STEPS TO THE NEW
VAUGHAN METROPOLITAN
CENTRE SUBWAY STATION

Vaughan Metropolitan Subway Station, Conceptual Rendering TTC.CA

A COMMUNITY AHEAD OF ITS TIME



Cosmos Condominiums - 2D Master Plan, Conceptual Rendering

Offices

VIVA

URBAN

The City

Shops

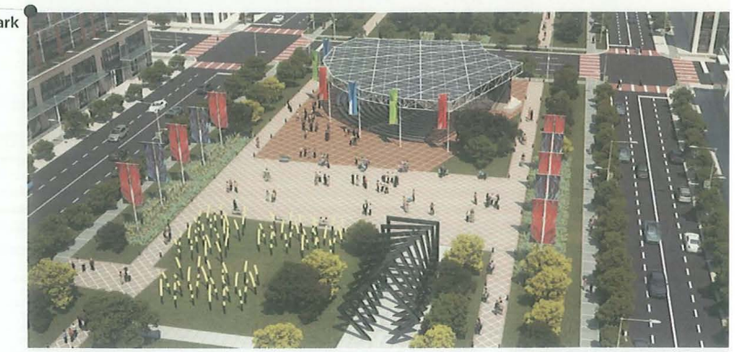
Welcome to the GTA's newest and most spectacular destination. Downtown Vaughan is the heart of a futuristic, world-class new residential and commercial district, anchored by the new Vaughan Metropolitan Centre subway station and a new VIVA bus terminal.

DOWNTOWN VAUGHAN

TTC

VAUGHAN METROPOLITAN CENTRE

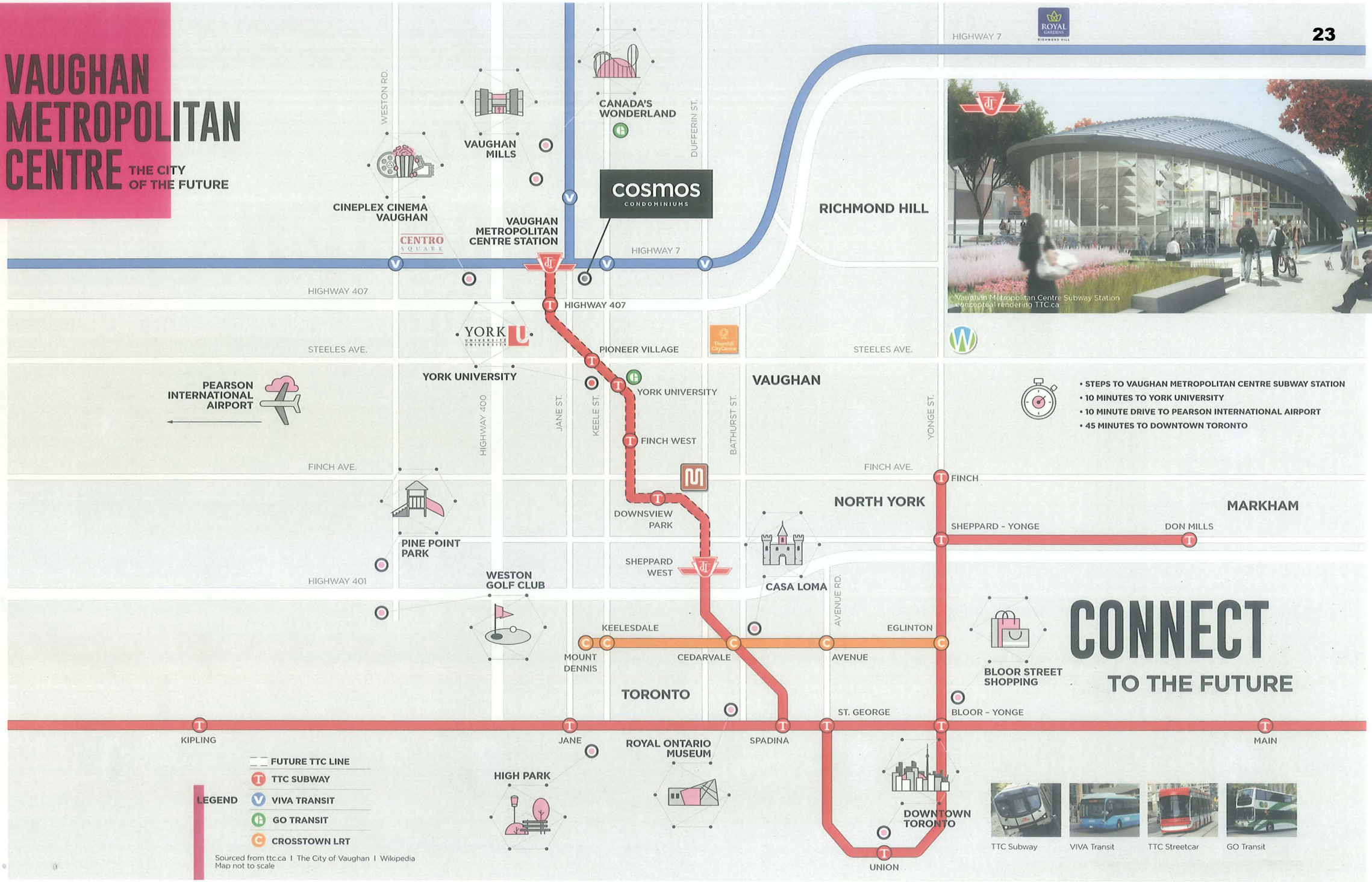
Park



Sourced from The City of Vaughan

VAUGHAN METROPOLITAN CENTRE

THE CITY OF THE FUTURE



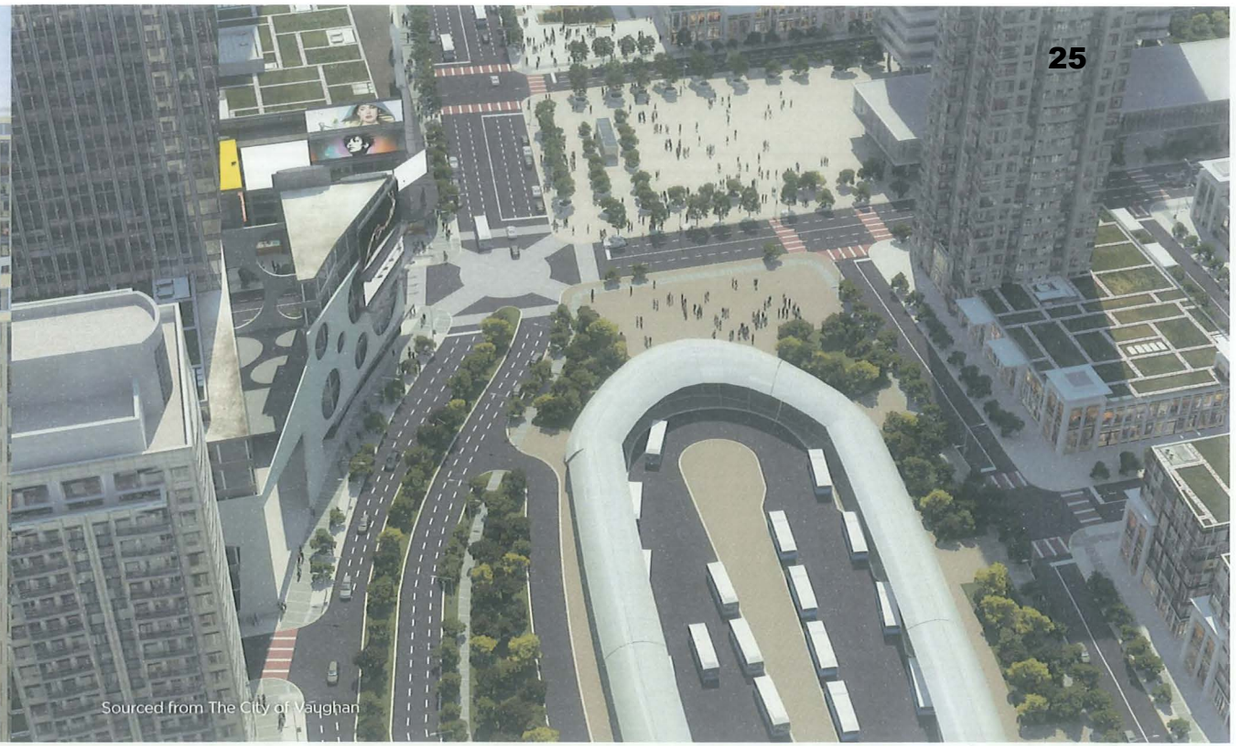
Easy access to TTC and VIVA Transit

VAUGHAN METROPOLITAN CENTRE

SUBWAY STATION

Just steps from Cosmos Condominiums is the GTA's newest transit hub, Vaughan Metropolitan Centre. When completed in 2017, the Toronto-York-Spadina extension will offer fast and direct links to key destinations across the GTA.

Sourced from ttc.ca I The City of Vaughan



WORK

Vaughan Metropolitan Centre is one of Ontario's 25 Urban Growth Centres, a multi faceted and dynamic destination, attracting a diverse range of talent, people and culture with office, retail and commercial spaces, hotels, conventions and entertainment venues.

1.5 MILLION SQ. FT.
of office space

750,000 SQ. FT.
of retail & commercial

11,500 JOB
opportunities will be created

442 ACRES
in total area

Sourced from The City of Vaughan

CONNECT

With the new subway station at your door and highways 7, 400 and 407 minutes away, you have quick connections to work, study, shopping, airport and the attractions of downtown Toronto.

10 MINUTES
to York University, Canada's third largest university

45 MINUTES
to downtown Toronto and the Financial District

10 MINUTES
to Canada's busiest airport, Pearson International Airport

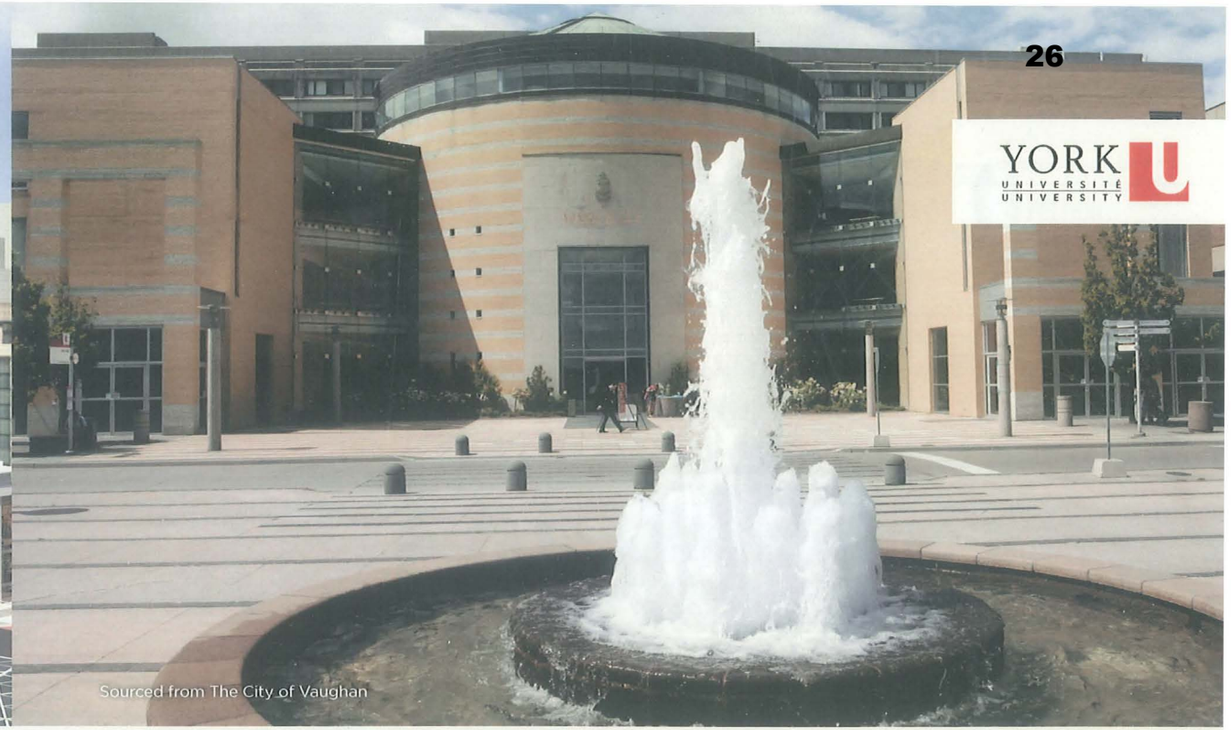
VIVANEXT RAPID TRANSIT

15.9 KM
of bus rapidways under construction along Highway 7

22 MILLION
passengers rode York Region Transit in 2012

Sourced from The City of Vaughan

Sourced from The City of Vaughan



Sourced from The City of Vaughan

LIVE

From downtown modern condos to family-friendly communities, over 12, 000 residential units are proposed to be built in Vaughan's new downtown that will be home to over 25,000 new residents.

POPULATION GROWTH 2014

1.1 MILLION
York Region

315,000
Vaughan

POPULATION GROWTH 2031

1.5 MILLION
York Region

416,600
Vaughan

Sourced from The City of Vaughan

LEARN

Just a short, 10-minute subway ride brings you to York University, Canada's third largest university with world-renowned faculties in the arts, sciences, business, law and engineering.

OVER 7000 FACULTY AND STAFF

STUDENT POPULATION OF OVER 55,000

WORLD-RENOWNED SCHULICH SCHOOL OF BUSINESS

CANADA'S OLDEST OSGOODE LAW SCHOOL

MACLEAN'S RANKING – 7 (YEAR 2016)

Sourced from The City of Vaughan

Cosmos Condominiums - Tower A & B Park, by Liberty Development, Conceptual Rendering

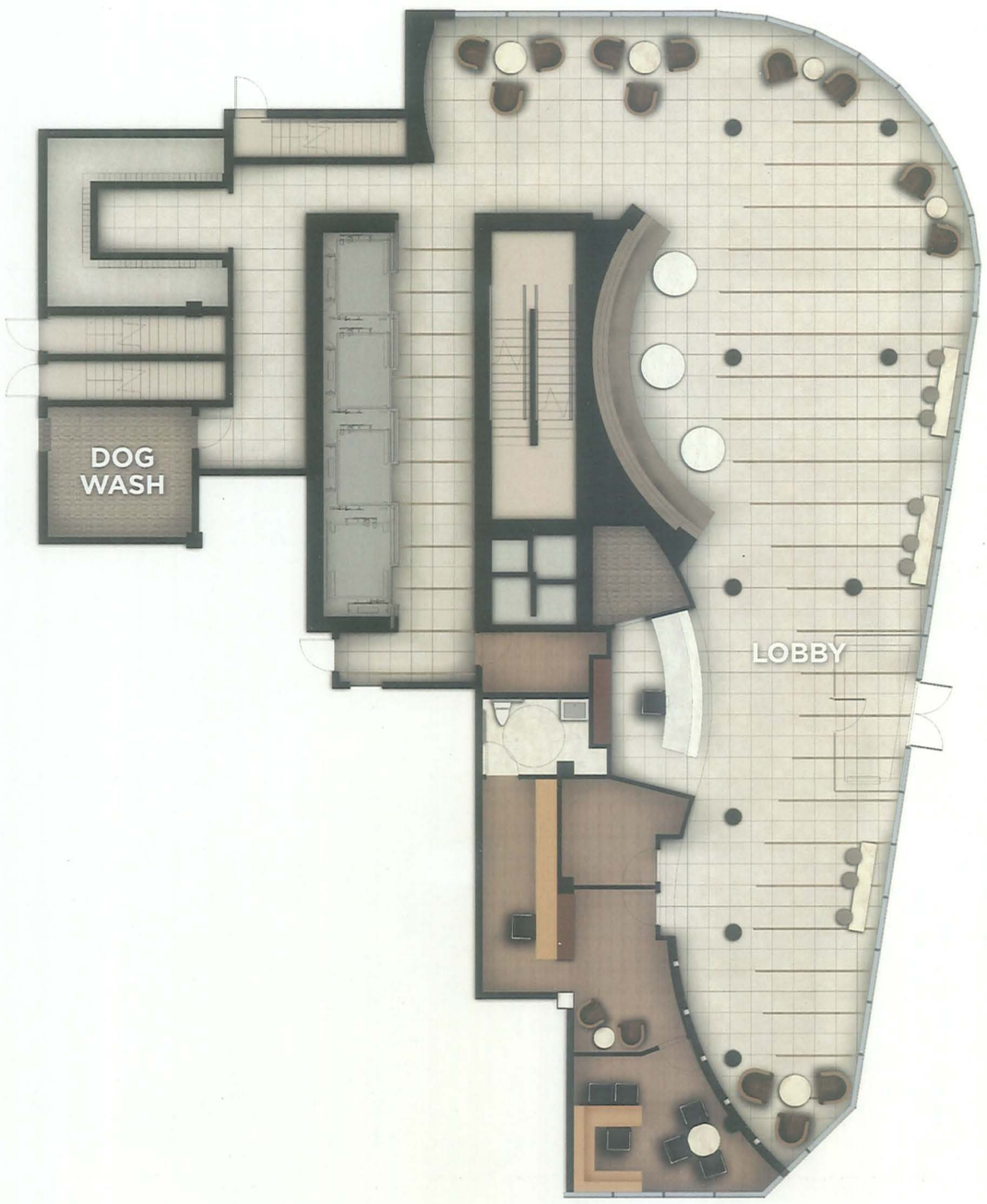
THE FUTURE IS GREEN

IN DOWNTOWN VAUGHAN

Cosmos Condominiums - Tower A & B Aerial Park View, by Liberty Development, Conceptual Rendering

The spectacular courtyard park is the green oasis of the community. It is the perfect place to spend quality time with family. It is the heart and hub of the community where you can meet and greet your neighbours or enjoy a moment of peace and quiet.

COSMOS III
AMENITIES



Ground Floor Amenities

In addition to all that Downtown Vaughan has to offer with its diverse and vibrant amenities, residents of Cosmos III also have an exclusive array of leisure and lifestyle pursuits within the community. From elegant indoor dining to a spectacular outdoor terrace, you have everything you need to lead a full, rich life. And it's all just a short elevator ride away!

Cosmos Condominiums – 2D Amenity Plan, Conceptual Rendering

COSMOS III
AMENITIES

11TH Floor Cosmos III Amenities

1. Yoga Room
2. Exercise Room
3. Private Dining Room
4. Residential Outdoor Amenity
5. Party Room
6. Games Lounge
7. Guest Suite

Cosmos III residents will have access to all the great amenities of Towers A & B. From staying fit and healthy to socializing with friends to experiencing a moment of pure exhilaration in the sumptuous pool, the diverse recreational amenities at Cosmos will keep your soul nourished far into the future.

Cosmos Condominiums- Tower A & B Amenity Map
by Liberty Development, Conceptual Rendering

COSMOS TOWERS A&B AMENITIES

Cosmos Condominiums - 2D Amenity Plan, Conceptual Rendering

INDOOR POOL

Sink into ultimate luxury in the pristine indoor pool.

Cosmos Condominiums – Tower A & B Pool by Liberty Development, Conceptual Rendering

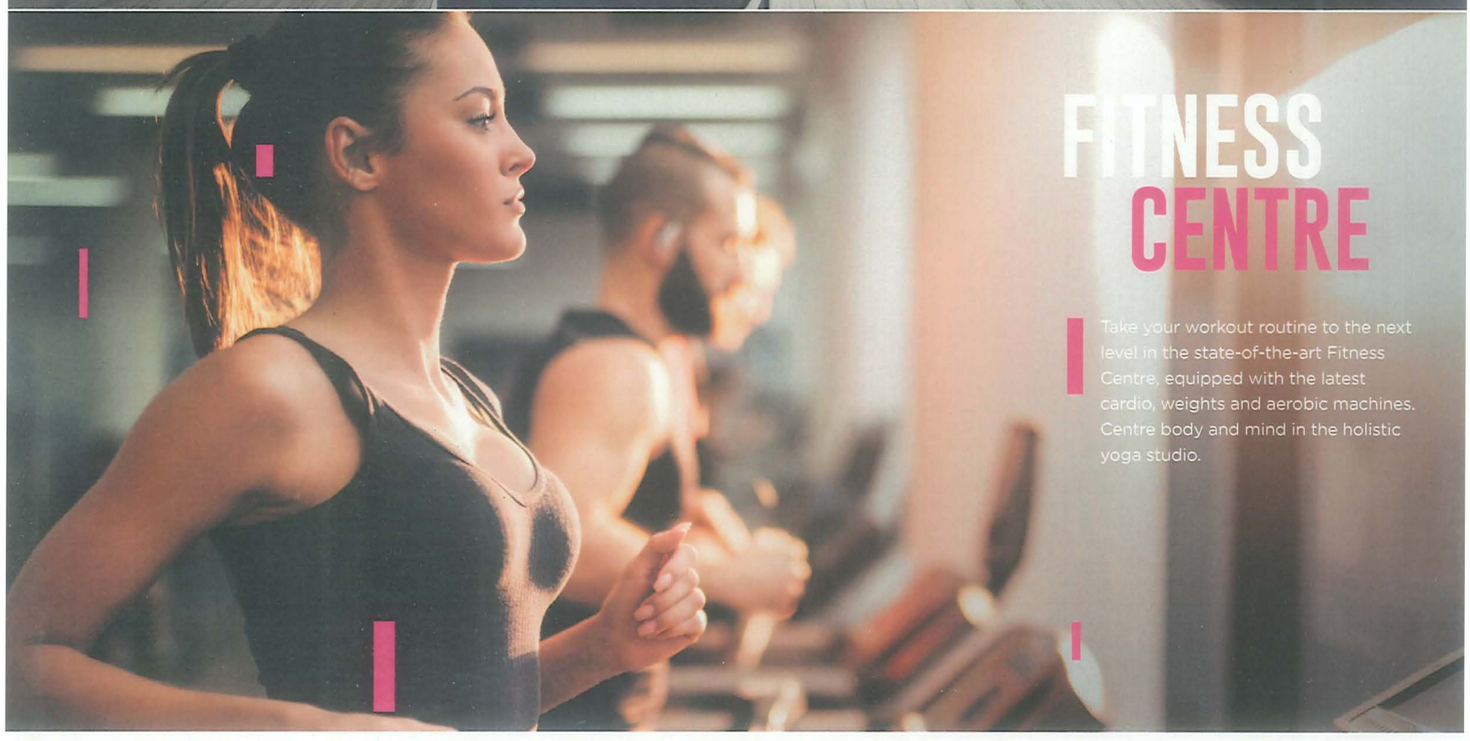
PARTY LOUNGE

Host a special occasion in the elegant party room located in Tower A. Bond with friends in the cozy lounge. This is life at Cosmos.

Cosmos Condominiums- Tower A & B Party Room by Liberty Development, Conceptual Rendering

FITNESS CENTRE

Take your workout routine to the next level in the state-of-the-art Fitness Centre, equipped with the latest cardio, weights and aerobic machines. Centre body and mind in the holistic yoga studio.



THE OBSERVATORY

Cosmos Condominiums – Tower B Observatory By Liberty Development, Conceptual Rendering

Welcome to the Observatory. Located on the top floor of Cosmos (Tower B), this is an exciting place with spectacular views of the skyline. The proposed high-definition telescope offers a fascinating picture of the night sky for astronomy buffs and casual observers alike.

THE NEXT LEVEL OF LUXURY

Cosmos raises the bar in urban living with an inspired array of interior design and finishes. Soaring ceilings, open concept layouts and natural light from expansive windows lend an aura of spacious urban luxury.

Every suite offers a brilliant fusion of style and substance with meticulous detailing and unparalleled craftsmanship. Kitchens shine with gleaming countertops, contemporary cabinetry and modern appliances. At Cosmos, we have taken the good life and elevated it to the next level of urban sophistication.

Cosmos Condominiums - Tower A & B Interior Suite by Liberty Development, Conceptual Rendering

FEATURES & FINISHES

KITCHEN FEATURES

- Granite or quartz countertops.*
- European-style cabinets, with 36" high upper cabinet.* •
- Stainless steel undermount sink with single-lever faucet and vegetable spray.*
- Ceramic tile backsplash.*
- Stainless Steel Bosch appliance package including: built-in oven, black-glass cooktop, built-in multi-cycle dishwasher, counter-depth bottom-freezer refrigerator, and micro wave hood fan vented to exterior.*

BATHROOM FEATURES

- Quartz countertop with undermount sinks.*•
- Custom mirror / medicine cabinet over vanity.•
- White bathroom fixtures.•
- Ceramic tile on floors, tub surround and wall and shower floor (where applicable).*•
- Choice of vanity cabinets from builder's standard samples. *•
- Single-lever faucets for vanities.
- Pressure balanced valves in tub and shower.
- White acrylic soaker tub.•
- Mirror over width of vanity in second bathroom. •

FLOORING

- Ceramic tile in bathroom(s) and laundry area.*•
- Laminate flooring in living room, dining room, den and bedroom(s) (if applicable).*•
- Laminate flooring in foyer and kitchen.*

CONTEMPORARY SUITE

- Solid core entry door with brushed nickel hardware and stained finish.
- Contemporary interior doors with brushed nickel lever hardware.
- Mirrored sliding closet doors in foyer, where applicable.•
- Contemporary white 5 1/2" baseboards and 2 1/4" trim casings.
- White smooth ceilings throughout finished with white flat latex paint. Semi-gloss paint in kitchen and bathroom(s).
- Interior walls painted with two coats of flat latex paint (kitchen, bathroom(s), all interior doors and all trim painted with semi-gloss latex paint).*
- Glass and rail treatment on balconies.•
- 6' High privacy screen dividing balcony and terrace where applicable •
- Space efficient stacking electric washer/dryer (white) vented to exterior.•
- 9' ceilings on residential levels •

SECURITY

- Full time concierge.
- Surveillance cameras in select areas of building and underground garage.
- Electronic access control system for recreation amenities, parking garage, and other common areas.
- Enter phone and cameras located in lobby and visitor entrances allowing residents to view visitors through dedicated television channel.
- Suite entry doors roughed-in for in-suite security alarm system.
- In-Suite fire alarm speaker.
- In-Suite hard wired smoke detector.

STATE-OF-THE-ART WIRING

- Suites pre-wired using CAT 6 wiring, for telephone outlets in living room, bedroom(s), and den (if applicable).•
- Suites pre-wired for cable television outlets using RG 6 wiring in living room, bedroom(s) and den (if applicable). •

MECHANICAL AND ELECTRICAL SYSTEMS

- Individually controlled central heating and cooling system (seasonal).
- Central domestic hot water system.
- White Decora-style receptacles and light switches throughout suites.
- Light fixtures provided in kitchen, all bedroom(s), living room and den, bathroom(s), and walk-in closet. (if applicable).•
- Individual remote hydro metering for hydro consumption.
- Heavy-duty wiring and receptacle for washer/dryer.

NOTES

- * Indicates as per Vendor's standard sample(s).
- • Indicates as per Vendor's plans.
- Purchaser(s) shall select the colour and material from Vendor's standard samples only (one laminate floor colour and one paint colour per suite).
- Purchaser(s) may select upgraded materials from Vendor's samples and shall pay the upgrade costs at the time of colour and finishes selection.
- Vendor reserves the right to make reasonable changes in the opinion of Vendor in the plans and specifications if required and to substitute other material or finishes or that provided for herein with material or finishes of equal or better quality than that provided for herein. The determination of whether or not a substitute material or finish is of equal or better quality shall be made by Vendor, in its sole, absolute and unfettered discretion, which determination shall be final and binding. Purchaser acknowledges that colour, texture, appearance, grains, veining, natural variations in appearance, etc. of features and finishes installed in the unit may vary from Vendor samples as a result of normal manufacturing and installation processes and/or as a result of any such finishes being of natural products (i.e., due to the inherent nature of the material itself) and Purchaser agrees that Vendor is not responsible for same. Vendor shall not be responsible for shade differences occurring in the manufacture of items such as, but not limited to, finishing materials or products such as carpet, tiles, granite, marble, porcelain, laminate flooring, engineered flooring, bath tubs, sinks and other such products where the product manufacturer establishes the standard for such finishes. Nor shall Vendor be responsible for shade differences in colour of components manufactured from different materials but which components are designed to be assembled into either one product or installed in conjunction with another product and in these circumstances the product as manufactured shall be accepted by Purchaser. Purchaser acknowledges and agrees that carpeting may be seamed in certain circumstances and said seams may be visible. Purchaser acknowledges and agrees that pre-finished wood flooring (if any) or any engineered wood flooring (if any) may react to normal fluctuating humidity levels inducing gapping and cupping. Purchaser acknowledges that marble and similar stones (if any) are very soft stones, which will require a substantial amount of maintenance by Purchaser and are very easily scratched and damaged. Plan and specifications are subject to change without notice.
- Where bulkheads are installed and where dropped ceilings are required, the ceiling height will be less than stated, as per Vendor's plans.
- All plans, elevations, sizes and specifications are subject to change from time to time by Vendor without notice. E. & O. E..
- Unit owners are covered by TARION Warranty Program (formally known as ONHWP). Vendor is proud to be registered with TARION Warranty Program.

September 8, 2016

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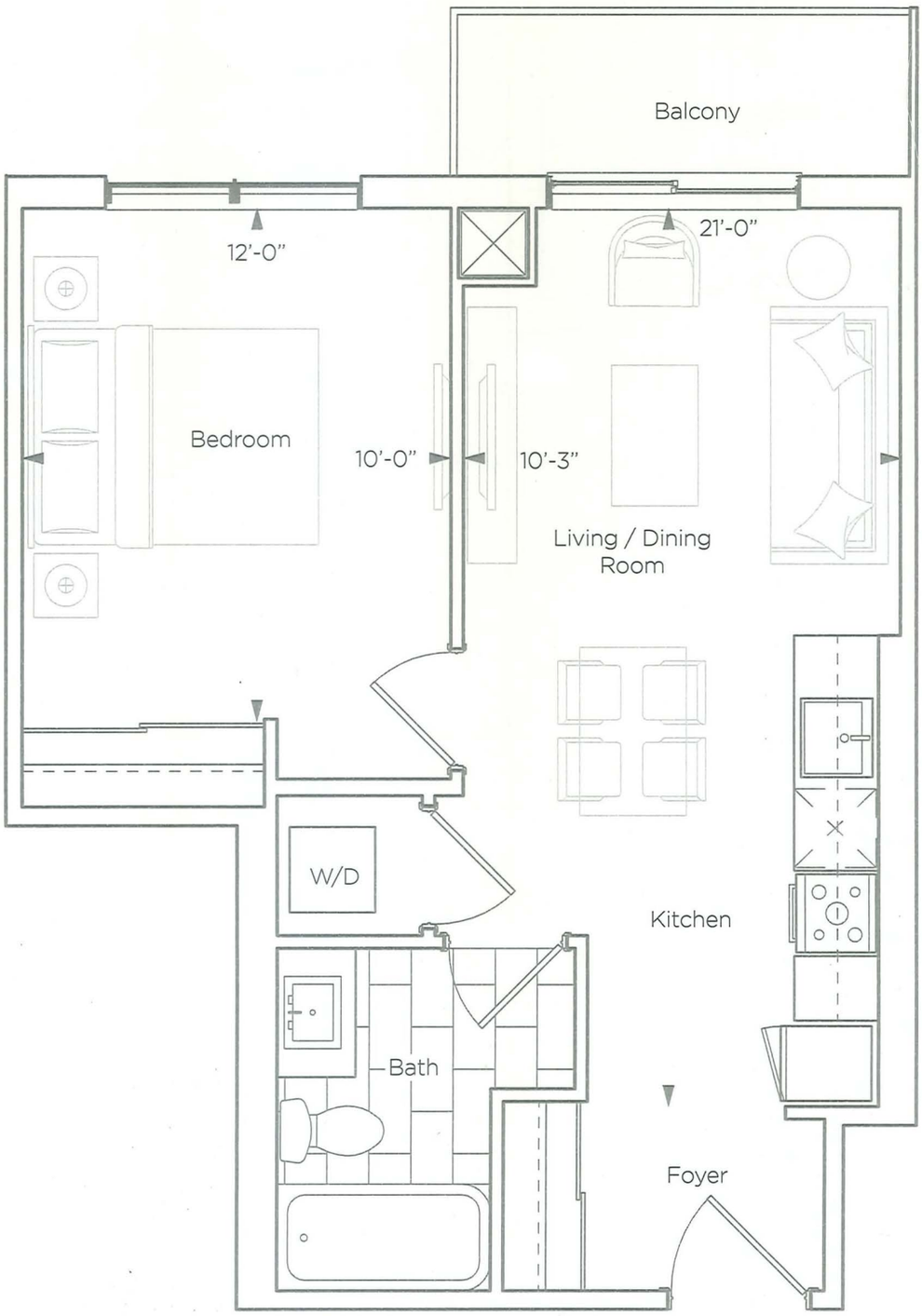
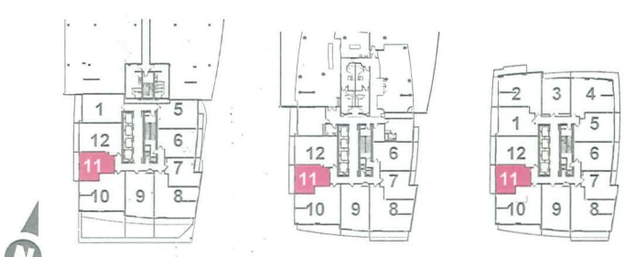
LIBERTY development

1A – 1 Bedroom 490 sq. ft.





FLOORS 2-10 FLOOR 11 FLOORS 12-34

+ 40 sq. ft. Balcony

Note: All prices, figures, sizes, specifications and information are subject to change without notice. E. & O.E. All areas and stated dimensions are approximate. Actual usable floor space, living area and square footage may vary from stated floor area. All illustrations are artist's concept only. The unit shown may be the reverse of the unit purchased. The purchase price does not include any furniture.© 2016 Liberty Development Corporation. All rights reserved.

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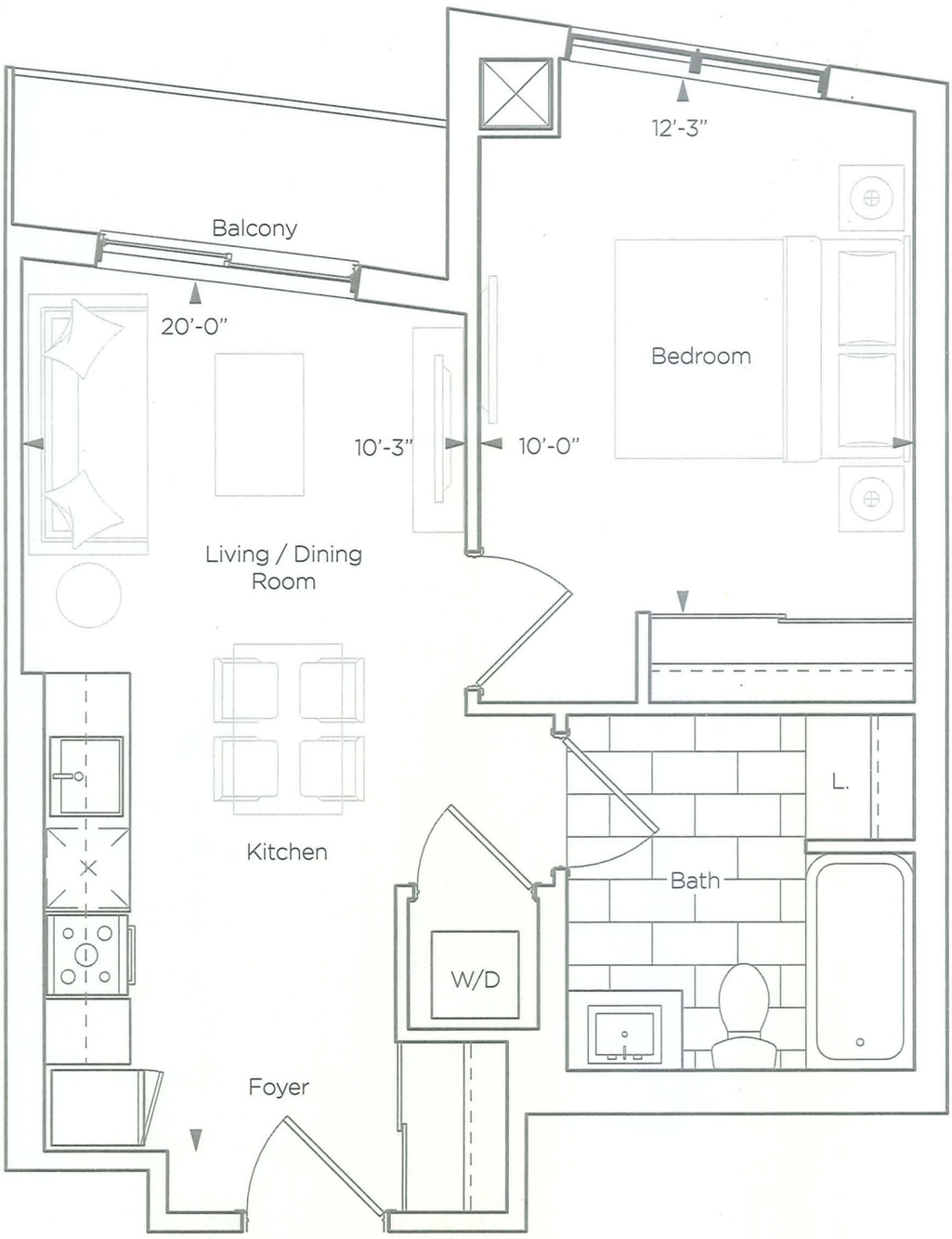
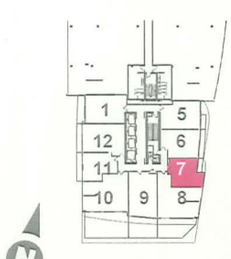
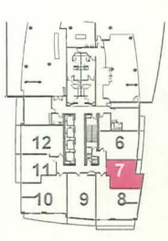
LIBERTY development

1B-BF – 1 Bedroom 505 sq. ft.





FLOORS 2-10



FLOOR 11

FLOORS 12-34

+ 30 sq. ft. Balcony

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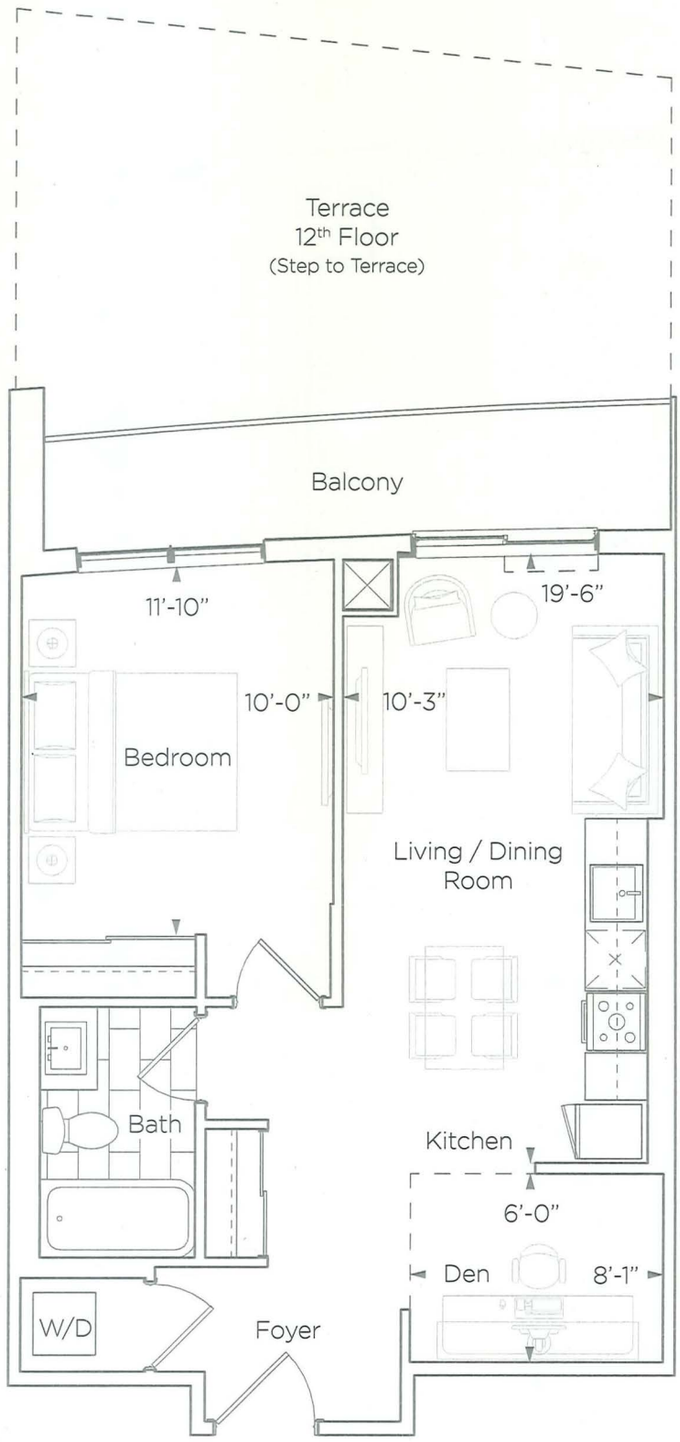
LIBERTY development

1A+D – 1 Bedroom + Den 595 sq. ft.



FLOORS 12-34

+ 70 sq. ft. Balcony

+ 250 sq. ft. Terrace (12th Floor)

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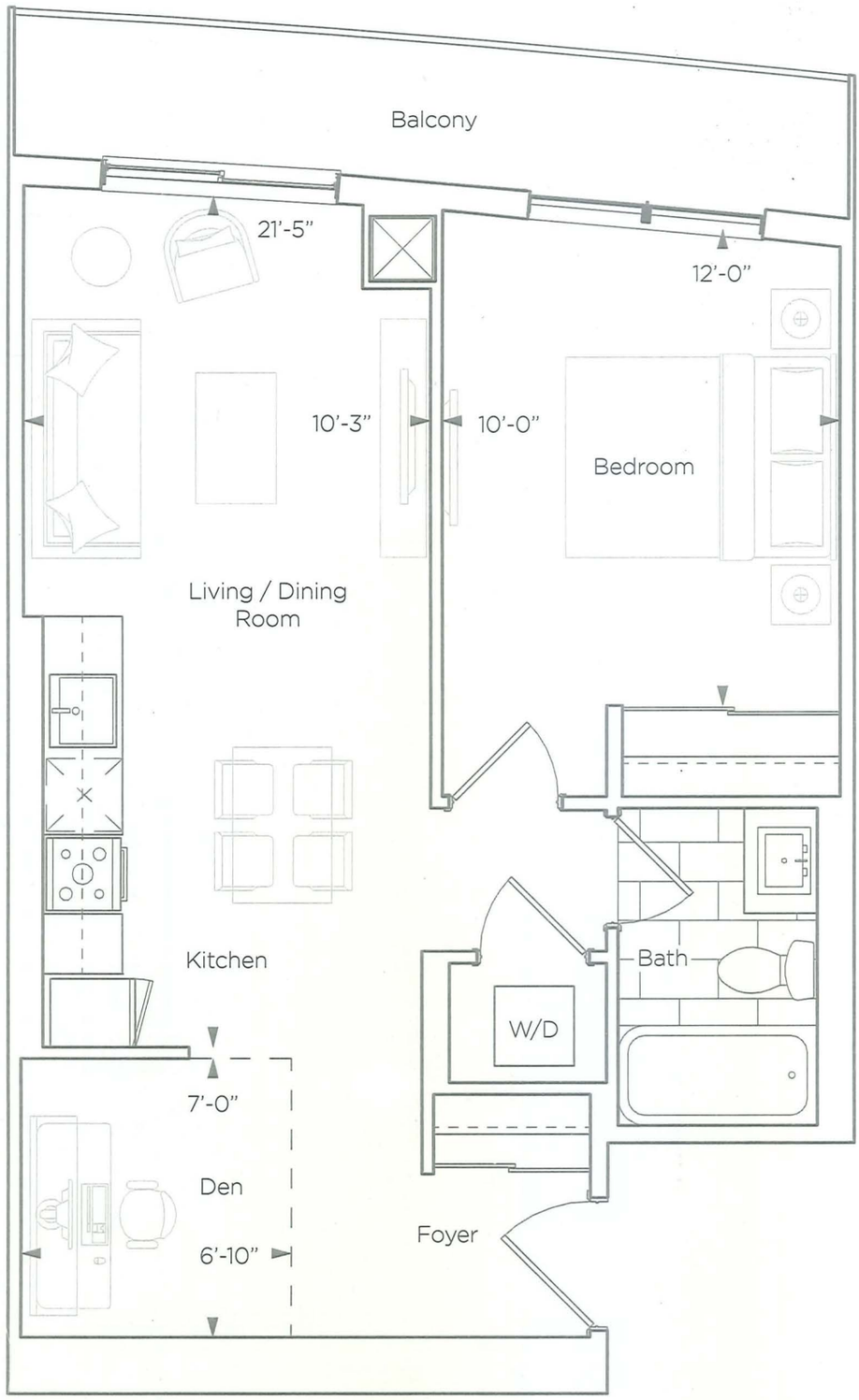
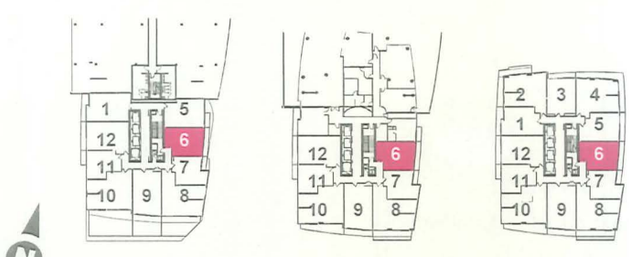
LIBERTY development

1C+D – 1 Bedroom + Den 612 sq. ft.





FLOORS 2-10 FLOOR 11 FLOORS 12-34

+ 70 sq. ft. Balcony

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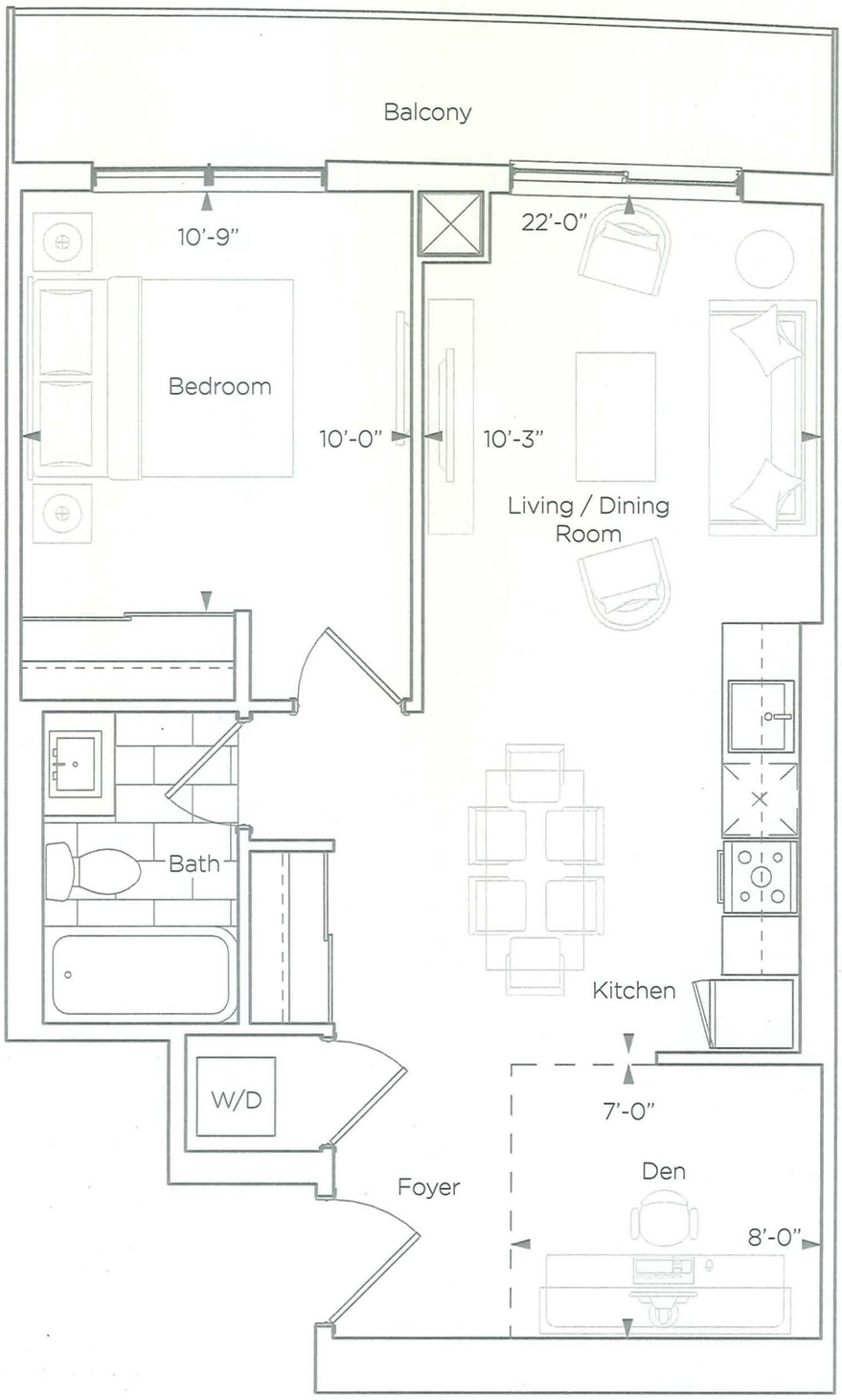
LIBERTY development

1D+D – 1 Bedroom + Den 618 sq. ft.



FLOORS 12-34

+ 70 sq. ft. Balcony

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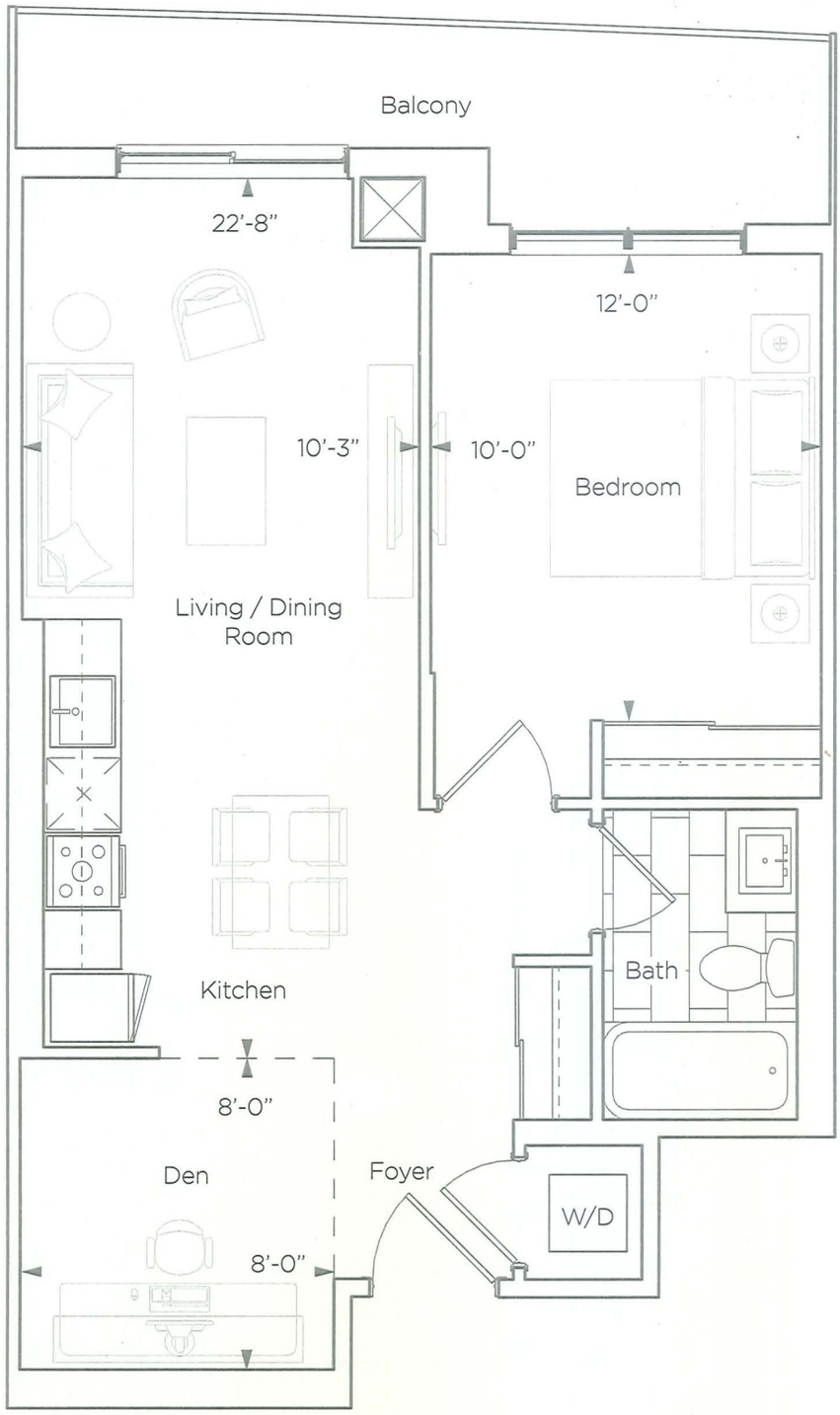
LIBERTY development

1B+D – 1 Bedroom + Den 622 sq. ft.



FLOORS 12-34

+ 100 sq. ft. Balcony

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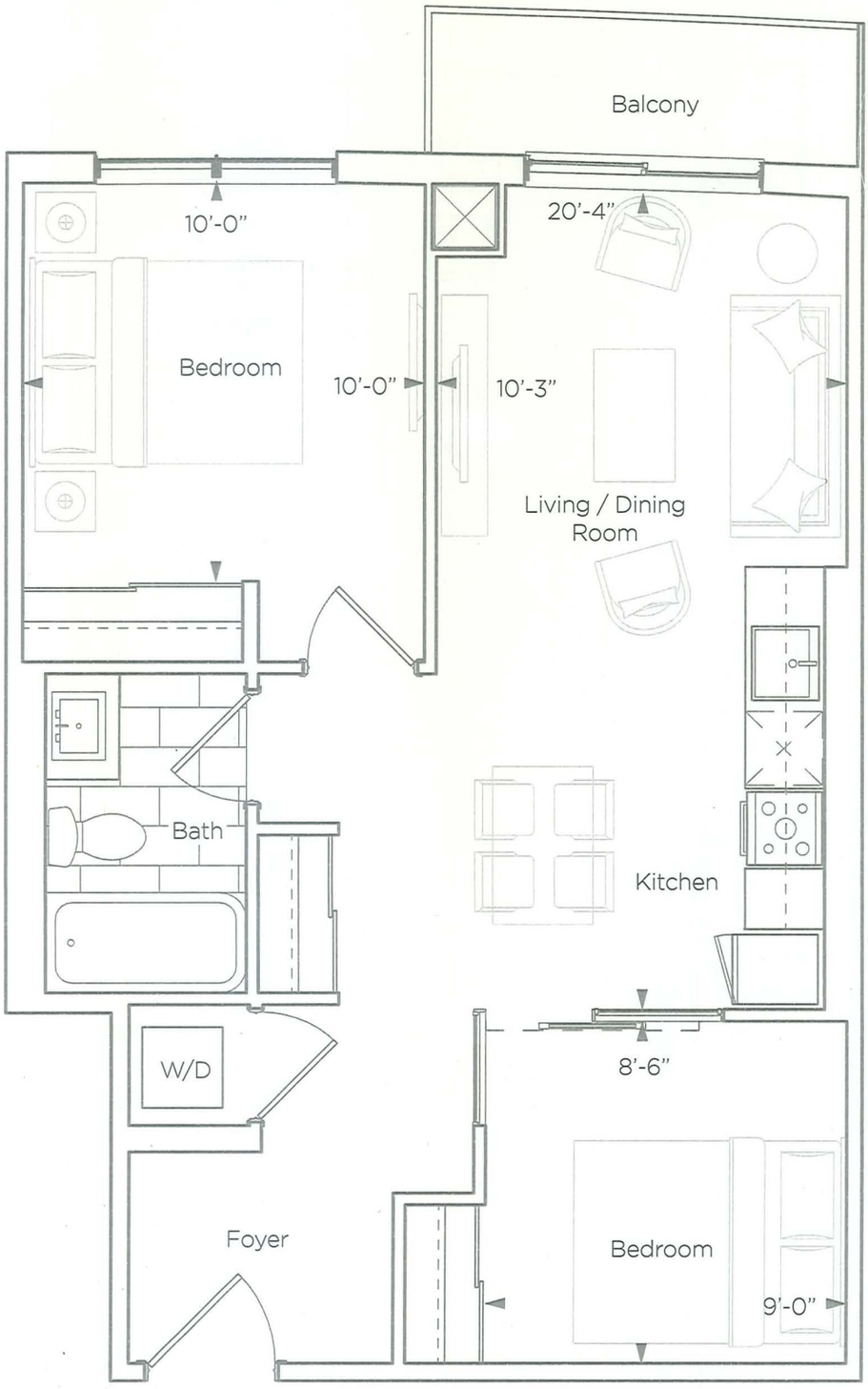
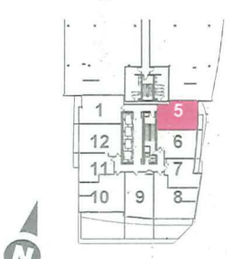
LIBERTY development

2A – 2 Bedroom 645 sq. ft.





FLOORS 2-10

+ 35 sq. ft. Balcony

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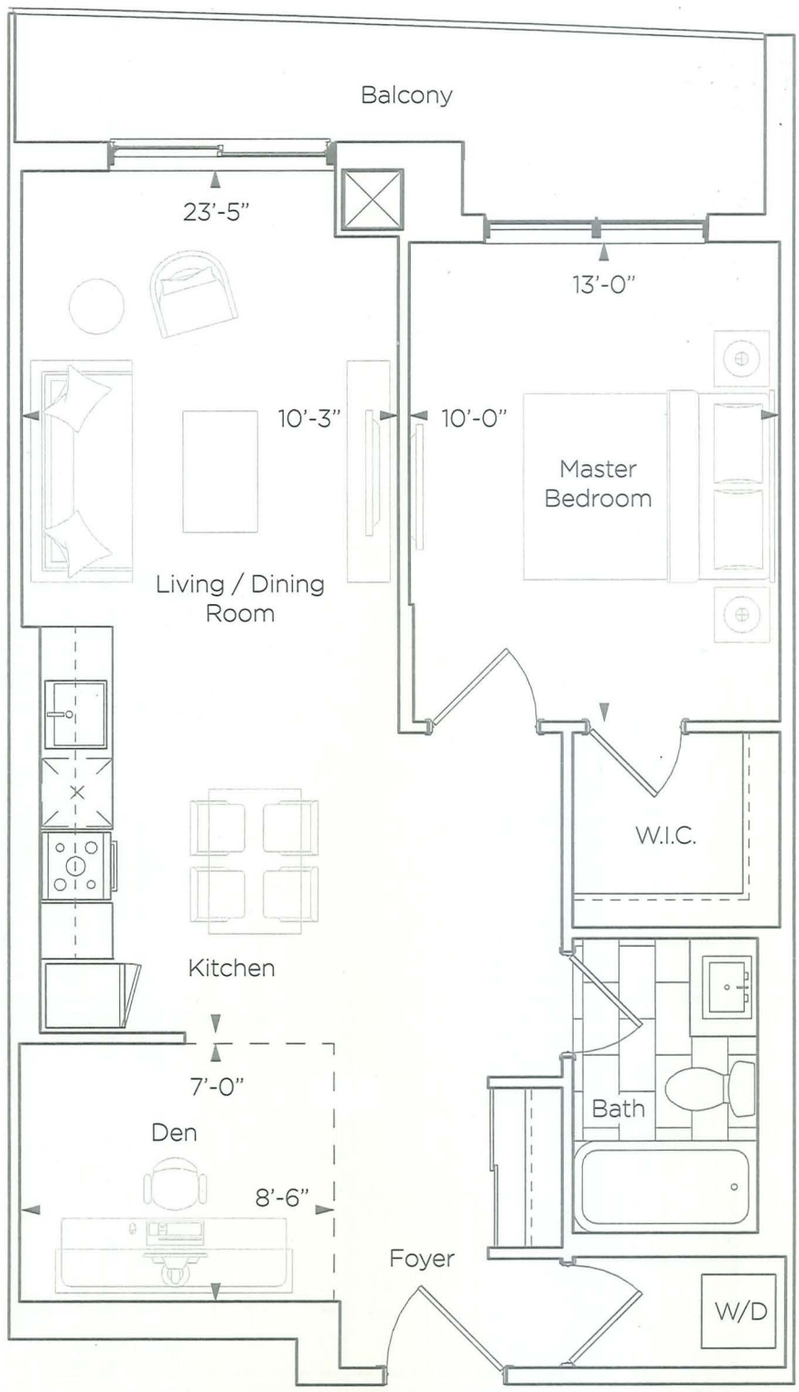
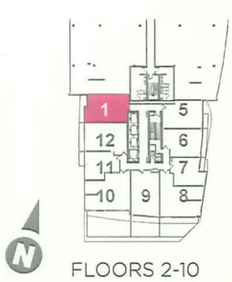
LIBERTY development

1E+D – 1 Bedroom + Den 691 sq. ft.





FLOORS 2-10

+ 100 sq. ft. Balcony

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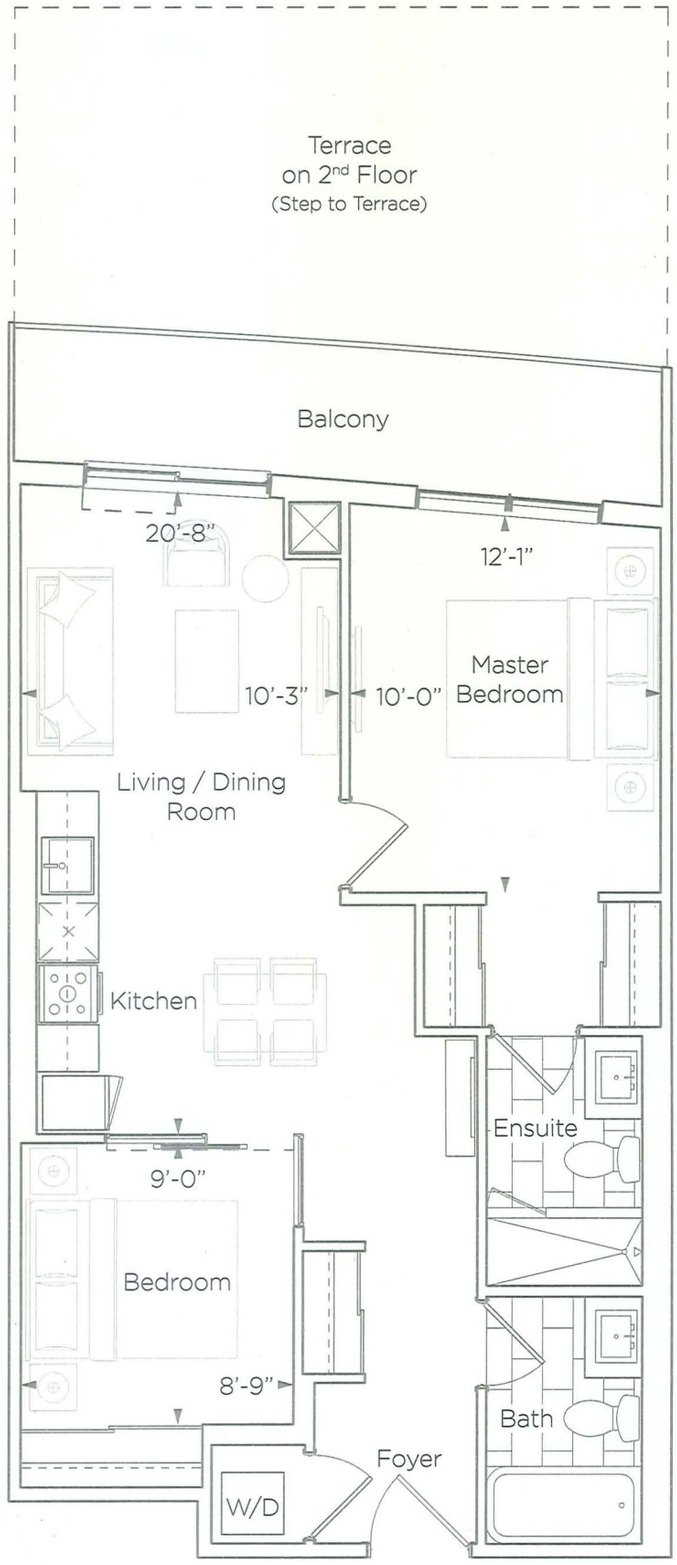
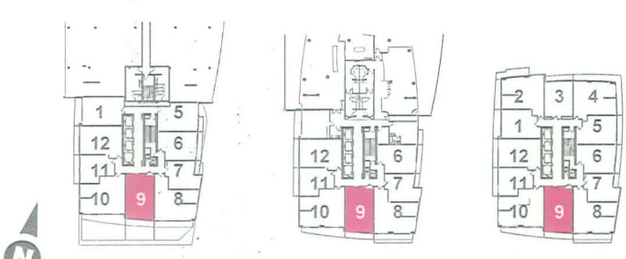
LIBERTY development

2B – 2 Bedroom 725 sq. ft.





FLOORS 2-10 FLOOR 11 FLOORS 12-34

+ 80 sq. ft. Balcony

+ 300 sq. ft. Terrace (2nd Floor)

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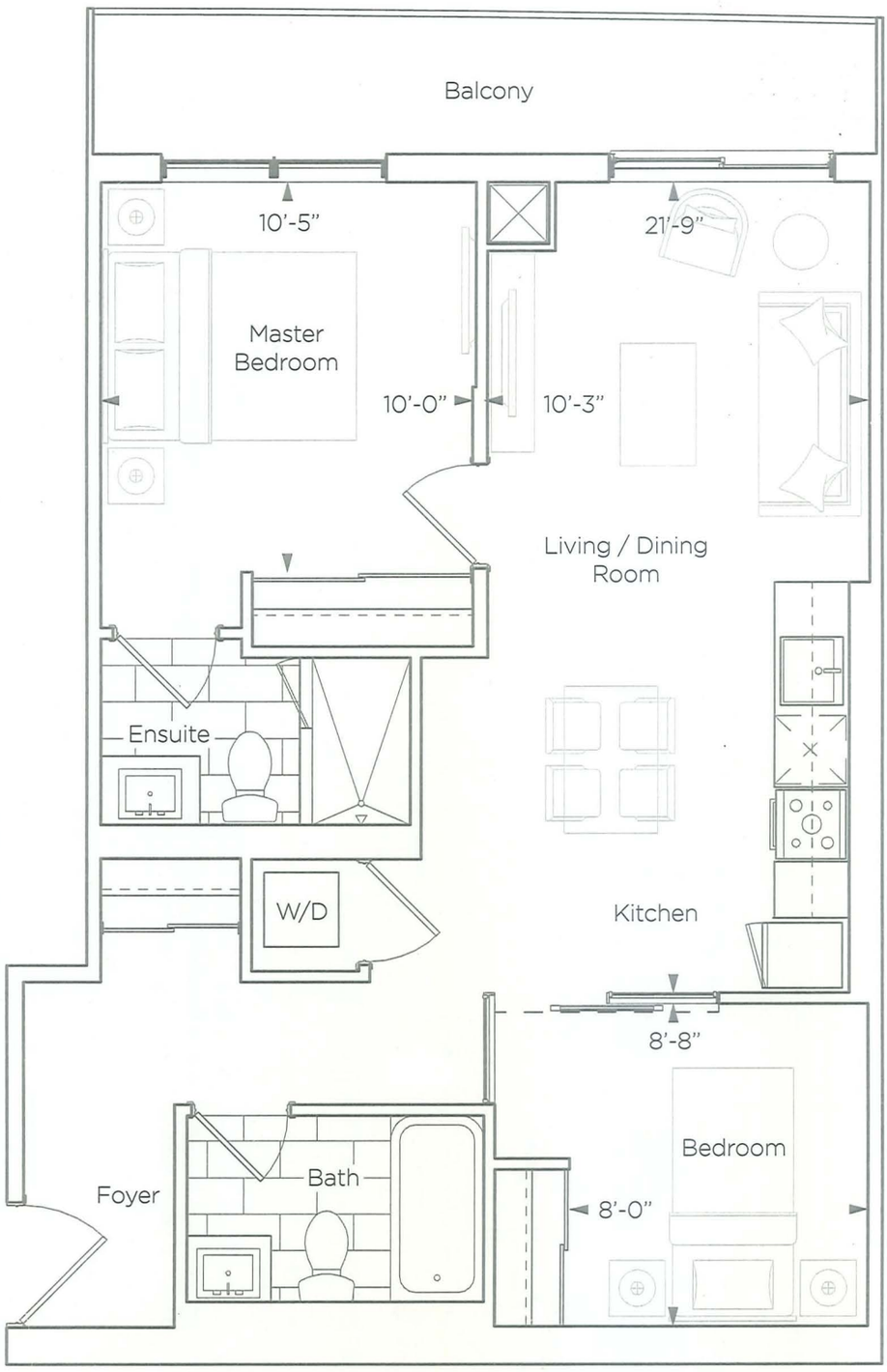
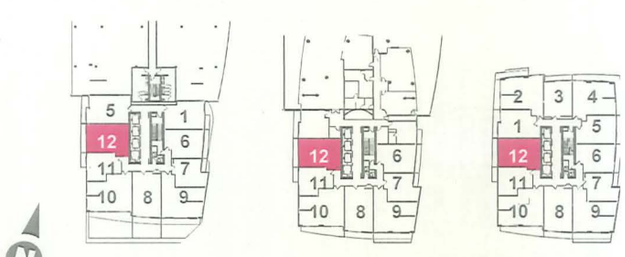
LIBERTY development

2C – 2 Bedroom 730 sq. ft.





FLOORS 2-10 FLOOR 11 FLOORS 12-34

+ 70 sq. ft. Balcony

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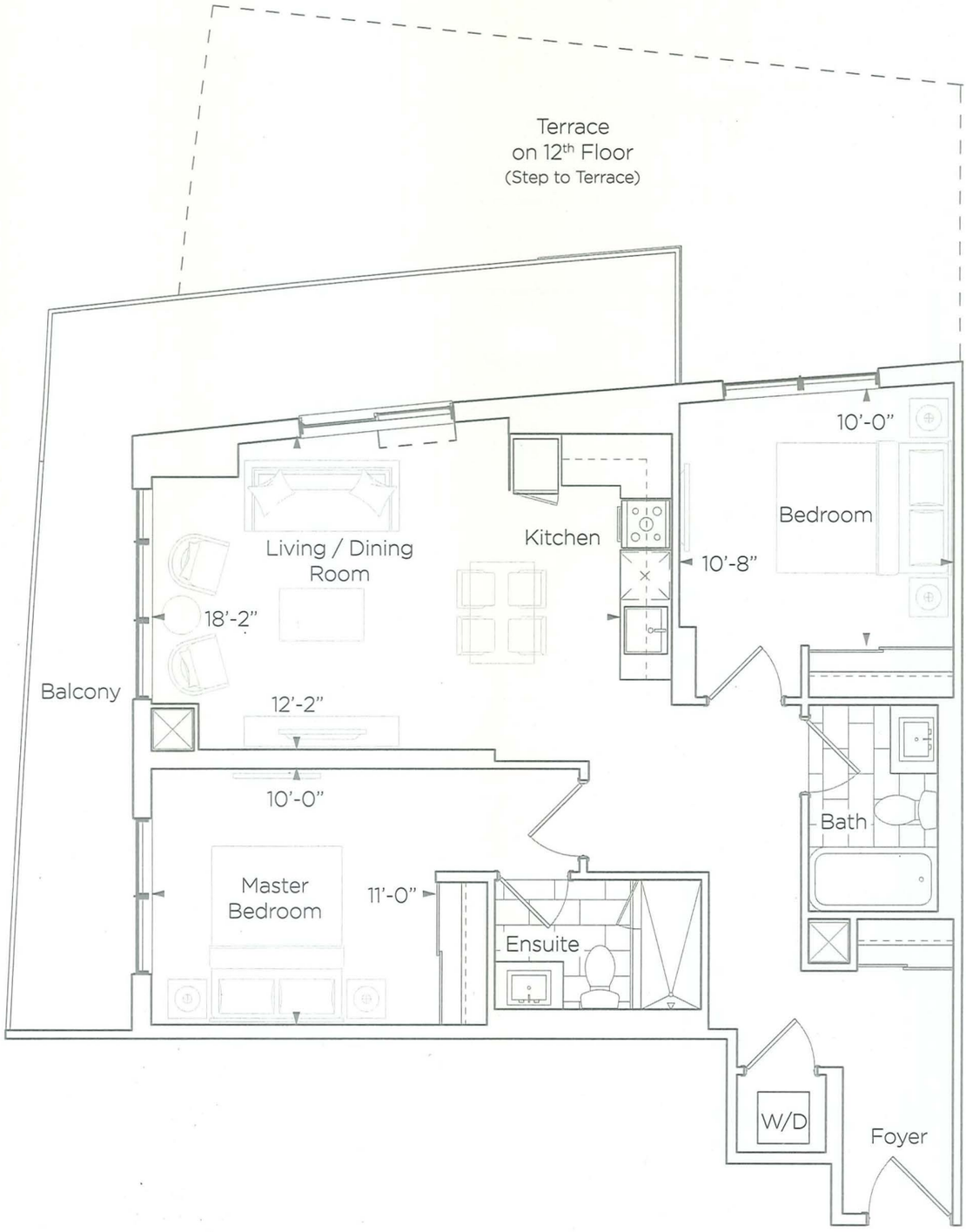
LIBERTY development

2D – 2 Bedroom 855 sq. ft.



FLOORS 12-34

+ 180 sq. ft. Balcony

+ 500 sq. ft. Terrace (12th Floor)

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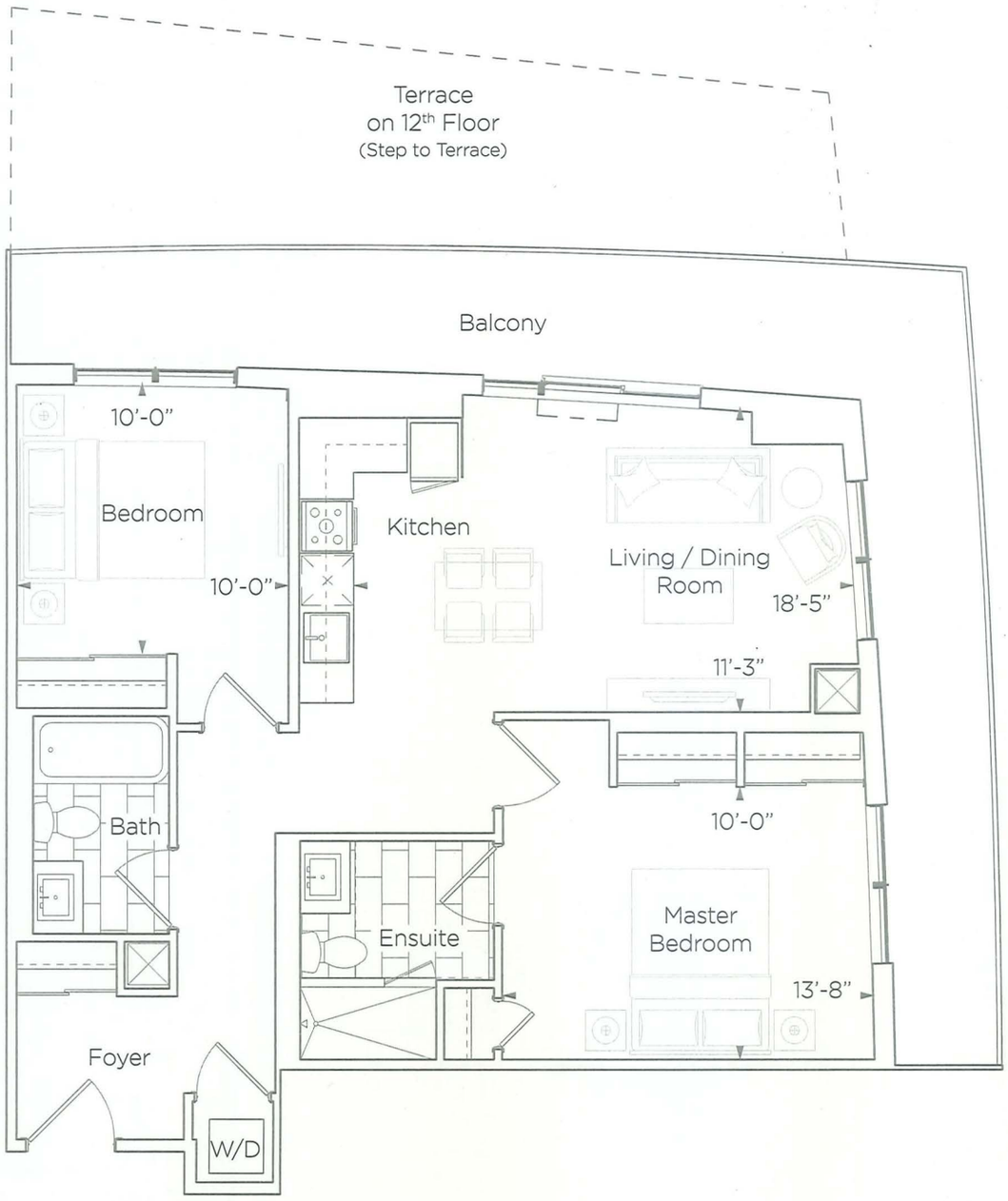
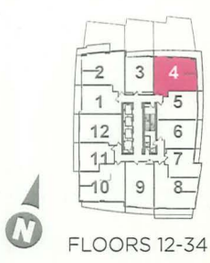
LIBERTY development

2E-BF – 2 Bedroom 860 sq. ft.





FLOORS 12-34

+ 240 sq. ft. Balcony

+ 400 sq. ft. Terrace (12th Floor)

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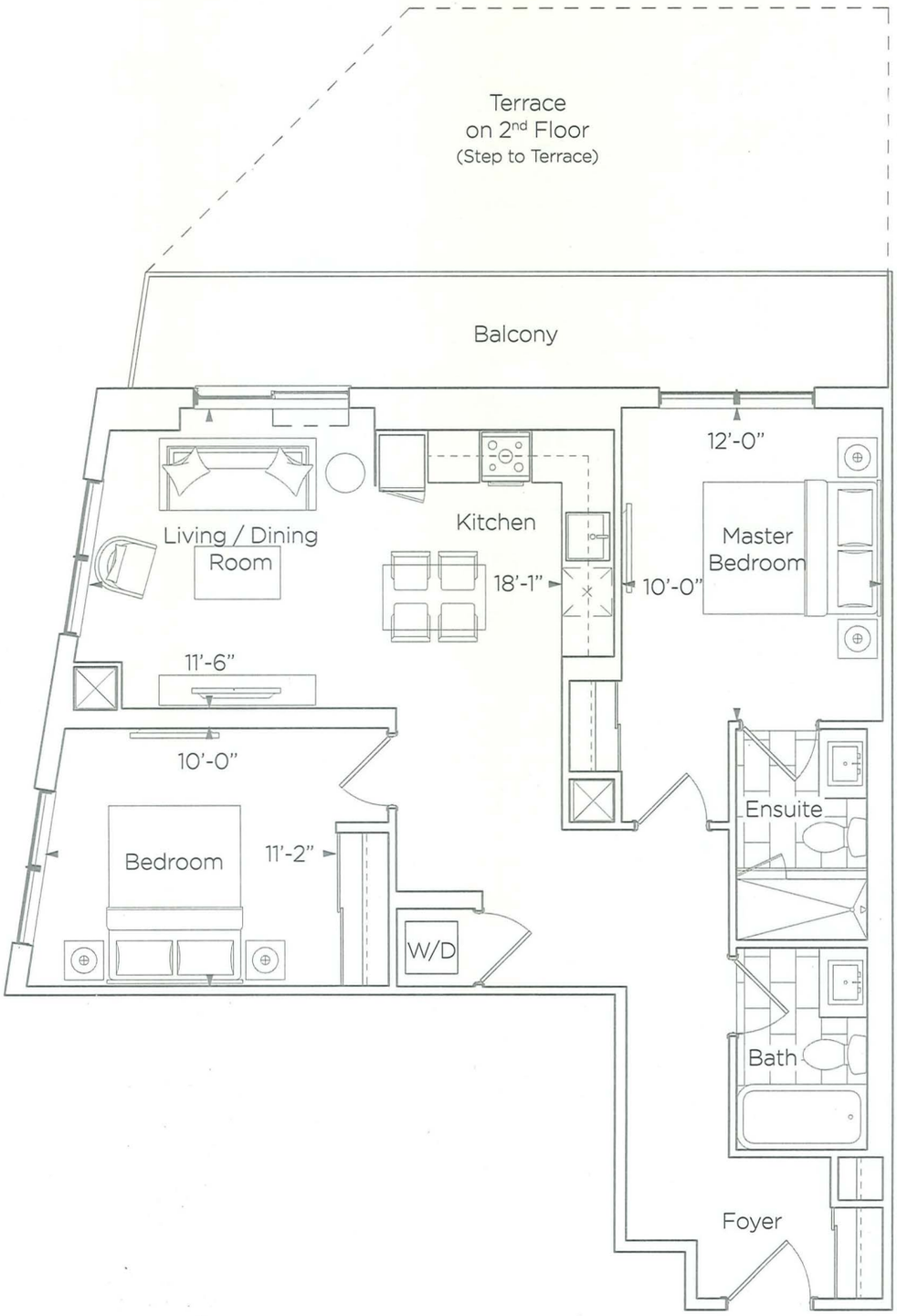
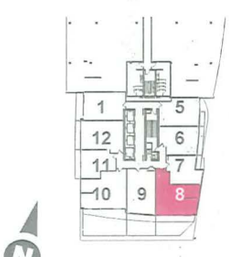
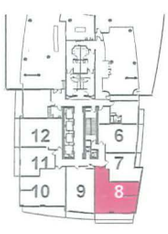
LIBERTY development

2F – 2 Bedroom 870 sq. ft.





FLOORS 2-10



FLOOR 11

FLOORS 12-34

+ 120 sq. ft. Balcony

+ 300 sq. ft. Terrace (2nd Floor)

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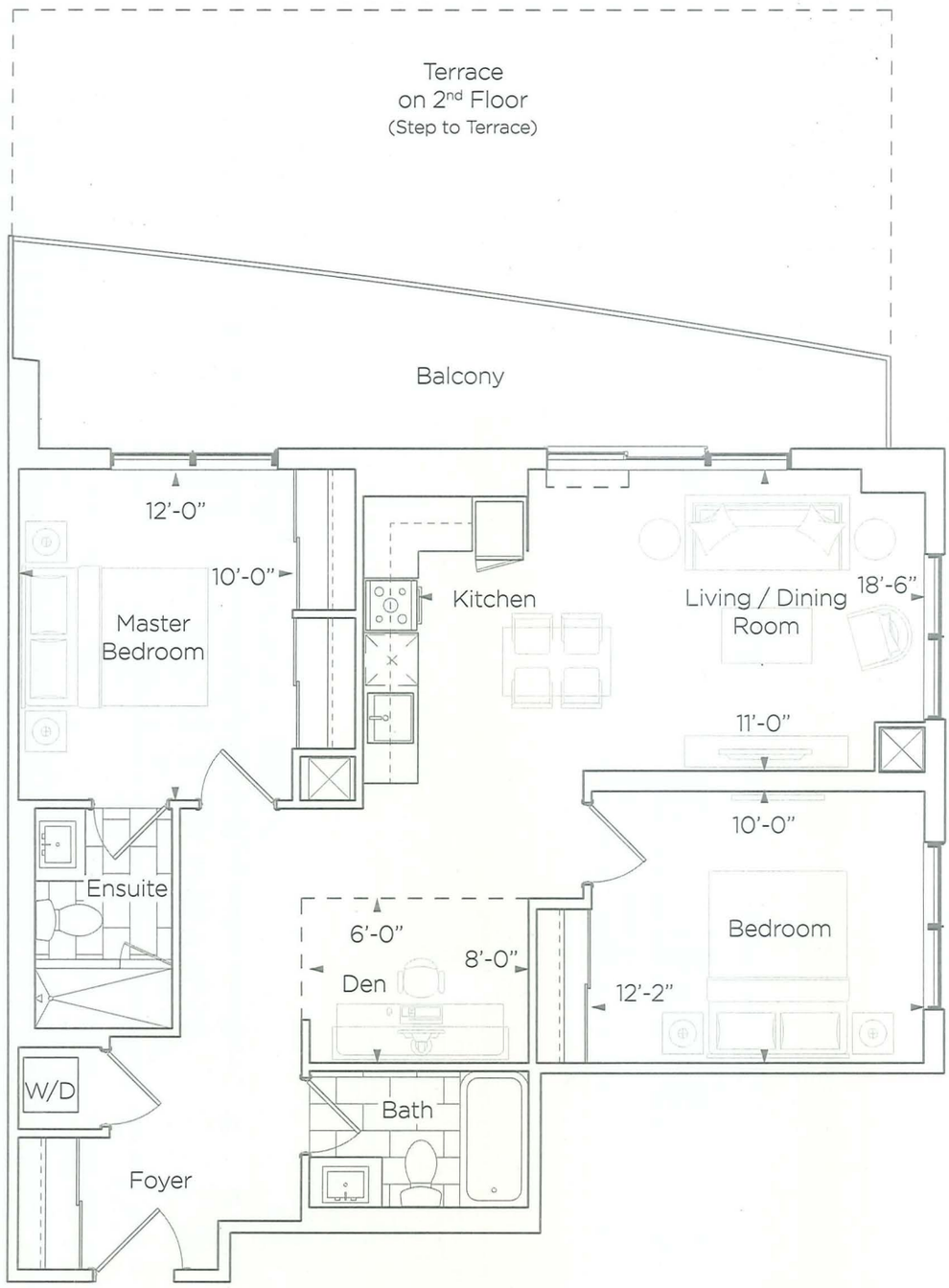
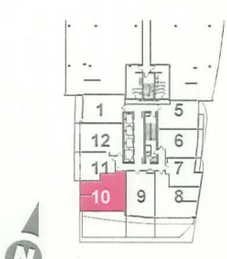
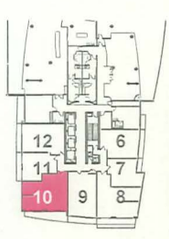
LIBERTY development

2A+D – 2 Bedroom + Den 910 sq. ft.





FLOORS 2-10



FLOOR 11

FLOORS 12-34

+ 160 sq. ft. Balcony

+ 450 sq. ft. Terrace (2nd Floor)

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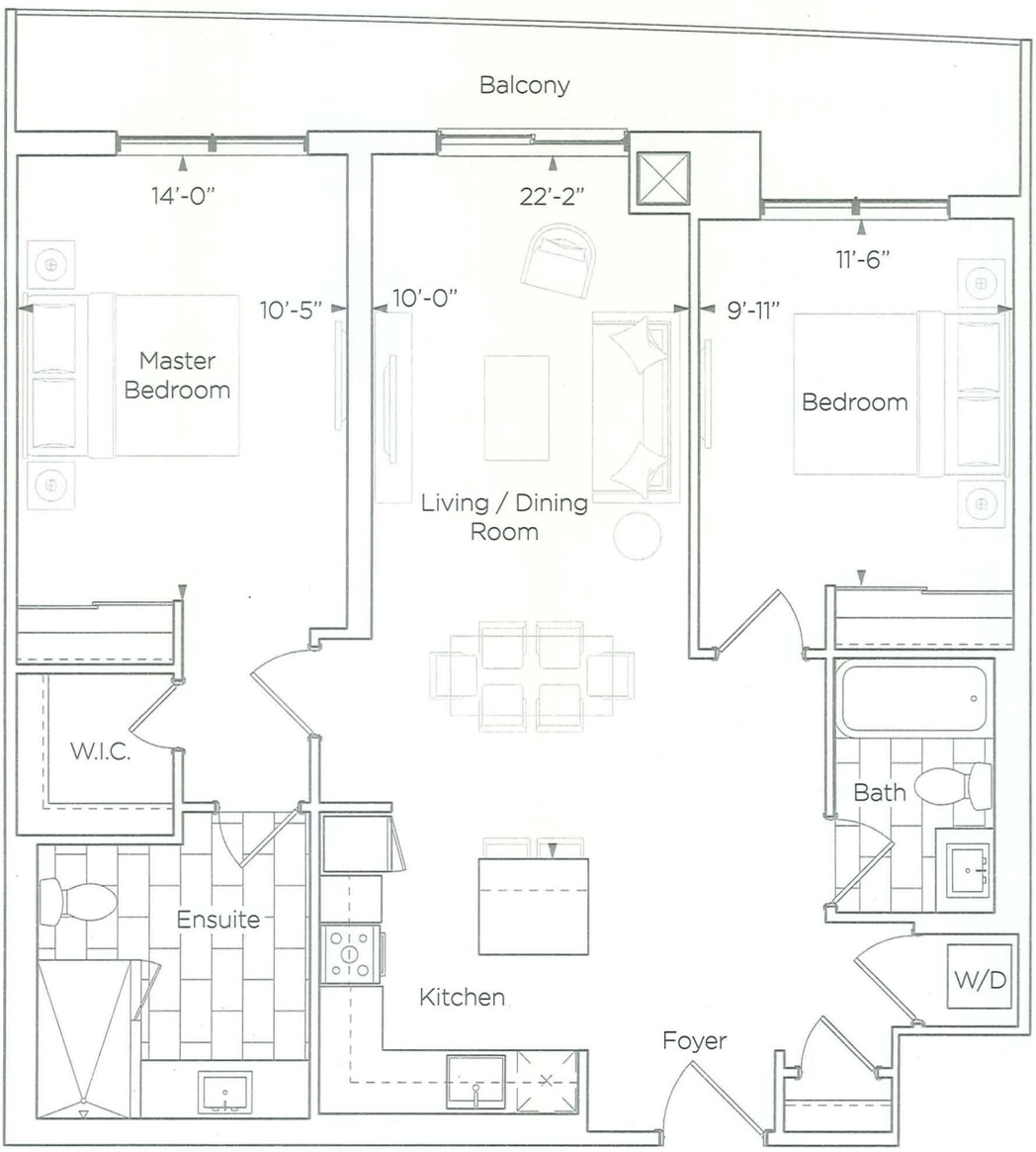
cosmos
CONDOMINIUMS

LIBERTY development

2G – 2 Bedroom 1012 sq. ft.



FLOORS LPH & PH

+ 140 sq. ft. Balcony

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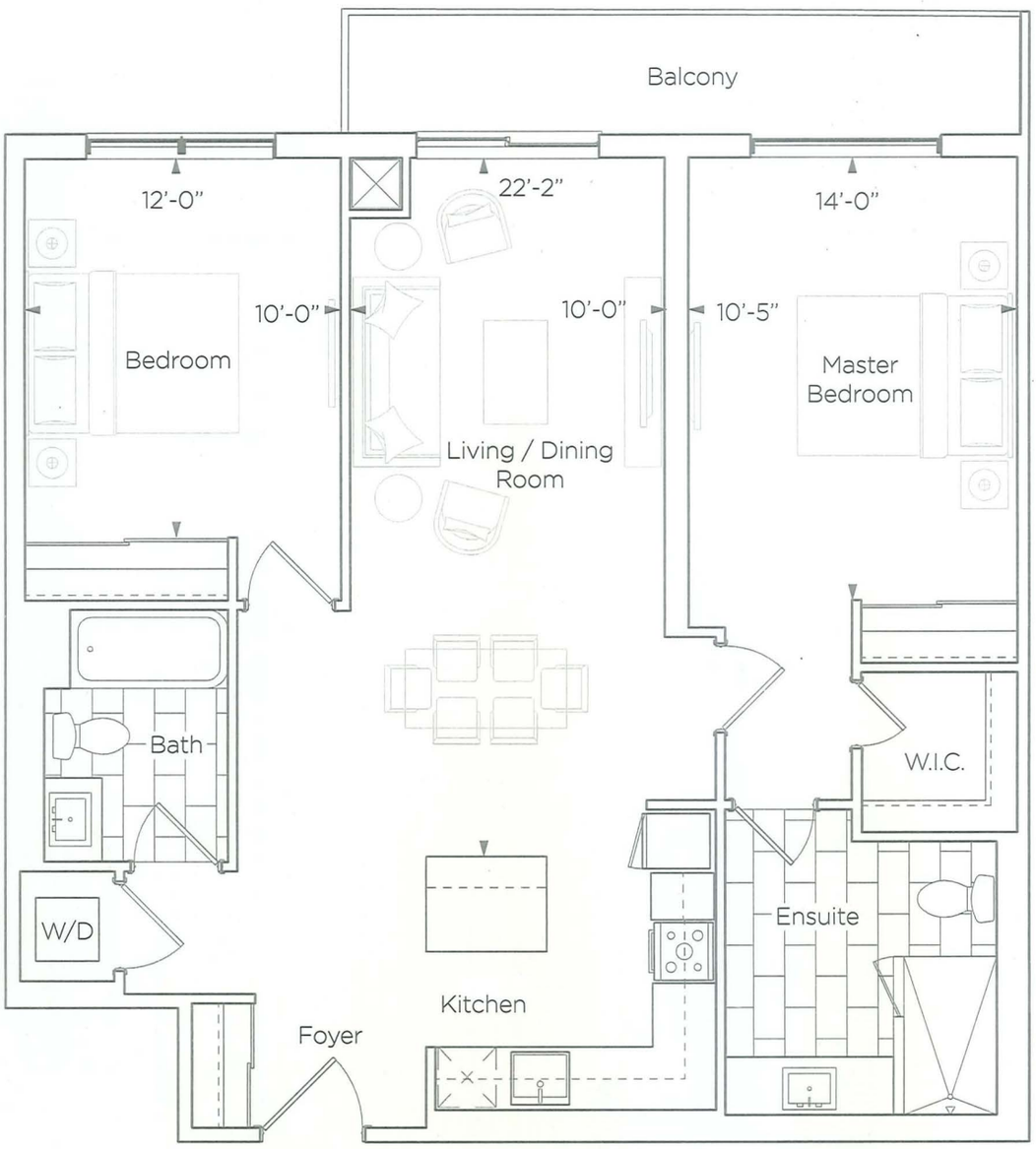
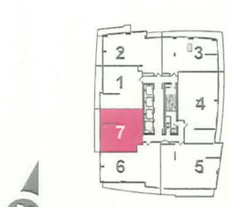
LIBERTY development

2H – 2 Bedroom 1,020 sq. ft.





FLOORS LPH & PH

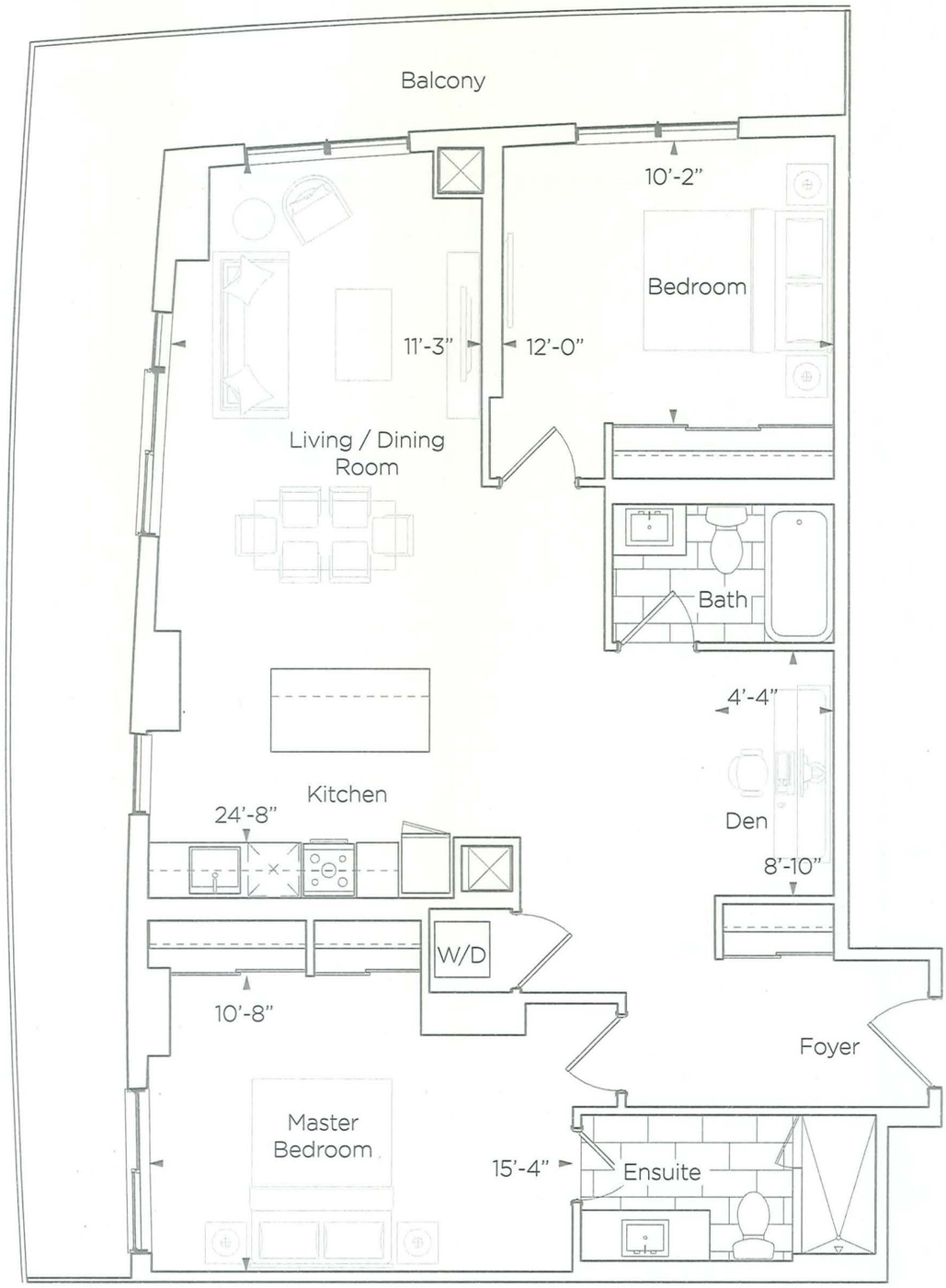
+ 110 sq. ft. Balcony

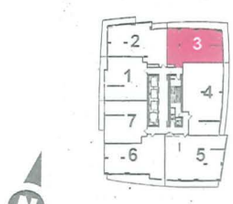
Note: All prices, figures, sizes, specifications and information are subject to change without notice. E. & O.E. All areas and stated dimensions are approximate. Actual usable floor space, living area and square footage may vary from stated floor area. All illustrations are artist's concept only. The unit shown may be the reverse of the unit purchased. The purchase price does not include any furniture.© 2016 Liberty Development Corporation. All rights reserved.

cosmos
CONDOMINIUMS

LIBERTY development

2B+D – 2 Bedroom + Den 1,095 sq. ft.





FLOORS LPH & PH

+ 250 sq. ft. Balcony

Note: All prices, figures, sizes, specifications and information are subject to change without notice. E. & O.E. All areas and stated dimensions are approximate. Actual usable floor space, living area and square footage may vary from stated floor area. All illustrations are artist's concept only. The unit shown may be the reverse of the unit purchased. The purchase price does not include any furniture.© 2016 Liberty Development Corporation. All rights reserved.

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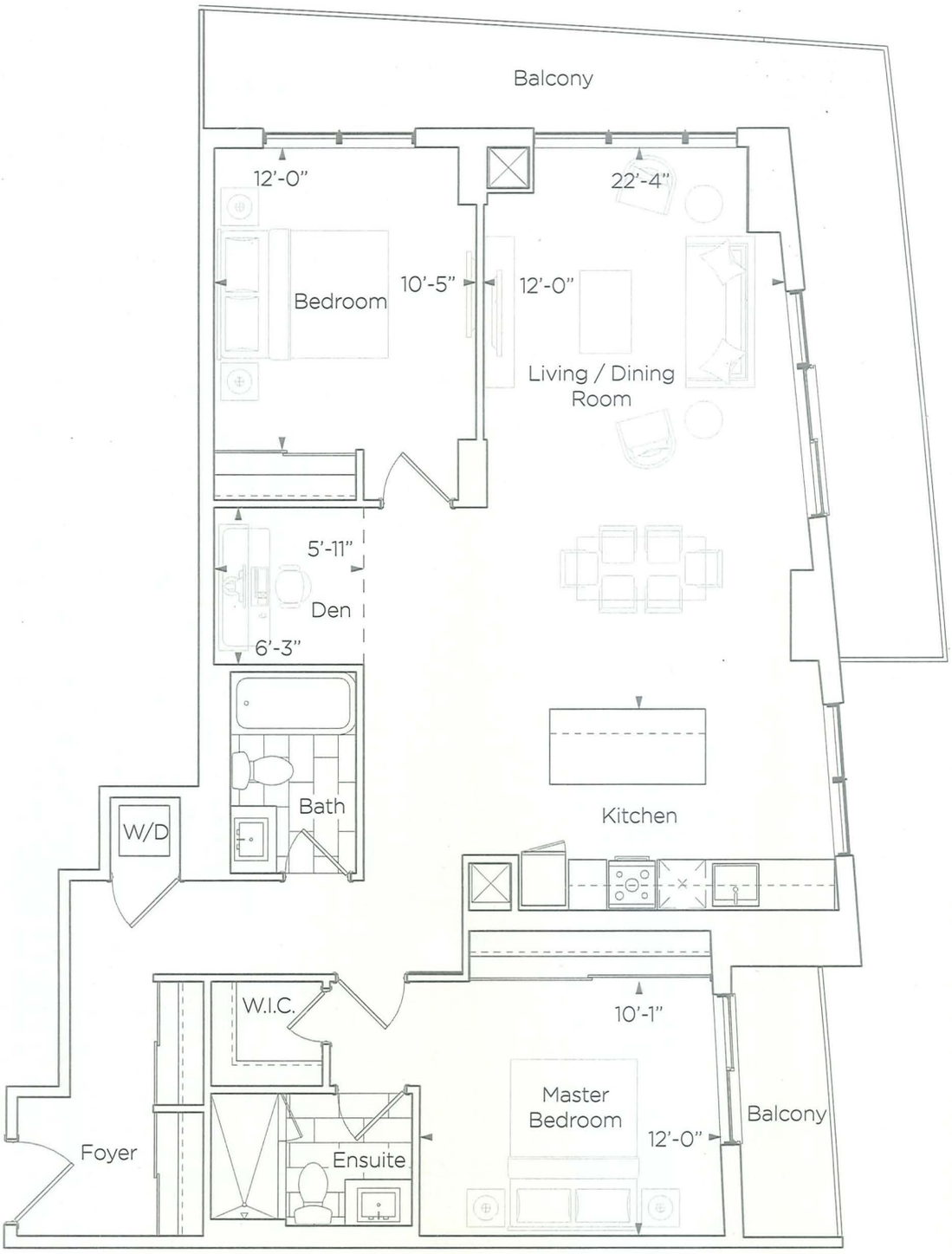
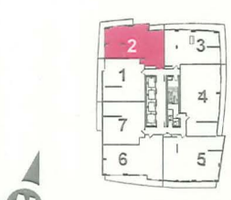
CONDOMINIUMS

LIBERTY development

2C+D – 2 Bedroom + Den 1,170 sq. ft.





FLOORS LPH & PH

+ 215 sq. ft. Balcony

Note: All prices, figures, sizes, specifications and information are subject to change without notice. E. & O.E. All areas and stated dimensions are approximate. Actual usable floor space, living area and square footage may vary from stated floor area. All illustrations are artist's concept only. The unit shown may be the reverse of the unit purchased. The purchase price does not include any furniture.© 2016 Liberty Development Corporation. All rights reserved.

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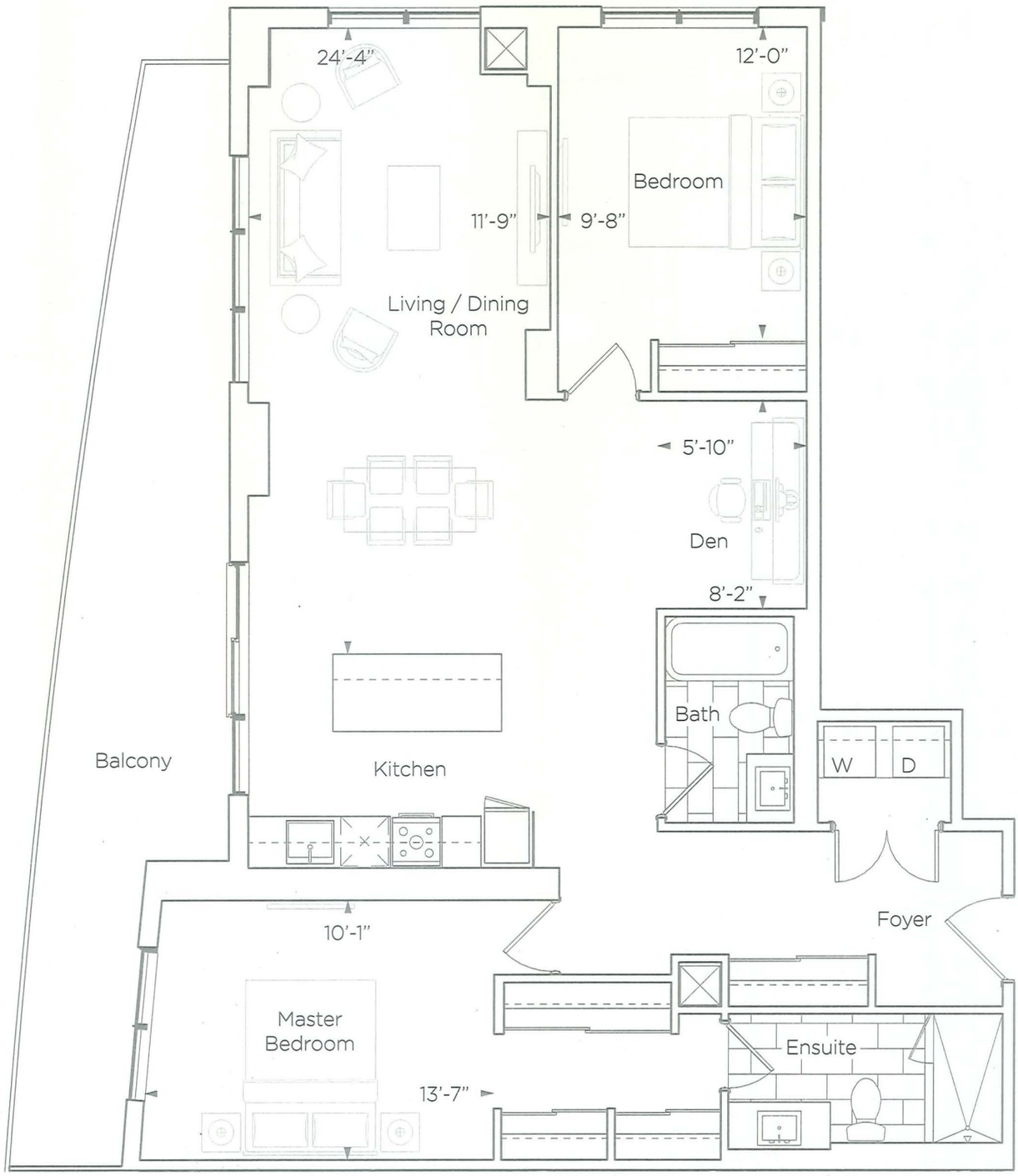
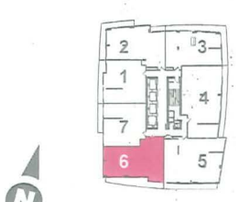
LIBERTY development

2D+D – 2 Bedroom + Den 1,195 sq. ft.





FLOORS LPH & PH

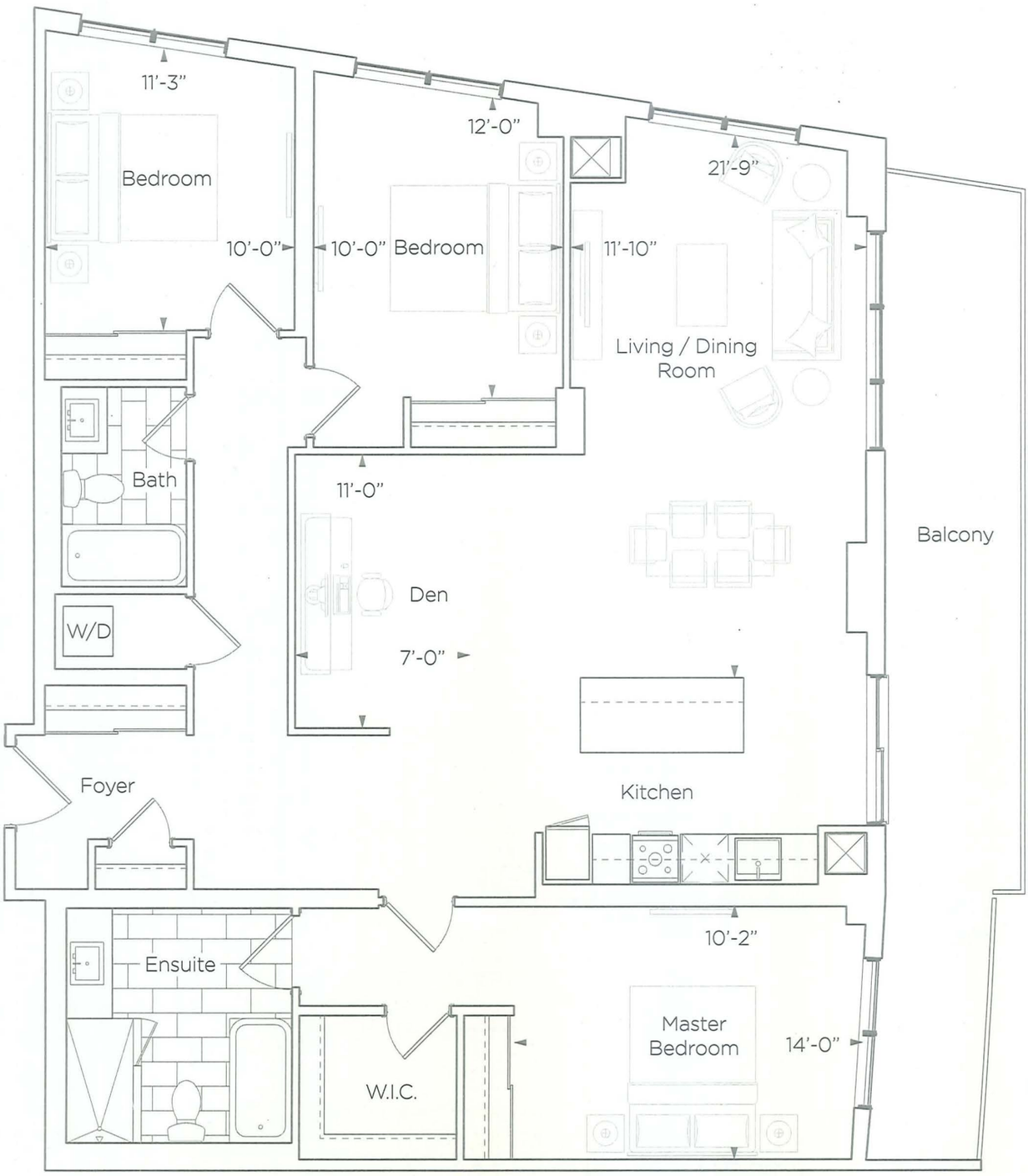
+ 190 sq. ft. Balcony

Note: All prices, figures, sizes, specifications and information are subject to change without notice. E. & O.E. All areas and stated dimensions are approximate. Actual usable floor space, living area and square footage may vary from stated floor area. All illustrations are artist's concept only. The unit shown may be the reverse of the unit purchased. The purchase price does not include any furniture.© 2016 Liberty Development Corporation. All rights reserved.

cosmos
CONDOMINIUMS

LIBERTY development

3A+D-BF – 3 Bedroom + Den 1,490 sq. ft.



FLOORS LPH & PH

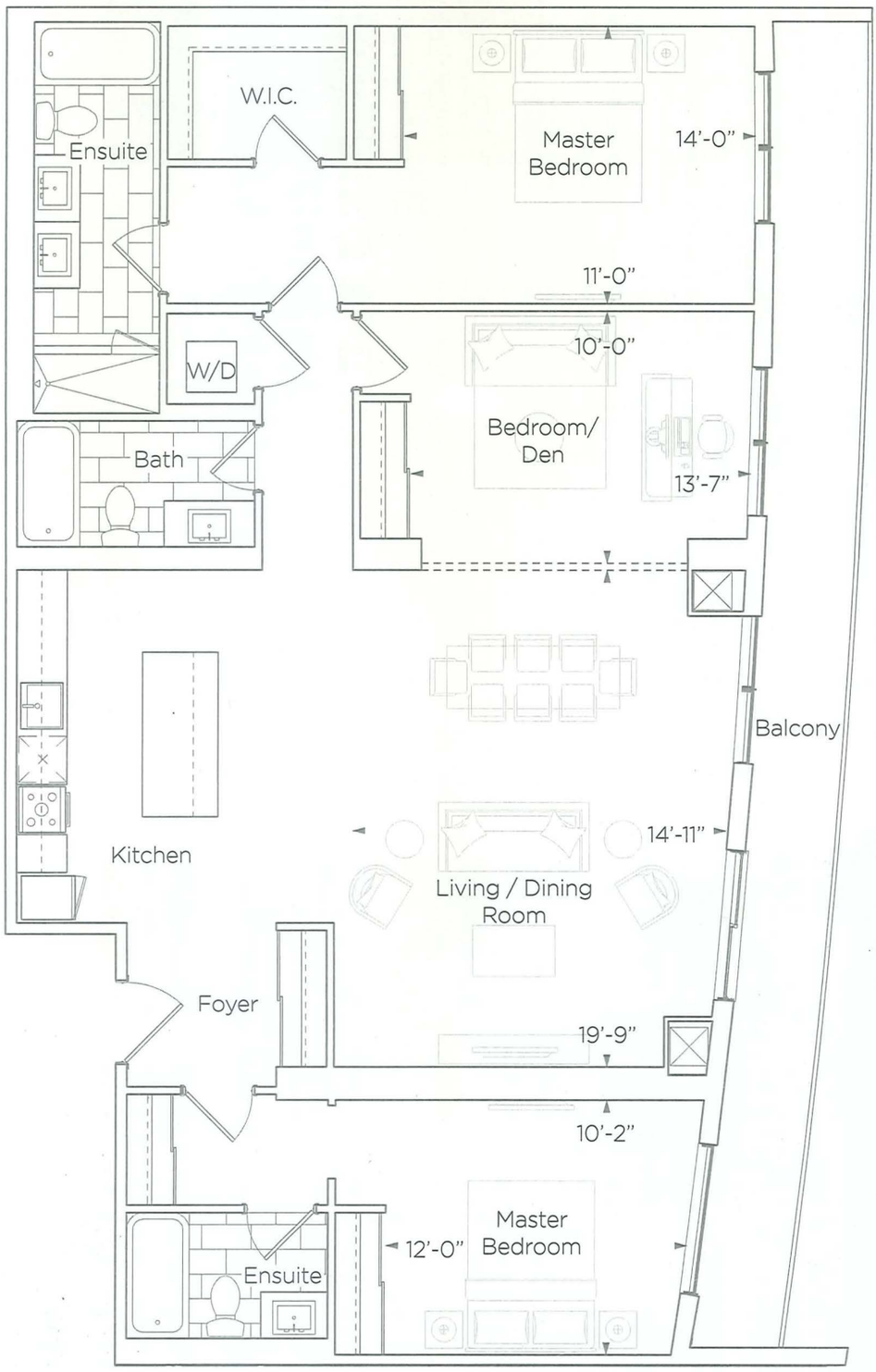
+ 185 sq. ft. Balcony

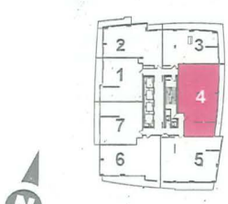
Note: All prices, figures, sizes, specifications and information are subject to change without notice. E. & O.E. All areas and stated dimensions are approximate. Actual usable floor space, living area and square footage may vary from stated floor area. All illustrations are artist's concept only. The unit shown may be the reverse of the unit purchased. The purchase price does not include any furniture.© 2016 Liberty Development Corporation. All rights reserved.

cosmos
CONDOMINIUMS

LIBERTY development

3A – 3 Bedroom 1,540 sq. ft.





FLOORS LPH & PH

+ 180 sq. ft. Balcony

Note: All prices, figures, sizes, specifications and information are subject to change without notice. E. & O.E. All areas and stated dimensions are approximate. Actual usable floor space, living area and square footage may vary from stated floor area. All illustrations are artist's concept only. The unit shown may be the reverse of the unit purchased. The purchase price does not include any furniture.© 2016 Liberty Development Corporation. All rights reserved.

As a leader in forging growth throughout the GTA, Liberty Development's strategy is simple: to identify high quality underutilized locations and convert them into highly desirable developments. Liberty communities are public transit oriented and reflect green technologies that surpass industry standards.

LIBERTY development

LIBERTY DEVELOPMENT BUILDING THE FUTURE

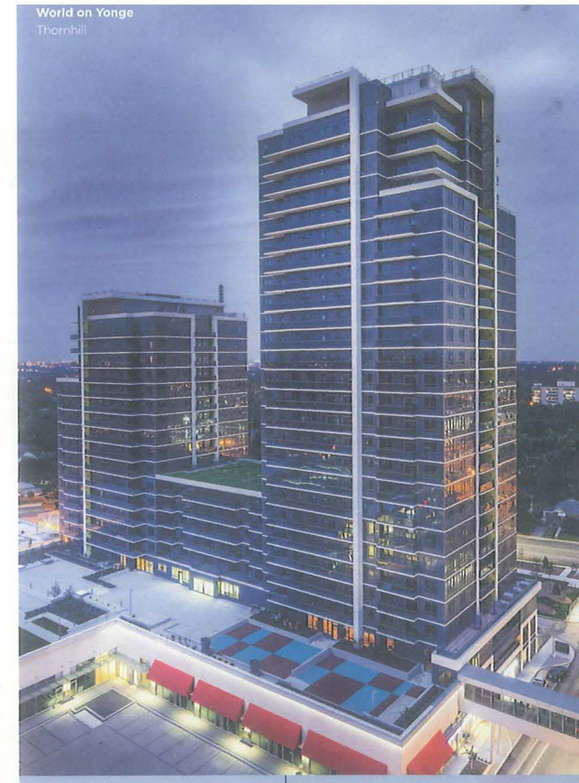
Liberty Development received the Places to Grow Community of the Year award from BILD in both 2009 and 2010. The award-winning communities include eko Markham Centre / Liberty Square and World on Yonge – Liberty's mixed-use high density communities located in Markham and Thornhill. World on Yonge was also the recipient of the 2011 OHBA Award of Distinction for the Most Outstanding High Rise building. With the recognition of their peers, municipalities and support of purchasers, Liberty has set a vision for corporate commitment and integrity which has become the standard for Ontario. Liberty continues to ensure that their communities are innovative and cutting edge – blazing the trail for the future of condominium living in the GTA and beyond. **LIBERTY FOR ALL.**

World on Yonge
Thornhill

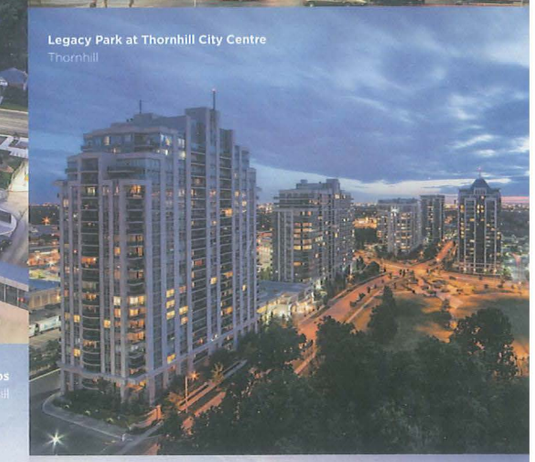
2011 OHBA AWARDS OF DISTINCTION WINNER
Most Outstanding High-Rise Building

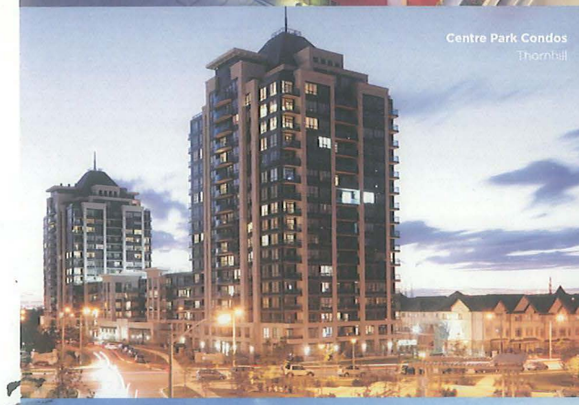
Liberty Square / eko Markham Centre
Markham

2009 & 2010 BILD PINNACLE AWARD WINNER
Places to Grow Community of the Year


World on Yonge
Thornhill

Centro Square by Liberty Development
North view – Conceptual Rendering


Legacy Park at Thornhill City Centre
Thornhill


Centre Park Condos
Thornhill

World on Yonge
Green Roof

Metro Place Condos
North York

Royal Gardens
Richmond Hill

This is Exhibit “B” referred to in the Affidavit of Daniel Burtman affirmed December .....7..., 2020.

Commissioner for Taking Affidavits (or as may be)

AMENDMENT TO THE AGREEMENT OF PURCHASE AND SALE
Cosmos Condominiums – Tower A – Vaughan, Ontario

Between: 1945086 ONTARIO INC. (the "Vendor")

-and- DANIEL BURTMAN, IRINA BURTMAN (the "Purchaser")

Date of Agreement of Purchase and Sale: APRIL 30 2016.

RE: Suite: 2108 **Unit:** 08 **Level:** 20

NOW THEREFORE THIS AMENDMENT WITNESSETH that in consideration of the mutual covenants and agreements hereinafter set forth, and for other good and valuable consideration and the sum of TWO ($2.00) DOLLARS of lawful money now paid by each party hereto to the other (the receipt and sufficiency of which is hereby acknowledged by all parties), the parties hereto hereby covenant and agree to and with each other and each of them as follows:

That the above-mentioned Agreement of Purchase and Sale shall be amended as follows, and except for such amendment(s) noted below, all other terms and conditions of the Agreement of Purchase and Sale shall remain as stated therein, and time shall continue to be of the essence.

INSERT: The Vendor agrees that the Purchaser's obligation to pay the increase to the "Existing Levy" (imposed as of the date of execution of this Agreement by the Purchaser) as an adjustment on the Unit Transfer Date plus any applicable taxes exigible thereon in the event of any increase after the date of execution of this Agreement by the Purchaser in the Existing Levy (imposed as of the date of execution of this Agreement by the Purchaser) shall not exceed $3,500.00 for unit being 649 s.f. and less.

The Purchaser's entitlement to the capped existing levies is personal to the Purchaser and this Amendment shall be null and void in the event that the Agreement is assigned to another purchaser or title to the Unit is directed to anyone other than the original Purchaser who executed the Agreement and this Amendment.

This amendment to the agreement of purchase and sale may be executed in one or more counterparts, each of which when so executed shall constitute an original, and all of which shall together constitute one and the same Amendment to the Agreement of Purchase and Sale.

Each party to this Amendment to the Agreement of Purchase and Sale may execute a facsimile copy hereof and each party to this Amendment to the Agreement of Purchase and Sale shall accept a facsimile of an executed copy hereof as an originally executed copy hereof.

The parties hereto further agree that the covenants, agreements, provisos and conditions in this Amendment to the Agreement of Purchase and Sale shall extend to and be binding upon and enure to the benefit of the parties hereto, and their respective heirs, executors, administrators, successors and permitted assigns.

DATED at Vaughan this 30 day of APRIL, 2016.

SIGNED, SEALED AND DELIVERED in the presence of:

Witness
Please Print Name: Jennifer Anderson
Address: 2951 HIGHWAY 7 WEST VAUGHAN, ON

Witness
Please Print Name: Jennifer Anderson
Address:

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

X
Purchaser Name: DANIEL BURTMAN
DANIEL BURTMAN

Purchaser Name: IRINA BURTMAN
Irina Burtman

DATED at Vaughan this 30 day of APRIL, 2016.

1945086 Ontario Inc.

Per: _____
A.S.O.

I have the authority to bind the corporation.

042716_Cosmos_Tower_A_APS_Amendment_649 Below_Capdc3half K Increase.Doc

AMENDMENT TO THE AGREEMENT OF PURCHASE AND SALE
Cosmos Condominiums - Tower A – Vaughan, Ontario

Between: 1945086 ONTARIO INC. (the "Vendor")

-and- DANIEL BURTMAN, IRINA BURTMAN (the "Purchaser")

Date of Agreement of Purchase and Sale: APRIL 30 2016.

RE: Suite: 2108 **Unit:** 08 **Level:** 20

NOW THEREFORE THIS AMENDMENT WITNESSETH that in consideration of the mutual covenants and agreements hereinafter set forth, and for other good and valuable consideration and the sum of TWO ($2.00) DOLLARS of lawful money now paid by each party hereto to the other (the receipt and sufficiency of which is hereby acknowledged by all parties), the parties hereto hereby covenant and agree to and with each other and each of them as follows:

That the above-mentioned Agreement of Purchase and Sale shall be amended as follows, and except for such amendment(s) noted below, all other terms and conditions of the Agreement of Purchase and Sale shall remain as stated therein, and time shall continue to be of the essence.

DELETE: in Clause 20, the following portion only commencing from the 5th line to the 10th line:

"As a condition of giving its consent, the assignor/transferor and the assignee/transferee will be required to execute and deliver to the Vendor the Vendor's standard form of assignment agreement and to pay to the Vendor on the date of execution and delivery of the assignment agreement the Vendor's administration and processing fee of $2,500.00 plus Applicable Taxes together with any other applicable fees, including the Vendor's solicitor's fees of $ 900.00 and disbursements plus Applicable Taxes".

INSERT: in Clause 20, the following portion only commencing from the 5th line to the 10th line:

"As a condition of giving its consent, the assignor/transferor and the assignee/transferee will be required to execute and deliver to the Vendor the Vendor's standard form of assignment agreement and to pay to the Vendor on the date of execution and delivery of the assignment agreement the Vendor's administration and processing fee of $0.00 plus Applicable Taxes together with any other applicable fees, including the Vendor's solicitor's fees and disbursements plus Applicable Taxes".

The Purchaser's entitlement to the free administration and processing fee is personal to the Purchaser and this Amendment shall be null and void in the event that the Agreement is assigned to another purchaser or title to the Unit is directed to anyone other than the original Purchaser who executed the Agreement and this Amendment.

This amendment is valid only for agreements of purchase and sale executed between April 26, 2016 and the close of business May 1, 2016.

The benefit of this amendment expires exactly two years from the date of the agreement of purchase and sale was duly executed.

This amendment to the agreement of purchase and sale may be executed in one or more counterparts, each of which when so executed shall constitute an original, and all of which shall together constitute one and the same Amendment to the Agreement of Purchase and Sale.

Each party to this Amendment to the Agreement of Purchase and Sale may execute a facsimile copy hereof and each party to this Amendment to the Agreement of Purchase and Sale shall accept a facsimile of an executed copy hereof as an originally executed copy hereof.

The parties hereto further agree that the covenants, agreements, provisos and conditions in this Amendment to the Agreement of Purchase and Sale shall extend to and be binding upon and enure to the benefit of the parties hereto, and their respective heirs, executors, administrators, successors and permitted assigns.

DATED at Vaughan this 30 day of APRIL 2016.

SIGNED, SEALED AND DELIVERED in the presence of:

Witness: Jennifer L Anderson
Please Print Name:

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

Purchaser: DANIEL BURTMAN
IRINA BURTMAN

DATED at Vaughan this 30 day of APRIL, 2016.

1945086 Ontario Inc.

Per: _____
A.S.O.
I have the authority to bind the corporation.

AGREEMENT OF PURCHASE AND SALE

Cosmos Condominiums – Tower A - Vaughan, Ontario

SUITE NUMBER 2108, RESIDENTIAL DWELLING UNIT 8, LEVEL 20, as shown on the sketch attached hereto as Schedule "A", on a proposed condominium plan, Vaughan, Ontario (the "Municipality").

Daniel Burtman and Irina Burtman (the "Purchaser") agrees to and with 1945086 ONTARIO INC. (the "Vendor"), to purchase the above-described condominium unit and its appurtenant common interest as specified in the Declaration (such above described unit and its appurtenant common interest hereinafter collectively called the "Unit"), subject to the by-laws and rules of the condominium corporation (the "Condominium Corporation") to be created upon the registration of the Declaration and description under the Condominium Act, 1998, S.O. 1998 c.19, as amended (the "Act") and situate within a multi-unit residential building (the "Condominium") on the following terms and conditions:

PURCHASE PRICE:
The Purchase Price of the Unit shall be

Three Hundred Eighteen Thousand Nine Hundred DOLLARS ($318,900.00) of lawful money of Canada payable to the Vendor as follows:

(a) $5000.00 by cheque with this Agreement payable to the Vendor's solicitors, Brattys LLP in trust as a deposit to be credited on account of the Purchase Price on closing;

(b) upon execution of this Agreement the Purchaser shall also provide the following additional deposits to the Vendor's solicitors by way of post-dated cheques in the amounts and on the dates described below:

(i) $10,945.00 by cheque post-dated 30 days following the date of execution of this Agreement by the Purchaser;

(ii) $15,945.00 by cheque post-dated 180 days following the date of execution of this Agreement by the Purchaser;

(iii) $15,945.00 by cheque post-dated 450 days following the date of execution of this Agreement by the Purchaser;

(iv) $Ø by cheque post-dated — days following the date of execution of this Agreement by the Purchaser;

(c) $15,945.00 on interim occupancy of the Unit by Purchaser's solicitor's certified cheque (unless otherwise advised pursuant to the Section titled "Tender" in Schedule "G" hereto);

(d) the balance of the Purchase Price by the Purchaser's solicitor's certified cheque (unless otherwise advised pursuant to the Section titled "Tender" in Schedule "G" hereto), subject to adjustments as provided in this Agreement on the Unit Transfer Date (as hereinafter defined).

The failure of any cheque to clear the bank for any reason shall be a monetary default hereunder.

CLOSING
(a) The Purchaser shall be required to take Occupancy (as defined in the Tarion Addendum and Statement of Critical Dates) of the Unit in accordance with and on the date established pursuant to the provisions of the Tarion Addendum attached hereto which date is referred to herein as the "Occupancy Date".

(b) The purchase and sale of the Unit shall be completed and a transfer of the Unit delivered to the Purchaser in accordance with the terms of this Agreement on a date (the "Unit Transfer Date") that is the later of (i) the Occupancy Date; and (ii) a date fixed by the Vendor upon which the transfer of the Unit acceptable for registration is delivered to the Purchaser or his solicitor.

SCHEDULES NOTED HEREIN AND ATTACHED TO THIS AGREEMENT FORM PART HEREOF.

SCHEDULE "A" - SKETCH OF SUITE
SCHEDULE "B"- FEATURE LIST
SCHEDULE "C"- WARNING CLAUSES AND NOTICE PROVISIONS
SCHEDULE "D"- ACKNOWLEDGEMENT OF RECEIPT OF DISCLOSURE MATERIAL
SCHEDULE "G" - GENERAL PROVISIONS
TARION ADDENDUM AND STATEMENT OF CRITICAL DATES

DATED this 30 day of April, 2016

Witness: Jennifer L Anderson

Signature: [signature]
Purchaser: Daniel Burtman
Date of Birth: 10/28/73 Social Insurance No.:
Address: 74 Marbella Rd. Woodbridge ON L4H 1M2
Phone: 647.770.1693 Email: dburtman@icloud.com

Witness: Jennifer L Anderson

Signature: [signature]
Purchaser: Irina Burtman
Date of Birth: 11/27/75 Social Insurance No.:
Address: 74 Marbella Rd. Woodbridge, On. L4H
Phone: 647.720.1693 Email: dburtman@icloud.com

SOLICITORS FOR THE PURCHASER:

The Vendor hereby accepts the above offer.

DATED this day of , 20 .

SOLICITORS FOR THE VENDOR:
BRATTYS LLP
7501 Keele Street, Suite 200
Vaughan, Ontario L4K 1Y2
Attention: Michael C. Volpatti
tel# (905) 760-2600 Ext. 310 fax# (905) 760-2900

1945086 ONTARIO INC.

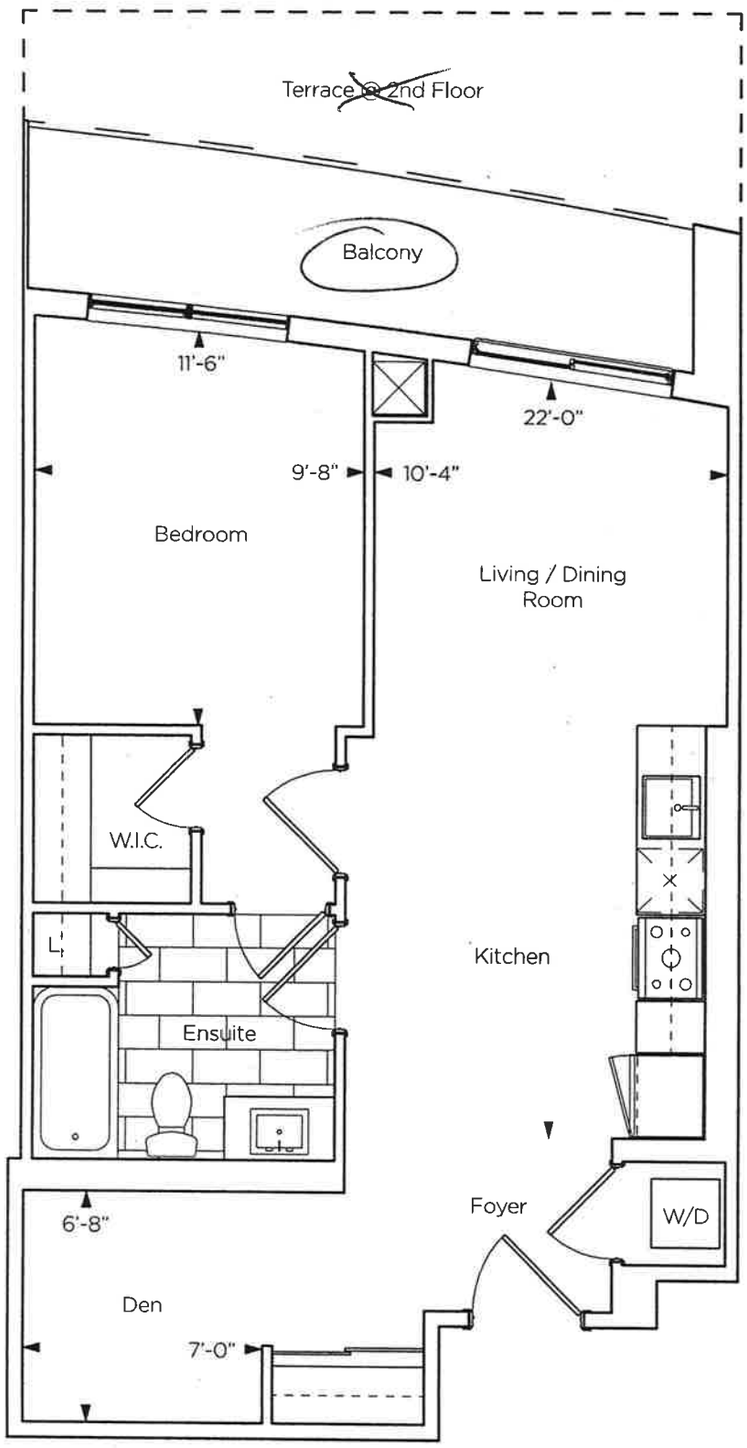
Per: [signature]

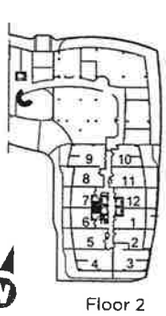
A.S.O.

SCHEDULE A

cosmos
CONDOMINIUMS

SUITE 1B+D 1 BEDROOM + DEN 650 SQ. FT. (BARRIER FREE)
+ BALCONY 85 SQ. FT. (TERRACE ~~160 SQ. FT. @ 2ND FLOOR~~)





Floor 2

Floors 3-33

IRINA BURTMAN
Purchaser's name: DANIEL BURTMAN

Suite #: 2108

Purchaser's initials:

Vendor initials:

Date: APRIL 30 2016

Issue Date 04/22/2016

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SCHEDULE "B"
SUITE FEATURE LIST
Cosmos Condos – Tower A

KITCHEN FEATURES
- Granite or quartz countertops.*
- European-style cabinets, with 36" high upper cabinet.* •
- Stainless steel undermount sink with single-lever faucet and vegetable spray.*
- Ceramic tile backsplash.*
- Stainless Steel Bosch appliance package including: built-in oven, black-glass cooktop, built-in multi-cycle dishwasher, counter-depth bottom-freezer refrigerator, and micro wave hood fan vented to exterior.*

BATHROOM FEATURES
- Quartz countertop with undermount sinks.*•
- Custom mirror / medicine cabinet over vanity.•
- White bathroom fixtures.•
- Ceramic tile on floors, tub surround and wall and shower floor (where applicable).*•
- Choice of vanity cabinets from builder's standard samples. *•
- Single-lever faucets for vanities.
- Pressure balanced valves in tub and shower.
- White acrylic soaker tub.•
- Mirror over width of vanity in second bathroom. •

FLOORING
- Ceramic tile in bathroom(s) and laundry area.*•
- Laminate flooring in living room, dining room and den (if applicable).*•
- Laminate flooring in foyer and kitchen.*

CONTEMPORARY SUITE
- Solid core entry door with brushed nickel hardware and stained finish.
- Contemporary interior doors with brushed nickel lever hardware.
- Mirrored sliding closet doors in foyer, where applicable.•
- Contemporary white 5 1/2" baseboards and 2 ¼ " trim casings.
- White smooth ceilings throughout finished with white semi-gloss latex paint.
- Interior walls painted with two coats of flat latex paint (kitchen, bathroom(s), all interior doors and all trim painted with semi-gloss latex paint).*
- Glass and rail treatment on balconies.•
- 6' High privacy screen dividing balcony and terrace where applicable •
- Space efficient stacking electric washer/dryer (white) vented to exterior.•
- 9' ceilings on residential levels •

SECURITY
- Full time concierge.
- Surveillance cameras in select areas of building and underground garage.
- Electronic access control system for recreation amenities, parking garage, and other common areas.
- Enter phone and cameras located in lobby and visitor entrances allowing residents to view visitors through dedicated television channel.
- Suite entry doors roughed-in for in-suite security alarm system.
- In-Suite fire alarm speaker.
- In-Suite hard wired smoke detector.

STATE-OF-THE-ART WIRING
- Suites pre-wired using CAT 5 wiring, for telephone outlets in living room, bedroom(s), and den (if applicable).•
- Suites pre-wired for cable television outlets using RG 6 wiring in living room, bedroom(s) and den (if applicable). •

MECHANICAL AND ELECTRICAL SYSTEMS
- Individually controlled central heating and cooling system (seasonal).
- Central domestic hot water system.
- White Decora-style receptacles and light switches throughout suites.
- Light fixtures provided in kitchen, all bedroom(s), dining room and den, bathroom(s), and walk-in closet. (if applicable).•
- Individual remote hydro metering for hydro consumption.
- Heavy-duty wiring and receptacle for washer/dryer.

NOTES

- * Indicates as per Vendor's standard sample(s).
- • Indicates as per Vendor's plans.
- Purchaser(s) shall select the colour and material from Vendor's standard samples only (one carpet colour, one laminate floor colour and one paint colour per suite).
- Purchaser(s) may select upgraded materials from Vendor's samples and shall pay the upgrade costs at the time of colour and finishes selection.
- Vendor reserves the right to make reasonable changes in the opinion of Vendor in the plans and specifications if required and to substitute other material or finishes or that provided for herein with material or finishes of equal or better quality than that provided for herein. The determination of whether or not a substitute material or finish is of equal or better quality shall be made by Vendor, in its sole, absolute and unfettered discretion, which determination shall be final and binding. Purchaser acknowledges that colour, texture, appearance, grains, veining, natural variations in appearance, etc. of features and finishes installed in the unit may vary from Vendor samples as a result of normal manufacturing and installation processes and/or as a result of any such finishes being of natural products (i.e., due to the inherent nature of the material itself) and Purchaser agrees that Vendor is not responsible for same. Vendor shall not be responsible for shade differences occurring in the manufacture of items such as, but not limited to, finishing materials or products such as carpet, tiles, granite, marble, porcelain, laminate flooring, engineered flooring, bath tubs, sinks and other such products where the product manufacturer establishes the standard for such finishes. Nor shall Vendor be responsible for shade differences in colour of components manufactured from different materials but which components are designed to be assembled into either one product or installed in conjunction with another product and in these circumstances the product as manufactured shall be accepted by Purchaser. Purchaser acknowledges and agrees that carpeting may be seamed in certain circumstances and said seams may be visible. Purchaser acknowledges and agrees that pre-finished wood flooring (if any) or any engineered wood flooring (if any) may react to normal fluctuating humidity levels inducing gapping and cupping. Purchaser acknowledges that marble and similar stones (if any) are very soft stones, which will require a substantial amount of maintenance by Purchaser and are very easily scratched and damaged. Plan and specifications are subject to change without notice.
- Where bulkheads are installed and where dropped ceilings are required, the ceiling height will be less than stated, as per Vendor's plans.
- All plans, elevations, sizes and specifications are subject to change from time to time by Vendor without notice. E. & O. E.
- Unit owners are covered by TARION Warranty Program (formally known as ONHWP). Vendor is proud to be registered with TARION Warranty Program.

March 30, 2016

D.B. I.B.

SCHEDULE "C"

WARNING CLAUSES AND NOTICE PROVISIONS

Cosmos Condominiums – Tower A – Vaughan, Ontario

(a) The Condominium shall also be adjacent to a non-residential area, including without limitation, parking, commercial, retail, office and/or amenity areas. Impacts, including odour, emissions and noise from this use and businesses may be expected by purchasers of units and visitors of the Condominium.

(b) The purchaser and/or lessee specifically acknowledges and agrees that the proximity of the development of the Condominium (the "Development") to the Toronto Transit Commission, York Region Transit/VIVA, Metrolinx transit operations, and any other applicable transit operator, may result in transmission of noise, vibration, electromagnetic interference, lighting glare, stray current, smoke, and particulate matter (collectively referred to as "Interferences") on and/or to the Development and despite the inclusion of control features within the development, Interferences from transit operations may continue to be of concern, occasionally interfering with some activities of the occupants of the Development. Notwithstanding the above, the purchaser or lessee agrees to release and save harmless any applicable transit operator and/or any relevant municipal authorities, from all claims, losses, judgments or actions arising or resulting from any and all interferences. The purchaser or lessee further acknowledges and agrees that an Interference clause similar to the one contained herein shall be inserted into any succeeding lease, sublease or sales agreement, and that this requirement shall be binding not only on the parties hereto but also their respective successors and assigns and shall not die, or be null and void, with the closing of the transaction.

(c) Purchasers are advised of the proximity of the Condominium to roadways and railways and that same may result in noise exposure levels exceeding the noise criteria established by governmental authorities and despite inclusion of noise control features in the Condominium, if necessary, noise, vibration, EMI and stray current from any of the aforementioned sources may continue to be of concern, occasionally interfering with some activities of dwelling owners in the Condominium. Governmental authorities, or their successors and assigns, has or have rights-of-way or lines within 300 metres of the Condominium. There may be alterations to, or expansion of the rail facilities on such right-of-way or lines in the future, including the possibility that governmental authorities, or their successors and assigns, may expand their operations, which expansion may affect the living environment of the residents in the vicinity, notwithstanding the inclusion of any noise and vibration attenuating measures in the design of the development and individual dwellings if necessary. The Vendor and governmental authorities will not be responsible for any complaints or claims arising from the use of such facilities and/or operations on, over, or under the said rail lines or rights-of-way. Notwithstanding the foregoing, the Purchaser agrees to complete the purchase transaction and acknowledges and agrees that warning clauses similar to the foregoing, subject to amendment and enlargement by any wording or text recommended by the Vendor's noise consultants or by any of governmental authorities may be applicable to the Condominium and/or may be registered on title to the Condominium and if required, the Purchaser agrees to acknowledge any such warning clauses.

(d) The Condominium and/or the development area including, without limitation, the proposed park(s), are intended to contain architectural features on the exterior facades of the Condominium and/or the development area including, without limitation, the proposed park(s), which features may contain lights or may be lit up by some form of lighting system. Purchasers are hereby advised that such lighting features or systems, if installed, may result in light and/or noise entering the units and/or the balconies and terraces and may interfere with the activities and enjoyment of the units and/or balconies and terraces by the unit occupants.

(e) Recycling of refuse may be required by the Municipality and residents will be required to sort refuse in accordance with the recycling requirements of the Municipality. It is intended that Condominium's refuse facilities and refuse collection/pick-up area will be utilized by the residential component and the retail/commercial/office component although the retail/commercial/office component may have to make its own provisions for refuse collection. All purchasers are advised that refuse and recyclable materials generated by the non-residential component of the development must be collected by a private refuse collection firm and it is intended that refuse and recyclable materials generated by the residential component of the development will also be collected by a private refuse collection firm.

(f) The Vendor makes no representation or warranty with regards to whether the collection of refuse from the Condominium shall be by a private refuse collection firm or by the City of Vaughan. The Vendor shall be responsible for the collection of refuse from the Condominium's refuse facilities and refuse collection/pick-up area for six (6) months commencing on the first date on which a unit in the Condominium is occupied by the public.

(g) The Purchaser acknowledges that each Unit is to be equipped with a forced air heating and cooling system (the "HVAC system"). The owner of the Unit shall be responsible for the maintenance and repair of such HVAC system (including all pipes, conduits, equipment and appurtenances thereto) whether such HVAC system is installed or located within or outside of (or partially within or outside of) the Unit. The maintenance and repair of the HVAC system may be arranged for by the Condominium Corporation and carried out by its designated contractors or workmen, but all, paid for by the owner of the Unit, in addition to common expenses. Purchasers shall permit access to the Unit, from time to time, to the Condominium Corporation and all others entitled thereto, to repair and maintain the HVAC system to the extent that same is applicable.

(h) The Purchaser acknowledges that if the Unit contains laminate or engineered wood flooring, same may absorb excess moisture under humid conditions and release its normal moisture content under excessively dry conditions. Such flooring will naturally swell during the humid season and will shrink when heat is applied. The Purchaser acknowledges that the Vendor will not be responsible for any swelling or shrinkage cracks resulting from excessive humidity or excessive dryness within the Unit. When the heating system is not in use during late spring, summer and early fall, the Vendor strongly recommends that the Purchaser use a dehumidifier in the Unit. Correspondingly, when the heating system is on during the late fall, winter and early spring, the Vendor strongly recommends the use of a humidifier system within the Unit. The Purchaser takes full responsibility for any damage to the flooring as a result of its failure to mitigate air quality conditions as herein set out.

(i) The Purchaser is hereby advised that the Vendor's builder's risk and/or comprehensive liability insurance (effective prior to the registration of the Condominium), and the Condominium's master insurance policy (effective from and after the registration of the Condominium) will only cover the common elements and the standard unit contemplated in the Disclosure Statement and will not cover any betterments or improvements made to the standard unit, nor any furnishings or personal belongings of the Purchaser or other residents of the Unit, and accordingly the Purchaser should arrange for his or her own insurance coverage with respect to same, effective from and after the Firm Occupancy Date, all at the Purchaser's sole cost and expense.

(j) The Purchaser acknowledges that despite the best efforts of the York Region District School Board and/or the York Region Catholic District School Board (collectively, the "School Boards"), sufficient accommodation may not be locally available for all students anticipated from the development area and that students may be accommodated in facilities outside the area, and further, that students may later be transferred. Purchasers agree for the purpose of transportation to school, if bussing is provided by the School Boards in accordance with the Boards' policies, that students will not be bussed home or to school, but will meet the bus at designated locations in or outside of the area.

(k) The Purchaser is advised that the balcony(ies) and/or terrace(s) (as applicable, if any) appurtenant to its Unit may be occupied and/or utilized, from time to time by the Vendor, the Condominium Corporation and/or the Condominium's property management company, for the purpose of the inspection, repair, replacement and/or cleaning of the windows, window systems and/or the façade of the Condominium or nearby structures. The Purchaser shall not object to, block, hinder or delay such occupation and/or use of the balcony(ies) and/or terrace(s) (as applicable, if any) appurtenant to its Unit.

(l) The Purchaser is advised that public art structures and features may be constructed upon the common elements of the Condominium. The Purchaser shall take no action and shall not omit to do any action that would (i) cause any harm or damage to said public art and/or (ii) cause a breach of any agreement between the Municipality and the Condominium Corporation and/or the Vendor with regards to the maintenance, repair, replacement and inspection of said public art structures and features.

(m) The Purchaser is advised that the proposed park(s), proposed to be located on the lands, adjacent to or near the subject Condominium, may, at the sole, absolute and unfettered discretion of the owner(s) of such lands, be public, and open and accessible to the general public, and the public may have a right to use and access such area(s).

(n) The Purchaser acknowledges that elevator wait times may vary according to various factors, including without limitation, elevator usage by residents or visitors to the Condominium, increased elevator usage at certain times of the day, the performance of maintenance and repairs to the elevator(s) and the reservation of the elevator(s) for the transportation of any goods or home furnishings.

(o) The Purchaser acknowledges and agrees that despite the inclusion of noise attenuation features within the development area and within the individual building units, noise levels will continue to increase, occasionally interfering with some activities of the building's occupants.

(p) The Purchaser is advised that the dwelling unit has been or will be fitted with a central air conditioning system which will enable occupants to keep windows closed if road and or air traffic noise interferes with the indoor activities.

(q) The Purchaser is advised that due to the proximity of the adjacent industrial and commercial facilities, sound levels from these facilities may at times be audible.

(r) The Purchaser acknowledges that all models, video, images, computer generated imagery and tablet presentations are artistic descriptions only and/or may be modified before and/or during construction without notice. The Purchaser acknowledges that any context model(s) illustrating lands not owned by the Vendor were created based on information provided by the City of Vaughan and will not be updated to reflect any changes to such lands which are subject to change at any time by the owner(s) of such lands without notice.

SCHEDULE "D"

ACKNOWLEDGEMENT OF RECEIPT OF DISCLOSURE MATERIALS

Cosmos Condominiums – Tower A – Vaughan, Ontario

THE UNDERSIGNED PURCHASER HEREBY ACKNOWLEDGES RECEIPT OF A COPY OF THE FOLLOWING DOCUMENTS:

(a) copy of the Agreement of Purchase and Sale and all schedules attached/referenced therein (to which this Acknowledgement is attached as a Schedule) executed by the Vendor and the Purchaser;

(b) copy of the Current Disclosure Statement in accordance with the requirements of Section 72 of the Condominium Act, 1998 including the following items:

(i) Disclosure Statement Table of Contents;

(ii) Disclosure Statement;

(iii) proposed Declaration;

(iv) proposed By-Laws Nos. 1, 2, 3 and 4;

(v) proposed management agreement;

(vi) proposed Budget Statement;

(vii) Sections 73 and 74 of the Act – purchaser's right to rescind;

(viii) proposed plan showing the overall site of the Condominium;

(ix) proposed standard unit definition;

(x) the proposed rules governing the corporation; and

(xi) a list of the proposed recreational and other amenities.

DATED this 30th day of April ,2016.

Witness: Jennifer L Anderson

Signature of Purchaser

DANIEL BURTMAN
IRINA BURTMAN
(Printed Name of Purchaser)

Witness: Jennifer L Anderson

Signature of Purchaser

DANEL BURTMAN
IRINA BURTMAN
(Printed Name of Purchaser)

SCHEDULE "G" - GENERAL PROVISIONS

1. ORAL REPRESENTATIONS

ORAL REPRESENTATIONS OR WARRANTIES BY THE VENDOR OR ITS AGENTS SHALL NOT FORM PART OF NOR SHALL THEY AMEND THIS AGREEMENT. THE PURCHASER ACKNOWLEDGES HAVING READ ALL PARAGRAPHS AND SCHEDULES OF THIS AGREEMENT.

2. PARKING UNIT, LOCKER UNIT and BICYCLE PARKING UNIT (if applicable)

THE PURCHASER ACKNOWLEDGES AND AGREES THAT THIS AGREEMENT DOES NOT INCLUDE A PARKING UNIT.

THE PURCHASER ACKNOWLEDGES AND AGREES THAT THIS AGREEMENT DOES NOT INCLUDE A LOCKER UNIT.

THE PURCHASER ACKNOWLEDGES AND AGREES THAT THIS AGREEMENT DOES NOT INCLUDE A BICYCLE PARKING UNIT.

3. COMPLETION OF UNIT

The Unit shall be deemed to be completed for the purposes of Occupancy on the Occupancy Date or any extension thereof when the requirements of Section 9 of the Tarion Addendum and Statement of Critical Dates have been met, and the Purchaser agrees that he shall take occupancy of the Unit on the Occupancy Date and the Vendor shall complete any outstanding details of construction required by this Agreement within a reasonable time thereafter having regard to weather conditions and the availability of supplies or tradesmen. In any event, the Purchaser acknowledges that failure to complete other units within the building in which the Purchaser's Unit is located, or the common elements on or before the Occupancy Date shall not be deemed to be a failure to complete the Unit. The Purchaser agrees to complete this transaction notwithstanding any claims submitted to the Vendor and/or the Ontario New Home Warranties Plan Act (the "Warranty Act") or otherwise in respect of apparent deficiencies or incomplete work. The Vendor makes no representations, warranties or covenants regarding the size, area and dimensions of any balcony(ies) and/or terrace(s) (as applicable, if any) appurtenant to the Unit. The Purchaser covenants and agrees that the Purchase Price is not based on the size, area and dimensions of any balcony(ies) and/or terrace(s) (as applicable, if any) appurtenant to the Unit. The Purchaser shall have absolutely no claim or cause of action whatsoever against the Vendor or its sales representatives (whether based or founded in contract, tort or in equity) with regards to/pertaining to/arising from the size, area and dimensions any balcony(ies) and/or terrace(s) (as applicable, if any), nor shall the Purchaser be entitled to any abatement and/or reduction in the Occupancy Fee and/or Purchase Price whatsoever as a consequence of the size, area and dimensions of same.

4. INTERIM OCCUPANCY

(a) The Purchaser shall, subject to any other provisions of this Agreement to the contrary, take possession of the Unit from the Occupancy Date until the Unit Transfer Date, upon the terms set forth in the occupancy provisions herein (which in such instances shall constitute the occupancy agreement), and/or shall execute at the Vendor's option its standard form of occupancy agreement (either occupancy agreement hereinafter called the "Occupancy Agreement"). In the event of a conflict between any term contained in the Vendor's standard form of occupancy agreement and any term contained in the occupancy provisions hereof, the provisions of the Vendor's standard form of occupancy agreement shall prevail. Should any parking unit(s), locker unit(s) and/or bicycle parking unit(s) purchased hereunder (or in any amendment, addendum or schedule hereto) not be available for use during certain (or all) period(s) between the Occupancy Date and the Unit Transfer Date, as determined by the Vendor in its sole and unfettered discretion, the Purchaser shall nevertheless take possession of the residential dwelling unit purchased hereunder (and such other units purchased hereunder as are available for use during such period(s), as determined by the Vendor in its sole and unfettered discretion) on the Occupancy Date and the Purchaser shall not be entitled to any abatement or reduction in the Occupancy Fee and/or Purchase Price whatsoever as a consequence of any parking unit(s), locker unit(s) and/or bicycle parking unit(s) purchased hereunder (or in any amendment, addendum or schedule hereto) not being available for use during certain (or all) period(s) between the Occupancy Date and the Unit Transfer Date. Further, the Purchaser shall have absolutely no claim or cause of action whatsoever against the Vendor or its sales representatives (whether based or founded in contract, tort or in equity) for the unavailability for use of any parking unit(s), locker unit(s) and/or bicycle parking unit(s) as aforementioned.

(b) On the Occupancy Date, the Purchaser shall deliver a clear and up-to-date execution certificate in respect of the Purchaser's name from the Land Titles Office or Sheriff's Office in the judicial district in which the Unit is situated, or provide the Vendor's solicitor with such other information and documentation as may be required in order to satisfy the Vendor's solicitor, in its sole, absolute and unfettered discretion, that the Purchaser is not one and the same person as any particular execution debtor named in any particular execution on file in the said offices.

(c) The Purchaser shall pay an occupancy fee (the "Occupancy Fee") monthly, in advance, on the first day of each month, during the period between the Occupancy Date and the Unit Transfer Date, which Occupancy Fee shall be payable pro rata for periods of less than a whole month at the beginning or end of the occupancy period. The Occupancy Fee shall be equal to the maximum amount permitted in section 80(4) of the Act. The Purchaser shall provide any number of postdated cheques with respect to the Occupancy Fee as and when the Vendor may reasonably require same. The Purchaser acknowledges and agrees that any cheques delivered to the Vendor with respect to the Occupancy Fee and which are not negotiated by the Vendor shall, at the sole option of the Vendor, either be destroyed by the Vendor and not be returned to the Purchaser or his solicitor, or be returned by the Vendor to the Purchaser or its solicitor. NO PART OF THE OCCUPANCY FEE SHALL BE CREDITED TOWARDS THE PURCHASE PRICE ON THE UNIT TRANSFER DATE NOR SHALL ANY PART THEREOF BE RETURNED TO THE PURCHASER IN THE EVENT THAT ANY DEPOSIT MONIES ARE TO BE RETURNED TO THE PURCHASER BY REASON OF THE TERMINATION OF THIS AGREEMENT. No adjustment shall be made for fluctuations in those items on which the Occupancy Fee is based other than as required in the Act, save and except as provided for in the following sentences in this subsection. The Vendor reserves the right to charge taxes applicable only to the land to the Purchaser as part of the monthly Occupancy Fee and adjust on the Unit Transfer Date any interim bills paid by the Vendor prior to the Unit Transfer Date. The Purchaser in such event shall still be responsible for all supplementary tax bills resulting from the construction of the Condominium from and after the confirmed Occupancy Date and all tax bills after Unit Transfer Date applicable to the Unit.

(d) The Purchaser covenants and agrees to provide the Vendor's solicitor, at least 60 days prior to the Occupancy Date, with the full names, birth dates, marital status, social insurance number of the Purchaser and any other parties permitted by the Vendor to take title to the Unit, and the address for service to be inserted in the transfer, failing which the Vendor shall be entitled to engross the Occupancy Agreement and the transfer to the Unit in the name of the Purchaser as noted on the front page of this Agreement or as permitted herein, and the Purchaser shall be bound thereby and shall be estopped from requiring any further changes to the manner in which the Occupancy Agreement and/or the transfer are so engrossed.

(e) The Purchaser agrees to provide the name, address and telephone number of its solicitor and all other information requested or required for the completion of the transaction to the Vendor or its solicitor in writing no later than 60 days prior to the Occupancy Date. If the Purchaser changes solicitors or the Purchaser or its solicitor (i) fail to provide the aforesaid information or required title information; (ii) change or amend any of the information provided, including title information required for engrossing the Occupancy Agreement or the transfer to the Unit as required by the preceding paragraph; or (iii) provide information to the Vendor or its solicitors that is incorrect or amended for any reason, the Purchaser shall be charged a fee as determined by the Vendor plus Applicable Taxes on the Statement of Adjustments.

(f) The Purchaser agrees to obtain from the Vendor a time of day during which the Purchaser shall be entitled to move into the Unit and to use the elevator(s), corridor(s) and/or stairwell(s) designated for such purposes (as applicable). The Purchaser shall be responsible for all damages to the elevator(s), stairwells and/or corridors (as applicable) as a result of the Purchaser's use and shall provide a security deposit in an amount determined by the property manager payable to the Vendor prior to being granted use of the elevator(s), corridor(s) and/or stairwell(s) (as applicable). If the elevator(s), corridor(s) and/or stairwell(s) (as applicable) are damaged as a result of the Purchaser's use, then the Vendor shall be entitled to retain from such deposit an amount equal to the cost of repair for the damage, and if such cost exceeds the amount of the security deposit then, the Purchaser shall pay to the Vendor the difference immediately, failing which an amount equal to such difference shall be paid on the Occupancy Date

or the Unit Transfer Date, as determined by the Vendor, together with interest at the rate described in the paragraph headed Default.

5. THE OCCUPANCY AGREEMENT

During the term of the Occupancy Agreement:

(a) Subject to the provisions hereof, only the Purchaser or members of the Purchaser's immediate family shall have the right to occupy the Unit, for residential purposes only, in accordance with the terms and provisions of the draft condominium documents included in the Disclosure Statement (hereinafter the "Condominium Documents"), and shall comply with same as if they were the owner of the Unit, and shall maintain and repair same in a clean and sightly manner as would a prudent owner, and shall make no change, alteration, or addition to the Unit without the Vendor's prior written consent (which consent may be arbitrarily withheld). The Purchaser acknowledges and agrees that he shall not have access to the Unit prior to the Occupancy Date without the Vendor's prior consent and without being accompanied by a representative of the Vendor;

(b) The Purchaser shall pay all telephone, cable/satellite television, utility and other expenses for the Unit other than those included as a proposed common expense (including without limitation) any administrative charges imposed by any utility provider as a result of such utility being separately metered;

(c) The Purchaser shall maintain insurance on any decoration, furnishing or improvement to the Unit as well as for third party liability and shall indemnify the Vendor from any damage to property or injury to persons within or on the Unit or elsewhere if caused by the Purchaser or any person for whose actions the Purchaser may in law be liable;

(d) The Purchaser's right to occupy the Unit may be terminated by the Vendor if the Purchaser is in default under this Agreement or the Occupancy Agreement, or if this Agreement has been terminated for any reason. If the Occupancy Agreement or this Agreement is terminated, the Purchaser shall vacate the Unit immediately, and shall indemnify the Vendor for any costs incurred in connection with its repossession of the Unit and/or in restoring or repairing the Unit;

(e) Subject to the provisions hereof, the Purchaser may not assign or sublet the Occupancy Agreement or otherwise part with possession of the Unit, without the Vendor's prior written consent which consent may be arbitrarily withheld; and

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

6. CONSTRUCTION, CHANGES AND DECOR PACKAGES

The Vendor shall have the right from time to time to make reasonable changes in the opinion of the Vendor in the plans and specifications of the Unit and the Condominium (regardless whether the aforesaid have been submitted to the relevant governmental authority) and any changes required by any relevant governing authority in the plans and specifications of the Unit and the Condominium and every aspect thereof if required and to substitute other material for that provided for under this Agreement or in the plans and specifications of the Unit or the Condominium, provided that such alternative material is of a quality equal to or better than the material hereunder or in the plans and specifications and the Purchaser agrees to complete this transaction notwithstanding same and the Purchaser hereby consents to such changes and substitutions. The Purchaser acknowledges and agrees that the Vendor may insert or add any items, including without limitation, windows, columns, fire walls, conduits, beams and/or bulkheads within or adjacent to the Unit and/or remove, change, delete, vary, alter or modify the number, size and location of any of the foregoing items from the number, size and/or location of same as displayed or illustrated in the sketch of suite attached hereto as Schedule "A" or any promotional material or information which may include, without limitation, sales brochure(s), model(s), rendering(s), vignette(s) and/or floor plan(s) previously delivered or shown to the Purchaser or to the public (regardless of the extent or impact thereof). The Purchaser shall have absolutely no claim or cause of action whatsoever against the Vendor or its sales representatives (whether based or founded in contract, tort or in equity) for any such insertions, additions, removals, changes, deletions, variations, alterations or modifications, nor shall the Purchaser be entitled to any abatement or reduction in the Purchase Price whatsoever as a consequence thereof. The Purchaser acknowledges and agrees that the Vendor shall have the right, in its sole, absolute and unfettered discretion to effect the changes to the Condominium

contemplated in the Disclosure Statement, to change the proposed sharing (if any) of amenities or other areas (if any) with nearby and/or adjacent buildings or condominiums to change the legal description or the municipal address of the residential dwelling unit and the right to change the Condominium's municipal address or numbering of the Units in terms of unit number and/or level number and the number of units in the Condominium as a result of a combination of units, splitting units, adding additional units, removing units and reducing or increasing the height of the Condominium by reducing or increasing the number of floors of the Condominium and altering the exterior design and features of the Condominium, which the Vendor can effect in its sole, absolute and unfettered discretion; provided, however, that the Purchaser's residential dwelling unit general location on the floor-plate and general configuration shall not be altered except as provided herein. The Vendor also reserves the right to move the Purchaser's Unit or floor in the Condominium to a higher or lower floor or level at the Vendor's sole, absolute and unfettered discretion if the Vendor adds or removes floors or levels to the Condominium or makes any other changes to the Condominium. The Purchaser acknowledges and agrees that the construction timetable for the lands adjacent to and/or nearby the Condominium, if applicable, and the type, character, composition, number of buildings and other development matters of the improvements to be constructed thereon will be totally at the discretion and control of the owners thereof. The Purchaser covenants and agrees that in the event that there is a 'material change' permitting the Purchaser to rescind this Agreement pursuant to s.74(6) of the Act, then the Purchaser agrees that its only recourse against the Vendor is such right of rescission pursuant to the Act and the return of its deposits paid under this Agreement and the Purchaser shall not claim specific performance and/or damages of any kind against the Vendor as a result, notwithstanding any rule of law or equity to the contrary.

The items set out in Schedule "B" attached hereto are included in the Purchase Price. Furnishings, decor, improvements, mirrors, drapes, tracks and wallpaper, if any, described and/or illustrated within any promotional material or information which may include, without limitation, sales brochure(s), model(s), rendering(s)s, vignette(s) and/or floor plan(s) are for display purposes only and are not included in the Purchase Price. The floor area and dimensions of the represented units relate to units that are located midway in the building and, because the structural, mechanical and architectural elements will differ on a floor by floor basis, the floor area and the dimensions of such units will vary on a floor by floor basis and the Purchaser is notified of the following statement pursuant to the requirements of the applicable Tarion Bulletin: "Floor area measurements were calculated on the middle floor, such that units on lower floors may have less floor space due to thicker structural members, mechanical rooms, etc., while units on higher floors may have more floor space". Note: Actual usable floor space may vary from the stated floor area. The Purchaser acknowledges that the Unit may be a reverse mirror image plan of the plan attached hereto as Schedule "A" and that the floor area and dimensions of any room contained thereon or the Unit as represented in any schedules hereto and sales or promotional material or provided by the Vendor's sales agents has been determined in accordance with the provisions of the applicable Builder Bulletin issued pursuant to the Ontario New Home Warranties Plan Act (the "Warranty Act"), that such calculations and measurements are approximate only, that the net living area of the Unit will differ from the floor area of the Unit determined in accordance with the aforesaid bulletin, that there is no representation or warranty as to the size of the Unit, that the Purchase Price is not based on the floor area of the Unit and that the Purchaser shall not be entitled to an adjustment for same in the event that the actual floor area of the constructed Unit differs from that indicated by the promotional material or provided by the Vendor's agents. In accordance with the foregoing, and without limiting the generality of the foregoing, all details and dimensions are approximate and are subject to change without notice to the Purchaser. Any reference to ceiling heights in this Agreement or the Schedules attached hereto shall mean the approximate height from unfinished floor slab surface to unfinished ceiling slab surface and such heights will be reduced by sound attenuation features, finishes of floors and ceilings and installations such as bulkheads, etc..

Purchaser's choice of colours and materials shall be from Vendor's standard samples, if not yet ordered or installed, and provided that colours and materials are available from suppliers. Without limiting the generality of the foregoing, any of the foregoing selection of features and finishes made by the Purchaser in accordance with this Agreement shall be subject to the availability thereof at the time that the Vendor is prepared to install same and if any selected feature or finish is not then available, the Purchaser will then be required to re select from any additional standard samples then available from the Vendor, again subject to the requirement of further re selection in the event that the additional selection(s) made by the Purchaser are also not available as described above. Purchaser agrees to select the colour and material within 10 days after notification by the Vendor; otherwise the Vendor reserves the right to choose the colour and material to complete the dwelling and the Purchaser agrees to close the transaction with the Vendor's choice of colour and material.

The Vendor is not responsible for shade difference occurring in the manufacture of items such as, but not limited to, finishing materials or products such as countertops, flooring and floor coverings, roof coverings, cladding, bath tubs, water closets, sinks and other such products

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where the product manufacturer establishes the standard for such finishes. The Vendor is also not responsible for colour variations in any products or finishes on products such as but not limited to floor coverings, roof coverings, stone, wood, laminate, cabinets, shelves, railings, spindles, trim as well as stains or finishes applied to any of the aforesaid which colours may vary when finishes are applied to them. Nor shall the Vendor be responsible for shade difference in colour of components manufactured from different materials but which components are designed to be assembled into either one product or installed in conjunction with another product such as but not limited to toilet seats, toilets, tubs, cabinet finishes and paint and in these circumstances the product as manufactured shall be accepted by the Purchaser. The Purchaser acknowledges that where adjoining rooms have different flooring materials, there may be installed thresholds between the different types of flooring and that the height of the floors may vary.

The Purchaser covenants and agrees that the Purchaser shall pay to the Vendor in advance for all extras, upgrades or changes, and Applicable Taxes in addition thereto, ordered by the Purchaser at the time such order is made and the Purchaser further acknowledges and agrees that such payment is non-refundable in the event that this transaction is not completed due to a default, fault, action or inaction of the Purchaser. Notwithstanding anything herein contained to the contrary, the Purchaser acknowledges and agrees that if, upon the Unit Transfer Date, any of the extras, upgrades or changes ordered by the Purchaser remain incomplete in whole or in part or if the Vendor shall, in its sole discretion, determine that it will not provide extras, upgrades or changes or cannot complete the extras, upgrades or changes then there shall be refunded to the Purchaser upon the Unit Transfer Date that portion of the amount paid by the Purchaser in connection with such extras, upgrades or changes allocated to those extras, upgrades or changes which remain incomplete in whole or in part as aforesaid, as determined by the Vendor. The Purchaser further acknowledges and agrees that the amount so paid to the Purchaser (or for which, in the alternative, the Purchaser receives credit in the statement of adjustments) shall be accepted by the Purchaser as full and final settlement of any claim by the Purchaser with respect to the extras, upgrades or changes which remain incomplete as aforesaid. The Purchaser further acknowledges that the Vendor's liability with respect to such incomplete extras, upgrades or changes shall be limited to the return of the amounts referred to aforesaid and, thereafter, there shall be no further liability upon the Vendor in connection with such incomplete extras, upgrades or changes and upon such payment being made or credit being given, the Vendor shall be deemed to have been released from any and all obligations, claims or demands whatsoever with respect to such incomplete extras, upgrades or changes. If the Purchaser neglects to advise the Vendor forthwith upon request as to the Purchaser's selection of finishing specifications, or orders any extras, upgrades in interior finishings, or performs any work in or about the Unit which causes delay on the Vendor's construction operations, the Vendor may require the Purchaser to take occupancy of the Unit and complete this transaction on the Unit Transfer Date herein set out without holdback of any part of the Purchase Price, on the Vendor's undertaking to complete any one of the Vendor's outstanding work from time to time. On occasion, certain extras/upgrades may be installed by the Vendor after the Occupancy Date at the Vendor's discretion.

The Purchaser acknowledges that the consumption of electricity in the residential dwelling units shall be separately metered or check or consumption metered on a per unit basis with each residential dwelling unit owner being responsible for the cost of such utility consumed in his residential dwelling unit, in addition to and not part of the common expenses payable by such owner. If requested by the Vendor, the Purchaser covenants and agrees to execute and deliver to the Vendor prior to the Occupancy Date or thereafter such documentation as is required to facilitate the separate metering, check or consumption metering and per unit billing of such utility.

Notwithstanding anything herein, the Vendor reserves the right to bulk meter any utility or servicing, including without limitation, any utility which is described herein as being separately, check or consumption metered and the Purchaser is specifically put on notice of same. Further, and notwithstanding anything herein, the Vendor reserves the right to separately meter / check meter / consumption meter any utility which was not previously described herein as being separately, check and/or consumption metered and the Purchaser is specifically put on notice of same. The Purchaser covenants and agrees, prior to the Occupancy Date or thereafter, to execute and deliver to the Vendor such documentation as may be required by the Vendor for the separate, check or consumption metering and billing of a utility which documentation may include, without limitation, a contract(s) with the provider of a utility and/or the party monitoring the consumption of a utility or an assumption agreement(s) with regards to such contract(s). The Purchaser further covenants and agrees to pay to Vendor (or as it may otherwise direct) the cost in respect of the provision and installation of a meter for any utility servicing the Unit which was not previously described herein as being separately, check and/or consumption metered plus Applicable Taxes as an adjustment on the Occupancy Date or on the Unit Transfer Date if so required by the Vendor.

The Purchaser acknowledges that the distance and views from the proposed building shown on any site plan, marketing materials, signs, artists renderings or scale model are approximate only

and/or may be modified before and/or during construction. The Purchaser acknowledges and agrees that the Vendor may, at its sole, absolute and unfettered discretion, make alterations, changes, additions or deletions to anything, including without limitation any buildings, structures and improvements, included or depicted on any such site plan, marketing materials, signs, artists renderings or scale model. The Purchaser further acknowledges that the Vendor shall only be required to provide the amenities as specifically set out in the Condominium Disclosure Statement (and subject to the modifications permitted therein), notwithstanding any artist renderings, models, displays, any advertising or marketing material or otherwise to the contrary.

7. WARRANTY

Notwithstanding what may otherwise be expressed in this Agreement, the Vendor covenants that on the Occupancy Date a written warranty in the Warranty Act standard form will be requested by the Vendor from the administrator of the Warranty Act. The Purchaser agrees to accept such warranty in lieu of any other warranty or guarantee, expressed or implied, it being understood and agreed that there is no representation, warranty, guarantee, collateral agreement or condition precedent to, concurrent with, or in any way affecting this Agreement or the subject land or Unit other than as expressed in the Warranty Act.

Notwithstanding the foregoing or anything contained in the said warranty, the Purchaser waives any right to any claim against the Vendor for damage to any ceilings or walls due to normal shrinkage and the Purchaser agrees that this Agreement may be pleaded by the Vendor in estoppel of any such claims by the Purchaser.

The Purchaser hereby releases the Vendor from any liability whatsoever in respect of water damage caused to the Purchaser's improvements, if any, and chattels stored in the Unit, and acknowledges and agrees that the Vendor shall not be liable or responsible for any damage to improvements, chattels or décor caused by shrinkage, twisting or warpage, nor for any secondary or consequential damages whatsoever resulting from any defects in materials, design or workmanship related to the Unit and/or Condominium, nor for any item requiring rectification or completion in respect of which the Purchaser has attempted to complete or rectify on his own, and the Vendor's only obligation shall be to rectify any defects pursuant to the terms of this Agreement. The Purchaser agrees to remove at his expense any finishes and/or improvements made by the Purchaser as requested by the Vendor in order to enable the Vendor to do any completion or rectification work. In addition, if the Purchaser orders the installation of engineered flooring, laminate or a similarly offered product within the kitchen, the Purchaser acknowledges and agrees that product warranties and responsibilities of the Vendor will not extend to: (a) water damage; (b) damage from the installation and/or movement of appliances; and (c) other kitchen related issues arising from such installation.

The Purchaser acknowledges that the Condominium building, the common elements and the Unit will be constructed to at least the minimum Ontario Building Code requirements and substantially in accordance with the plans and specifications to be prepared by the Vendor's architects and other consultants and engineers, as amended from time to time. The Purchaser covenants and agrees he shall have no claims against the Vendor for any higher or better standards of workmanship or materials than what may be expressed herein or in the Warranty Act. The Purchaser hereby covenants and agrees with the Vendor that it shall not, directly or indirectly, through itself, the Condominium Corporation or any other party whatsoever make any claim of any type whatsoever against the Vendor in respect of the Unit, the common elements, the Condominium building or any other matter relating to the subject development other than a claim pursuant to the Warranty Act. The Purchaser agrees that the foregoing may be pleaded by the Vendor as an estoppels in any action brought by the Purchaser or his successors in title against the Vendor.

8. INSPECTION OF UNIT

(a) The Purchaser or its designate shall inspect the Unit (such inspection hereinafter referred to as the "PDI") immediately prior to the Occupancy Date with a representative of the Vendor at a time appointed by the Vendor and the parties shall indicate on the face of the Warranty Act's Certificate of Completion and Possession and Warranty Certificate (the "Certificate"), the approval of the Purchaser, which shall be subject only to the completion of seasonal work, and any items of a similar nature uncompleted, and listed thereon, and save as to such list the Purchaser shall be conclusively deemed to have accepted the Unit as complete in accordance with this Agreement. On or before the PDI, the Vendor shall provide the Purchaser with a Homeowner Information Package that is available from the Tarion Warranty Corporation ("Tarion"). The Vendor will complete all matters set out in the said Certificate as soon as reasonably practicable. Further, the Vendor agrees to rectify any defects in materials or workmanship covered by the Warranty Act's warranty issued to the Purchaser as soon as reasonably practicable after the same will have been called to the Vendor's attention by notice in writing and in accordance with the guidelines of

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Tarion. Except for the aforementioned inspection with the Vendor's representative, the Purchaser shall not enter (and shall not direct or cause anyone to enter) the Condominium and Unit until the Purchaser has completed his obligations under this Agreement on the Occupancy Date. The Purchaser shall provide the Vendor with written notice, at least 5 days prior to the date appointed by the Vendor for the PDI, irrevocably appointing the Purchaser's designate, if any. The Purchaser acknowledges that: a Homeowner Information Package is available from Tarion Warranty Corporation; the Vendor has/will deliver to the undersigned a Homeowner Information Package as provided by Tarion Warranty Corporation on or before the date of the PDI; and the Purchaser shall execute any confirmation or statements confirming receipt of the Homeowner Information Package in accordance with Tarion's requirements.

(b) The completion of the foregoing inspection and the preparation and endorsement of the Certificate are conditions of the Vendor's obligation to give occupancy of the Unit and to complete this transaction. Failure by the Purchaser to attend at the appointed time for the inspection and to complete the Certificate shall be deemed to be a default by the Purchaser under this Agreement. The Vendor, at its sole option, may thereupon either terminate the transaction in accordance with the provisions set out in the paragraph(s) headed Default herein, or may elect to complete the Certificate on behalf of the Purchaser. The Purchaser hereby irrevocably nominates, constitutes and appoints the Vendor or any of its authorized signing officers to be and act as his lawful attorney in the Purchaser's name, place and stead for this purpose.

9. DAMAGES BEFORE CLOSING

The Unit shall be and remain at the risk of the Vendor until the Unit Transfer Date, and pending completion of the sale the Vendor will hold all insurance policies and the proceeds thereof in trust for the parties as their interests may appear. In the event that the Unit or the building of which the Unit forms a part are substantially damaged or destroyed, and the Vendor's lender requires that insurance proceeds be applied to reduce its loan rather than to the reconstruction of the Unit or building and the Vendor does not have alternative financing arrangements satisfactory to the Vendor, in its sole, absolute and unfettered discretion, then the Purchaser and Vendor agree that such event shall constitute a frustration of this Agreement and the Purchaser's deposits shall be returned to the Purchaser with interest as required by law, without deduction, and the Vendor shall not be liable for any costs and/or damages incurred by the Purchaser thereby whatsoever, whether arising from (or in connection with) the termination of the Purchaser's existing occupancy of the Unit, or the termination of this transaction, by virtue of the frustration of this contract.

10. ACCESS BY VENDOR FOR MAINTENANCE AND COMPLETION

(a) Notwithstanding the transfer of title to the Unit to the Purchaser, or occupancy of the Unit by the Purchaser, the Vendor or its duly authorized agents shall have free access at all reasonable times (unless there is an emergency, in which case such access can be at any time) to the Unit in order to make inspections or do any work or repairs thereon which may be deemed necessary in connection with the completion of the Unit or other units and the common elements in the Condominium or of any servicing or installations in connection with either the Unit or the common elements and this right shall be in addition to any rights and easements in favour of the Vendor under the Act.

(b) The Purchaser shall not interfere with the completion of other units and the common elements by the Vendor. Until the Condominium is completed and all units sold, both in other phases of the condominium, if any, and in other condominium plans, as applicable, the Vendor may make such use of the Condominium as may facilitate such completion and sale, including, but not limited to the maintenance of a sales office, signs and model units, the showing of unsold units and the display of signs. The Purchaser covenants and agrees for itself and its agents and permitted assigns that they shall not enter the Unit or the common elements prior to the Occupancy Date except as approved or required by the Vendor.

11. ACCEPTANCE OF TITLE BY PURCHASER

The Purchaser agrees that the Unit and the Condominium shall be subject to all registered restrictions and agrees to accept title to the Unit and the Condominium subject to all the rights and easements now registered or to be registered hereafter against the Unit, the common elements and/or the Condominium for the supply and installation of telephone and other communication services, electricity, gas, sewers, water, heating, cooling, television cable or satellite facilities and other services; provided that if such rights and easements have not been

determined when the Purchaser receives a transfer, such transfer will contain a covenant by the Purchaser to grant such rights and easements and/or confirm same upon the written request of the Vendor, and the Purchaser shall, if requested, execute such transfer or transfers as the Vendor shall require and submit same, provided the title is good and free from all encumbrances except:

(a) as aforesaid;

(b) the Declaration, Description, and By-Laws, notwithstanding that they may be amended or varied from the proposed Condominium Documents given to the Purchaser when entering this Agreement;

(c) any easements, rights-of-way, easement agreements, development agreements, subdivision agreements or site plan agreements and any other agreements with the Municipality or regional municipality or other governmental authority having jurisdiction, applicable by-laws whether registered or not, provided that the Vendor is in compliance thereof;

(d) any easements, rights-of-way, crane swing agreements, limiting distance agreements, tie-back agreements, reciprocal easement and operating agreements, cost sharing agreements, easement and cost sharing agreements and/or reciprocal agreements, access agreements, operating agreements, any other agreements, restrictions, restrictive covenants, encroachment agreements, conditions or covenants that run with the land, and subject to all rights, licences, and easements or agreements now registered or to be registered for the provision, installation and maintenance of any public, private or other utility and/or utility or service including, without limitation, telephone, internet service, electricity, gas, sewer, water, heating, cooling, cable, satellite transit service or rail service and any easements or right of entry for the operation and maintenance of adjacent condominium corporations or lands, including, without limitation, any covenants and/or restrictions not to object to zoning bylaw amendment applications, official plan amendment applications, municipal approval applications, minor variances, etc;

(e) any easements, rights-of-way, crane swing agreements, tie-back agreements, licences, or agreements with or required by the Municipality or regional municipality or other tier of municipal government having jurisdiction with respect to future services to be installed or for other purposes;

(f) temporary easements, licenses or other rights in favour of the Vendor and/or its affiliates and/or the Vendor's assigned successors for construction and sales of this Condominium and any development in the vicinity thereto;

(g) any easements or licences for the provision. installation and/or for the maintenance of public, private or other utilities and/or services including, without limitation, telephone, internet service, electricity, gas, sewer, water, cable, satellite, transit service or rail service, as well as any rights, easements and interests in land reserved by the Vendor. The Purchaser shall execute any easements required for the said purposes upon being requested by the Vendor both before and/or after closing. The Purchaser acknowledges that the Deed or Transfer of the Unit may reserve such rights and easements;

(h) official plan and zoning amendments passed by the municipal corporation or regional municipality or other tier of municipal government having jurisdiction;

(i) any agreement(s), easement(s), covenants and restrictions between or among the Vendor on its behalf and on behalf of the owner(s) of improvements constructed or to be constructed on lands adjoining or in the vicinity of the subject property;

(j) any easements, rights-of-way, easement agreements and/or any other agreements with or in favour of the Municipality, regional municipality and/or other governmental authority respecting the Condominium lands or any part(s) thereof and/or the lands adjacent to and/or near the Condominium lands;

(k) any easements, rights-of-way, easement/reciprocal agreements and/or any other agreements with or in favour of the adjoining lands respecting the Condominium lands or any part(s) thereof and/or the lands adjacent to and/or near the Condominium lands;

(l) any agreement or lease agreement between the Condominium Corporation or the Vendor and any provider of a service(s) for the Condominium or the unit owners in the Condominium;

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(m) any Notices of Security Interest or any other registrations relating to any mechanical equipment, building automation systems and equipment relating thereto, cooling and/or heating systems and equipment relating thereto, and/or any systems pertaining to the storage, sorting, disposal, transport and/or compacting waste refuse and recycling and equipment relating thereto, green loans and any equipment or systems relating to same, and to any other equipment and/or systems as herein provided or in the Disclosure Statement;

(n) any lease agreement between the Condominium Corporation and any provider of equipment and/or systems for the Condominium;

(o) any connection agreements, licence agreements, easements, reciprocal easement and operating agreements or any other agreements, arrangements or relationships with a transit authority, transit provider or rail company;

(p) any transportation demand management agreements, easements, requirements or other arrangements as required by the Vendor, the Municipality, regional municipality or other governing authority;

(q) any certificates, notices or other title registrations of the Ministry of the Environment or other authority relating to the environmental status of the property, including without limitation, any certificates of requirement or certificates of property use registered on title pursuant to applicable environmental legislation;

(r) as herein expressly provided; and

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

The Purchaser agrees that the retention by the relevant authority of security that is satisfactory to such authority intended to guarantee fulfilment of any outstanding obligations under any of the aforementioned agreements shall be deemed to be satisfactory compliance with the terms and provisions of the agreements. It is understood and agreed that the Vendor shall not be obliged to obtain or register on title to the Unit or property a release of (or an amendment to) any of the aforementioned development agreements, site plan agreements, subdivision agreements, easements, easement and cost sharing agreements, reciprocal agreements or restrictive covenants, nor shall the Vendor be obliged to have any of the same deleted from the title to the property. The Purchaser shall satisfy himself as to the Vendor's due compliance with the provisions of any such agreements, licences, restrictions or easements listed herein. The Purchaser further agrees to accept the Vendor's solicitors' undertaking to discharge any mortgages, debentures, liens or encumbrances (the "Encumbrances") against the Unit or Common Elements that the Purchaser is not assuming and to close notwithstanding such mortgages, liens or encumbrances. In any event, the Vendor shall not be required to discharge the Encumbrances from the Unit until such time as the Purchaser has paid to the Vendor the Purchase Price for the Unit in full.

The Purchaser acknowledges and agrees that deposits paid hereunder shall be deemed to be monies held in trust pursuant to the provisions of Section 81 of the Act, and the Purchaser shall therefore be deemed to be a "home buyer" within the meaning of s.1(1) of the Construction Lien Act of Ontario and the Purchaser shall not be entitled to request or demand that any holdback for construction liens be maintained for any portion of Purchase Price on the Occupancy Date or on the Unit Transfer Date.

The Vendor shall be entitled to insert in the transfer specific covenants by the Purchaser pertaining to such restrictions, easements, covenants or agreements referred to in this Agreement, and in such case the Purchaser shall be required to execute the transfer prior to the Unit Transfer Date, or the Vendor may require that the Purchaser deliver his separate written covenant on the Unit Transfer Date. In the event that the Vendor is not the registered owner of the Unit, the Purchaser agrees to accept a conveyance of title from the registered owner in lieu of the Vendor's.

The Purchaser agrees to accept title to the Unit subject to any easements or licences for the installation and/or for the maintenance of public, private or other utilities and/or services including, without limitation, telephone, electricity, gas, sewer, water, heating, cooling, satellite, cable, or transit service or rail service, as well as any rights, easements and interests in land reserved by the Vendor that do not materially affect the use of the Unit for residential purposes. The Purchaser shall execute any easements required for the said purposes upon being requested by the Vendor both before or after closing. The Purchaser acknowledges that the Deed or Transfer of the Unit may reserve such rights and easements.

12. VENDOR'S COVENANTS

D. B.

The Vendor hereby covenants as follows:

(a) to take all reasonable steps to sell the units within the Condominium without delay except for the units that the Vendor intends to lease;

(b) to take all reasonable steps to deliver to the Purchaser a registrable deed or transfer of the Unit without delay; and

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

The covenants of the Vendor in this paragraph contained shall constitute the covenants of the Vendor pursuant to subsection 78(1) of the Act and are hereby understood and agreed to be the extent of the Vendor's obligations in that regard and it is understood and agreed that there are no further obligations or covenants in that regard other than those specifically stated above. The Purchaser acknowledges that the Vendor may from time to time lease any and all unsold units in the Condominium

13. EXAMINATION OF TITLE BY PURCHASER

The Purchaser shall not call for the production of any title deeds or abstracts of title, survey sketch or other proof or evidence of title, nor have furnished any copies thereof. The Purchaser shall be allowed until 10 days prior to the Unit Transfer Date to examine the title at his own expense. If within that time he shall furnish the Vendor in writing with any valid objections to the title which the Vendor shall be unable or unwilling to remove and which the Purchaser will not waive, this Agreement shall, notwithstanding any intervening acts or negotiations in respect of such objections, be void and the deposit money shall be returned to the Purchaser without interest except as may be required by law and without deduction and the Vendor shall not be liable for any costs or damages. Save as to any valid objections so made within such time the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Unit. The Purchaser acknowledges and agrees that the Vendor shall be entitled to respond to some or all of the requisitions submitted by the Purchaser through the use of a standard title memorandum or title advice statement prepared by the Vendor's solicitors and that the same shall constitute satisfactory manner of responding to the Purchaser's requisitions. Further, the Purchaser agrees that in the event that any valid requisition is not sufficiently answered by the Vendor, then the requisition shall be deemed sufficiently answered if a title insurance policy, available for issuance to the Purchaser by any company which issues title insurance policies in Ontario, would insure over the title matter which is being requisitioned.

14. ADJUSTMENTS

The balance due on the Occupancy Date shall be adjusted on the Occupancy Date (or adjusted on the Unit Transfer Date if so required by the Vendor) as to all prepaid and accrued expenses or charges and as to other items required by the terms of this Agreement (plus Applicable Taxes) which shall include, without limiting the generality of the foregoing, the following:

(a) contribution towards the common expenses and any adjustment of Occupancy Fees as of the Unit Transfer Date, if applicable;

(b) an amount equal to two (2) months of common expenses for the Unit shall be paid directly to the Condominium Corporation on closing and deposited to the reserve fund of the Condominium Corporation. Such sum shall be in addition to any common expenses otherwise payable to the Condominium Corporation and shall not in any way reduce the common expenses owing by the Purchaser to the Condominium Corporation. The Purchaser agrees to deliver on the Unit Transfer Date and specifically as directed by the Vendor either (a) a series of twelve post-dated cheques, or (b) a pre-authorized payment form; in an amount estimated by the Vendor to be payable monthly to the Condominium Corporation on account of common expenses;

(c) any other prepaid or current expense, such as gas, electricity, fuel, water, heating and cooling which shall be adjusted by attributing to the Purchaser's unit its share of such expenses, as determined by its proportionate contribution to the common expenses or which are assessed against the Unit directly, and any charges paid by the Vendor to a utility which is attributable to the Unit and/or the Condominium, including, without limitation, any charges and deposits (which shall be adjusted equally among the residential dwelling units) for the connection or energization (which may include infrastructure or other costs for the provision of any of the following) of any of water, storm, sanitary, sewage, gas, electricity, heating and cooling services to the Unit and/or Condominium, or the installation of a meter for same and the cost of such meters, notwithstanding that the Purchaser shall not own such meter, unless such charges are included in common expenses;

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

(e) the transaction levy surcharge imposed upon the Vendor or its solicitors by the Law Society of Upper Canada plus Applicable Taxes;

(f) the enrolment fee paid by the Vendor for the Unit under the Warranty Act;

(g) the cost in respect of the provision and installation of an electricity meter for the Unit in the amount of $280.00 plus Applicable Taxes;

(h) if installed, at the sole, absolute and unfettered discretion of the Vendor, the cost in respect of the provision and installation of an water meter for the Unit in the amount of $280.00 plus Applicable Taxes;

(i) all deposits paid to the Vendor hereunder, together with interest to be paid/credited to the Purchaser in accordance with the provisions of the Act;

(j) a $250.00, plus Applicable Taxes, administrative fee shall be charged to the Purchaser for any direct deposit or cheque paid for a deposit, the monthly occupancy fee or for any upgrades which is not honoured or accepted by the Purchaser's bank for any reason, including, without limitation, a cheque returned N.S.F. or upon which a "stop payment" has been ordered;

(k) if the Purchaser is not a resident of Canada for the purposes of the Income Tax Act, Canada (the "ITA"), the Vendor shall be entitled to withhold and remit to the Canada Revenue Agency the appropriate amount of interest payable to the Purchaser on account of his deposits paid hereunder, in accordance with the ITA;

(l) the charge with respect to the provision of a status certificate;

(m) any increase after the date of execution of this Agreement by the Purchaser in any levy, payment, contribution, charge, fee or assessment, including without limitation, any parks levies, development charges, education development charges, sewer impost charges, service connection charges, cash in lieu of parkland dedication payments, public art contributions and/or impost charges (collectively, the "Existing Levy") required, assessed, charged or imposed as of that date by the Municipality, a regional municipality, a transit authority, a public or separate school board or any other authority having jurisdiction under the Development Charges Act, the Education Act, the Planning Act and any other existing or new legislation, bylaw and/or policy of a similar nature and/or if any of the aforesaid authorities require, assess, charge or impose a new or any other levy, payment, contribution, charge, fee or assessment (collectively referred to as the "New Levy") under the Development Charges Act, the Education Act, the Planning Act and any other existing or new legislation, bylaw and/or policy of a similar nature after the date of execution of this Agreement by the Purchaser then, the Purchaser shall pay the increase to the Existing Levy and/or amount of the New Levy, as the case may be, as an adjustment on the Unit Transfer Date plus Applicable Taxes exigible thereon. If the increase to the Existing Levy or the amount of the New Levy is assessed against, charged or imposed against the Condominium as a whole and not against the whole or any part of the Unit separately, then the Vendor shall be entitled to a reimbursement for the foregoing, as may be apportioned by the Vendor in accordance with Section

14(d) above;

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

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

(p) if requested by the Vendor or the Electricity Provider (as defined below), then the Purchaser agrees to enter into or assume a contract with the provider of electricity and/or the party monitoring consumption of electricity to the Unit (the "Electricity Provider"), on the Electricity Provider's form, for the provision and/or metering of electricity services to the Unit. The fees, costs and charges (including, without limitation, any rental, security deposit, administration, commodity and non-commodity fees/charges) for such electricity services and/or for monitoring consumption of same shall be adjusted for the month of closing with the Purchaser being responsible for such fees, costs and charges from and after the Occupancy Date.

(q) if, at the sole, absolute and unfettered discretion of the Vendor, the consumption of water in the residential dwelling units is separately metered or check or consumption metered on a per unit basis and if requested by the Vendor or the Water Provider (as defined below), then the Purchaser agrees to enter into or assume a contract with the provider of water and/or the party monitoring consumption of water to the Unit (the "Water Provider"), on the Water Provider's form, for the provision and/or metering of water services to the Unit. The fees, costs and charges (including, without limitation, any rental, security deposit, administration, commodity and non-commodity fees/charges) for such water services and/or for monitoring consumption of same shall be adjusted for the month of closing with the Purchaser being responsible for such fees, costs and charges from and after the Occupancy Date;

The Vendor may reserve a Vendor's Lien, following the Vendor's usual form, for unpaid purchase monies or adjustments or claims herein provided together with the interest thereon as provided for herein, and the Purchaser covenants and agrees to forthwith pay all costs in relation to said Vendor's Lien including, without limitation, the Vendor's solicitor's legal fees and disbursements and the cost to register said Vendor's Lien on title to the Unit. The Vendor will upon request deliver to the Purchaser (for registration at the Purchaser's expense) a release of the Vendor's Lien after such unpaid purchase monies or adjustments or claims herein provided, as applicable, together with the interest thereon as provided for herein have been received by the Vendor and upon payment of a discharge fee of $100.00 plus Applicable Taxes.

If any of the adjustments to be made on the Occupancy Date cannot be accurately determined at the time of occupancy, then the Vendor may estimate the adjustment to be made. There shall be a later and final adjustment when all the items to be adjusted can be accurately determined by the Vendor. The Purchaser agrees with the Vendor to pay all monies payable under this Agreement in the manner directed by the Vendor or its solicitor. Save and except for any adjustments required pursuant to the Act, the Vendor and the Purchaser shall not be obliged to make any readjustment of any item in the event that such readjustment is equal to or less than $25.00.

The Purchaser and Vendor agree that the harmonized sales tax (the "HST") applies to this transaction and the Purchase Price includes the HST, net of the federal and Ontario new housing rebates or the like (collectively the "Rebate"). The Purchaser shall assign in a form required by the Vendor and/or by any of the Government of Canada, Government of Ontario and/or any other governmental and/or tax authority (collectively, the "Government") to the Vendor all of its right, title and interest in the Rebate to which the Purchaser is entitled. In connection with such assignment, the Purchaser shall deliver to the Vendor, upon request by the Vendor, on or after the Occupancy Date, such application, documents and affidavits as may be required by the Vendor and/or the Government to establish the Purchaser's entitlement to the Rebate. If the Purchaser is not entitled to the Rebate for any reason whatsoever or if the Rebate is reduced or withdrawn by the Government and not replaced with an amount equivalent

to the amount of the Rebate to which the Purchaser is entitled by the Government or if the Rebate is not or cannot be assigned to the Vendor or the Rebate is claimed and payment/credit of the Rebate to the Vendor is denied by the Government then, the Purchaser shall forthwith upon demand by the Vendor pay to the Vendor an amount equal to the Rebate or the amount so reduced or withdrawn and until so paid, the amount of the Rebate shall form a charge against the Unit which charge shall be recoverable by the Vendor in the same manner as a mortgage in default. If the Vendor does not receive the full benefit of the Rebate for any reason whatsoever, whether or not as a result of the Purchaser's acts or omissions, the Purchaser shall indemnify and save the Vendor harmless in the amount that the Vendor would have been entitled to had such Rebate been received, together with all interest and penalties thereon, and all losses, costs, damages and liabilities which the Vendor may suffer, incur or be charged with in connection therewith, as a result of the Purchaser's failure to qualify for the Rebate, or as a result of the Purchaser having qualified initially but being subsequently disentitled to the Rebate, or as a result of the inability to assign the benefit of the Rebate to the Vendor (or the ineffectiveness of the documents purporting to assign the benefit of the Rebate to the Vendor), which indemnity shall survive the Unit Transfer Date. Notwithstanding anything herein contained to the contrary, the Vendor shall have the right to register a Vendor's Lien for the amount of the Rebate against the Unit immediately following the Unit Transfer Date to secure the Vendor's entitlement to the Rebate as herein provided. The Purchaser acknowledges and agrees that the Purchaser shall not be entitled to any refund, credit or abatement in any manner whatsoever should the HST, or any portion thereof, not apply to this transaction for any reason whatsoever. The HST that is included in the Purchase Price is based on the federal portion and the provincial portion of the HST at the rates of 5% and 8%, respectively. If either or both of the rates increase, the Purchaser shall be responsible for the increase and shall pay same as an adjustment on the Unit Transfer Date, and if either or both of the rates decrease, the Purchaser shall not be entitled to any abatement or reduction of the Purchase Price. Notwithstanding that the Purchase Price is inclusive of the HST net of the Rebate as aforesaid, the Purchaser, shall, at the Purchaser's own cost and expense, be responsible for the payment of the HST and all other taxes, value added taxes, sales taxes, use taxes or transfer taxes and any increases thereof which may be applicable (collectively the "Applicable Taxes") on all closing adjustments and amounts payable for extras, changes, upgrades, fees and charges.

If the Vendor believes, for whatever reason, that the Purchaser does not qualify for the Rebate, regardless of any documentation provided by or on behalf of the Purchaser (including any statutory declaration sworn by the Purchaser) to the contrary, and the Vendor's belief or position on this matter is communicated to the Purchaser or the Purchaser's solicitor on or before the Unit Transfer Date, then notwithstanding anything hereinbefore or hereinafter provided to the contrary, the Purchaser shall be obliged to pay to the Vendor (or to whomsoever the Vendor may in writing direct), by certified cheque delivered on the Unit Transfer Date, an amount equivalent to the Rebate, in addition to the Purchase Price. In those circumstances where the Purchaser maintains that he or she is eligible for the Rebate despite the Vendor's belief to the contrary, the Purchaser shall (after payment of the amount equivalent to the Rebate as aforesaid) be fully entitled to file the rebate form directly with (and pursue the procurement of the Rebate directly from) the Canada Revenue Agency.

In the event that the Vendor, as a pre-requisite to the procurement and provision of any utility service to the Condominium is required to pay or provide any public utility authority or service supplier with cash security or a letter of credit (hereinafter the "Utility Security Deposit"), then in such circumstances the Vendor shall be entitled to a proportionate reimbursement of the Utility Security Deposit from the Purchaser, by charging the Purchaser in the Statement of Adjustments with that portion of the Utility Security Deposit, which proportion is calculated by multiplying the Utility Security Deposit by the common interest percentage allocation referable to the Unit, as set forth in the declaration.

The Purchaser acknowledges and agrees for any matter related to HST that is applicable to this transaction, including without limiting the generality of the foregoing the Rebate, the Vendor (or any party or parties comprising the Vendor, if applicable) or any other party as may be designated by the Vendor may be a party to such of the HST documentation as may be required by the Vendor under this Agreement.

15. MANAGEMENT OF THE PROPERTY

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

16. CONDOMINIUM DOCUMENTS - DISCLOSURE STATEMENT

The Purchaser acknowledges receipt of the Disclosure Statement which has been delivered by the Vendor to the Purchaser in accordance with the provisions of the Act and the regulations

passed thereunder.

17. MODIFICATION OF CONDOMINIUM DOCUMENTS

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

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

18. AGREEMENT CONDITIONAL

This Agreement and the transaction arising therefrom are conditional upon compliance with the provisions of the Planning Act of Ontario, and amendments thereto.

19. AGREEMENT NOT TO BE REGISTERED

The Purchaser acknowledges this Agreement confers a personal right only and not any interest in the Unit or property and that the registration against title of any notice or caution or other reference to this Agreement or his or her interest is likely to cause inconvenience and prejudice or irreparable harm to the Vendor and other unit purchasers, for example, by impeding financing and the registration of the Condominium. If any such registration occurs, the Vendor may terminate this Agreement forthwith and take full forfeiture of the Purchaser's deposits as liquidated damages and not as a penalty. Further, the Purchaser hereby irrevocably consents to a court order removing such registration and agrees to pay all Vendor's costs and expenses in obtaining such court order including, but not limited to, fees of its solicitors on a solicitor and client basis together with any Applicable Taxes thereon. Additionally, the Purchaser hereby irrevocably nominates, constitutes and appoints the Vendor or any of its authorized signing officers to be and act as his lawful attorney in the Purchaser's name, place and stead, without liability or claim, for the purpose of removing any such registration from title.

20. PURCHASER SELLING OR ASSIGNING

The Purchaser covenants not to offer, list or advertise for sale, lease or transfer the Unit, nor to sell, lease, assign or transfer his interest under this Agreement (or in the Unit) until after acquisition of title to the Unit on the Unit Transfer Date and the Vendor having received payment of all of the Purchase Price, without the prior written consent of the Vendor, which consent may be arbitrarily and/or unreasonably withheld. As a condition of giving its consent, the assignor/transferor and the assignee/transferee will be required to execute and deliver to the Vendor the Vendor's standard form of assignment agreement and to pay to the Vendor on the date of execution and delivery of the assignment agreement the Vendor's administration and processing fee of $2,500.00 plus Applicable Taxes together with any other applicable fees, including the Vendor's solicitor's fees of $900.00 and disbursements plus Applicable Taxes. Notwithstanding such assignment, the Purchaser shall not be relieved of its obligations herein and in no event shall the Purchaser list, allow or cause to be listed the Unit for sale, lease or otherwise on a listing service system including, without limitation, the Multiple Listing Service ("MLS") or on, by or through any other publication or medium. The Purchaser acknowledges and agrees that once a breach of the preceding covenant occurs, such breach is (or shall be) incapable of rectification, and accordingly the Purchaser acknowledges and agrees that in the event of such breach, the Vendor shall have the unilateral right and option of terminating this Agreement (and the Occupancy Agreement) effective upon delivery of notice of termination to the Purchaser or the Purchaser's solicitor, whereupon the provisions of this Agreement dealing with the consequence of termination by reason of the Purchaser's default, shall apply. At any time prior to the Unit Transfer Date, the Vendor shall be permitted to assign this Agreement to any party registered as a Vendor pursuant to the Warranty Act, and upon notification of assumption of this Agreement and such assignment to the Purchaser, the Vendor shall be automatically released from all obligations arising pursuant to this Agreement and the assignee

Ven. Init. _____ Pur. Init. I.B. D.B.

shall continue from the date of such assignment as the Vendor as if it had been the original party to this Agreement.

21. TENDER

Any tender of documents or money may be made by the Vendor upon the Purchaser hereto or upon the respective solicitor, will be deemed to be good and valid if made in accordance with the provisions of paragraph herein headed Electronic Registration. The Vendor shall not be required to register any discharge of any outstanding mortgage, charge or other encumbrance not being assumed by the Purchaser on the Unit Transfer Date, in order to validate or perfect the Vendor's tender upon the Purchaser, and need only make arrangements to discharge same in accordance with the provisions of paragraph headed Acceptance of Title by Purchaser herein in the event that the Purchaser completes this transaction. The parties agree that payment of monies must be made or tendered in such form and by such method as may be directed in writing by the Vendor, in its sole, absolute and unfettered discretion. Unless otherwise directed, in accordance with the foregoing, payment shall be made by way of the Purchaser's solicitor's certified cheque drawn on a Canadian Chartered bank or trust company. The Purchaser further acknowledges and agrees that the key(s) to the Unit may be released to him directly from the sales office, the construction site, or from any other location designated by the Vendor, upon payment of all requisite monies and the delivery of all relevant documents to the Vendor, and the Vendor shall not be required to provide any key(s) as part of any tender made by it. Upon completion of this transaction, if the Purchaser fails to attend to pick up the keys by 5:15 p.m. on that date, the Vendor may retain the keys and release same to the Purchaser on the next business day (in this Agreement the term "business day" or "business days" shall mean Monday to Friday, excluding statutory holidays in the Province of Ontario).

22. DEFAULT

The Purchaser shall be deemed to be in default under this Agreement if the Purchaser registers any instrument against title to the Unit other than the transfer to be delivered by the Vendor, or if any lien, execution or encumbrance arising from any action or default whatsoever of the Purchaser is charged against or affects the Unit.

If any (a) monetary default by the Purchaser occurs under this Agreement; or (b) any non-monetary default by the Purchaser occurs under this Agreement and such non-monetary default continues for 5 days after written notice thereof is given to the Purchaser or his solicitor, then the Vendor may retain all monies paid as liquidated damages without prejudice to any other rights of the Vendor and the Vendor may thereupon cancel this Agreement. If the Vendor is required to pay any lien, execution or encumbrance, the Purchaser shall reimburse the Vendor for all amounts and costs so paid. Any monies owing to the Vendor (a) pursuant to this Agreement and not paid to the Vendor in accordance with the terms hereof; or (b) as a result of any expenses incurred by the Vendor arising from a breach by the Purchaser of any of the Purchaser's obligations described in this Agreement, shall bear interest at the rate of 24% per annum, calculated daily, not in advance, from the date of default with respect to any monetary default and from the date of written demand with respect to the aforesaid expenses. The Purchaser shall pay the Vendor's solicitor's fees in the amount of $500.00 (plus Applicable Taxes and disbursements) for each letter or other form of notice sent to the Purchaser or the Purchaser's solicitor relating to any default by the Purchaser.

In the event that the person(s) executing this Agreement as Purchaser have done so for a disclosed or undisclosed beneficiary or principal, such person(s) executing this Agreement shall nevertheless be liable to the Vendor for the Purchaser's obligations under this Agreement and shall not plead such agency, trust relationship or other relationship as a defence to such liability.

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

If the payment of a deposit pursuant to this Agreement that has been permitted by the Vendor to be made by way of wire transfer or direct deposit is less than the corresponding amount described in this Agreement, then the Vendor shall have the option, in its sole, absolute and unfettered discretion, of accepting such lower amount as a deposit against the Purchase Price and such acceptance shall not constitute full acceptance of the deposit in lieu of the required amount or a waiver of the Vendor's rights and remedies under this Agreement or at law.

Ven. Init. _____ Pur. Init. D.B. I.B.

23. EXTENSION AND TERMINATION

(a) The Purchaser acknowledges that the Occupancy Date as described in this Agreement may be extended in accordance with the Warranty Act and the Tarion Addendum and Statement of Critical Dates.

(b) Forthwith upon any termination of this Agreement the Purchaser shall execute and deliver to the Vendor the form of Mutual Release and Termination Agreement that may be required by the Vendor and/or Tarion in the circumstances of such termination.

(c) The Vendor shall have the option, in its sole, absolute and unfettered discretion, to extend the Firm Occupancy Date or the Delayed Occupancy Date (as such terms are defined in the Tarion Addendum and Statement of Critical Dates), as the case may be, for one business day to avoid the necessity of tender where the Purchaser is not ready to complete the transaction on either of such dates.

24. AGREEMENT NOT TO MERGE WITH TRANSFER

All of the covenants, warranties and obligations contained in this Agreement to be performed by the Purchaser shall survive the closing of this transaction and shall remain in full force and effect notwithstanding the transfer of title to the Unit to the Purchaser. It is provided that in the event of a breach of any covenant, warranty or obligation contained in this Agreement to be performed by the Purchaser, the Vendor shall be entitled, at its option, to declare this Agreement null and void and to retain all amounts paid by the Purchaser without prejudice to any other rights of the Vendor arising from that breach.

25. WAIVER

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

The Purchaser acknowledges and agrees that in the event that the Vendor has entered this Agreement and/or has distributed the Disclosure Statement as a trustee or agent for an undisclosed beneficiary or principal, whether or not so stated herein, that there shall be no liability on such undisclosed beneficiary or principal and that the only recourse or remedy that the Purchaser shall have on default by the Vendor herein and/or in respect of the Disclosure Statement is against the Vendor and the property that is the subject of this Agreement, the Purchaser hereby waiving any rights of recovery or recourse against such beneficiary or principal whether in law or equity.

26. SUBORDINATION OF AGREEMENT

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

27. ACCEPTANCE

This Offer by the Purchaser when accepted by the Vendor shall constitute a binding agreement of purchase and sale, without requiring notice of such acceptance to be delivered to the Purchaser prior to such time. Without limiting the generality of the foregoing, acceptance of this offer (or any counter offer with respect thereto) may be made by way of telefax transmission, pdf electronic mail or similar electronic transmission, reproducing the original, provided all of the necessary signatures and initials of both parties hereto are duly reflected on (or represented by) the telefaxed, emailed or electronic copy of the Agreement are so transmitted, and such offer and/or acceptance shall be deemed to have been effected or made when the Agreement is telefaxed, emailed or sent electronically to the intended party, and the parties irrevocably acknowledge and agree that such telefaxed, emailed or electronic transmission of the Agreement shall be binding upon the parties to the same extent as if originally signed.

28. TIME OF ESSENCE

Time shall in all respects be strictly of the essence of this Agreement and no extension of time for any payment by the Purchaser or rectification of any breach of any agreement, stipulations,

condition or restriction shall operate as a waiver of this provision with respect to any other payment or rectification of any other breach, except as specifically agreed upon in writing by the Vendor or the Purchaser, as the case may be.

29. PREPARATION AND COST OF REGISTERING DOCUMENTS

The Transfer is to be prepared by the Vendor on the Vendor's standard form. If required by the Vendor, the deed may contain covenants on the part of the Purchaser to comply with the stipulations set out herein and the covenants, conditions, provisions and restrictions set out in the declaration and by-laws and rules, and is to be executed by the Purchaser. Any discharges of underlying mortgages (collectively, the "Discharges") shall be prepared by the Vendor on the Vendor's standard form; the Discharges to be at the expense of the Purchaser, being a fee of $250.00 plus Applicable Taxes in total, irrespective of the number of Discharges required. The Purchaser shall pay the cost for registration and any exigible taxes on the registration of the Transfer and Discharges. The Purchaser agrees to provide a statutory declaration on or before closing confirming that there are no judgments outstanding against him and the Purchaser agrees to provide reasonable evidence confirming same, including a creditor's letter if necessary, if requested by the Vendor, if there is any judgment filed against a person with the same or similar name. That statutory declaration shall also include the birth date and social insurance number of the Purchaser. In the event that the electronic document registration system is operative in the relevant Land Registry Office in which the Unit is situate, at the Vendor's discretion the Purchaser shall enter into the Vendor's form of escrow closing agreement which shall include provisions relating to the delivery of funds and keys and the exchange, delivery and registration of documentation.

30. SEVERABILITY

If any provision of this Agreement is determined by a court of competent jurisdiction to be illegal or invalid, or beyond the powers or capacity of the parties hereto, then provided such provision is not, in the Vendor's sole opinion, essential or fundamental to the completion of this transaction, such provision shall be deemed and construed to be severed and deleted from this Agreement, and the remainder of this Agreement shall continue in full force and effect.

31. NOTICE

(a) Save and except for any notices to be provided pursuant to the Tarion Addendum and Statement of Critical Dates, any notice desired or required to be given to the Purchaser shall be in writing, and either delivered personally or by prepaid mail, addressed to the Purchaser's solicitor or to the Purchaser at the address as provided on the front page of this Agreement or in the Tarion Addendum and Statement of Critical Dates, or telefaxed to the Purchaser's solicitor or the Purchaser's telefax number as provided in the Tarion Addendum and Statement of Critical Dates, or electronically mailed to either the Purchaser at the address contained in the Tarion Addendum and Statement of Critical Dates or to the Purchaser's solicitor, with all such address and contact information set out on the front page of this Agreement or in the Tarion Addendum and Statement of Critical Dates being subject to other or updated information that may be provided to the Vendor from time to time or otherwise in accordance with this Agreement. If such notice is mailed, it shall be deemed to have been received by the Purchaser on the day (excluding Saturdays, Sundays and statutory holidays) following the date of its mailing, and if such notice is personally delivered, same shall be deemed to have been received on the date of such personal delivery, and if telefaxed, same shall be deemed to have been received on the day (excluding Saturdays, Sundays and statutory holidays) following the transmission of the telefax, and if electronically mailed, same shall be deemed to have been received on the day (excluding Saturdays, Sundays and statutory holidays) following the date of its electronic mailing.

(b) Save and except for any notices to be provided pursuant to the Tarion Addendum and Statement of Critical Dates, any notice desired or required to be given to the Vendor shall be in writing, and either delivered personally or by prepaid mail, addressed to the Vendor's solicitor at the address noted herein and to the Vendor, or telefaxed to the Vendor's solicitor. If such notice is mailed, it shall be deemed to have been received by the Vendor on the 3rd day (excluding Saturdays, Sundays and statutory holidays) following the date of its mailing, and if such notice is personally delivered, same shall be deemed to have been received on the date of such personal delivery, and if telefaxed, same shall be deemed to have been received on the day (excluding Saturdays, Sundays and statutory holidays) following the transmission of the telefax.

(c) The Purchaser acknowledges and agrees that upon entering into this Agreement, he/she shall provide in the Tarion Addendum and Statement of Critical Dates the

Purchaser's electronic mail address, and forthwith upon request by the Vendor the Purchaser's solicitor's electronic mail address.

(d) The Purchaser shall advise the Vendor of any changes in any of its mailing address, telephone number or electronic mail address or of its solicitors forthwith upon such change, failing which the Purchaser shall be charged a fee of $250.00 plus Applicable Taxes on the Statement of Adjustments.

(e) The Purchaser covenants to forthwith and without delay retrieve, collect, receive and read all notices sent to the Purchaser by the Vendor or the Vendor's solicitor.

Provided that during periods of postal interruption or impending postal interruption, notice may not be sent by mail and must be sent by personal delivery, telefax or electronic mail in accordance with sub-paragraphs (a) and (b) above.

Purchasers are hereby notified that information of an important nature may be communicated by the Vendor to the Purchaser by electronic mail. In order to facilitate such communication by electronic mail, the Purchaser shall ensure that the Purchaser's computer settings permit receipt of electronic mail from the Vendor and its representatives.

32. NOTICES

(a) The Purchaser agrees that the relevant governing authorities may require the Vendor to provide the Purchaser with certain notices including, without limitation, notices regarding land usage, landscaping, noise and vibration warning resulting from existing or proposed highways and public transportation systems or corridors, garbage, school pick-up, transit routes, bus-stops and/or shelter locations (the "Notices"). Such Notices may be delivered to the Purchaser in accordance with the notice provisions herein and delivery in accordance with any methods described in said notice provisions shall be deemed to constitute appropriate notification of the Purchaser. The Purchaser agrees to be bound by the contents of any such Notices and covenants to execute forthwith upon request, an acknowledgment containing such Notices if and when requested to do so by the Vendor. Without limiting the generality of the foregoing, to the extent that any Notices are provided to the Purchaser by the Vendor after this Agreement has been made, such Notices shall be deemed to have been included in this Agreement at the time that this Agreement has been made.

(b) The Vendor hereby advises the Purchaser that noise transmission between suites due to floor finishings, sound systems and other matters and the use of the garbage and recycling disposal chutes and elevators (if applicable) may cause annoyance to the owners and tenants, as the case may be. The Purchaser acknowledges that he is aware that the noise transmission may cause annoyance to occupants and hereby waives and releases any claims that the Purchaser may have against the Vendor for such annoyance or nuisance or otherwise.

(c) Purchasers are advised that any noise or vibration attenuation measures or features are not to be tampered with or altered and that the owner(s) of the property in question from time to time shall have the sole responsibility for and shall maintain those measures.

(d) The Purchaser acknowledges receipt of notice from the Vendor that the Vendor or a company (or other entity) related, associated or affiliated with the Vendor, or any entity or person with the consent of the Vendor, may apply for zoning bylaw amendments, severances, part lot control exempting by-laws, minor variances, official plan amendments, signage by-law variances or signage approval applications with respect to the lands on which the Condominium is to be constructed and/or the lands adjacent to or near the Condominium and the Purchaser, the Purchaser's successors and assigns, shall consent to any such application and agrees that this paragraph may be pleaded as a bar to any objection by the Purchaser to such zoning bylaw amendments, severances, part lot control exempting by-laws, minor variances, official plan amendments, signage by-law variances or signage approval applications. The Purchaser further acknowledges that the Vendor or a company (or other entity) related, associated or affiliated with the Vendor, or any entity or person with the consent of the Vendor, may make any such application without any further notice to the Purchaser or the Purchaser's successors and assigns. The Purchaser covenants to include this clause in any conveyance, mortgage or disposition of the Unit and to assign the benefit of such covenant to the Vendor. The Vendor shall have the right to remove any objection(s) made by the Purchaser, the Purchaser's successors and assigns, with respect to any such application and the Purchaser shall reimburse the Vendor for all legal fees, expenses and costs that it incurs as

a result of such objection(s). The Vendor may, at its sole, absolute and unfettered discretion, register a restriction on title to the Unit, for such term as determined by the Vendor in its sole, absolute and unfettered discretion, containing the terms of this provision or language similar thereto and/or include same in the transfer/deed to the Unit. The Purchaser covenants and agrees to accept title to the Unit subject to said restriction and to accept the transfer/deed containing this provision or language similar thereto.

(e) Purchasers are advised that despite the inclusion of noise control features within the development area and within the individual building units, noise levels may continue to be of concern, occasionally interfering with some activities of the building occupants, the Purchaser acknowledging that it has familiarized itself with the existing and permitted land uses in the area of the Condominium and all facets of which are or may be considered a nuisance. The Purchaser acknowledges that the nature of new building construction is such that some discomfort may result from the Vendor's (or any other corporation or entity associated, related or affiliated with the Vendor) operations relating to the construction of the Condominium and the lands adjacent to and in the vicinity of the Condominium lands and accordingly, the Purchaser agrees that it shall not object to or interfere with the Vendor's construction operations. The Purchaser further acknowledges that such construction operations may cause, amongst other things, the obstruction of the balcony(ies) and/or terrace(s) (as applicable, if any) appurtenant to the Unit and/or the obstruction of the views from the Unit due to, amongst other things, the presence of construction materials, hoists and other construction equipment.

(f) The Purchaser covenants and agrees that he will not object to nor oppose any amendment to or change in the zoning, subdivision and/or site plan requirements, or oppose any other applications by the Vendor (or any other corporation or entity associated, related or affiliated with the Vendor, including, without limitation, any application by the owner(s) of the adjacent lands or other lands in the vicinity of the Condominium) to any board, tribunal or municipal or provincial body relating to or affecting the development of this Condominium, or other lands of the Vendor (or such other entity) in the vicinity of the Condominium. The Vendor shall have the right to remove any objection(s) made by the Purchaser, the Purchaser's successors and assigns, with respect to any such application and the Purchaser shall reimburse the Vendor for all legal fees, expenses and costs that it incurs as a result of such objection(s). The Purchaser acknowledges that a covenant, restriction and/or notice to this effect may be registered on title to the Unit or the property of the Condominium on closing.

(g) The Purchaser hereby unconditionally acknowledges that he/she is aware of the above matters and warning clauses and the notices set out in this Agreement and any schedule attached hereto and confirms that he/she does not object, in any manner whatsoever, to any of these matters and warning clauses nor to any of the notices set out in this Agreement or any schedule attached hereto nor will he/she be entitled to raise any objections with respect to the above matters and warning clauses or notices set out in this Agreement and any schedule attached hereto and the Purchaser hereby waives and releases any claims that the Purchaser may have against the Vendor with respect to the above matters, warning clauses and the notices set out in this Agreement and any schedule attached hereto and any additional notices and warning clauses as referred to at a future date.

(h) The Purchaser acknowledges and agrees that the notices and warning clauses set out in this Agreement, any schedule attached hereto and any additional notices and warning clauses as referred to in subparagraph (a) above may be registered on title to the Unit and may be included in the Declaration when registered, at the sole, absolute and unfettered discretion of the Vendor.

33. GENDER AND NUMBER

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

34. SUCCESSORS AND ASSIGNS

Except as expressly herein provided, the parties hereto further agree that the covenants, agreements, provisos and conditions in this Agreement contained shall extend to and be binding upon and enure to the benefit of the parties hereto, and their respective heirs, executors, administrators, successors and permitted assigns.

35. POWER OF ATTORNEY

(a) In accordance with the provisions of the Powers of Attorney Act R.S.O. 1990, as amended, the Purchaser hereby confirms and agrees that each and every power of attorney granted to the Vendor or its signing officers in accordance with the terms of this Agreement may be exercised by the donee(s) during any subsequent legal incapacity of the Purchaser.

(b) If any documents, instruments, etc. required to be executed and delivered by the Purchaser to the Vendor are, in fact, executed by a third party appointed as the attorney for the Purchaser, then the power of attorney appointing such person shall be registered in the Land Titles Office for the Condominium, and a duplicate registered copy thereof (together with a statutory declaration sworn by the attorney or the Purchaser's solicitor confirming that said power of attorney has not been revoked) shall be delivered to the Vendor along with such documents.

(c) Where a third party has been appointed as the attorney for the Purchaser for the purposes of executing any documents contemplated by this Agreement, then any notices required or desired to be delivered to the Purchaser in accordance with this Agreement may be given to the said attorney, in lieu of the Purchaser or the Purchaser's solicitor (and shall be deemed to have been received by the Purchaser when so delivered to his or her attorney).

(d) Where the Purchaser is required to execute and deliver any document herein to the Vendor and fails to do so, the Purchaser hereby irrevocably nominates, constitutes and appoints the Vendor to be and act as his lawful attorney, in the Purchaser's name, place and stead, in order to execute any such documents in accordance with the provisions of the Powers of Attorney Act (Ontario) as amended from time to time.

36. <u>ELECTRONIC DOCUMENTS AND TRANSFER OF FUNDS</u>

(a) Pursuant to subsection 3(1) of the Electronic Commerce Act of Ontario, as amended (or any successor or similar legislation) (the "EC Act"): (i) the Purchaser acknowledges and agrees to use and accept any information and/or document to be provided by the Vendor and/or its solicitors in respect of this transaction in an electronic form if, when and in the form provided by the Vendor and/or its solicitors including, without limitation, accepting and providing electronic signatures, delivery by electronic mail and/or by the Vendor making information or documentation available to the Purchaser or its solicitor for access or download from a website; and (ii) the Purchaser acknowledges and agrees to provide to the Vendor and/or its solicitors any information and/or document required in respect of this transaction in an electronic form or in originally executed paper form as, when and in the form required by the Vendor and/or its solicitors, in their sole, absolute and unfettered discretion. The terms "electronic", "electronically" and "electronic signature" utilized in this Agreement shall have the meanings ascribed to them in the EC Act. In the event that the Purchaser and/or its solicitor is not willing or able to use, provide and/or accept information and documentation in electronic form in accordance with the foregoing, the Vendor in its sole, absolute and unfettered discretion may provide or accept documentation or information other than in electronic form, in which event the Purchaser agrees to pay all of the Vendor's solicitor legal fees and disbursements for same forthwith.

(b) The Purchaser acknowledges and agrees that the Vendor shall determine, in its sole, absolute and unfettered discretion, the method by which the Purchaser is to make payment of any funds payable by the Purchaser in respect of this transaction. Such method may include, at the option of the Vendor, delivery of funds by the Purchaser electronically through an electronic funds transfer system (the "EFTS") designated by the Vendor or the Vendor's Solicitors, including, without limitation, the Closure Service provided by Teranet Inc.. In such case:

(i) the Purchaser's solicitor shall be registered with the provider of the EFTS, and, at the request of the Vendor's solicitors, shall provide evidence of such registration to the Vendor's solicitors at least 10 days prior to closing;

(ii) the Purchaser and/or the Purchaser's solicitor shall execute such documents as the Vendor or the Vendor's solicitors may require in connection with the EFTS; and

(iii) the Purchaser shall pay as an adjustment on closing to the Vendor or its solicitors all fees and charges imposed by the provider of the EFTS together with any wire transfer fees and charges imposed upon the Vendor or its solicitors by their banks in connection with the transfer of

funds.

37. ELECTRONIC REGISTRATION

If the electronic registration system (hereinafter referred to as the "Electronic System" or "ERS") is operative in the applicable Land Registry Office in which the Unit is registered, the following provisions shall prevail, namely:

(a) the Purchaser shall be obliged to retain a lawyer in good standing with the Law Society of Upper Canada to represent the Purchaser in connection with the completion of the transaction, and shall authorize such lawyer to enter into an escrow closing agreement with the Vendor's solicitor on the latter's standard form (hereinafter referred to as the "Escrow Document Registration Agreement"), establishing the procedures and timing for completing this transaction. The Purchaser shall reimburse the Vendor as an adjustment on closing for any additional legal costs that the Vendor may incur to complete this transaction under ERS of $250, plus Applicable Taxes.

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

(i) shall not occur contemporaneously with the registration of the transfer/deed (and other registerable documentation); and

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

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

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

(e) each of the parties hereto agrees that the delivery of any documents not intended for registration on title to the unit shall be delivered to the other party hereto on or before the Unit Transfer Date; and

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

(i) delivered all closing documents and/or funds to the Purchaser's solicitor in accordance with the provisions of the Escrow Document Registration Agreement;

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

(iii) has completed all steps required by ERS in order to complete this transaction that can be performed or undertaken by the Vendor's solicitor without the cooperation or participation of the Purchaser's solicitor, and

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

38. HEADINGS

Ven. Init. _____ Pur. Init. _____

The headings to the clauses of this Agreement form no part of the agreement but shall be deemed to be inserted for convenience of reference only.

39. MEANING OF WORDS

The meaning of the words, terms and phrases used in this Agreement, and particularly those terms not defined herein, shall be as defined in the Act as amended, unless specifically otherwise defined or amended herein. In the event there is a conflict between any term(s) in this Agreement, the Vendor shall determine which of the conflicting term(s) prevail(s). In the event that there is a conflict between any provision of this Agreement and the Act, and the Act provides that the provision in the Act prevails, then the provision of the Act shall prevail.

40. APPLICABLE LAW AND JOINT AND SEVERAL LIABILITY

This Agreement of Purchase and Sale shall be governed by the laws of the Province of Ontario. If more than one individual, partnership and/or company comprises the Purchaser, then all of the covenants, obligations and agreements of the Purchaser herein shall be deemed and construed to be the joint and several covenants, obligations and agreements of all the individuals, partnerships and companies comprising the Purchaser.

41. DEPOSIT RECEIPT

The Purchaser hereby irrevocably nominates, constitutes and appoints the Vendor to be and act as his lawful attorney, without liability or claim, in the Purchaser's name, place and stead, in order to execute the deposit receipt issued pursuant to the Warranty Act and the regulations thereunder, as may be amended from time to time, and any excess Condominium Deposit Insurance (and related documents) issued by any insurer providing prescribed security for the Purchaser's deposit monies pursuant to the Act and in accordance with the provisions of the Powers of Attorney Act (Ontario) as amended from time to time. The Purchaser hereby confirms and agrees that the power of attorney granted herein may be exercised by the Vendor during any subsequent legal incapacity of the Purchaser.

As soon as prescribed security for any deposit held by Brattys LLP (the "Firm") has been provided as required under the Act, the Firm shall thereupon be entitled and is hereby irrevocably authorized and directed to release and disburse such deposit in the Vendor's discretion. The Firm may rely on this provision for the release of the deposit in whole or in part notwithstanding that the Firm is not a party to this Agreement.

Notwithstanding anything herein, if as of the day of execution of this Agreement of Purchase and Sale, the Condominium has already been registered under the Act, the deposits paid to the Firm hereunder are not required to be held by the Firm and the deposits may be directed and/or released to the Vendor at the Vendor's sole, absolute and unfettered discretion and without notice to the Purchaser. The Purchaser shall reimburse the Vendor as an adjustment on closing a deposit administration fee of $250.00 plus Applicable Taxes charged by the Vendor's Solicitor to the Vendor with respect to the provision of any required evidence of compliance or other forms or receipts in respect of the Purchaser's deposits as required by the Act.

42. FINANCIAL INFORMATION

The Purchaser represents that the Purchaser is capable of obtaining the financing the Purchaser requires to enable the Purchaser to complete this transaction. The Purchaser hereby consents to the Vendor obtaining a consumer report containing credit and/or personal information for the purposes of this transaction. In addition, the Purchaser shall deliver to the Vendor, within 10 days of acceptance of this Agreement by the Vendor and thereafter within 14 days of demand from the Vendor or any agent thereof, all necessary financial and personal information required by the Vendor in order to evidence the Purchaser's ability to pay the balance of the Purchase Price on the Unit Transfer Date, including without limitation, written confirmation of the Purchaser's income and evidence of the source of the payments required to be made by the Purchaser in accordance with this Agreement and a mortgage commitment from one of the Schedule "I" banks in Canada with respect to this transaction of purchase and sale, all of the foregoing to be satisfactory to the Vendor in its sole, absolute and unfettered discretion. Any failure by the Purchaser to comply with the provisions of this paragraph shall constitute a default by the Purchaser, pursuant to which the Vendor shall have the right to terminate this Agreement and take forfeiture of the Purchaser's deposit in accordance with the provisions of this Agreement. In this regard, the Purchaser acknowledges and agrees that (a) the aforesaid information has been provided with the Purchaser's knowledge and consent that such information may be used by the Vendor, its consultants and its lending institution(s) for the purpose of arranging financing to complete the transaction contemplated by this Agreement and; (b) such information may remain on file by the Vendor for future reference.

43. PERSONAL INFORMATION

The Purchaser(s) consents to the Vendor collecting and possessing the Purchaser's name and "personal information" (as such term is defined in the Personal Information Protection and Electronic Documents Act 2000, c.5) obtained by the Vendor pursuant to and in connection with this Agreement. The Purchaser acknowledges and agrees that the aforesaid information has been provided to the Vendor with the Purchaser's knowledge and consent. In addition, the Purchaser(s) consents to the Vendor using, releasing, disclosing and/or retaining on file the Purchaser's name and personal information to: (a) a company or organization affiliated, associated or related to the Vendor, in order to provide the Purchaser with information relating to this project and other projects of such entities; (b) any provider of utilities, services and/or commodities to the Unit (including, without limitation, gas, electricity, water, telephone, internet and other communication services, cable, heating, cooling, satellite t.v., appliances and/or property tax assessments) for the purpose of marketing, promoting and providing such utilities, services and/or commodities to the Unit; (c) the Vendor's consultants and lending institution(s) for the purpose of arranging financing to complete the transaction contemplated by this Agreement; and (d) the Vendor's sales agents and representatives for the purpose of using same for promotional and marketing purposes.

44. MODEL UNITS

Notwithstanding anything herein written, if at the time that this Agreement is executed, the Unit has already been substantially completed, the Purchaser shall purchase the Unit in an "as built" and "as-is, where-is" condition without regard to its state of repair and condition rather than in accordance with any other understandings, agreements, representations, covenants and warranties herein contained. The Purchaser covenants and agrees to and with the Vendor that it shall complete the transaction notwithstanding any of the foregoing.

45. ENTIRE AGREEMENT

There is no oral and/or written representation, warranty, collateral Agreement or condition affecting this Agreement or the Unit, or supported hereby, except as set forth herein in writing. The Purchaser acknowledges that the new home industry is multi-faceted and complex and that while sales personnel or agents are knowledgeable about most issues regarding the purchase and construction of a new home, they cannot be expected to know all aspects in detail. Accordingly, the Purchaser acknowledges that no representations have been made to the Purchaser by the sales personnel or agents, upon which the Purchaser has relied upon, and which were material or instrumental to the Purchaser's decision to purchase this Unit, except as are set forth herein in writing. There is no representation, warranty, collateral agreement or condition affecting this Agreement or the Unit, or supported hereby, except as set forth herein in writing. The Purchaser is encouraged to have this Agreement reviewed by the Purchaser's solicitor prior to signing same.

46. NON-OBJECTION

The construction timetable and proposed use for structures adjacent to and/or in the vicinity of the Condominium is completely at the discretion of the parties constructing same and the Vendor does not warrant that any parts of such structures will ever be constructed.

The Purchaser hereby acknowledges receipt of notice from the Vendor that the Vendor or a company (or other entity) related, associated or affiliated with the Vendor, or any entity or person with the consent of the Vendor, may apply for re-zonings, severances, part lot control exempting by-laws, minor variances, site plan approvals, development approvals or official plan amendments or any similar applications with respect to the Condominium and/or the lands adjacent to or near the Condominium, the Purchaser and the Purchaser's successors and assigns, shall consent to any such application and agrees that this paragraph may be pleaded as a bar to any objection by the Purchaser to such re-zonings, severances, part lot control exempting by-laws, minor variances, site plan approvals, development approvals or official plan amendments or any similar applications. The Purchaser further acknowledges that the Vendor or a company (or other entity) related, associated or affiliated with the Vendor, or any entity or person with the consent of the Vendor, may make any such application without any further notice to the Purchaser or the Purchaser's successors and assigns. The Vendor shall have the right to remove any objection(s) made by the Purchaser, the Purchaser's successors and assigns, with respect to any such application and the Purchaser shall reimburse the Vendor for all legal fees, expenses and costs that it incurs as a result of such objection(s). The Purchaser covenants to include the provisions of this clause in any conveyance or disposition, other than a charge or mortgage, of the Unit and upon request by the Vendor to assign the benefit of such covenant to the Vendor or a company (or other entity) related, associated or affiliated with the Vendor. The Purchaser shall insert this clause in all agreements of purchase and sale and leases in respect of the Unit.

Ven. Init. M Pur. Init. I.B. D.B.

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 a condominium unit (that is not a vacant land condominium unit). 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

1945086 ONTARIO INC.
Full Name(s)

45201
Tarion Registration Number

1 STEELCASE RD. W., UNIT 8,
Address

MARKHAM | ON | L3R 0T3
City | Province | Postal Code

Phone

905-731-6826
Fax

CUSTOMER1ST@LIBERTYDEVELOPMENT.CA
Email*

PURCHASER

DANIEL BURTMAN, IRINA BURTMAN
Full Name(s)

74 MARBELLA RD | WOODBRIDGE | ON | L4H 1M2
Address | City | Province | Postal Code

647 720 1693
Phone

Fax

DBURTMAN@ICLOUD.COM
Email*

PROPERTY DESCRIPTION

TO BE DETERMINED
Municipal Address

Vaughan | ON
City | Province | Postal Code

Part of Lots 1 and 2, Registered Plan 7977, City of Vaughan, Regional Municipality of York in the Province of Ontario
Short Legal Description

INFORMATION REGARDING THE PROPERTY

The Vendor confirms that:

(a) The Vendor has obtained Formal Zoning Approval for the Building. O Yes ⊗ No
If no, the Vendor shall give written notice to the Purchaser within 10 days after the date that Formal Zoning Approval for the Building is obtained.

(b) Commencement of Construction: O has occurred; or ⊗ is expected to occur by the 30 day of SEPTEMBER, 2017.

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.**

D. B
I.B.

TARION
PROTECTING ONTARIO'S NEW HOME BUYERS

Condominium Form
(Tentative Occupancy Date)

Property Cosmos Condominiums - Tower A
Suite: 210E Unit: 08 Level: 20

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 1945086 ONTARIO INC.
Full Name(s)

PURCHASER DANIEL BURTMAN, IRINA BURTMAN
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 30 day of September, 2019.

The Vendor can delay Occupancy on one or more occasions by setting a subsequent **Tentative Occupancy Date**, in accordance with section 1 of the Addendum by giving proper written notice as set out in section 1.

By no later than 30 days after the Roof Assembly Date (as defined in section 12), with at least 90 days prior written notice, the Vendor shall set either (i) a **Final Tentative Occupancy Date**; or (ii) a **Firm Occupancy Date**.

For purchase agreements signed after the Roof Assembly Date, the First Tentative Occupancy Date is inapplicable and the Vendor shall instead elect and set either a Final Tentative Occupancy Date or Firm Occupancy Date.

the ___day of _____, 20___.
Final Tentative Occupancy Date

or

the ___day of _____, 20___.
Firm Occupancy Date

If the Vendor sets a Final Tentative Occupancy Date but cannot provide Occupancy by the Final Tentative Occupancy Date, then the Vendor shall set a **Firm Occupancy Date** that is no later than 120 days after the Final Tentative Occupancy Date, with proper written notice as set out in section 1 below.

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 which cannot be later than the Outside Occupancy Date.

The **Outside Occupancy Date**, which is the latest date by which the Vendor agrees to provide Occupancy, is: the 30 day of September, 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 one or more times 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 2 day of July, 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.

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 30 day of October, 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, 10 and 11 of the Addendum*).

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

Acknowledged this 30 day of APRIL, 2016

VENDOR: _____

PURCHASER: X D.B _____
X I.B _____

TARION
PROTECTING ONTARIO'S NEW HOME BUYERS

Condominium Form
(Tentative Occupancy Date)

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 Building subject to all prescribed requirements, to provide Occupancy of the home without delay, and, to register without delay the declaration and description in respect of the Building.
(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) **Subsequent Tentative Occupancy Dates**: The Vendor may, in accordance with this section, extend the First Tentative Occupancy Date on one or more occasions, by setting a subsequent Tentative Occupancy Date. The Vendor shall give written notice of any subsequent Tentative Occupancy Date to the Purchaser at least 90 days before the existing Tentative Occupancy Date (which in this Addendum may include the First Tentative Occupancy Date), or else the existing Tentative Occupancy Date shall for all purposes be the Firm Occupancy Date. A subsequent Tentative Occupancy Date can be any Business Day on or before the Outside Occupancy Date.
(d) **Final Tentative Occupancy Date**: By no later than 30 days after the Roof Assembly Date, the Vendor shall by written notice to the Purchaser set either (i) a Final Tentative Occupancy Date; or (ii) a Firm Occupancy Date. If the Vendor does not do so, the existing Tentative Occupancy Date shall for all purposes be the Firm Occupancy Date. The Vendor shall give written notice of the Final Tentative Occupancy Date or Firm Occupancy Date, as the case may be, to the Purchaser at least 90 days before the existing Tentative Occupancy Date, or else the existing Tentative Occupancy Date shall for all purposes be the Firm Occupancy Date. The Final Tentative Occupancy Date or Firm Occupancy Date, as the case may be, can be any Business Day on or before the Outside Occupancy Date. For new Purchase Agreements signed after the Roof Assembly Date, the Vendor shall insert in the Statement of Critical Dates of the Purchase Agreement either: a Final Tentative Occupancy Date; or a Firm Occupancy Date
(e) **Firm Occupancy Date**: If the Vendor has set a Final Tentative Occupancy Date but cannot provide Occupancy by the Final Tentative Occupancy Date then the Vendor shall set a Firm Occupancy Date that is no later than 120 days after the Final Tentative Occupancy Date. The Vendor shall give written notice of the Firm Occupancy Date to the Purchaser at least 90 days before the Final Tentative Occupancy Date, or else the Final Tentative Occupancy Date shall for all purposes be the Firm Occupancy Date. The Firm Occupancy Date can be any Business Day on or before the Outside Occupancy Date.
(f) **Notice**: Any notice given by the Vendor under paragraph (c), (d) or (e) 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 10.

4. Changing Critical Dates – By Mutual Agreement

(a) This Addendum sets out a framework for setting, extending and/or accelerating Critical Dates, which cannot be altered contractually except as set out in this section 4. Any amendment not in accordance with this section is voidable at the option of the Purchaser. 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.

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(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 (i), (j) and (k) 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 (i), (j) and (k) 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.

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TARION
PROTECTING ONTARIO'S NEW HOME BUYERS

Condominium Form
(Tentative Occupancy Date)

(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 O 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 (k) 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) 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 the declaration and description for the Building under the *Condominium Act, 1998*, which compliance shall be obtained by the Vendor at its sole expense, on or before Closing.

(j) 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.

(k) 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.

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Appendix

Early Termination Conditions

Paragraph 6(d) to the *Tarion* Addendum to Agreement of Purchase and Sale, continued....

Condition #1

Description of the Early Termination Condition: The Purchase Agreement is conditional upon receipt by the Vendor of confirmation that sales of condominium residential dwelling units in the Building have exceeded 80% of the proposed residential dwelling units in the Building as described in the Disclosure Statement for the Condominium (as defined in the Purchase Agreement).

The Approving Authority (as that term is defined in Schedule A) is: n/a, factual confirmation by the Vendor.

The date by which Condition #1 is to be satisfied is the 30th day of November, 2017.

Condition #2

Description of the Early Termination Condition: The Purchase Agreement is conditional upon receipt by the Vendor of confirmation that financing for the project on terms satisfactory to the Vendor has been arranged.

The Approving Authority (as that term is defined in Schedule A) is: n/a, the determination of the Vendor in its sole, absolute and unfettered discretion.

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

Condition #3

Description of the Early Termination Condition: The Purchase Agreement is conditional upon the Vendor being satisfied the Purchaser has the financial resources to complete the transaction.

The Approving Authority (as that term is defined in Schedule A) is: n/a, the determination of the Vendor in its sole, absolute and unfettered discretion.

The date by which Condition #3 is to be satisfied is the date which is 60 days following the signing of the Purchase Agreement.

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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 10(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 10(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.

MISCELLANEOUS

9. 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.

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(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.

10. Termination of the Purchase Agreement

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

(b) If for any reason (other than breach of contract by the Purchaser) 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.

(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.

11. Refund of Monies Paid on Termination

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

(b) The rate of interest payable on the Purchaser's monies 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.

12. Definitions

"Building" means the condominium building or buildings contemplated by the Purchase Agreement, in which the Property is located or is proposed to be located.

"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

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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 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 Building.
"Critical Dates" means the First Tentative Occupancy Date, any subsequent Tentative Occupancy Date, the Final 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.
"Final Tentative Occupancy Date" means the last Tentative Occupancy Date that may be set in accordance with paragraph 1(d).
"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.
"Formal Zoning Approval" occurs when the zoning by-law required for the Building has been approved by all relevant governmental authorities having jurisdiction, and the period for appealing the approvals has elapsed and/or any appeals have been dismissed or the approval affirmed.
"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.
"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 home being acquired by the Purchaser from the Vendor, and its interest in the related common elements.
"Purchaser's Termination Period" means the 30-day period during which the Purchaser may terminate the Purchase Agreement for delay, in accordance with paragraph 10(b).
"Roof Assembly Date" means the date upon which the roof slab, or roof trusses and sheathing, as the case may be, are completed. For single units in a multi-unit block, whether or not vertically stacked, (e.g., townhouses or row houses), the roof refers to the roof of the block of homes unless the unit in question has a roof which is in all respects functionally independent from and not physically connected to any portion of the roof of any other unit(s), in which case the roof refers to the roof of the applicable unit. For multi-story, vertically stacked units, (e.g. typical high rise) roof refers to the roof of the Building.
"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.

13. Addendum Prevails

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

14. Time Periods, and How Notice Must Be Sent

(a) Any written notice required under this Addendum may be given personally or sent by email, fax, courier or registered mail to the Purchaser or the Vendor at the address/contact numbers identified on page 2 or replacement address/contact numbers as provided in paragraph (c) below. Notices may also be sent to the solicitor for each party if necessary contact information is provided, but notices in all events must be sent to the Purchaser and Vendor, as applicable. If email addresses are set out on page 2 of this Addendum, then the parties agree that notices may be sent by email to such addresses, subject to paragraph (c) below.
(b) Written notice given by one of the means identified in paragraph (a) is deemed to be given and received: on the date of delivery or transmission, if given personally or sent by email or fax (or the next Business Day if the date of delivery or transmission is not a Business Day); on the second Business Day following the date of sending by courier; or on the fifth Business Day following the date of sending, if sent by registered mail. If a postal stoppage or interruption occurs, notices shall not be sent by registered mail, and any notice sent by registered mail within 5

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Business Days prior to the commencement of the postal stoppage or interruption must be re-sent by another means in order to be effective. For purposes of this section 14, Business Day includes Remembrance Day, if it falls on a day other than Saturday or Sunday, and Easter Monday.

(c) If either party wishes to receive written notice under this Addendum at an address/contact number other than those identified on page 2 of this Addendum, then the party shall send written notice of the change of address, fax number, or email address to the other party in accordance with paragraph (b) above.

(d) Time periods within which or following which any act is to be done shall be calculated by excluding the day of delivery or transmission and including the day on which the period ends.

(e) Time periods shall be calculated using calendar days including Business Days but subject to paragraphs (f), (g) and (h) below.

(f) Where the time for making a claim under this Addendum expires on a day that is not a Business Day, the claim may be made on the next Business Day.

(g) Prior notice periods that begin on a day that is not a Business Day shall begin on the next earlier Business Day, except that notices may be sent and/or received on Remembrance Day, if it falls on a day other than Saturday or Sunday, or Easter Monday.

(h) Every Critical Date must occur on a Business Day. If the Vendor sets a Critical Date that occurs on a date other than a Business Day, the Critical Date is deemed to be the next Business Day.

(i) Words in the singular include the plural and words in the plural include the singular.

(j) Gender-specific terms include both sexes and include corporations.

15. Disputes Regarding Termination

(a) The Vendor and Purchaser agree that disputes arising between them relating to termination of the Purchase Agreement under section 11 shall be submitted to arbitration in accordance with the *Arbitration Act, 1991* (Ontario) and subsection 17(4) of the ONHWP Act.

(b) The parties agree that the arbitrator shall have the power and discretion on motion by the Vendor or Purchaser or any other interested party, or of the arbitrator's own motion, to consolidate multiple arbitration proceedings on the basis that they raise one or more common issues of fact or law that can more efficiently be addressed in a single proceeding. The arbitrator has the power and discretion to prescribe whatever procedures are useful or necessary to adjudicate the common issues in the consolidated proceedings in the most just and expeditious manner possible. The *Arbitration Act, 1991* (Ontario) applies to any consolidation of multiple arbitration proceedings.

(c) The Vendor shall pay the costs of the arbitration proceedings and the Purchaser's reasonable legal expenses in connection with the proceedings unless the arbitrator for just cause orders otherwise.

(d) The parties agree to cooperate so that the arbitration proceedings are conducted as expeditiously as possible, and agree that the arbitrator may impose such time limits or other procedural requirements, consistent with the requirements of the *Arbitration Act, 1991* (Ontario), as may be required to complete the proceedings as quickly as reasonably possible.

(e) The arbitrator may grant any form of relief permitted by the *Arbitration Act, 1991* (Ontario), whether or not the arbitrator concludes that the Purchase Agreement may properly be terminated.

For more information please visit www.tarion.com

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TARION
PROTECTING ONTARIO'S NEW HOME BUYERS

Condominium Form
(Tentative Occupancy Date)

SCHEDULE A

Types of Permitted Early Termination Conditions

1. The Vendor of a condominium 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) receipt by the Vendor of confirmation that sales of condominium dwelling units have exceeded a specified threshold by a specified date;
- (ii) receipt by the Vendor of confirmation that financing for the 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.

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).

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.

D. B.
I. B.

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.

1. METER PROVISION AND INSTALLATION FOR ELECTRICITY
   Section 14(g) of Schedule "G"
   $280.00 plus Applicable Taxes per meter

2. METER PROVISION AND INSTALLATION FOR WATER
   Section 14(h) of Schedule "G"
   $280.00 plus Applicable Taxes per meter

3. N.S.F. ADMINISTRATIVE FEE (if applicable)
   Section 14 (j) of Schedule "G"
   $250.00 plus Applicable Taxes

4. WIRE TRANSFER OR DIRECT DEPOSIT ADMINISTRATIVE FEE (if applicable)
   Section 14(n) of Schedule "G"
   $150.00 plus Applicable Taxes per Vendor permitted wire transfer/direct deposit
   $150.00 plus Applicable Taxes administrative fee per occurrence for non-compliance

5. REPLACEMENT CHEQUE / POSTPONEMENT OF DEPOSIT ADMINISTRATIVE FEE (if applicable)
   Section 14(o) of Schedule "G"
   $250.00 plus Applicable Taxes

6. RELEASE OF VENDOR'S LIEN (if applicable)
   Section 14 of Schedule "G"
   $100.00 plus Applicable Taxes

7. ASSIGNMENT FEE (if applicable)
   Section 20 of Schedule "G"
   $2,500.00 plus Applicable Taxes
   $900.00 plus Applicable Taxes for the Vendor's solicitor's fees

8. DEFAULT LETTER/NOTICE
   Section 22 of Schedule "G"
   $500.00 plus Applicable Taxes

9. REGISTRATION OF DISCHARGES (if applicable)
   Section 29 of Schedule "G"
   $250.00 plus Applicable Taxes

10. FAIL TO INFORM VENDOR OF CHANGE OF PURCHASER'S INFORMATION (if applicable)
    Section 31(d) of Schedule "G"
    $250.00 plus Applicable Taxes

11. ELECTRONIC REGISTRATION SYSTEM FEE
    Section 37(a) of Schedule "G"
    $250.00 plus Applicable Taxes

12. DEPOSIT ADMINISTRATION FEE
    Section 41 of Schedule "G"
    $250.00 plus Applicable Taxes

Note to Purchaser: capitalized headings herein are for descriptive purposes only – for more particulars, please refer to appropriate provisions of the Purchase Agreement.

D. B.
I. B.

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.

1. OCCUPANCY FEE PAYMENTS / POST-DATED CHEQUES / LAND TAXES AND INTERIM BILLS
   Section 4(c) of Schedule "G"

2. FAIL TO PROVIDE, CHANGE/AMEND OR PROVIDE INCORRECT INFORMATION
   (if applicable)
   Section 4(e)

3. TELEPHONE, CABLE TELEVISION, UTILITY EXPENSES ETC.
   Section 5(b) of Schedule "G"

4. EXTRAS, UPGRADES AND CHANGES
   Section 6 of Schedule "G"

5. UTILITY METER INSTALLATION / PROVISION
   Section 6 of Schedule "G"

6. CONTRIBUTION TOWARDS COMMON EXPENSES AND ADJUSTMENT FOR OCCUPANCY FEES
   Section 14(a) of Schedule "G"

7. RESERVE FUND
   Section 14(b) of Schedule "G"

8. PREPAID OR CURRENT EXPENSES, CHARGES PAID TO A UTILITY ETC.
   Section 14(c) of Schedule "G"

9. REALTY TAXES, LOCAL IMPROVEMENT RATES ETC.
   Section 14(d) of Schedule "G"

10. TRANSACTION LEVY SURCHARGE
    Section 14(e) of Schedule "G"

11. ONTARIO NEW HOME WARRANTIES PLAN ACT ENROLMENT FEE
    Section 14(f) of Schedule "G"

12. NON-RESIDENT WITHHOLDING SUM (if applicable)
    Section 14(k) of Schedule "G"

13. STATUS CERTIFICATE CHARGE
    Section 14(l) of Schedule "G"

14. LEVIES/CHARGES ETC.
    Section 14(m) of Schedule "G"

15. ELECTRICITY FEES, COSTS OR CHARGES ETC.
    Section 14(p) of Schedule "G"

16. WATER FEES, COSTS OR CHARGES ETC.
    Section 14(q) of Schedule "G"

17. VENDOR'S LIEN FEES (if applicable)
    Section 14 of Schedule "G"

18. PAYMENT OF HST REBATE (if applicable)
    Section 14 of Schedule "G"

19. REIMBURSEMENT OF UTILITY SECURITY DEPOSIT (if applicable)
    Section 14 of Schedule "G"

20. COSTS AND EXPENSES OF COURT ORDER TO DELETE AGREEMENT FROM TITLE (if applicable)
    Section 19 of Schedule "G"

21. VENDOR'S SOLICITOR'S DISBURSEMENTS RE ASSIGNMENT (if applicable)
    Section 20 of Schedule "G"

22. INTEREST ON UNPAID SUMS / EXPENSES (if applicable)
    Section 22 of Schedule "G"

23. VENDOR'S LEGAL FEES, EXPENSES AND COSTS AS A RESULT OF PURCHASER'S (PURCHASER'S SUCCESSORS AND ASSIGNS) OBJECTION(S) OR OPPOSITION (if applicable)
    Sections 32(d) and (f) of Schedule "G"

24. VENDOR'S SOLICITOR'S LEGAL FEES AND DISBURSEMENTS RE: NON-ELECTRONIC DOCUMENTATION/INFORMATION (if applicable)
    Section 36(a) of Schedule "G"

25. EFTS FEES AND CHARGES (if applicable)
    Section 36(b)(iii) of Schedule "G"

26. VENDOR'S LEGAL FEES, EXPENSES AND COSTS AS A RESULT OF PURCHASER'S (PURCHASER'S SUCCESSORS AND ASSIGNS) OBJECTION(S) OR OPPOSITION (if applicable)
    Section 46 of Schedule "G"

Note to Purchaser: capitalized headings herein are for descriptive purposes only – for more particulars, please refer to appropriate provisions of the Purchase Agreement.

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D.B
I.B.

Project: COSMOS CONDOS TOWER A

Purchaser: DANIEL BURTMAN, IRINA BURTMAN

Suite: 2108

AGENCY DISCLOSURE

~~1. Sub Agent~~

D.B.

~~The Purchaser acknowledges that the Co-operating Broker has acted, and is acting as sub agent of the Vendor and will be compensated through the Listing Broker.~~

2. Buyer Broker

The Purchaser acknowledges that the Co-operating Broker acts for the Purchaser under a Purchaser's Agency Agreement and that the Co-operating Broker will be compensated by the Vendor.

~~3. Single Agent~~

D.B

~~The Purchaser acknowledges that the Listing Broker, Baker Real Estate Incorporated is acting for and is being compensated by the Vendor as the listing Brokerage but is also providing customer service to the Buyer. The Brokerage's duties to the Buyer include:~~

- ~~The Ethical duty to deal fairly, honestly and with integrity;~~
- ~~The Legal duty to exercise due care when answering questions and providing information; and~~
- ~~The Legal duty to avoid misrepresentation.~~

Witness

Purchaser

Purchaser

This is Exhibit "C" referred to in the Affidavit of Daniel Burtman affirmed December .....7..., 2020.

Commissioner for Taking Affidavits (or as may be)

AGREEMENT OF PURCHASE AND SALE

Cosmos III Condominiums – Vaughan, Ontario

SUITE NUMBER 3003, RESIDENTIAL DWELLING UNIT 03, LEVEL 29, as shown on the sketch attached hereto as Schedule "A", on a proposed condominium plan, Vaughan, Ontario (the "Municipality").

Natalia Karasik (the "Purchaser") agrees to and with **1945087 ONTARIO INC.** (the "Vendor"), to purchase the above-described condominium unit and its appurtenant common interest as specified in the Declaration (such above described unit and its appurtenant common interest hereinafter collectively called the "Unit"), subject to the by-laws and rules of the condominium corporation (the "Condominium Corporation") to be created upon the registration of the Declaration and description under the Condominium Act, 1998, S.O. 1998 c.19, as amended (the "Act") and situate within a multi-unit residential building (the "Condominium") on the following terms and conditions:

PURCHASE PRICE:
The Purchase Price of the Unit shall be

THREE HUNDRED THIRTY THOUSAND NINE HUNDRED DOLLARS

($ 330,900.00) of lawful money of Canada payable to the Vendor as follows:

(a) $ 5,000.00 by cheque with this Agreement payable to the Vendor's solicitors, Brattys LLP in trust as a deposit to be credited on account of the Purchase Price on closing;

(b) upon execution of this Agreement the Purchaser shall also provide the following additional deposits to the Vendor's solicitors by way of post-dated cheques in the amounts and on the dates described below:

(i) $ 11,545.00 by cheque post-dated 30 days following the date of execution of this Agreement by the Purchaser;

(ii) $ 16,545.00 by cheque post-dated 180 days following the date of execution of this Agreement by the Purchaser;

(iii) $ 16,545.00 by cheque post-dated 450 days following the date of execution of this Agreement by the Purchaser;

(iv) $ 0.00 by cheque post-dated N/A days following the date of execution of this Agreement by the Purchaser;

(c) $ 16,545.00 on interim occupancy of the Unit by Purchaser's solicitor's certified cheque (unless otherwise advised pursuant to the Section titled "Tender" in Schedule "G" hereto);

(d) the balance of the Purchase Price by the Purchaser's solicitor's certified cheque (unless otherwise advised pursuant to the Section titled "Tender" in Schedule "G" hereto), subject to adjustments as provided in this Agreement on the Unit Transfer Date (as hereinafter defined).

The failure of any cheque to clear the bank for any reason shall be a monetary default hereunder.

CLOSING
(a) The Purchaser shall be required to take Occupancy (as defined in the Tarion Addendum and Statement of Critical Dates) of the Unit in accordance with and on the date established pursuant to the provisions of the Tarion Addendum attached hereto which date is referred to herein as the "Occupancy Date".

(b) The purchase and sale of the Unit shall be completed and a transfer of the Unit delivered to the Purchaser in accordance with the terms of this Agreement on a date (the "Unit Transfer Date") that is the later of (i) the Occupancy Date; and (ii) a date fixed by the Vendor upon which the transfer of the Unit acceptable for registration is delivered to the Purchaser or his solicitor.

SCHEDULES NOTED HEREIN AND ATTACHED TO THIS AGREEMENT FORM PART HEREOF.

SCHEDULE "A" - SKETCH OF SUITE
SCHEDULE "B"- FEATURE LIST
SCHEDULE "C"- WARNING CLAUSES AND NOTICE PROVISIONS
SCHEDULE "D"- ACKNOWLEDGEMENT OF RECEIPT OF DISCLOSURE MATERIAL
SCHEDULE "G" - GENERAL PROVISIONS
TARION ADDENDUM AND STATEMENT OF CRITICAL DATES

Schedule "W" - Parking N.K

DATED this 25th day of September, 2016

Witness: Mo Sakaki
Address: 2951 Hwy. 7 W., suite 5, Vaughn, ON, L4K 1W3

Signature: Natalia Karasik
Purchaser: Natalia Karasik
Date of Birth: December 29, 1971 Social Insurance No.: 671-292-316
Address: 4 Gwendolyn Street Barrie, Ontario, L4N 6Z3
Phone: 647-525-0431 Email: oniks99@gmail.com

Witness:
Address:
SOLICITORS FOR THE PURCHASER:

Signature:
Purchaser:
Date of Birth: 29/12/1971 Social Insurance No.: 671292316 N.K
Address:
Phone: Email:

The Vendor hereby accepts the above offer.

DATED this 25 day of Sept, 2016

SOLICITORS FOR THE VENDOR:
BRATTYS LLP
7501 Keele Street, Suite 200
Vaughan, Ontario L4K 1Y2
Attention: Michael C. Volpatti
tel# (905) 760-2600 Ext. 310 fax# (905) 760-2900

1945087 ONTARIO INC.
Per:

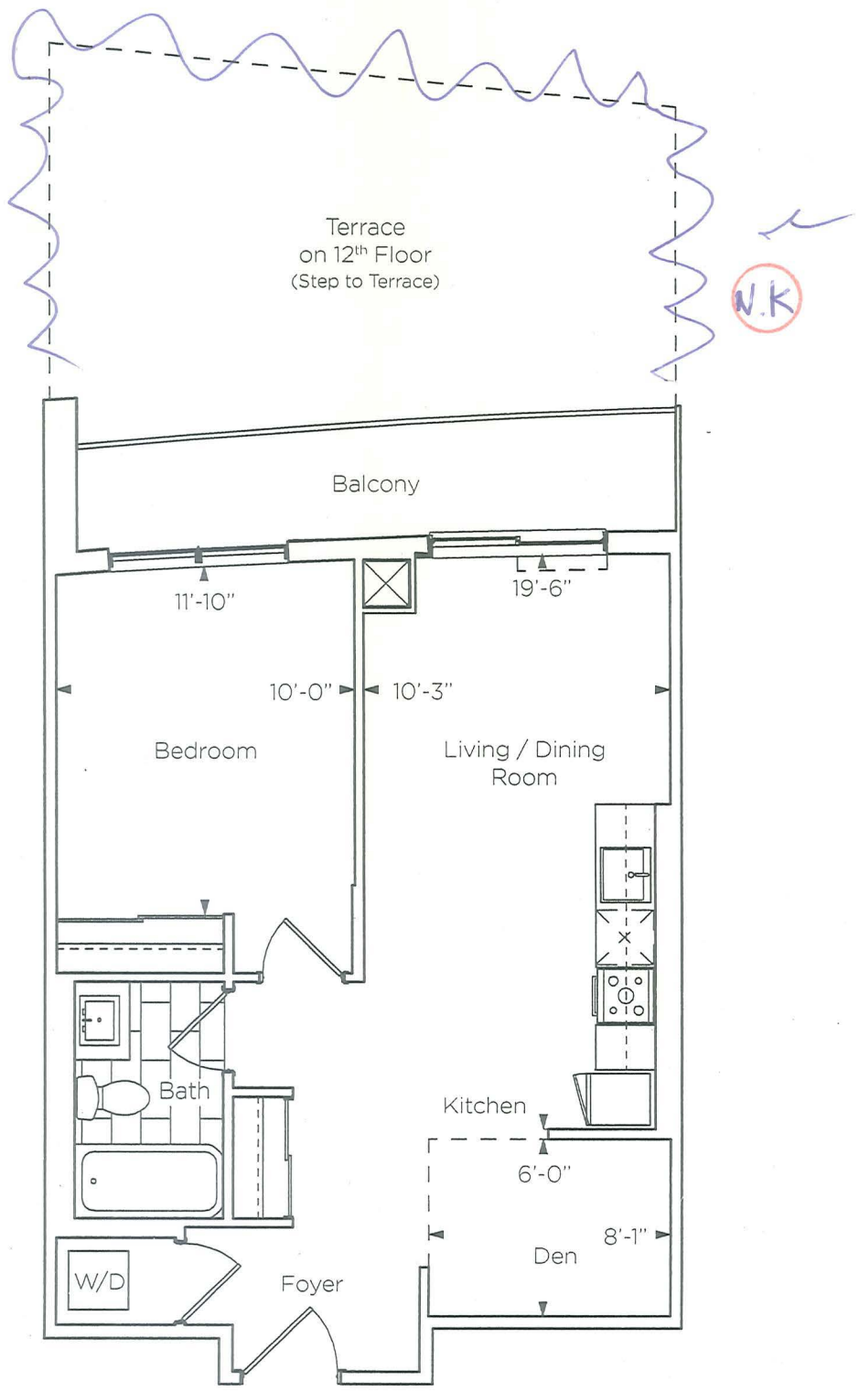
A.S.O.

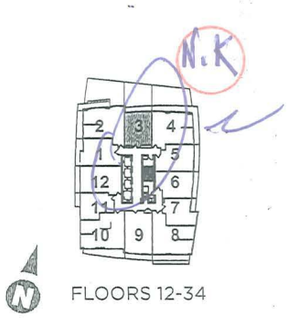
SCHEDULE A

COSMOS III
CONDOMINIUMS

SUITE 1A+D 1 BEDROOM + DEN 595 SQ. FT.

+ BALCONY 70 SQ. FT.
+ TERRACE 250 SQ. FT. (12TH FLOOR)





FLOORS 12-34

Purchaser's name: Natalia Karovik

Suite #: 3003

Purchaser's initials: N.K

Vendor initials: ~

Date: Sept. 25/2016

LIBERTY development

Issue Date 09/13/2016

NOTE: All prices, figures, sizes, specifications and information are subject to change without notice. E.&O.E. All areas and stated dimensions are approximate. Actual usable floor space, living area and square footage may vary from stated floor area. All illustrations are artist's concept only. The unit shown may be the reverse of the unit purchased.

SCHEDULE "B"
SUITE FEATURE LIST
Cosmos III

KITCHEN FEATURES
- Granite or quartz countertops.*
- European-style cabinets, with 36" high upper cabinet.* •
- Stainless steel undermount sink with single-lever faucet and vegetable spray.*
- Ceramic tile backsplash.*
- Stainless Steel Bosch appliance package including: built-in oven, black-glass cooktop, built-in multi-cycle dishwasher, counter-depth bottom-freezer refrigerator, and micro wave hood fan vented to exterior.*

BATHROOM FEATURES
- Quartz countertop with undermount sinks.*•
- Custom mirror / medicine cabinet over vanity.•
- White bathroom fixtures.•
- Ceramic tile on floors, tub surround and wall and shower floor (where applicable).*•
- Choice of vanity cabinets from builder's standard samples. *•
- Single-lever faucets for vanities.
- Pressure balanced valves in tub and shower.
- White acrylic soaker tub.•
- Mirror over width of vanity in second bathroom. •

FLOORING
- Ceramic tile in bathroom(s) and laundry area.*•
- Laminate flooring in living room, dining room, den and bedroom(s) (if applicable).*•
- Laminate flooring in foyer and kitchen.*

CONTEMPORARY SUITE
- Solid core entry door with brushed nickel hardware and stained finish.
- Contemporary interior doors with brushed nickel lever hardware.
- Mirrored sliding closet doors in foyer, where applicable.•
- Contemporary white 5 1/2" baseboards and 2 ¼ " trim casings.
- White smooth ceilings throughout finished with white flat latex paint. Semi-gloss paint in kitchen and bathroom(s).
- Interior walls painted with two coats of flat latex paint (kitchen, bathroom(s), all interior doors and all trim painted with semi-gloss latex paint).*
- Glass and rail treatment on balconies.•
- 6' High privacy screen dividing balcony and terrace where applicable •
- Space efficient stacking electric washer/dryer (white) vented to exterior.•
- 9' ceilings on residential levels •

SECURITY
- Full time concierge.
- Surveillance cameras in select areas of building and underground garage.
- Electronic access control system for recreation amenities, parking garage, and other common areas.
- Enter phone and cameras located in lobby and visitor entrances allowing residents to view visitors through dedicated television channel.
- Suite entry doors roughed-in for in-suite security alarm system.
- In-Suite fire alarm speaker.
- In-Suite hard wired smoke detector.

STATE-OF-THE-ART WIRING
- Suites pre-wired using CAT 6 wiring, for telephone outlets in living room, bedroom(s), and den (if applicable).•
- Suites pre-wired for cable television outlets using RG 6 wiring in living room, bedroom(s) and den (if applicable). •

MECHANICAL AND ELECTRICAL SYSTEMS
- Individually controlled central heating and cooling system (seasonal).
- Central domestic hot water system.
- White Decora-style receptacles and light switches throughout suites.
- Light fixtures provided in kitchen, all bedroom(s), living room and den, bathroom(s), and walk-in closet. (if applicable).•
- Individual remote hydro metering for hydro consumption.
- Heavy-duty wiring and receptacle for washer/dryer.

NOTES

- * Indicates as per Vendor's standard sample(s).
- • Indicates as per Vendor's plans.
- Purchaser(s) shall select the colour and material from Vendor's standard samples only (one laminate floor colour and one paint colour per suite).
- Purchaser(s) may select upgraded materials from Vendor's samples and shall pay the upgrade costs at the time of colour and finishes selection.
- Vendor reserves the right to make reasonable changes in the opinion of Vendor in the plans and specifications if required and to substitute other material or finishes or that provided for herein with material or finishes of equal or better quality than that provided for herein. The determination of whether or not a substitute material or finish is of equal or better quality shall be made by Vendor, in its sole, absolute and unfettered discretion, which determination shall be final and binding. Purchaser acknowledges that colour, texture, appearance, grains, veining, natural variations in appearance, etc. of features and finishes installed in the unit may vary from Vendor samples as a result of normal manufacturing and installation processes and/or as a result of any such finishes being of natural products (i.e., due to the inherent nature of the material itself) and Purchaser agrees that Vendor is not responsible for same. Vendor shall not be responsible for shade differences occurring in the manufacture of items such as, but not limited to, finishing materials or products such as carpet, tiles, granite, marble, porcelain, laminate flooring, engineered flooring, bath tubs, sinks and other such products where the product manufacturer establishes the standard for such finishes. Nor shall Vendor be responsible for shade differences in colour of components manufactured from different materials but which components are designed to be assembled into either one product or installed in conjunction with another product and in these circumstances the product as manufactured shall be accepted by Purchaser. Purchaser acknowledges and agrees that carpeting may be seamed in certain circumstances and said seams may be visible. Purchaser acknowledges and agrees that pre-finished wood flooring (if any) or any engineered wood flooring (if any) may react to normal fluctuating humidity levels inducing gapping and cupping. Purchaser acknowledges that marble and similar stones (if any) are very soft stones, which will require a substantial amount of maintenance by Purchaser and are very easily scratched and damaged. Plan and specifications are subject to change without notice.
- Where bulkheads are installed and where dropped ceilings are required, the ceiling height will be less than stated, as per Vendor's plans.
- All plans, elevations, sizes and specifications are subject to change from time to time by Vendor without notice. E. & O. E.
- Unit owners are covered by TARION Warranty Program (formally known as ONHWP). Vendor is proud to be registered with TARION Warranty Program.

September 8, 2016

N.K

SCHEDULE "C"

WARNING CLAUSES AND NOTICE PROVISIONS

Cosmos III Condominiums – Vaughan, Ontario

The Purchaser shall execute any and all acknowledgments and releases required by the relevant governmental authorities in accordance with the provisions of this Agreement.

The Purchaser is hereby notified of the following warning and notice clauses:

(a) The Condominium shall also be adjacent to a non-residential area, including without limitation, parking, commercial, retail, office and/or amenity areas. Impacts, including odour, emissions and noise from this use and businesses may be expected by purchasers of units and visitors of the Condominium.

(b) The purchaser and/or lessee specifically acknowledges and agrees that the proximity of the development of the Condominium (the "Development") to the Toronto Transit Commission, York Region Transit/VIVA, Metrolinx transit operations, and any other applicable transit operator, may result in transmission of noise, vibration, electromagnetic interference, lighting glare, stray current, smoke, and particulate matter (collectively referred to as "Interferences") on and/or to the Development and despite the inclusion of control features within the development, Interferences from transit operations may continue to be of concern, occasionally interfering with some activities of the occupants of the Development. Notwithstanding the above, the purchaser or lessee agrees to release and save harmless any applicable transit operator and/or any relevant municipal authorities, from all claims, losses, judgments or actions arising or resulting from any and all interferences. The purchaser or lessee further acknowledges and agrees that an Interference clause similar to the one contained herein shall be inserted into any succeeding lease, sublease or sales agreement, and that this requirement shall be binding not only on the parties hereto but also their respective successors and assigns and shall not die, or be null and void, with the closing of the transaction.

(c) Purchasers are advised of the proximity of the Condominium to roadways and railways and that same may result in noise exposure levels exceeding the noise criteria established by governmental authorities and despite inclusion of noise control features in the Condominium, if necessary, noise, vibration, EMI and stray current from any of the aforementioned sources may continue to be of concern, occasionally interfering with some activities of dwelling owners in the Condominium. Governmental authorities, or their successors and assigns, has or have rights-of-way or lines within 300 metres of the Condominium. There may be alterations to, or expansion of the rail facilities on such right-of-way or lines in the future, including the possibility that governmental authorities, or their successors and assigns, may expand their operations, which expansion may affect the living environment of the residents in the vicinity, notwithstanding the inclusion of any noise and vibration attenuating measures in the design of the development and individual dwellings if necessary. The Vendor and governmental authorities will not be responsible for any complaints or claims arising from the use of such facilities and/or operations on, over, or under the said rail lines or rights-of-way. Notwithstanding the foregoing, the Purchaser agrees to complete the purchase transaction and acknowledges and agrees that warning clauses similar to the foregoing, subject to amendment and enlargement by any wording or text recommended by the Vendor's noise consultants or by any of governmental authorities may be applicable to the Condominium and/or may be registered on title to the Condominium and if required, the Purchaser agrees to acknowledge any such warning clauses.

(d) The Condominium and/or the development area including, without limitation, the proposed park(s), are intended to contain architectural features on the exterior facades of the Condominium and/or the development area including, without limitation, the proposed park(s), which features may contain lights or may be lit up by some form of lighting system. Purchasers are hereby advised that such lighting features or systems, if installed, may result in light and/or noise entering the units and/or the balconies and terraces and may interfere with the activities and enjoyment of the units and/or balconies and terraces by the unit occupants.

(e) Recycling of refuse may be required by the Municipality and residents will be required to sort refuse in accordance with the recycling requirements of the Municipality. It is intended that Condominium's refuse facilities and refuse collection/pick-up area will be utilized by the residential component and the retail/commercial/office component although the retail/commercial/office component may have to make its own provisions for refuse collection. All purchasers are advised that refuse and recyclable materials generated by the non-residential component of the development must be collected by a private refuse collection firm and it is intended that refuse and recyclable materials generated by the residential component of the development will also be collected by a private refuse collection firm.

(f) The Vendor makes no representation or warranty with regards to whether the collection of

refuse from the Condominium shall be by a private refuse collection firm or by the City of Vaughan. The Vendor shall be responsible for the collection of refuse from the Condominium's refuse facilities and refuse collection/pick-up area for six (6) months commencing on the first date on which a unit in the Condominium is occupied by the public.

(g) The Purchaser acknowledges that each Unit is to be equipped with a forced air heating and cooling system (the "HVAC system"). The owner of the Unit shall be responsible for the maintenance and repair of such HVAC system (including all pipes, conduits, equipment and appurtenances thereto) whether such HVAC system is installed or located within or outside of (or partially within or outside of) the Unit. The maintenance and repair of the HVAC system may be arranged for by the Condominium Corporation and carried out by its designated contractors or workmen, but all, paid for by the owner of the Unit, in addition to common expenses. Purchasers shall permit access to the Unit, from time to time, to the Condominium Corporation and all others entitled thereto, to repair and maintain the HVAC system to the extent that same is applicable.

(h) The Purchaser acknowledges that if the Unit contains laminate or engineered wood flooring, same may absorb excess moisture under humid conditions and release its normal moisture content under excessively dry conditions. Such flooring will naturally swell during the humid season and will shrink when heat is applied. The Purchaser acknowledges that the Vendor will not be responsible for any swelling or shrinkage cracks resulting from excessive humidity or excessive dryness within the Unit. When the heating system is not in use during late spring, summer and early fall, the Vendor strongly recommends that the Purchaser use a dehumidifier in the Unit. Correspondingly, when the heating system is on during the late fall, winter and early spring, the Vendor strongly recommends the use of a humidifier system within the Unit. The Purchaser takes full responsibility for any damage to the flooring as a result of its failure to mitigate air quality conditions as herein set out.

(i) The Purchaser is hereby advised that the Vendor's builder's risk and/or comprehensive liability insurance (effective prior to the registration of the Condominium), and the Condominium's master insurance policy (effective from and after the registration of the Condominium) will only cover the common elements and the standard unit contemplated in the Disclosure Statement and will not cover any betterments or improvements made to the standard unit, nor any furnishings or personal belongings of the Purchaser or other residents of the Unit, and accordingly the Purchaser should arrange for his or her own insurance coverage with respect to same, effective from and after the Firm Occupancy Date, all at the Purchaser's sole cost and expense.

(j) The Purchaser acknowledges that despite the best efforts of the York Region District School Board and/or the York Region Catholic District School Board (collectively, the "School Boards"), sufficient accommodation may not be locally available for all students anticipated from the development area and that students may be accommodated in facilities outside the area, and further, that students may later be transferred. Purchasers agree for the purpose of transportation to school, if bussing is provided by the School Boards in accordance with the Boards' policies, that students will not be bussed home or to school, but will meet the bus at designated locations in or outside of the area.

(k) The Purchaser is advised that the balcony(ies) and/or terrace(s) (as applicable, if any) appurtenant to its Unit may be occupied and/or utilized, from time to time by the Vendor, the Condominium Corporation and/or the Condominium's property management company, for the purpose of the inspection, repair, replacement and/or cleaning of the windows, window systems and/or the façade of the Condominium or nearby structures. The Purchaser shall not object to, block, hinder or delay such occupation and/or use of the balcony(ies) and/or terrace(s) (as applicable, if any) appurtenant to its Unit.

(l) The Purchaser is advised that public art structures and features may be constructed upon the common elements of the Condominium. The Purchaser shall take no action and shall not omit to do any action that would (i) cause any harm or damage to said public art and/or (ii) cause a breach of any agreement between the Municipality and the Condominium Corporation and/or the Vendor with regards to the maintenance, repair, replacement and inspection of said public art structures and features.

(m) The Purchaser is advised that the proposed park(s), proposed to be located on the lands, adjacent to or near the subject Condominium, may, at the sole, absolute and unfettered discretion of the owner(s) of such lands, be public, and open and accessible to the general public, and the public may have a right to use and access such area(s).

(n) The Purchaser acknowledges that elevator wait times may vary according to various factors, including without limitation, elevator usage by residents or visitors to the Condominium, increased elevator usage at certain times of the day, the performance of maintenance and repairs to the elevator(s) and the reservation of the elevator(s) for the transportation of any goods or home furnishings.

(o) The Purchaser acknowledges and agrees that despite the inclusion of noise attenuation features within the development area and within the individual building units, noise levels will continue to increase, occasionally interfering with some activities of the building's occupants.

(p) The Purchaser is advised that the dwelling unit has been or will be fitted with a central air conditioning system which will enable occupants to keep windows closed if road and or air traffic noise interferes with the indoor activities.

(q) The Purchaser is advised that due to the proximity of the adjacent industrial and commercial facilities, sound levels from these facilities may at times be audible.

(r) The Purchaser acknowledges that all models, video, images, computer generated imagery and tablet presentations are artistic descriptions only and/or may be modified before and/or during construction without notice. The Purchaser acknowledges that any context model(s) illustrating lands not owned by the Vendor were created based on information provided by the City of Vaughan and will not be updated to reflect any changes to such lands which are subject to change at any time by the owner(s) of such lands without notice.

(s) There currently is proposed to be a roof top observatory (the "Observatory Lounge") proposed to be located on the rooftop of Building B, as defined in the Declaration. If developed and constructed, at the sole, absolute and unfettered discretion of the declarant of Building B, the Observatory Lounge may: (a) be made available for the use and access of any one or more of the owner(s), tenants, occupants and others (as determined by the declarant of Building B, in its sole, absolute and unfettered discretion) of the residential dwelling units in the Condominium by way of limited use and limited access elevator(s) or as otherwise determined at the sole, absolute and unfettered discretion of the declarant of Building B; (b) be open and accessible to organizations, and such organizations may have a right to use and access such area(s) at a fee to be determined by the declarant of Building B, in its sole, absolute and unfettered discretion; or (c) be any combination of (a) and/or (b).

(t) The lands located adjacent to and west of the Lands at the south-east corner of Highway #7 West and Jane Street, in the City of Vaughan, are herein referred to as the "West Lands" and any building(s) and appurtenances to be or already constructed thereon are herein referred to as the "West Buildings". Purchasers, owners and tenants are hereby advised that the West Lands may, at the owner(s) of the West Lands sole, absolute and unfettered discretion, from time to time, be developed as any type of building(s) in compliance with the relevant municipal requirements from time to time. The West Lands and West Buildings will not form part of the Corporation. The Declarant currently proposes that the Lands may be burdened by an easement(s) in favour of the West Lands for vehicular and pedestrian access and egress over a portion(s) of the Lands including the garage ramp proposed to be located on the Lands, and the West Lands may be burdened by an easement(s) in favour of the Lands for pedestrian access (collectively the aforementioned easements shall be known herein as the "Permanent Easements"). If required by the Declarant, in its sole, absolute and unfettered discretion, the Declarant on behalf of the Corporation or the Corporation may enter into a reciprocal agreement with the owner(s) of the West Lands which agreement, if applicable, shall be assumed by the Corporation. If the Lands are burdened by the Permanent Easements, the owner(s) of the West Lands may, at the sole, absolute and unfettered discretion of the Declarant, be required to pay, to the Corporation, a portion(s) of the costs related to the operation, maintenance, repair and replacement of the portion(s) of the Lands burdened by the Permanent Easements in favour of the owner(s) of the West Lands. At the sole, absolute and unfettered discretion of the Declarant, the Permanent Easements may be removed, altered, changed and/or amended and a new easement(s) and/or a new right(s) of way may be added. The owner(s) of the West Lands reserves the unfettered right to decide when or whether to make any modifications to the West Lands and the West Buildings, all in its sole, absolute and unfettered discretion. The configuration, layout, boundary and area of the West Lands and West Buildings are subject to change by the owner(s) of the West Lands, in its sole, absolute and unfettered discretion. The Declarant makes absolutely no representation or warranty whatsoever regarding the West Lands or the West Buildings.

SCHEDULE "D"

ACKNOWLEDGEMENT OF RECEIPT OF DISCLOSURE MATERIALS

Cosmos III Condominiums – Vaughan, Ontario

THE UNDERSIGNED PURCHASER HEREBY ACKNOWLEDGES RECEIPT OF A COPY OF THE FOLLOWING DOCUMENTS:

(a) copy of the Agreement of Purchase and Sale and all schedules attached/referenced therein (to which this Acknowledgement is attached as a Schedule) executed by the Vendor and the Purchaser;

(b) copy of the Current Disclosure Statement in accordance with the requirements of Section 72 of the Condominium Act, 1998 including the following items:

(i) Disclosure Statement Table of Contents;

(ii) Disclosure Statement;

(iii) proposed Declaration;

(iv) proposed By-Laws Nos. 1, 2, 3, 4, 5 and 6;

(v) proposed management agreement;

(vi) proposed Budget Statement;

(vii) Sections 73 and 74 of the Act – purchaser's right to rescind;

(viii) proposed plan showing the overall site of the Condominium;

(ix) the proposed rules governing the corporation; and

(x) a list of the proposed recreational and other amenities.

DATED this 25th day of September ,2016.

Witness: MO SAFAR

Natalia Karasik
Signature of Purchaser

Natalia Karasik
(Printed Name of Purchaser)

Witness:

Signature of Purchaser

(Printed Name of Purchaser)

SCHEDULE "G" - GENERAL PROVISIONS

1. ORAL REPRESENTATIONS

ORAL REPRESENTATIONS OR WARRANTIES BY THE VENDOR OR ITS AGENTS SHALL NOT FORM PART OF NOR SHALL THEY AMEND THIS AGREEMENT. THE PURCHASER ACKNOWLEDGES HAVING READ ALL PARAGRAPHS AND SCHEDULES OF THIS AGREEMENT.

2. PARKING UNIT, LOCKER UNIT and BICYCLE PARKING UNIT (if applicable)

THE PURCHASER ACKNOWLEDGES AND AGREES THAT THIS AGREEMENT DOES NOT INCLUDE A PARKING UNIT.

THE PURCHASER ACKNOWLEDGES AND AGREES THAT THIS AGREEMENT DOES NOT INCLUDE A LOCKER UNIT.

THE PURCHASER ACKNOWLEDGES AND AGREES THAT THIS AGREEMENT DOES NOT INCLUDE A BICYCLE PARKING UNIT.

3. COMPLETION OF UNIT

The Unit shall be deemed to be completed for the purposes of Occupancy on the Occupancy Date or any extension thereof when the requirements of Section 9 of the Tarion Addendum and Statement of Critical Dates have been met, and the Purchaser agrees that he shall take occupancy of the Unit on the Occupancy Date and the Vendor shall complete any outstanding details of construction required by this Agreement within a reasonable time thereafter having regard to weather conditions and the availability of supplies or tradesmen. In any event, the Purchaser acknowledges that failure to complete other units within the building in which the Purchaser's Unit is located, or the common elements on or before the Occupancy Date shall not be deemed to be a failure to complete the Unit. The Purchaser agrees to complete this transaction notwithstanding any claims submitted to the Vendor and/or the Ontario New Home Warranties Plan Act, RSO 1990, c O-31 (the "Warranty Act") or otherwise in respect of apparent deficiencies or incomplete work. The Vendor makes no representations, warranties or covenants regarding the size, area and dimensions of any balcony(ies) and/or terrace(s) (as applicable, if any) appurtenant to the Unit. The Purchaser covenants and agrees that the Purchase Price is not based on the size, area and dimensions of any balcony(ies) and/or terrace(s) (as applicable, if any) appurtenant to the Unit. The Purchaser shall have absolutely no claim or cause of action whatsoever against the Vendor or its sales representatives (whether based or founded in contract, tort or in equity) with regards to/pertaining to/arising from the size, area and dimensions any balcony(ies) and/or terrace(s) (as applicable, if any), nor shall the Purchaser be entitled to any abatement and/or reduction in the Occupancy Fee and/or Purchase Price whatsoever as a consequence of the size, area and dimensions of same.

4. INTERIM OCCUPANCY

(a) The Purchaser shall, subject to any other provisions of this Agreement to the contrary, take possession of the Unit from the Occupancy Date until the Unit Transfer Date, upon the terms set forth in the occupancy provisions herein (which in such instances shall constitute the occupancy agreement), and/or shall execute at the Vendor's option its standard form of occupancy agreement (either occupancy agreement hereinafter called the "Occupancy Agreement"). In the event of a conflict between any term contained in the Vendor's standard form of occupancy agreement and any term contained in the occupancy provisions hereof, the provisions of the Vendor's standard form of occupancy agreement shall prevail. Should any parking unit(s), locker unit(s) and/or bicycle parking unit(s) purchased hereunder (or in any amendment, addendum or schedule hereto) not be available for use during certain (or all) period(s) between the Occupancy Date and the Unit Transfer Date, as determined by the Vendor in its sole and unfettered discretion, the Purchaser shall nevertheless take possession of the residential dwelling unit purchased hereunder (and such other units purchased hereunder as are available for use during such period(s), as determined by the Vendor in its sole and unfettered discretion) on the Occupancy Date and the Purchaser shall not be entitled to any abatement or reduction in the Occupancy Fee and/or Purchase Price whatsoever as a consequence of any parking unit(s), locker unit(s) and/or bicycle parking unit(s) purchased hereunder (or in any amendment, addendum or schedule hereto) not being available for use during certain (or all) period(s) between the Occupancy Date and the Unit Transfer Date, nor shall the Purchaser have any claim or cause of action whatsoever against the Vendor or its sales representatives (whether based or founded in contract, tort or in equity) with regards to/pertaining to/arising from the foregoing. Further, the Purchaser shall have absolutely no claim or cause of action whatsoever against the Vendor or its sales representatives (whether

based or founded in contract, tort or in equity) for the unavailability for use of any parking unit(s), locker unit(s) and/or bicycle parking unit(s) as aforementioned.

(b) On the Occupancy Date, the Purchaser shall deliver a clear and up-to-date execution certificate in respect of the Purchaser's name from the Land Titles Office or Sheriff's Office in the judicial district in which the Unit is situated, or provide the Vendor's solicitor with such other information and documentation as may be required in order to satisfy the Vendor's solicitor, in its sole, absolute and unfettered discretion, that the Purchaser is not one and the same person as any particular execution debtor named in any particular execution on file in the said offices.

(c) The Purchaser shall pay an occupancy fee (the "Occupancy Fee") monthly, in advance, on the first day of each month, during the period between the Occupancy Date and the Unit Transfer Date, which Occupancy Fee shall be payable pro rata for periods of less than a whole month at the beginning or end of the occupancy period. The Occupancy Fee shall be equal to the maximum amount permitted in section 80(4) of the Act. The Purchaser shall provide any number of postdated cheques with respect to the Occupancy Fee as and when the Vendor may reasonably require same. The Purchaser acknowledges and agrees that any cheques delivered to the Vendor with respect to the Occupancy Fee and which are not negotiated by the Vendor shall, at the sole option of the Vendor, either be destroyed by the Vendor and not be returned to the Purchaser or his solicitor, or be returned by the Vendor to the Purchaser or its solicitor. NO PART OF THE OCCUPANCY FEE SHALL BE CREDITED TOWARDS THE PURCHASE PRICE ON THE UNIT TRANSFER DATE NOR SHALL ANY PART THEREOF BE RETURNED TO THE PURCHASER IN THE EVENT THAT ANY DEPOSIT MONIES ARE TO BE RETURNED TO THE PURCHASER BY REASON OF THE TERMINATION OF THIS AGREEMENT. No adjustment shall be made for fluctuations in those items on which the Occupancy Fee is based other than as required in the Act, save and except as provided for in the following sentences in this subsection. The Vendor reserves the right to charge taxes applicable only to the land to the Purchaser as part of the monthly Occupancy Fee and adjust on the Unit Transfer Date any interim bills paid by the Vendor prior to the Unit Transfer Date. The Purchaser in such event shall still be responsible for all supplementary tax bills resulting from the construction of the Condominium from and after the confirmed Occupancy Date and all tax bills after Unit Transfer Date applicable to the Unit.

(d) The Purchaser covenants and agrees to provide the Vendor's solicitor, at least 60 days prior to the Occupancy Date, with the full names, birth dates, marital status, social insurance number of the Purchaser and any other parties permitted by the Vendor to take title to the Unit, and the address for service to be inserted in the transfer, failing which the Vendor shall be entitled to engross the Occupancy Agreement and the transfer to the Unit in the name of the Purchaser as noted on the front page of this Agreement or as permitted herein, and the Purchaser shall be bound thereby and shall be estopped from requiring any further changes to the manner in which the Occupancy Agreement and/or the transfer are so engrossed.

(e) The Purchaser agrees to provide the name, address and telephone number of its solicitor and all other information requested or required for the completion of the transaction to the Vendor or its solicitor in writing no later than 60 days prior to the Occupancy Date. If the Purchaser changes solicitors or the Purchaser or its solicitor (i) fail to provide the aforesaid information or required title information; (ii) change or amend any of the information provided, including title information required for engrossing the Occupancy Agreement or the transfer to the Unit as required by the preceding paragraph; or (iii) provide information to the Vendor or its solicitors that is incorrect or amended for any reason, the Purchaser shall be charged a fee as determined by the Vendor plus Applicable Taxes on the Statement of Adjustments.

(f) The Purchaser agrees to obtain from the Vendor a time of day during which the Purchaser shall be entitled to move into the Unit and to use the elevator(s), corridor(s) and/or stairwell(s) designated for such purposes (as applicable). The Purchaser shall be responsible for all damages to the elevator(s), stairwells and/or corridors (as applicable) as a result of the Purchaser's use and shall provide a security deposit in an amount determined by the property manager payable to the Vendor prior to being granted use of the elevator(s), corridor(s) and/or stairwell(s) (as applicable). If the elevator(s), corridor(s) and/or stairwell(s) (as applicable) are damaged as a result of the Purchaser's use, then the Vendor shall be entitled to retain from such deposit an amount equal to the cost of repair for the damage, and if such cost exceeds the amount of the security deposit then,

the Purchaser shall pay to the Vendor the difference immediately, failing which an amount equal to such difference shall be paid on the Occupancy Date or the Unit Transfer Date, as determined by the Vendor, together with interest at the rate described in the paragraph headed Default.

5. THE OCCUPANCY AGREEMENT

During the term of the Occupancy Agreement:

(a) Subject to the provisions hereof, only the Purchaser or members of the Purchaser's immediate family shall have the right to occupy the Unit, for residential purposes only, in accordance with the terms and provisions of the draft condominium documents included in the Disclosure Statement (hereinafter the "Condominium Documents"), and shall comply with same as if they were the owner of the Unit, and shall maintain and repair same in a clean and sightly manner as would a prudent owner, and shall make no change, alteration, or addition to the Unit without the Vendor's prior written consent (which consent may be arbitrarily withheld). The Purchaser acknowledges and agrees that he shall not have access to the Unit prior to the Occupancy Date without the Vendor's prior consent and without being accompanied by a representative of the Vendor;

(b) The Purchaser shall pay all telephone, cable/satellite television, utility and other expenses for the Unit other than those included as a proposed common expense (including without limitation) any administrative charges imposed by any utility provider as a result of such utility being separately metered;

(c) The Purchaser shall maintain insurance on any decoration, furnishing or improvement to the Unit as well as for third party liability and shall indemnify the Vendor from any damage to property or injury to persons within or on the Unit or elsewhere if caused by the Purchaser or any person for whose actions the Purchaser may in law be liable;

(d) The Purchaser's right to occupy the Unit may be terminated by the Vendor if the Purchaser is in default under this Agreement or the Occupancy Agreement, or if this Agreement has been terminated for any reason. If the Occupancy Agreement or this Agreement is terminated, the Purchaser shall vacate the Unit immediately, and shall indemnify the Vendor for any costs incurred in connection with its repossession of the Unit and/or in restoring or repairing the Unit;

(e) Subject to the provisions hereof, the Purchaser may not assign or sublet the Occupancy Agreement or otherwise part with possession of the Unit, without the Vendor's prior written consent which consent may be arbitrarily withheld; and

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

6. CONSTRUCTION, CHANGES AND DECOR PACKAGES

The Vendor shall have the right from time to time to make reasonable changes in the opinion of the Vendor in the plans and specifications of the Unit and the Condominium (regardless whether the aforesaid have been submitted to the relevant governmental authority) and any changes required by any relevant governing authority in the plans and specifications of the Unit and the Condominium and every aspect thereof if required and to substitute other material for that provided for under this Agreement or in the plans and specifications of the Unit or the Condominium, provided that such alternative material is of a quality equal to or better than the material hereunder or in the plans and specifications and the Purchaser agrees to complete this transaction notwithstanding same and the Purchaser hereby consents to such changes and substitutions. The Purchaser acknowledges and agrees that the Vendor may insert or add any items, including without limitation, windows, columns, fire walls, conduits, beams and/or bulkheads within or adjacent to the Unit and/or remove, change, delete, vary, alter or modify the number, size and location of any of the foregoing items from the number, size and/or location of same as displayed or illustrated in the sketch of suite attached hereto as Schedule "A" or any promotional material or information which may include, without limitation, sales brochure(s), model(s), rendering(s), vignette(s) and/or floor plan(s) previously delivered or shown to the Purchaser or to the public (regardless of the extent or impact thereof). The Purchaser shall have absolutely no claim or cause of action whatsoever against the Vendor or its sales representatives (whether based or founded in contract, tort or in equity) for any such insertions, additions, removals, changes, deletions, variations, alterations or modifications, nor shall the Purchaser be entitled to any abatement or reduction in the Purchase Price whatsoever as a consequence thereof. The Purchaser acknowledges and agrees that the Vendor shall have the

right, in its sole, absolute and unfettered discretion to effect the changes to the Condominium contemplated in the Disclosure Statement, to change the proposed sharing (if any) of amenities or other areas (if any) with nearby and/or adjacent buildings or condominiums to change the legal description or the municipal address of the residential dwelling unit and the right to change the Condominium's municipal address or numbering of the Units in terms of unit number and/or level number and the number of units in the Condominium as a result of a combination of units, splitting units, adding additional units, removing units and reducing or increasing the height of the Condominium by reducing or increasing the number of floors of the Condominium and altering the exterior design and features of the Condominium, which the Vendor can effect in its sole, absolute and unfettered discretion; provided, however, that the Purchaser's residential dwelling unit general location on the floor-plate and general configuration shall not be altered except as provided herein. The Vendor also reserves the right to move the Purchaser's Unit or floor in the Condominium to a higher or lower floor or level at the Vendor's sole, absolute and unfettered discretion if the Vendor adds or removes floors or levels to the Condominium or makes any other changes to the Condominium. The Purchaser acknowledges and agrees that the construction timetable for the lands adjacent to and/or nearby the Condominium, if applicable, and the type, character, composition, number of buildings and other development matters of the improvements to be constructed thereon will be totally at the discretion and control of the owners thereof. The Purchaser covenants and agrees that in the event that there is a 'material change' permitting the Purchaser to rescind this Agreement pursuant to s.74(6) of the Act, then the Purchaser agrees that its only recourse against the Vendor is such right of rescission pursuant to the Act and the return of its deposits paid under this Agreement and the Purchaser shall not claim specific performance and/or damages of any kind against the Vendor as a result, notwithstanding any rule of law or equity to the contrary.

The items set out in Schedule "B" attached hereto are included in the Purchase Price. Furnishings, decor, improvements, mirrors, drapes, tracks and wallpaper, if any, described and/or illustrated within any promotional material or information which may include, without limitation, sales brochure(s), model(s), rendering(s)s, vignette(s) and/or floor plan(s) are for display purposes only and are not included in the Purchase Price. The floor area and dimensions of the represented units relate to units that are located midway in the building and, because the structural, mechanical and architectural elements will differ on a floor by floor basis, the floor area and the dimensions of such units will vary on a floor by floor basis and the Purchaser is notified of the following statement pursuant to the requirements of the applicable Tarion Bulletin: "Floor area measurements were calculated on the middle floor, such that units on lower floors may have less floor space due to thicker structural members, mechanical rooms, etc., while units on higher floors may have more floor space". Note: Actual usable floor space may vary from the stated floor area. The Purchaser acknowledges that the Unit may be a reverse mirror image plan of the plan attached hereto as Schedule "A" and that the floor area and dimensions of any room contained thereon or the Unit as represented in any schedules hereto and sales or promotional material or provided by the Vendor's sales agents has been determined in accordance with the provisions of the applicable Builder Bulletin issued pursuant to the Ontario New Home Warranties Plan Act (the "Warranty Act"), that such calculations and measurements are approximate only, that the net living area of the Unit will differ from the floor area of the Unit determined in accordance with the aforesaid bulletin, that there is no representation or warranty as to the size of the Unit, that the Purchase Price is not based on the floor area of the Unit and that the Purchaser shall not be entitled to an adjustment for same in the event that the actual floor area of the constructed Unit differs from that indicated by the promotional material or provided by the Vendor's agents. In accordance with the foregoing, and without limiting the generality of the foregoing, all details and dimensions are approximate and are subject to change without notice to the Purchaser. Any reference to ceiling heights in this Agreement or the Schedules attached hereto shall mean the approximate height from unfinished floor slab surface to unfinished ceiling slab surface and such heights will be reduced by sound attenuation features, finishes of floors and ceilings and installations such as bulkheads, etc..

Purchaser's choice of colours and materials shall be from Vendor's standard samples, if not yet ordered or installed, and provided that colours and materials are available from suppliers. Without limiting the generality of the foregoing, any of the foregoing selection of features and finishes made by the Purchaser in accordance with this Agreement shall be subject to the availability thereof at the time that the Vendor is prepared to install same and if any selected feature or finish is not then available, the Purchaser will then be required to re select from any additional standard samples then available from the Vendor, again subject to the requirement of further re selection in the event that the additional selection(s) made by the Purchaser are also not available as described above. Purchaser agrees to select the colour and material within 10 days after notification by the Vendor; otherwise the Vendor reserves the right to choose the colour and material to complete the dwelling and the Purchaser agrees to close the transaction with the Vendor's choice of colour and material.

The Vendor is not responsible for shade difference occurring in the manufacture of items such as, but not limited to, finishing materials or products such as countertops, flooring and floor coverings, roof coverings, cladding, bath tubs, water closets, sinks and other such products

where the product manufacturer establishes the standard for such finishes. The Vendor is also not responsible for colour variations in any products or finishes on products such as but not limited to floor coverings, roof coverings, stone, wood, laminate, cabinets, shelves, railings, spindles, trim as well as stains or finishes applied to any of the aforesaid which colours may vary when finishes are applied to them. Nor shall the Vendor be responsible for shade difference in colour of components manufactured from different materials but which components are designed to be assembled into either one product or installed in conjunction with another product such as but not limited to toilet seats, toilets, tubs, cabinet finishes and paint and in these circumstances the product as manufactured shall be accepted by the Purchaser. The Purchaser acknowledges that where adjoining rooms have different flooring materials, there may be installed thresholds between the different types of flooring and that the height of the floors may vary.

The Purchaser covenants and agrees that the Purchaser shall pay to the Vendor in advance for all extras, upgrades or changes, and Applicable Taxes in addition thereto, ordered by the Purchaser at the time such order is made and the Purchaser further acknowledges and agrees that such payment is non-refundable in the event that this transaction is not completed due to a default, fault, action or inaction of the Purchaser. Notwithstanding anything herein contained to the contrary, the Purchaser acknowledges and agrees that if, upon the Unit Transfer Date, any of the extras, upgrades or changes ordered by the Purchaser remain incomplete in whole or in part or if the Vendor shall, in its sole discretion, determine that it will not provide extras, upgrades or changes or cannot complete the extras, upgrades or changes then there shall be refunded to the Purchaser upon the Unit Transfer Date that portion of the amount paid by the Purchaser in connection with such extras, upgrades or changes allocated to those extras, upgrades or changes which remain incomplete in whole or in part as aforesaid, as determined by the Vendor. The Purchaser further acknowledges and agrees that the amount so paid to the Purchaser (or for which, in the alternative, the Purchaser receives credit in the statement of adjustments) shall be accepted by the Purchaser as full and final settlement of any claim by the Purchaser with respect to the extras, upgrades or changes which remain incomplete as aforesaid. The Purchaser further acknowledges that the Vendor's liability with respect to such incomplete extras, upgrades or changes shall be limited to the return of the amounts referred to aforesaid and, thereafter, there shall be no further liability upon the Vendor in connection with such incomplete extras, upgrades or changes and upon such payment being made or credit being given, the Vendor shall be deemed to have been released from any and all obligations, claims or demands whatsoever with respect to such incomplete extras, upgrades or changes. If the Purchaser neglects to advise the Vendor forthwith upon request as to the Purchaser's selection of finishing specifications, or orders any extras, upgrades in interior finishings, or performs any work in or about the Unit which causes delay on the Vendor's construction operations, the Vendor may require the Purchaser to take occupancy of the Unit and complete this transaction on the Unit Transfer Date herein set out without holdback of any part of the Purchase Price, on the Vendor's undertaking to complete any one of the Vendor's outstanding work from time to time. On occasion, certain extras/upgrades may be installed by the Vendor after the Occupancy Date at the Vendor's discretion.

The Purchaser acknowledges that the consumption of electricity in the residential dwelling units shall be separately metered or check or consumption metered on a per unit basis with each residential dwelling unit owner being responsible for the cost of such utility consumed in his residential dwelling unit, in addition to and not part of the common expenses payable by such owner. If requested by the Vendor, the Purchaser covenants and agrees to execute and deliver to the Vendor prior to the Occupancy Date or thereafter such documentation as is required to facilitate the separate metering, check or consumption metering and per unit billing of such utility.

Notwithstanding anything herein, the Vendor reserves the right to bulk meter any utility or service, including without limitation, any utility which is described herein as being separately, check or consumption metered and the Purchaser is specifically put on notice of same. Further, and notwithstanding anything herein, the Vendor reserves the right to separately meter / check meter / consumption meter any utility which was not previously described herein as being separately, check and/or consumption metered and the Purchaser is specifically put on notice of same. The Purchaser covenants and agrees, prior to the Occupancy Date or thereafter, to execute and deliver to the Vendor such documentation as may be required by the Vendor for the separate, check or consumption metering and billing of a utility which documentation may include, without limitation, a contract(s) with the provider of a utility and/or the party monitoring the consumption of a utility or an assumption agreement(s) with regards to such contract(s). The Purchaser further covenants and agrees to pay to Vendor (or as it may otherwise direct) the cost in respect of the provision and installation of a meter for any utility servicing the Unit which was not previously described herein as being separately, check and/or consumption metered plus Applicable Taxes as an adjustment on the Occupancy Date or on the Unit Transfer Date if so required by the Vendor.

The Purchaser acknowledges that the distance and views from the proposed building shown on any site plan, marketing materials, signs, artists renderings or scale model are approximate only

and/or may be modified before and/or during construction. The Purchaser acknowledges and agrees that the Vendor may, at its sole, absolute and unfettered discretion, make alterations, changes, additions or deletions to anything, including without limitation any buildings, structures and improvements, included or depicted on any such site plan, marketing materials, signs, artists renderings or scale model. The Purchaser further acknowledges that the Vendor shall only be required to provide the amenities as specifically set out in the Condominium Disclosure Statement (and subject to the modifications permitted therein), notwithstanding any artist renderings, models, displays, any advertising or marketing material or otherwise to the contrary.

7. WARRANTY

Notwithstanding what may otherwise be expressed in this Agreement, the Vendor covenants that on the Occupancy Date a written warranty in the Warranty Act standard form will be requested by the Vendor from the administrator of the Warranty Act. The Purchaser agrees to accept such warranty in lieu of any other warranty or guarantee, expressed or implied, it being understood and agreed that there is no representation, warranty, guarantee, collateral agreement or condition precedent to, concurrent with, or in any way affecting this Agreement or the subject land or Unit other than as expressed in the Warranty Act.

Notwithstanding the foregoing or anything contained in the said warranty, the Purchaser waives any right to any claim against the Vendor for damage to any ceilings or walls due to normal shrinkage and the Purchaser agrees that this Agreement may be pleaded by the Vendor in estoppel of any such claims by the Purchaser.

The Purchaser hereby releases the Vendor from any liability whatsoever in respect of water damage caused to the Purchaser's improvements, if any, and chattels stored in the Unit, and acknowledges and agrees that the Vendor shall not be liable or responsible for any damage to improvements, chattels or décor caused by shrinkage, twisting or warpage, nor for any secondary or consequential damages whatsoever resulting from any defects in materials, design or workmanship related to the Unit and/or Condominium, nor for any item requiring rectification or completion in respect of which the Purchaser has attempted to complete or rectify on his own, and the Vendor's only obligation shall be to rectify any defects pursuant to the terms of this Agreement. The Purchaser agrees to remove at his expense any finishes and/or improvements made by the Purchaser as requested by the Vendor in order to enable the Vendor to do any completion or rectification work. In addition, if the Purchaser orders the installation of engineered flooring, laminate or a similarly offered product within the kitchen, the Purchaser acknowledges and agrees that product warranties and responsibilities of the Vendor will not extend to: (a) water damage; (b) damage from the installation and/or movement of appliances; and (c) other kitchen related issues arising from such installation.

The Purchaser acknowledges that the Condominium building, the common elements and the Unit will be constructed to at least the minimum Ontario Building Code requirements and substantially in accordance with the plans and specifications to be prepared by the Vendor's architects and other consultants and engineers, as amended from time to time. The Purchaser covenants and agrees he shall have no claims against the Vendor for any higher or better standards of workmanship or materials than what may be expressed herein or in the Warranty Act. The Purchaser hereby covenants and agrees with the Vendor that it shall not, directly or indirectly, through itself, the Condominium Corporation or any other party whatsoever make any claim of any type whatsoever against the Vendor in respect of the Unit, the common elements, the Condominium building or any other matter relating to the subject development other than a claim pursuant to the Warranty Act. The Purchaser agrees that the foregoing may be pleaded by the Vendor as an estoppel in any action brought by the Purchaser or his successors in title against the Vendor.

8. INSPECTION OF UNIT

(a) The Purchaser or its designate shall inspect the Unit (such inspection hereinafter referred to as the "PDI") immediately prior to the Occupancy Date with a representative of the Vendor at a time appointed by the Vendor and the parties shall indicate on the face of the Warranty Act's Certificate of Completion and Possession and Warranty Certificate (the "Certificate"), the approval of the Purchaser, which shall be subject only to the completion of seasonal work, and any items of a similar nature uncompleted, and listed thereon, and save as to such list the Purchaser shall be conclusively deemed to have accepted the Unit as complete in accordance with this Agreement. On or before the PDI, the Vendor shall provide the Purchaser with a Homeowner Information Package that is available from the Tarion Warranty Corporation ("Tarion"). The Vendor will complete all matters set out in the said Certificate as soon as reasonably practicable. Further, the Vendor agrees to rectify any defects in materials or workmanship covered by the Warranty Act's warranty issued to the Purchaser as soon as reasonably practicable after the same will have been called to the Vendor's attention by notice in writing and in accordance with the guidelines of

Tarion. Except for the aforementioned inspection with the Vendor's representative, the Purchaser shall not enter (and shall not direct or cause anyone to enter) the Condominium and Unit until the Purchaser has completed his obligations under this Agreement on the Occupancy Date. The Purchaser shall provide the Vendor with written notice, at least 5 days prior to the date appointed by the Vendor for the PDI, irrevocably appointing the Purchaser's designate, if any. The Purchaser acknowledges that: a Homeowner Information Package is available from Tarion Warranty Corporation; the Vendor has/will deliver to the undersigned a Homeowner Information Package as provided by Tarion Warranty Corporation on or before the date of the PDI; and the Purchaser shall execute any confirmation or statements confirming receipt of the Homeowner Information Package in accordance with Tarion's requirements.

(b) The completion of the foregoing inspection and the preparation and endorsement of the Certificate are conditions of the Vendor's obligation to give occupancy of the Unit and to complete this transaction. Failure by the Purchaser to attend at the appointed time for the inspection and to complete the Certificate shall be deemed to be a default by the Purchaser under this Agreement. The Vendor, at its sole option, may thereupon either terminate the transaction in accordance with the provisions set out in the paragraph(s) headed Default herein, or may elect to complete the Certificate on behalf of the Purchaser. The Purchaser hereby irrevocably nominates, constitutes and appoints the Vendor or any of its authorized signing officers to be and act as his lawful attorney in the Purchaser's name, place and stead for this purpose.

9. DAMAGES BEFORE CLOSING

The Unit shall be and remain at the risk of the Vendor until the Unit Transfer Date, and pending completion of the sale the Vendor will hold all insurance policies and the proceeds thereof in trust for the parties as their interests may appear. In the event that the Unit or the building of which the Unit forms a part are substantially damaged or destroyed, and the Vendor's lender requires that insurance proceeds be applied to reduce its loan rather than to the reconstruction of the Unit or building and the Vendor does not have alternative financing arrangements satisfactory to the Vendor, in its sole, absolute and unfettered discretion, then the Purchaser and Vendor agree that such event shall constitute a frustration of this Agreement and the Purchaser's deposits shall be returned to the Purchaser with interest as required by law, without deduction, and the Vendor shall not be liable for any costs and/or damages incurred by the Purchaser thereby whatsoever, whether arising from (or in connection with) the termination of the Purchaser's existing occupancy of the Unit, or the termination of this transaction, by virtue of the frustration of this contract.

10. ACCESS BY VENDOR FOR MAINTENANCE AND COMPLETION

(a) Notwithstanding the transfer of title to the Unit to the Purchaser, or occupancy of the Unit by the Purchaser, the Vendor or its duly authorized agents shall have free access at all reasonable times (unless there is an emergency, in which case such access can be at any time) to the Unit in order to make inspections or do any work or repairs thereon which may be deemed necessary in connection with the completion of the Unit or other units and the common elements in the Condominium or of any servicing or installations in connection with either the Unit or the common elements and this right shall be in addition to any rights and easements in favour of the Vendor under the Act.

(b) The Purchaser shall not interfere with the completion of other units and the common elements by the Vendor. Until the Condominium is completed and all units sold, both in other phases of the condominium, if any, and in other condominium plans, as applicable, the Vendor may make such use of the Condominium as may facilitate such completion and sale, including, but not limited to the maintenance of a sales office, signs and model units, the showing of unsold units and the display of signs. The Purchaser covenants and agrees for itself and its agents and permitted assigns that they shall not enter the Unit or the common elements prior to the Occupancy Date except as approved or required by the Vendor.

11. ACCEPTANCE OF TITLE BY PURCHASER

The Purchaser agrees that the Unit and the Condominium shall be subject to all registered restrictions and agrees to accept title to the Unit and the Condominium subject to all the rights and easements now registered or to be registered hereafter against the Unit, the common elements and/or the Condominium for the supply and installation of telephone and other communication services, electricity, gas, sewers, water, heating, cooling, television cable or satellite facilities and other services; provided that if such rights and easements have not been

determined when the Purchaser receives a transfer, such transfer will contain a covenant by the Purchaser to grant such rights and easements and/or confirm same upon the written request of the Vendor, and the Purchaser shall, if requested, execute such transfer or transfers as the Vendor shall require and submit same, provided the title is good and free from all encumbrances except:

(a) as aforesaid;

(b) the Declaration, Description, and By-Laws, notwithstanding that they may be amended or varied from the proposed Condominium Documents given to the Purchaser when entering this Agreement;

(c) any easements, rights-of-way, easement agreements, development agreements, subdivision agreements or site plan agreements and any other agreements with the Municipality or regional municipality or other governmental authority having jurisdiction, applicable by-laws whether registered or not, provided that the Vendor is in compliance thereof;

(d) any easements, rights-of-way, crane swing agreements, limiting distance agreements, tie-back agreements, reciprocal easement and operating agreements, cost sharing agreements, easement and cost sharing agreements and/or reciprocal agreements, access agreements, operating agreements, any other agreements, restrictions, restrictive covenants, encroachment agreements, conditions or covenants that run with the land, and subject to all rights, licences, and easements or agreements now registered or to be registered for the provision, installation and maintenance of any public, private or other utility and/or utility or service including, without limitation, telephone, internet service, electricity, gas, sewer, water, heating, cooling, cable, satellite transit service or rail service and any easements or right of entry for the operation and maintenance of adjacent condominium corporations or lands, including, without limitation, any covenants and/or restrictions not to object to zoning bylaw amendment applications, official plan amendment applications, municipal approval applications, minor variances, etc;

(e) any easements, rights-of-way, crane swing agreements, tie-back agreements, licences, or agreements with or required by the Municipality or regional municipality or other tier of municipal government having jurisdiction with respect to future services to be installed or for other purposes;

(f) temporary easements, licenses or other rights in favour of the Vendor and/or its affiliates and/or the Vendor's assigned successors for construction and sales of this Condominium and any development in the vicinity thereto;

(g) any easements or licences for the provision. installation and/or for the maintenance of public, private or other utilities and/or services including, without limitation, telephone, internet service, electricity, gas, sewer, water, cable, satellite, transit service or rail service, as well as any rights, easements and interests in land reserved by the Vendor. The Purchaser shall execute any easements required for the said purposes upon being requested by the Vendor both before and/or after closing. The Purchaser acknowledges that the Deed or Transfer of the Unit may reserve such rights and easements;

(h) official plan and zoning amendments passed by the municipal corporation or regional municipality or other tier of municipal government having jurisdiction;

(i) any agreement(s), easement(s), covenants and restrictions between or among the Vendor on its behalf and on behalf of the owner(s) of improvements constructed or to be constructed on lands adjoining or in the vicinity of the subject property;

(j) any easements, rights-of-way, easement agreements and/or any other agreements with or in favour of the Municipality, regional municipality and/or other governmental authority respecting the Condominium lands or any part(s) thereof and/or the lands adjacent to and/or near the Condominium lands;

(k) any easements, rights-of-way, easement/reciprocal agreements and/or any other agreements with or in favour of the adjoining lands respecting the Condominium lands or any part(s) thereof and/or any neighboring lands and/or the lands adjacent to and/or near the Condominium lands;

(l) any agreement or lease agreement between the Condominium Corporation or the Vendor and any provider of a service(s) for the Condominium or the unit owners in the Condominium;

(m) any Notices of Security Interest or any other registrations relating to any mechanical equipment, building automation systems and equipment relating thereto, cooling and/or heating systems and equipment relating thereto, and/or any systems pertaining to the storage, sorting, disposal, transport and/or compacting waste refuse and recycling and equipment relating thereto, green loans and any equipment or systems relating to same, and to any other equipment and/or systems as herein provided or in the Disclosure Statement;

(n) any lease agreement between the Condominium Corporation and any provider of equipment and/or systems for the Condominium;

(o) any connection agreements, licence agreements, easements, reciprocal easement and operating agreements or any other agreements, arrangements or relationships with a transit authority, transit provider or rail company;

(p) any transportation demand management agreements, easements, requirements or other arrangements as required by the Vendor, the Municipality, regional municipality or other governing authority;

(q) any certificates, notices or other title registrations of the Ministry of the Environment or other authority relating to the environmental status of the property, including without limitation, any certificates of requirement or certificates of property use registered on title pursuant to applicable environmental legislation;

(r) as herein expressly provided; and

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

The Purchaser agrees that the retention by the relevant authority of security that is satisfactory to such authority intended to guarantee fulfilment of any outstanding obligations under any of the aforementioned agreements shall be deemed to be satisfactory compliance with the terms and provisions of the agreements. It is understood and agreed that the Vendor shall not be obliged to obtain or register on title to the Unit or property a release of (or an amendment to) any of the aforementioned development agreements, site plan agreements, subdivision agreements, easements, easement and cost sharing agreements, reciprocal agreements or restrictive covenants, nor shall the Vendor be obliged to have any of the same deleted from the title to the property. The Purchaser shall satisfy himself as to the Vendor's due compliance with the provisions of any such agreements, licences, restrictions or easements listed herein. The Purchaser further agrees to accept the Vendor's solicitors' undertaking to discharge any mortgages, debentures, liens or encumbrances (the "Encumbrances") against the Unit or Common Elements that the Purchaser is not assuming and to close notwithstanding such mortgages, liens or encumbrances. In any event, the Vendor shall not be required to discharge the Encumbrances from the Unit until such time as the Purchaser has paid to the Vendor the Purchase Price for the Unit in full.

The Purchaser acknowledges and agrees that deposits paid hereunder shall be deemed to be monies held in trust pursuant to the provisions of Section 81 of the Act, and the Purchaser shall therefore be deemed to be a "home buyer" within the meaning of s.1(1) of the Construction Lien Act of Ontario and the Purchaser shall not be entitled to request or demand that any holdback for construction liens be maintained for any portion of Purchase Price on the Occupancy Date or on the Unit Transfer Date.

The Vendor shall be entitled to insert in the transfer specific covenants by the Purchaser pertaining to such restrictions, easements, covenants or agreements referred to in this Agreement, and in such case the Purchaser shall be required to execute the transfer prior to the Unit Transfer Date, or the Vendor may require that the Purchaser deliver his separate written covenant on the Unit Transfer Date. In the event that the Vendor is not the registered owner of the Unit, the Purchaser agrees to accept a conveyance of title from the registered owner in lieu of the Vendor's.

The Purchaser agrees to accept title to the Unit subject to any easements or licences for the installation and/or for the maintenance of public, private or other utilities and/or services including, without limitation, telephone, electricity, gas, sewer, water, heating, cooling, satellite, cable, or transit service or rail service, as well as any rights, easements and interests in land reserved by the Vendor that do not materially affect the use of the Unit for residential purposes. The Purchaser shall execute any easements required for the said purposes upon being requested by the Vendor both before or after closing. The Purchaser acknowledges that the Deed or Transfer of the Unit may reserve such rights and easements.

12. VENDOR'S COVENANTS

The Vendor hereby covenants as follows:

(a) to take all reasonable steps to sell the units within the Condominium without delay except for the units that the Vendor intends to lease;

(b) to take all reasonable steps to deliver to the Purchaser a registrable deed or transfer of the Unit without delay; and

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

The covenants of the Vendor in this paragraph contained shall constitute the covenants of the Vendor pursuant to subsection 78(1) of the Act and are hereby understood and agreed to be the extent of the Vendor's obligations in that regard and it is understood and agreed that there are no further obligations or covenants in that regard other than those specifically stated above. The Purchaser acknowledges that the Vendor may from time to time lease any and all unsold units in the Condominium

13. EXAMINATION OF TITLE BY PURCHASER

The Purchaser shall not call for the production of any title deeds or abstracts of title, survey sketch or other proof or evidence of title, nor have furnished any copies thereof. The Purchaser shall be allowed until 10 days prior to the Unit Transfer Date to examine the title at his own expense. If within that time he shall furnish the Vendor in writing with any valid objections to the title which the Vendor shall be unable or unwilling to remove and which the Purchaser will not waive, this Agreement shall, notwithstanding any intervening acts or negotiations in respect of such objections, be void and the deposit money shall be returned to the Purchaser without interest except as may be required by law and without deduction and the Vendor shall not be liable for any costs or damages. Save as to any valid objections so made within such time the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Unit. The Purchaser acknowledges and agrees that the Vendor shall be entitled to respond to some or all of the requisitions submitted by the Purchaser through the use of a standard title memorandum or title advice statement prepared by the Vendor's solicitors and that the same shall constitute satisfactory manner of responding to the Purchaser's requisitions. Further, the Purchaser agrees that in the event that any valid requisition is not sufficiently answered by the Vendor, then the requisition shall be deemed sufficiently answered if a title insurance policy, available for issuance to the Purchaser by any company which issues title insurance policies in Ontario, would insure over the title matter which is being requisitioned.

14. ADJUSTMENTS

The balance due on the Occupancy Date shall be adjusted on the Occupancy Date (or adjusted on the Unit Transfer Date if so required by the Vendor) as to all prepaid and accrued expenses or charges and as to other items required by the terms of this Agreement (plus Applicable Taxes) which shall include, without limiting the generality of the foregoing, the following:

(a) contribution towards the common expenses and any adjustment of Occupancy Fees as of the Unit Transfer Date, if applicable;

(b) an amount equal to two (2) months of common expenses for the Unit shall be paid directly to the Condominium Corporation on closing and deposited to the reserve fund of the Condominium Corporation. Such sum shall be in addition to any common expenses otherwise payable to the Condominium Corporation and shall not in any way reduce the common expenses owing by the Purchaser to the Condominium Corporation. The Purchaser agrees to deliver on the Unit Transfer Date and specifically as directed by the Vendor either (a) a series of twelve post-dated cheques, or (b) a pre-authorized payment form; in an amount estimated by the Vendor to be payable monthly to the Condominium Corporation on account of common expenses;

(c) any other prepaid or current expense, such as gas, electricity, fuel, water, heating and cooling which shall be adjusted by attributing to the Purchaser's unit its share of such expenses, as determined by its proportionate contribution to the common expenses or which are assessed against the Unit directly, and any charges paid by the Vendor to a utility which is attributable to the Unit and/or the Condominium, including, without limitation, any charges and deposits (which shall be adjusted equally among the residential dwelling units) for the connection or energization (which may include infrastructure or other costs for the provision of any of the following) of any of water, storm, sanitary, sewage, gas, electricity, heating and cooling services to the Unit and/or Condominium, or the installation of a meter for same and the cost of such meters, notwithstanding that the

Purchaser shall not own such meter, unless such charges are included in common expenses;

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

(e) the transaction levy surcharge imposed upon the Vendor or its solicitors by the Law Society of Upper Canada plus Applicable Taxes;

(f) the enrolment fee paid by the Vendor for the Unit under the Warranty Act;

(g) the cost in respect of the provision and installation of an electricity meter for the Unit in the amount of $280.00 plus Applicable Taxes;

(h) if installed, at the sole, absolute and unfettered discretion of the Vendor, the cost in respect of the provision and installation of an water meter for the Unit in the amount of $280.00 plus Applicable Taxes;

(i) all deposits paid to the Vendor hereunder, together with interest to be paid/credited to the Purchaser in accordance with the provisions of the Act;

(j) a $250.00, plus Applicable Taxes, administrative fee shall be charged to the Purchaser for any direct deposit or cheque paid for a deposit, the monthly occupancy fee or for any upgrades which is not honoured or accepted by the Purchaser's bank for any reason, including, without limitation, a cheque returned N.S.F. or upon which a "stop payment" has been ordered;

(k) if the Purchaser is not a resident of Canada for the purposes of the Income Tax Act, Canada (the "ITA"), the Vendor shall be entitled to withhold and remit to the Canada Revenue Agency the appropriate amount of interest payable to the Purchaser on account of his deposits paid hereunder, in accordance with the ITA;

(l) the charge with respect to the provision of a status certificate;

(m) any increase after the date of execution of this Agreement by the Purchaser in any levy, payment, contribution, charge, fee or assessment, including without limitation, any parks levies, development charges, education development charges, sewer impost charges, service connection charges, cash in lieu of parkland dedication payments, public art contributions and/or impost charges (collectively, the "Existing Levy") required, assessed, charged or imposed as of that date by the Municipality, a regional municipality, a transit authority, a public or separate school board or any other authority having jurisdiction under the Development Charges Act, the Education Act, the Planning Act and any other existing or new legislation, bylaw and/or policy of a similar nature and/or if any of the aforesaid authorities require, assess, charge or impose a new or any other levy, payment, contribution, charge, fee or assessment (collectively referred to as the "New Levy") under the Development Charges Act, the Education Act, the Planning Act and any other existing or new legislation, bylaw and/or policy of a similar nature after the date of execution of this Agreement by the Purchaser then, the Purchaser shall pay the increase to the Existing Levy and/or amount of the New Levy, as the case may be, as an adjustment on the Unit Transfer Date plus Applicable Taxes exigible thereon. If the increase to the Existing Levy or the amount of the New Levy is assessed against, charged or imposed against the Condominium as a whole and not against the whole or any part of the Unit

separately, then the Vendor shall be entitled to a reimbursement for the foregoing, as may be apportioned by the Vendor in accordance with Section 14(d) above;

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

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

(p) if requested by the Vendor or the Electricity Provider (as defined below), then the Purchaser agrees to enter into or assume a contract with the provider of electricity and/or the party monitoring consumption of electricity to the Unit (the "Electricity Provider"), on the Electricity Provider's form, for the provision and/or metering of electricity services to the Unit. The fees, costs and charges (including, without limitation, any rental, security deposit, administration, commodity and non-commodity fees/charges) for such electricity services and/or for monitoring consumption of same shall be adjusted for the month of closing with the Purchaser being responsible for such fees, costs and charges from and after the Occupancy Date;

(q) if, at the sole, absolute and unfettered discretion of the Vendor, the consumption of water in the residential dwelling units is separately metered or check or consumption metered on a per unit basis and if requested by the Vendor or the Water Provider (as defined below), then the Purchaser agrees to enter into or assume a contract with the provider of water and/or the party monitoring consumption of water to the Unit (the "Water Provider"), on the Water Provider's form, for the provision and/or metering of water services to the Unit. The fees, costs and charges (including, without limitation, any rental, security deposit, administration, commodity and non-commodity fees/charges) for such water services and/or for monitoring consumption of same shall be adjusted for the month of closing with the Purchaser being responsible for such fees, costs and charges from and after the Occupancy Date.

The Vendor may reserve a Vendor's Lien, following the Vendor's usual form, for unpaid purchase monies or adjustments or claims herein provided together with the interest thereon as provided for herein, and the Purchaser covenants and agrees to forthwith pay all costs in relation to said Vendor's Lien including, without limitation, the Vendor's solicitor's legal fees and disbursements and the cost to register said Vendor's Lien on title to the Unit. The Vendor will upon request deliver to the Purchaser (for registration at the Purchaser's expense) a release of the Vendor's Lien after such unpaid purchase monies or adjustments or claims herein provided, as applicable, together with the interest thereon as provided for herein have been received by the Vendor and upon payment of a discharge fee of $100.00 plus Applicable Taxes.

If any of the adjustments to be made on the Occupancy Date cannot be accurately determined at the time of occupancy, then the Vendor may estimate the adjustment to be made. There shall be a later and final adjustment when all the items to be adjusted can be accurately determined by the Vendor. The Purchaser agrees with the Vendor to pay all monies payable under this Agreement in the manner directed by the Vendor or its solicitor. Save and except for any adjustments required pursuant to the Act, the Vendor and the Purchaser shall not be obliged to make any readjustment of any item in the event that such readjustment is equal to or less than $25.00.

The Purchaser and Vendor agree that the harmonized sales tax (the "HST") applies to this transaction and the Purchase Price includes the HST, net of the federal and Ontario new housing rebates or the like (collectively the "Rebate"). The Purchaser shall assign in a form required by the Vendor and/or by any of the Government of Canada, Government of Ontario and/or any other governmental and/or tax authority (collectively, the "Government") to the Vendor all of its right, title and interest in the Rebate to which the Purchaser is entitled. In connection with such assignment, the Purchaser shall deliver to the Vendor, upon request by the Vendor, on or after the Occupancy Date, such application, documents and affidavits as may be required by the Vendor and/or the Government to establish the Purchaser's entitlement to the Rebate. If the Purchaser is not entitled to the Rebate for any reason whatsoever or if the

Rebate is reduced or withdrawn by the Government and not replaced with an amount equivalent to the amount of the Rebate to which the Purchaser is entitled by the Government or if the Rebate is not or cannot be assigned to the Vendor or the Rebate is claimed and payment/credit of the Rebate to the Vendor is denied by the Government then, the Purchaser shall forthwith upon demand by the Vendor pay to the Vendor an amount equal to the Rebate or the amount so reduced or withdrawn and until so paid, the amount of the Rebate shall form a charge against the Unit which charge shall be recoverable by the Vendor in the same manner as a mortgage in default. If the Vendor does not receive the full benefit of the Rebate for any reason whatsoever, whether or not as a result of the Purchaser's acts or omissions, the Purchaser shall indemnify and save the Vendor harmless in the amount that the Vendor would have been entitled to had such Rebate been received, together with all interest and penalties thereon, and all losses, costs, damages and liabilities which the Vendor may suffer, incur or be charged with in connection therewith, as a result of the Purchaser's failure to qualify for the Rebate, or as a result of the Purchaser having qualified initially but being subsequently disentitled to the Rebate, or as a result of the inability to assign the benefit of the Rebate to the Vendor (or the ineffectiveness of the documents purporting to assign the benefit of the Rebate to the Vendor), which indemnity shall survive the Unit Transfer Date. Notwithstanding anything herein contained to the contrary, the Vendor shall have the right to register a Vendor's Lien for the amount of the Rebate against the Unit immediately following the Unit Transfer Date to secure the Vendor's entitlement to the Rebate as herein provided. The Purchaser acknowledges and agrees that the Purchaser shall not be entitled to any refund, credit or abatement in any manner whatsoever should the HST, or any portion thereof, not apply to this transaction for any reason whatsoever. The HST that is included in the Purchase Price is based on the federal portion and the provincial portion of the HST at the rates of 5% and 8%, respectively. If either or both of the rates increase, the Purchaser shall be responsible for the increase and shall pay same as an adjustment on the Unit Transfer Date, and if either or both of the rates decrease, the Purchaser shall not be entitled to any abatement or reduction of the Purchase Price. Notwithstanding that the Purchase Price is inclusive of the HST net of the Rebate as aforesaid, the Purchaser, shall, at the Purchaser's own cost and expense, be responsible for the payment of the HST and all other taxes, value added taxes, sales taxes, use taxes or transfer taxes and any increases thereof which may be applicable (collectively the "Applicable Taxes") on all closing adjustments and amounts payable for extras, changes, upgrades, fees and charges.

If the Vendor believes, for whatever reason, that the Purchaser does not qualify for the Rebate, regardless of any documentation provided by or on behalf of the Purchaser (including any statutory declaration sworn by the Purchaser) to the contrary, and the Vendor's belief or position on this matter is communicated to the Purchaser or the Purchaser's solicitor on or before the Unit Transfer Date, then notwithstanding anything hereinbefore or hereinafter provided to the contrary, the Purchaser shall be obliged to pay to the Vendor (or to whomsoever the Vendor may in writing direct), by certified cheque delivered on the Unit Transfer Date, an amount equivalent to the Rebate, in addition to the Purchase Price. In those circumstances where the Purchaser maintains that he or she is eligible for the Rebate despite the Vendor's belief to the contrary, the Purchaser shall (after payment of the amount equivalent to the Rebate as aforesaid) be fully entitled to file the rebate form directly with (and pursue the procurement of the Rebate directly from) the Canada Revenue Agency.

In the event that the Vendor, as a pre-requisite to the procurement and provision of any utility service to the Condominium is required to pay or provide any public utility authority or service supplier with cash security or a letter of credit (hereinafter the "Utility Security Deposit"), then in such circumstances the Vendor shall be entitled to a proportionate reimbursement of the Utility Security Deposit from the Purchaser, by charging the Purchaser in the Statement of Adjustments with that portion of the Utility Security Deposit, which proportion is calculated by multiplying the Utility Security Deposit by the common interest percentage allocation referable to the Unit, as set forth in the declaration.

The Purchaser acknowledges and agrees for any matter related to HST that is applicable to this transaction, including without limiting the generality of the foregoing the Rebate, the Vendor (or any party or parties comprising the Vendor, if applicable) or any other party as may be designated by the Vendor may be a party to such of the HST documentation as may be required by the Vendor under this Agreement.

15. MANAGEMENT OF THE PROPERTY

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

16. CONDOMINIUM DOCUMENTS - DISCLOSURE STATEMENT

The Purchaser acknowledges receipt of the Disclosure Statement which has been delivered by

the Vendor to the Purchaser in accordance with the provisions of the Act and the regulations passed thereunder.

17. MODIFICATION OF CONDOMINIUM DOCUMENTS

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

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

18. AGREEMENT CONDITIONAL

This Agreement and the transaction arising therefrom are conditional upon compliance with the provisions of the Planning Act of Ontario, and amendments thereto.

19. AGREEMENT NOT TO BE REGISTERED

The Purchaser acknowledges this Agreement confers a personal right only and not any interest in the Unit or property and that the registration against title of any notice or caution or other reference to this Agreement or his or her interest is likely to cause inconvenience and prejudice or irreparable harm to the Vendor and other unit purchasers, for example, by impeding financing and the registration of the Condominium. If any such registration occurs, the Vendor may terminate this Agreement forthwith and take full forfeiture of the Purchaser's deposits as liquidated damages and not as a penalty. Further, the Purchaser hereby irrevocably consents to a court order removing such registration and agrees to pay all Vendor's costs and expenses in obtaining such court order including, but not limited to, fees of its solicitors on a solicitor and client basis together with any Applicable Taxes thereon. Additionally, the Purchaser hereby irrevocably nominates, constitutes and appoints the Vendor or any of its authorized signing officers to be and act as his lawful attorney in the Purchaser's name, place and stead, without liability or claim, for the purpose of removing any such registration from title.

20. PURCHASER SELLING OR ASSIGNING

The Purchaser covenants not to offer, list or advertise for sale, lease or transfer the Unit, nor to sell, lease, assign or transfer his interest under this Agreement (or in the Unit) until after acquisition of title to the Unit on the Unit Transfer Date and the Vendor having received payment of all of the Purchase Price, without the prior written consent of the Vendor, which consent may be arbitrarily and/or unreasonably withheld. As a condition of giving its consent, the assignor/transferor and the assignee/transferee will be required to execute and deliver to the Vendor the Vendor's standard form of assignment agreement and to pay to the Vendor on the date of execution and delivery of the assignment agreement the Vendor's administration and processing fee of $2,500.00 plus Applicable Taxes together with any other applicable fees, including the Vendor's solicitor's fees and disbursements plus Applicable Taxes. Notwithstanding such assignment, the Purchaser shall not be relieved of its obligations herein and in no event shall the Purchaser list, allow or cause to be listed the Unit for sale, lease or otherwise on a listing service system including, without limitation, the Multiple Listing Service ("MLS") or on, by or through any other publication or medium. The Purchaser acknowledges and agrees that once a breach of the preceding covenant occurs, such breach is (or shall be) incapable of rectification, and accordingly the Purchaser acknowledges and agrees that in the event of such breach, the Vendor shall have the unilateral right and option of terminating this Agreement (and the Occupancy Agreement) effective upon delivery of notice of termination to the Purchaser or the Purchaser's solicitor, whereupon the provisions of this Agreement dealing with the consequence of termination by reason of the Purchaser's default, shall apply. At any time prior to the Unit Transfer Date, the Vendor shall be permitted to assign this Agreement to any party registered as a Vendor pursuant to the Warranty Act, and upon notification of assumption of this Agreement and such assignment to the Purchaser, the Vendor shall be automatically released from all obligations arising pursuant to this Agreement and the assignee

shall continue from the date of such assignment as the Vendor as if it had been the original party to this Agreement.

21. TENDER

Any tender of documents or money may be made by the Vendor upon the Purchaser hereto or upon the respective solicitor, will be deemed to be good and valid if made in accordance with the provisions of paragraph herein headed Electronic Registration. The Vendor shall not be required to register any discharge of any outstanding mortgage, charge or other encumbrance not being assumed by the Purchaser on the Unit Transfer Date, in order to validate or perfect the Vendor's tender upon the Purchaser, and need only make arrangements to discharge same in accordance with the provisions of paragraph headed Acceptance of Title by Purchaser herein in the event that the Purchaser completes this transaction. The parties agree that payment of monies must be made or tendered in such form and by such method as may be directed in writing by the Vendor, in its sole, absolute and unfettered discretion. Unless otherwise directed, in accordance with the foregoing, payment shall be made by way of the Purchaser's solicitor's certified cheque drawn on a Canadian Chartered bank or trust company. The Purchaser further acknowledges and agrees that the key(s) to the Unit may be released to him directly from the sales office, the construction site, or from any other location designated by the Vendor, upon payment of all requisite monies and the delivery of all relevant documents to the Vendor, and the Vendor shall not be required to provide any key(s) as part of any tender made by it. Upon completion of this transaction, if the Purchaser fails to attend to pick up the keys by 4:45 p.m. on that date, the Vendor may retain the keys and release same to the Purchaser on the next business day (in this Agreement the term "business day" or "business days" shall mean Monday to Friday, excluding statutory holidays in the Province of Ontario).

22. DEFAULT

The Purchaser shall be deemed to be in default under this Agreement if the Purchaser registers any instrument against title to the Unit other than the transfer to be delivered by the Vendor, or if any lien, execution or encumbrance arising from any action or default whatsoever of the Purchaser is charged against or affects the Unit.

If any (a) monetary default by the Purchaser occurs under this Agreement; or (b) any non-monetary default by the Purchaser occurs under this Agreement and such non-monetary default continues for 5 days after written notice thereof is given to the Purchaser or his solicitor, then the Vendor may retain all monies paid as liquidated damages without prejudice to any other rights of the Vendor and the Vendor may thereupon cancel this Agreement. If the Vendor is required to pay any lien, execution or encumbrance, the Purchaser shall reimburse the Vendor for all amounts and costs so paid. Any monies owing to the Vendor (a) pursuant to this Agreement and not paid to the Vendor in accordance with the terms hereof; or (b) as a result of any expenses incurred by the Vendor arising from a breach by the Purchaser of any of the Purchaser's obligations described in this Agreement, shall bear interest at the rate of 24% per annum, calculated daily, not in advance, from the date of default with respect to any monetary default and from the date of written demand with respect to the aforesaid expenses. The Purchaser shall pay the Vendor's solicitor's fees in the amount of $500.00 (plus Applicable Taxes and disbursements) for each letter or other form of notice sent to the Purchaser or the Purchaser's solicitor relating to any default by the Purchaser.

In the event that the person(s) executing this Agreement as Purchaser have done so for a disclosed or undisclosed beneficiary or principal, such person(s) executing this Agreement shall nevertheless be liable to the Vendor for the Purchaser's obligations under this Agreement and shall not plead such agency, trust relationship or other relationship as a defence to such liability.

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

If the payment of a deposit pursuant to this Agreement that has been permitted by the Vendor to be made by way of wire transfer or direct deposit is less than the corresponding amount described in this Agreement, then the Vendor shall have the option, in its sole, absolute and unfettered discretion, of accepting such lower amount as a deposit against the Purchase Price and such acceptance shall not constitute full acceptance of the deposit in lieu of the required amount or a waiver of the Vendor's rights and remedies under this Agreement or at law.

23. EXTENSION AND TERMINATION

(a) The Purchaser acknowledges that the Occupancy Date as described in this Agreement may be extended in accordance with the Warranty Act and the Tarion Addendum and Statement of Critical Dates.

(b) Forthwith upon any termination of this Agreement the Purchaser shall execute and deliver to the Vendor the form of Mutual Release and Termination Agreement that may be required by the Vendor and/or Tarion in the circumstances of such termination.

(c) The Vendor shall have the option, in its sole, absolute and unfettered discretion, to extend the Firm Occupancy Date or the Delayed Occupancy Date (as such terms are defined in the Tarion Addendum and Statement of Critical Dates), as the case may be, for one business day to avoid the necessity of tender where the Purchaser is not ready to complete the transaction on either of such dates.

24. AGREEMENT NOT TO MERGE WITH TRANSFER

All of the covenants, warranties and obligations contained in this Agreement to be performed by the Purchaser shall survive the closing of this transaction and shall remain in full force and effect notwithstanding the transfer of title to the Unit to the Purchaser. It is provided that in the event of a breach of any covenant, warranty or obligation contained in this Agreement to be performed by the Purchaser, the Vendor shall be entitled, at its option, to declare this Agreement null and void and to retain all amounts paid by the Purchaser without prejudice to any other rights of the Vendor arising from that breach.

25. WAIVER

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

The Purchaser acknowledges and agrees that in the event that the Vendor has entered this Agreement and/or has distributed the Disclosure Statement as a trustee or agent for an undisclosed beneficiary or principal, whether or not so stated herein, that there shall be no liability on such undisclosed beneficiary or principal and that the only recourse or remedy that the Purchaser shall have on default by the Vendor herein and/or in respect of the Disclosure Statement is against the Vendor and the property that is the subject of this Agreement, the Purchaser hereby waiving any rights of recovery or recourse against such beneficiary or principal whether in law or equity.

26. SUBORDINATION OF AGREEMENT

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

27. ACCEPTANCE

This Offer by the Purchaser when accepted by the Vendor shall constitute a binding agreement of purchase and sale, without requiring notice of such acceptance to be delivered to the Purchaser prior to such time. Without limiting the generality of the foregoing, acceptance of this offer (or any counter offer with respect thereto) may be made by way of telefax transmission, pdf electronic mail or similar electronic transmission, reproducing the original, provided all of the necessary signatures and initials of both parties hereto are duly reflected on (or represented by) the telefaxed, emailed or electronic copy of the Agreement are so transmitted, and such offer and/or acceptance shall be deemed to have been effected or made when the Agreement is telefaxed, emailed or sent electronically to the intended party, and the parties irrevocably acknowledge and agree that such telefaxed, emailed or electronic transmission of the Agreement shall be binding upon the parties to the same extent as if originally signed.

28. TIME OF ESSENCE

Time shall in all respects be strictly of the essence of this Agreement and no extension of time for any payment by the Purchaser or rectification of any breach of any agreement, stipulations,

condition or restriction shall operate as a waiver of this provision with respect to any other payment or rectification of any other breach, except as specifically agreed upon in writing by the Vendor or the Purchaser, as the case may be.

29. PREPARATION AND COST OF REGISTERING DOCUMENTS

The Transfer is to be prepared by the Vendor on the Vendor's standard form. If required by the Vendor, the deed may contain covenants on the part of the Purchaser to comply with the stipulations set out herein and the covenants, conditions, provisions and restrictions set out in the declaration and by-laws and rules, and is to be executed by the Purchaser. Any discharges of underlying mortgages (collectively, the "Discharges") shall be prepared by the Vendor on the Vendor's standard form; the Discharges to be at the expense of the Purchaser, being a fee of $250.00 plus Applicable Taxes in total, irrespective of the number of Discharges required. The Purchaser shall pay the cost for registration and any exigible taxes on the registration of the Transfer and Discharges. The Purchaser agrees to provide a statutory declaration on or before closing confirming that there are no judgments outstanding against him and the Purchaser agrees to provide reasonable evidence confirming same, including a creditor's letter if necessary, if requested by the Vendor, if there is any judgment filed against a person with the same or similar name. That statutory declaration shall also include the birth date and social insurance number of the Purchaser. In the event that the electronic document registration system is operative in the relevant Land Registry Office in which the Unit is situate, at the Vendor's discretion the Purchaser shall enter into the Vendor's form of escrow closing agreement which shall include provisions relating to the delivery of funds and keys and the exchange, delivery and registration of documentation.

30. SEVERABILITY

If any provision of this Agreement is determined by a court of competent jurisdiction to be illegal or invalid, or beyond the powers or capacity of the parties hereto, then provided such provision is not, in the Vendor's sole opinion, essential or fundamental to the completion of this transaction, such provision shall be deemed and construed to be severed and deleted from this Agreement, and the remainder of this Agreement shall continue in full force and effect.

31. NOTICE

(a) Save and except for any notices to be provided pursuant to the Tarion Addendum and Statement of Critical Dates, any notice desired or required to be given to the Purchaser shall be in writing, and either delivered personally or by prepaid mail, addressed to the Purchaser's solicitor or to the Purchaser at the address as provided on the front page of this Agreement or in the Tarion Addendum and Statement of Critical Dates, or telefaxed to the Purchaser's solicitor or the Purchaser's telefax number as provided in the Tarion Addendum and Statement of Critical Dates, or electronically mailed to either the Purchaser at the address contained in the Tarion Addendum and Statement of Critical Dates or to the Purchaser's solicitor, with all such address and contact information set out on the front page of this Agreement or in the Tarion Addendum and Statement of Critical Dates being subject to other or updated information that may be provided to the Vendor from time to time or otherwise in accordance with this Agreement. If such notice is mailed, it shall be deemed to have been received by the Purchaser on the day (excluding Saturdays, Sundays and statutory holidays) following the date of its mailing, and if such notice is personally delivered, same shall be deemed to have been received on the date of such personal delivery, and if telefaxed, same shall be deemed to have been received on the day (excluding Saturdays, Sundays and statutory holidays) following the transmission of the telefax, and if electronically mailed, same shall be deemed to have been received on the day (excluding Saturdays, Sundays and statutory holidays) following the date of its electronic mailing.

(b) Save and except for any notices to be provided pursuant to the Tarion Addendum and Statement of Critical Dates, any notice desired or required to be given to the Vendor shall be in writing, and either delivered personally or by prepaid mail, addressed to the Vendor's solicitor at the address noted herein and to the Vendor, or telefaxed to the Vendor's solicitor. If such notice is mailed, it shall be deemed to have been received by the Vendor on the 3rd day (excluding Saturdays, Sundays and statutory holidays) following the date of its mailing, and if such notice is personally delivered, same shall be deemed to have been received on the date of such personal delivery, and if telefaxed, same shall be deemed to have been received on the day (excluding Saturdays, Sundays and statutory holidays) following the transmission of the telefax.

(c) The Purchaser acknowledges and agrees that upon entering into this Agreement, he/she shall provide in the Tarion Addendum and Statement of Critical Dates the Purchaser's electronic mail address, and forthwith upon request by the Vendor

the Purchaser's solicitor's electronic mail address.

(d) The Purchaser shall advise the Vendor of any changes in any of its mailing address, telephone number or electronic mail address or of its solicitors forthwith upon such change, failing which the Purchaser shall be charged a fee of $250.00 plus Applicable Taxes on the Statement of Adjustments.

(e) The Purchaser covenants to forthwith and without delay retrieve, collect, receive and read all notices sent to the Purchaser by the Vendor or the Vendor's solicitor.

Provided that during periods of postal interruption or impending postal interruption, notice may not be sent by mail and must be sent by personal delivery, telefax or electronic mail in accordance with sub-paragraphs (a) and (b) above.

Purchasers are hereby notified that information of an important nature may be communicated by the Vendor to the Purchaser by electronic mail. In order to facilitate such communication by electronic mail, the Purchaser shall ensure that the Purchaser's computer settings permit receipt of electronic mail from the Vendor and its representatives.

32. NOTICES

(a) The Purchaser agrees that the relevant governing authorities may require the Vendor to provide the Purchaser with certain notices including, without limitation, notices regarding land usage, landscaping, noise and vibration warning resulting from existing or proposed highways and public transportation systems or corridors, garbage, school pick-up, transit routes, bus-stops and/or shelter locations (the "Notices"). Such Notices may be delivered to the Purchaser in accordance with the notice provisions herein and delivery in accordance with any methods described in said notice provisions shall be deemed to constitute appropriate notification of the Purchaser. The Purchaser agrees to be bound by the contents of any such Notices and covenants to execute forthwith upon request, an acknowledgment containing such Notices if and when requested to do so by the Vendor. Without limiting the generality of the foregoing, to the extent that any Notices are provided to the Purchaser by the Vendor after this Agreement has been made, such Notices shall be deemed to have been included in this Agreement at the time that this Agreement has been made.

(b) The Vendor hereby advises the Purchaser that noise transmission between suites due to floor finishings, sound systems and other matters and the use of the garbage and recycling disposal chutes and elevators (if applicable) may cause annoyance to the owners and tenants, as the case may be. The Purchaser acknowledges that he is aware that the noise transmission may cause annoyance to occupants and hereby waives and releases any claims that the Purchaser may have against the Vendor for such annoyance or nuisance or otherwise.

(c) Purchasers are advised that any noise or vibration attenuation measures or features are not to be tampered with or altered and that the owner(s) of the property in question from time to time shall have the sole responsibility for and shall maintain those measures.

(d) The Purchaser acknowledges receipt of notice from the Vendor that the Vendor or a company (or other entity) related, associated or affiliated with the Vendor, or any entity or person with the consent of the Vendor, may apply for zoning bylaw amendments, severances, part lot control exempting by-laws, minor variances, official plan amendments, signage by-law variances or signage approval applications with respect to the lands on which the Condominium is to be constructed and/or the lands adjacent to or near the Condominium and the Purchaser, the Purchaser's successors and assigns, shall consent to any such application and agrees that this paragraph may be pleaded as a bar to any objection by the Purchaser to such zoning bylaw amendments, severances, part lot control exempting by-laws, minor variances, official plan amendments, signage by-law variances or signage approval applications. The Purchaser further acknowledges that the Vendor or a company (or other entity) related, associated or affiliated with the Vendor, or any entity or person with the consent of the Vendor, may make any such application without any further notice to the Purchaser or the Purchaser's successors and assigns. The Purchaser covenants to include this clause in any conveyance, mortgage or disposition of the Unit and to assign the benefit of such covenant to the Vendor. The Vendor shall have the right to remove any objection(s) made by the Purchaser, the Purchaser's successors and assigns, with respect to any such application and the Purchaser shall reimburse the Vendor for all legal fees, expenses and costs that it incurs as a result of such objection(s). The Vendor may, at its sole, absolute and unfettered

discretion, register a restriction on title to the Unit, for such term as determined by the Vendor in its sole, absolute and unfettered discretion, containing the terms of this provision or language similar thereto and/or include same in the transfer/deed to the Unit. The Purchaser covenants and agrees to accept title to the Unit subject to said restriction and to accept the transfer/deed containing this provision or language similar thereto.

(e) Purchasers are advised that despite the inclusion of noise control features within the development area and within the individual building units, noise levels may continue to be of concern, occasionally interfering with some activities of the building occupants, the Purchaser acknowledging that it has familiarized itself with the existing and permitted land uses in the area of the Condominium and all facets of which are or may be considered a nuisance. The Purchaser acknowledges that the nature of new building construction is such that some discomfort may result from the Vendor's (or any other corporation or entity associated, related or affiliated with the Vendor) operations relating to the construction of the Condominium and the lands adjacent to and in the vicinity of the Condominium lands and accordingly, the Purchaser agrees that it shall not object to or interfere with the Vendor's construction operations. The Purchaser further acknowledges that such construction operations may cause, amongst other things, the obstruction of the balcony(ies) and/or terrace(s) (as applicable, if any) appurtenant to the Unit and/or the obstruction of the views from the Unit due to, amongst other things, the presence of construction materials, hoists and other construction equipment.

(f) The Purchaser covenants and agrees that he will not object to nor oppose any amendment to or change in the zoning, subdivision and/or site plan requirements, or oppose any other applications by the Vendor (or any other corporation or entity associated, related or affiliated with the Vendor, including, without limitation, any application by the owner(s) of the adjacent lands or other lands in the vicinity of the Condominium) to any board, tribunal or municipal or provincial body relating to or affecting the development of this Condominium, or other lands of the Vendor (or such other entity) in the vicinity of the Condominium. The Vendor shall have the right to remove any objection(s) made by the Purchaser, the Purchaser's successors and assigns, with respect to any such application and the Purchaser shall reimburse the Vendor for all legal fees, expenses and costs that it incurs as a result of such objection(s). The Purchaser acknowledges that a covenant, restriction and/or notice to this effect may be registered on title to the Unit or the property of the Condominium on closing.

(g) The Purchaser hereby unconditionally acknowledges that he/she is aware of the above matters and warning clauses and the notices set out in this Agreement and any schedule attached hereto and confirms that he/she does not object, in any manner whatsoever, to any of these matters and warning clauses nor to any of the notices set out in this Agreement or any schedule attached hereto nor will he/she be entitled to raise any objections with respect to the above matters and warning clauses or notices set out in this Agreement and any schedule attached hereto and the Purchaser hereby waives and releases any claims that the Purchaser may have against the Vendor with respect to the above matters, warning clauses and the notices set out in this Agreement and any schedule attached hereto and any additional notices and warning clauses as referred to at a future date.

(h) The Purchaser acknowledges and agrees that the notices and warning clauses set out in this Agreement, any schedule attached hereto and any additional notices and warning clauses as referred to in subparagraph (a) above may be registered on title to the Unit and may be included in the Declaration when registered, at the sole, absolute and unfettered discretion of the Vendor.

33. GENDER AND NUMBER

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

34. SUCCESSORS AND ASSIGNS

Except as expressly herein provided, the parties hereto further agree that the covenants, agreements, provisos and conditions in this Agreement contained shall extend to and be binding upon and enure to the benefit of the parties hereto, and their respective heirs, executors, administrators, successors and permitted assigns.

35. POWER OF ATTORNEY

(a) In accordance with the provisions of the Powers of Attorney Act R.S.O. 1990, as amended, the Purchaser hereby confirms and agrees that each and every power of attorney granted to the Vendor or its signing officers in accordance with the terms of this Agreement may be exercised by the donee(s) during any subsequent legal incapacity of the Purchaser.

(b) If any documents, instruments, etc. required to be executed and delivered by the Purchaser to the Vendor are, in fact, executed by a third party appointed as the attorney for the Purchaser, then the power of attorney appointing such person shall be registered in the Land Titles Office for the Condominium, and a duplicate registered copy thereof (together with a statutory declaration sworn by the attorney or the Purchaser's solicitor confirming that said power of attorney has not been revoked) shall be delivered to the Vendor along with such documents.

(c) Where a third party has been appointed as the attorney for the Purchaser for the purposes of executing any documents contemplated by this Agreement, then any notices required or desired to be delivered to the Purchaser in accordance with this Agreement may be given to the said attorney, in lieu of the Purchaser or the Purchaser's solicitor (and shall be deemed to have been received by the Purchaser when so delivered to his or her attorney).

(d) Where the Purchaser is required to execute and deliver any document herein to the Vendor and fails to do so, the Purchaser hereby irrevocably nominates, constitutes and appoints the Vendor to be and act as his lawful attorney, in the Purchaser's name, place and stead, in order to execute any such documents in accordance with the provisions of the Powers of Attorney Act (Ontario) as amended from time to time.

36. <u>ELECTRONIC DOCUMENTS AND TRANSFER OF FUNDS</u>

(a) Pursuant to subsection 3(1) of the Electronic Commerce Act of Ontario, as amended (or any successor or similar legislation) (the "EC Act"): (i) the Purchaser acknowledges and agrees to use and accept any information and/or document to be provided by the Vendor and/or its solicitors in respect of this transaction in an electronic form if, when and in the form provided by the Vendor and/or its solicitors including, without limitation, accepting and providing electronic signatures, delivery by electronic mail and/or by the Vendor making information or documentation available to the Purchaser or its solicitor for access or download from a website; and (ii) the Purchaser acknowledges and agrees to provide to the Vendor and/or its solicitors any information and/or document required in respect of this transaction in an electronic form or in originally executed paper form as, when and in the form required by the Vendor and/or its solicitors, in their sole, absolute and unfettered discretion. The terms "electronic", "electronically" and "electronic signature" utilized in this Agreement shall have the meanings ascribed to them in the EC Act. In the event that the Purchaser and/or its solicitor is not willing or able to use, provide and/or accept information and documentation in electronic form in accordance with the foregoing, the Vendor in its sole, absolute and unfettered discretion may provide or accept documentation or information other than in electronic form, in which event the Purchaser agrees to pay all of the Vendor's solicitor legal fees and disbursements for same forthwith.

(b) The Purchaser acknowledges and agrees that the Vendor shall determine, in its sole, absolute and unfettered discretion, the method by which the Purchaser is to make payment of any funds payable by the Purchaser in respect of this transaction. Such method may include, at the option of the Vendor, delivery of funds by the Purchaser electronically through an electronic funds transfer system (the "EFTS") designated by the Vendor or the Vendor's Solicitors, including, without limitation, the Closure Service provided by Teranet Inc.. In such case:

(i) the Purchaser's solicitor shall be registered with the provider of the EFTS, and, at the request of the Vendor's solicitors, shall provide evidence of such registration to the Vendor's solicitors at least 10 days prior to closing;

(ii) the Purchaser and/or the Purchaser's solicitor shall execute such documents as the Vendor or the Vendor's solicitors may require in connection with the EFTS; and

(iii) the Purchaser shall pay as an adjustment on closing to the Vendor or its solicitors all fees and charges imposed by the provider of the EFTS together with any wire transfer fees and charges imposed upon the Vendor or its solicitors by their banks in connection with the transfer of

funds.

37. ELECTRONIC REGISTRATION

If the electronic registration system (hereinafter referred to as the "Electronic System" or "ERS") is operative in the applicable Land Registry Office in which the Unit is registered, the following provisions shall prevail, namely:

(a) the Purchaser shall be obliged to retain a lawyer in good standing with the Law Society of Upper Canada to represent the Purchaser in connection with the completion of the transaction, and shall authorize such lawyer to enter into an escrow closing agreement with the Vendor's solicitor on the latter's standard form (hereinafter referred to as the "Escrow Document Registration Agreement"), establishing the procedures and timing for completing this transaction. The Purchaser shall reimburse the Vendor as an adjustment on closing for any additional legal costs that the Vendor may incur to complete this transaction under ERS of $250, plus Applicable Taxes.

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

(i) shall not occur contemporaneously with the registration of the transfer/deed (and other registerable documentation); and

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

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

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

(e) each of the parties hereto agrees that the delivery of any documents not intended for registration on title to the unit shall be delivered to the other party hereto on or before the Unit Transfer Date; and

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

(i) delivered all closing documents and/or funds to the Purchaser's solicitor in accordance with the provisions of the Escrow Document Registration Agreement;

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

(iii) has completed all steps required by ERS in order to complete this transaction that can be performed or undertaken by the Vendor's solicitor without the cooperation or participation of the Purchaser's solicitor, and

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

38. HEADINGS

The headings to the clauses of this Agreement form no part of the agreement but shall be deemed to be inserted for convenience of reference only.

39. MEANING OF WORDS

The meaning of the words, terms and phrases used in this Agreement, and particularly those terms not defined herein, shall be as defined in the Act as amended, unless specifically otherwise defined or amended herein. In the event there is a conflict between any term(s) in this Agreement, the Vendor shall determine which of the conflicting term(s) prevail(s). In the event that there is a conflict between any provision of this Agreement and the Act, and the Act provides that the provision in the Act prevails, then the provision of the Act shall prevail.

40. APPLICABLE LAW AND JOINT AND SEVERAL LIABILITY

This Agreement of Purchase and Sale shall be governed by the laws of the Province of Ontario. If more than one individual, partnership and/or company comprises the Purchaser, then all of the covenants, obligations and agreements of the Purchaser herein shall be deemed and construed to be the joint and several covenants, obligations and agreements of all the individuals, partnerships and companies comprising the Purchaser.

41. DEPOSIT RECEIPT

The Purchaser hereby irrevocably nominates, constitutes and appoints the Vendor to be and act as his lawful attorney, without liability or claim, in the Purchaser's name, place and stead, in order to execute the deposit receipt issued pursuant to the Warranty Act and the regulations thereunder, as may be amended from time to time, and any excess Condominium Deposit Insurance (and related documents) issued by any insurer providing prescribed security for the Purchaser's deposit monies pursuant to the Act and in accordance with the provisions of the Powers of Attorney Act (Ontario) as amended from time to time. The Purchaser hereby confirms and agrees that the power of attorney granted herein may be exercised by the Vendor during any subsequent legal incapacity of the Purchaser.

As soon as prescribed security for any deposit held by Brattys LLP (the "Firm") has been provided as required under the Act, the Firm shall thereupon be entitled and is hereby irrevocably authorized and directed to release and disburse such deposit in the Vendor's discretion. The Firm may rely on this provision for the release of the deposit in whole or in part notwithstanding that the Firm is not a party to this Agreement.

Notwithstanding anything herein, if as of the day of execution of this Agreement of Purchase and Sale, the Condominium has already been registered under the Act, the deposits paid to the Firm hereunder are not required to be held by the Firm and the deposits may be directed and/or released to the Vendor at the Vendor's sole, absolute and unfettered discretion and without notice to the Purchaser. The Purchaser shall reimburse the Vendor as an adjustment on closing a deposit administration fee of $250.00 plus Applicable Taxes charged by the Vendor's Solicitor to the Vendor with respect to the provision of any required evidence of compliance or other forms or receipts in respect of the Purchaser's deposits as required by the Act.

42. FINANCIAL INFORMATION

The Purchaser represents that the Purchaser is capable of obtaining the financing the Purchaser requires to enable the Purchaser to complete this transaction. The Purchaser hereby consents to the Vendor obtaining a consumer report containing credit and/or personal information for the purposes of this transaction. In addition, the Purchaser shall deliver to the Vendor, within 10 days of acceptance of this Agreement by the Vendor and thereafter within 14 days of demand from the Vendor or any agent thereof, all necessary financial and personal information required by the Vendor in order to evidence the Purchaser's ability to pay the balance of the Purchase Price on the Unit Transfer Date, including without limitation, written confirmation of the Purchaser's income and evidence of the source of the payments required to be made by the Purchaser in accordance with this Agreement and a mortgage commitment from one of the Schedule "I" banks in Canada with respect to this transaction of purchase and sale, all of the foregoing to be satisfactory to the Vendor in its sole, absolute and unfettered discretion. Any failure by the Purchaser to comply with the provisions of this paragraph shall constitute a default by the Purchaser, pursuant to which the Vendor shall have the right to terminate this Agreement and take forfeiture of the Purchaser's deposit in accordance with the provisions of this Agreement. In this regard, the Purchaser acknowledges and agrees that (a) the aforesaid information has been provided with the Purchaser's knowledge and consent that such information may be used by the Vendor, its consultants and its lending institution(s) for the purpose of arranging financing to complete the transaction contemplated by this Agreement and; (b) such information may remain on file by the Vendor for future reference.

43. PERSONAL INFORMATION

The Purchaser(s) consents to the Vendor collecting and possessing the Purchaser's name and "personal information" (as such term is defined in the Personal Information Protection and Electronic Documents Act 2000, c.5) obtained by the Vendor pursuant to and in connection with this Agreement. The Purchaser acknowledges and agrees that the aforesaid information has been provided to the Vendor with the Purchaser's knowledge and consent. In addition, the Purchaser(s) consents to the Vendor using, releasing, disclosing and/or retaining on file the Purchaser's name and personal information to: (a) a company or organization affiliated, associated or related to the Vendor, in order to provide the Purchaser with information relating to this project and other projects of such entities; (b) any provider of utilities, services and/or commodities to the Unit (including, without limitation, gas, electricity, water, telephone, internet and other communication services, cable, heating, cooling, satellite t.v., appliances and/or property tax assessments) for the purpose of marketing, promoting and providing such utilities, services and/or commodities to the Unit; (c) the Vendor's consultants and lending institution(s) for the purpose of arranging financing to complete the transaction contemplated by this Agreement; and (d) the Vendor's sales agents and representatives for the purpose of using same for promotional and marketing purposes.

44. RENTAL EQUIPMENT

The Purchaser acknowledges that while it is not currently the intention of the Vendor to rent any Equipment within the Unit, the Purchaser acknowledges (i) that certain equipment within the Unit (the "Equipment") may be non-owned, at the sole discretion of the Vendor; (ii) the terms governing the lease/rental for the Equipment will be provided by the Vendor prior to closing and the Purchaser may be required to execute a lease/rental document containing the terms prior to closing; and (iii) the terms of the lease/rental may contain a buy-out option allowing the Purchaser to purchase the Equipment if desired.

If any provider of the Equipment no longer rents the Equipment and if arrangements are not made with another supplier for the installation of the Equipment on a rental basis, then notwithstanding anything to the contrary in this Agreement, the Purchaser shall pay, as an adjustment on closing, the cost of the Equipment, such cost to be determined by statutory declaration sworn on the part of the Vendor.

45. MODEL UNITS

Notwithstanding anything herein written, if at the time that this Agreement is executed, the Unit has already been substantially completed, the Purchaser shall purchase the Unit in an "as built" and "as-is, where-is" condition without regard to its state of repair and condition rather than in accordance with any other understandings, agreements, representations, covenants and warranties herein contained. The Purchaser covenants and agrees to and with the Vendor that it shall complete the transaction notwithstanding any of the foregoing.

46. ENTIRE AGREEMENT

There is no oral and/or written representation, warranty, collateral Agreement or condition affecting this Agreement or the Unit, or supported hereby, except as set forth herein in writing. The Purchaser acknowledges that the new home industry is multi-faceted and complex and that while sales personnel or agents are knowledgeable about most issues regarding the purchase and construction of a new home, they cannot be expected to know all aspects in detail. Accordingly, the Purchaser acknowledges that no representations have been made to the Purchaser by the sales personnel or agents, upon which the Purchaser has relied upon, and which were material or instrumental to the Purchaser's decision to purchase this Unit, except as are set forth herein in writing. There is no representation, warranty, collateral agreement or condition affecting this Agreement or the Unit, or supported hereby, except as set forth herein in writing. The Purchaser is encouraged to have this Agreement reviewed by the Purchaser's solicitor prior to signing same.

47. NON-OBJECTION

The construction timetable and proposed use for structures adjacent to and/or in the vicinity of the Condominium is completely at the discretion of the parties constructing same and the Vendor does not warrant that any parts of such structures will ever be constructed.

The Purchaser hereby acknowledges receipt of notice from the Vendor that the Vendor or a company (or other entity) related, associated or affiliated with the Vendor, or any entity or person with the consent of the Vendor, may apply for re-zonings, severances, part lot control exempting by-laws, minor variances, site plan approvals, development approvals or official plan amendments or any similar applications with respect to the Condominium and/or the lands adjacent to or near the Condominium, the Purchaser and the Purchaser's successors and assigns, shall consent to any such application and agrees that this paragraph may be pleaded as a bar to any objection by the Purchaser to such re-zonings, severances, part lot control exempting by-laws, minor variances, site plan approvals, development approvals or official plan

amendments or any similar applications. The Purchaser further acknowledges that the Vendor or a company (or other entity) related, associated or affiliated with the Vendor, or any entity or person with the consent of the Vendor, may make any such application without any further notice to the Purchaser or the Purchaser's successors and assigns. The Vendor shall have the right to remove any objection(s) made by the Purchaser, the Purchaser's successors and assigns, with respect to any such application and the Purchaser shall reimburse the Vendor for all legal fees, expenses and costs that it incurs as a result of such objection(s). The Purchaser covenants to include the provisions of this clause in any conveyance or disposition, other than a charge or mortgage, of the Unit and upon request by the Vendor to assign the benefit of such covenant to the Vendor or a company (or other entity) related, associated or affiliated with the Vendor. The Purchaser shall insert this clause in all agreements of purchase and sale and leases in respect of the Unit.

SCHEDULE "W"

PARKING UNIT

Cosmos III Condominiums - Vaughan, Ontario

1. Notwithstanding Section 2 of Schedule "G" of this Agreement, the "Unit" shall include

N.K. 1 (one) PARKING UNIT(S) and its/their appurtenant common interest.

2. THE PURCHASER ACKNOWLEDGES AND AGREES THAT THE PARKING UNIT(S) SET OUT ABOVE WILL BE DESIGNATED BY THE VENDOR PRIOR TO THE OCCUPANCY DATE OR THE UNIT TRANSFER DATE AND THE VENDOR SHALL HAVE THE RIGHT IN ITS SOLE, ABSOLUTE AND UNFETTERED DISCRETION TO DESIGNATE THE LOCATION OF THE PARKING UNIT(S) AND MAY RE-DESIGNATE SAME FROM TIME TO TIME PRIOR TO THE OCCUPANCY DATE OR THE UNIT TRANSFER DATE.

3. If this Schedule "W" includes one or more parking units, then notwithstanding the definition of Unit contained on the first page of this Agreement, the term "Unit" shall also include such parking unit(s) and its/their appurtenant common interest.

4. The parking unit(s) purchased by the Purchaser may be adjacent to other parking units, walls, columns, beams, other structures, etc. Some parking units may be accessible only by the parallel parking of motor vehicles. The Vendor makes no representations or warranties regarding the ceiling height of the parking unit(s) purchased by the Purchaser, the parking garage, garage access ramp(s) or drive aisles or whether certain motor vehicles will be able to access the parking unit(s) purchased by the Purchaser, the parking garage, garage access ramp(s) or drive aisles due to the dimensions of such motor vehicles.

5. The Purchaser is advised that the parking unit(s) purchased by the Purchaser and assigned by the Vendor may not be a standard sized parking unit pursuant to the applicable municipal by-laws and that the Vendor shall not be responsible if the Purchaser's motor vehicle cannot be accommodated within the parking unit purchased by the Purchaser and assigned by the Vendor. The Purchaser is advised that the parking unit(s) purchased by the Purchaser and assigned by the Vendor may be obstructed due to intrusion and existence of pipes, ducts, columns, beams, bulkheads etc. and the Vendor shall not be responsible if the Purchaser's motor vehicle cannot be accommodated within the parking unit(s) purchased by the Purchaser and assigned by the Vendor.

DATED at Vaughan, this 25th day of September, 2016.

Witness: MO DAHARI

Natalia Karasik
Signature of Purchaser

Natalia Karasik
(Printed Name of Purchaser)

Witness:

Signature of Purchaser

(Printed Name of Purchaser)

DATED at Vaughan, this 25 day of Sept, 2016.

1945087 ONTARIO INC.

Per: _____ A.S.O.

I have the authority to bind the corporation

This is Exhibit “D” referred to in the Affidavit of Daniel Burtman affirmed December .....7.., 2020.

Commissioner for Taking Affidavits (or as may be)

cosmos
CONDOMINIUMS

BY REGISTERED MAIL – APRIL 4, 2018

DANIEL BURTMAN
IRINA BURTMAN
74 MARBELLA RD.
WOODBRIDGE, ON L4H 1M2

Vendor: 1945086 Ontario Inc.

RE: Suite: 2108; Unit 8; Level 20; in Cosmos Condominiums – Tower A – as part of Lots 1 and 2, Registered Plan 7977, City of Vaughan, Regional Municipality of York in the Province of Ontario
Notice per the Agreement of Purchase and Sale ("Purchase Agreement")

PLEASE NOTE THAT:

1. The Early Termination Condition #2 contained on page 5B of the Tarion Addendum attached to the Purchase Agreement described as follows:

The Purchase Agreement is conditional upon receipt by the Vendor of confirmation that financing for the project on terms satisfactory to the Vendor has been arranged. The Approving Authority (as that term is described in Schedule A) is: n/a, the determination of the Vendor in its sole, absolute and unfettered discretion.

Pursuant to paragraph 6(d) of the Tarion Addendum, the date by which Early Termination Condition #2 must be satisfied is July 2, 2019, which is 90 days before the First Tentative Occupancy Date.

2. Please take note that Early Termination Condition #2 has not been satisfied nor waived within the required period under the Purchase Agreement despite us having taken all commercially reasonable steps to satisfy same.

3. In accordance with Section 6 and 10(d) of the Tarion Addendum attached thereto, the Purchase Agreement is hereby terminated.

4. Following this notice via a subsequent letter in the next 10 days will be a cheque representing reimbursement of all deposit monies paid by you together with any interest as prescribed by the Condominium Act, 1998 to the same Purchaser address herein.

Yours truly, For and on behalf of 1945086 Ontario Inc.
Per:

Shawn Richardson, Director of Sales and Marketing

Mailing Address: 1 Steelcase Rd. West, Unit 8 Markham, ON L3R 0T3
Tel: 647.537.3366 | E. info@cosmoscondos.ca | cosmoscondos.ca

LIBERTY development

This is Exhibit "E" referred to in the Affidavit of Daniel Burtman affirmed December .....7..., 2020.

Commissioner for Taking Affidavits (or as may be)

LIBERTY development

April 4, 2018

Dear Cosmos Condominiums purchaser,

For many years, Liberty Development ("Liberty") has been one of the GTA's innovative developers of residential and commercial real estate. We have recently learned that because of circumstances beyond our control, and Liberty's best intentions, our project, Cosmos Condominiums, has been challenged.

While the Cosmos project earned strong sales success, support from realtors, and encouragement from key stakeholders, we are advised by the project vendor that at this time financing for the project on terms satisfactory to the Vendor cannot be arranged.

As financing arrangements on satisfactory terms to the project vendor cannot be obtained it will force the project vendor to now cancel all Agreements of Purchase and Sale in keeping with the terms of these agreements and the Early Termination Conditions in the agreement's Tarion Addendum. As such, the project vendor shall be returning all purchaser deposits collected to date in the days to come. The required Tarion notice effecting same is attached.

We are truly disappointed in this outcome and, even though the contract provided for this potential eventuality, we recognize that as a valued purchaser, you too are likely disappointed.

We recognize that today's decision will impact our purchasers and the project vendor would have preferred an alternative to cancelling agreements. Unfortunately, there is no alternative. Accordingly, working with the vendor we must move to cancel all agreements, distribute refunds of deposits, and work to ensure the process for return of these funds is smooth, efficient and easy for those affected.

We anticipate some purchasers may still have questions about the process ahead. As such, we've set up a dedicated email address, which will be monitored daily, at info@cosmoscondos.ca and encourage you to reach out as needed.

A company representative will respond to emails received within 48 hours.

We thank you for your cooperation and regret the conditions which we now face.

Yours truly,

Shawn Richardson, Director of Sales & Marketing

1 Steelcase Rd. W., Unit 8, Markham, Ontario L3R 0T3 T. 905.731.8687 F. 905.731.6826 www.libertydevelopment.ca

This is Exhibit “F” referred to in the Affidavit of Daniel Burtman affirmed December .....7.., 2020.

Commissioner for Taking Affidavits (or as may be)

CV-18-00604320-00CL

Court File No:

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

JAY REDDY, JACOB JARAMILLO, CARLA GRAVINA, INA CICI, CECILIA YUNG, SANTINO PAGLIA, GIUSEPPE PANZA, MARK CRUDEN, and THE APPLICANTS LISTED IN SCHEDULE A TO THIS NOTICE OF APPLICATION

Applicants

-and-

1945086 ONTARIO INC., 1945087 ONTARIO INC., 1834371 ONTARIO INC., and LIBERTY DEVELOPMENT CORPORATION

Respondents

APPLICATION UNDER Rules 14.05(3)(d), (g), and (h) of the *Rules of Civil Procedure*

NOTICE OF APPLICATION

TO THE RESPONDENTS

A LEGAL PROCEEDING HAS BEEN COMMENCED by the applicant. The claim made by the applicants appears on the following page.

THIS APPLICATION will come on for a hearing on *(day)*, *(date)*, at *(time)*, at *(address of court house)*.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the Rules of Civil Procedure, serve it on the applicants' lawyer or, where the applicant does not have a lawyer, serve it on the applicants, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the applicants' lawyer or, where the applicants do not have a lawyer, serve it on the applicants, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least four days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date August 30th 2018 Issued by Ray Williams
Local registrar

Address of court office : Ray Williams, Registrar
330 University Ave.,
7th Floor
Toronto, Ontario M5G 1R7

TO: **1945086 ONTARIO INC.**
1 Steelcase Road West, Unit 8
Markham, Ontario, L43 OT3

AND TO: 1945087 ONTARIO INC.
1 Steelcase Road West, Unit 8
Markham, Ontario, L43 OT3

AND TO: 1834371 ONTARIO INC.
1 Steelcase Road West, Unit 8
Markham, Ontario, L43 OT3

AND TO: LIBERTY DEVELOPMENT CORPORATION
1 Steelcase Road West, Unit 8
Markham, Ontario, L43 OT3

APPLICATION

THE APPLICANTS MAKES APPLICATION FOR:

1. An order declaring that Early Termination Condition #2 (Condition #2) at page 5b of the Tarion Addendum attached to the standard agreement of purchase and sale (the "Contract" or "Contracts"), is null and void, or alternatively not enforceable:

Condition #2
Description of the Early Termination Condition: The Purchase Agreement is conditional upon receipt by the Vendor of confirmation

that financing for the project on terms satisfactory to the Vendor has been arranged.

The Approving Authority (as that term is defined in Schedule A) is: n/a, the determination of the Vendor in its sole, absolute and unfettered discretion.(note the underlining appears in the Contracts).

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

2. An order declaring that by cancelling the Contracts based on Condition #2, the respondents 1945086 Ontario Inc. and 1945087 Ontario Inc. (the "Vendors") breached the Contracts because Condition #2 is void and unenforceable.

3. In the event that this Honourable Court grants the relief requested in paragraphs 1 and 2, that there be a trial of an issue to determine whether the respondent Liberty Development Corporation ("Liberty") induced the Vendors to breach the Contracts.

4. In the event that this Honourable Court grants the relief requested in paragraphs 1 and 2, that there be a trial of an issue to determine the applicants' damages against the Vendors for breach of contract and against Liberty, in the event that the Court finds that Liberty induced the breach of contract by the Vendors.

5. In the event that the Court grants the relief requested by the applicants in paragraphs 1 and 2, that a Certificate of Pending Litigation be issued as ancillary relief to the declaratory relief to be registered on the property legally described as Lots 1 and 2, Registered Plan 7977, City of Vaughan, Regional Municipality of York in the Province of Ontario, (the "Lands") which is owned by the respondent 1834371 Ontario Inc.

6. Costs with respect to the relief sought in paragraphs 1 and 2 , as against the Vendors and as against those respondents who appear at the application to oppose such relief; and

7. such further and other relief as this Honourable Court may deem just.

THE GROUNDS FOR THE APPLICATION ARE:

The Parties

8. The applicants, including those listed in Schedule A to this Notice of Application, are purchasers of condominium units in the Cosmos Towers Project. The applicants entered into Contracts with the Vendors for the purchase of condominium units.

9. The respondent Liberty is a real estate development company incorporated under the laws of Ontario, with its head office at 1 Steelcase Road West, Unit 8, Markham, Ontario. Liberty was the developer and promoter of the Cosmos Towers Project. Liberty holds itself out to the public as a leading development manager of residential buildings in the greater Toronto area who is dedicated to total customer care and whose principals have over thirty years of hands-on experience in the development and construction industries. Darvish Fereydoon is a director and the president of Liberty.

10. The respondent 1945086 Ontario Inc. is a corporation incorporated under the laws of Ontario, with its head office at 1 Steelcase Road West, Unit 8, Markham, Ontario. 1945086 Ontario Inc. is one of the two vendors of the condominium units sold to the applicants (a "Vendor", or together with the respondent 1945087 Ontario Inc, the

"Vendors"). Darvish Fereydoon is a director and the president of 1945086 Ontario Inc. Michael Durisin is a director and vice-president of 1945086 Ontario Inc. Latif Fazel is a director and secretary of 1945086 Ontario Inc. Joseph Salek is a director and vice-president of 1945086 Ontario Inc. Michael Uster is a director and treasurer of 1945086 Ontario Inc.

11. The respondent 1945087 Ontario Inc. is a corporation incorporated under the laws of Ontario, with its head office at 1 Steelcase Road West, Unit 8, Markham, Ontario. 1945087 Ontario Inc. was one of the two vendors of the condominium units sold to the applicants (a "Vendor", or together with the respondent 1945086 Ontario Inc, the "Vendors"). Darvish Fereydoon is a director and the president of 1945087 Ontario Inc. Michael Durisin is a director and vice-president of 1945087 Ontario Inc. Latif Fazel is a director and secretary of 1945087 Ontario Inc. Joseph Salek is a director and vice-president of 1945087 Ontario Inc. Michael Uster is a director and treasurer of 1945087 Ontario Inc.

12. The respondent 1834371 Ontario Inc. is a corporation incorporated under the laws of Ontario, with its head office at 1 Steelcase Road West, Unit 8, Markham, Ontario. At the time that the Vendors sold condominium units to the applicants, this respondent was the owner in fee simple of the Lands where the condominium towers were to be constructed. 1834371 Ontario Inc. continues to be the owner. Darvish Fereydoon is a director and the president of 1834371 Ontario Inc. Michael Durisin is a director and vice-president of 1834371 Ontario Inc. Latif Fazel is a director and secretary of 1834371 Ontario Inc. Joseph Salek is a director and vice-

president of 1834371 Ontario Inc. Michael Uster is a director and treasurer of 1834371 Ontario Inc.

The Cosmos Towers Project (Origin and Cancellation)

13. In or about 2016, Liberty promoted the sale of pre-construction condominium units in three proposed towers for a Liberty project called the Cosmos Condominiums or Cosmos Towers (the "Project"), to be located in Woodbridge, at premises legally described as part of Lots 1 and 2, Registered Plan 7977, City of Vaughan, Regional Municipality of York in the Province of Ontario. The Project was comprised of approximately 1,100 units.
14. The Project quickly sold out, meaning all condominium units available for sale were sold to the applicants and other purchasers, prior to any of the three towers in the Project being constructed.
15. In or around the month of May, 2016 until in or about the month of November,2016 ,all applicants signed a standard form agreement of purchase and sale (the "Contract") with one of the two numbered company Vendors. The Contracts were drafted by the Vendors and contained identical terms and conditions including Condition #2.
16. All applicants provided a deposit and made all requisite installment payments/deposits in accordance with the Contract.
17. In or around April, 2018, (some two years after the applicants had committed to purchasing a unit in the Project and seen the price for condominium units in

Vaughan drastically increase), the applicants were notified by Liberty and the Vendors that the Project was cancelled. The Contracts were terminated, ostensibly based on Condition #2.

18. A cancellation letter was mailed to the applicants and all other purchasers. The letter was written on Liberty letterhead, including Liberty's trademark/logo and signed by Shawn Richardson, Director of Sales and Marketing for Liberty, for and on behalf of the Vendors. The letter for and on behalf of 1945086 Ontario Inc. reads:

> PLEASE NOTE THAT:
>
> 1. The Early Termination Condition #2 contained on page 5B of the Tarion Addendum attached to the Purchase Agreement described as follows:
>
> *The Purchase Agreement is conditional upon receipt by the Vendor of confirmation that financing for the project on terms satisfactory to the Vendor has been arranged. The Approving Authority (as that term is described in Schedule A) is: n/a, the determination of the Vendor in its sole, absolute and unfettered discretion.(note the underlining appears in the letter)*
>
> Pursuant to paragraph 6(d) of the Tarion Addendum, the date by which the Early Termination Condition #2 must be satisfied is July 2, 2019, which is 90 days before the First Tentative Occupancy Date.
>
> 2. Please take note that Early Termination Condition #2 has not been satisfied nor waived within the required period under the Purchase Agreement despite us having taken all commercially reasonable steps to satisfy same.
>
> 3. In accordance with Section 6 and 10(d) of the Tarion Addendum attached thereto, the Purchase Agreement is hereby terminated.
>
> 4. Following this notice via a subsequent letter in the next 10 days will be a cheque representing reimbursement of all deposit monies paid by you together with any interest as prescribed by the Condominium Act, 1998 to the same Purchaser address herein.

Yours truly, For and on behalf of 1945086 Ontario Inc.

Per:

Shawn Richardson, Director of Sales and Marketing

19. In addition to the cancellation letter, Liberty also forwarded a letter to the applicants and all other purchasers. Liberty claimed that the "Vendors" were forced to cancel all Contracts and that the Vendors would be returning all deposits. The letter was also signed by the same Shawn Richardson, Director of Sales & Marketing for Liberty. This letter read in part:

> While the Cosmos project earned strong sales success, support from realtors, and encouragement from key stakeholders, we are advised by the project vendor that at this time financing for the project on terms satisfactory to the Vendor cannot be arranged.
>
> As the financing arrangements on satisfactory terms to the project vendor cannot be obtained it will force the project vendor to now cancel all Agreements of Purchase and Sale in keeping with the terms of these agreements and the Early Termination Conditions in the agreement's Tarion Addendum. As such, the project vendor shall be returning all purchaser deposits collected to date in the days to come. The required Tarion notice effecting same is attached.
>
> ...
>
> We recognize that today's decision will impact our purchasers and the project vendor would have preferred an alternative to cancelling agreements. Unfortunately there is no alternative. Accordingly, working with the vendor we must move to cancel all agreements, distribute refund of deposits, and work to ensure the process for return of these funds is smooth, efficient and easy for those affected.

20. As of the date of this Notice of Application, Liberty is planning a new condominium project adjacent to the cancelled Project (being the project cancelled ostensibly for lack of satisfactory financing) and will be redeveloping its recent acquisition of the Promenade Mall to modernize the mall and construct three residential apartment

towers of 28 to 35 stories with 1,006 units, as well as offices and a hotel with a combined 24,392 square metres of space.

Condition #2 is prohibited by Tarion.

21. Each applicant entered into a standard form contract with one of the respondent Vendors to purchase one or more units in the Project. The Contract was drafted by the Vendors, including Condition #2.

22. For purchasers of units in Towers A and B, the purchaser entered into the Contract with the respondent 1945086 Ontario Inc. For purchasers of units in Tower III, the purchasers entered into the Contract with the respondent 1945087 Ontario Inc.

23. The Contract provides that the purchaser will make down payments of specified amounts on a specified number of days following the execution of the Contract. Under the heading "CLOSING", the Contract provides that the purchase and sale of the condominium unit will be completed and the unit will be transferred to the purchaser "in accordance with the terms of this Agreement on a date (the "Unit Transfer Date") that is the later of (i) the Occupancy Date and (ii) a date fixed by the Vendor upon which the transfer of the Unit acceptable for registration is delivered to the Purchaser or his solicitor."

24. In each instance, the Contract is signed by both the purchaser(s) and the respondent Vendor.

25. The Contract includes a twelve page Tarion Condominium Form ("Tarion Addendum"), which by regulation is incorporated into all pre-construction condominium contracts in Ontario and constitutes a form of consumer protection legislation.

26. Tarion Warranty Corporation ("Tarion") is a not-for-profit corporation incorporated under the *Corporations Act,* R.S.O. 1990, c. C.38, which is responsible for administering the warranties under the *Ontario New Home Warranties Plan Act*, RSO 1990, c O.31, for new home buyers including purchasers of condominium units.

27. The Tarion Addendum provides in paragraph 6(b) for certain defined early termination conditions that may be included by the Vendors in the Contract, which are set out in Schedule A to the Tarion Addendum. No early termination condition can be included in the Contract other than the conditions authorized in Schedule A by Tarion.

28. The early termination condition authorized by Tarion is set out in paragraph 1.(b)(ii) of Schedule A and reads as follows:

> **1. The Vendor of a condominium home is permitted to make the Purchase Agreement conditional as follows:**
>
> ...
>
> (b) upon:
>
> (ii) receipt by the Vendor of confirmation that financing for the project on terms satisfactory to the Vendor has been arranged by a specified date;

29. The Vendors' version of the permitted early termination condition is set out in an Appendix located at page 5B of the Tarion Addendum, which is reproduced below:

> **Condition #2**
>
> Description of the Early Termination Condition: The Purchase Agreement is conditional upon receipt by the Vendor of confirmation that financing for the project on terms satisfactory to the Vendor has been arranged.
>
> The Approving Authority (as that term is defined in Schedule A) is: n/a, the determination of the Vendor in its sole, absolute, and unfettered discretion.
>
> The date by which Condition #2 is to be satisfied is the ___ day of _____, 20 ____.

30. Condition #2 was reproduced in the cancellation letter sent to all applicants as the basis for cancelling the Contract, as described in paragraph 18 of this Notice of Application.

31. Condition #2 is not authorized/permitted by Tarion. It does not comply with paragraph 6(a) or 6(b) of the Tarion Addendum. Paragraph 6(a) reads as follows:

> (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.

32. Condition #2 includes "the determination of the Vendor in its sole, absolute, and unfettered discretion." The Vendors have therefore included one or more conditions which do not conform with the limited way early termination of the Purchase Agreement is authorized in paragraph 6(a).

33. Paragraph 6(b) reads as follows:

> (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 (i), (j) and (k) 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 (i), (j), and (k) 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.

34. The permitted early termination condition, as set out in 1(b)(ii) of Schedule A, is limited to confirmation that financing for the Project on terms satisfactory to the Vendor has been arranged. Condition #2 includes additional terms and conditions, "the determination of the Vendor in its sole, absolute, and unfettered discretion." Financing on terms satisfactory to the Vendor is not the same type of condition as Condition #2.

35. Paragraph 6(f) of the Tarion Addendum provides:

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

36. The Tarion Addendum provides for an all-commercially-reasonable-steps standard, which the Vendors must satisfy before exercising and when exercising early termination condition 1(b)(ii). Condition #2 effectively contracts the Vendors out of the commercially reasonable standard, in favour of a sole/absolute/unfettered discretion standard.

37. Pursuant to paragraph 6(b), Condition #2 is therefore deemed null and void and is not enforceable by the Vendors because "any other condition included in a purchase agreement for the benefit of the Vendor that is not expressly permitted under Schedule A…is deemed null and void and not enforceable by the Vendor."

38. The Vendors therefore breached the Contracts by terminating the Contracts based on Condition #2.

Damages

39. The applicants have all sustained damages for breach of contract, including the loss of the market value of the unit at closing compared to the purchase price, or alternatively, the loss of the market value of the unit at the time of the breach, compared to the purchase price; loss of use and enjoyment of the unit once built; loss of their promised home; lost rental income; enhanced carrying charges and the enhanced cost to replace the unit with a comparable alternative condominium unit in Vaughan at today's prices or in some cases the complete loss of the ability to purchase a condominium unit, as current prices have made it unaffordable.
40. The applicants claim that the damages for breach of contract can be determined on an aggregate damages basis.

Liberty induced the Vendors to breach the Contracts

41. The Contracts between the Vendors and applicants were valid and enforceable contracts.
42. Liberty knew of the Contracts between the applicants and Vendors.
43. Liberty was the developer of the Project and promoted the sale of the condominium units to the applicants and other purchasers.

44. Liberty and the Vendors have always operated as one joint enterprise where Liberty completely controlled the operations of the Vendors in all respects. Liberty made the decision to cancel the Project and made the decision to justify the cancellation based on Condition #2. Liberty then induced and directed its Vendor numbered companies to breach the Contracts.

45. Liberty exercised complete control over the Vendors directly or alternatively did so indirectly, through means of affiliated corporations or family members, and/or through owning or controlling the majority of the common shares in the Vendor corporations.

46. The applicants suffered damages as a result of Liberty inducing a breach of the contracts.

A certificate of pending litigation is warranted.

47. 1834371 Ontario Inc. and the Vendors are controlled by Liberty and operated together as one economic unit in making all decisions about the Project, including its cancellation.

48. 1834371 Ontario Inc. formed part of the organization who unlawfully cancelled the Contracts.

49. On or about January 31, 2012, 1834371 Ontario Inc. purchased the Lands municipally described as 2951 Highway #7 West, Vaughan; 180 Maplecrete Road, Vaughan; and 190 Maplecrete Road, Vaughan.

50. On January 26, 2017, a charge was registered against the Lands in the amount of $100 million in favour of The Guarantee Company of North America. It continues to be a charge on title as of the date of pleading. The Chargor is 1834371 Ontario Inc.

51. Schedule 2 of the Charge includes a collateral mortgage dated January 24, 2017, regarding an indemnity agreement between 1945086 Ontario Inc. and 1945087 Ontario Inc., the Chargee and 1834371 Ontario Inc. As of the date of pleading, the applicants do not know the terms of the indemnity agreement.

52. The respondent 1834371 Ontario Inc. knew that the Vendors and Liberty were promoting the Project and knew that the Vendors sold condominium units to the applicants, thereby providing the applicants with an interest or beneficial interest in the Lands.

53. 1834371 Ontario Inc. held the Lands in trust for the Vendors, on the basis that the Lands would be conveyed to a condominium corporation at closing.

54. A certificate of pending litigation issued against the Lands is warranted as the applicants have an equitable interest in the Lands; the Vendors have no assets; 1834371 Ontario Inc. is a third party beneficiary to the Contracts; and 1834371 Ontario Inc. holds the Lands in trust for the Vendors to complete the Contracts. Liberty deliberately arranged for a corporation, which it completely controls, to hold title to the Lands knowing that if the Vendors breached the contracts, the Vendors are shell corporations without assets. Therefore, in the circumstances, the justice of

the case is such that this Court should disregard the separate corporate existence of 1834371 Ontario Inc. for the purposes of issuing a certificate of pending litigation.

The applicants may bring this proceeding as an application under rule 14.05 of the *Rules*.

55. The applicants can bring this proceeding as an application because the applicants are seeking a determination of the applicants' rights that depend on the interpretation of a contract and/or the interpretation of a statute, being the *Ontario New Home Warranties Plan Act*, RSO 1990, c O.31 and regulations thereunder, pursuant to Rule 14.05(3)(d) of the *Rules*.

56. The applicants can further bring this proceeding as an application because:

    a. the applicants are seeking a declaration that the respondent Vendors breached the contract, pursuant to Rule 14.05(3)(g) of the *Rules*;

    b. with respect to the claim for breach of contract against the Vendors, there are not likely to be any material facts in dispute, pursuant to Rule 14.05(3)(h) of the *Rules*; and

    c. the applicants seek as ancillary relief to the declaration a certificate of pending litigation, pursuant to Rule 14.05(3)(g) of the *Rules*.

The applicants and respondents are proper parties to the Application.

57. All the applicants may join their claims against the respondents in one application, pursuant to rule 5.01(1) of the *Rules of Civil Procedure,* R.R.O. 1990, Reg. 194 ("*Rules*").

58. The applicants can bring different claims against the respondents in the same application, and it is not necessary for each of the applicants to have an interest in all of the relief claimed or in each of the claims against the respondents, pursuant to rule 5.01(2) and (3) of the *Rules*.

59. The applicants may join each of their claims against the respondents in this Application because they are asserting claims that arise out of the same transaction or occurrence or series of transactions or occurrences; there are common questions of law or fact; and joining the claims in the same application will promote the convenient administration of justice, pursuant to rule 5.02(1) of the *Rules*.

60. Liberty is a proper party to the Application pursuant to rule 5.03(1) of the *Rules* because it has an interest in participating in the Application to determine the declaratory relief sought in paragraphs 1 and 2. In the event that the relief is granted, the applicants seek a trial of an issue against Liberty.

61. The applicants may join their claims against all the respondents including Liberty in this Application because they are asserting claims against the respondents which arise out of the same transaction or occurrence, or series of transactions or occurrences; there are common questions of law or fact; damage or loss has been caused to the applicants by more than one of the respondents including by Liberty and there is doubt as to the respondents whom the applicants are entitled to relief or the respective amounts for which each respondent may be liable; and joining the claims in the same Application will promote the convenient administration of justice, pursuant to Rule 5.02(2) of the *Rules*.

62. The respondent 1834371 Ontario Inc., as owner of the Lands, is a proper party to the Application because the applicants seek a certificate of pending litigation pursuant to Rule 42 of the *Rules* and section 103 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, in the event that the declaratory relief is granted.

The applicants seek to have the issue of whether the Vendors breached the Contracts determined on this Application with the remaining issues ordered to proceed to a trial of an issue.

63. The applicants are seeking on this Application a declaration that Early Termination Condition #2 (on which the Vendors solely relied to terminate the Contract) is null and void and not enforceable, and therefore the Vendors breached the Contract in terminating the Contract.

64. In the event that the Court finds that the respondent Vendors breached the Contracts and grants declaratory relief, the applicants then seek to have the cause of action against Liberty for inducing breach of contract and the applicants' damages against the Vendors and Liberty proceed to a trial of an issue, pursuant to Rules 1.05, 38.10(1)(b) and 38.10(3) of the *Rules*.

65. Determining the interpretation of the Contract and consequent question of whether the Vendors breached the Contract by cancelling the Project, is the central issue in these proceedings. The application is therefore the most proportionate, expeditious, and least expensive means of determining the merits of this proceeding, pursuant to Rule 1.04 of the *Rules*.

66. The *Rules of Civil Procedure*, R.S.O. 1990, Reg. 194, as amended, including Rules 1.04, 1.05, 5.01, 5.02, 5.03, 13.1.02, 14.05, and 38.

67. The *Courts of Justice Act*, R.S.O. 1990, c. C.43, includes section 103.

68. The *Ontario New Home Warranties Plan Act*, RSO 1990, c O.31, and,

69. Such further and other grounds as counsel may advise and this Honourable Court permit.

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

1. The pleadings and proceedings herein;
2. The affidavit of Tina Q. Yang, sworn August X, 2018;
3. The affidavit of [purchaser], sworn August X, 2018; and,
4. Such further and other evidence as counsel may advise and this Honourable Court may permit.

August 30, 2018

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Lawyers for the Applicants

SCHEDULE "A"

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201	Yang, Tian	205	Kitsno, Kateryna	306	Wong, Patricia & Newhouse, Brad
205	Jaramillo, Jacob	211	Annecchiarico, Vanessa	310	Gupta, Sanjay
206	Shah, Rakshitkumar Praffullachandra	305	Hermenegildo, Anna & Felix	311	Terechtchouk, Elena
209	Gandi, Rohini (Sridhar Alagianambi)	306	Mann, Mukhtar Singh (Jasdeep Mann)	401	Rivero, Edgardo
211	Gosai, Annie	309	Rojas Cisneros, Natasha Matilde	408	Norscia, Gabriele
212	Czeban, Tyrell	311	Terceira, Michelle & McManus, David	409	Mucciarone, Antonella
301	Patel, Amit (Ashok)	405	Micheletti, Maria Alejandra	506	Desai, Tejal Gautam
305	Cestra, Dino	406	Barrick, Karly	507	Kurtach, Leonid & Miriam
307	D'Alimonte, Robert	510	Le, Colin	512	Crawford, Douglas
311	Paniccia, Andrew	601	Santini, Fred	607	Mysore, Vishal Row
312	Nenshi, Salma	605	Napolitano, Vincenzina	712	Pathak, Dipiksha
403	Dadgar, Naser	607	Tang, Amy	806	Fernandes, Sabrina
407	Voka, Miklovan & Entela	608	Ko, Shek & Wang, Li	807	Ly, Hai Chi & Ha, Le-Ngoc
408	Silveri, Tania & Silveri, Michael	609	Trinh, Van Tai & Nguyen, Kim Hoang	808	Bu, Zhiyu & Wu, Ying
411	Mihalis, Stephen	610	Zeppieri, Gianni	905	Mansur, Hala
501	Bray, Michele & Thomas	611	Rehman, Naeem & Hussain, Syed Askari	906	Patino, Ana Milena
502	Chiodo, Angela, Chiodo, Franco & Chiodo, Michael Christian	612	Kakade, Aasawari	907	Szekely, Andrew & Mroki, Nibras A. Matt
505	Ocampo, Laura Gabriela	701	Camilo, Sanchez & Alarcon, Diana	912	Tersigni, Adamo
506	Chan, Kwok Che & Chan, Ka Hay	703	Notarfonzo, Julia & Loiacono, Luca	1006	Calapa, Paola
511	Fiore-Basilone, Pia	705	Di Cristofaro, Concetta & Eiring, Marcos	1007	Vanama, Venkata Narendra
605	Tran, Stephanie-Le	706	Gu, Chun Hua & Jin, Wenji	1110	Gupta, Priya & Kaushik, Ashutosh
606	Wong, Keith	708	Barrera, Sandra Barrera, Gloria	1112	Kaushik, Vijay Shri & Kaushik, Shyam Sunder
610	Febbraro, Concettina P.	709	Nguyen, Thu Ha & Nguyen, Emily	1201	Monilal, Jennifer Davi
702	Ubhi, Kuldeep Maninderjit	801	Saleh, Salman & Khan, Shahid	1202	Diamond, Dion Michael & Diamond, Caterina

704	Ciancio, Robert	802	Gazzola, Jenny & Joseph (Joe)	1205	Liu, Guang Lei
705	Xin, Christina Yun	805	Carroccetto, Michael	1208	Yusupov, Iris
706	Schmitz, Jeannie	811	Vijayakumaran, Meera & Vijakumaran, Sathananthan	1209	Kanwar, Rajiv
710	Marciano, Rosanna	902	Talovic, Tasha & Talovic, Zoran	1210	Cosentino, Giuseppina
711	Esho, Feroz	906	Khalil, Khalil	1212	Qureshi, Anish Sazlin
805	Noon, Ofer Eliyau Bin & Noon, Neva Bin	907	Jacoby, Dan Hanoch & Jacoby, Hadara	1402	Reda, Rosanna
807	Schmitz, Jeannie	908	Kim, Kyu Ho	1403	Pardiwalla, Irfan
812	Tank, Rohan	909	Rea, Louise Bruna	1405	Kanwar, Rajiv
902	Jiang, Kechen & Jiang, Shiying	910	Eliseo, Carmela & Giovanni	1406	Sangiulia, Giovanna (Joanne)
903	Arias, Miguel Angel	911	El-Helou, Georges & Balkis, Cendrella	1407	Viteritti, Sabrina
905	Bhatia, Arpita	1009	Feng Li (Jin Liu Qiang Feng)	1408	Morris, Sonia
908	Luk, Kai-Kin & Amy Suk Yin Lai	1002	Xu, Hang & Han Yu Jao	1409	Sorokin, Inga
1001	Paniccia, Johnny	1004	Espin, Carlos & Adela	1411	Singh, Monty
1004	Cao, Yang	1005	Lin, Ying Juan	1501	Yang, Darius Ronghan
1005	Marini, Anna	1011	Wang, Zhen	1502	Galloro, Vincenzo
1008	Bublyk, Vasyl	1101	Krakovich, Hana & Anatoliy	1503	Perrone, Angelina & Domenico
1010	Da Silva, Ramiro Salema	1104	Augurusa, Maria Abtonietta & Augurusa, Fancesco Antonio	1504	Consentino, Connie
1101	Lazer, Rafael	1109	Cunningham, Michael	1505	Wong, Wan Seung & Tran, Kien Minh
1104	Parpia, Muhammad Mehdi	1111	Saverino, Peter	1508	Consentino, Connie
1107	Manilla, Ryan Jesse	1112	Patel, Somabhai Rameshbhai & Patel, Savitaben R.	1510	Cosentino, Giuseppina
1108	Fernando, Shehani (Moretti)	1202	Marasigar, Emilio & Wong, Gail	1601	Ashurov, Adrian
1110	Trotto, Salvatore & Stephanie	1211	Choudhry, Munawar	1603	Li, Yi Xuan
1201	Bocian, Tamara	1404	Besharati, Saghar	1607	Laviola, Gaetano & Luciana
1203	Luong, Hong-Hoa	1405	Sinha, Shailapati	1612	Gandhi, Tejalben
1204	Song, Meizhu	1406	Singh, Pavit & Urdeep	1702	Sunderji, Zulfikar
1205	Slavec, Jak & Teresina	1407	Koossa, Fatmah Beebee & Koossa, Mahmad Ibrahim	1704	Mamdani, Mubarak
1208	Pashkevich, Ala	1410	Ho, Joyce	1705	Malatesta, Antonio
1211	Yeung-Yi-In, Andre & Yeung Yi-In, Nioun Sen (Dominique)	1411	Kuhananthan, Kuhaparan & Uthayaprasanthy	1706	Somani, Mazhar

1212	Settino, Nancy & Leone, Lucia	1501	Singh, Surjit	1707	Malatesta, Antonio
1408	Etingen, Michael	1502	Gazzola, Jenny & Joseph	1709	Barbu, Mihai & Andreea
1409	Kettner, Cheryl Ann	1503	De Vera, Vevian & Idos, Renato	1712	Rizvi, Syed Hasan Raza
1410	Arora, Pankaj	1505	Liu, Simon & Lam, Katherine	1802	Xu, Jiaming
1411	Battaglia, Tania	1506	Uppal, Sukhbir S. & Uppal, Malvinder S.	1803	Mercuri, Massimo
1412	Tsap, Solomiya	1509	Yuan, Lin	1804	Yang, Chaowei
1501	Abate, Josephine	1601	Cici, Ina	1805	Zhang, Chunfang
1502	Marrelli, Eugenio	1602	Yeung, Ying Karen Au	1806	Yu, Guinan
1503	Schibi, Ori Shlomo & Eva Schibi	1605	Xia, Yang	1807	Huang, Jiajing
1602	Wu, Li Jie (David Chou)	1606	Chan, Marie	1809	Bai, Juan
1603	Li, Zhong, Min	1607	Mervyn, Sanna	1810	Liu, Yupeng
1604	Drogo, Gina & Andreopoulos, George	1612	Eyvazova, Asya	1811	Ko, Shek & Wang, Li
1607	Boersema, Robert Ian & Shireena Boersema	1701	Cichella, Vanda Lisa	1812	Lam, Binh
1610	Leung, Claudia Lai Wah & Chu, Tai Kwan (Claudia Cortes)	1702	Mehta, Bhumi	1901	Douchkina, Michelle
1611	Saqib, Mujahid Payman & Samim, Mahjobah	1706	Sivassubramaniam, Thanigaikumaran	1902	Hernandes, Juan, Erick A. Hernandes & Rosa Hernandes
1612	Patel, Nishant & Patel, Shruti Rameshbhai	1709	Kim, Jin Tae & Choi, Moon Hee	1903	Davidovich, Maya
1702	Soon, Ei Yee Marina	1711	De Toma, Robert	1904	Kissoon, Raymond T.
1704	Weng, Rui Hua	1712	Patel, Nishant & Patel, Shruti Rameshbhai	1905	Browne, Euain
1707	Singh, Darshani	1803	Eldyasti, Ahmed	1906	De Luca, Teresa
1709	Smith, David & Bernadette	1809	Xu, Wen Qing & Xiao Jin Gu	1911	Gidda, Gurcharan & Amrik
1712	Virdo, Salvatore & Virdo, Anna Rosa Ida	1810	Chang-Kit, Stephen & Han, Ziying	1912	Schmitz, Jeannie & Fuselli, Deryk
1801	Ngo, Albert	1904	Augurus, Maurizio	2001	Damiano, Lucy & Antonio
1802	Babyuk, Volodymyr	1906	Bonura, Robert	2002	Lombardi, Nicholas & Lombardi, Berardino
1804	Coluccio, Vincenzo Gianfranco	2004	Manhas, Rattanjit Kaur	2003	Choy, Kar-Woon
1806	Ko, Shek & Wang Li	2005	Usina, Jaime O. Simbana	2004	Foley, Mary & Michael W.
1807	Liang, Jianong & Li, Yun	2006	Cao, Yang	2006	Choy, Millie
1808	Bancheri, Fillipo	2106	Cramarossa, Georgina & Joseph Paul Cramarossa	2007	Rumeo, Angelo

1811	Cubella, Patrizia	2108	Yair, Ravid	2008	Camarda, Roberto
1902	Yodashkin, Ronit Firdman & Evgeny Firdman	2110	Murillo, Diane daSilva Baranito	2009	Ferrantelli, Antonio
1904	Wing Yin Shum	2201	Bier, Shira	2011	Gava, John
1906	Laura, Edward	2203	Xu, Jiaming	2101	Gidda, Amrik & Gurcharan
1908	Ziskind, Michal	2206	Hu, Zhihai	2102	Aki, Bassem
1909	Manhas, Rattanjit Kaur	2210	LeBar, Alexander & Debbie	2107	Satrasala, Vasavi
1910	Huang, Fengwei	2211	Jakobczak, Matthew & Michael	2110	Wang, Weihua
1911	Low, Wicky	2302	Mahna, Ihab R.	2202	Nayyar, Namit
1912	Kaur, Mandeep	2309	Lebar, Kristopher & Lebar, Richard J.	2205	Kalinitchenko, Kirill
2007	Ho, Vivian Sze Ngar	2401	Yodashkin, Ronit Firdman & Evgeny Firdman	2206	Eleftheiou, Gregory & Andreas
2008	Pallante, Palma Maria & Meffe, Benito	2403	Piri, Enkeleda	2207	Gravina, Carla
2011	Choi, Mary K.L.	2404	Gregoris, John	2305	Raza, Qamar Abbas & Kashmira Raza
2103	Leon, Julio	2406	Zaidi, Zainab & Raza, Mahdi	2306	Ashurov, Racheli
2105	Ghataura, Sukhwinder Kaur	2407	Hon, Lena & Cheng, Tak Hung	2309	Racco, Kareem
2107	Hardcastle, Kelly Patricia & Michael Brian	2409	Lau, Kit Yee & Lau, Shiu Wa	2401	McAllister, Shaun G.
2108	Burtman, Daniel & Irina	2410	Orgovan, Dina, Orgovan, Joe & Giannone, Sonia	2404	Tortolo, Gary Paul & Tortolo, Deanna Zavattin
2109	Rao, Jing	2502	Mehta, Pravinchandrak	2407	Zaka, Ayesha
2111	Shah, Roopesh Kalyanji & Shah, Kimaya	2511	Faran, Hamid	2409	Sorokin, Dmitry
2202	Symonds, Melissa	2604	Onody, Brian M.	2411	Gocool, Robert
2203	Ilnycki, Helen Y.A	2609	Mistry, Dhirajlal H.	2412	Appiah, Francis & Rosemond
2204	Fox, Stephen Conrad (Fox, Steve)	2610	Dong, Ian Yi	2501	Cuda, Caterina & Armenean, Calin
2205	Shi, Ru	2706	Li, Hui	2504	Wang, Yu
2210	Lin, Xiao Lin	2805	Sorgente, Anna	2503	Ochakovski, Oleg
2211	Pasquali, Dennis & Mary, & D'Amelio, Amalia	2809	Cornacchia, Jonathan	2506	Liang, Bing
2301	Attwala, Vinodhai	2810	Liao, Chenly	2508	Liang, Bing
2302	Iskander, Mark	2811	Gakhar, Satwinder Pal & Gakhar, Jaswinder Kaur	2509	Mody, Akash & Sunilkumar Mody
2308	Patel, Mineshkumar & Nishiket	2910	Flores, Andrya Ho-Ka & Flores, Raymond Robles	2510	Mansur, Sahira
2310	Chen, Huang Xing	2902	Wu, Sui Man	2603	Miler, Nerijus & Vilma

2401	Bagnarol, Nadia	2904	Zaidi, Mustafa	2610	Yasin, Suhaib
2404	Gregoris, John			2705	Tsitsias, Paul & Tsitsias, Konstantina
2405	Kongvongxay, Melissa	2908	Lo, Eugene	2706	Choi, Lawrence Lun Yee & Wong, Mei Sim Maria
2410	Agarwal, Shilpa & Gupta, Sangeet	2912	Tam, Kevin King Yiu	2708	Kouchehbagh, Sara Memar
2412	Samaroo, Mark Jordan	3002	Patel, Somabhai Rameshbhai & Patel, Savitaben R.	2709	Zucaro, Luigia & Eduardo Romano
2408	Delplavignano, Marco	3003	Wadhawan, Justine & Rahul, Dhir	2711	Lau, Pong Shun & Chau, Amy Boi Phuong
2502	Da Silva, Carina & Santos Luis	3005	Kalinitchenko, Kirill	2712	Lo, Eugene
2503	El-Sherif, Omar Hamdy Abdelhamid Mohamed	3006	Mantescu, Dan & Tatiana	2801	Butera, Jennifer
2505	Li, Jing	3007	Ngu, Nathan	2804	Bianca, Guiulia
2507	Eichler, Moran	3010	Doolittle, Jamie & Amaral, Peter	2806	Lall, Marlon Kevin & Mookshah, Faneisha Ruksana
2508	Lee, Joanne	3011	Tran, Van Thai & Bui, Yen Thi	2809	Raymond, Ian
2509	Truong, Tri Dung	3101	Bhalla, Sumeet & Garima	2901	Abraham, Susan
2511	Stefancic, Ariana	3102	Cramarossa, Georgina & Vito	3001	Goltsman, Svetlana
2510					
2602	An, Kim & Tai	3103	Thibodeau, Paul & Gary	3002	Guo, Lei
2603	Song, Qiang	3110	Vacca, Enrico & Giulia	3008	Guimond, Ginette & Froc, Corey
2604	Zeng, Jing	3201	Phan, Nina	3104	Fei, Yang
2607	Liu, Jin & Feng, Qiang	3203	Kasco, Brittany Michelle	3109	Rai, Pawanjot
2608	Sciortino, Anthony & Casasanta, christina	3205	Dhalla, Rashida	3110	Panza, Giuseppe
2610	Zhen Hua, Lin	3207	Bayona, Carlos & Torres, Claudia	3112	Nunno, Michael & Daniella
2611	Compagnone, Stefano, Anthony & Jordana	3212	Bachan, David & Amanda	3201	Pleava, Calin & Alina
2701	Desai, Shilpa & Manish	3304	Khwaja, Kosar	3202	Pecorelli, Giovanni
		3305	Ali, Salman & Fatima, Kiran	3204	Tu, Henry
2710	Di Lisio, Michele	3308	Lo, Wun Yin (Evans) & Chan, Gwen Chi Man	3207	Hundal, Vikram
2711	Bhattacharya, Debashish & Chandrima	3309	Lam, Jessica Kin-Yan	3208	Varga, Roland

2801	Gujral, Gurjeet Singh & Gujral, Gurmeet Kaur	3312	Tsap, Yaryna	3209	Farassati, Farsad
2802	Witte, Andre & Maria G.	3402	Freise, Jordan & Nino, Ana	3211	Qureshi, Anish Sazlin
2803	Morales, Leonardo & Duarte, Maria Pastora	3404	Leo, Domenico	3304	Sikand, Meenu
2808	Del Rio, Albert	3406	Palermo, Francesco & Nectaria Palermo	3307	Kaur, Amrit
2810	Le, Michael	3407	Palermo, Francesco & Nectaria Palermo	3311	Yaacov, Naoam
2901	Perri, Franco & Perri, Tawney A.	3408	Shaherwala, Abbas Moiz	3312	Kalinitchenko, Kirill
2902	Assarali, Sharda Ousha	3505	Colucci, Roxana & William	3402	Alapat Palanthingal, Thomas J. & Alapat Palanthingal, Mini
2903	Bornia, Tatiana & Bornia, Silvio Cesar	PH-02	Cruden, Mark	PH-04	Serrano, Sandra & Rosenbaum, Aaron
2904	Gnanasegaran, Kandiah	PH-03	Malik, Shahid Latif		
2905	Popli, Dhruv	PH-5	Ravid, Dorit		
2906	Kok, Alan See Soon	LPH-06	Wong, Malcolm C. & Kim, Jungsoo		
2907	Bennett, Bernadette Margaret & Bennett, Patrick				
2910	Hiu, Chie San (Susanna), Chan, T.C. Albert & Chan, Peggy Bo Ling				
3001	Yang, Jason Guang				
3004	Hejran, Mojgan				
3007	Marrelli, Eugenio				
3009	Zheng, Quiang				
3101	Kalverda, Colin				
3102	Chan, Christopher Andies				
3103	Di Carlantonio, Matthew				
3104	Patel, Manharbham Ritesh & Patel, Induben				
3105	Cortes, Fernanda				
3107	Contento, Alfredo (Al)				
3203	Bisogno, Mitchell Anthony				
3207	Durda, Paul				
3205	Kalinitchenko, Kirill				
3208	Choi, Lawrence Lun Yee & Wong, Mei Sim Maria				
3301	Man, Elaina				

3302	Paglia, Santino
3304	Kasco, Bela
3308	Reddy, Sanjay K.
3309	Vincent, Daniel Philip
3502	Zeng, Yaqi & Li, Huaxu
PH1-01	Guimond, Ginette & Froc, Cory
PH1-02	Pallante, Palma Maria & Meffe, Benito
PH1-03	Kasco, Nicole Kristina
PH1-07	Tortolo, Gary Paul
PH2-03	Yung, Cecilia
PH-02	Najarali, Achac Ali
PH2-06	Hsieh, Yu Chuan
PH2-340	Ali, Salman & Mkdsi, Maya
PH-03	Noorez, Khamis

CV-18-00608320-00CL

Court File No:

Reddy et al. **and** **1945086 Ontario Inc. et al.**

Applicant Respondents

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceedings Commenced in TORONTO

NOTICE OF APPLICATION

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This is Exhibit “G” referred to in the Affidavit of Daniel Burtman affirmed December .....7..., 2020.

Commissioner for Taking Affidavits (or as may be)

2019 ONSC 2554
Ontario Superior Court of Justice [Commercial List]

Reddy v. 1945086 Ontario Inc.

2019 CarswellOnt 6883, 2019 ONSC 2554, 305 A.C.W.S. (3d) 428, 6 R.P.R. (6th) 326

Jay Reddy, Jacob Jaramillo, Carla Gravina, Ina Cici, Cecilia Yung, Santino Paglia, Guiseppe Panza, Mark Cruden and the Applicants Listed in Schedule A to This Notice of Application (Applicants) and 1945086 Ontario Inc., 1945087 Ontario Inc., 1834371 Ontario Inc., and Liberty Development Corporation (Defendants)

Penny J.

Heard: April 23, 2019
Judgment: April 29, 2019
Docket: CV-18-604320-CL

Counsel: Theodore Charney, Remissa Hirji, John DeVellis, for Applicants
Monique Jilesen, Derek Knoke, for 1945086 Ontario Inc. and 1945087 Ontario Inc.
Micheal Simaan, for Liberty Development Corporation

Subject: Contracts; Property
Related Abridgment Classifications
Real property
III Sale of land
III.1 Agreement of purchase and sale
III.1.b Interpretation of contract
III.1.b.i General principles
Table of Authorities
Cases considered by *Penny J.*:
Creston Moly Corp. v. Sattva Capital Corp. (2014), 2014 SCC 53, 2014 CSC 53, 2014 CarswellBC 2267, 2014 CarswellBC 2268, 373 D.L.R. (4th) 393, 59 B.C.L.R. (5th) 1, [2014] 9 W.W.R. 427, 461 N.R. 335, 25 B.L.R. (5th) 1, 358 B.C.A.C. 1, 614 W.A.C. 1, (sub nom. *Sattva Capital Corp. v. Creston Moly Corp.)* [2014] 2 S.C.R. 633 (S.C.C.) — considered
Greenberg v. Meffert (1985), 50 O.R. (2d) 755, 18 D.L.R. (4th) 548, (sub nom. *Greenberg v. Montreal Trust Co.)* 9 O.A.C. 69, 7 C.C.E.L. 152, 37 R.P.R. 74, 1985 CarswellOnt 727 (Ont. C.A.) — referred to
Griffin v. Martens (1988), 27 B.C.L.R. (2d) 152, 1988 CarswellBC 212 (B.C. C.A.) — considered
Marshall v. Bernard Place Corp. (2000), 2000 CarswellOnt 3163, 36 R.P.R. (3d) 153 (Ont. S.C.J.) — considered
Ontario New Home Warranty Program v. Lukenda (1991), 43 C.L.R. 225, 2 O.R. (3d) 675, 47 O.A.C. 388, 1991 CarswellOnt 770 (Ont. C.A.) — considered
Opoku v. Pal (1999), 1999 CarswellOnt 1496, 49 O.R. (3d) 97 at 100 (Ont. S.C.J.) — considered
Ventas Inc. v. Sunrise Senior Living Real Estate Investment Trust (2007), 2007 CarswellOnt 1705, 222 O.A.C. 102, 2007 ONCA 205, 29 B.L.R. (4th) 312, 56 R.P.R. (4th) 163, 85 O.R. (3d) 254 (Ont. C.A.) — referred to
Statutes considered:
Ontario New Home Warranties Plan Act, R.S.O. 1990, c. O.31
Generally — referred to
Regulations considered:
Ontario New Home Warranties Plan Act, R.S.O. 1990, c. O.31
Warranty for Delayed Closing or Delayed Occupancy, O. Reg. 165/08

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Generally — referred to

APPLICATION by purchasers for declaration that early termination clause was null and void in its entirety.

***Penny J.*:**

Overview and Background

1 This is an application for a determination of contractual rights. The determination of these rights depends on the interpretation of an early termination provision in a pre-construction agreement of purchase and sale for condominium units in a project known as Cosmos Towers.

2 There are 605 applicants in this proceeding who, in 2016, entered into standard form contracts with the vendors, 1945086 Ontario Inc. and 1945087 Ontario Inc. (Vendors), to purchase 454 condominium units in Cosmos Towers.

3 By regulation, these contracts are required to incorporate the provisions of the Tarion Addendum to Agreement of Purchase and Sale. The Addendum permits certain "types" of early termination conditions but "only in the limited way" described in the Addendum (para 6(a)). The Addendum goes on to provide that any "other condition" included in the purchase agreement for the benefit of the vendor not expressly permitted is "deemed null and void and is not enforceable" by the vendor (para 6(b)).

4 One "type" of permitted early termination condition is "receipt by the vendor of confirmation that financing for the project on terms satisfactory to the vendor has been arranged by a specified date" [1] (Schedule A para 1(b)(ii)). Each condition must be set out separately, be reasonably specific as to the type of approval which is needed for the transaction and identify the approving authority (Schedule A para 3).

5 Under the Addendum a vendor must agree to "take all commercially reasonable steps within its power to satisfy" the early termination conditions (para 6(f)).

6 The Addendum is a standard form agreement and provides a space for each early termination condition to be described. Each space also contains language which contemplates early termination conditions which involve third-party approvals from an "Approving Authority" [2] . The parties are told to add additional pages as an appendix if there are additional early termination conditions.

7 In this case, the parties added an appendix entitled Early Termination Conditions. Under Condition #2, the agreement provides as follows:

> Description of the Early Termination Condition: <u>The Purchase Agreement is conditional upon receipt by the Vendor of confirmation that the financing for the project on terms satisfactory to the Vendor has been arranged.</u>
>
> The Approving Authority (as that term is defined in Schedule A) is: <u>n/a, the determination of the Vendor in its sole, absolute and unfettered discretion.</u>

8 In 2018, two years after entering into the purchase agreements, the applicants were notified by written correspondence that the Vendors were exercising their rights under Early Termination Condition Number #2 to cancel the project on the basis that, despite having taken all commercially reasonable steps, financing satisfactory to the Vendors could not be arranged.

9 Important context for the framing of the contract interpretation dispute in this application is that the reasonableness and good faith of the Vendors' termination of the agreements on the basis that satisfactory financing could not, despite having taken all commercially reasonable steps, be arranged, is not in question.

10 The deposits of all of the purchasers were fully refunded.

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The Issue

11 The issue for determination is whether Early Termination Condition #2 is null and void in its entirety, such that the Vendors were left with no contractual "financing out" option as a basis to terminate the agreements.

12 The applicants argue that the "sole, absolute and unfettered discretion" proviso (the Proviso) in the satisfactory financing condition is inextricably part of Condition #2. They further argue that the Proviso is not permitted under the terms of the Addendum, rendering Condition #2 null and void in its entirety. In the absence of Condition #2, the Vendors had no right to effect early termination on the basis that satisfactory financing could not been arranged. Without any right to cancel the project in the absence of satisfactory financing, the purported early termination was a breach of contract, giving rise to a claim for damages for loss of bargain.

13 The applicants rely on the principle that where statutory regulations dictate requirements for what must be in documents, those regulations must be construed strictly. Where there are two possible interpretations of circumstances under which a protection is to be extended, the one more favourable to the consumer should govern, *Opoku v. Pal*, [1999] O.J. No. 1777 (Ont. S.C.J.) at para 38. By analogy, therefore, they argue that in deciding whether a vendor has complied with the early termination conditions authorized by the Addendum, the vendor's compliance must be interpreted strictly in a manner that protects the purchasers. Vendors are only permitted to terminate the agreement in accordance with the precise conditions permitted by the Addendum. The court should therefore apply the Addendum strictly in determining whether early termination Condition #2 was authorized.

14 The permitted condition, satisfactory financing, is subject to a good faith and reasonableness standard, both by the specific provisions of the Addendum itself (in para 6(f) quoted above) and at common law, *Griffin v. Martens*, [1988] B.C.J. No. 828 (B.C. C.A.) at para 13; *Marshall v. Bernard Place Corp.*, [2000] O.J. No. 3321 (Ont. S.C.J.) at 21.

15 The applicants interpret the Vendors' early termination condition, leaving out what their counsel refers to as "the superfluous references to the approving authority," to read as follows:

> The Purchase Agreement is conditional upon receipt by the Vendor of confirmation that financing for the project on terms satisfactory to the Vendor has been arranged, the determination of the Vendor in its sole absolute and unfettered discretion.

16 Thus, the applicants read the Proviso as being attached to or an integral part of the financing condition. They argue that the inclusion of the Proviso in Condition #2 was an attempt by the Vendors to enhance their ability to terminate the agreement beyond that permitted in the Addendum. In other words, the applicants argue that the Proviso was intended to expand the Vendors' ability to terminate beyond the obligation to take all "commercially reasonable steps within its power" to satisfy the financing condition and turn it into a purported ability to terminate under the financing condition in the Vendors' "sole, absolute and unfettered discretion." The expanded language of Condition #2 which the Vendors imported into the otherwise permitted "satisfactory financing" condition of Schedule A para 1(b)(ii) thus derogates from, or conflicts or is inconsistent with the Addendum. The Proviso turned Condition #2 into a "type" of condition not expressly permitted under the Addendum and, therefore, a condition that is deemed null and void and not enforceable by the Vendors (para 6(b)).

17 The applicants also rely on principles of general contract interpretation in the commercial context which, they concede, apply to consumer contracts. In particular, the applicants rely on the principle that the words in a contract must be interpreted in the context of the contract as a whole and that, to the extent possible, meaning must be given to all the words of the contract. The court should strive to give meaning to the contract and reject an interpretation that would render one of its terms ineffective, Hall, *Canadian Contractual Interpretation Law*, 3rd ed (Toronto, LexisNexis Canada, 2016 at p 16.

18 It is presumed that words in a contract have meaning. The Proviso, therefore, must be presumed to have meaning. The fact that the Vendors added the Proviso to Condition #2, the applicants argue, "can only be interpreted to mean that the Vendors intended something else by [Condition #2] beyond the ordinary course of being able to ascertain whether financing was satisfactory."

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19 The Vendors, in response, argue that the financing condition is a permitted "type" of condition under the terms of the Addendum and that, on a proper interpretation of the agreement as a whole, the Proviso either does not form part of Early Termination Condition #2 at all or could not, in any event, be relied upon by the Vendors as derogating in any way from their obligation to take all commercially reasonable steps within their power to arrange satisfactory financing. As the good faith and reasonableness of the Vendor's efforts to obtain financing is not being challenged, their cancellation of the project on the basis that Early Termination Condition #2 had not been satisfied was an entirely valid exercise of a right the Vendors had under the agreement. Thus, the Vendors argue, there was no breach of contract and, as a result, no basis for any claim in damages for loss of bargain.

Analysis

20 It is well-established that the *Ontario New Home Warranties Plan Act*, and its regulations, constitute consumer protection and remedial legislation. As such, a broad and liberal interpretation of its provisions in light of their object and purpose is appropriate, *Ontario New Home Warranty Program v. Lukenda*, [1991] O.J. No. 320 (Ont. C.A.) at para 7.

21 I agree with the applicants that that where, as here, statutory regulations dictate requirements for what must be in documents, those regulations must be construed strictly and that, where there are two possible interpretations of circumstances under which a protection is to be extended, the one more favourable to the consumer should govern.

22 Contracting out of the protections provided by the Addendum is also explicitly prohibited. Under para 13 of the Addendum, the parties agreed not to include any provision in the purchase agreement that "derogates from, conflicts with or is inconsistent with" the provisions of the Addendum, except where the Addendum "expressly permits the parties to agree or consent to an alternative arrangement." The provisions of the Addendum prevail over any offending provision.

23 The reforms which brought about O. Reg. 165/08 were the result of an independent review conducted by a special committee headed by The Honourable J. Frank Iacobucci. The Special Committee released its final report with recommendations in February 2007. The Committee recommended adjustments to the structural framework of relationships between new home developers/vendors and purchasers to better meet the objectives of the ONHWPA and regulations. I agree with the applicants' submission that a purpose of the Addendum was to better clarify and prescribe the conditions under which agreements of purchase and sale could be terminated.

24 It is important to remember, however, that the Committee acknowledged that the imposition of regulatory warranties should not unduly favour purchasers in a manner that is onerous for builders or that fails to recognize the inevitability of certain delays in new home construction, Special Committee Report, p. 19.

25 The Committee recognized that a builder of a condominium must be permitted to set *tentative* occupancy dates in order to recognize longer lead times for condominium projects "and threshold commercial financing requirements that must be met before construction begins," Special Committee Report, p. 11.

26 The recommendations of the Committee therefore included permitting provision for early termination on the basis of conditions precedent which have not been satisfied. The types of permitted conditions ultimately included an early termination condition in relation to satisfactory financing being arranged.

27 I agree with the respondent Vendors that the inclusion in the Addendum of a permitted satisfactory financing condition was intended to achieve a balance between the rights of both builders and purchasers. It protects vendors from having to undertake projects, or be responsible for damages, in circumstances where satisfactory financing is not secured. It similarly protects purchasers from being involved with projects which are insufficiently financed and at risk of failure. It also reduces the risk that Tarion has to act as a backstop for projects or builders facing financial challenges.

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28 While it is true that words in a contract are presumed to have meaning, this principle of contract interpretation is one of many, and must be placed in proper context. One of the well-accepted, more comprehensive formulations of contract interpretation is that a contract is to be interpreted:

(a) as a whole, in a manner that gives meaning to all of its terms and avoids an interpretation that would render one or more of its terms ineffective;

(b) by determining the intention of the parties in accordance with the language they have used in the written document and based upon the cardinal presumption that they have intended what they said;

(c) with regard to objective evidence of the factual matrix underlying the negotiation of the contract, but without reference to the subjective intention of the parties; and, to the extent there is any ambiguity in the contract,

(d) in a fashion that accords with sound commercial principles and good business sense and that avoids a commercial absurdity.

Ventas Inc. v. Sunrise Senior Living Real Estate Investment Trust, [2007] O.J. No. 1083 (Ont. C.A.) at para. 24.

29 The Supreme Court of Canada considered the principles of contract interpretation in *Creston Moly Corp. v. Sattva Capital Corp.*, 2014 SCC 53 (S.C.C.). The overriding concern is to determine the intent of the parties. To do so the court must read the contract as a whole, giving the words used their ordinary and grammatical meaning, consistent with the surrounding circumstances known to the parties at the time. Consideration of the surrounding circumstances recognizes that ascertaining contractual intention can be difficult when looking at words on their own. No contract is made in a vacuum. Subjective evidence of intention, however, is not admissible in the guise of "surrounding circumstance."

30 Applying these principles to the issue and the circumstances in this case, I come to the following conclusions.

31 I am unable to agree with the applicants that the Addendum mandates specific language to be used in the early termination conditions. This can be seen from the fact that the prescribed form of the Addendum leaves blanks for the description of the conditions, to be drafted and filled in by the parties. The parties are instructed, for example, to be "*reasonably* specific" when describing certain aspects of each condition. Rather than prescribing specific words, the Addendum limits early terminations to certain "types" of conditions. There is no "prescribed form" of language. It is common ground that arranging satisfactory financing is a "type" of permitted early termination condition.

32 Further, the very principles of interpretation, both statutory and contractual, relied on by the applicants convince me that the Proviso cannot and should not be interpreted so as to confer on the Vendors the "sole, absolute and unfettered discretion" to terminate the agreement. The applicants are, in fact, contrary to the interpretive principles they espouse, arguing for the *most adverse* possible interpretation of the agreement for the purchasers. They are doing so in order to argue that Condition #2 with the Proviso as an integral part, is null and void *in its entirety* and thus not available to the Vendors as a basis to terminate at all. I am unable to agree with the applicants for a number reasons.

33 The Proviso appears in the agreement in a section beginning "The Approving Authority (as that term is defined in Schedule A) is:". In spite of their reliance on the "all words must have meaning" principle, the applicants read these words out of the agreement altogether and argue that the Proviso is just a continuation of the prior entry. It is the prior entry which actually provides the required description of the early termination provision. This prior entry reads, "Description of the Early Termination Condition: *The Purchase Agreement is conditional upon receipt by the Vendor of confirmation that the financing for the project on terms satisfactory to the Vendor has been arranged."*

34 The applicants' interpretation, that the Proviso is just a continuation of the sentence describing the satisfactory financing condition, is not sustainable because:

(a) the sentence which does explicitly contain the description of the condition ends in a period;

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(b) the Proviso appears in a new paragraph following the words "The Approving Authority (as that term is defined in Schedule A) is...";

(c) the Vendors are not an Authorizing Authority and have no authorizing capacity as that term is used in the Addendum; and

(d) if the Proviso is added to the description of the condition (even ignoring, for the sake of argument, the period), the description of the condition is not a proper, grammatical sentence and literally makes no sense.

35 It appears to me that the Vendors incorrectly interpreted the "Authorizing Authority" sentence of the standard language in the Addendum as somehow applying to themselves (perhaps because, under the satisfactory financing condition, it is the *Vendors* who have the exclusive ability to rely on that condition) and then sought to explain the scope of their authority, in that capacity, to act on the condition. To the extent this represents an attempt to confer on themselves some kind of unlimited discretion over something, it was in respect of a capacity the Vendors simply did not have. Reading the words of the agreement, as I must, in a way that prefers the interpretation which is more favourable to the purchaser, the Vendors are not an Authorizing Authority and the attempt, if that is what it was, to confer on themselves an unlimited discretion, in that or any other capacity, must fail. The sentence regarding the Authorizing Authority adds nothing and is effectively meaningless in the context. What the Vendors may subjectively have intended forms, of course, no part on the analysis.

36 My second reason for rejecting the interpretation urged by the applicants is that, even if Condition #2 were to be read as including within it a sole, absolute and unfettered discretion to terminate, the Addendum itself:

(a) requires the Vendors to "take all commercially reasonable steps within [their] power to satisfy" the early termination conditions (para 6(f)) [3] ; and

(b) prohibits contracting out of the protections (including the protection of para 6(f)) afforded in the Addendum (para 13).

37 The obligation to take all commercially reasonable steps within one's power to satisfy an early termination condition simply cannot be read harmoniously, and is in direct and unavoidable conflict, with a right to rely on a sole, absolute and unfettered discretion in respect of that same condition — the two cannot exist together; both cannot be the case.

38 The Addendum itself provides that the parties agree not to include any provision in the purchase agreement that "derogates from, conflicts with or is inconsistent with" the provisions of the Addendum, except where the Addendum "expressly permits the parties to agree or consent to an alternative arrangement." Of equal importance in this context is that para 13 of the Addendum also requires the provisions of the Addendum to prevail over any inconsistent provision inserted into the agreement.

39 These provisions and the other interpretive principles advanced by the applicants (with which, in principle, I agree and which I accept) require that the interpretation more favourable to the purchasers, and the one which is consistent with the Addendum, be adopted. Obviously, the more favourable interpretation to the purchasers is one which requires the Vendors to take all commercially reasonable steps within their power to satisfy the financing condition, not the interpretation which leaves that choice to the exercise of the Vendors' sole, absolute and unfettered discretion.

40 My third reason for rejecting the applicants' interpretation arises from the interpretive doctrine of *contra proferentem*. The applicants rely on this principle as reflecting a policy goal, consistent with the ONHWPA, of "protecting consumers from deceptive or abusive commercial practices, and of giving consumers the benefit of any doubt." However, the applicants appear to apply this interpretive doctrine as a rule of substantive law to bring about a particular result; that is, the applicants urge me not to adopt the interpretation of the words in question most favourable to the consumer but the opposite, to adopt the interpretation most unfavourable to the consumer, so as to then be able to turn around and declare Condition #2 in its entirety, not just the Proviso, null and void in accordance with para 6(b) of the Addendum.

41 This is not a proper application of the *contra proferentem* doctrine. The *contra proferentem* doctrine requires the court to find an *interpretation* of the language used that is favourable to the consumer, not to mandate an outcome in favour of the

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consumer independent of the terms of the agreement. Instead of asking the court to adopt an available interpretation that upholds the agreement, while still providing the purchasers and the Vendors every protection the Addendum was intended to provide, the applicants are asking the court to adopt an interpretation of the agreement that is not only adverse to the purchasers but which is actually legally unavailable because it is inconsistent with established common law jurisprudence concerning the exercise of contractual discretion and the express provisions of para 6(f) of the Addendum itself.

42 Even if, therefore, the Proviso is not interpreted to be effectively meaningless and even if it is not in direct conflict with the common law and the language of the Addendum, it, at the very least, raises an ambiguity about the Vendors' obligation to take all commercially reasonable steps within their power to satisfy the financing condition as opposed to having an unfettered discretion to do so. Applied properly, the doctrine of *contra proferentem* requires that, in the face of an ambiguity, I adopt the interpretation of Condition #2 that is more favourable to the consumer. That interpretation is to limit the effect of the Proviso and interpret the agreement, as it says in para 6(f) and 13, to require the Vendors to comply with their obligation to arrange satisfactory financing by taking all commercially reasonable steps within their power, and not merely in their sole, absolute and unfettered discretion, to do so.

43 The fourth reason for rejecting the applicants' argument is based on the principle that, in interpreting a contract, the court will prefer to give the provisions of the contract a meaning that will make them lawful, rather than unlawful, *Ventas*, *supra*, at para 14. This argument is based on essentially the same logic as the prior three arguments. Faced with two possible contructions, one which renders the agreement legal and in conformity with O. Reg. 165/08 and the common law of the exercise of contractual discretion, and another which makes the agreement illegal and in conflict with the statutory regime and the common law, I am to prefer the interpretation that renders the agreement lawful. That is, as above, also the interpretation which favours the purchasers.

44 My fifth and final reason for rejecting the applicants' interpretation arises from the requirement to interpret a contract in a fashion that accords with sound commercial principles and good business sense and that avoids a commercial absurdity. I say this because the applicants' interpretation of Condition #2: i) results in a commercial absurdity, ii) places the Vendors under obligations which are, quite possibly, impossible of performance, and iii) could result, contrary to the entire purpose of the ONHWPA, O. Reg. 165/08 and the Addendum, in placing the purchasers in an even worse position than they were as a result of the termination of the project.

45 The applicants' interpretation results in a commercial absurdity because it would commit the Vendors to a project for which they would not have commercially viable financing. The report of the Special Committee recognized the necessity of condominium projects being appropriately financed and specifically recommended that vendors retain the ability to terminate purchase contracts on the basis that satisfactory financing could not be arranged. That is what the government enacted and that is exactly what the Vendors have done in this case. The applicants do not challenge the bona fides or reasonableness of that decision. The applicants' interpretation of Condition #2 stands the balance which the Legislature adopted between the rights of the purchasers and the rights of developers in this regard, on its head.

46 The applicants' interpretation, by eliminating the satisfactory financing condition altogether, also creates a significant risk that the Vendors could not possibly perform their obligations under the agreement. This would arise, for example, if the Vendors were not able to obtain financing at all. They would then be faced with the impossible choice of either proceeding with a project that would likely bankrupt them or have to pay out substantial damages for breach of contract (which could also bankrupt them).

47 Finally, putting the Vendors in a position where they would be obliged proceed with a potentially uneconomic project and risk bankruptcy would bring about one of the very situations the government, in permitting the satisfactory financing condition, was trying to avoid. Becoming mired in a condominium project in bankruptcy or under receivership, or otherwise in financial difficulty, is certainly not in the Vendors' or in Tarion's interest and could not possibly be in purchasers' interest, as it would put them in a far worse situation than they ended up in as a result of early termination.

48 It is for these reasons that I find, interpreted properly, Condition #2 of the Addendum to the purchase agreement did not confer on the Vendors any "sole, absolute and unfettered discretion" to terminate. The Vendors' early termination condition allowed them to terminate if, having taken all commercially reasonable steps within their power to do so, they were unable

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to arrange satisfactory financing. Condition #2, so interpreted, is consistent with the requirements of O. Reg. 165/08 and the Addendum. Condition #2 is, therefore, not null and void.

49 Given my conclusion that the Proviso, properly interpreted in the context of the agreement as a whole, did not form part of Condition #2 and that, as a result, Condition #2 is consistent with the requirements of the Addendum and is not null and void in its entirety, it is not necessary to consider the alternative argument, raised by the Vendors, that the court should exercise its "blue pencil" authority to sever the Proviso from the contract. I would say briefly that, had it been necessary to do so, I would have found that this was an appropriate jurisdiction to exercise in the circumstances.

Costs

50 This case raised an apparently novel point in the context of a matter of public interest potentially affecting many people, not only those before the court. In this context, I am inclined to make no order as to costs. If, however, any party is not satisfied with this disposition they may make submissions to the contrary in a brief written submission not to exceed two typed, double-spaced pages, accompanied by a bill of costs, to be delivered within five days. Any party wishing to respond may do so by filing a responding submission, subject to the same page limit, also accompanied by the bill of costs they would have submitted had they been seeking costs, within a further five days.

Application dismissed.

Footnotes

1 The addendum also deems a default date where no "specified date" is provided. The date for the exercise of this early termination condition in not in issue in this proceeding.

2 Approving Authority is effectively defined to mean governmental and statutory regulatory bodies.

3 This is also, as noted above, generally the manner in which such discretion is interpreted at common law, see also *Greenberg v. Meffert*, 1985 CarswellOnt 727 (Ont. C.A.) at para 18.

End of Document

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This is Exhibit “H” referred to in the Affidavit of Daniel Burtman affirmed December .....7...., 2020.

Commissioner for Taking Affidavits (or as may be)

Court File No.

CV-19-00 630024-00CP

ONTARIO
SUPERIOR COURT OF JUSTICE

BETWEEN:

(Court Seal)

NATALIA KARASIK and DANIEL BURTMAN

Plaintiffs

and

1945087 ONTARIO INC., 1945086 ONTARIO INC., LIBERTY DEVELOPMENT CORPORATION and 1834371 ONTARIO INC.

Defendants

Proceeding under the *Class Proceedings Act, 1992*, S.O. 1992, c. 6

STATEMENT OF CLAIM

TO THE DEFENDANT

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the Plaintiffs. The Claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a Statement of Defence in Form 18A prescribed by the Rules of Civil Procedure, serve it on the Plaintiffs' lawyer or, where the Plaintiffs do not have a lawyer, serve it on the Plaintiffs, and file it, with proof of service in this court office, WITHIN TWENTY DAYS after this Statement of Claim is served on you, if you are served in Ontario.

If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your Statement of Defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.

Instead of serving and filing a Statement of Defence, you may serve and file a Notice of Intent to Defend in Form 18B prescribed by the Rules of Civil Procedure. This will entitle you to ten more days within which to serve and file your Statement of Defence.

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES,

LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

TAKE NOTICE: THIS ACTION WILL AUTOMATICALLY BE DISMISSED if it has not been set down for trial or terminated by any means within five years after the action was commenced unless otherwise ordered by the court.

Date OCT 25, 2019 Issued by _____
Local Registrar

Address of court office: Superior Court of Justice
393 University Avenue, 10th Floor
Toronto ON M5G 1E6

TO: **1945086 ONTARIO INC.**
1 Steelcase Road West, Unit 8
Markham, ON L43 OT3

AND TO: **1945087 ONTARIO INC.**
1 Steelcase Road West, Unit 8
Markham, ON L43 OT3

AND TO: **1834371 ONTARIO INC.**
1 Steelcase Road West, Unit 8
Markham, ON L43 OT3

AND TO: **LIBERTY DEVELOPMENT CORPORATION**
1 Steelcase Road West, Unit 8
Markham, ON L43 OT3

CLAIM

1. The plaintiffs, Natalia Karasik and Daniel Burtman claim as against the defendants 1945087 Ontario Inc. and 1945086 Ontario Inc. (the "Vendors"):

(a) a declaration that the defendants breached agreements of purchase and sale entered into with each of the plaintiffs and others for the pre-construction sale of a residential condominium unit in a project then being developed (the "Comos Towers project") on the property legally described as Lots 1 and 2, Registered Plan 7977, City of Vaughan, Regional Municipality of York in the Province of Ontario (the "**Lands**") ;

(b) damages for breach of the said agreements in the amount of $50 million;

2. The plaintiffs, Natalia Karasik and Daniel Burtman claim as against the defendants Liberty Development Corporation ("Liberty") and 1834371 Ontario Inc. ("183"):

(a) damages for the unlawful means tort in the amount of $50 million;

3. The plaintiffs, Natalia Karasik and Daniel Burtman claim as against all defendants:

(a) damages for the tort of conspiracy in the amount of $50 million;

(b) an order pursuant to s. 5 of the *Class Proceedings Act, 1992*, S.O. 1992, c. 6 certifying this action as a class proceeding and appointing the plaintiffs as representative plaintiffs;

(c) pre-judgment and post-judgment interest in accordance with ss. 128 and 129 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43;

(d) punitive damages in the amount of $5 million;

(e) the costs of this proceeding, plus all applicable taxes; and

(f) such further and other relief as to this Honourable Court may seem just.

The Parties

4. The plaintiff, Natalia Karasik, is a resident of Orillia, Ontario.

5. The plaintiff, Daniel Burtman, is a resident of Woodbridge, Ontario.

6. The defendant Vendors are corporations incorporated under the laws of the province of Ontario.

7. The defendant 183 is the owner of the Lands.

8. The defendant Liberty is a full service real estate manager of commercial, office and residential buildings in the Greater Toronto Area. Liberty was engaged by the Vendors to provide management services to it in respect of the development of the Cosmos Tower project.

The Project

9. Cosmos Tower was to be a three tower residential condominium tower. The three towers were known as Tower A, Tower B, and Tower III. The defendant, 1945086 Ontario Inc., was the vendor of residential condominium units in Tower A and Tower B while the defendant, 1945087 Ontario Inc. was the vendor of residential condominium units in Tower III.

10. Ultimately, the Cosmos Tower project was to encompass approximately 1,100 residential condominium units.

11. Cosmos Tower units became available for sale to the public in or around 2016. The sale was on a pre-construction basis. The Cosmos Tower project quickly sold out.

12. On or about September 25, 2016, the plaintiff Natalia Karasik entered into an Agreement of Purchase and Sale with one of the Vendors (1945087 Ontario Inc.) to purchase Suite 3003, Unit 03 Level 29, a one bedroom unit of approximately 595 sq. ft. for the agreed upon purchase price of $330,900.

13. On or about April 30, 2016, the plaintiff Daniel Burtman entered into an Agreement of Purchase and Sale with one of the Vendors (1945086 Ontario Inc.) to purchase Suite 2108, Unit 08, Level 20, a one bedroom unit of approximately 650 sq. ft. for the agreed upon purchase price of $318,900.

14. Both Agreements of Purchase of Sale (collectively, the "Agreements") entered into by the plaintiffs with the Vendors were contracts of adhesion.

The Vendors Cancel the Project

15. The Agreements were conditional on the Vendors obtaining construction financing for Cosmos Tower on terms satisfactory to them.

16. Specifically, the Vendors required the plaintiffs to sign a standard form Addendum to the Agreements (the "Addendum"), which included an appendix entitled Early Termination Conditions, which provided as follows:

Description of the Early Termination Condition: The Purchase Agreement is conditional upon receipt by the Vendor of confirmation that the financing for the project on terms satisfactory to the Vendor has been arranged.

The Approving Authority (as that term is defined in Schedule A) is: n/a, the determination of the Vendor in its sole, absolute and unfettered discretion (collectively, the "Early Termination Condition").

17. It was an implied term of the Agreements that the Vendors would act in good faith in making every reasonable commercial effort to obtain construction financing satisfactory to them on terms that were commercially reasonable.

18. In April, 2018, the plaintiffs were notified that the Vendors were exercising their rights under the Early Termination Condition to cancel the Cosmos Tower project. The Vendors asserted that despite taking all commercially reasonable steps, financing satisfactory to them could not be arranged.

19. The plaintiffs' deposits were returned to them.

The Application

20. By Notice of Application issued August 30, 2018, Mr. Burtman, along with 604 other purchasers (the "Applicant Group") brought an application against the Vendors and Liberty asserting that the Early Termination Condition was null and void.

21. By decision delivered April 29, 2019, the Honourable Justice Penny found that the Early Termination Condition was not unenforceable, and dismissed the Applicant Group's application. Justice Penny did, however, note that the issue of the reasonableness and good faith of the Vendors' termination in reliance of the Early Termination Condition was not engaged by the Applicant Group.

22. In this proposed class proceeding, the representative plaintiffs assert that the Vendors' termination of the Agreements in reliance upon the Early Termination Condition was not reasonable, and was not in good faith.

The Proposed Class

23. The plaintiffs bring this action on their own behalf and if certified, on behalf of all of the other purchasers who entered into Agreements of Purchase and Sale with the Vendors for the purchase of one or more Cosmos Tower condominium units on terms that in all material respects except price were the same as plaintiffs' Agreements (the "Entire Purchaser Class").

24. In the alternative, if the Applicant Group's claims are *res judicata* or an abuse of process, Ms. Karasik seeks certification of a class that encompasses the Entire Purchaser Class, excluding the Applicant Group.

Causes of Action

25. The plaintiffs state that the Vendors breached the Agreements of Purchase and Sale entered into with them amd all other Cosmos Tower condominium unit purchasers.

26. Had the Vendors acted in good faith, and in a commercially reasonable manner, they would have been able to obtain construction financing on reasonable commercial terms.

27. The plaintiffs further state that the defendants terminated the Agreements for one reason and one reason only: the defendants were well aware that prices for condominium units in the Greater Toronto Area were rising dramatically over the period of time from when the plaintiffs and others entered into their Agreements, and the date the Vendors terminated the Agreements. The

defendants terminated the Agreements in order to enable them, or other corporations associated or to be associated with them, to market a residential condominium project at a later date at increased prices which would significantly increase their profits as compared to their anticipated profit on the Cosmos Tower project.

28. Specifically, the plaintiffs plead that it was an express or implied term of the Agreements that the Vendors would only exercise their rights under the Early Termination Condition in good faith, and in a non-arbitrary manner.

29. The plaintiffs pleads that the Vendors' reliance on the Early Termination Condition as justification for terminating the Agreements was a breach of the Agreement itself.

30. Still, the plaintiffs plead that the Vendors had a duty to act in good faith in performing the Agreements and by cancelling the Agreements for their own commercial benefit, they breached this good faith obligation.

31. The plaintiffs plead that Liberty and 183 committed an unlawful act against the Vendors, and that unlawful act caused the plaintiffs damages. The plaintiffs plead that Liberty and 183 instructed, directed, advised, or induced the Vendors to rely on the Early Termination Condition to cancel the Agreements, with actual knowledge, or else wilful blindness, to the fact that the Early Termination Condition was not grounds upon which the Vendors could terminate the Agreements.

32. The plaintiffs plead that in so doing, Liberty and 183 unlawfully interfered with the Agreements between the plaintiffs and the vendors.

33. The plaintiffs plead that all defendants are liable for the tort of civil conspiracy (unlawful means), the particulars of which include that the defendants:

(a) acted in combination, specifically with a common design that the Vendors would terminate the Agreements;

(b) acted unlawfully, in that the defendants either breached the Agreements, or procured a breach of the Agreements;

(c) directed their conduct towards the plaintiffs, in that the defendants knew their unlawful acts would cause the Vendors to terminate the Agreements; and

(d) knew that that the plaintiffs were likely to be injured by their actions.

34. The plaintiffs plead that as a result of the defendants' unlawful conspiracy, they suffered harm, including the loss of the condominium units they had intended to purchase.

35. The particulars of the conspiracy, including when and how it developed among the defendants, is known to those parties, and will be particularized in advance of trial.

Damages

36. Each of the plaintiffs and other persons entering into Agreements have sustained damages by reason of the defendants' unlawful termination of the Agreements. Each of the plaintiffs and the other members of the class lost the opportunity to acquire a condominium unit at an agreed upon contract price, being an amount in each case that was significantly less than the market value of the condominium unit as of the date of termination. The plaintiffs and the other prospective purchasers have continued to suffer losses to date by the subsequent increase in condominium prices in the Greater Toronto Area.

37. The defendants, in terminating the aforesaid Agreements acted in a high-handed manner exhibiting a callous disregard for the rights of purchasers of the Cosmos Tower projects. The defendants terminated the Agreements knowing full well that they were depriving the plaintiffs of the opportunity to acquire the condominium units at the prices bargained for. The defendants terminated the Agreements solely to increase its own prospective profits. An award of punitive damages is appropriate.

38. The plaintiffs plead and rely on ss. 6, 11, 12, 24 and 25 of the *Class Proceedings Act, 1992*, S.O. 1992, c. 6.

39. The plaintiffs propose that this action be tried in Toronto.

October 29, 2019

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Lawyers for the Plaintiffs

NATALIA KARSIK et al. .
Plaintiffs

-and-

194506 ONTARIO INC. et al.
Defendants

CV-19-00630024-00CP

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
TORONTO

STATEMENT OF CLAIM

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Lawyers for the Plaintiffs

This is Exhibit "I" referred to in the Affidavit of Daniel Burtman affirmed December .....7.., 2020.

Commissioner for Taking Affidavits (or as may be)

ADAIR GOLDBLATT BIEBER LLP

JORDAN GOLDBLATT
Partner
jgoldblatt@agbllp.com
direct line: 416 920 9777

November 1, 2019

DELIVERED BY PROCESS SERVER

1945086 Ontario Inc.
1945087 Ontario Inc.
1834371 Ontario Inc.
Liberty Development Corporation
1 Steelcase Road West, Unit 8
Markham, Ontario L43 0T3

Dear Messrs./Mesdames:

Re: Natalia Karasik, et al. v. 1945087 Ontario Inc., et al.
Court File No.: CV-19-00630024-00CP

We are counsel to Natalia Karasik and Daniel Burtman, plaintiffs in a proposed class action that has been commenced against you (the "**Class Action**"). Enclosed with this letter is a copy of the Statement of Claim, which is served upon you in accordance with the *Rules of Civil Procedure*.

Our clients and the proposed class members purchased pre-construction condo units in the Cosmos Towers project, which was to be built on Lots 1 & 2, Registered Plan 7977 in the City of Vaughan. As you are well aware, the Cosmos Towers project was cancelled and the agreements of purchase and sale (the "**Agreements**") terminated in April 2018, allegedly because of a failure to obtain construction financing. It is our clients' position that good faith and commercially reasonable efforts were not made to obtain construction financing, and that the Cosmos Towers project was cancelled and the Agreements terminated for improper reasons.

The balance of this letter is written without prejudice.

Our clients understand that you have not been obliged to produce information related to the issue that we propose to litigate, nor would you be required to do so until after certification of the proceeding. Nevertheless, we would request that you immediately produce to us all of the documents in your possession, including but not limited to any correspondence, emails, term sheets, memoranda, and loan agreements, relating to your efforts to obtain construction financing for the Cosmos Towers project.

Our hope is that by you deciding to make immediate production, we can better advise our clients as to the merit of the proposed proceeding. We note that we will not seek appointment of a case management judge until we hear back from you in regard to this request.

Yours very truly,

Jordan Goldblatt

JG/md
Encl.
cc. Client

This is Exhibit "J" referred to in the Affidavit of Daniel Burtman affirmed December .....7..., 2020.

Commissioner for Taking Affidavits (or as may be)

FILE/DIRECTION/ORDER

BEFORE JUSTICE PERELL	Court File No.: CV-19-00630024-00CP
Natalia Karasik, et al. (Plaintiffs) v. **1945087 Ontario Inc., et al. (Defendants)**	
Counsel: Jordan Goldblatt Michael Darcy	Monique Jilesen Knoke, Micheal Simaan,
ORDER/DIRECTION: At this case conference, the parties confirmed agreement for the following partial timetable for the Certification Motion 1. Defendants' Statements of Defence- by July 17, 2020 2. Plaintiffs' Certification Record- by September 11, 2020 3. Defendants' Responding Certification Record- by November 13, 2020 4. Plaintiffs' Reply Certification Record, if any- by November 27, 2020 5. Case Conference- December 9, 2020, 9:00AM to complete the timetable.	
Date: May 20, 2020.	
Perell, J	

This is Exhibit “K” referred to in the Affidavit of Daniel Burtman affirmed December .....7...., 2020.

Commissioner for Taking Affidavits (or as may be)

Court File No. CV-19-00630024-00CP

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

NATALIA KARASIK and DANIEL BURTMAN

Plaintiffs

- and -

1945087 ONTARIO INC., 1945086 ONTARIO INC., LIBERTY DEVELOPMENT CORPORATION and 1834371 ONTARIO INC.

Defendants

Proceeding under the *Class Proceedings Act*, 1992, S.O. 1992, c. 6

STATEMENT OF DEFENCE
OF LIBERTY DEVELOPMENT CORPORATION
AND 1834371 ONTARIO INC.

1. The defendants, Liberty Development Corporation ("Liberty") and 1834371 Ontario Inc. ("183") admit the allegations contained in paragraphs 6 to 9 of the Statement of Claim.

2. Liberty and 183 have no knowledge or deny the allegations contained in remaining paragraphs of the Statement of Claim.

3. Liberty and 183 state that this claim by the plaintiffs and the proposed plaintiffs (hereinafter, the "Plaintiffs"), or any of them, is an abuse of process in that they have previously commenced a separate proceeding (as referred to in paragraph 20 of the Statement of Claim) in which they have claimed the same or substantially the same relief.

4. As is set out in further detail below, Liberty and 183 deny that they committed an unlawful act or engaged in any form of conspiracy with the co-defendants (the "Vendors") in connection with the termination of the agreements of purchase and sale and state that these allegations are complete fabrications on the part of the Plaintiffs for which an award of substantial indemnity costs is appropriate.

5. Liberty states that to its knowledge, the termination of the agreements of purchase and sale were carried out lawfully and in accordance with the terms of the agreements of purchase and sale between the Vendors and the Plaintiffs including, particularly, in accordance with the "Early Termination Condition".

6. Liberty denies that the agreements of purchase and sale were contracts of adhesion and, in any event, state that the Early Termination Condition that is mandated by Tarion cannot be regarded as a contractual term of adhesion given that the Vendors are mandated to include that term in the agreement of purchase and sale for the benefit of both purchasers and vendors in the Province of Ontario.

7. Liberty states that the decision to cancel the Cosmos Towers project (as defined in the Statement of Claim) was carried out for legitimate reasons and was performed entirely in good faith by the Vendor(s).

8. More particularly, Liberty and 183 state that the decision to cancel the Cosmos Towers project and terminate the agreements of purchase and sale with the plaintiffs was a decision made entirely by the Vendor(s), as a result of their inability to obtain financing on terms that were satisfactory to the Vendor(s) and that Liberty and 183 were not involved in such decision.

9. Liberty states that to its knowledge, the Vendors' lenders changed the terms of their proposed financing as a result of an unexpected and unprecedented escalation in construction costs. Such a change in the financing terms caused the Cosmos Towers project to no longer be financially feasible.

10. Liberty states that the unexpected escalation in construction costs is a fact which has received significant public attention; is well-known in the marketplace, and was known in particular by the Plaintiffs prior to their commencement of this action. This escalation of costs has led to the cancellation of numerous other projects by various developers in the Greater Toronto Area and within the Province of Ontario.

11. Liberty and 183 state that the Plaintiffs, like all purchasers of real estate, understood the risks of their purchases and the possibility that changes in the marketplace might lead to the cancellation of the Cosmos Towers project. Despite their knowledge of these risks, the Plaintiffs decided to proceed with their respective real estate purchases.

12. Liberty and 183 state that to the extent that the Plaintiffs wanted to revise and/or imply terms within the agreements of purchase and sale with the Vendors they knew or ought to have known that their opportunity to do so was prior to or within the legislated 10-day "cooling-off" period following their execution of the agreements of purchase and sale.

13. Liberty and 183 state, in any event, that each of the Plaintiffs have had 100% of their deposits refunded to them and have suffered no loss on their purchases and that this claim amounts to the loss of a right to profit on their real estate investment which is not recognized nor recoverable at law.

14. Liberty and 183 deny that there has been a continuous increase in condominium prices and state that there have been opportunities to purchase condominiums at lower prices since the cancellation of the Cosmos Towers project.

15. Liberty and 183 state that Plaintiffs have had opportunities to mitigate and/or eliminate their alleged losses, which losses are not admitted but are denied, through, *inter alia*, the purchase of other properties or the making of other investments since the termination of their agreements of purchase and sale.

16. Liberty and 183 state that many of the Plaintiffs have in fact purchased other real estate properties and/or made other investments with the monies they had used to purchase their condominium units and have, accordingly, fully mitigated their alleged losses. Liberty and 183 state that to the extent that the Plaintiffs have failed to take advantage of such opportunities to purchase other properties or make other investments, that they are estopped from claiming the damages claimed in this action.

17. Liberty and 183 deny that a class action is the preferable procedure for resolving this dispute given the many different circumstances of the Plaintiffs; that the representative plaintiffs do not represent the interests of all members of the class; and that there are too many issues of fact and law that are not common among the Plaintiffs.

18. Liberty and 183 further state that there is no basis for an allegation of punitive damages against them.

19. Liberty and 183 request that this action be dismissed with costs on a substantial indemnity basis.

Date: July 17, 2020

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And 1834371 Ontario Inc.

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1945087 Ontario Inc. and
1945086 Ontario Inc.

NATALIA KARASIK et al
Plaintiffs

- and -

1945087 ONTARIO INC. et al
Defendants

Court File No.: CV-19-00630024-00CP

ONTARIO
SUPERIOR COURT OF JUSTICE
Proceeding commenced at Toronto

Proceeding under the *Class Proceedings Act*, 1992, S.O. 1992, c. 6

STATEMENT OF DEFENCE OF LIBERTY DEVELOPMENT CORPORATION AND 1834371 ONTARIO INC.

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07/17/2020 FRI 11:15 FAX 416 601 0712 Kramer Simaan Dhillon 009/009

This is Exhibit “L” referred to in the Affidavit of Daniel Burtman affirmed December .....7...., 2020.

Commissioner for Taking Affidavits (or as may be)

Court File No. CV-19-00630024-00CP

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

B E T W E N:

NATALIA KARASIK and DANIEL BURTMAN

Plaintiffs

and

1945087 ONTARIO INC., 1945086 ONTARIO INC., LIBERTY DEVELOPMENT CORPORATION and 1834371 ONTARIO INC.

Defendants

Proceeding under the *Class Proceedings Act, 1992*, S.O. 1992, c. 6

STATEMENT OF DEFENCE OF 1945086 ONTARIO INC. AND 1945087 ONTARIO INC.

1. Except as hereinafter expressly admitted, the defendants, 1945086 Ontario Inc. and 1945087 Ontario Inc. (collectively, the "**Vendors**"), deny each and every allegation contained in the statement of claim and put the Plaintiffs to the strict proof thereof.

The Parties

2. The Vendors are registered builders and vendors under the *Ontario New Home Warranties Plan Act*, R.S.O. 1990, c. O.31.

3. The defendant, Liberty Development Corporation ("**Liberty**"), is a real estate development manager of commercial, office, and residential buildings in the Greater Toronto Area.

4. The defendant, 1834371 Ontario Inc. ("**183**"), is the owner of property located near Highway 7 and Maplecrete Road in the City of Vaughan, Ontario (the "**Lands**").

5. The proposed representative Plaintiff, Natalia Karasik, entered into an agreement of purchase and sale ("**APS**") with the Vendor, 1945087 Ontario Inc., on September 26, 2016 for a condominium unit in a building to be built in the City of Vaughan, Ontario (the "**City**"). The development in which Ms. Karasik purchased a unit was merchandized as "Cosmos Towers III".

6. The proposed representative Plaintiff, Daniel Burtman, entered into an APS with the Vendor, 1945086 Ontario Inc., on April 30, 2016, for a condominium unit in a building to be built in the City. The development in which Mr. Burtman purchased was merchandized as "Cosmos Towers A".

The Agreements of Purchase and Sale

7. Each of the Vendors entered into their respective Builder and Vendor Agreements with Tarion Warranty Corporation ("**Tarion**"). The agreements granted the Vendors registration under the *Ontario New Home Warranties Plan Act*, and thereby authorized them to construct and sell new homes.

8. The APS were not contracts of adhesion. Ms. Karasik requested specific changes to the APS, through her counsel, before going "firm" at the end of the legislated "cooling period". Mr. Burtman had access to counsel and was represented at all material times by a licensed real estate agent.

9. Furthermore, vendors are required, pursuant to regulations under the Act (O. Reg. 165/08), to include a Tarion addendum when entering into an APS with a purchaser for a new condominium

unit. The applicable Tarion addendum forms part of the APS. In this case, the Vendors were required to and did include the "Tarion - Condominium Form Addendum (Tentative Occupancy Date)" (the "**Tarion Addendum**") in each APS.

10. The Tarion Addendum was contained in the APS for the sale of each residential unit to the Plaintiffs. The Early Termination Conditions Appendix in the Tarion Addendum, which was contained in the APS, included "Condition #2", which provides (the "**Financing Condition**"):

> **Condition #2**
>
> Description of the Early Termination Condition: The Purchase Agreement is conditional upon receipt by the Vendor of confirmation that financing for the project on terms satisfactory to the Vendor has been arranged.

Financing and Development of the Project

11. In the Spring of 2016, the Vendors met with various financial institutions for financing of the project.

12. In the Fall of 2016, RBC agreed to lead a consortium of proposed financial institutions to facilitate the group lending of over $300 million in financing to the Vendors (the "**Lending Group**").

13. Until the Vendors determined that financing on terms satisfactory to the Vendors could not be arranged, the Vendors had every intention of completing the project and took all appropriate development steps to do so. Each of the Vendors were preparing for the development and construction of their respective buildings.

14. In May 2017, the Vendors signed a Term Sheet with RBC, as the lead bank for the proposed Lending Group, for credit facilities in an amount of over $300 million, based upon the estimated

construction costs. The Term Sheet estimated that the hard construction costs would be over $250 million. Furthermore, the financing contained several conditions, including a condition of a cash equity contribution of over $40 million.

15. The project was financially viable based upon the financing commitment, the equity commitment, and the then-estimated construction costs. The Vendors had every intention of proceeding with the project based upon the financing commitment.

16. During the course of 2017 and 2018, the Vendors continued to proceed in the normal course with the development of the project. However, construction costs in the industry grew materially.

17. As a result of this significant unforeseen industry increase in costs, an updated construction budget was necessary.

18. In March 2018, following the increase in construction costs and the resulting updated construction budget, RBC, on behalf of the Lending Group, advised the Vendors that the overall viability of the project from a financing perspective was impacted. As a result, the Lending Group changed the original terms upon which they proposed to lend. RBC on behalf of the Lending Group advised that it would not recommend approval for financing without an additional minimum $50 million equity injection, and as a result the Lending Group was not prepared to proceed with financing the project.

19. The Financing Condition in the APS did not require an injection of equity or additional equity by the Vendors. In any event, the Vendors state that an additional injection of a minimum of $50 million in equity financing was not commercially reasonable or financially viable.

20. As a result, the Vendors did not receive confirmation of financing for the project on terms satisfactory to the Vendors, and the Financing Condition under the APS was therefore not met.

Termination of the APS

21. On April 4, 2018, the Vendors gave notice to the Plaintiffs that the Financing Condition was not satisfied or waived, and the APS was terminated:

> …Early Termination Condition #2 has not been satisfied nor waived within the required period under the Purchase Agreement despite us having taken all commercially reasonable steps to satisfy same.
>
> …
>
> …the Purchase Agreement is hereby terminated.
>
> …
>
> …in the next 10 days will be a cheque representing reimbursement of all deposit monies paid by you together with any interest as prescribed by the *Condominium Act, 1998*.

22. On the same day, Liberty, as the development manager for each of the Vendors, sent a letter to the Plaintiffs, notifying them that the Vendors had terminated the APS because the Vendors did not obtain financing for the project on satisfactory terms.

23. At all times, the Vendors acted in good faith and in a *bona fide* manner and took all commercially reasonable steps to obtain financing on terms satisfactory to the Vendors for the project.

24. The Vendors deny that the reason for the termination of the APS was related to the increasing prices of condominium units or increased profits of the Vendors. As a result of significant unforeseen industry increases in construction costs and the consequent inability to obtain financing on terms satisfactory to the Vendors, the APS was terminated.

25. In accordance with the notice from the Vendors, the Plaintiffs each received a cheque representing reimbursement of all deposit monies paid by them with interest as prescribed by the *Condominium Act, 1998*, S.O. 1998, c. 19.

Tarion's Review

26. In April 2018, Tarion began an entire review of the Vendors' termination of the APS.

27. Following the Vendors' cooperation in the six-month review, Tarion was satisfied and concluded that no action was required.

The Application

28. On August 30, 2018, Mr. Burtman, a Plaintiff in this action, and 603 other applicants (representing 452 units in the project) (collectively, the "**Applicants**") commenced an application in the Superior Court of Justice seeking (the "**Application**"):

(a) An order declaring the Financing Condition null and void, or alternatively unenforceable; and

(b) An order declaring that, by cancelling the APS based on the Financing Condition, the Vendors breached the APS because the Financing Condition was void and unenforceable.

29. On April 29, 2019, Penny J. dismissed the Application in its entirety, including the allegation of breach of contract. The issued and entered order, to which the Applicants consented, provided that the entire Application was dismissed against the Vendors, 183, and Liberty without costs.

30. On October 25, 2019, the Plaintiffs commenced a putative class action alleging breach of contract.

The Tarion Addendum is the Entire Agreement between the Parties

31. The Vendors deny that there are any implied terms of the agreement. The Vendors deny that there was an express term in the APS that prevented the Vendors from concluding that the Financing Condition was not met in the manner alleged in the statement of claim.

32. The Vendors rely upon the Entire Agreement clause in s. 45 of the Tarion Addendum:

> There is no oral and/or written representation, warranty, collateral Agreement or condition affecting this Agreement or the Unit, or supported hereby, except as set forth herein in writing. The Purchaser acknowledges that the new home industry is multi-faceted and complex and that while sales personnel or agents are knowledgeable about most issues regarding the purchase and construction of a new home, they cannot be expected to know all aspects in detail. Accordingly, the Purchaser acknowledges that no representations have been made to the Purchaser by the sales personnel or agents, upon which the Purchaser has relied upon, and which were material or instrumental to the Purchaser's decision to purchase this Unit, except as are set forth herein in writing. There is no representation, warranty, collateral agreement or condition affecting this Agreement or the Unit, or supported hereby, except as set forth herein in writing. The Purchaser is encouraged to have this Agreement reviewed by the Purchaser's solicitor prior to signing same.

No Breach of Contract and No Breach of the Duty of Good Faith

33. The Vendors deny that they breached the APS or any duty of good faith. The Vendors deny that they failed to act in good faith or in a commercially reasonable manner when they concluded that the Financing Condition was not satisfied.

34. The Vendors deny that they terminated the APS to enable them, or anyone associated with them, to profit unlawfully in the manner alleged in the statement of claim. The Vendors deny that the Plaintiffs were prohibited from pursuing their economic interests or business objectives.

35. The Vendors deny that they failed to perform the APS in good faith in the manner alleged in the statement of claim.

No Unlawful Interference or Unlawful Act

36. The Vendors deny that they were instructed, directed, advised, or induced by Liberty or 183 to conclude that the Financing Condition was not met in the manner alleged in the statement of claim. The Vendors deny that Liberty or 183 unlawfully interfered with the Vendors decision that the Financing Condition was not met.

No Civil Conspiracy

37. The Vendors deny that the statement of claim discloses a cause of action in civil conspiracy.

38. The Vendors in any event deny that they committed or are liable for unlawful means tort or the tort of civil conspiracy, whether by unlawful means or in any other manner whatsoever.

39. The Vendors deny that the Plaintiffs have suffered damages because of any unlawful means tort or any civil conspiracy.

The Applicants are barred from pursuing this action

40. With respect to Mr. Burtman, the allegations of breach of contract are *res judicata* and an abuse of process. The Applicants commenced a proceeding in the Superior Court that the Vendors, 183, and Liberty breached the contract by terminating the APS in reliance on the Financing Condition. Justice Penny dismissed the breach of contract claim. Mr Burtman's claims are *res judicata* and an abuse of process.

41. Regardless, even if the matter at issue in Mr. Burtman's statement of claim is not *res judicata* or an abuse of process, Mr. Burtman is estopped from raising it now. Cause of action

estoppel bars a subsequent lawsuit related to the same loss being advanced based on a different cause of action. The bad faith argument could have and should have been advanced by the Applicants in the Application. Mr. Burtman as an Applicant is barred from commencing a new claim with respect to the same loss.

42. As a result, Mr. Burtman is not a proper representative plaintiff as required by s. 5(1)(e) of the *Class Proceedings Act, 1992*.

Certification

43. The Vendors deny that the statement of claim meets the requirements for certification under the *Class Proceeding Act, 1992,* S.O. 1992, c. 6.

Damages

44. The Vendors deny that the Plaintiffs have suffered any loss or damages or that any claimed damages are recoverable at law. To the extent such damages are recoverable, the Plaintiffs each have a duty to mitigate and have failed to do so.

45. The Vendors deny that they acted in a high-handed manner or that they exhibited a callous disregard for the Plaintiffs. Even if the Vendors are liable for damages, which is denied, an award of punitive damages is not warranted.

The Exclusion Clause bars damages

46. Even if the Vendors suffered damages (which is denied), the APS contains an exclusion clause that bars the purchasers from recovering damages. Section 22 of the APS states (the "**Exclusion Clause**"):

> In the event that this Agreement is terminated and the Purchaser is entitled to the return of its deposits and interest thereon in accordance with the Act

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

47. Consistent with the statutory regime, the Plaintiffs acknowledged and agreed that their damages are limited to a return of their deposits with interest upon a termination.

48. The Plaintiffs are not entitled to the difference in the market price for already-constructed real estate between 2016 and 2018. The Vendors deny that anything, including a breach of the APS (which is denied), prevented them from limiting their liability to exclude damages incidental on the termination of the contract.

49. The Exclusion Clause applies to the circumstances of the immediate case. It was not unconscionable at the time the APS were signed. There is no public policy reason that would override the Exclusion Clause. It is a complete defence to the claim advanced by the Plaintiffs for themselves and for the putative class members.

50. The Vendors ask that this action be dismissed with substantial indemnity costs.

July 17, 2020

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Liberty Development Corporation

NATALIA KARASIK et al -and- 1945087 ONTARIO INC. et al
Plaintiffs Defendants

Court File No. CV-19-00630024-00CP

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT TORONTO

STATEMENT OF DEFENCE

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Lawyers for the Respondents,
1945086 Ontario Inc. and 1945087 Ontario Inc.

This is Exhibit “M” referred to in the Affidavit of Daniel Burtman affirmed December .....7..., 2020.

Commissioner for Taking Affidavits (or as may be)

Court File No.: CV-19-00630024-00CP

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

NATALIA KARASIK and DANIEL BURTMAN

Plaintiffs

and

1945087 ONTARIO INC., 1945086 ONTARIO INC., LIBERTY DEVELOPMENT CORPORATION and 1834371 ONTARIO INC.

Defendants

CONSENT

By their respective lawyers, the parties consent to an Order on the following terms:

1. The parties hereto, consent to an Order discontinuing the within action against all Defendants, without costs and without prejudice, in accordance with the terms of the draft Order appended to this Consent as Schedule "A";

2. No party affected by the Order is under disability.

DATED AT TORONTO, ONTARIO this 24. day of November, 2020

ADAIR GOLDBLATT BIEBER
Per:

Jordan Goldblatt
Lawyers for the Plaintiffs

DATED AT TORONTO, ONTARIO this 24 day of November, 2020

LENCZNER SLAGHT ROYCE SMITH GRIFFIN LLP
Per:

Jordan Goldblatt, as duly authorized agent for Monique Jilesen, Lawyer for the Defendants, 1945086 Ontario Inc. and 1945087 Ontario Inc.

DATED AT TORONTO, ONTARIO this 24 day of November, 2020

KRAMER SIMAAN DHILLON LLP
Per:

Jordan Goldblatt, as duly authorized agent for Micheal Simaan, Lawyer for the Defendants, Liberty Development Corporation and 1834371 Ontario Inc.

SCHEDULE "A"

Court File No. CV-19-00630024-00CP

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE	)	_____, THE ___
	)	
JUSTICE PAUL PERELL	)	DAY OF _____, 2020

B E T W E E N:

(Court Seal)

NATALIA KARASIK and DANIEL BURTMAN

Plaintiffs

and

1945087 ONTARIO INC., 1945086 ONTARIO INC., LIBERTY DEVELOPMENT CORPORATION and 1834371 ONTARIO INC.

Defendants

ORDER

THIS MOTION, made by the Plaintiffs to discontinue the within proceeding, was heard this day at the court house at 330 University Avenue, Toronto ON M5G 1R7.

ON READING the Motion Record of the Plaintiffs and the signed consent of the Parties,

1. THIS COURT ORDERS that the within action is discontinued as against all Defendants, without costs and without prejudice;

2. THIS COURT ORDERS that counsel for the Plaintiffs, Adair Goldblatt Bieber LLP ("**AGB**"), will publish a notice to their firm's website, in the form attached hereto as Appendix "A" (the "**Notice**"), advising putative class members that the proceeding has been discontinued. AGB will also publish copies of the pleadings and any orders issued in this Action, along with the Notice. The Notice, pleadings, and any orders issued in this Action will remain published on the "Class Actions" section of the AGB website for at least 90 days from the date of this Order.

Justice P. Perell

Appendix "A"

NOTICE OF DISCONTINUACE OF PROPOSED CLASS PROCEEDING RE:

COSMOS TOWER DEVELOPMENT PROJECT

Please read this Notice carefully as it may affect your legal rights.

By Order of the Ontario Superior Court of Justice, persons resident in Canada who entered into agreements of purchase and sale with 1945086 Ontario Inc. or 1945087 Ontario Inc. (the "Vendors") to acquire pre-construction condominium units in the residential condominium development project known as "Cosmos Towers", to be built in the City of Vaughan, Ontario, and whose agreements of purchase and sale ("Agreements") were cancelled by notice delivered by the Vendors, the project manager Liberty Development Corporation ("Liberty"), or the land owner 1834371 Ontario Inc. ("183"), on or about April 4, 2018, are advised that:

On October 29, 2019, a proposed class proceeding was commenced against the Vendors, Liberty, and 183 (the "**Defendants**") with respect to the cancellation of Agreements for condominium units in a residential development project known as "Cosmos Towers", to be built in the City of Vaughan, Ontario ("**Cosmos Towers**" or the "**Project**"). In cancelling the Agreements, the Vendors notified purchasers that they did not receive confirmation of financing for the Project on satisfactory terms ("**Financing Condition**"), and the Financing Condition in the Agreements was therefore not met.

The Plaintiffs allege that the Vendors' decision to cancel the Agreements was not made in good faith. In particular, the Plaintiffs allege that if the Vendors had made such efforts, they would have been able to obtain Project financing on terms satisfactory to the Vendors. Accordingly, the Plaintiffs claim that the Vendors' decision to invoke the Financing Condition and cancel the Agreements was not made in good faith and in breach of contract. The Plaintiffs also claim that Liberty and 183 assisted or encouraged the Vendors to breach the Agreements and conspired with them to wrongfully terminate the Agreements so as to benefit from Toronto's rising condo prices.

The proceeding was brought on behalf of all persons who entered into Agreements to acquire pre-construction condominium units in Cosmos Towers (the "**Entire Purchaser Class**"). The proceeding was also commenced on behalf of an alternative class of persons, consisting of the Entire Purchaser Class, less those persons who participated in an application before the Honourable Justice Penny to have the Financing Condition declared null and void (the "**Alternative Class**").

Copies of the Statement of Claim, the Notice of Application, and the decision of Justice Penny can be accessed through the links below.

Appendix "A"

In August 2020, the Plaintiffs and their legal counsel (Adair Goldblatt Bieber LLP) decided that the class action will no longer be pursued. They filed motion materials with the Ontario Superior Court of Justice to obtain approval of the discontinuance. The discontinuance was approved by the Court and took effect on [XXXXX].

Copies of the Plaintiffs' motion materials and the Court's Order can be accessed through the links below.

YOU SHOULD TAKE NOTICE that the limitation period for bringing a claim, if there is any time left within it, started to run again on [XXXXXXX]. On the expiry of a limitation period, your right to sue may be extinguished.

PLEASE ALSO TAKE NOTICE that because the limitation period for bringing a claim has started to run again, if you wish to pursue a court claim against any of the Defendants in relation to the cancellation of the Agreements, you should issue a Notice of Action or Statement of Claim forthwith, if you have not already done so.

If you have any questions about the discontinuance or the recommencement of the running of the limitation period, please contact Adair Goldblatt Bieber LLP at:

ADAIR GOLDBLATT BIEBER LLP
95 Wellington Street West
Suite 1830, P.O. Box 14
Toronto ON M5J 2N7

c/o Jordan Goldblatt (50755H)
Tel: 416.920.9777
Email: jgoldblatt@agbllp.com

PUBLICATION OF THIS NOTICE HAS BEEN AUTHORIZED BY THE ONTARIO SUPERIOR COURT OF JUSTICE.

NATALIA KARASIK, et al.
Plaintiffs

-and-

1945087 ONTARIO INC., et al.
Defendants

Court File No. CV-19-00630024-00CP

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
TORONTO

ORDER

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Lawyers for the Plaintiffs

NATALIA KARASIK, et al.
Plaintiffs

-and-

1945087 ONTARIO INC., et al.
Defendants

Court File No. CV-19-00630024-00CP

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
TORONTO

CONSENT

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Lawyers for the Plaintiffs

This is Exhibit "N" referred to in the Affidavit of Daniel Burtman affirmed December .....7..., 2020.

Commissioner for Taking Affidavits (or as may be)

TEXT OF PROPOSED NOTICE

NOTICE OF DISCONTINUACE OF PROPOSED CLASS PROCEEDING RE:

COSMOS TOWER DEVELOPMENT PROJECT

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On October 29, 2019, a proposed class proceeding was commenced against the Vendors, Liberty, and 183 (the "**Defendants**") with respect to the cancellation of a residential condominium development project known as "Cosmos Towers", to be built in the City of Vaughn, Ontario ("**Cosmos Towers**" or the "**Project**"). In cancelling the Project, the Vendors invoked a provision included in each agreement of purchase and sale which provided that the Vendors were entitled to terminate the agreement if they could not obtain satisfactory Project financing (the "**Early Termination Condition**").

The Plaintiffs allege that the Vendors' decision to cancel the Project was not made in good faith. In particular, the Plaintiffs allege that if the Vendors had made such efforts, they would have been able to obtain satisfactory financing. Accordingly, the Plaintiffs claim that the Vendors' decision to invoke Early Termination Condition #2 and cancel the Agreements was not made in good faith and in breach of contract. The Plaintiffs also claim that Liberty and 183 assisted or encouraged the Vendors to breach the Agreements and conspired with them to wrongfully terminate the Agreements so as to benefit from Toronto's rising condo prices.

The proceeding was brought on behalf of all persons who entered into agreements of purchase and sale to acquire pre-construction condominium units in Cosmos Towers (the "**Entire Purchaser Class**"). The proceeding was also commenced on behalf of an alternative class of persons, consisting of the Entire Purchaser Class, less those persons who participated in an application before the Honourable Justice Penny to have the Early Termination Condition declared null and void (the "**Alternative Class**").

Copies of the Statement of Claim, the Notice of Application, and the decision of Justice Penny can be accessed through the links below.

In August 2020, the Plaintiffs and their legal counsel (Adair Goldblatt Bieber LLP) decided that the class action will no longer be pursued. They filed motion materials with the Ontario Superior Court of Justice to obtain approval of the discontinuance. The discontinuance was approved by the Court and took effect on [XXXXX].

Copies of the Plaintiffs' motion materials and the Court's Order can be accessed through the links below.

YOU SHOULD TAKE NOTICE that the limitation period for bringing a claim, if there is any time left within it, started to run again on [XXXXXXX]. On the expiry of a limitation period, your right to sue may be extinguished.

PLEASE ALSO TAKE NOTICE that because the limitation period for bringing a claim has started to run again, if you wish to pursue a court claim against any of the Defendants in relation to the cancellation of the Cosmos Towers project, you should issue a Notice of Action or Statement of Claim forthwith, if you have not already done so.

If you have any questions about the discontinuance or the recommencement of the running of the limitation period, please contact Adair Goldblatt Bieber LLP at:

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PUBLICATION OF THIS NOTICE HAS BEEN AUTHORIZED BY THE ONTARIO SUPERIOR COURT OF JUSTICE.

NATALIA KARASIK, et al.
Plaintiffs

-and-

1945087 ONTARIO INC., et al.
Defendants

Court File No. CV-19-00630024-00CP

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
TORONTO

AFFIDAVIT OF DANIEL BURTMAN

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NATALIA KARASIK et al.
Plaintiffs

-and-

1945087 ONTARIO INC. et al.
Defendants

Court File No. CV-19-630024-00CP

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
TORONTO

MOTION RECORD

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Lawyers for the Plaintiffs

RCP-E 4C (May 1, 2016)