

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

BETWEEN:

ICICI BANK CANADA

Applicant

- and -

1539304 ONTARIO INC.

Respondent

APPLICATION UNDER s.47(1) of the *Bankruptcy and Insolvency Act*,
R.S.C. 1985 c. B-3, s. 101 of the *Courts of Justice Act*, R.S.O. c. C-43 and
Rules 14.05(2) and (3) (d), (g) and (h) of the *Rules of Civil Procedure*.

**MOTION RECORD
(returnable June 11, 2009)**

June 8, 2009

LANG MICHENER LLP

Lawyers
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P.O. Box 747
181 Bay Street, Suite 2500
Toronto, ON M5J 2T7

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**Lawyers for Ira Smith Trustee &
Receiver Inc. in its capacity as
Interim Receiver and Receiver and
Manager of 1539304 Ontario Inc.**

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Court File No.: CV-08-7714-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
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B E T W E E N:

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APPLICATION UNDER s.47(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3, s. 101 of the *Courts of Justice Act*, R.S.O. c. C-43 and Rules 14.05(2) and (3) (d), (g) and (h) of the *Rules of Civil Procedure*.

**NOTICE OF MOTION
returnable June 11, 2009**

Ira Smith Trustee & Receiver Inc., in its capacity as Court-appointed Interim Receiver and Receiver and Manager (the "Receiver") of 1539304 Ontario Inc. (the "Debtor") will make a motion to the Court on June 11, 2009 at 10:00 a.m., or as soon after that time as the motion can be heard, at 330 University Avenue, Toronto, Ontario.

THE PROPOSED METHOD OF HEARING:

The motion is to be heard orally.

THE MOTION IS FOR:

1. An Order, substantially in the form attached hereto as Schedule "A":
 - (a) abridging the time for and validating the service of this Notice of Motion and the materials filed in support of this motion and dispensing with further service thereof;

- (b) approving the Second Report of the Receiver dated June 8, 2009 (the “Second Report”) and the actions of the Receiver as set out therein;
- (c) approving the fees and disbursements of the Receiver and those of its counsel;
- (d) directing the firm of Burns Vasan Argiropoulos LLP (“Burns Vasan”) to return the deposits, together with the accrued interest, net of bank charges, reflected in the Burns Vasan trust ledger statement attached as Appendix A to the draft Order attached hereto as Schedule A, to the respective depositors;
- (e) increasing to \$700,000 the Receiver’s authority to borrow monies for the purpose of funding the exercise of the powers and duties conferred upon it as interim receiver and receiver and manager of the Debtor and the Receiver’s Borrowing Charge, both as set out in paragraph 20 of the Order Appointing the Receiver dated November 12, 2008 (the “Appointment Order”);
- (f) such further and other relief as counsel may request and this Honourable Court may permit

THE GROUNDS FOR THE MOTION ARE:

1. Pursuant to the Appointment Order, Ira Smith Trustee & Receiver Inc. was appointed as Interim Receiver and Receiver and Manager of the assets, undertaking and property of the Debtor pursuant to ss. 47(1) of the *Bankruptcy and Insolvency Act, Act*, R.S.C. 1985 C. B-3 (the “BIA”) and s. 101 of the *Courts of Justice Act*, R.S.O. 1190, c. C-43 (the “CJA”).
2. The debtor appears to have no interest in the deposits held by Burns Vasan.
3. S. 47 of the BIA.
4. S. 101 of the CJA.
5. Such further and other grounds as counsel may advise and this Honourable Court may permit.

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

1. The Second Report;
2. Such further and other materials as counsel may advise and this Honourable Court may permit.

Date: June 11, 2009

LANG MICHENER LLP

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**Lawyers for Ira Smith Trustee &
Receiver Inc. in its capacity as
Interim Receiver and Receiver and
Manager of 1539304 Ontario Inc.**

TO: ATTACHED SERVICE LIST

AND TO: BURNS VASAN ARGIROPOULOS LLP

21 King Street West
Hamilton, ON L8P4W7

Tel: (905) 522-1381

SCHEDULE "A"

Court File No.: CV-08-7714-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE
JUSTICE

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)

THURSDAY, THE 11TH DAY
OF JUNE, 2009

ICICI BANK CANADA

Applicant

- and -

1539304 ONTARIO INC.

Respondent

APPLICATION UNDER s.47(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3, s. 101 of the *Courts of Justice Act*, R.S.O. c. C-43 and Rules 14.05(2) and (3) (d), (g) and (h) of the *Rules of Civil Procedure*.

ORDER

THIS MOTION, made by Ira Smith Trustee & Receiver Inc., in its capacity as court – appointed interim receiver and receiver and manager (the “Receiver”) of all the assets, undertaking and property of 1539304 Ontario Inc. (the “Debtor”), for an order, *inter alia*, approving the Second Report of the Receiver dated June 5, 2009, (the “Second Report”) and the actions and activities of the Receiver as detailed therein, and an order that the former solicitor for the Debtor return certain deposits to the proposed condominium unit purchasers under failed agreements of purchase and sale was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Second Report of the Receiver and the exhibits thereto, filed, and upon hearing the submissions of counsel for the Receiver, and no one appearing for the other

parties served with the Receiver's Motion Record, although duly served as appears from the affidavit of service of Sabrina Simone sworn June 8, 2009:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Receiver's Notice of Motion and Receiver's Motion Record herein is abridged, that this motion is properly returnable today, the service, including the manner of service, of the Motion Record is hereby approved and that further service is dispensed with.

SECOND REPORT

2. **THIS COURT ORDERS** that the Second Report and the actions of the Receiver as reported therein be and are hereby approved.

3. **THIS COURT ORDERS** that the Receiver's fees and disbursements from February 16, 2009 to May 31, 2009, and the fees and disbursements of its legal counsel, Lang Michener LLP, from February 2, 2009 to April 30, 2009, all as detailed in the Second Report, be and are hereby approved.

RETURN OF DEPOSITS

4. **THIS COURT ORDERS** that Burns Vasan Argiropoulos LLP ("Burns Vasan") return the deposits, together with the accrued interest, net of bank charges, reflected in the Burns Vasan trust ledger statement attached hereto as Appendix A, to the respective proposed condominium unit purchasers under failed agreements of purchase and sale;

FUNDING OF THE RECEIVERSHIP

5. **THIS COURT ORDERS** that the Receiver's authority to borrow monies for the purpose of funding the exercise of the powers and duties conferred upon it as interim receiver and

receiver and manager of the Debtor and the Receiver's Borrowing Charge, both as set out in paragraph 20 of the Order Appointing the Receiver dated November 12, 2008, are hereby amended to increase the Receiver's authority to borrow monies and the Receiver's Borrowing Charge to \$700,000.

APPENDIX "A"

TRINITY LANDING

<u>NAME</u>	<u>UNIT/SUITE</u>	<u>DEPOSIT</u>
Jeffrey Legris	Unit 2, Level 1, Suite 105	\$ 1,000.00
Deirdre Dixon	Unit 11, Level 4, Suite 402	\$11,000.00
Dennis Vachon	Unit 2, Level 2, Suite 205	\$ 1,000.00
Shirley Thai	Unit 4, Level 1, Suite 107	\$ 1,000.00
Praful/Hema Raythattha	Unit 7, Level 1, Suite 111	\$ 6,688.80
Bobby Turcotte	Unit 8, Level 4, Suite 411	\$11,000.00
Charlotte Hell	Unit 13, Level 2, Suite 203	\$ 1,000.00
		<hr/>
		\$32,688.80
	(interest) +	\$ 168.79
	(service charge) -	\$ 6.01
TOTAL		\$32,851.58

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

SECOND REPORT OF IRA SMITH TRUSTEE & RECEIVER INC.

**IN ITS CAPACITY AS COURT-APPOINTED INTERIM RECEIVER AND RECEIVER
AND MANAGER OF 1539304 ONTARIO INC.**

DATED JUNE 8, 2009

1.0 INTRODUCTION

This report (the “**Second Report**”) is filed by Ira Smith Trustee & Receiver Inc. (“**ISI**”) in its capacity as court- appointed interim receiver and receiver and manager (the “**Receiver**”), pursuant to section 47.1 of the *Bankruptcy and Insolvency Act*, R.S.C 1985, c. B-3, as amended (the “**BIA**”), and section 101 of the *Courts of Justice Act*, R.S.O 1990, c. C.43, as amended (the “**CJA**”), without security, of all of the assets, undertaking and property of 1539304 Ontario Inc. (the “**Company**” or the “**Debtor**”).

The Honourable Madam Justice Pepall made an order dated November 12, 2008 (the “**Receivership Order**”) appointing the Receiver. A copy of the Receivership Order is attached hereto as **Exhibit “A”**.

The Receiver filed its first report (the “**First Report**”) on February 20, 2009 and a Supplement to the First Report on March 4, 2009. The First Report was approved by order of the Honourable Madam Justice Pepall dated February 27, 2009, (the “**First Approval Order**”), and the Supplement to the First Report was approved by order of the Honourable Madam Justice Pepall

dated March 10, 2009, (the “**First Supplement Approval Order**”). Copies of those two Orders are attached hereto as **Exhibits “B”** and “**C**”, respectively.

1.1 Purpose of this Report -

The purpose of this Second Report is to report to this Honourable Court on:

1. the actions and activities of the Receiver since February 20, 2009;
2. the status of the Sales Process (as described in the First Report and approved in the First Approval Order);
3. the cash flow requirements of the Receiver;
4. certain deposit funds held in trust by the Company’s solicitor, Burns Vasan Argiropoulos LLP (“**Burns Vasan**”), as of the date of the Receivership Order, arising from units sold by the Company prior to that date;
5. the accounting for the receipts and disbursements of the Receiver from November 12, 2008 to June 2, 2009; and
6. the fees and costs incurred by the Receiver and its legal counsel, Lang Michener LLP, for the period subsequent to those fees approved in the First Report.

1.2 Disclaimer -

The Receiver has relied upon the financial records and financial statements of the Debtor, as well as other information supplied by management and employees of the Debtor, its accountants,

appraisers, valuers, and other advisors. Our procedures did not constitute an audit or review engagement.

Therefore, the Receiver is unable to and does not express an opinion on any financial statements, or elements of accounts referred to in this Second Report, or any of the attached Appendices or Exhibits forming part of this Second Report. Our procedures and enquiries did not include verification work or constitute an audit in accordance with generally accepted auditing standards. In the event any of the information we relied upon was inaccurate or incomplete, the results of our analysis could be materially affected. We reserve the right to review all calculations included or referred to in this Second Report and, if we consider it necessary, to revise our calculations or conclusions in light of new information as such information becomes available.

2.0 BACKGROUND AND OVERVIEW

In its capacity as Receiver, ISI has reported to this Honourable Court on the nature of the Debtors' business operation and sole asset, a condominium project under construction, located at 80 King William Street, in the City of Hamilton (the "**Project**"). The Receiver refers the readers of this Second Report to the First Report for a complete overview of the business and its sole asset.

3.0 ACTIVITIES OF THE RECEIVER

Since its First Report, the Receiver has undertaken the following activities:

- presented the information contained in the sealed Volume 2 to the First Report to representatives from ICICI Bank Canada (the "**Bank**" or the "**Applicant**") and the City of Hamilton (the "**City**") and their respective Counsel on a confidential basis;
- provided the Bank with the budgets, statements and forecasts of borrowing needs to allow them to perform their required credit procedures and approval process to allow

for the Receiver to borrow from the Bank the increased amount allowed for by the increase in borrowing authority granted by the First Approval Order;

- entered into a contract for the removal of mould found at the Project site, and had the work completed;
- arranged for continuing insurance coverage expiring August 28, 2009;
- in conjunction with the Receiver's construction and real estate consultant and advisor Pelican Woodcliff Inc. ("PWI"), prepared all documentation in connection with and began the Sales Process (as defined in the First Report and approved in the First Approval Order);
- communicated with numerous interested parties regarding the Project and circulated a confidentiality agreement ("CA") to all parties wishing to obtain further information;
- circulated a Confidential Information Memorandum ("CIM") to the twenty five (25) parties who returned a fully executed CA;
- received and reviewed five (5) non-binding letters of intent ("NBLOI") from potential purchasers;
- prepared a secure online data room and populated it with Project documents;
- corresponded with the five (5) potential purchasers and extended offers to them to access the data room, to arrange for a tour of the Project site to continue their due diligence and to continue in the Sales Process;
- completed the review of the documentation provided by Burns Vasan regarding deposits it holds in trust; and
- prepared and circulated the report prepared in accordance with s. 246(2) of the *Bankruptcy and Insolvency Act* (Canada) (the "BIA").

3.1 Presentation of Sealed Volume 2 of the First Report –

Attached hereto as **Exhibit "D"** is a copy of the endorsement of the Honourable Madam Justice Pepall dated February 27, 2009. In accordance with the endorsement, the Receiver and PWI prepared a summary of the contents of the Sealed Volume Two of the First Report ("Volume 2") and delivered the presentation on March 30, 2009 to representatives of both the Bank and the

City and their respective Counsel. The presentation was made at the offices of Lang Michener LLP, after the Bank and City representatives executed the confidentiality agreement prepared by Lang Michener LLP and reviewed and approved by respective Bank and City legal counsel. At the conclusion of the presentation, which included the opportunity for the attendees to ask any questions they wished of both the Receiver and PWI, the Receiver was satisfied that all attendees had a full and complete understanding of the Project and the Receiver's reasoning for seeking the sealing of Volume 2 of the First Report.

As reported in the Supplement to the First Report, the Receiver did not wish to commence the Sales Process prior to the Court approving its retention of PWI as their involvement was and continues to be crucial to the execution of the Sales Process. The Sales Process time line was delayed to accommodate both the approval of the Supplement to the First Report and the Presentation of Volume 2 (as further described below).

3.2 Insurance –

The Receiver worked with Sinclair-Cockburn Financial Group (“SCFG”), the insurance broker who placed the original insurance coverage for the Company on the Project, to renew or replace the expiring coverage. SCFG advised that the existing insurer would not renew coverage and that insurance was difficult to place on this Project due to the fact that the property was vacant.

After canvassing the marketplace of potential insurers, SCFG advised the Receiver that only two insurers were willing to extend coverage. The Receiver bound coverage with the insurer who had the more competitive quote. A condition of the policy coverage requires the existing thrice nightly security patrols to continue. Attached hereto as **Exhibit “E”** is a copy of confirmation of insurance coverage through August 28, 2009.

3.3 Reporting to the Bank and City and obtaining Receivership Funding –

The Receiver maintains regular informal reporting to the Bank via email on an “as requested” basis in its role as lender. The Receiver communicates with both the Bank and the City on any matters of importance concerning the Project. The First Approval Order increased the borrowing authority of the Receiver from \$200,000 to \$450,000. Although the Bank consented to the Receiver’s request, it had a lengthy credit approval process that required fulfillment prior to the Bank being able to advance the additional funds required by the Receiver. The Receiver and PWI were requested to provide additional forecasts and budget information to the Bank. The forecasts were prepared and submitted, and on April 8, 2009 the Bank advised the Receiver that the additional funding was approved.

The Receiver needed Court approval of the additional funding, among other reasons, to be able to enter into a contract with Biggs and Narciso Construction Services Inc. (“**Biggs**”) for mould removal work which, in the Receiver’s and PWI’s view, was required to be completed prior to launching the Sales Process. The Receiver was not prepared to retain Biggs and have it perform under the proposed contract prior to knowing that the Receiver had the funds available to it for payment to Biggs of the amount contracted for.

As a result of the delay associated with the Bank’s approval process the mould removal and subsequently the Sales Process timeline was further delayed.

3.4 Mould Removal –

The findings of Pinchin Environmental (“**Pinchin**”) were detailed in the First Report Volume 2, and the Receiver believed it would be prudent to act upon Pinchin’s recommendation that the

mould be abated as: (a) it presents an unsafe and unhealthy environment; and (b) the Receiver was concerned that the existence of mould would cause potential purchasers to either discount the value of the property below the actual cost of remediation or lose total interest in the Project. The Receiver, through PWI and Pinchin tendered the mould removal contract based on specifications prepared by Pinchin and at PWI and Pinchin's recommendation, the Receiver awarded the contract to Biggs, who was the lowest bidder. On April 16, 2009 Biggs began work and completed the mould removal on April 27, 2009. The removal was supervised by Pinchin and they have advised the Receiver that all work has been completed to their specifications and the areas where work took place are "suitable for normal occupancy"¹.

4.0 RECEIVER'S SALES PROCESS

Attached hereto as **Exhibit "F"** is the revised Sales Process timeline reflective of the various unforeseen delays since the First Report described herein. It is now anticipated that the Sales Process will be completed in late August, 2009.

4.1 Advertising the sale opportunity –

The Receiver, with the assistance of PWI, prepared an enticement advertising document (the "Teaser") describing this opportunity. A copy of the Teaser is attached hereto as **Exhibit "G"**. The Teaser was circulated by Email to approximately five hundred (500) parties known to either the Receiver or PWI, who could either have, or have clients that could have, an interest in the Project. The recipients also received a copy of the Receiver's Terms and Conditions as approved in the First Approval Order, amended to reflect changes to timeline dates. The Terms and

¹ Pinchin End of Job Summary Letter dated June 1, 2009 (revised June 2, 2009).

Conditions as approved by this Honourable Court allow for any required amendment or waiver of specific conditions as may be required in the sole discretion of the Receiver.

Enclosed with the Teaser was a copy of a memorandum provided to the Receiver by the City regarding the Project qualifying for City incentives as part of their Enterprise Zone initiative. Prior to the Receiver seeking the approval of this Honourable Court to the Sales Process, the Receiver confirmed with the appropriate City representatives that these incentives could still be available for a purchaser to take advantage of, subject to terms acceptable to the City. The City, upon reviewing the Teaser, advised the Receiver that such incentives were no longer available. As the Teaser and other documentation was already prepared and distributed based on the earlier assurances received from the City, the Receiver has advised all potential purchasers that it makes no representations concerning the availability of such incentives, and each potential purchaser must independently verify all information presented, including the availability of these incentives, to their own satisfaction.

The Receiver advertised the availability of the Project for sale in the Report on Business of the national edition of the Globe and Mail on April 28 and 30, 2009 as well as in the Hamilton Spectator on May 2, 2009. Attached hereto as **Exhibit "H"** is a copy of the advertisement.

4.2 Response to the Teaser and newspaper ads –

The Receiver received numerous responses to the Teaser and ads. In accordance with the Sales Process all parties were advised to execute and return a CA that the Receiver provided to them. Those parties who did so received a copy of the CIM. The Receiver distributed twenty five (25) CIMs.

4.3 Submission of NBLOIs–

The Receiver received five (5) NBLOIs containing, inter alia, the conditions each respective potential purchaser viewed as required by each of them and the initial price they were prepared to pay at that stage of the Sales Process. Although the Receiver viewed the purchase price provided by at least one of the potential purchasers as unacceptable, the Receiver has allowed all five (5) potential purchasers to continue in the Sales Process. A unique password has been provided to each potential purchaser in order to gain access to the secure online data room established by the Receiver to allow for their due-diligence review. PWI has also made contact with each party and has scheduled private tours of the Project.

In order not to taint the Sales Process, the Receiver is not disclosing in this Second Report the range of prices offered by the five (5) potential purchasers. The Receiver advises this Honourable Court that through its legal counsel, the Receiver has provided to both the Bank's and the City's legal counsel a schedule summarizing the NBLOI's received, without disclosing the names of any of the potential purchasers. The information was provided on the basis that the information contained in the summary is covered by the Confidentiality Agreement executed by both the Bank and the City for the presentation of the First Report Volume 2 information, and similarly, shall be held in confidence. The Receiver's legal counsel also requested to be advised immediately if any party could not receive and retain the information on that basis. Neither the Bank nor the City has advised Lang Michener LLP that it cannot hold such potential information in confidence.

The Receiver will provide this Honourable Court with such full disclosure when the Receiver provides the results of the Sales Process in what the Receiver currently anticipates will be the

Third Report to Court. The Receiver believes that it is appropriate for the Bank and the City to be apprised of this information in a manner which will not taint the Sales Process.

The Sales Process is continuing in accordance with the Terms and Conditions of Sale. Firm Offers (as defined and described in the First Report) are due for submission no later than **July 3, 2009, at 5:00 PM EST**. The Receiver will report to this Honourable Court the results of the Sales Process and the Receiver's recommendations after receipt of the Firm Offers.

At the date of this Second Report, the Receiver has not received any queries or reply from either the Bank or the City in connection with the potential purchasers or the Sales Process, as a result of having provided the NBLOI summary.

5.0 CONDOMINIUM UNITS SOLD BY THE COMPANY AND FUNDS HELD IN TRUST PRIOR TO THE COMMENCEMENT OF THE RECEIVERSHIP

Section 8.0 on page 15 of the First Report provided background information on amounts held in trust by Burns Vasan. Attached hereto as **Exhibit "I"** is the copy of the Trust Ledger Statement for the Project provided to the Receiver by Burns Vasan. The Receiver had advised Burns Vasan to continue to hold the funds and await further instructions pending direction from this Honourable Court.

Inclusive of accrued interest and net of bank charges, a total of \$32,851.58 representing seven (7) parties' deposit money is held in trust by Burns Vasan.

Burns Vasan has summarized its involvement in a letter to the Receiver, which is attached hereto as **Exhibit "J"**. A copy of the Agreements of Purchase and Sale between the Debtor and the seven (7) parties is attached as **Exhibit "K"**. The deposits appear to be trust monies in which the Debtor has no interest. The Receiver recommends to this Honourable Court that it direct Burns Vasan to return the deposits to the respective depositors, as reflected in the Burns Vasan Trust Ledger Statement, as the Company has long defaulted on its obligations under the purchase and sale agreements.

6.0 RECEIVER'S STATEMENT OF RECEIPTS AND DISBURSEMENTS

As the Project does not have any income producing elements to it, there has been no cash flow available for the Receiver to utilize. Accordingly, ICICI has agreed to provide the Receiver with the necessary funding. The Receiver has been borrowing from ICICI under its borrowing authority contained in the Appointment Order, and specifically, paragraph 20 of such Order and in accordance with the increase to a total of \$450,000.00 in its borrowing authority contained in Paragraph 7 of the First Approval Order. The Receiver has issued seven (7) Receiver's Certificates (inclusive of the fourth certificate which was cancelled and returned by the Bank at the Receiver's request) to date and has borrowed under the Receivership Borrowings Charge (all as defined in the Appointment Order) the amount of \$380,000.00 to date.

Attached as **Exhibit "L"** is the Receiver's Statement of Receipts and Disbursements for the period November 12, 2008 to June 2, 2009.

7.0 INCREASING THE RECEIVER'S BORROWING AUTHORITY

The Receiver has borrowed nearly eighty-five (85) percent of the amount allowed under the First Approval Order and currently has \$8,152.07 of borrowed funds on hand. There remains \$70,000.00 within the approved borrowing authority that has not been borrowed yet by the Receiver.

The Receiver has received but has not yet paid billings for professional fees, inclusive of disbursements and GST, of PWI (\$49,890) and Lang Michener (\$36,882) for work done in March and April. In addition, although the Receiver has yet to be billed for approved work performed by Pinchin Environmental, the Receiver anticipates that very soon it will be invoiced the approximate amount of \$15,200.00 for Pinchin Environmental work approved by the Receiver and now duly performed.

While considering the first request by the Receiver for an increase in the borrowing authority, the Court quite properly determined that the increase requested at that time, in all likelihood, would not be sufficient to allow the Receiver to properly administer this receivership. The Receiver concurred with that assessment and advised this Honourable Court that due to various variables that existed at that time, including the results of the Sales Process as at the time the NBLOI's were received and whether there would be any parties interested in pursuing the Project opportunity, the Receiver's preference was to seek a more modest increase in borrowing authority. The Receiver stated that depending on the facts known to it at the time of submitting the Second Report, the Receiver would then provide its recommendations to this Honourable Court in connection with any further request in borrowing authority. The Receiver also believed

that the stakeholders would be in a better position to understand the wisdom of a further borrowing authority request based on the results of the Sales Process at that time.

The Receiver estimates that for the three (3) month period of June through August 2009 inclusive, costs to be incurred will be as follows:

- (i) security and utilities - \$11,750;
- (ii) receiver's fee and disbursements - \$61,245, being the amount of \$16,245 referred to in Section 8.0 of this Second Report below and the June through August inclusive estimate of \$45,000²;
- (iii) legal fee and disbursements - \$55,000³;
- (iv) PWI fee and disbursements - \$66,329⁴;
- (v) third property tax instalment - \$6,000.

The Receiver therefore requests that this Honourable Court approve an additional borrowing authority of \$250,000.00, resulting in a total borrowing authority of \$700,000.00.

² This estimate does not contain any estimate of time relating to approval of a specific sale and the completion of a sales transaction.

³ This estimate does not contain any estimate of time relating to approval of a specific sale and the completion of a sales transaction.

⁴ This estimate does not contain any estimate of time relating to approval of a specific sale and the completion of a sales transaction.

8.0 FEES AND DISBURSEMENTS OF THE RECEIVER

Attached hereto as **Exhibit "M"** is the Affidavit of Mr. Ira Smith, President of ISI, attesting to the fees and disbursements of the Receiver for the period from February 16 to May 31, 2009 in the amount of \$55,291.90 (exclusive of GST). To date, the amount of \$41,812.07 has been advanced on account of these fees and disbursements.

9.0 FEES AND DISBURSEMENTS OF LANG MICHENER LLP

Attached hereto as **Exhibit "N"** is the Affidavit of Mr. Leslie A. Wittlin, Partner of Lang Michener LLP, attesting to the fees and disbursements of Lang Michener LLP for the period from February 2, to April 30, 2009 in the amount of \$75,143.11 (exclusive of GST). To date, the amount of \$40,017.95 has been advanced on account of these fees and disbursements.

10.0 FEES AND DISBURSEMENTS OF PWI

Attached hereto as **Exhibit "O"** is the Affidavit of Mr. Ira Smith, President of ISI, attesting to the fees and disbursements of PWI for services provided at the request of the Receiver for the period from February 1 to May 29, 2009 in the amount of \$64,775.65 (exclusive of GST). To date, the amount of \$17,136.10 has been advanced on account of these fees and disbursements.

11.0 OTHER MATTERS

In accordance with Subsection 246(2) of the BIA, on May 11, 2009, the Receiver's statutory First Interim Report (the "**BIA Report**") was sent by ordinary mail to the Debtor, the Office of the Superintendent of Bankruptcy and all parties who had made a prior request for a copy. As a courtesy, a copy was also sent to both the Bank and the City. Attached as **Exhibit "P"** to this Second Report is a copy of the BIA Report.

12.0 CONCLUSION AND RECOMMENDATIONS

For the reasons set out in this Second Report, the Receiver respectfully requests that this Honourable Court approve:

1. the actions and activities of the Receiver as described in this Second Report;
2. the professional fees and disbursements of the Receiver from February 16 to May 31, 2009 as contained in this Second Report;
3. the professional fees and disbursements of the Receiver's legal counsel, Lang Michener LLP, from February 2, 2009 to April 30, 2009 as contained in this Second Report;
4. the professional fees and disbursements of PWI as contained in this Second Report;
5. the Receiver's request for an Order directing Burns Vasan to return the deposits held by them in trust as described in both the First Report and this Second Report;

6. the Receiver's request for an Order granting an increase in its Borrowing Charge;
and
7. such other advice and direction from this Honourable Court that the Receiver or its legal counsel deems appropriate in the circumstances.

**

**

**

All of which is respectfully submitted at Toronto, Ontario this 8th day of June, 2009.

IRA SMITH TRUSTEE & RECEIVER INC.
solely in its capacity as Court-Appointed Interim Receiver
and Receiver and Manager of 1539304 Ontario Inc.
and not in its personal Capacity

Per:



President

Court File No. CV-08-7714-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE MADAM
JUSTICE PEPALL

)
)
)

WEDNESDAY, THE 12th DAY
OF NOVEMBER, 2008

BETWEEN:

ICICI BANK CANADA

Applicant

- and -

1539304 ONTARIO INC.

Respondent

APPLICATION UNDER s. 47(1) of the *Bankruptcy and Insolvency Act*,
R.S.C. 1985 c. B-3, s. 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C-43
and Rules 14.05(2) and (3) (d), (g) and (h) of the *Rules of Civil Procedure*

ORDER

THIS APPLICATION made by ICICI Bank Canada (the "**Bank**") for an Order pursuant to section 47.1 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing Ira Smith Trustee & Receiver Inc. ("**Smith**") as interim receiver and receiver and manager (in such capacities, the "**Receiver**") without security, of all of the assets, undertakings and properties of 1539304 Ontario Inc. (the "**Company**") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Lionel Meunier, sworn September 4, 2008 and the Exhibits thereto, and on hearing the submissions of counsel for the Bank, no other parties appearing although duly served as appears from the affidavit of service of Fiorella Sasso sworn September 10, 2008, and on reading the consent of Smith to act as the Receiver, *the City of Hamilton + from 1539304 custains. l.e. 870*

SERVICE

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

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 47.1 of the BIA and section 101 of the CJA, Smith is hereby appointed Receiver, without security, of all of the Company's current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "Property").

RECEIVER'S POWERS

3. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - (a) to take possession and control of the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

- (b) to receive, preserve, protect and maintain control of the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate and carry on the business of the Company, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Company
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the powers and duties conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Company or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Company and to exercise all remedies of the Company in collecting such monies, including, without limitation, to enforce any security held by the Company;
- (g) to settle, extend or compromise any indebtedness owing to the Company;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Company, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Company;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Company, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (k) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$100,000, provided that the aggregate consideration for all such transactions does not exceed \$200,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act* and subsection 31(1) of the Ontario *Mortgages Act* shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply;

- (m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Company;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Company, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Company;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Company may have; and

(s) to take any steps reasonably incidental to the exercise of these powers; and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Company, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that: (i) the Company, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

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

the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

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

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE COMPANY OR THE PROPERTY

8. **THIS COURT ORDERS** that that no Proceeding against or in respect of the Company or the Property shall be commenced or continued except with the

written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Company or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

9. **THIS COURT ORDERS** that all rights and remedies against the Company, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this paragraph shall (i) empower the Receiver or the Company to carry on any business which the Company is not lawfully entitled to carry on, (ii) exempt the Receiver or the Company from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien for the purpose of perfecting such lien.

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

11. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Company or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Company are hereby restrained until further Order of this Court from discontinuing, altering, interfering

with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Company's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Company or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

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

EMPLOYEES

13. **THIS COURT ORDERS** that all employees of the Company shall be considered the employees of the Company until such time as the Receiver, on the Company's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts, other than such amounts as the Receiver may specifically agree in writing to pay,

or such amounts as may be determined in a Proceeding before a court or tribunal of competent jurisdiction.

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

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

LIMITATION ON THE RECEIVER'S LIABILITY

16. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

17. **THIS COURT ORDERS** that any expenditure or liability which shall properly be made or incurred by the Receiver, including the fees of the Receiver and the fees and disbursements of its legal counsel, incurred at the standard rates and charges of the Receiver and its counsel, shall be allowed to it in passing its accounts and shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person (the "**Receiver's Charge**").
18. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver

and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

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

FUNDING OF THE RECEIVERSHIP

20. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed ~~\$800,000~~ ^{✓ \$200,000 ✓} (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge. SUP

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

22. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as **Schedule "A"** hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
23. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

GENERAL

24. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
25. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Company.
26. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
27. **THIS COURT ORDERS** that that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or

administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

28. **THIS COURT ORDERS** that the applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Company's estate with such priority and at such time as this Court may determine.
29. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order, provided that nothing in this section operates to extend any applicable appeal period.

Stephane J. Paill, J.

TOR_LAW 69318071

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE

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PERIPAN-TV

Schedule "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. ●

AMOUNT \$ ●

1. THIS IS TO CERTIFY that Ira Smith Trustee & Receiver Inc., the interim receiver and the receiver and manager (the "Receiver") of the assets, undertakings and properties of 1539304 Ontario Inc. (the "Company") appointed by Order of the Ontario Superior Court of Justice (the "Court") dated the 12th day of November, 2008 (the "Order") made in an action having Court file number CV-08-7714-00CL, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ ●, being part of the total principal sum of \$ ● which the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property (as defined in the Order) as authorized by the Order and as authorized by any further or other order of the Court.
7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 2008.

IRA SMITH TRUSTEE & RECEIVER INC.
solely in its capacity as Receiver of the
Property (as defined in the Order), and not
in its personal capacity

Per: _____
Name:
Title:

B E T W E E N:

ICICI BANK CANADA
Applicant

- AND -

1539304 ONTARIO INC.

Respondent

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

(PROCEEDING COMMENCED AT TORONTO)

ORDER

GOWLING LAFLEUR HENDERSON LLP

Barristers & Solicitors
1600 - 1 First Canadian Place
100 King Street West
Toronto, Ontario
M5X 1G5

Heath P.L. Whiteley
(L.S.U.C. No. 38528P)

Tel: (416) 862-4400
Fax: (416) 862-7661

Solicitors for the Applicant

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE) THURSDAY, THE 26TH DAY
)
JUSTICE PEPALL.) OF FEBRUARY, 2009
)

ICICI BANK CANADA

Applicant

- and -

1539304 ONTARIO INC.

Respondent

APPLICATION UNDER s.47(1) of the *Bankruptcy and Insolvency Act*,
R.S.C. 1985 c. B-3, s. 101 of the *Courts of Justice Act*, R.S.O. c. C-43 and
Rules 14.05(2) and (3) (d), (g) and (h) of the *Rules of Civil Procedure*.

ORDER

THIS MOTION, made by Ira Smith Trustee & Receiver Inc., in its capacity as court-appointed interim receiver and receiver and manager (the "Receiver") of all the assets, undertaking and property of 1539304 Ontario Inc. (the "Debtor"), for an order, *inter alia*, approving the First Report of the Receiver dated February 20, 2009, (the "First Report") and the actions and activities of the Receiver as detailed therein, and for an order approving the sales process outlined in the First Report (the "Sales Process") in relation to the assets, undertaking and property of the Debtor was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the First Report of the Receiver and the exhibits thereto, filed, and upon hearing the submissions of counsel for the Receiver, ~~and no one appearing for the other parties~~ *ICICI Bank Canada, the City of Hamilton & Mr Ganatra on behalf of 1539304 Ontario Inc.*

served with the Receiver's Motion Record, although duly served as appears from the affidavit of service of Deborah Russell sworn February 20, 2009:

SERVICE

~~1. THIS COURT ORDERS that the time for service of the Receiver's Notice of Motion and Receiver's Motion Record herein is abridged, that this motion is properly returnable today, the service, including the manner of service, of the Motion Record is hereby approved and that further service is dispensed with.~~

SNP

FIRST REPORT

2. THIS COURT ORDERS that the First Report and the actions of the Receiver as reported therein be and are hereby approved

with exception of approval of the PwI contract which is adjourned to be addressed before me on March 10, 2009 - unless finalized to 1539304 cust and inc

SNP

3. THIS COURT ORDERS that the Receiver's fees and disbursements from November 13, 2008 to February 15, 2009, and the fees and disbursements of its legal counsel, Lang Michener LLP, from November 11, 2008 to December 17, 2008 and from January 5, 2009 to January 30, 2009, all as detailed in the First Report, be and are hereby approved.

4. THIS COURT ORDERS the Volume 2 of the First Report shall be treated as confidential and shall be sealed, segregated from and not form a part of the public record pending further order of this Court and shall be filed with this Court in a sealed envelope attached to a notice that sets out the title of these proceedings and a statement that the contents are subject to a sealing order.

SALE PROCESS

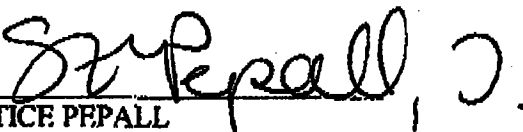
5. THIS COURT ORDERS that the sale process as described in the First Report and as specifically described in Exhibit "F" to the first Report and procedures and conditions contained therein including the Terms and Condition of Sale at Exhibit "G" to the First Report

(collectively, the "Sale Process") is approved, and the Receiver is authorized and directed to implement and to take all steps necessary or desirable to complete and fulfill all requirements, terms, conditions and steps contemplated therein, and any information received by the Receiver or its respective directors, officers, counsel, agents, professional advisors or employees related to or arising from the Sale Process shall be kept confidential and be utilized only for the purposes of the Sale Process and for no other purpose.

6. **THIS COURT ORDERS** that the confidentiality agreement to be executed by all prospective purchasers seeking to participate in the Sales Process, attached as Exhibit "F" to the First Report, is hereby approved.

FUNDING OF THE RECEIVERSHIP

7. **THIS COURT ORDERS** that the Receiver's authority to borrow monies for the purpose of funding the exercise of the powers and duties conferred upon it as interim receiver and receiver and manager of the Debtor and the Receiver's Borrowing Charge, both as set out in paragraph 20 of the Order Appointing the Receiver dated November 12, 2008, are hereby amended to increase the Receiver's authority to borrow monies and the Receiver's Borrowing Charge to \$450,000.


JUSTICE PEPALL

BETWEEN:

ICI BANK CANADA
Applicant

- AND -

1539304 ONTARIO INC.
Respondent

Court File No. CV-08-7714-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial Court)
Proceeding commenced at Toronto

ORDER

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Fax: (416) 365-1719

**Lawyers for Ira Smalsh Trustee &
Receiver Inc. in its capacity as
Interim Receiver and Receiver and
Manager of 1539304 Ontario Inc.**



Court File No.: CV-08-7714-00CL

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

THE HONOURABLE MADAM

JUSTICE PEPALL

)
)
)
)

THURSDAY, THE 10TH DAY

OF MARCH, 2009

ICICI BANK CANADA

Applicant

- and -

1539304 ONTARIO INC.

Respondent

APPLICATION UNDER s.47(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3, s. 101 of the *Courts of Justice Act*, R.S.O. c. C-43 and Rules 14.05(2) and (3) (d), (g) and (h) of the *Rules of Civil Procedure*.

ORDER

THIS MOTION, made by Ira Smith Trustee & Receiver Inc., in its capacity as court-appointed interim receiver and receiver and manager (the "Receiver") of all the assets, undertaking and property of 1539304 Ontario Inc. (the "Debtor"), for an order: (a) approving the Supplement to the First Report of the Receiver dated March 4, 2009 (the "Supplementary Report") and the actions and activities of the Receiver as detailed therein, and (b) approving the engagement of Pelican Woodcliff Inc. ("PWI") as consultant pursuant to the engagement letter dated November 17, 2008 contained in the First Report of the Receiver dated February 20, 2009, (the "First Report"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Supplementary Report of the Receiver and the exhibits thereto and the First Report and the exhibits thereto, filed, and upon hearing the submissions of counsel for

the Receiver, ICICI Bank Canada and the City of Hamilton and Mr. Ganatra on behalf of the Debtor, and no one appearing for the other parties served with the Receiver's Supplementary Motion Record, although duly served as appears from the affidavit of service of Aaron Rousseau sworn March 5, 2009:

1. **THIS COURT ORDERS** that the Supplementary Report and the actions and activities of the Receiver as reported therein be and are hereby approved.

2. **THIS COURT ORDERS** that the engagement of PWI as consultant by the Receiver pursuant to the engagement letter dated November 17, 2008, as contained in the Supplementary Report and the First Report be and is hereby approved.



ENTERED AT / INSCRIT A TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

MAR 10 2009

PER / PAR: *JSN* Joanne Nicoara
Registrar, Superior Court of Justice

BETWEEN:

ICI BANK CANADA
Applicant

- AND -

Court File No. CV-08-7714-00CL

1539304 ONTARIO INC.
Respondent

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial Court)
Proceeding commenced at Toronto

ORDER

LANG MICHENER LLP
P.O. Box 747, Suite 2500
Brookfield Place, 181 Bay Street
Toronto, ON M5J 2T7

Leslie A. Wittlin
Law Society Registration #14629M
Tel: (416) 307-4087

Alex Ilchenko
Law Society Registration #333944Q
Tel: (416) 307-4116

Aaron Rousseau
Law Society Registration #538333E
Tel: (416) 307-4081
Fax: (416) 365-1719

Lawyers for Ira Smith Trustee &
Receiver Inc. in its capacity as
Interim Receiver and Receiver and
Manager of 1539304 Ontario Inc.



SUPERIOR COURT OF JUSTICE
Judges' Administration
Court House
361 University Avenue, Room 170
TORONTO, ONTARIO M5G 1T3
Tel: (416) 327-5284 Fax: (416) 327-5417

FAX COVER SHEET

Date: February 27, 2009

To:	Fax No.
H. Whiteley	416 863 3403
R. Weston	1 905 639 8107-8017
L. A. Wittlin and A. Rousseau	416 304 3855
Mr. Ganatra	416 778 5442

From: The Honourable Madam Justice Pepall

Total No. of Pages: 8 ___ (including cover)

Message:

Re: *ICICI BANK CANADA v. 1539304 ONTARIO INC.*
Court File No.: CV-08-7714-00CL

Please see the attached Endorsement.

The information contained in this facsimile message is confidential information. If the person actually receiving this facsimile or any other reader of the facsimile is not the named recipient, any use, dissemination, distribution, or copying of the communication is strictly prohibited. If you have received this communication in error, please notify us by telephone and return the original message to us at the above address.

Original will NOT follow. If you do not receive all pages, please telephone us immediately at the above number.

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

ICICI Bank Canada

Plaintiff(s)

AND

1539304 Ontario Inc

Defendant(s)

Case Management Yes No by Judge: Pepall

Counsel	Telephone No.:	Facsimile No.:
Messrs W. Hlin + Rousseau		416 - 304 - 3855
Mr Whiteley		416 - 823 - 3403
Mr Weston		905 - 639 - 8107
Mr Ganatra		416 - 778 - 5442

- Order Direction for Registrar (No formal order need be taken out)
 Above action transferred to the Commercial List at Toronto (No formal order need be taken out)

- Adjourned to: March 10, 2009
 Time Table approved (as follows):

The receiver seeks approval of its first report + its actions described therein, approval of fees, approval of a sales process, an increase of its borrowing authority to \$40,000, + a realty order for vol 2 of its 1st report. The Applicant, ICICI Bank Canada, supports the receiver's request. The respondent City of Hamilton complains of the lack of tender for the PWI contract + initially took issue with the proposed realty order but was able to reach agreement with the receiver during the course of the motion. I adjourned that portion of the receiver's motion dealing with approval of the PWI contract to March 10, 09 to permit the receiver to file additional material. The only remaining party participating + objecting is the debtor, 1539304 Ontario Inc, for whom Mr Ganatra was found to be a party to breach.

Feb 27, 2009

Date

882 Pepall J

Judge's Signature

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsement Continued

He too took issue with PWI's contract + I will address that matter on March 10, 09. He also questions certain facts contained in the Receiver's report. He states that information has been provided by him as set forth in paragraphs 3.2 to 3.6 of his submission; so why is not the Co's principal asset; the information on the insurance is inaccurate. I am not in a position to assess what was not given to the Receiver but nothing turns on this issue. Clearly 80 Wey William Street is the principal asset although it may not be the only asset of the company. Thirdly, the complaint relating to the misrepresentation of non-cooperation by the company with respect to the insurance would also appear to be immaterial.

In these circumstances, I am approving the 1st report of the Receiver + its actions described therein but not including the PWI contract + without prejudice to 1539304 Ontario Inc to raise the issue of the ^{appropriateness} of non-cooperation if they become material.

No one takes issue with the proposed sale process. It appears to me to be commercially reasonable + designed to help maximize the value of the assets. The request for approval is granted.

While Mr. Garatou on behalf of 1539304 Ontario Inc takes exception to the increase to \$40,000 in the Receiver's borrowing authority, it clearly requires that increase to address ongoing costs. The request is granted.

The Receiver seeks approval of its fees + those of its counsel. No one takes issue with them + I am satisfied

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsement Continued

that they are appropriate. Details of the work done + notes changed have been included. However, the Receiver requests a sealing order for volume 2 of its 1st report. It contains PW's report + other reports commissioned by PW. The former assesses the state of the project wherein as Trinity handling + which is the subject matter of the sales process + contains recommendations by informants. It is the Receiver's position that it is in the best interests of Stakeholders that disclosure to potential purchasers should be made through the sales process. This ensures a level playing field, no prejudice to any participant, protection of sensitive commercial information + the integrity of the process, all for the benefit of Stakeholders. The Receiver has agreed to make a presentation to the City of Hazelton who is allegedly owed approximately 1.2 million + the Bank who is allegedly owed between \$5 + \$6 million, subject to them entering into confidentiality agreements beforehand + on the understanding that no written materials would be provided. Mr. Garrahan or an authorized or related party could be a bidder so that a management is unavailable to him. *Shenoi Club of Canada v Canada (2002) 5 C.C.T.R. 101* the granting of a confidentiality order, in my view the request should be granted. The order is necessary to prevent serious risks to the commercial interest of maintaining integrity in the sales process + achieving value for all interested Stakeholders + the salutary effects outweigh any deleterious effects. The report clearly contains sensitive commercial information + I am persuaded that it should be sealed pending further order by me. I have signed the order amended by me.

COPY

LLOYD'S

COMMERCIAL INSURANCE
Effected with certain Lloyd's Underwriters (hereinafter called the "Insurer" through)

ABEX o/b Affiliated Brokers Exchange
785 Bridge St. Units 5&6
Waterloo ON
N2V 2K1

POLICY DECLARATIONS PAGE

POLICY NO: PPHP0469
INSURED NAME: 1539304 Ontario Inc. o/a Ira Smith Trustee/Receiver & Manager
MAILING ADDRESS: 167 Applewood Crescent, Suite 6
Concord ON
L4K 4K7

PERIOD OF INSURANCE:

From: 02/28/09 (MM/DD/YY)

To: 08/28/09 (MM/DD/YY)

(both days at 12:01 a.m. Standard Time at the Address of the Insured).

PREMIUM: 20856.00

LIMIT OF LIABILITY OR AMOUNT OF INSURANCE: SEE DECLARATION PAGE

The insurance contract consists of this Declarations page as well as all coverage wordings, riders, or endorsements that are attached hereto.

IDENTIFICATION OF INSURER / ACTION AGAINST INSURER

This insurance has been effected in accordance with the authorization granted to the Coverholder by the Underwriting Members of the Syndicates whose definitive numbers and proportions are shown in the Table attached to Agreement No. NA080583 (hereinafter referred to as "the Underwriters"). The Underwriters shall be liable hereunder each for his own part and not one for another in proportion to the several sums that each of them has subscribed to the said Agreement.

In any action to enforce the obligations of the Underwriters they can be designated or named as "Lloyd's Underwriters" and such designation shall be binding on the Underwriters as if they had each been individually named as defendant. Service of such proceedings may validly be made upon the Attorney In Fact in Canada for Lloyd's Underwriters, whose address for such service is 1155 rue Metcalfe, Suite 1540, Montreal, Quebec H3B 2V6.

NOTICE

Any notice to the Underwriters may be validly given to the Coverholder.

In witness whereof this policy has been signed as authorized by the Underwriters, by ABEX o/b Affiliated Brokers Exchange.

Per

The Insured is requested to read this policy, and if incorrect, return it immediately for alteration. In the event of an occurrence likely to result in a claim under this insurance, immediate notice should be given to the Coverholder whose name and address appears above. All inquiries and disputes are also to be addressed to this Coverholder.

THIS POLICY CONTAINS A CLAUSE WHICH MAY LIMIT THE AMOUNT PAYABLE.



COPY

This insurance contract consists of this (these) Declarations Page(s) along with the "Conditions" or "Statutory Conditions" or "General Conditions", as well as all coverage wordings, riders or endorsements that are attached hereto. Any reference herein to the "Company" shall be construed as the "Insurer"

COMMERCIAL INSURANCE DECLARATIONS

Effectuated with certain Lloyd's Underwriters ("the Insurer") through Lloyd's approved Coverholder ("the Coverholder")

ABEX o/b Affiliated Brokers Exchange WATERLOO, ONTARIO

PURPOSE OF THIS DOCUMENT New (SEE REVERSE SIDE FOR EXPLANATION)

CLIENT REF. IRASM01 PREVIOUS NO. POLICY NO. PPHP0469 PAGE 1

AGENT OR BROKER Sinclair-Cockburn Financial Group

NAMED INSURED AND POSTAL ADDRESS 1539304 Ontario Inc. o/a Ira Smith Trustee/Receiver & Manager 167 Applewood Crescent, Ste. 6 Concord, ON L4K 4K7

LOCATION OF RISK NO. 1 80 King William Street, Hamilton, ON L8R 1A4

PERIOD OF INSURANCE FROM 28/02/2009 TO 28/08/2009

CONSTRUCTION Fire Resistive

OCCUPANCY BY INSURED Building Owner

FIRE PROTECTION (INTERNAL) Non Sprinklered

OCCUPANCY BY OTHERS Vacant Property

CRIME PROTECTION No Protection

DESCRIPTION OF OPERATIONS Vacant Property

INDUSTRY CODE

LOSS, IF ANY, PAYABLE TO: (AS THEIR INTERESTS MAY APPEAR) ICICI Bank Canada, PO Box 396 Don Mills M3C 2S7

DOES THE MORTGAGE CLAUSE APPLY? Y APPLICABLE TO FORM NO. IBC4036-2

(ABSENCE OF ANY ENTRY DENOTES LOSS PAYABLE TO THE NAMED INSURED) THE MORTGAGE CLAUSE IS PRINTED ON THE REVERSE SIDE

COVERAGES INSURANCE IS PROVIDED ONLY FOR THOSE COVERAGES FOR WHICH A SPECIFIC LIMIT OF INSURANCE IS SHOWN - ON TERMS AND CONDITIONS CONTAINED IN THE FORMS INDICATED

Table with 6 columns: FORM NO., DEDUCTIBLE, COVERAGE, CONS. %, LIMIT OF INSURANCE, PREMIUM OR REFUND (CR). Lists various coverages like Named Perils Property, Terrorism Exclusion, etc.

THIS POLICY CONTAINS A CLAUSE WHICH MAY LIMIT THE AMOUNT PAYABLE

IN WITNESS WHEREOF THIS POLICY HAS BEEN SIGNED, AS AUTHORIZED BY THE UNDERWRITERS, BY ABEX o/b Affiliated Brokers Exchange

Agreement No. NA090583 PREMIUM (OR REFUND) THIS PAGE \$20,856.00 PREMIUM (OR REFUND) TOTAL \$20,856.00

LSW 1548 (03/01) (12-2006)

PER

The Insured is requested to read this policy, and if incorrect, return it immediately for alteration.

In the event of an occurrence likely to result in a claim under this insurance, immediate notice should be given to the Coverholder whose name and address appears on the face hereof. All inquiries and disputes are also to be addressed to this Coverholder.

PURPOSE OF THIS DOCUMENT

NEW

The Insurer will provide the insurance described in this Policy in return for the premium paid by the Insured and his compliance with the terms of this insurance.

ENDORSEMENT

Previous declarations, limits of insurance and coverages are now cancelled and replaced or amended as shown herein. Any coverage wordings, riders or endorsements attached hereto will replace the corresponding previous wordings.

RENEWAL

In return for the agreement of the Insured to pay the premium stated, this insurance Policy is continued in force for the period of insurance indicated.

It is renewed subject to the limits of insurance and declarations shown herein. Should coverage wordings, riders or endorsements be attached hereto, they will replace the corresponding previous wordings. Otherwise all terms and conditions remain the same.

By the acceptance of this Document, the Insured acknowledges the cancellation from the effective date of this Document, of any Document which it replaces. No term or condition of this Document shall be deemed to be waived by the Insurer in whole or in part unless the waiver is clearly expressed in writing, signed by the person(s) authorized for that purpose by the Insurer. Neither the Insurer nor the Insured shall be deemed to have waived any term or condition of the Document by any act relating to the appraisal of the amount of loss or to the delivery and completion of Proofs of Loss, or to the investigation or adjustment of any claim under the Document.

IDENTIFICATION OF INSURER / ACTION AGAINST INSURER

This insurance has been effected in accordance with the authorization granted to the Coverholder by the Underwriting Members of the Syndicates whose definitive numbers and proportions are shown in the Table attached to Agreement No. indicated on the face hereof (hereinafter referred to as "the Underwriters"). The Underwriters shall be liable hereunder each for his own part and not one for another in proportion to the several sums that each of them has subscribed to the said Agreement.

In any action to enforce the obligations of the Underwriters they can be designated or named as "Lloyd's Underwriters" and such designation shall be binding on the Underwriters as if they had each been individually named as defendant. Service of such proceedings may validly be made upon the Attorney in Fact in Canada for Lloyd's Underwriters, whose address for such service is 1155, rue Melcalfe, Suite 1540, Montréal (Québec) H3B 2V6.

NOTICE

Any notice to the Underwriters may be validly given to the Coverholder.

In witness whereof this policy has been signed, on the face hereof, as authorized by the Underwriters.

STANDARD MORTGAGE CLAUSE (approved by The Insurance Bureau of Canada)

IT IS HEREBY PROVIDED AND AGREED THAT:

1. Breach of Conditions by Mortgagor, Owner or Occupant — This insurance and every documented renewal thereof — AS TO THE INTEREST OF THE MORTGAGEE ONLY THEREIN — is and shall be in force notwithstanding any act, neglect, omission or misrepresentation attributable to the Mortgagor, owner or occupant of the property insured, including transfer of interest, any vacancy or non-occupancy, or the occupation of the property for purposes more hazardous than specified in the description of the risk;

PROVIDED ALWAYS that the Mortgagee shall notify forthwith the Insurer (if known) of any vacancy or non-occupancy extending beyond thirty (30) consecutive days, or of any transfer of interest or increased hazard THAT SHALL COME TO HIS KNOWLEDGE; and that every increase of hazard (not permitted by the policy) shall be paid for by the Mortgagee — on reasonable demand — from the date such hazard existed, according to the established scale of rates for the acceptance of such increased hazard, during the continuance of this insurance.

2. Right of Subrogation — Whenever the Insurer pays the Mortgagee any loss award under this policy and claims that — as to the Mortgagor or Owner — no liability therefor existed, it shall be legally subrogated to all rights of the Mortgagee against the Insured; but any subrogation shall be limited to the amount of such loss payment and shall be subordinate and subject to the basic right of the Mortgagee to recover the full amount of its mortgage equity in priority to the Insurer; or the Insurer may at its option pay the Mortgagee all amounts due or to become due under the mortgage or on the security thereof, and shall thereupon receive a full assignment and transfer of the mortgage together with all securities held as collateral to the mortgage debt.

3. Other Insurance — If there be other valid and collectible insurance upon the property with loss payable to the Mortgagee — at law or in equity — then any amount payable thereunder shall be taken into account in determining the amount payable to the Mortgagee.

4. Who May Give Proof of Loss — In the absence of the Insured, or the inability, refusal or neglect of the Insured to give notice of loss or deliver the required Proof of Loss under the policy, then the Mortgagee may give the notice upon becoming aware of the loss and deliver as soon as practicable the Proof of Loss.

5. Termination

The term of this Mortgage Clause coincides with the term of the policy;

PROVIDED ALWAYS that the Insurer reserves the right to cancel the policy as provided by Statutory provision but agrees that the Insurer will neither terminate nor alter the policy to the prejudice of the Mortgagee without the notice stipulated in such Statutory provision.

6. Foreclosure — Should title or ownership to said property become vested in the Mortgagee and/or assigns as owner or purchaser under foreclosure or otherwise, this insurance shall continue until expiry or cancellation for the benefit of the said Mortgagee and/or assigns.

SUBJECT TO THE TERMS OF THIS MORTGAGE CLAUSE (and these shall supersede any policy provisions in conflict therewith BUT ONLY AS TO THE INTEREST OF THE MORTGAGEE), loss under this policy is made payable to the Mortgagee.

CANCELLATION REQUEST

We, the undersigned, do hereby request cancellation of the Lloyd's policy bearing number

(together with any renewal certificates relating thereto)

as of

Day	Month	Year

and acknowledge that the Insurer is hereby relieved from all liability as from the cancellation date.

Signature of First Named Insured _____ Signature of a Witness _____

Signature of Second Named Insured _____ Signature of a Witness _____

Signature of Third Named Insured _____ Signature of a Witness _____

Signature of Mortgagee _____ Signature of a Witness _____

<p>2. Marketing period</p>	<ul style="list-style-type: none"> • Prepare and publish advertisement of opportunity in national and local newspaper(s). • Publish business opportunity, and Court-approved Terms and Conditions of Sale on the Receiver's website, www.irasmithinc.com • Make initial contact with potential purchasers and distribute Teaser as requested. • Distribute and execute Court-approved Confidentiality Agreement and distribute CIM. • Receive and evaluate non-binding Letter of Intent ("LOI"). • Included in the documents for review in the web based data room shall be a form of Agreement of Purchase and Sale for the use of Potential Purchasers in submitting their Final Offers (as defined in the Terms and Conditions of Sale). 	<p>Teaser to be e-mailed on April 30. Publish May 1</p> <ul style="list-style-type: none"> • MAY 1 to MAY 15, 2009. • MAY 19 to MAY 21, 2009.
<p>3. Evaluation of LOI's</p>	<ul style="list-style-type: none"> • Screen and select a limited number of potential buyers that have passed the screening stage to examine the web based data room and tour facilities 	<ul style="list-style-type: none"> • MAY 25 to MAY 29, 2009

<p>4. Formal due diligence</p>	<p>Provide access to the web based data room for such approved potential buyers to perform due diligence and to tour the Project.</p> <p>Deadline for formal offers using the Receiver's form of Agreement of Purchase and Sale (subject to Court approval).</p> <ul style="list-style-type: none"> Analyze and select formal offers. 	<ul style="list-style-type: none"> June 1 to JUNE 19, 2009. July 3, 2009 July 6 to JULY 14, 2009.
<p>5. Negotiation and finalization of binding Agreement of Purchase and Sale</p>	<ul style="list-style-type: none"> Provide additional information to buyer(s) as required. Clarify and finalize Agreement of Purchase and Sale using the Receiver's form of Agreement, if necessary (subject to Court approval). 	<ul style="list-style-type: none"> JULY 15 to JULY 22, 2009. 23 - 31, 2009.
<p>6. Application to Court for approval of sale</p>	<ul style="list-style-type: none"> Prepare Court report seeking approval of sale. Obtain Order of the Court approving sale and vesting of assets in purchaser. 	<ul style="list-style-type: none"> AUGUST 5, 2009 NO LATER THAN AUGUST 14, 2009
<p>7. Completion of transaction</p>	<ul style="list-style-type: none"> Expiry or waiver of appeal period regarding the Court Order and collection of the balance of sale proceeds. 	<p>AUGUST 2009.</p>

FOR SALE under receivership

Multi-Unit Residential Property

80 King William Street, Hamilton

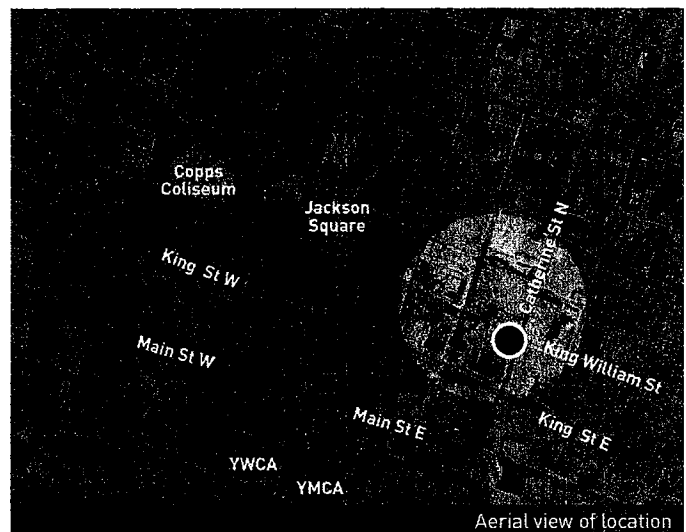


Opportunity to acquire a 50 unit residential project in advanced stage of construction located in the Heart of Downtown Hamilton

The property is located on the **Southwest corner of King William Street and Catherine Street North**, in the heart of downtown Hamilton and is close to the City's finest restaurants, shopping and performing arts venues.

Previously home to the Hamilton Spectator, now transforming into a residential loft building with its nineteenth century architectural distinctive character, the property is ideal for a variety of residential and/or institutional uses including: condominium units, retirement home, assisted living centre and rental apartment building.

Ira Smith Trustee & Receiver Inc., in its capacity as court-appointed Receiver and Manager of 1539304 Ontario Inc. o/a Trinity Landing Condominiums with the assistance of Pelican Woodcliff Inc. as project manager for the Receiver, are undertaking a selling process to dispose of all the assets and undertakings of the company on an "as is, where is" basis.



**Ira
Smith**
TRUSTEE & RECEIVER INC.

80 King William Street, Hamilton

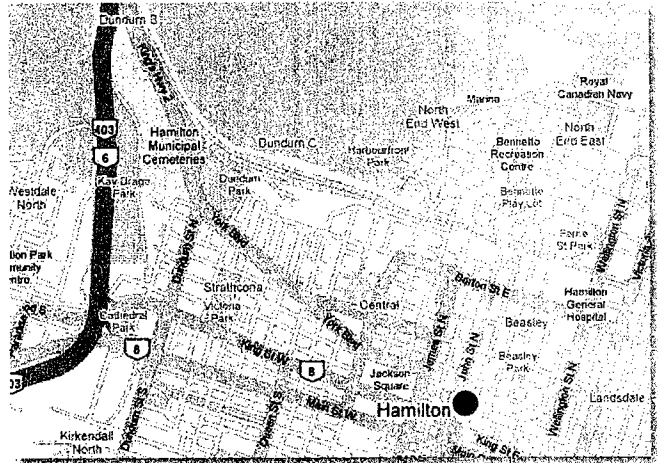
→ Project Description

SITE: 15,124 Sq.Ft. at the Southwest corner of King William St and Catherine St. North.

PROJECT: 54,543 Sq.Ft., consists of the renovation of an existing three storey commercial building and its conversion into a **five story residential condominium with 50 residential units** and one level of underground parking for **22 cars**.

ZONING: "I" District

ADDED VALUE: Municipal Realty Tax Incentive for unit purchasers attached as **Appendix A**.

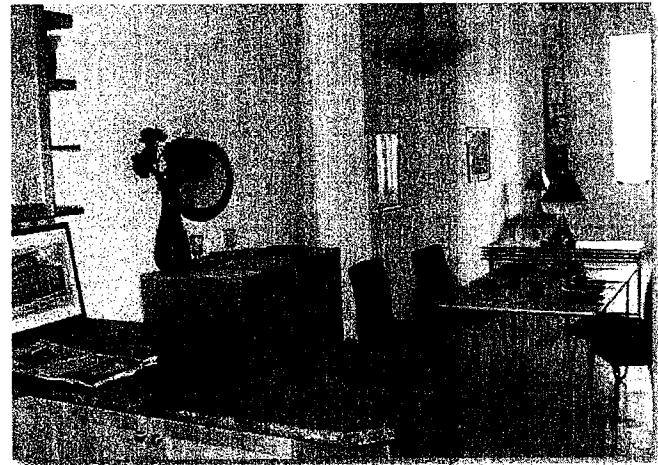


→ Terms & Conditions

Please see the Terms & Conditions, as approved by the Ontario Superior Court of Justice (Commercial List) attached as **Appendix B**.

→ Sales Process

To ensure an orderly process, target dates have been established as follows:



Activity	Date
Confidentiality Agreement (CA) distributed to interested parties	Commencing May 1, 2009
Confidential Information Memorandum (CIM) circulated to interested parties after receipt of signed CA	Commencing May 15, 2009 (EXTENDED)
Deadline for submission of non-binding Letters of Intent	May 25, 2009 (5:00 PM EDT) (EXTENDED)
Data Room access and Project tour provided to approved Potential Purchasers	Commencing June 1, 2009
Deadline for final Offers	July 3, 2009 (5:00 PM EDT)

→ Contacts

Brandon Smith
T: (905) 738-4167 x113
E: brandon@irasmithinc.com

Natan Ary
T: (905) 477-4507 x335
E: natan@pelicanwoodcliff.com

The vendor's objective is to maximize sales proceeds, limited terms and quick closing. Being sold in "as is-where is" basis. We do not warranty conformance of construction with Building Code

**Ira
Smith**
TRUSTEE & RECEIVER INC.

REAL ESTATE TENDER SALE

PROPERTY UNDER RECEIVERSHIP

80 King William St.
Hamilton, Ontario

Previously home
to the Hamilton
Spectator, this

residential loft building with its nineteenth century architectural distinctive character, is ideal for a variety of residential and/or institutional uses including: condominium units, retirement home, assisted living centre and rental apartment building.

The City of Hamilton has advised the Receiver that this project qualifies for incentives under the Enterprise Zone Municipal Realty Tax Incentive Grant Program.

Interested parties should contact the Receiver for further information and terms and conditions of sale:

Mr. Brandon Smith · brandon@irasmithinc.com
T: 905.738.4167 ext 113 · F: 905.738.9848 · www.irasmithinc.com
Suite 6-167 Applewood Crescent · Concord, ON, L4K 4K7

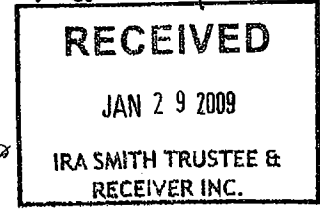
Ira Smith Trustee & Receiver Inc, solely in its capacities as Court Appointed Interim Receiver and Receiver and Manager of 1539394 Ontario Inc, is offering for sale its right, title and interest, if any, in this real estate redevelopment opportunity being an existing 3 storey rehabilitated commercial structure, converted to a 5 storey, 50 unit loft style residential condominium building, which is at an advanced stage of construction and has been marketed under the name Trinity Landing Condominiums.

Ira Smith
TRUSTEE & RECEIVER INC.

TRINITY LANDING

<u>NAME</u>	<u>UNIT/SUITE</u>	<u>DEPOSIT</u>
Jeffrey Legris	Unit 2, Level 1, Suite 105	\$ 1,000.00
Deirdre Dixon	Unit 11, Level 4, Suite 402	\$11,000.00
Dennis Vachon	Unit 2, Level 2, Suite 205	\$ 1,000.00
Shirley Thai	Unit 4, Level 1, Suite 107	\$ 1,000.00
Praful/Hema Raythattha	Unit 7, Level 1, Suite 111	\$ 6,688.80
Bobby Turcotte	Unit 8, Level 4, Suite 411	\$11,000.00
Charlotte Hell	Unit 13, Level 2, Suite 203	\$ 1,000.00
		<hr/>
		\$32,688.80
	(interest) +	\$ 168.79
	(service charge) -	<u>\$ 6.01</u>
TOTAL		\$32,851.58

TRINITY - Unit 305



Burns, Vasani, Argiropoulos LLP
Barristers & Solicitors

A. DOUGLAS BURNS, B.A., LL.B.
R. SRINI VASANI, M.A., B.L.
CHRIS ARGIROPOULOS, B.A., LL.B.
DEVON M. RYERSE, B.N.SC., LL.B., R.N.

TELEPHONE (905) 522-1381
FACSIMILE (905) 526-1651
COMMERCE PLACE, SUITE 305
TWENTY-ONE KING STREET WEST, BOX 38
Hamilton, Ontario
L8P 4W7

COUNSEL:
MILTON J. LEWIS, Q.C.

COUNSEL IN CRIMINAL MATTERS:
DEAN D. PAQUETTE B.A., LL.B.

January 22, 2009

Ira, Smith
Trustee & Receiver Inc.
6-167 Applewood Crescent
Concord, Ontario
L4K 4K7

Attention: Brandon Smith - Estate Manager

Dear Sir:

Re: In the Matter of the Receivership of 1539304 Ontario Inc.
Operating as Trinity Landing ("Trinity Landing")

I acknowledge receipt of your letter dated January 15, 2009 together with a copy of the Order of Honourable Madam Justice Pepall and note your request contained therein.

Please be advised as follows:

Our firm acted for 1539304 Ontario Inc. from time to time including its purchase of the land and building located at 80 King William Street in Hamilton and in various mortgages that were placed on this property including in the transaction of mortgage in favour of ICICI Bank. All of these transactions closed years ago and our files have been closed.

We were also retained to draft and prepare the condominium documents and again this happened three or four years ago.

Subsequently, from time to time we were receiving copies of Agreements of Purchase and Sale together with amounts of deposits to be held in our trust account. Most of these Agreements of Purchase and Sales were terminated and the deposit monies returned.

Currently, we have copies of Agreements of Purchase and Sale that are pending with respect to 7 transactions and we have in our trust account the amounts of deposits that were made payable to our firm in trust by the purchases. The details of these amounts are shown on the attached sheets.

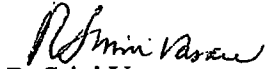
Our firm never received any monies that were paid on account of upgrades. Our understanding is any monies that were paid for upgrades were paid directly to the Company.

We do not have any other books or records of this Company.

Pursuant to our telephone conversation on Thursday, the 15th of this month, I confirm your advice that 1) we are to continue to hold the deposit monies in trust until we receive further direction from you and 2) that at present, you are only interested in being brought up to date on current files. As I advised you, if you need any information on any of our closed files, I will be pleased to be of assistance.

I am also enclosing herewith copies of the Agreements of Purchase and Sale and any correspondence with respect to each of the current files listed in the attached sheet.

Yours truly,



R. Srinivasan

Encl.

TRINITY LANDING

<u>NAME</u>	<u>UNIT/SUITE</u>	<u>DEPOSIT</u>	
Jeffrey Legris	Unit 2, Level 1, Suite 105	\$ 1,000.00	
Deirdre Dixon	Unit 11, Level 4, Suite 402	\$11,000.00	
Dennis Vachon	Unit 2, Level 2, Suite 205	\$ 1,000.00	
Shirley Thai	Unit 4, Level 1, Suite 107	\$ 1,000.00	
Praful/Hema Raythattha	Unit 7, Level 1, Suite 111	\$ 6,688.80	
Bobby Turcotte	Unit 8, Level 4, Suite 411	\$11,000.00	
Charlotte Hell	Unit 13, Level 2, Suite 203	\$ 1,000.00	
		<hr/>	
	(interest)	+	\$32,688.80
	(service charge)	-	\$ 168.79
			<u>\$ 6.01</u>
TOTAL			\$32,851.58



AGREEMENT OF PURCHASE AND SALE

1. ~~THE~~ DEIRDRE MARY DIXON
(Name(s) of Purchaser(s))

(the "Purchaser") hereby agrees with 1539304 Ontario Inc., operating as Trinity Landing (the "Vendor") to purchase Unit ~~2211~~, Level 4, Suite 407, as shown on the copy of the plan attached as Schedule 4, being a proposed unit in a proposed standard freehold condominium located at 80 King William Street, Hamilton, Ontario, shown on the copy of the site plan attached as Schedule 5 together with its appurtenant common elements and (where applicable) the Parking Unit Number _____ (collectively, the "Unit") on the lands described in Schedule 1 hereto (the "Lands") on the terms of this Agreement.

2. PURCHASE PRICE

The purchase price of the Unit shall be TWO HUNDRED + FORTY SEVENTH THOUSAND + FIFTY FOUR (\$ 247,054) in lawful money of Canada (the "Purchase Price"), payable as follows: DOLLAR

(a) the sum of ONE THOUSAND DOLLARS (\$1,000.00) cheque payable to the Vendor's lawyers, Messrs. Burns, Vasan, Limbick & Smith LLP, in trust, to be delivered by the Purchaser to the Vendor with the copies of this Agreement executed by the Purchaser, as a deposit to be held by the said solicitors pending completion or other termination of this Agreement and to be credited against the Purchase Price, on closing;

(b) the following additional deposits each by cheque payable to the said solicitors in trust postdated as follows:

- (i) \$5,000.00 due within 15 days of the date of acceptance of this Agreement;
- (ii) \$5,000.00 due within 45 days of the date of acceptance of this Agreement.

All said cheques to be delivered to the Vendor with the copies of this Agreement executed by the Purchaser. The Vendor shall cause its said solicitors to hold all deposit monies in a separate trust account in a Chartered Bank in Ontario pending completion or other termination of this Agreement and to be credited on account of the purchase price on final closing. Where any of the deposit cheques is uncertified and is not honoured by the Drawee, then the purchaser shall be conclusively deemed to be in default under the Agreement, and at its option, the Vendor may declare all deposit monies already received by it as forfeited;

(c) the balance of the Purchase Price by certified funds, payable to the Vendor's solicitor subject to adjustments as specified in Schedule 2 hereof, on the Final Closing Date;

3. OCCUPANCY DATE

The Interim Closing Date shall occur on JANUARY 20, 2007 or such extended or earlier date as may be determined by the Vendor in accordance with this Agreement. The Interim Closing Date is a tentative date by which the Vendor anticipates the Unit will be ready for occupancy by the Purchaser but which date may be varied by the Vendor in accordance with the provisions of this Agreement.

4. FINAL CLOSING DATE

Title to the Unit shall be transferred on the Final Closing Date, being a date subsequent to the Interim Closing Date and established by the Vendor in accordance with this Agreement

5. SCHEDULES

Schedules 1 to 7 inclusive attached hereto and any amendments or addenda thereto shall form part of this Agreement.

6. ACKNOWLEDGMENT

The Purchaser acknowledges having read this Agreement and all Schedules, amendments and addenda hereto.

7. ACCEPTANCE

Delivery to the Vendor of copies of this Agreement executed by the Purchaser shall constitute an offer irrevocable by the Purchaser until 5:00 p.m. on the 5th day after the date of delivery of the same by the Purchaser and if this Agreement is not executed by the Vendor by such time, such offer shall be considered to have been withdrawn by the Purchaser and the deposit shall be returned to the Purchaser without interest.

THE PURCHASER'S SCHEDULES shall state FINAL CLOSING date to be date NOT LATER THAN MARCH 31, 2007

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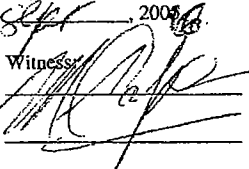
14

AND A CHEQUE TO 1539304 ON

ALL ARE PAYABLE TO THE DEVELOPER

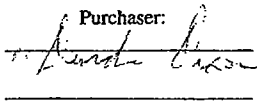
2007 IS SCHEDULE 7

Copies of this Agreement have been executed by the Purchaser and delivered to the Vendor on the 15 day of Sept, 2006

Witness:



Purchaser's Lawyer

Telephone: _____
Fax: _____

Purchaser:


Purchaser's Address:
1564 TheCLURE rd
London ON N6G
Telephone: _____ 2L2
Fax: _____

Copies of this Agreement have been executed by the Vendor on the 19 day of Sept, 2006

Vendor's Lawyer:

Burns, Vasan, ~~Lamberis~~, ~~LLP~~ LLP
Barristers & Solicitors
305 - 21 King Street West
Hamilton, Ontario
L8P 4W7
Tel: (905) 522-1382
Fax: (905) 522-0855

1539304 ONTARIO INC.
By: 
for President

I have the authority to bind the corporation.

R. SRINI VASAN

Purchaser's Address
#302
1714 main st W.
Hamilton L8S 1G2
(905) 540 3902

**SCHEDULE 1
LEGAL DESCRIPTION OF LANDS**

**P.I.N. 17167 - 0115 L.T.
being, 80 King William Street, Hamilton, Ontario
Lot 21, Part Lot 22, Nathaniel Hughson Survey
(unregistered), south side of King William Street,
between John Street and Catharine Street, being
Part 1 on 62R -16706, City of Hamilton**

SCHEDULE 2
ADDITIONAL TERMS OF AGREEMENT

1. DEFINITIONS

The words and phrases used in this Agreement and the Schedules, amendments and addenda to this Agreement shall each have the meaning provided for in the Condominium Act, 1998 and any amendments thereto unless otherwise provided for elsewhere in this Agreement or as follows:

- (a) "Act" shall mean the Condominium Act, 1998 of Ontario;
- (b) "Agreement" shall mean this Agreement of Purchase and Sale and all Schedules, amendments and addenda to this Agreement;
- (c) "Condominium" shall mean the proposed Condominium Plan and the Condominium Corporation to be created upon the registration of its Condominium Documents on title to the Lands and the building(s) constructed or to be constructed on the Lands;
- (d) "Condominium Documents" shall mean the Declaration, Description and By-Laws by which the Corporation is intended to be created and organized;
- (e) "Corporation" shall mean the corporation created upon registration of the Declaration and the Description;
- (f) "Interim Occupancy Period" shall mean the period of time, if any, from and including the Interim Closing Date to the Final Closing Date;
- (g) "Lands" shall mean the lands described in Schedule 1 hereto;
- (h) "Occupancy Licence" shall mean the licence granted to the Purchaser to occupy the Unit during the interim occupancy period, in accordance with the provisions of Schedule 3 attached;
- (i) "Occupancy Licence Fee" shall mean the sum of money payable monthly in advance by the Purchaser to the Vendor during the Interim Occupancy Period, calculated in accordance with this Agreement and the Act;
- (j) "Property" shall mean the Lands and interests appurtenant to the Lands as described in the Description; and
- (k) "Unit" shall mean the unit or the proposed unit in the Condominium.

2. DEPOSIT MONIES

In accordance with the Act, all monies received from the Purchaser on account of this Agreement, other than monies paid as the Occupancy Licence Fee or for upgrades, changes or extras ordered by the Purchaser, shall be held in trust until its disposition to the person entitled thereto or delivery of prescribed security to the Purchaser for repayment, in accordance with the Act. The Vendor shall credit the Purchaser on the Final Closing Date with interest at the rate prescribed pursuant to the Act on all such money received by the Vendor on account of the purchase price (excluding extras and upgrades ordered by the Purchaser) from the Interim Occupancy date until the Final Closing Date.

3. ADJUSTMENTS

The balance of the Purchase Price shall be adjusted on the Interim Closing Date, or on the Final Closing Date, or as may be required by the Vendor, as to all prepaid, current or accrued expenses or charges and as to other items required by the terms of this Agreement, which shall include, without limiting the generality of the foregoing the following:

- (a) assessments prepaid or owing or as estimated by the Vendor towards the common expenses; and/or the reserve fund;
- (b) an amount equal to that estimated by the Vendor to be payable by the Purchaser, as a contribution by the Purchaser towards the common expenses and/or the reserve fund equivalent to common expenses for the Unit for a period of two (2) months, which sum shall be paid directly to the Corporation and in the case of common expenses, credited by the Corporation to the Purchaser. Such sum, or part thereof forming part of the reserve fund shall be in addition to any common expenses otherwise payable to the Corporation. The Purchaser agrees to deliver on the Final Closing Date a series of twelve post-dated cheques in an amount estimated by the Vendor to be payable monthly to the Corporation on account of the common expenses for that period of time;
- (c) unearned insurance premiums, and where such insurance is carried by the Corporation, the Purchaser's share of any unearned or accrued premiums determined by the proportion of common interest of the Unit;
- (d) the realty taxes to be estimated by the Vendor for the calendar year in which this Agreement is completed and shall be adjusted as if such sum had been paid by the Vendor notwithstanding that the same may not by the Interim

Closing Date or by the Final Closing Date have been levied or paid, subject, however, to readjustment upon the actual amount of said realty taxes being ascertained. 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 the Purchaser. In the event, as on the Final Closing Date, the Condominium is 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 to the Purchaser based upon the common interest of the Unit or alternatively equally among all of the residential units within the Condominium or in such other manner as the Vendor may elect, acting reasonably, at the Vendor's option. At the Vendor's option, realty taxes may not be adjusted until individual unit assessments have been made. Any realty tax re-assessment following the Final Closing Date shall be the responsibility of the Purchaser. All other contributions, rates and charges if not paid by the Vendor on a per unit basis shall be apportioned to the Purchaser in the same manner as provided for above for the apportionment of realty taxes;

- (e) the cost of public utilities or private services (including purchased or rented hot water tank) which if not billed separately may be adjusted by attributing to the Purchaser a share of such cost, as determined by the common interest of the Unit, and any charges paid by the Vendor to a public utility supplier or supplier of private service which may be attributable to the Unit.
- (f) reimbursement to the Vendor for the transaction levy surcharge imposed upon the Vendor by the Law Society of Upper Canada;
- (g) the deposits;
- (h) interest on deposit monies in accordance with the Act and/or this Agreement;
- (i) the Occupancy Licence Fee provided for in Schedule 3 hereto;
- (j) the sum of \$250.00 to cover the legal and administrative fees for the preparation of the Vendor Take-Back Mortgage, if any;
- (k) security deposit of \$250.00 on Interim Closing, to be held by the Vendor, until the purchaser provides proof that he or she has transferred the gas and hydro accounts for the Unit into his or her name as of the Interim Closing date;
- (l) an administrative fee of \$150.00 shall be charged to the Purchaser for any cheque paid for a deposit, the Occupancy Licence Fee or for any upgrades which is returned N.S.F. or upon which a "stop payment" has been ordered, or otherwise not honoured by the financial institution on which such cheque is drawn;
- (m) if the Purchaser is not a resident of Canada for the purposes of the Income Tax Act (the "Tax Act"), the Vendor shall be entitled to withhold and remit to Revenue Canada the appropriate amount of interest payable to the Purchaser on account of the deposit monies paid hereunder, in accordance with the Income Tax Act;
- (n) if any of the adjustments to be made on the Interim Occupancy Date cannot be accurately determined at that time, the Vendor may estimate the adjustment to be made, and a final adjustment shall be made when the same may be accurately determined;
- (o) **UPGRADES AND EXTRAS:** The price for any upgrades or extras requested by the Purchaser shall be paid directly to the Vendor by the Purchaser upon executing the written order for such upgrades or extras. At the option of the Purchaser, the amount so received by the Vendor shall be added to the purchase price on the Statement of Adjustments as an adjustment;
- (p) the Purchaser shall further pay to the Vendor, on closing as an adjustment, an administration and set up fee of \$300.00 in relations to the security for Builder's Warranty referred to in paragraph 9 (c) of the Disclosure Statement.

4. GOODS AND SERVICES TAX

The Goods and Services Tax (the "G.S.T.") payable pursuant to the Excise Tax Act (the "G.S.T. Act") is included in the Purchase Price of units to Purchasers who qualify for rebate of G.S.T. as specified below. The actual monetary consideration for the Unit exclusive of any extras, requested changes, or adjustments (the "Consideration"), is the amount derived by subtracting the G.S.T. payable, less all refunds, credits and rebates available to the Purchaser pursuant to the G.S.T. Act, including, without limiting the generality of the foregoing, the new housing rebate under the G.S.T. Act (the "G.S.T. Rebate"), from the Purchase Price. The Purchaser hereby irrevocably assigns to and in favour of the Vendor any and all rights the Purchaser may have to any rebates, refunds or credits available pursuant to the G.S.T. Act, including without limiting the generality of the foregoing, the G.S.T. Rebate, in the event that the Purchaser qualifies for the G.S.T. Rebate. The Purchaser covenants and agrees that the Purchaser shall immediately following the completion of this Agreement, personally occupy the Unit or cause one or more of the Purchaser's relations (as defined in the G.S.T. Act) to occupy the Unit for such period of time as shall then be required in order to entitle the Purchaser to the G.S.T. Rebate or any such rebates, refunds or credits pursuant to the G.S.T. Act. The Purchaser covenants and agrees to deliver to the Vendor on the Final Closing Date any and all documentation and/or application forms as the Vendor shall request, from time to time, in order to facilitate the aforesaid assignment of G.S.T. rebates, refunds or credits. In the event that the Purchaser shall for any reason fail to qualify for the G.S.T. Rebate, the Purchaser shall indemnify the Vendor in the amount that the Purchaser would have been entitled to had the Purchaser

so qualified for the G.S.T. Rebate, and in the event that such failure to qualify is known on or before the Final Closing Date, then the full amount of the G.S.T. shall be in addition to the purchase price and credited and paid to the Vendor on closing. Notwithstanding any other provision of this Agreement, the Purchaser acknowledges and agrees that the Purchase Price does not include any G.S.T. payable with respect to any of the adjustments or any extras, requested, changes or upgrades purchased, ordered or chosen by the Purchaser which are not specifically included with the Unit or in the Purchase Price, and the Purchaser covenants and agrees to pay such G.S.T. to the Vendor in accordance with the G.S.T. Act.

5. INTERIM OCCUPANCY

(a) If the Unit is substantially complete and fit for occupancy on the Interim Closing Date, the Purchaser shall occupy the Unit on the Interim Closing Date pursuant to the Occupancy Licence provided for in Schedule 3. In the event substantial completion of the Unit may be delayed for any reason other than the wilful neglect of the Vendor, the Vendor shall be permitted reasonable extensions of time not exceeding in the aggregate 240 days, to substantially complete the Unit and the Interim Closing Date shall be extended accordingly. If the Vendor shall be unable to complete the Unit for occupancy within such reasonable extension of time, all moneys, to the extent provided for in paragraph 25 of this Schedule, shall be returned to the Purchaser, this Agreement shall be terminated and the Vendor shall not be liable to the Purchaser for any damages arising as a result thereof and shall have no further obligation hereunder;

(b) the Vendor shall be entitled upon giving at least 60 days written notice to the Purchaser, to accelerate the Interim Closing Date provided the Unit is substantially complete and fit for occupancy on such earlier date. If the Unit is substantially completed and fit for occupancy by the Interim Closing Date or any acceleration or extension thereof in accordance with this Agreement, the Purchaser shall take interim occupancy of the Unit on that date notwithstanding that the Vendor has not fully completed the Unit or the proposed Common Elements on such date and the Vendor shall complete such outstanding work required by this Agreement within a reasonable time after the Interim Closing Date, having regard to weather conditions and the availability of labour and materials. The Unit shall be deemed to be substantially completed when the interior of the Unit has been finished to permit occupancy. The Purchaser acknowledges that failure to complete the proposed Common Elements on or before the Interim Closing Date shall not be deemed to be a failure to complete the Unit.

6. INSPECTION

The Purchaser agrees to inspect the Unit upon the Vendor's request, with a representative of the Vendor, prior to the Interim Closing Date and to list all mutually agreed upon outstanding, incomplete or apparently defective items in the Unit at the time of inspection, and the Vendor's obligation to complete or rectify work shall thereafter be limited only to those items contained in the said list and except as to those items, the Purchaser shall be deemed to have acknowledged that the Unit has been completed in accordance with this Agreement and the Purchaser shall be deemed conclusively to have accepted the Unit in its condition as at the time of inspection. The inspection by the Purchaser is a condition of the Vendor's obligation to provide occupancy of the Unit to the Purchaser.

7. EXECUTIONS

The Purchaser agrees to provide to the Vendor's Solicitors on the Interim Closing Date an Execution Certificate as of that date confirming that no execution against the individual(s) in whose name(s) title to the Unit is to be taken and further agrees to provide on the Final Closing Date such further clear Execution Certificate as may be required by the Vendor to obtain mortgage advances with respect to the Unit.

8. FINAL CLOSING

Following registration of the Condominium, the Vendor's solicitor shall designate a date not less than 21 days nor more than 90 days after the date of such registration as the Final Closing Date by delivery of written notice of such date to the Purchaser, and the within transaction shall close on the date so designated. ~~The final closing date, in any event, shall be a date not later than the 31st day of December, 2006.~~

9. RISK

The Unit shall be and remain at the risk of the Vendor until the Final Closing Date. If any part of the Condominium is damaged before the Condominium Documents are registered, the Vendor may in its sole discretion either terminate this Agreement and return to the Purchaser all deposit monies paid by the Purchaser to the Vendor or make such repairs as are necessary to complete this Agreement, it being understood and agreed that all insurance policies and the proceeds thereof are to be for the benefit of the Vendor alone.

10. SEARCH OF TITLE

The Purchaser shall be allowed to the date which is 10 days prior to the Final Closing Date (the "Search Period") to examine title to the Unit at the Purchaser's own expense. If within the Search Period any valid objection to title to the Unit is made in writing to the Vendor which the Vendor may be unable or unwilling to rectify and which the Purchaser will not waive this Agreement shall, notwithstanding any intermediate negotiations in respect of any such, be terminated and the deposit monies, together with the interest to be paid thereon, after deducting any payments due to the Vendor by the Purchaser as provided for in this Agreement, shall be returned to the Purchaser and the Vendor shall have no

further liability or obligation to the Purchaser and shall nor be liable for any costs or damages. Save as to any valid objections to made within the Search Period, the Purchaser shall be deemed to have accepted the title of the Vendor to the Unit. In the event the Purchaser has assumed occupancy of the Unit pursuant to paragraph 5 above, the Purchaser shall vacate and deliver vacant possession of the Unit in good repair and in a tidy condition to the Vendor before becoming entitled to the return of said deposit monies.

11. NAME OF TRANSFEREE

The Purchaser agrees to submit to the Vendor within the Search Period written confirmation as to the manner in which title to the Unit is to be registered, and the Purchaser shall be required to take title to the Unit in the manner so advised unless the Vendor otherwise consents in writing, which consent maybe arbitrarily withheld. If the Purchaser does not submit such confirmation within the Search Period the Vendor shall be entitled to tender a Transfer/Deed on the Final Closing Date with the Transferee therein being the name of the Purchaser as shown in this Agreement. The Purchaser shall be entitled to direct that title to the Unit be taken in the name of the Purchaser's spouse, or a member or members of the Purchaser's immediate family only, but shall not be permitted to direct that title to the Unit be taken in the name of any other party.

12. CONDITION OF TITLE

The Purchaser agrees to accept title to the Unit subject to and to be bound by the following:

- (a) the Condominium Documents in the general form attached to the Disclosure Statement delivered to the Purchaser as set out in Schedule 6;
- (b) any subdivision, development, site plan, condominium or like agreements with the municipality or other governmental authority having jurisdiction, provided always that same do not in the aggregate materially and adversely affect the use of the Unit and the Condominium as a residential or parking unit as the case may be and a residential condominium, respectively;
- (c) any easements, rights-of way, encroachment agreements, heritage agreements, restrictions, conditions or covenants that run with the land and subject to any easements, licences, rights or agreements now registered or to be registered for the installation and maintenance of any public utilities or private services including, without limitation, telephone, hydro, gas, storm and sanitary sewer, water and cable television or master antenna television distribution systems or coaxial cable or fibre-optic installation and any easements and rights of-way which may be required by a municipality or other governmental authority for access through the proposed Common Elements, or with respect to buildings, and any agreement with the Municipality with respect to the bridge connecting the subject building to the building situate on the south side of the alleyway at the rear;
- (d) any restrictions, condition, or warnings imposed by any municipality or other governmental authority contained in any site plan, subdivision, condominium, financial or development agreements;
- (e) temporary or periodic easements in favour of the Declarant and/or its affiliates or assignees for construction of the Condominium, sales of units and/or any development in the vicinity thereof;
- (f) restrictive covenants prohibiting anyone from using the lands and any part thereof for the purposes of the sale, marketing, storage, distribution or handling in bulk of oil or petroleum products, including bulk quantities of gasoline and other motor fuels, lubricants, motor oils, greases and solvents;
- (g) any other matters expressly provided for in this Agreement.

The Purchaser shall satisfy himself as to the due compliance with the provisions of any such agreements or instruments referred to above and shall not require release of the Unit or the Condominium from the same. The Purchaser covenants and agrees to consent to the provisions of any such agreements or instruments referred to above and, if required, to execute all documents and do all things requisite for this purpose, either before or after the Final Closing Date. The Vendor shall be entitled to insert in or to the Transfer to be delivered to the Purchase on the Final Closing Date 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 Final Closing Date, or the Vendor may require that the Purchaser deliver a separate written covenant on the Final Closing Date.

13. HVAC, HOT WATER TANK AND APPLIANCES

- (i) The unit is equipped with a separate HVAC equipment for heating and air conditioning purposes, a hot water tank and a fridge and stove and a dishwasher, and the purchaser agrees that the only warranty that the purchaser will receive with respect to all of said chattels and equipment is the manufacturer's standard warranty,

14. VENDOR'S LIEN

The Purchaser agrees that the Vendor shall have a Vendor's Lien for the unpaid balance of the Purchase Price, if any,

on the Final Closing Date and the Vendor shall be entitled to register a Notice of Lien on title to the Unit.

15. EXISTING MORTGAGES

The Purchaser acknowledges that the Unit may be encumbered by mortgages which are not intended to be assumed by the Purchaser and that the Vendor shall not be obliged to obtain and register a discharge of any such mortgages which affect the Unit on the Final Closing Date. The Purchaser agrees to accept the Vendor's undertaking to obtain and register a discharge or partial discharge of each such mortgage as soon as reasonably possible after the Final Closing Date subject to the Vendor providing to the Purchaser the following:

- (a) a letter or statement from each such mortgagee confirming the amount required to be paid to such mortgagee to obtain a discharge of each such mortgage from title to the Unit;
- (b) a direction from the Vendor to the Purchaser to pay such amount to such mortgagee on the Final Closing Date by way of certified cheques delivered to Vendor's solicitor; and
- (c) an undertaking from the Vendor or the Vendor's solicitor to deliver such amounts to each such mortgagee and to register the discharge of each such mortgage from title to the Unit upon receipt thereof and to advise the Purchaser or the Purchaser's lawyer of registration thereof.

16. CONSTRUCTION LIENS

The Purchaser acknowledges and agrees that the deposits paid pursuant to this Agreement shall be deemed to be monies held in trust pursuant to the Act, and the Purchaser shall therefore be deemed to be a "home buyer" as defined in the Construction Lien Act and the Purchaser shall not be entitled to request or demand that any holdback for construction liens be maintained for any portion of the purchase price on the Interim Closing Date or on the Final Closing Date.

17. SUBORDINATION OF AGREEMENT

The Purchaser covenants and agrees that this Agreement is subordinate to and postponed to any mortgages arranged by the Vendor and any advances thereunder from time to time, and to any easements, rights-of-way, licenses or other agreements affecting the Condominium. The Purchaser further agrees to consent to and execute all documentation as may be required by the Vendor to give effect to the foregoing and the Purchaser hereby irrevocably appoints the Vendor as the purchaser's attorney to execute any consents or other documents required by the Vendor to give effect to the provisions of this paragraph.

18. NO REGISTRATION OF AGREEMENT

The purchaser covenants and agrees not to register this Agreement or notice of this Agreement or a caution, certificate of pending litigation, Purchaser's Lien, or any other document giving notice of this Agreement against title to the Unit or the Lands and further agrees not to give, register, or permit to be registered any encumbrance against the Unit or the Lands prior to completion of this Agreement. Should the Purchaser be in default of the Purchaser's obligations hereunder, the Vendor may, as agent and attorney of the Purchaser, cause the removal of notice of this Agreement, caution, certificate of pending litigation, Purchaser's Lien, or other document giving notice of this Agreement or any assignment thereof, from the title to the Unit or the Lands. In addition, the Vendor, at its option, shall have the right to declare this Agreement terminated in accordance with the provisions of paragraph 26 of this Schedule. The Purchaser hereby irrevocably consents to a court order removing such notice of this Agreement, any caution, or any other document a instrument whatsoever from title to the Unit or the Lands and the Purchaser agrees to pay all of the Vendor's costs and expenses a obtaining such order (including legal and other fees and expenses actually incurred by the Vendor).

19. PERSONAL USE OF PURCHASER

The Purchaser represents to the Vendor, upon which representation the Vendor has relied in entering into this Agreement, that the Purchaser is purchasing the Unit for the Purchaser's own personal use and not for short term, speculative investment purposes. The Purchaser covenants and agrees with the Vendor not to list for sale, advertise for sale, offer for lease, offer for sale, sell, lease, transfer or assign the interest of the Purchaser under this Agreement at any time prior to the Final Closing Date without prior written consent of the Vendor, which consent may be arbitrarily withheld. In the event the Vendor agrees to consent to the assignment, then the following provisions shall apply to and be deemed to be part of such consent:

- a) This Agreement of Purchase and Sale may be assigned only once and the Assignee shall not have the right to make any further assignments;
- b) The Assignment shall not be for a price less than the Purchase Price as set out in Paragraph 2 above;
- c) The Vendor is to be advised of the Assignment at least 90 days prior to final closing;
- d) If a mortgage is being arranged to finance the purchase of this Property, a copy of the Assignee's approval by the lender shall be provided to the Vendor with notice of the assignment, for the assignment to be effective.
- e) The Purchaser shall remain responsible for the performance of the obligations of the Purchaser under the Agreement of Purchase and Sale up to the closing, notwithstanding the assignment.
- f) The Assignee will enter into a covenant with the Vendor to assume the obligations of the Purchaser

- g) contained in the Agreement of Purchase and Sale by signing this form.
- g) The Assignee shall be bound by all acts of the Purchaser up until the date of the assignment including any selections by the Purchaser of colours and materials and for any extras.
- h) The Vendor shall be paid a consent fee of \$1,500.00 plus GST on notification of the Assignment by the Purchaser.

20. INVESTORS AND GST

In the event the Purchaser is an investor and purchasing the subject unit(s) for rental purposes, the Purchaser shall disclose himself as an investor to the Vendor and any Goods and Services Tax (G.S.T.) payable shall be in addition to the purchase price.

21. NO OBJECTION

The Purchaser covenants and agrees that the Purchaser shall not object to nor oppose any amendment to or change in the zoning and/or site plan and/or draft condominium plan, nor oppose any other applications by the Vendor to any board, tribunal, municipality or other governmental authority relating to the construction and registration of the Condominium, or development on adjoining lands or any other lands owned by the Vendor in the vicinity of the Condominium, if any.

22. NO INTERFERENCE

The Purchaser covenants and agrees that the Purchaser shall not interfere with the completion of any part of the Condominium by the Vendor. Until the Condominium is completed and all units are sold, the Vendor may make such use of the Condominium as may facilitate such completion and sales, including, but not limited to, the maintenance of a sales/rental/administration office and model units, and the display of signs located on the Property.

23. PURCHASER'S COVENANTS, REPRESENTATIONS AND WARRANTIES

The Purchaser's covenants, warranties and obligations contained in this Agreement shall survive the completion of this Agreement and shall remain in full force and effect notwithstanding the transfer of title to the Unit to the Purchaser.

24. SIZE OF UNIT, LAYOUTS OF UNIT AND EXTERIOR ELEVATIONS OF THE BUILDING.

Notwithstanding anything contained in any brochures, drawings, plans, advertisements, or other marketing materials, or any statements made by the Vendor's sales representatives, the Purchaser acknowledges that there is no warranty or representation contained herein on the part of the Vendor as to the area of the Unit. The Purchaser further acknowledges that any dimensions, interior layouts and or other data shown on such materials are approximate only and that the Purchaser is not purchasing the Unit on a price per square foot basis. Accordingly, the Purchaser shall not be entitled to any abatement or refund of the Purchase Price based on the precise area of the Unit as constructed. The Purchaser further acknowledges that the size of the Unit as represented by the sales literature is measured in accordance with industry standards from the exterior surface of exterior walls, exterior surface of all corridor walls and proposed Common Elements enclosing and abutting the Unit and the center line of walls separating units, and accordingly, such measurements may differ from measurements made using the Unit boundaries set out in the Declaration. Actual usable floor space may vary from the stated floor area.

25. CONSTRUCTION

The Purchaser acknowledges that the Condominium will be constructed substantially in accordance with plans and specifications filed or to be filed with the municipality having jurisdiction. The Purchaser shall have no claim against the Vendor for any higher or better standards of workmanship or materials. The Purchaser agrees that the foregoing may be pleaded by the Vendor as an estoppel in any action brought by the Purchaser or the Purchaser's successors against the Vendor. The Vendor may from time to time, change, vary or modify in its sole discretion or at the instance of any governmental authority, engineer or mortgagee, any elevations, interior layouts or designs, building specifications or site plans of the Condominium to conform with any municipal or architectural requirements related to Building Code, Official Plan or Official Plan Amendments, zoning by-laws, Committee of Adjustment and/or Land Division Committee decision, municipal site plan or condominium plan approval or architectural or heritage control. Such changes may be to the plans and specification as they existed at the time the Purchaser entered into this Agreement or as illustrated in any sales brochures, models or otherwise. With respect to any aspect of construction, finishing or equipment, the Vendor shall have the right, without the Purchaser's consent, to substitute materials for those described in this Agreement or in the plans or specifications, provided substituted materials are in the judgment of the Vendor's architect, whose determination shall be final and binding, of equal or better quality. The Purchaser shall have no claim against the Vendor for any such changes, variances or modifications nor shall the Vendor be required to give notice thereof. The Purchaser hereby consents to any such alterations and agrees to complete this Agreement notwithstanding any such modifications. The Purchaser hereby agrees to pay in advance for any of the changes, which Purchaser initiated or ordered by the Purchaser.

26. RIGHT OF ENTRY

Notwithstanding the occupancy of the Unit by the Purchaser on and after the Interim Closing Date and the Final Closing Date, as applicable, the Vendor or any person, authorized by it shall be entitled at all reasonable times and upon reasonable prior notice to the Purchaser to enter the Unit and the Common Elements in order to make inspections or to do any work or repairs therein or thereon which may be deemed necessary by the Vendor in connection with the Unit or the Common Elements and such right shall be in addition to any rights and easements created under the Act.

27. TERMINATION WITHOUT DEFAULT

(a) In the event this Agreement is terminated through no fault of the Purchaser, all deposit monies paid by the Purchaser towards the Purchase Price, together with any interest to be paid thereon, shall be returned to the Purchaser provided, however, that the Vendor shall not be obligated to return any monies paid by the Purchaser as an Occupancy Licence Fee, for upgrades, changes or extras ordered by the Purchaser; and

(b) in no event shall the Vendor be liable to the Purchaser for any damages or costs whatsoever and without limiting the generality of the foregoing, for any monies paid to the Vendor for upgrades, changes, extras, for any loss of bargain, for any relocating costs, or for any legal or other fees or expenses incurred in relation to this Agreement. This provision may be pleaded by the Vendor as a complete defence to any such claim.

28. PURCHASER'S DEFAULT

Should the Purchaser be in default in any of covenants, representations, warranties, acknowledgments and obligations to be observed or performed under this Agreement including, without limiting, any and all covenants contained in the Occupancy Licence, and should such default continue for 5 days after written notice thereof has been given to the Purchaser by or on behalf of the Vendor, then in addition to any other rights or remedies which the Vendor may have, the Vendor, at its option, shall have the right to declare this Agreement terminated and in such event all deposit monies paid by the Purchaser (including all monies paid to the Vendor with respect to extras or changes to the Unit ordered by the Purchaser) shall be the absolute property of the Vendor, as liquidated damages and not as a penalty and without prejudice to or limiting the rights of the Vendor to claim for damages in excess of the deposit monies so retained by the Vendor. If the Purchaser has taken possession of the Unit, the Purchaser shall immediately vacate the Unit and the Vendor shall be at liberty to sell the Unit with or without re-entry. If the Vendor is required to pay any lien, execution or encumbrance to obtain a mortgage advance, the Purchaser shall reimburse the Vendor for all amounts and costs so paid.

29. MATERIAL CHANGE

In the event there is any change in the interior layout of the Unit or change in the size of the Unit which is a material change as contemplated by the Act, in the sole and unfettered discretion of the Vendor, the Purchaser covenants; and agrees that the Purchaser's sole remedy shall be the rescission rights afforded pursuant to the Act, notwithstanding any rule of law or equity to the contrary. The Purchaser is advised that the Declarant shall have the right to increase or decrease the number of units in the Condominium as set out in the Disclosure Statement, at its sole discretion, provided however that the Unit shall not be materially altered; except as provided for in the Disclosure Statement and provided further that the proportion of common interest and contribution to Condominium Expenses as allocated to the Unit in the Declaration shall not be materially increased. In the event of any such alterations or changes, the Condominium Documents shall be amended accordingly and the Purchaser hereby consents to any such alterations, changes or modifications and agrees to complete this Agreement notwithstanding such alterations, changes or modifications. The Purchaser acknowledges that the Act may be amended or replaced in which event any one or more of the Condominium Documents may not comply with the requirements of such amendment or replacement. The Purchaser acknowledges and agrees that any change or supplement to the Condominium Documents necessitated by or resulting from such amendment or replacement shall not be considered by the Purchaser to be material amendment of the Condominium Documents and the Purchaser agrees to acknowledge receipt of notice of any such change or supplement to the Condominium Documents as of the date of this Agreement.

30. TENDER

The parties waive personal tender and agree that tender, in the absence of any other normally acceptable arrangement shall be validly made by the Vendor upon the Purchaser, by a representative of the Vendor attending at the Land Registry Office in which title to the Condominium is recorded at 12:00 noon on the Interim Closing Date or the Final Closing Date, as the case may be and remaining there until 1:00 p.m. In the event the Purchaser or the Purchaser's lawyer fails to appear or appears and fails to complete the Interim Closing or the Final Closing, as the case may be, such attendance by the Vendor's representative shall be deemed satisfactory evidence that the Vendor is ready, willing and able to complete the same at such time. Payment shall be made by certified cheque, bank draft or money order drawn on any Canadian chartered bank or trust company. Notwithstanding the foregoing, in the event the Purchaser or the Purchaser's lawyer indicates or expresses to the Vendor or his lawyer, on or before the Interim Closing Date and the Final Closing Date, as applicable, that the Purchaser is unable or unwilling to complete the Interim Closing or the Final Closing, as the case may be, the Vendor is relieved of any obligation to make any formal tender upon the Purchaser or the Purchaser's lawyer and may exercise forthwith any and all of its right and remedies provided for in this Agreement and at law.

31. CAUSE OF ACTION

The Purchaser shall not have any claim or cause of action as a result of any matter or thing arising under or in connection with this Agreement against any person other than the Vendor named in this Agreement and no recourse for recovery on such claim or cause of action except to the Lands only.

32. CONDITIONS

This Agreement is conditional to the Interim Closing Date upon each of the following:

- (a) the Vendor being satisfied; in its sole and absolute discretion, that it will be willing and able to comply with any conditions of site plan approval and/or development agreement;
- (b) receipt by the Vendor of all necessary building permits and of draft plan of Condominium approval for the Condominium free of any conditions which are, in the Vendor's sole and absolute discretion, unduly onerous or unacceptable for any reason;
- (c) the Vendor being satisfied, in its sole and absolute discretion of the ability of the Purchaser to pay the deposit monies, and the balance of the Purchase Price on the Interim or Final Closing Date, as the case may be; and
- (d) the registration by the Vendor of the Declaration Documents on title to the Lands.

Each of the foregoing conditions are for the benefit of the Vendor only and may be waived by the Vendor at any time. The conditions shall be deemed to have been waived by the Vendor in the event that the Vendor does not give notice to the contrary to the Purchaser or the Purchaser's lawyer at any time prior to the Interim Closing Date. In the event that the Vendor gives notice to the Purchaser or the Purchaser's lawyer at any time prior to the Interim Closing Date that anyone or more of the conditions have not been satisfied, this Agreement shall be terminated and the Vendor shall return to the Purchaser all deposit monies paid by the Purchaser under this Agreement, except for amounts paid for any changes or extras ordered by the Purchaser and any other amounts which may be retained by the Vendor pursuant to this Agreement.

33. NOTICE

Any notice given pursuant to the terms of this Agreement shall be deemed to have been properly given if it is in writing and is delivered by hand, ordinary prepaid post or facsimile to the attention of the Purchaser or to the Purchaser's lawyer to their respective address indicated herein or to the address of the Unit after the Interim Closing Date and to the Vendor's lawyer at the address indicated in this Agreement or such other address as may from time to time be given by notice in accordance with the foregoing. Such notice shall be deemed to have been received on the day it was delivered by hand on the business day immediately following the day of receipt by facsimile and on the third business day following the day of mailing. Notice shall not be delivered by mail in the event of suspension of postal service or threatened postal disruption.

34. PLANNING ACT

This Agreement is conditional upon compliance with the subdivision provisions of the Planning Act and any amendments thereto.

35. LEASE OF UNITS

The Vendor may from time to time lease any and all unsold units in the Condominium for residential purposes and this paragraph shall constitute notice to the Purchaser pursuant to the Act.

36. POWER OF ATTORNEY

- (a) In accordance with the provisions of the Powers of Attorney Act, the Purchaser hereby confirms and agrees that each and every power of attorney granted by the Purchaser in this Agreement may be exercised by the donee during any subsequent legal incapability 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 Title Office in which the Condominium is registered, 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); and
- (d) the Purchaser hereby irrevocably authorizes and directs all credit agencies and other relevant institutions (including financial institutions) to release to the Vendor all reports and information regarding the Purchaser's credit and financial ability from time to time as the Vendor may request from time to time. The Purchaser covenants and agrees

to forthwith provide such further authorization, directions and other documentation as such institutions or agencies may require from time to time. The Purchaser hereby irrevocably nominates constitutes and appoints the Vendor or any representative of the Vendor to be and act as the Purchaser's attorney in his place and stead for the purposes of executing and delivering such aforementioned documentation.

37. GENERAL

- (a) The Vendor and the Purchaser shall deliver to each other, a statutory declaration on the Final Closing Date that they are a not a non-resident of Canada within the meaning of the Tax Act;
- (b) the Vendor and Purchaser shall pay the costs of registration of their respective documents and any tax in connection therewith;
- (c) the Offer presented through this Agreement, when accepted, shall constitute a binding contract of purchase and sale subject only to the expiration of the rescission period in the Act, and time shall in all respects be of the essence hereof;
- (d) there is no representation, warranty, guarantee, collateral agreement or condition affecting this Agreement, the Condominium or the Unit other than as expressly provided for in this Agreement;
- (e) this Agreement is to be read with all changes of gender or number required by the context and the terms, provisions and conditions hereof shall be for the benefit of and be binding upon the Vendor and the Purchaser, and as the context of this Agreement permits, their respective heirs, personal representatives, estate trustees, executors, administrators, successor and assigns;
- (f) this Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.
- (g) the headings of this Agreement form no part hereof and are inserted for convenience of reference only; and
- (h) each of the Provisions of this Agreement shall be deemed independent and severable, and the invalidity or unenforceability in whole or in part of any one or more of such provisions shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Agreement, and in such event all the other provisions of this Agreement shall continue in full force and effect as if such invalid provision had never been included herein.

SCHEDULE 3
TERMS OF OCCUPANCY LICENCE

1. During the Interim Occupancy Period, the Purchaser shall pay to the Vendor the Occupancy Licence Fee, equal to the total of the following:
 - (a) interest calculated on a monthly basis on the unpaid balance of the purchase price at the rate equal to chartered bank administration rate from one year conventional residential mortgages, unless otherwise prescribed by the Regulations under the Act;
 - (b) an amount reasonably estimated by the Vendor on a monthly basis for municipal realty taxes attributable by the Vendor to the Unit; and
 - (c) the projected monthly contribution for the Unit toward Common Expenses.
2. The Occupancy Licence Fee shall be payable on the first day of each month in advance during the Interim Occupancy Period, no part of which shall be credited as payment on account of the Purchase Price, but which payments shall be a charge for occupancy only. If the Interim Closing Date is not the first day of the month, the Purchaser shall pay on the Interim Closing Date a pro rata amount for the balance of that month. The Purchaser shall deliver to the Vendor on or before the Interim Closing Date a series of twelve (12) post-dated cheques as required by the Vendor for payment of the estimated monthly Occupancy Licence Fee. The Occupancy Licence Fee may be recalculated by the Vendor from time to time based on revised estimates of the items which may be taken into account in the calculation thereof and the Purchaser shall pay to the Vendor such revised Occupancy Licence Fee upon notice thereof from the Vendor. With respect to realty taxes, the Purchaser agrees that the amount estimated by the Vendor to be attributed to the Unit shall be subject to recalculation based upon the real property tax assessment or reassessment of the Unit and/or Condominium issued by the municipality before or after the Final Closing Date and the municipal tax rate applicable thereto as at the date such assessment or reassessment is issued. The Occupancy Licence Fee shall thereupon be recalculated by the Vendor and any amount owing by one party to the other shall be paid upon demand.
3. The Purchaser shall be allowed to remain in occupancy of the Unit during the Interim Occupancy Period provided the terms of the Occupancy Licence and this Agreement have been observed and performed by the Purchaser. In the event the Purchaser breaches the terms of the Occupancy Licence the Vendor in its sole discretion and without limitation of any other rights a remedies provided for in this Agreement or the Act may terminate this Agreement and revoke the Occupancy Licence pursuant to paragraph 26 of Schedule 2 to this Agreement whereupon the Purchaser shall be deemed a trespasser and shall give up vacant possession forthwith. The Vendor may take whatever steps it deems necessary to obtain vacant possession including an action for possession issued in the Ontario Superior Court, and the Purchaser shall reimburse the Vendor for all costs it may incur, including costs of said action on a substantial indemnity basis.
4. Prior to the time that the Purchaser takes possession of the Unit, the Purchaser shall execute and deliver to the Vendor any documents, directions, acknowledgments, assumption agreements or any and all other documents required reasonably by the Vendor pursuant to this Agreement.
5. The Purchaser shall pay the Occupancy Licence Fee monthly during the Interim Occupancy Period and the Vendor shall return any unused post-dated Occupancy Licence Fee cheques to the Purchaser on or shortly after the Final Closing Date.
6. During the Interim Occupancy Period the Purchaser shall maintain the Unit in a clean and sanitary condition and shall not make any alterations, improvements or additions thereto without the prior written approval of the Vendor which may be unreasonably withheld. The Purchaser shall be responsible as and from the date of Interim Occupancy for all public utilities and private services delivered to the Unit, or other charges and expenses billed directly to the occupant of the Unit by the supplier of such services and such charges and expenses shall not be the responsibility of the Corporation.
7. The Purchaser's occupancy of the Unit shall be governed by the provisions of the Condominium Documents and the provisions of this Agreement. The Unit shall be occupied and used for residential purposes only and as provided for in the Disclosure Statement and Declaration.
8. The Vendor covenants to proceed with all due diligence to register the Condominium Documents. If the Vendor for any reason whatsoever is unable to register the Condominium Documents and therefore is unable to deliver a registerable Transfer/Deed to the Purchaser on or before the 31st day of December, 2006 the Purchaser or Vender shall have the right after said date to declare, on giving 60 days written notice to the other, that this Occupancy Licence and this Agreement, notwithstanding any intervening act or negotiations, will be terminated. Upon termination of the Occupancy Licence, the Purchaser shall give up vacant possession of the Unit and pay the Occupancy Licence Fee to such date of termination, after which all moneys paid by the Purchaser on account of the Purchase Price, except for amounts paid for any changes or extras ordered by the Purchaser, shall be returned to the Purchaser subject to any repair and redecorating expenses incurred by the Vendor to restore the Unit to its original state of occupancy, reasonable wear

and tear excepted. The Purchaser agrees to provide the Vendor with a release of this Agreement in the Vendor's standard form on or before such date of termination.

9. The Vendor and the Purchaser covenant and agree, notwithstanding the taking of possession, that all terms of the Occupancy Licence continue to be binding upon them and that the Vendor may enforce the provisions of the Occupancy Licence separate and apart from any other provisions of this Agreement.

10. The Purchaser acknowledges that the Vendor holds a fire insurance policy on the Condominium only and not on any improvements or betterments made by or on behalf of the Purchaser in or to the Unit. It is the responsibility of the Purchaser, after the Interim Closing Date, to insure such improvements or betterments and to replace same if they are removed, damaged or destroyed. The Vendor is not liable for any loss by the Purchaser occasioned by fire, theft or other casualty, unless caused by the Vendor's negligent conduct.

11. The Purchaser agrees to indemnify the Vendor for all losses, costs and expenses incurred whatsoever as a result of the Purchaser's use of the Unit or the Condominium, or by reason of injury to any person or property in or upon the Unit or the Condominium resulting from the negligence of the Purchaser, members of the Purchaser's family and the Purchaser's servants, agents, tenants, invitees, contractors and licencees. The Purchaser agrees that should the Vendor elect to repair or redecorate all or any part of the Unit or the Condominium as a result of the Purchaser's use of the Unit or Condominium, the Purchaser will immediately reimburse the Vendor for the cost of doing same. The determination of need for such repairs or redecoration shall be at the discretion of the Vendor and such costs may be added to the Purchase Price.

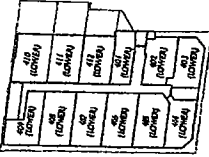
12. The Purchaser shall not have the right to assign, sublet or in any other manner dispose of or convey an interest in this Occupancy Licence during the Interim Occupancy Period without the prior written consent of the Vendor and, if applicable, any mortgagee, which consent may be arbitrarily withheld. The Purchaser acknowledges that an administrative fee of \$350.00 will be payable to the Vendor each time the Purchaser requests the consent of the Vendor to any assignment, sublet, disposition of or conveyance of an interest in this Occupancy Licence during the Interim Occupancy Period. Notwithstanding any such assignment, sublet, disposition or conveyance, the Purchaser shall continue to be bound by the terms of this Agreement.

13. The provisions of this Agreement, unless expressly modified by the terms of this Occupancy Licence, shall be deemed to form an integral part of this Occupancy Licence. In the event the Vendor elects to terminate this Occupancy Licence pursuant to this Agreement following substantial damage to the Unit and/or the Condominium, the Occupancy Licence shall terminate forthwith upon notice from the Vendor to the Purchaser. If the Unit and/or the Condominium can be repaired within a reasonable time following damage as determined by the Vendor (but not, in any event, to exceed 180 days) and the Unit is, during such period of repair uninhabitable, the Vendor shall proceed to carry out the necessary repairs to the Unit and/or the Condominium with all due diligence and the Occupancy Licence Fee shall abate during the period the Unit remains uninhabitable; otherwise, the Purchaser shall vacate the Unit and deliver up vacant possession to the Vendor and all moneys, to the extent provided for in paragraph 26 of Schedule 2 to this Agreement (excluding the Occupancy Licence Fee paid to the Vendor) shall be returned to the Purchaser. It is understood and agreed that the proceeds of all insurance policies held by the Vendor are for the benefit of the Vendor alone.

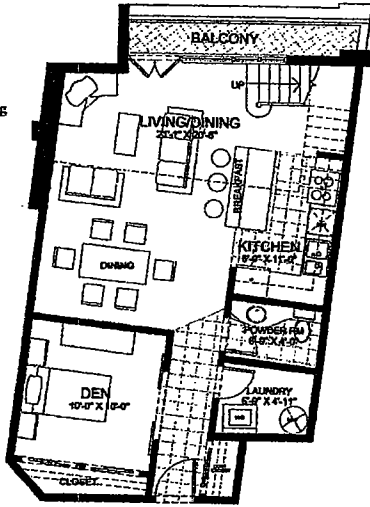
14. The transfer of title to the Unit shall take place on the Final Closing Date upon which date, unless otherwise expressly provided for hereunder, the Occupancy Licence shall be terminated.

The King
 1,160 Sq. Ft. + 64 Sq. Ft. Balcony
 + 220 Sq. Ft. Terrace
 UNIT 402 LOWER LEVEL

Schedule 4

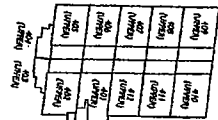
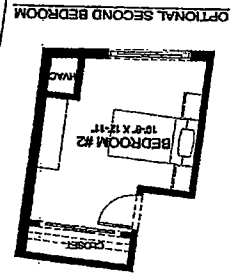
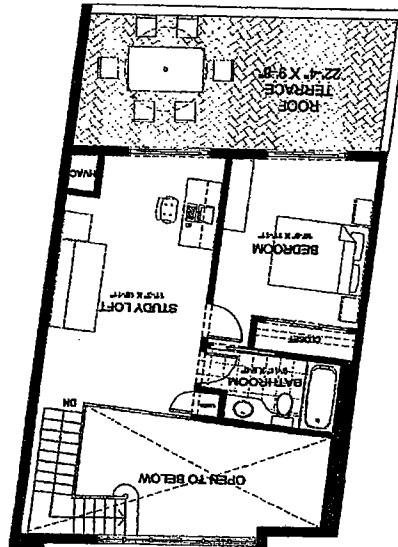


- Open concept 2 level unit
- Large living/dining area with 16' ceiling
- Kitchen island and separate dining area
- Laundry room
- Den
- 1st level balcony
- 2nd level terrace
- Master bedroom with ensuite privilege
- Spacious open study loft
- *402B optional second bedroom



**Some features shown are optional. *All dimensions and sq ft
 As the option of the developer,*

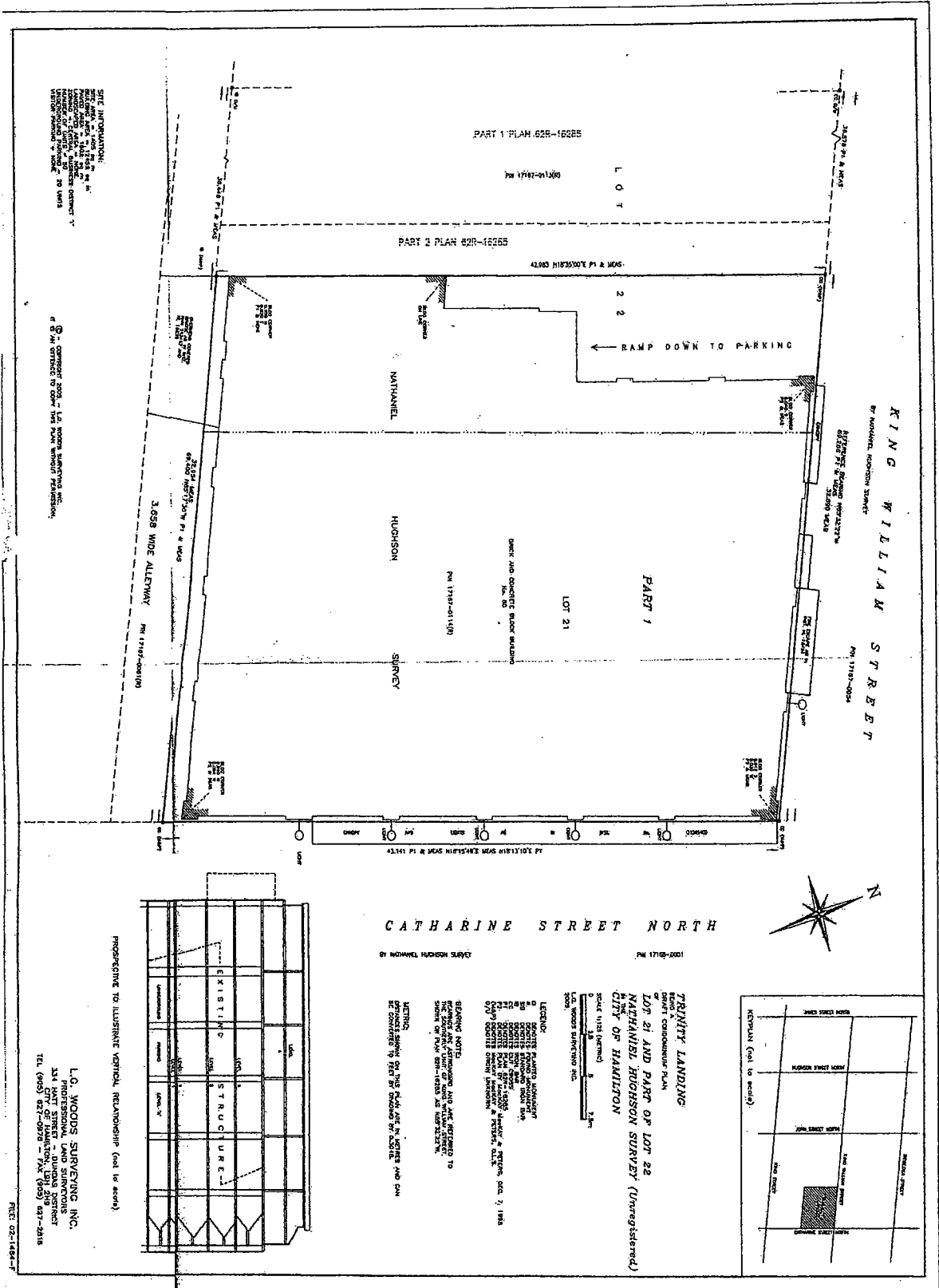
*Dimensions are approximate and subject to change without notice.
 Standard features may vary.*



UNIT 402 UPPER LEVEL

The King

SCHEDULE 5
SITE PLAN

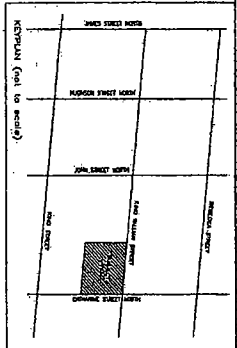


SITE INFORMATION:
 THIS SITE PLAN IS A PRELIMINARY PLAN AND IS NOT TO BE USED FOR CONSTRUCTION OR FOR ANY OTHER PURPOSE WITHOUT THE WRITTEN PERMISSION OF THE SURVEYOR.
 THE SURVEYOR'S OFFICE IS AT 1000 BAYVIEW AVE. TORONTO, ONT. M2M 1B7.
 THE SURVEYOR'S PHONE NUMBER IS (416) 491-1111.
 THE SURVEYOR'S FAX NUMBER IS (416) 491-1112.

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 ALL RIGHTS RESERVED. NO PART OF THIS PLAN MAY BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS WITHOUT PERMISSION.



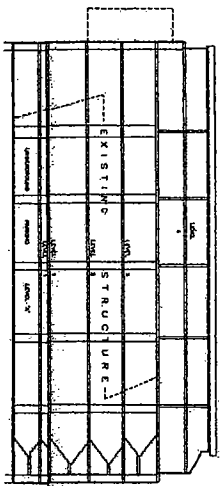
CATHARINE STREET NORTH



PRIORITY LANDING
 LOT 21 AND PART OF LOT 22
 NATHANIEL HUDSON SURVEY (Unregistered)
 IN THE CITY OF HAMILTON
 L.O. WOODS SURVEYING INC.

LEGEND:
 D SHOT POINT
 S SETBACK LINE
 E EXISTING EASEMENT
 F FUTURE EASEMENT
 P PROPERTY LINE
 O/O OFFICER'S SIGNATURE
 DATE

BEARING NOTE: ALL BEARINGS ARE REFERRED TO THE NORTH-SOUTH LINE OF THE SURVEY.
 ALL DISTANCES ARE IN METERS.
 ALL ANGLES ARE IN DEGREES.
 ALL CURVES ARE IN METERS.
 ALL CURVE RADII ARE IN METERS.
 ALL CURVE CENTERS ARE IN METERS.
 ALL CURVE CHORDS ARE IN METERS.
 ALL CURVE PERCENTAGES ARE IN PERCENTS.
 ALL CURVE SPEEDS ARE IN METERS PER SECOND.
 ALL CURVE LENGTHS ARE IN METERS.
 ALL CURVE AREAS ARE IN METERS SQUARED.
 ALL CURVE VOLUMES ARE IN METERS CUBED.



PROSPECTIVE TO ILLUSTRATE VERTICAL RELATIONSHIP (not to scale)

L.O. WOODS SURVEYING INC.
 PROFESSIONAL LAND SURVEYORS
 1511 BAYVIEW AVE. SUITE 101
 SCARBOROUGH, ONT. M1S 5R7
 TEL: (416) 491-1111 - FAX: (416) 491-1112

FILE: 02-1484-F

SCHEDULE 6

INCLUSIONS IN THE UNIT OR COMMON ELEMENTS,
FINISHES AND SPECIFICATIONS

The Purchaser acknowledges that only the items set out in this Schedule are included with the Unit or the Common Elements and as part of the Purchase Price and that furnishings, decor, improvements, drapes, tracks and wall coverings in the model suite(s), if any, are for display purposes only and are not included in the Purchase Price. The Purchaser shall have choice of colours and design from Vendor's samples with respect to ceramic tiles, paint, kitchen cabinets, counter-tops and flooring, provided selection is made within 10 days of request from the Vendor and provided that items listed are not already installed or ordered and provided further that they are available at the time of choice. The Vendor will not be responsible for any colour errors by suppliers. The Vendor reserves the right to substitute alternative materials, colours and fixtures of equal or better quality. Any changes to plans and specifications requested after this Agreement, or during construction are to be acknowledged by the Purchaser, with appropriate cost adjustment, before same changes will be effected. The Vendor reserves the right to refuse any changes. The Vendor will request payment for the cost of any changes at the time same is requested. In the event that colours and/or finishing chosen by the Purchaser for the interior of the Unit subsequently become unavailable, the Purchaser agrees to re-attend with the Vendor to choose from substitute colours and/or finishings. If the Purchaser fails to choose colours or finishing or fails to make any selection or determination required of the Purchaser within 7 days, the Vendor may choose the colours and finishing for the Purchaser and the Purchaser agrees to accept the Vendor's selections.



CUSTOMER REQUEST FOR OPTIONAL ADDITIONS

SCHEDULE 7

Laetrix@yaho.ca

FOR CONSTRUCTION USE ONLY

TL

PROJECT _____ PHASE #1 PHASE #2 UNIT # 402
CLOSING DATE JAN 20 2007 FLOOR PLAN _____
PURCHASER'S NAME DEBORAH MARY DIXON PHONE # 905-540-3903
PURCHASER'S ADDRESS #302 174 MAIN ST WILLOW HAVEN ON LBS 162

0067

ITEM #	DESCRIPTION	PRICE
ITEM #1	SHOWER STALL IN POWDER ROOM WALLS TO be moved + HOT WATER TANK TO BE MOVED IF NECESSARY. SLIDING DOOR INTO LAUNDRY AREA DISCUSS WITH CLIENT BEFORE FINALIZING LOCATIONS + ROOM SIZES	\$ 1,500
ITEM #2	HIGH DARK CABINETS - FINISH ET CONC'D HEIGHT UPGRADED APPLIANCES AS SUITE 207 - PLEASE ADVISE COST OF BOTTOM MOUNTED FREEZER IN FRIDGE ADD VALANCE + HALOGEN LIGHTING UNDER CABINETS	4,300
ITEM #3	2 OVER SINK 2 OVER COUNTER NEAR REFRIGERATOR 1 OVER DISHWASHER 2 TUB SINK BUT UNDER MOUNT SINK IS FLUSH WITH COUNTER	
ITEM #4	INSTALL IN CORNER AS IN 207 INSTALL ON 2ND FLOOR OPENING CEILING FAN WITH REMOTE OVER LIVING ROOM	
ITEM #5	INSTALL PHONE + CABLE OUTLET IN BEDROOM + STUDY LOFT OUTLET IN KITCHEN	100
ITEM #6	NOTE - NOT YET DECIDED IF 2ND BED ROOM OR STUDY LOFT BUT WILL PROBABLY CHANGE CLOSET LOCATION NOTE BRICK ON SOUTH WALL - CHECK SOUND LEVEL - MAY WANT TO KEEP BRICK - SEE CLIENT BEFORE FINISHING	

change door to door to 30" DOOR ADD SLIDING DOORS TO WEST END OFS OVER AS POSSIBLE SO THAT THE SPACE CAN BE USED AS PART OF THE LIVING AREA
DISCUSS OPTIONS WITH CLIENT PER BASE PRICE

In the event the work on the suite has progressed beyond the point where the items covered by this extra cannot be installed without entailing any unusual expense, then this order is to be cancelled and any deposit paid in connection with the same is to be refunded to the purchaser.
It is understood and agreed that if for any reason whatsoever the Agreement of Purchase and Sales is not completed, the total cost of extras ordered are not refundable to the purchaser.
This selection is final and cannot be changed once submitted. Purchaser has checked and acknowledges accuracy of same. Selections will not be processed unless signed by TRINITY LANDING.

Item No. 1	5,900
Item No. 2	
Item No. 3	
Item No. 4	
Item No. 5	
Item No. 6	
SUB-TOTAL	5,900
Administrative Fees	
G.S.T.	626.4
TOTAL	6,526.4 6,526.4

CHEQUE ATTACHED FOR TOTAL AT SEPT 12 2006

Purchasers Signature _____ Date Sept, 1, 2006
Trinity Landing Sales Rep. Signature _____
1539304 Ontario Inc.

AGREEMENT OF PURCHASE AND SALE

1. Charlotte Nell
(Name(s) of Purchaser(s))

(the "Purchaser") hereby agrees with 1539304 Ontario Inc., operating as Trinity Landing (the "Vendor") to purchase Unit 13, Level 2, Suite 203 as shown on the copy of the plan attached as Schedule 4, being a proposed unit in a proposed standard freehold condominium located at 80 King William Street, Hamilton, Ontario, shown on the copy of the site plan attached as Schedule 5 together with its appurtenant common elements and (where applicable) the Parking Unit Number _____ (collectively, the "Unit") on the lands described in Schedule 1 hereto (the "Lands") on the terms of this Agreement.

2. PURCHASE PRICE

The purchase price of the Unit shall be ONE HUNDRED & SIXTY FIVE THOUSAND NINE HUNDRED (\$ 165,900) in lawful money of Canada (the "Purchase Price"), payable as follows:

- (a) the sum of ONE THOUSAND DOLLARS (\$1,000.00) cheque payable to the Vendor's lawyers, Messrs. Burns, Vasan, LLP, in trust, to be delivered by the Purchaser to the Vendor with the copies of this Agreement executed by the Purchaser, as a deposit to be held by the said solicitors pending completion or other termination of this Agreement and to be credited against the Purchase Price, on closing;
- (b) the following additional deposits each by cheque payable to the said solicitors in trust postdated as follows:
 - (i) \$~~10,000~~000.00 due within 15 days of the date of acceptance of this Agreement;
 - (ii) \$5,000.00 due within 45 days of the date of acceptance of this Agreement.

All said cheques to be delivered to the Vendor with the copies of this Agreement executed by the Purchaser. The Vendor shall cause its said solicitors to hold all deposit monies in a separate trust account in a Chartered Bank in Ontario pending completion or other termination of this Agreement and to be credited on account of the purchase price on final closing. Where any of the deposit cheques is uncertified and is not honoured by the Drawee, then the purchaser shall be conclusively deemed to be in default under the Agreement, and at its option, the Vendor may declare all deposit monies already received by it as forfeited;

- (c) the balance of the Purchase Price by certified funds, payable to the Vendor's solicitor subject to adjustments as specified in Schedule 2 hereof, on the Final Closing Date;
- (d) any charges for upgrades as set out in Schedule 7 hereto, shall be paid directly to the Vendor by the Purchase on or before the ___ day of _____, 2007.

3. OCCUPANCY DATE

The Interim Closing Date shall occur on Sept 1 2008 or such extended or earlier date as may be determined by the Vendor in accordance with this Agreement. The Interim Closing Date is a tentative date by which the Vendor anticipates the Unit will be ready for occupancy by the Purchaser but which date may be varied by the Vendor in accordance with the provisions of this Agreement.

4. FINAL CLOSING DATE

Title to the Unit shall be transferred on the Final Closing Date, being a date subsequent to the Interim Closing Date and established by the Vendor in accordance with this Agreement

5. SCHEDULES

Schedules 1 to 7 inclusive attached hereto and any amendments or addenda thereto shall form part of this Agreement.

6. ACKNOWLEDGMENT

The Purchaser acknowledges having read this Agreement and all Schedules, amendments and addenda hereto.

7. ACCEPTANCE

Delivery to the Vendor of copies of this Agreement executed by the Purchaser shall constitute an offer irrevocable by the Purchaser until 5:00 p.m. on the 5th day after the date of delivery of the same by the Purchaser and if this Agreement is not executed by the Vendor by such time, such offer shall be considered to have been withdrawn by the Purchaser and the deposit shall be returned to the Purchaser without interest.

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Copies of this Agreement have been executed by the Purchaser and delivered to the Vendor on the 26th day of April, 2008

Witness: [Signature]

Purchaser: Charlotte Hill

Purchaser's Lawyer: HALFORD
CAYDE HILFORD

Purchaser's Address: 90 DUNDAS ST W
HAMILTON

Telephone: _____
Fax: _____

Telephone: 905 529 5314
Fax: _____

Copies of this Agreement have been executed by the Vendor on the 30 day of April, 2008

Vendor's Lawyer:
Burns, Vasan, LLP
Barristers & Solicitors
305 - 21 King Street West
Hamilton, Ontario
L8P 4W7
Tel: (905) 522-1382
Fax: (905) 522-0855

1539304 ONTARIO INC.
By: [Signature]
President
I have the authority to bind the corporation.

Clyde Halford is lawyer.
(FAX - . . .)

R. SRINI VASAN

SCHEDULE 1
LEGAL DESCRIPTION OF LANDS

P.I.N. 17167 - 0115 L.T.
being, 80 King William Street, Hamilton, Ontario
Lot 21, Part Lot 22, Nathaniel Hughson Survey
(unregistercd), south side of King William Street,
between John Street and Catharine Street, being
Part 1 on 62R -16706, City of Hamilton

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SCHEDULE 2
ADDITIONAL TERMS OF AGREEMENT

1. DEFINITIONS

The words and phrases used in this Agreement and the Schedules, amendments and addenda to this Agreement shall each have the meaning provided for in the Condominium Act, 1998 and any amendments thereto unless otherwise provided for elsewhere in this Agreement or as follows:

- (a) "Act" shall mean the Condominium Act, 1998 of Ontario;
- (b) "Agreement" shall mean this Agreement of Purchase and Sale and all Schedules, amendments and addenda to this Agreement;
- (c) "Condominium" shall mean the proposed Condominium Plan and the Condominium Corporation to be created upon the registration of its Condominium Documents on title to the Lands and the building(s) constructed or to be constructed on the Lands;
- (d) "Condominium Documents" shall mean the Declaration, Description and By-Laws by which the Corporation is intended to be created and organized;
- (e) "Corporation" shall mean the corporation created upon registration of the Declaration and the Description;
- (f) "Interim Occupancy Period" shall mean the period of time, if any, from and including the Interim Closing Date to the Final Closing Date;
- (g) "Lands" shall mean the lands described in Schedule 1 hereto;
- (h) "Occupancy Licence" shall mean the licence granted to the Purchaser to occupy the Unit during the interim occupancy period, in accordance with the provisions of Schedule 3 attached;
- (i) "Occupancy Licence Fee" shall mean the sum of money payable monthly in advance by the Purchaser to the Vendor during the Interim Occupancy Period, calculated in accordance with this Agreement and the Act;
- (j) "Property" shall mean the Lands and interests appurtenant to the Lands as described in the Description; and
- (k) "Unit" shall mean the unit or the proposed unit in the Condominium.

2. DEPOSIT MONIES

In accordance with the Act, all monies received from the Purchaser on account of this Agreement, other than monies paid as the Occupancy Licence Fee or for upgrades, changes or extras ordered by the Purchaser, shall be held in trust until its disposition to the person entitled thereto or delivery of prescribed security to the Purchaser for repayment, in accordance with the Act. The Vendor shall credit the Purchaser on the Final Closing Date with interest at the rate prescribed pursuant to the Act on all such money received by the Vendor on account of the purchase price (excluding extras and upgrades ordered by the Purchaser) from the Interim Occupancy date until the Final Closing Date.

3. ADJUSTMENTS

The balance of the Purchase Price shall be adjusted on the Interim Closing Date, or on the Final Closing Date, or as may be required by the Vendor, as to all prepaid, current or accrued expenses or charges and as to other items required by the terms of this Agreement, which shall include, without limiting the generality of the foregoing the following:

- (a) assessments prepaid or owing or as estimated by the Vendor towards the common expenses; and/or the reserve fund;
- (b) an amount equal to that estimated by the Vendor to be payable by the Purchaser, as a contribution by the Purchaser towards the common expenses and/or the reserve fund equivalent to common expenses for the Unit for a period of two (2) months, which sum shall be paid directly to the Corporation and in the case of common expenses, credited by the Corporation to the Purchaser. Such sum, or part thereof forming part of the reserve fund shall be in addition to any common expenses otherwise payable to the Corporation. The Purchaser agrees to deliver on the Final Closing Date a series of twelve post-dated cheques in an amount estimated by the Vendor to be payable monthly to the Corporation on account of the common expenses for that period of time;
- (c) unearned insurance premiums, and where such insurance is carried by the Corporation, the Purchaser's share of any unearned or accrued premiums determined by the proportion of common interest of the Unit;
- (d) the realty taxes to be estimated by the Vendor for the calendar year in which this Agreement is completed and shall be adjusted as if such sum had been paid by the Vendor notwithstanding that the same may not by the Interim Closing Date or by the Final Closing Date have been levied or paid, subject, however, to readjustment upon the actual

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amount of said realty taxes being ascertained. 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 the Purchaser. In the event, as on the Final Closing Date, the Condominium is 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 to the Purchaser based upon the common interest of the Unit or alternatively equally among all of the residential units within the Condominium or in such other manner as the Vendor may elect, acting reasonably, at the Vendor's option. At the Vendor's option, realty taxes may not be adjusted until individual unit assessments have been made. Any realty tax re-assessment following the Final Closing Date shall be the responsibility of the Purchaser. All other contributions, rates and charges if not paid by the Vendor on a per unit basis shall be apportioned to the Purchaser in the same manner as provided for above for the apportionment of realty taxes;

(e) the cost of public utilities or private services (including purchased or rented hot water tank) which if not billed separately may be adjusted by attributing to the Purchaser a share of such cost, as determined by the common interest of the Unit, and any charges paid by the Vendor to a public utility supplier or supplier of private service which may be attributable to the Unit.

(f) reimbursement to the Vendor for the transaction levy surcharge imposed upon the Vendor by the Law Society of Upper Canada;

(g) the deposits;

(h) interest on deposit monies in accordance with the Act and/or this Agreement;

(i) the Occupancy Licence Fee provided for in Schedule 3 hereto;

(j) the sum of \$250.00 to cover the legal and administrative fees for the preparation of the Vendor Take-Back Mortgage, if any;

(k) security deposit of \$250.00 on Interim Closing, to be held by the Vendor, until the purchaser provides proof that he or she has transferred the gas and hydro accounts for the Unit into his or her name as of the Interim Closing date;

(l) an administrative fee of \$150.00 shall be charged to the Purchaser for any cheque paid for a deposit, the Occupancy Licence Fee or for any upgrades which is returned N.S.F. or upon which a "stop payment" has been ordered, or otherwise not honoured by the financial institution on which such cheque is drawn;

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

(n) if any of the adjustments to be made on the Interim Occupancy Date cannot be accurately determined at that time, the Vendor may estimate the adjustment to be made, and a final adjustment shall be made when the same may be accurately determined;

(o) **UPGRADES AND EXTRAS:** The price for any upgrades or extras as specified in Schedule 7 hereto, requested by the Purchaser shall be paid directly to the Vendor by the Purchaser upon executing the written order for such upgrades or extras. At the option of the Vendor, the amount so received by the Vendor shall be added to the purchase price on the Statement of Adjustments as an adjustment. Upon the termination of this Agreement, howsoever caused the amount paid for upgrades and extras shall not be refunded to the Purchaser.

(p) ~~the Purchaser shall further pay to the Vendor, on closing as an adjustment, an administration and set up fee of \$300.00 in relation to the security for Builder's Warranty referred to in paragraph 9 (c) of the Disclosure Statement.~~

4. GOODS AND SERVICES TAX

The Goods and Services Tax (the "G.S.T.") payable pursuant to the Excise Tax Act (the "G.S.T. Act") is included in the Purchase Price of units to Purchasers who qualify for rebate of G.S.T. as specified below. The actual monetary consideration for the Unit exclusive of any extras, requested changes, or adjustments (the "Consideration"), is the amount derived by subtracting the G.S.T. payable, less all refunds, credits and rebates available to the Purchaser pursuant to the G.S.T. Act, including, without limiting the generality of the foregoing, the new housing rebate under the G.S.T. Act (the "G.S.T. Rebate"), from the Purchase Price. The Purchaser hereby irrevocably assigns to and in favour of the Vendor any and all rights the Purchaser may have to any rebates, refunds or credits available pursuant to the G.S.T. Act, including without limiting the generality of the foregoing, the G.S.T. Rebate, in the event that the Purchaser qualifies for the G.S.T. Rebate. The Purchaser covenants and agrees that the Purchaser shall immediately following the completion of this Agreement, personally occupy the Unit or cause one or more of the Purchaser's relations (as defined in the G.S.T. Act) to occupy the Unit for such period of time as shall then be required in order to entitle the Purchaser to the G.S.T. Rebate or any such rebates, refunds or credits pursuant to the G.S.T. Act. The Purchaser covenants and agrees to deliver to the Vendor on the Final Closing Date any and all documentation and/or application forms as the Vendor shall request, from time to time, in order to facilitate the aforesaid assignment of G.S.T. rebates, refunds or credits. In the event that the Purchaser shall for any reason fail to qualify for the G.S.T. Rebate, the Purchaser shall indemnify the Vendor in the amount that the Purchaser would have been entitled to had the Purchaser so qualified for the G.S.T. Rebate, and in the event that such failure to qualify is known on or before the Final Closing Date, then the full amount of the G.S.T. shall

be in addition to the purchase price and credited and paid to the Vendor on closing. Notwithstanding any other provision of this Agreement, the Purchaser acknowledges and agrees that the Purchase Price does not include any G.S.T. payable with respect to any of the adjustments or any extras, requested, changes or upgrades purchased, ordered or chosen by the Purchaser which are not specifically included with the Unit or in the Purchase Price, and the Purchaser covenants and agrees to pay such G.S.T. to the Vendor in accordance with the G.S.T. Act.

5. INTERIM OCCUPANCY

(a) If the Unit is substantially complete and fit for occupancy on the Interim Closing Date, the Purchaser shall occupy the Unit on the Interim Closing Date pursuant to the Occupancy Licence provided for in Schedule 3. In the event substantial completion of the Unit may be delayed for any reason other than the wilful neglect of the Vendor, the Vendor shall be permitted reasonable extensions of time not exceeding in the aggregate 240 days, to substantially complete the Unit and the Interim Closing Date shall be extended accordingly. If the Vendor shall be unable to complete the Unit for occupancy within such reasonable extension of time, all moneys paid as a deposit, shall be returned to the Purchaser, this Agreement shall be terminated and the Vendor shall not be liable to the Purchaser for any damages arising as a result thereof and shall have no further obligation hereunder;

(b) the Vendor shall be entitled upon giving at least 60 days written notice to the Purchaser, to accelerate the Interim Closing Date provided the Unit is substantially complete and fit for occupancy on such earlier date. If the Unit is substantially completed and fit for occupancy by the Interim Closing Date or any acceleration or extension thereof in accordance with this Agreement, the Purchaser shall take interim occupancy of the Unit on that date notwithstanding that the Vendor has not fully completed the Unit or the proposed Common Elements on such date and the Vendor shall complete such outstanding work required by this Agreement within a reasonable time after the Interim Closing Date, having regard to weather conditions and the availability of labour and materials. The Unit shall be deemed to be substantially completed when the interior of the Unit has been finished to permit occupancy. The Purchaser acknowledges that failure to complete the proposed Common Elements on or before the Interim Closing Date shall not be deemed to be a failure to complete the Unit.

6. INSPECTION

The Purchaser agrees to inspect the Unit upon the Vendor's request, with a representative of the Vendor, prior to the Interim Closing Date and to list all mutually agreed upon outstanding, incomplete or apparently defective items in the Unit at the time of inspection, and the Vendor's obligation to complete or rectify work shall thereafter be limited only to those items contained in the said list and except as to those items, the Purchaser shall be deemed to have acknowledged that the Unit has been completed in accordance with this Agreement and the Purchaser shall be deemed conclusively to have accepted the Unit in its condition as at the time of inspection. The inspection by the Purchaser is a condition of the Vendor's obligation to provide occupancy of the Unit to the Purchaser.

7. EXECUTIONS

The Purchaser agrees to provide to the Vendor's Solicitors on the Interim Closing Date an Execution Certificate as of that date confirming that no execution against the individual(s) in whose name(s) title to the Unit is to be taken and further agrees to provide on the Final Closing Date such further clear Execution Certificate a may be required by the Vendor to obtain mortgage advances with respect to the Unit.

8. FINAL CLOSING

Following registration of the Condominium, the Vendor's solicitor shall designate a date not less than 21 days nor more than 90 days after the date of such registration as the Final Closing Date by delivery of written notice of such date to the Purchaser, and the within transaction shall close on the date so designated. The final closing date, in any event, shall be a date not later than the 31st day of ~~July 2007~~ *December 2007*, provided that the Vendor shall have the right to extend the closing date by reasonable length of time and from time to time, not to exceed in the aggregate 90 days.

9. RISK

The Unit shall be and remain at the risk of the Vendor until the Final Closing Date. If any part of the Condominium is damaged before the Condominium Documents are registered, the Vendor may in its sole discretion either terminate this Agreement and return to the Purchaser all deposit monies paid by the Purchaser to the Vendor or make such repairs as are necessary to complete this Agreement, it being understood and agreed that all insurance policies and the proceeds thereof are to be for the benefit of the Vendor alone.

10. SEARCH OF TITLE

The Purchaser shall be allowed to the date which is 10 days prior to the Final Closing Date (the "Search Period") to examine title to the Unit at the Purchaser's own expense. If within the Search Period any valid objection to title to the Unit is made in writing to the Vendor which the Vendor may be unable or unwilling to rectify and which the Purchaser will not waive this Agreement shall, notwithstanding any intermediate negotiations in respect of any such, be terminated and the deposit monies, together with the interest to be paid thereon, after deducting any payments due to the Vendor by the Purchaser as provided for in this Agreement, shall be returned to the Purchaser and the Vendor shall have no further liability or obligation to the Purchaser and shall not be liable for any costs or damages. Save as to any valid objections to made within the Search Period, the Purchaser shall be deemed to have accepted the title of the Vendor to

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15. EXISTING MORTGAGES

The Purchaser acknowledges that the Unit may be encumbered by mortgages which are not intended to be assumed by the Purchaser and that the Vendor shall not be obliged to obtain and register a discharge of any such mortgages which affect the Unit on the Final Closing Date. The Purchaser agrees to accept the Vendor's undertaking to obtain and register a discharge or partial discharge of each such mortgage as soon as reasonably possible after the Final Closing Date subject to the Vendor providing to the Purchaser the following:

- (a) a letter or statement from each such mortgagee confirming the amount required to be paid to such mortgagee to obtain a discharge of each such mortgage from title to the Unit;
- (b) a direction from the Vendor to the Purchaser to pay such amount to such mortgagee on the Final Closing Date by way of certified cheques delivered to Vendor's solicitor; and
- (c) an undertaking from the Vendor or the Vendor's solicitor to deliver such amounts to each such mortgagee and to register the discharge of each such mortgage from title to the Unit upon receipt thereof and to advise the Purchaser or the Purchaser's lawyer of registration thereof.

16. CONSTRUCTION LIENS

The Purchaser acknowledges and agrees that the deposits paid pursuant to this Agreement shall be deemed to be monies held in trust pursuant to the Act, and the Purchaser shall therefore be deemed to be a "home buyer" as defined in the Construction Lien Act and the Purchaser shall not be entitled to request or demand that any holdback for construction liens be maintained for any portion of the purchase price on the Interim Closing Date or on the Final Closing Date.

17. SUBORDINATION OF AGREEMENT

The Purchaser covenants and agrees that this Agreement is subordinate to and postponed to any mortgages arranged by the Vendor and any advances thereunder from time to time, and to any easements, rights-of-way, licenses or other agreements affecting the Condominium. The Purchaser further agrees to consent to and execute all documentation as may be required by the Vendor to give effect to the foregoing and the Purchaser hereby irrevocably appoints the Vendor as the purchaser's attorney to execute any consents or other documents required by the Vendor to give effect to the provisions of this paragraph.

18. NO REGISTRATION OF AGREEMENT

The purchaser covenants and agrees not to register this Agreement or notice of this Agreement or a caution, certificate of pending litigation, Purchaser's Lien, or any other document giving notice of this Agreement against title to the Unit or the Lands and further agrees not to give, register, or permit to be registered any encumbrance against the Unit or the Lands prior to completion of this Agreement. Should the Purchaser be in default of the Purchaser's obligations hereunder, the Vendor may, as agent and attorney of the Purchaser, cause the removal of notice of this Agreement, caution, certificate of pending litigation, Purchaser's Lien, or other document giving notice of this Agreement or any assignment thereof, from the title to the Unit or the Lands. In addition, the Vendor, at its option, shall have the right to declare this Agreement terminated in accordance with the provisions of paragraph 26 of this Schedule. The Purchaser hereby irrevocably consents to a court order removing such notice of this Agreement, any caution, or any other document a instrument whatsoever from title to the Unit or the Lands and the Purchaser agrees to pay all of the Vendor's costs and expenses a obtaining such order (including legal and other fees and expenses actually incurred by the Vendor).

19. PERSONAL USE OF PURCHASER

The Purchaser represents to the Vendor, upon which representation the Vendor has relied in entering into this Agreement, that the Purchaser is purchasing the Unit for the Purchaser's own personal use and not for short term, speculative investment purposes. The Purchaser covenants and agrees with the Vendor not to list for sale, advertise for sale, offer for lease, offer for sale, sell, lease, transfer or assign the interest of the Purchaser under this Agreement at any time prior to the Final Closing Date without prior written consent of the Vendor, which consent may be arbitrarily withheld. In the event the Vendor agrees to consent to the assignment, then the following provisions shall apply to and be deemed to be part of such consent:

- a) This Agreement of Purchase and Sale may be assigned only once and the Assignee shall not have the right to make any further assignments;
- b) The Assignment shall not be for a price less than the Purchase Price as set out in Paragraph 2 above;
- c) The Vendor is to be advised of the Assignment at least 90 days prior to final closing;
- d) If a mortgage is being arranged to finance the purchase of this Property, a copy of the Assignee's approval by the lender shall be provided to the Vendor with notice of the assignment, for the assignment to be effective.
- e) The Purchaser shall remain responsible for the performance of the obligations of the Purchaser under the Agreement of Purchase and Sale up to the closing, notwithstanding the assignment.
- f) The Assignee will enter into a covenant with the Vendor to assume the obligations of the Purchaser contained in the Agreement of Purchase and Sale by signing this form.
- g) The Assignee shall be bound by all acts of the Purchaser up until the date of the assignment including

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or the Common Elements and such right shall be in addition to any rights and easements created under the Act.

27. TERMINATION WITHOUT DEFAULT

(a) In the event this Agreement is terminated through no fault of the Purchaser, all deposit monies paid by the Purchaser towards the Purchase Price, together with any interest to be paid thereon, shall be returned to the Purchaser provided, however, that the Vendor shall not be obligated to return any monies paid by the Purchaser as an Occupancy Licence Fee, for upgrades, changes or extras ordered by the Purchaser; and

(b) in no event shall the Vendor be liable to the Purchaser for any damages or costs whatsoever and without limiting the generality of the foregoing, for any monies paid to the Vendor for upgrades, changes, extras, for any loss of bargain, for any relocating costs, or for any legal or other fees or expenses incurred in relation to this Agreement. This provision may be pleaded by the Vendor as a complete defence to any such claim.

28. PURCHASER'S DEFAULT

Should the Purchaser be in default in any of covenants, representations, warranties, acknowledgments and obligations to be observed or performed under this Agreement including, without limiting, any and all covenants contained in the Occupancy Licence, and should such default continue for 5 days after written notice thereof has been given to the Purchaser by or on behalf of the Vendor, then in addition to any other rights or remedies which the Vendor may have, the Vendor, at its option, shall have the right to declare this Agreement terminated and in such event all deposit monies paid by the Purchaser (including all monies paid to the Vendor with respect to extras or changes to the Unit ordered by the Purchaser) shall be the absolute property of the Vendor, as liquidated damages and not as a penalty and without prejudice to or limiting the rights of the Vendor to claim for damages in excess of the deposit monies so retained by the Vendor. If the Purchaser has taken possession of the Unit, the Purchaser shall immediately vacate the Unit and the Vendor shall be at liberty to sell the Unit with or without re-entry. If the Vendor is required to pay any lien, execution or encumbrance to obtain a mortgage advance, the Purchaser shall reimburse the Vendor for all amounts and costs so paid.

29. MATERIAL CHANGE

In the event there is any change in the interior layout of the Unit or change in the size of the Unit which is a material change as contemplated by the Act, in the sole and unfettered discretion of the Vendor, the Purchaser covenants; and agrees that the Purchaser's sole remedy shall be the rescission rights afforded pursuant to the Act, notwithstanding any rule of law or equity to the contrary. The Purchaser is advised that the Declarant shall have the right to increase or decrease the number of units in the Condominium as set out in the Disclosure Statement, at its sole discretion, provided however that the Unit shall not be materially altered; except as provided for in the Disclosure Statement and provided further that the proportion of common interest and contribution to Condominium Expenses as allocated to the Unit in the Declaration shall not be materially increased. In the event of any such alterations or changes, the Condominium Documents shall be amended accordingly and the Purchaser hereby consents to any such alterations, changes or modifications and agrees to complete this Agreement notwithstanding such alterations, changes or modifications. The Purchaser acknowledges that the Act may be amended or replaced in which event any one or more of the Condominium Documents may not comply with the requirements of such amendment or replacement. The Purchaser acknowledges and agrees that any change or supplement to the Condominium Documents necessitated by or resulting by reason of such amendment or replacement shall not be considered by the Purchaser to be material amendment of the Condominium Documents and the Purchaser agrees to acknowledge receipt of notice of any such change or supplement to the Condominium Documents as of the date of this Agreement.

30. TENDER

The parties waive personal tender and agree that tender, in the absence of any other normally acceptable arrangement shall be validly made by the Vendor upon the Purchaser, by a representative of the Vendor attending at the Land Registry Office in which title to the Condominium is recorded at 12:00 noon on the Interim Closing Date or the Final Closing Date, as the case may be and remaining there until 1:00 p.m. In the event the Purchaser or the Purchaser's lawyer fails to appear or appears and fails to complete the Interim Closing or the Final Closing, as the case may be, such attendance by the Vendor's representative shall be deemed satisfactory evidence that the Vendor is ready, willing and able to complete the same at such time. Payment shall be made by certified cheque, bank draft or money order drawn on any Canadian chartered bank or trust company. Notwithstanding the foregoing, in the event the Purchaser or the Purchaser's lawyer indicates or expresses to the Vendor or his lawyer, on or before the Interim Closing Date and the Final Closing Date, as applicable, that the Purchaser is unable or unwilling to complete the Interim Closing or the Final Closing, as the case may be, the Vendor is relieved of any obligation to make any formal tender upon the Purchaser or the Purchaser's lawyer and may exercise forthwith any and all of its right and remedies provided for in this Agreement and at law.

31. CAUSE OF ACTION

The Purchaser shall not have any claim or cause of action as a result of any matter or thing arising under or in connection with this Agreement against any person other than the Vendor named in this Agreement and no recourse for recovery on such claim or cause of action except to the Lands only.

32. CONDITIONS

CA

This Agreement is conditional to the Interim Closing Date upon each of the following:

- (a) the Vendor being satisfied, in its sole and absolute discretion, that it will be willing and able to comply with any conditions of site plan approval and/or development agreement;
- (b) receipt by the Vendor of all necessary building permits and of draft plan of Condominium approval for the Condominium free of any conditions which are, in the Vendor's sole and absolute discretion, unduly onerous or unacceptable for any reason;
- (c) the Vendor being satisfied, in its sole and absolute discretion of the ability of the Purchaser to pay the deposit monies, and the balance of the Purchase Price on the Interim or Final Closing Date, as the case may be; and
- (d) the registration by the Vendor of the Declaration Documents on title to the Lands.

Each of the foregoing conditions are for the benefit of the Vendor only and may be waived by the Vendor at any time. The conditions shall be deemed to have been waived by the Vendor in the event that the Vendor does not give notice to the contrary to the Purchaser or the Purchaser's lawyer at any time prior to the Interim Closing Date. In the event that the Vendor gives notice to the Purchaser or the Purchaser's lawyer at any time prior to the Interim Closing Date that anyone or more of the conditions have not been satisfied, this Agreement shall be terminated and the Vendor shall return to the Purchaser all deposit monies paid by the Purchaser under this Agreement, except for amounts paid for any changes or extras ordered by the Purchaser and any other amounts which may be retained by the Vendor pursuant to this Agreement.

33. NOTICE

Any notice given pursuant to the terms of this Agreement shall be deemed to have been properly given if it is in writing and is delivered by hand, ordinary prepaid post or facsimile to the attention of the Purchaser or to the Purchaser's lawyer to their respective address indicated herein or to the address of the Unit after the Interim Closing Date and to the Vendor's lawyer at the address indicated in this Agreement or such other address as may from time to time be given by notice in accordance with the foregoing. Such notice shall be deemed to have been received on the day it was delivered by hand on the business day immediately following the day of receipt by facsimile and on the third business day following the day of mailing. Notice shall not be delivered by mail in the event of suspension of postal service or threatened postal disruption.

34. PLANNING ACT

This Agreement is conditional upon compliance with the subdivision provisions of the Planning Act and any amendments thereto.

35. LEASE OF UNITS

The Vendor may from time to time lease any and all unsold units in the Condominium for residential purposes and this paragraph shall constitute notice to the Purchaser pursuant to the Act.

36. POWER OF ATTORNEY

- (a) In accordance with the provisions of the Powers of Attorney Act, the Purchaser hereby confirms and agrees that each and every power of attorney granted by the Purchaser in this Agreement may be exercised by the donee during any subsequent legal incapability 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 Title Office in which the Condominium is registered, 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); and
- (d) the Purchaser hereby irrevocably authorizes and directs all credit agencies and other relevant institutions (including financial institutions) to release to the Vendor all reports and information regarding the Purchaser's credit and financial ability from time to time as the Vendor may request from time to time. The Purchaser covenants and agrees to forthwith provide such further authorization, directions and other documentation as such institutions or agencies may require from time to time. The Purchaser hereby irrevocably nominates constitutes and appoints the Vendor or any representative of the Vendor to be and act as the Purchaser's attorney in his place and stead for the purposes of executing and delivering such aforementioned documentation.

CH

37. GENERAL

- (a) The Vendor and the Purchaser shall deliver to each other, a statutory declaration on the Final Closing Date that they are not a non-resident of Canada within the meaning of the Tax Act;
- (b) the Vendor and Purchaser shall pay the costs of registration of their respective documents and any tax in connection therewith;
- (c) the Offer presented through this Agreement, when accepted, shall constitute a binding contract of purchase and sale subject only to the expiration of the rescission period in the Act, and time shall in all respects be of the essence hereof;
- (d) there is no representation, warranty, guarantee, collateral agreement or condition affecting this Agreement, the Condominium or the Unit other than as expressly provided for in this Agreement;
- (e) this Agreement is to be read with all changes of gender or number required by the context and the terms, provisions and conditions hereof shall be for the benefit of and be binding upon the Vendor and the Purchaser, and as the context of this Agreement permits, their respective heirs, personal representatives, estate trustees, executors, administrators, successor and assigns;
- (f) this Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.
- (g) the headings of this Agreement form no part hereof and are inserted for convenience of reference only; and
- (h) each of the Provisions of this Agreement shall be deemed independent and severable, and the invalidity or unenforceability in whole or in part of any one or more of such provisions shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Agreement, and in such event all the other provisions of this Agreement shall continue in full force and effect as if such invalid provision had never been included herein.

CH

SCHEDULE 3

TERMS OF OCCUPANCY LICENCE

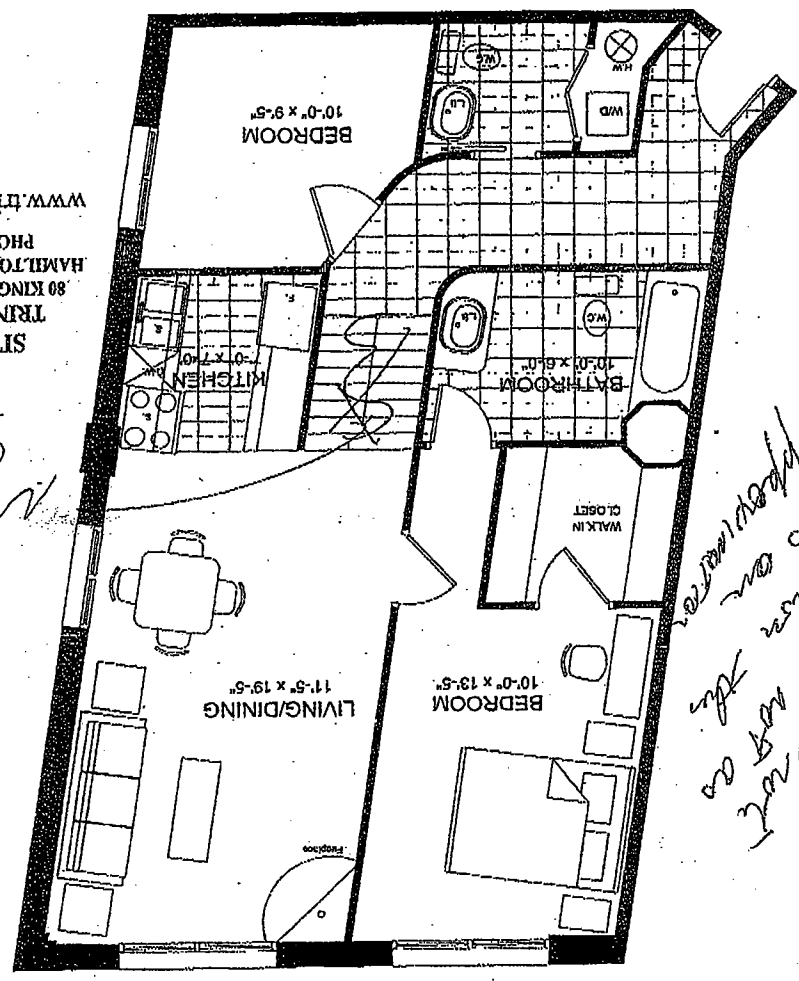
1. During the Interim Occupancy Period, the Purchaser shall pay to the Vendor the Occupancy Licence Fee, equal to the total of the following:
 - (a) interest calculated on a monthly basis on the unpaid balance of the purchase price at the rate equal to chartered bank administration rate from one year conventional residential mortgages, unless otherwise prescribed by the Regulations under the Act;
 - (b) an amount reasonably estimated by the Vendor on a monthly basis for municipal realty taxes attributable by the Vendor to the Unit; and
 - (c) the projected monthly contribution for the Unit toward Common Expenses.
2. The Occupancy Licence Fee shall be payable on the first day of each month in advance during the Interim Occupancy Period, no part of which shall be credited as payment on account of the Purchase Price, but which payments shall be a charge for occupancy only. If the Interim Closing Date is not the first day of the month, the Purchaser shall pay on the Interim Closing Date a pro rata amount for the balance of that month. The Purchaser shall deliver to the Vendor on or before the Interim Closing Date a series of twelve (12) post-dated cheques as required by the Vendor for payment of the estimated monthly Occupancy Licence Fee. The Occupancy Licence Fee may be recalculated by the Vendor from time to time based on revised estimates of the items which may be taken into account in the calculation thereof and the Purchaser shall pay to the Vendor such revised Occupancy Licence Fee upon notice thereof from the Vendor. With respect to realty taxes, the Purchaser agrees that the amount estimated by the Vendor to be attributed to the Unit shall be subject to recalculation based upon the real property tax assessment or reassessment of the Unit and/or Condominium issued by the municipality before or after the Final Closing Date and the municipal tax rate applicable thereto as at the date such assessment or reassessment is issued. The Occupancy Licence Fee shall thereupon be recalculated by the Vendor and any amount owing by one party to the other shall be paid upon demand.
3. The Purchaser shall be allowed to remain in occupancy of the Unit during the Interim Occupancy Period provided the terms of the Occupancy Licence and this Agreement have been observed and performed by the Purchaser. In the event the Purchaser breaches the terms of the Occupancy Licence the Vendor in its sole discretion and without limitation of any other rights a remedies provided for in this Agreement or the Act may terminate this Agreement and revoke the Occupancy Licence pursuant to paragraph 26 of Schedule 2 to this Agreement whereupon the Purchaser shall be deemed a trespasser and shall give up vacant possession forthwith. The Vendor may take whatever steps it deems necessary to obtain vacant possession including an action for possession issued in the Ontario Superior Court, and the Purchaser shall reimburse the Vendor for all costs it may incur, including costs of said action on a substantial indemnity basis.
4. Prior to the time that the Purchaser takes possession of the Unit, the Purchaser shall execute and deliver to the Vendor any documents, directions, acknowledgments, assumption agreements or any and all other documents required reasonably by the Vendor pursuant to this Agreement.
5. The Purchaser shall pay the Occupancy Licence Fee monthly during the Interim Occupancy Period and the Vendor shall return any unused post-dated Occupancy Licence Fee cheques to the Purchaser on or shortly after the Final Closing Date.
6. During the Interim Occupancy Period the Purchaser shall maintain the Unit in a clean and sanitary condition and shall not make any alterations, improvements or additions thereto without the prior written approval of the Vendor which may be unreasonably withheld. The Purchaser shall be responsible as and from the date of Interim Occupancy for all public utilities and private services delivered to the Unit, or other charges and expenses billed directly to the occupant of the Unit by the supplier of such services and such charges and expenses shall not be the responsibility of the Corporation.
7. The Purchaser's occupancy of the Unit shall be governed by the provisions of the Condominium Documents and the provisions of this Agreement. The Unit shall be occupied and used for residential purposes only and as provided for in the Disclosure Statement and Declaration.
8. The Vendor covenants to proceed with all due diligence to register the Condominium Documents. If the Vendor for any reason whatsoever is unable to register the Condominium Documents and therefore is unable to deliver a registrable Transfer/Deed to the Purchaser on or before the 31st day of December, 2006 the Purchaser or Vendor shall have the right after said date to declare, on giving 60 days written notice to the other, that this Occupancy Licence and this Agreement, notwithstanding any intervening act or negotiations, will be terminated. Upon termination of the Occupancy Licence, the Purchaser shall give up vacant possession of the Unit and pay the Occupancy Licence Fee to such date of termination, after which all moneys paid by the Purchaser on account of the Purchase Price, except for amounts paid for any changes or extras ordered by the Purchaser, shall be returned to the Purchaser subject to any repair and redecorating expenses incurred by the Vendor to restore the Unit to its original state of occupancy, reasonable wear and tear excepted. The Purchaser agrees to provide the Vendor with a release of this Agreement in the Vendor's standard

CN

*Some features shown are optional. All dimensions and specifications are approximate and subject to change without notice.
 * Ceiling height 1st floor 14'4" approx, 2nd floor 12'5" approx, 3rd floor 12'1" approx.

40

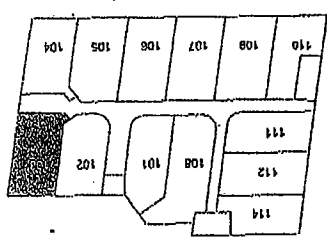
SITE OFFICE
 TRINITY LANDING
 80 KING WILLIAM STREET,
 HAMILTON, ONTARIO L8R 1A4
 PHONE: 905-521-6868
 www.trinitylanding.com



no stairs

*Master bedroom
 unit not as
 shown in
 approved*

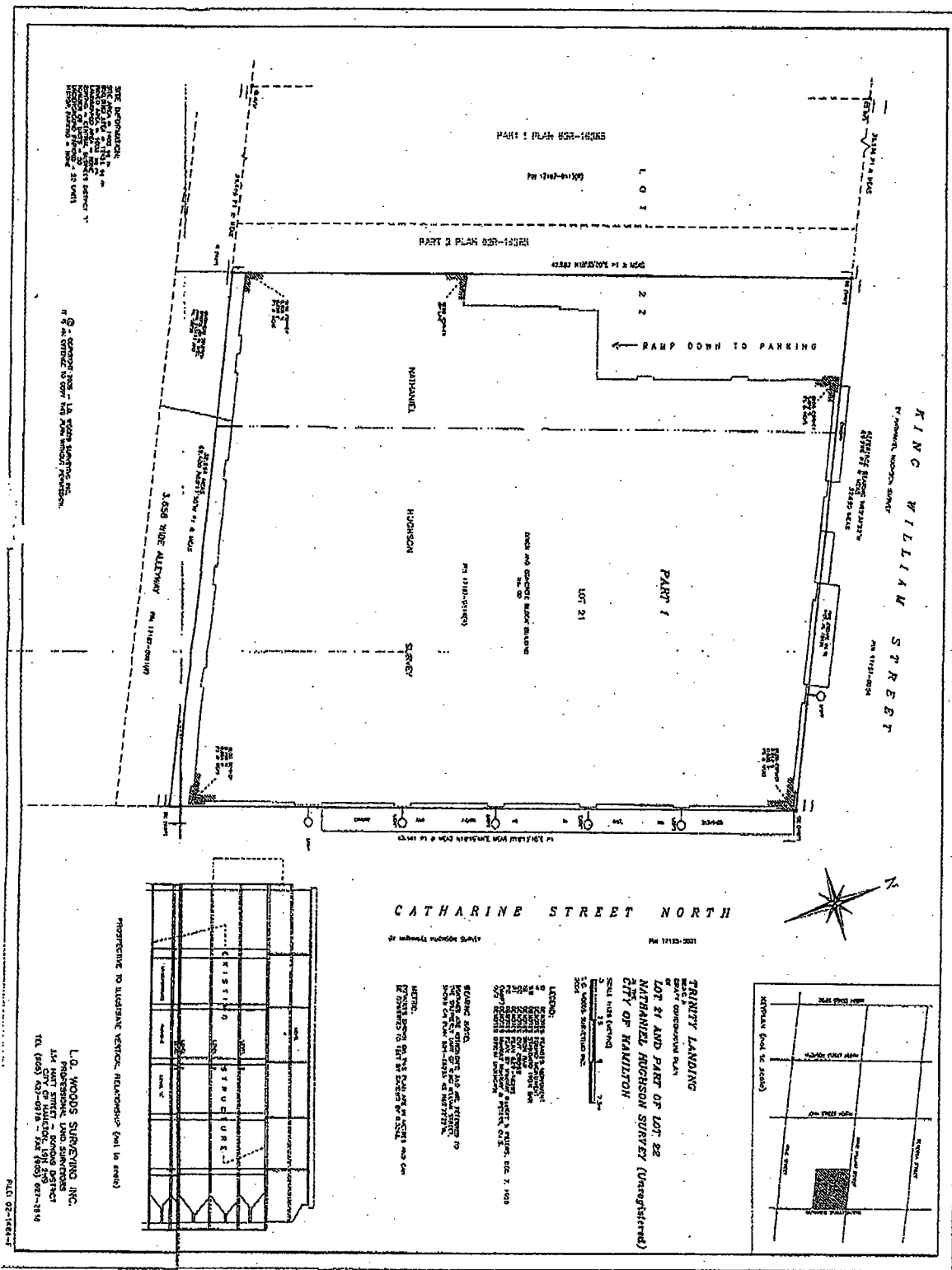
- * High ceiling
- Abundant natural lighting from windows
- Master bedroom/walk-in-closet/ensuite
- Large living room/dining room
- Powder/laundry room
- 2 Bedrooms
- Storage area



UNITS 109, 203, 302
 North west corner West Level unit

The Wellington 855 Sq. Ft.

SCHEDULE 5
SITE PLAN



NOTE: INFORMATION
CONTAINED HEREIN IS
FOR INFORMATION ONLY
AND DOES NOT CONSTITUTE
AN OFFER OF ANY
SECURITIES OR INVESTMENT
ADVICE. THE INVESTOR
SHOULD CONSULT WITH
THEIR FINANCIAL ADVISOR
BEFORE MAKING A DECISION.

© L.O. WOODS SURVEYING, INC.
ALL RIGHTS RESERVED. NO
PART OF THIS PLAN MAY BE
REPRODUCED OR TRANSMITTED
IN ANY FORM OR BY ANY
MEANS, ELECTRONIC OR
MECHANICAL, INCLUDING
PHOTOCOPYING, RECORDING,
OR BY ANY INFORMATION
STORAGE AND RETRIEVAL
SYSTEM, WITHOUT PERMISSION.

PROSPECTIVE TO ILLUSTRATE VERTICAL RELATIONSHIP (SEE LA PLAN)

L.O. WOODS SURVEYING, INC.
PROFESSIONAL LAND SURVEYORS
134 WEST STREET, SUITE 200
TORONTO, ONTARIO M5H 1K7
TEL: (416) 593-0918 FAX: (416) 593-2818

PLAN: 02-16847

CATHARINE STREET NORTH

100' 0" (30.48 M)
100' 0" (30.48 M)

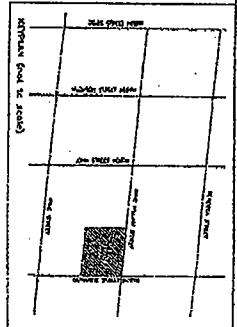
TRINITY LANDING
PART 1
LOT 21 AND PART OF LOT 22
NATHANIEL HUGHSON SURVEY (Unregistered)
CITY OF HAMILTON

Scale: 1" = 30'-0"

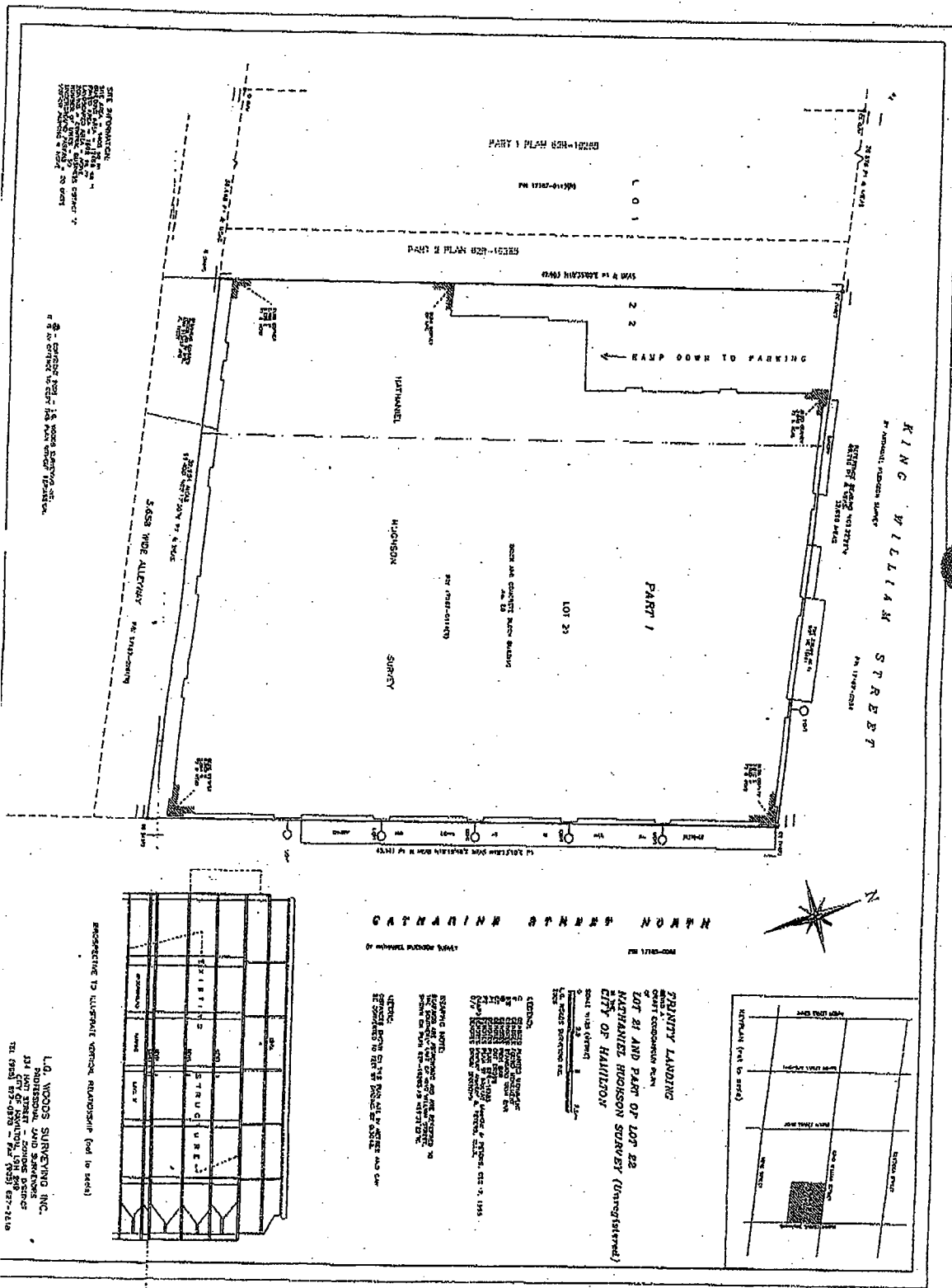
DATE: 02-16-07
BY: L.O. WOODS SURVEYING, INC.

LEGEND:
1. TRINITY LANDING
2. LOT 21 AND PART OF LOT 22
3. NATHANIEL HUGHSON SURVEY
4. CITY OF HAMILTON

NOTES:
1. THIS SITE PLAN IS A PRELIMINARY DESIGN AND IS SUBJECT TO THE APPROVAL OF THE CITY OF HAMILTON.
2. THE DESIGNER HAS CONDUCTED A VISUAL INSPECTION OF THE SITE AND HAS FOUND IT TO BE SUITABLE FOR THE PROPOSED DEVELOPMENT.
3. THE DESIGNER HAS CONDUCTED A VISUAL INSPECTION OF THE SURROUNDING AREA AND HAS FOUND IT TO BE SUITABLE FOR THE PROPOSED DEVELOPMENT.



SCHEDULE 5 SITE PLAN



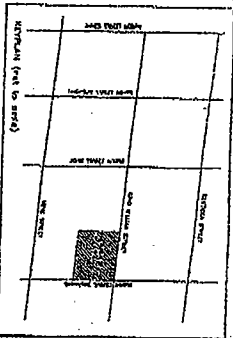
SITE INFORMATION:
 THE LOT IS A 5.638 M WIDE ALLEYWAY
 THE LOT IS A 5.638 M WIDE ALLEYWAY
 THE LOT IS A 5.638 M WIDE ALLEYWAY
 THE LOT IS A 5.638 M WIDE ALLEYWAY
 THE LOT IS A 5.638 M WIDE ALLEYWAY

IF A VARIATION IS CLAIMED BY THE SURVEYOR
 THE SURVEYOR SHALL BE RESPONSIBLE FOR THE SAME

CATHERINE STREET NORTH

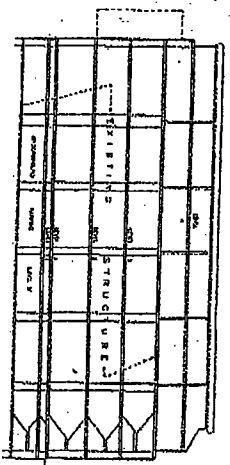


PROPOSED LOT 23



PRIORITY LANDING
 100% DEVELOPMENT PLAN
 LOT 21 AND PART OF LOT 22
 HARRISON SURVEY (Unregistered)
 CITY OF HALLOWAY
 PART 1 PLAN 828-102280
 PART 2 PLAN 828-102285
 L.D. WOODS SURVEYING INC.

LEGEND:
 - - - - - EXISTING PROPERTY
 - - - - - EXISTING EASEMENTS
 - - - - - EXISTING RIGHTS OF WAY
 - - - - - EXISTING UTILITIES
 - - - - - EXISTING STREETS
 - - - - - EXISTING ALLEYS
 - - - - - EXISTING FENCES
 - - - - - EXISTING CURBS
 - - - - - EXISTING DRIVEWAYS
 - - - - - EXISTING SIDEWALKS
 - - - - - EXISTING PARKING AREAS
 - - - - - EXISTING LANDSCAPING
 - - - - - EXISTING TREES
 - - - - - EXISTING STRUCTURES
 - - - - - EXISTING UTILITIES
 - - - - - EXISTING STREETS
 - - - - - EXISTING ALLEYS
 - - - - - EXISTING FENCES
 - - - - - EXISTING CURBS
 - - - - - EXISTING DRIVEWAYS
 - - - - - EXISTING SIDEWALKS
 - - - - - EXISTING PARKING AREAS
 - - - - - EXISTING LANDSCAPING
 - - - - - EXISTING TREES
 - - - - - EXISTING STRUCTURES



PROPOSED TO ALLEVIATE UTILITY ENCUMBRANCE (not to scale)

L.D. WOODS SURVEYING INC.
 100% DEVELOPMENT PLAN
 LOT 21 AND PART OF LOT 22
 HARRISON SURVEY (Unregistered)
 CITY OF HALLOWAY
 TEL: (903) 873-6878 FAX: (903) 873-7118

CH

SCHEDULE 6

INCLUSIONS IN THE UNIT OR COMMON ELEMENTS,
FINISHES AND SPECIFICATIONS

The Purchaser acknowledges that only the items set out in this Schedule are included with the Unit or the Common Elements and as part of the Purchase Price and that furnishings, decor, improvements, drapes, tracks and wall coverings in the model suite(s), if any, are for display purposes only and are not included in the Purchase Price. The Purchaser shall have choice of colours and design from Vendor's samples with respect to ceramic tiles, paint, kitchen cabinets, counter-tops and flooring, provided selection is made within 10 days of request from the Vendor and provided that items listed are not already installed or ordered and provided further that they are available at the time of choice. The Vendor will not be responsible for any colour errors by suppliers. The Vendor reserves the right to substitute alternative materials, colours and fixtures of equal or better quality. Any changes to plans and specifications requested after this Agreement, or during construction are to be acknowledged by the Purchaser, with appropriate cost adjustment, before same changes will be effected. The Vendor reserves the right to refuse any changes. The Vendor will request payment for the cost of any changes at the time same is requested. In the event that colours and/or finishing chosen by the Purchaser for the interior of the Unit subsequently become unavailable, the Purchaser agrees to re-attend with the Vendor to choose from substitute colours and/or finishings. If the Purchaser fails to choose colours or finishing or fails to make any selection or determination required of the Purchaser within 7 days, the Vendor may choose the colours and finishing for the Purchaser and the Purchaser agrees to accept the Vendor's selections.

CH

Schedule 7- consists of Attached
request as confirmed Jan 15 2006 - per receipt
Esposito signed Oct 405.

note - Tile installed - paint colours to
be as noted -

Floor to be painted + the Hall to have her
choice of colours -

It was also agreed previously that the
closet holding the washer dryer will be enlarged.
Add door to closet in 2nd bedroom.

If counter or cabinets etc. is any installed
fixtures so damaged they are to be
replaced.

Quote for LAMINATE FLOOR - + deduct cost of
painting by MAY 30

NOTE MINIMUM STANDARD - MID GRADE + good underpad.

CH

AGREEMENT OF PURCHASE AND SALE

1. Jeffrey Leonard Lewis
(Name(s) of Purchaser(s))

(the "Purchaser") hereby agrees with 1539304 Ontario Inc., operating as Trinity Landing (the "Vendor") to purchase Unit 2, Level ONE, Suite 105, as shown on the copy of the plan attached as Schedule 4, being a proposed unit in a proposed standard freehold condominium located at 80 King William Street, Hamilton, Ontario, shown on the copy of the site plan attached as Schedule 5 together with its appurtenant common elements and (where applicable) the Parking Unit Number _____ (collectively, the "Unit") on the lands described in Schedule 1 hereto (the "Lands") on the terms of this Agreement.

2. PURCHASE PRICE

The purchase price of the Unit shall be one thousand & sixty one thousand four hundred (\$ 161,400) in lawful money of Canada (the "Purchase Price"), payable as follows:

(a) the sum of ONE THOUSAND DOLLARS (\$1,000.00) cheque payable to the Vendor's lawyers, Messrs. Burns, Vasam, LLP, in trust, to be delivered by the Purchaser to the Vendor with the copies of this Agreement executed by the Purchaser, as a deposit to be held by the said solicitors pending completion or other termination of this Agreement and to be credited against the Purchase Price, on closing;

(b) the following additional deposits each by cheque payable to the said solicitors in trust postdated as follows:

- (i) \$ 1,000.00 due within 30 days of the date of acceptance of this Agreement;
- (ii) \$ 23,000.00 due within 45 days of the date of acceptance of this Agreement.

All said cheques to be delivered to the Vendor with the copies of this Agreement executed by the Purchaser. The Vendor shall cause its said solicitors to hold all deposit monies in a separate trust account in a Chartered Bank in Ontario pending completion or other termination of this Agreement and to be credited on account of the purchase price on final closing. Where any of the deposit cheques is uncertified and is not honoured by the Drawee, then the purchaser shall be conclusively deemed to be in default under the Agreement, and at its option, the Vendor may declare all deposit monies already received by it as forfeited;

(c) the balance of the Purchase Price by certified funds, payable to the Vendor's solicitor subject to adjustments as specified in Schedule 2 hereof, on the Final Closing Date;

(d) any charges for upgrades as set out in Schedule 7 hereto, shall be paid directly to the Vendor by the Purchase on or before the ___ day of _____, 2007.

3. OCCUPANCY DATE

The Interim Closing Date shall occur on JUNE 15 2007 or such extended or earlier date as may be determined by the Vendor in accordance with this Agreement. The Interim Closing Date is a tentative date by which the Vendor anticipates the Unit will be ready for occupancy by the Purchaser but which date may be varied by the Vendor in accordance with the provisions of this Agreement.

4. IF OCCUPANCY IS NOT AVAILABLE BY SEPT 15
The buyer shall have the right to cancel with no penalty and will receive a full refund including payments made to the seller etc.
FINAL CLOSING DATE

Title to the Unit shall be transferred on the Final Closing Date, being a date subsequent to the Interim Closing Date and established by the Vendor in accordance with this Agreement

5. SCHEDULES

Schedules 1 to 7 inclusive attached hereto and any amendments or addenda thereto shall form part of this Agreement.

6. ACKNOWLEDGMENT

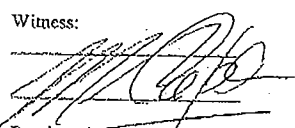
The Purchaser acknowledges having read this Agreement and all Schedules, amendments and addenda hereto.

7. ACCEPTANCE

Delivery to the Vendor of copies of this Agreement executed by the Purchaser shall constitute an offer irrevocable by the Purchaser until 5:00 p.m. on the 10th day after the date of delivery of the same by the Purchaser and if this Agreement is not executed by the Vendor by such time, such offer shall be considered to have been withdrawn by the Purchaser and the deposit shall be returned to the Purchaser without interest.

There shall be no occupancy for the first 30 days.

Copies of this Agreement have been executed by the Purchaser and delivered to the Vendor on the 30 day of March, 2007.

Witness:

Purchaser's Lawyer
EMIL FEDAK

Purchaser:
JEFF LEGEIS
J. Legois

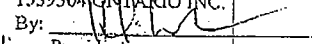
Purchaser's Address:

Telephone: 905 978-7625
Fax: _____

E-MAR
Glam rock 35
© hotmail.com

Copies of this Agreement have been executed by the Vendor on the ____ day of _____, 2007.

Vendor's Lawyer:
Burns, Vasan, LLP
Barristers & Solicitors
305 - 21 King Street West
Hamilton, Ontario
L8P 4W7
Tel: (905) 522-1382
Fax: (905) 522-0855

1539304 ONTARIO INC.
By: 
President

I have the authority to bind the corporation.


R. SRINI VASAN

Mother - DIANA LeGeis
UWM 13 34 Bow Valley Drive
Ham L8E 3C4

UP 1.7

SCHEDULE 1
LEGAL DESCRIPTION OF LANDS

P.I.N. 17167 - 0115 L.T.
being, 80 King William Street, Hamilton, Ontario
Lot 21, Part Lot 22, Nathaniel Hughson Survey
(unregistered), south side of King William Street,
between John Street and Catharine Street, being
Part 1 on 62R - 16706, City of Hamilton



SCHEDULE 2
ADDITIONAL TERMS OF AGREEMENT

1. DEFINITIONS

The words and phrases used in this Agreement and the Schedules, amendments and addenda to this Agreement shall each have the meaning provided for in the Condominium Act, 1998 and any amendments thereto unless otherwise provided for elsewhere in this Agreement or as follows:

- (a) "Act" shall mean the Condominium Act, 1998 of Ontario;
- (b) "Agreement" shall mean this Agreement of Purchase and Sale and all Schedules, amendments and addenda to this Agreement;
- (c) "Condominium" shall mean the proposed Condominium Plan and the Condominium Corporation to be created upon the registration of its Condominium Documents on title to the Lands and the building(s) constructed or to be constructed on the Lands;
- (d) "Condominium Documents" shall mean the Declaration, Description and By-Laws by which the Corporation is intended to be created and organized;
- (e) "Corporation" shall mean the corporation created upon registration of the Declaration and the Description;
- (f) "Interim Occupancy Period" shall mean the period of time, if any, from and including the Interim Closing Date to the Final Closing Date;
- (g) "Lands" shall mean the lands described in Schedule 1 hereto;
- (h) "Occupancy Licence" shall mean the licence granted to the Purchaser to occupy the Unit during the interim occupancy period, in accordance with the provisions of Schedule 3 attached;
- (i) "Occupancy Licence Fee" shall mean the sum of money payable monthly in advance by the Purchaser to the Vendor during the Interim Occupancy Period, calculated in accordance with this Agreement and the Act;
- (j) "Property" shall mean the Lands and interests appurtenant to the Lands as described in the Description; and
- (k) "Unit" shall mean the unit or the proposed unit in the Condominium.

2. DEPOSIT MONIES

In accordance with the Act, all monies received from the Purchaser on account of this Agreement, other than monies paid as the Occupancy Licence Fee or for upgrades, changes or extras ordered by the Purchaser, shall be held in trust until its disposition to the person entitled thereto or delivery of prescribed security to the Purchaser for repayment, in accordance with the Act. The Vendor shall credit the Purchaser on the Final Closing Date with interest at the rate prescribed pursuant to the Act on all such money received by the Vendor on account of the purchase price (excluding extras and upgrades ordered by the Purchaser) from the Interim Occupancy date until the Final Closing Date.

3. ADJUSTMENTS

The balance of the Purchase Price shall be adjusted on the Interim Closing Date, or on the Final Closing Date, or as may be required by the Vendor, as to all prepaid, current or accrued expenses or charges and as to other items required by the terms of this Agreement, which shall include, without limiting the generality of the foregoing the following:

- (a) assessments prepaid or owing or as estimated by the Vendor towards the common expenses; and/or the reserve fund;
- (b) an amount equal to that estimated by the Vendor to be payable by the Purchaser, as a contribution by the Purchaser towards the common expenses and/or the reserve fund equivalent to common expenses for the Unit for a period of two (2) months, which sum shall be paid directly to the Corporation and in the case of common expenses, credited by the Corporation to the Purchaser. Such sum, or part thereof forming part of the reserve fund shall be in addition to any common expenses otherwise payable to the Corporation. The Purchaser agrees to deliver on the Final Closing Date a series of twelve post-dated cheques in an amount estimated by the Vendor to be payable monthly to the Corporation on account of the common expenses for that period of time;
- (c) unearned insurance premiums, and where such insurance is carried by the Corporation, the Purchaser's share of any unearned or accrued premiums determined by the proportion of common interest of the Unit;
- (d) the realty taxes to be estimated by the Vendor for the calendar year in which this Agreement is completed and shall be adjusted as if such sum had been paid by the Vendor notwithstanding that the same may not by the Interim Closing Date or by the Final Closing Date have been levied or paid, subject, however, to readjustment upon the actual

amount of said realty taxes being ascertained. 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 the Purchaser. In the event, as on the Final Closing Date, the Condominium is 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 to the Purchaser based upon the common interest of the Unit or alternatively equally among all of the residential units within the Condominium or in such other manner as the Vendor may elect, acting reasonably, at the Vendor's option. At the Vendor's option, realty taxes may not be adjusted until individual unit assessments have been made. Any realty tax re-assessment following the Final Closing Date shall be the responsibility of the Purchaser. All other contributions, rates and charges if not paid by the Vendor on a per unit basis shall be apportioned to the Purchaser in the same manner as provided for above for the apportionment of realty taxes;

(e) the cost of public utilities or private services (including purchased or rented hot water tank) which if not billed separately may be adjusted by attributing to the Purchaser a share of such cost, as determined by the common interest of the Unit, and any charges paid by the Vendor to a public utility supplier or supplier of private service which may be attributable to the Unit;

(f) reimbursement to the Vendor for the transaction levy surcharge imposed upon the Vendor by the Law Society of Upper Canada;

(g) the deposits;

(h) interest on deposit monies in accordance with the Act and/or this Agreement;

(i) the Occupancy Licence Fee provided for in Schedule 3 hereto;

(j) the sum of \$250.00 to cover the legal and administrative fees for the preparation of the Vendor Take-Back Mortgage, if any;

(k) security deposit of \$250.00 on Interim Closing, to be held by the Vendor, until the purchaser provides proof that he or she has transferred the gas and hydro accounts for the Unit into his or her name as of the Interim Closing date;

(l) an administrative fee of \$150.00 shall be charged to the Purchaser for any cheque paid for a deposit, the Occupancy Licence Fee or for any upgrades which is returned N.S.F. or upon which a "stop payment" has been ordered, or otherwise not honoured by the financial institution on which such cheque is drawn;

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

(n) if any of the adjustments to be made on the Interim Occupancy Date cannot be accurately determined at that time, the Vendor may estimate the adjustment to be made, and a final adjustment shall be made when the same may be accurately determined;

(o) **UPGRADES AND EXTRAS:** The price for any upgrades or extras as specified in Schedule 7 hereto, requested by the Purchaser shall be paid directly to the Vendor by the Purchaser upon executing the written order for such upgrades or extras. At the option of the Vendor, the amount so received by the Vendor shall be added to the purchase price on the Statement of Adjustments as an adjustment. Upon the termination of this Agreement, howsoever caused the amount paid for upgrades and extras shall not be refunded to the Purchaser.

(p) the Purchaser shall further pay to the Vendor, on closing as an adjustment, an administration and set up fee of \$300.00 in relations to the security for Builder's Warranty referred to in paragraph 9 (c) of the Disclosure Statement.

4. GOODS AND SERVICES TAX

The Goods and Services Tax (the "G.S.T.") payable pursuant to the Excise Tax Act (the "G.S.T. Act") is included in the Purchase Price of units to Purchasers who qualify for rebate of G.S.T. as specified below. The actual monetary consideration for the Unit exclusive of any extras, requested changes, or adjustments (the "Consideration"), is the amount derived by subtracting the G.S.T. payable, less all refunds, credits and rebates available to the Purchaser pursuant to the G.S.T. Act, including, without limiting the generality of the foregoing, the new housing rebate under the G.S.T. Act (the "G.S.T. Rebate"), from the Purchase Price. The Purchaser hereby irrevocably assigns to and in favour of the Vendor any and all rights the Purchaser may have to any rebates, refunds or credits available pursuant to the G.S.T. Act, including without limiting the generality of the foregoing, the G.S.T. Rebate, in the event that the Purchaser qualifies for the G.S.T. Rebate. The Purchaser covenants and agrees that the Purchaser shall immediately following the completion of this Agreement, personally occupy the Unit or cause one or more of the Purchaser's relations (as defined in the G.S.T. Act) to occupy the Unit for such period of time as shall then be required in order to entitle the Purchaser to the G.S.T. Rebate or any such rebates, refunds or credits pursuant to the G.S.T. Act. The Purchaser covenants and agrees to deliver to the Vendor on the Final Closing Date any and all documentation and/or application forms as the Vendor shall request, from time to time, in order to facilitate the aforesaid assignment of G.S.T. rebates, refunds or credits. In the event that the Purchaser shall for any reason fail to qualify for the G.S.T. Rebate, the Purchaser shall indemnify the Vendor in the amount that the Purchaser would have been entitled to had the Purchaser so qualified for the G.S.T. Rebate, and in the event that such failure to qualify is known on or before the Final Closing Date, then the full amount of the G.S.T. shall

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be in addition to the purchase price and credited and paid to the Vendor on closing. Notwithstanding any other provision of this Agreement, the Purchaser acknowledges and agrees that the Purchase Price does not include any G.S.T. payable with respect to any of the adjustments or any extras, requested, changes or upgrades purchased, ordered or chosen by the Purchaser which are not specifically included with the Unit or in the Purchase Price, and the Purchaser covenants and agrees to pay such G.S.T. to the Vendor in accordance with the G.S.T. Act.

5. INTERIM OCCUPANCY

(a) If the Unit is substantially complete and fit for occupancy on the Interim Closing Date, the Purchaser shall occupy the Unit on the Interim Closing Date pursuant to the Occupancy Licence provided for in Schedule 3. In the event substantial completion of the Unit may be delayed for any reason other than the wilful neglect of the Vendor, the Vendor shall be permitted reasonable extensions of time not exceeding in the aggregate 240 days, to substantially complete the Unit and the Interim Closing Date shall be extended accordingly. If the Vendor shall be unable to complete the Unit for occupancy within such reasonable extension of time, all moneys paid as a deposit, shall be returned to the Purchaser, this Agreement shall be terminated and the Vendor shall not be liable to the Purchaser for any damages arising as a result thereof and shall have no further obligation hereunder.

(b) the Vendor shall be entitled upon giving at least 60 days written notice to the Purchaser, to accelerate the Interim Closing Date provided the Unit is substantially complete and fit for occupancy on such earlier date. If the Unit is substantially completed and fit for occupancy by the Interim Closing Date or any acceleration or extension thereof in accordance with this Agreement, the Purchaser shall take interim occupancy of the Unit on that date notwithstanding that the Vendor has not fully completed the Unit or the proposed Common Elements on such date and the Vendor shall complete such outstanding work required by this Agreement within a reasonable time after the Interim Closing Date, having regard to weather conditions and the availability of labour and materials. The Unit shall be deemed to be substantially completed when the interior of the Unit has been finished to permit occupancy. The Purchaser acknowledges that failure to complete the proposed Common Elements on or before the Interim Closing Date shall not be deemed to be a failure to complete the Unit.

6. INSPECTION

The Purchaser agrees to inspect the Unit upon the Vendor's request, with a representative of the Vendor, prior to the Interim Closing Date and to list all mutually agreed upon outstanding, incomplete or apparently defective items in the Unit at the time of inspection, and the Vendor's obligation to complete or rectify work shall thereafter be limited only to those items contained in the said list and except as to those items, the Purchaser shall be deemed to have acknowledged that the Unit has been completed in accordance with this Agreement and the Purchaser shall be deemed conclusively to have accepted the Unit in its condition as at the time of inspection. The inspection by the Purchaser is a condition of the Vendor's obligation to provide occupancy of the Unit to the Purchaser.

7. EXECUTIONS

The Purchaser agrees to provide to the Vendor's Solicitors on the Interim Closing Date an Execution Certificate as of that date confirming that no execution against the individual(s) in whose name(s) title to the Unit is to be taken and further agrees to provide on the Final Closing Date such further clear Execution Certificate a may be required by the Vendor to obtain mortgage advances with respect to the Unit.

8. FINAL CLOSING

Following registration of the Condominium, the Vendor's solicitor shall designate a date not less than 21 days nor more than 90 days after the date of such registration as the Final Closing Date by delivery of written notice of such date to the Purchaser, and the within transaction shall close on the date so designated. The final closing date, in any event, shall be a date not later than the 31st day of July, 2007, provided that the Vendor shall have the right to extend the closing date by reasonable length of time and from time to time, not to exceed in the aggregate 90 days.

9. RISK

The Unit shall be and remain at the risk of the Vendor until the Final Closing Date. If any part of the Condominium is damaged before the Condominium Documents are registered, the Vendor may in its sole discretion either terminate this Agreement and return to the Purchaser all deposit monies paid by the Purchaser to the Vendor or make such repairs as are necessary to complete this Agreement, it being understood and agreed that all insurance policies and the proceeds thereof are to be for the benefit of the Vendor alone.

10. SEARCH OF TITLE

The Purchaser shall be allowed to the date which is 10 days prior to the Final Closing Date (the "Search Period") to examine title to the Unit at the Purchaser's own expense. If within the Search Period any valid objection to title to the Unit is made in writing to the Vendor which the Vendor may be unable or unwilling to rectify and which the Purchaser will not waive this Agreement shall, notwithstanding any intermediate negotiations in respect of any such, be terminated and the deposit monies, together with the interest to be paid thereon, after deducting any payments due to the Vendor by the Purchaser as provided for in this Agreement, shall be returned to the Purchaser and the Vendor shall have no further liability or obligation to the Purchaser and shall not be liable for any costs or damages. Save as to any valid objections to made within the Search Period, the Purchaser shall be deemed to have accepted the title of the Vendor to

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the Unit. In the event the Purchaser has assumed occupancy of the Unit pursuant to paragraph 5 above, the Purchaser shall vacate and deliver vacant possession of the Unit in good repair and in a tidy condition to the Vendor before becoming entitled to the return of said deposit monies.

11. NAME OF TRANSFEREE

The Purchaser agrees to submit to the Vendor within the Search Period written confirmation as to the manner in which title to the Unit is to be registered, and the Purchaser shall be required to take title to the Unit in the manner so advised unless the Vendor otherwise consents in writing, which consent may be arbitrarily withheld. If the Purchaser does not submit such confirmation within the Search Period the Vendor shall be entitled to tender a Transfer/Deed on the Final Closing Date with the Transferee therein being the name of the Purchaser as shown in this Agreement. The Purchaser shall be entitled to direct that title to the Unit be taken in the name of the Purchaser's spouse, or a member or members of the Purchaser's immediate family only, but shall not be permitted to direct that title to the Unit be taken in the name of any other party.

12. CONDITION OF TITLE

The Purchaser agrees to accept title to the Unit subject to and to be bound by the following:

- (a) the Condominium Documents in the general form attached to the Disclosure Statement delivered to the Purchaser as set out in Schedule 6;
- (b) any subdivision, development, site plan, condominium or like agreements with the municipality or other governmental authority having jurisdiction, provided always that same do not in the aggregate materially and adversely affect the use of the Unit and the Condominium as a residential or parking unit as the case may be and a residential condominium, respectively;
- (c) any easements, rights-of-way, encroachment agreements, heritage agreements, restrictions, conditions or covenants that run with the land and subject to any easements, licences, rights or agreements now registered or to be registered for the installation and maintenance of any public utilities or private services including, without limitation, telephone, hydro, gas, storm and sanitary sewer, water and cable television or master antenna television distribution systems or coaxial cable or fibre-optic installation and any easements and rights-of-way which may be required by a municipality or other governmental authority for access through the proposed Common Elements, or with respect to buildings, and any agreement with the Municipality with respect to the bridge connecting the subject building to the building situate on the south side of the alleyway at the rear;
- (d) any restrictions, condition, or warnings imposed by any municipality or other governmental authority contained in any site plan, subdivision, condominium, financial or development agreements;
- (e) temporary or periodic easements in favour of the Declarant and/or its affiliates or assignees for construction of the Condominium, sales of units and/or any development in the vicinity thereof;
- (f) restrictive covenants prohibiting anyone from using the lands and any part thereof for the purposes of the sale, marketing, storage, distribution or handling in bulk of oil or petroleum products, including bulk quantities of gasoline and other motor fuels, lubricants, motor oils, greases and solvents;
- (g) any other matters expressly provided for in this Agreement.

The Purchaser shall satisfy himself as to the due compliance with the provisions of any such agreements or instruments referred to above and shall not require release of the Unit or the Condominium from the same. The Purchaser covenants and agrees to consent to the provisions of any such agreements or instruments referred to above and, if required, to execute all documents and do all things requisite for this purpose, either before or after the Final Closing Date. The Vendor shall be entitled to insert in or to the Transfer to be delivered to the Purchaser on the Final Closing Date 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 Final Closing Date, or the Vendor may require that the Purchaser deliver a separate written covenant on the Final Closing Date.

13. HVAC, HOT WATER TANK AND APPLIANCES

- (i) The unit is equipped with a separate HVAC equipment for heating and air conditioning purposes, a hot water tank and a fridge and stove and a dishwasher, and the purchaser agrees that the only warranty that the purchaser will receive with respect to all of said chattels and equipment is the manufacturer's standard warranty.

14. VENDOR'S LIEN

The Purchaser agrees that the Vendor shall have a Vendor's Lien for the unpaid balance of the Purchase Price, if any, on the Final Closing Date and the Vendor shall be entitled to register a Notice of Lien on title to the Unit.

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15. EXISTING MORTGAGES

The Purchaser acknowledges that the Unit may be encumbered by mortgages which are not intended to be assumed by the Purchaser and that the Vendor shall not be obliged to obtain and register a discharge of any such mortgages which affect the Unit on the Final Closing Date. The Purchaser agrees to accept the Vendor's undertaking to obtain and register a discharge or partial discharge of each such mortgage as soon as reasonably possible after the Final Closing Date subject to the Vendor providing to the Purchaser the following:

- (a) a letter or statement from each such mortgagee confirming the amount required to be paid to such mortgagee to obtain a discharge of each such mortgage from title to the Unit;
- (b) a direction from the Vendor to the Purchaser to pay such amount to such mortgagee on the Final Closing Date by way of certified cheques delivered to Vendor's solicitor; and
- (c) an undertaking from the Vendor or the Vendor's solicitor to deliver such amounts to each such mortgagee and to register the discharge of each such mortgage from title to the Unit upon receipt thereof and to advise the Purchaser or the Purchaser's lawyer of registration thereof.

16. CONSTRUCTION LIENS

The Purchaser acknowledges and agrees that the deposits paid pursuant to this Agreement shall be deemed to be monies held in trust pursuant to the Act, and the Purchaser shall therefore be deemed to be a "home buyer" as defined in the Construction Lien Act and the Purchaser shall not be entitled to request or demand that any holdback for construction liens be maintained for any portion of the purchase price on the Interim Closing Date or on the Final Closing Date.

17. SUBORDINATION OF AGREEMENT

The Purchaser covenants and agrees that this Agreement is subordinate to and postponed to any mortgages arranged by the Vendor and any advances thereunder from time to time, and to any easements, rights-of-way, licenses or other agreements affecting the Condominium. The Purchaser further agrees to consent to and execute all documentation as may be required by the Vendor to give effect to the foregoing and the Purchaser hereby irrevocably appoints the Vendor as the purchaser's attorney to execute any consents or other documents required by the Vendor to give effect to the provisions of this paragraph.

18. NO REGISTRATION OF AGREEMENT

The purchaser covenants and agrees not to register this Agreement or notice of this Agreement or a caution, certificate of pending litigation, Purchaser's Lien, or any other document giving notice of this Agreement against title to the Unit or the Lands and further agrees not to give, register, or permit to be registered any encumbrance against the Unit or the Lands prior to completion of this Agreement. Should the Purchaser be in default of the Purchaser's obligations hereunder, the Vendor may, as agent and attorney of the Purchaser, cause the removal of notice of this Agreement, caution, certificate of pending litigation, Purchaser's Lien, or other document giving notice of this Agreement or any assignment thereof, from the title to the Unit or the Lands. In addition, the Vendor, at its option, shall have the right to declare this Agreement terminated in accordance with the provisions of paragraph 26 of this Schedule. The Purchaser hereby irrevocably consents to a court order removing such notice of this Agreement, any caution, or any other document a instrument whatsoever from title to the Unit or the Lands and the Purchaser agrees to pay all of the Vendor's costs and expenses a obtaining such order (including legal and other fees and expenses actually incurred by the Vendor).

19. PERSONAL USE OF PURCHASER

The Purchaser represents to the Vendor, upon which representation the Vendor has relied in entering into this Agreement, that the Purchaser is purchasing the Unit for the Purchaser's own personal use and not for short term, speculative investment purposes. The Purchaser covenants and agrees with the Vendor not to list for sale, advertise for sale, offer for lease, offer for sale, sell, lease, transfer or assign the interest of the Purchaser under this Agreement at any time prior to the Final Closing Date without prior written consent of the Vendor, which consent may be arbitrarily withheld. In the event the Vendor agrees to consent to the assignment, then the following provisions shall apply to and be deemed to be part of such consent:

- a) This Agreement of Purchase and Sale may be assigned only once and the Assignee shall not have the right to make any further assignments;
- b) The Assignment shall not be for a price less than the Purchase Price as set out in Paragraph 2 above;
- c) The Vendor is to be advised of the Assignment at least 90 days prior to final closing;
- d) If a mortgage is being arranged to finance the purchase of this Property, a copy of the Assignee's approval by the lender shall be provided to the Vendor with notice of the assignment, for the assignment to be effective.
- e) The Purchaser shall remain responsible for the performance of the obligations of the Purchaser under the Agreement of Purchase and Sale up to the closing, notwithstanding the assignment.
- f) The Assignee will enter into a covenant with the Vendor to assume the obligations of the Purchaser contained in the Agreement of Purchase and Sale by signing this form.
- g) The Assignee shall be bound by all acts of the Purchaser up until the date of the assignment including

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- any selections by the Purchaser of colours and materials and for any extras.
- h) The Vendor shall be paid a consent fee of \$1,500.00 plus GST on notification of the Assignment by the Purchaser.

20. INVESTORS AND GST

In the event the Purchaser is an investor and purchasing the subject unit(s) for rental purposes, the Purchaser shall disclose himself as an investor to the Vendor and any Goods and Services Tax (G.S.T.) payable shall be in addition to the purchase price.

21. NO OBJECTION

The Purchaser covenants and agrees that the Purchaser shall not object to nor oppose any amendment to or change in the zoning and/or site plan and/or draft condominium plan, nor oppose any other applications by the Vendor to any board, tribunal, municipality or other governmental authority relating to the construction and registration of the Condominium, or development on adjoining lands or any other lands owned by the Vendor in the vicinity of the Condominium, if any.

22. NO INTERFERENCE

The Purchaser covenants and agrees that the Purchaser shall not interfere with the completion of any part of the Condominium by the Vendor. Until the Condominium is completed and all units are sold, the Vendor may make such use of the Condominium as may facilitate such completion and sales, including, but not limited to, the maintenance of a sales/rental/administration office and model units, and the display of signs located on the Property.

23. PURCHASER'S COVENANTS, REPRESENTATIONS AND WARRANTIES

The Purchaser's covenants, warranties and obligations contained in this Agreement shall survive the completion of this Agreement and shall remain in full force and effect notwithstanding the transfer of title to the Unit to the Purchaser.

24. SIZE OF UNIT, LAYOUTS OF UNIT AND EXTERIOR ELEVATIONS OF THE BUILDING

Notwithstanding anything contained in any brochures, drawings, plans, advertisements, or other marketing materials, or any statements made by the Vendor's sales representatives, the Purchaser acknowledges that there is no warranty or representation contained herein on the part of the Vendor as to the area of the Unit. The Purchaser further acknowledges that any dimensions, interior layouts and/or other data shown on such materials are approximate only and that the Purchaser is not purchasing the Unit on a price per square foot basis. Accordingly, the Purchaser shall not be entitled to any abatement or refund of the Purchase Price based on the precise area of the Unit as constructed. The Purchaser further acknowledges that the size of the Unit as represented by the sales literature is measured in accordance with industry standards from the exterior surface of exterior walls, exterior surface of all corridor walls and proposed Common Elements enclosing and abutting the Unit and the center line of walls separating units, and accordingly, such measurements may differ from measurements made using the Unit boundaries set out in the Declaration. Actual usable floor space may vary from the stated floor area.

25. CONSTRUCTION

The Purchaser acknowledges that the Condominium will be constructed substantially in accordance with plans and specifications filed or to be filed with the municipality having jurisdiction. The Purchaser shall have no claim against the Vendor for any higher or better standards of workmanship or materials. The Purchaser agrees that the foregoing may be pleaded by the Vendor as an estoppel in any action brought by the Purchaser or the Purchaser's successors against the Vendor. The Vendor may from time to time, change, vary or modify in its sole discretion or at the instance of any governmental authority, engineer or mortgagee, any elevations, interior layouts or designs, building specifications or site plans of the Condominium to conform with any municipal or architectural requirements related to Building Code, Official Plan or Official Plan Amendments, zoning by-laws, Committee of Adjustment and/or Land Division Committee decision, municipal site plan or condominium plan approval or architectural or heritage control. Such changes may be to the plans and specification as they existed at the time the Purchaser entered into this Agreement or as illustrated in any sales brochures, models or otherwise. With respect to any aspect of construction, finishing or equipment, the Vendor shall have the right, without the Purchaser's consent, to substitute materials for those described in this Agreement or in the plans or specifications, provided substituted materials are in the judgment of the Vendor's architect, whose determination shall be final and binding, of equal or better quality. The Purchaser shall have no claim against the Vendor for any such changes, variances or modifications nor shall the Vendor be required to give notice thereof. The Purchaser hereby consents to any such alterations and agrees to complete this Agreement notwithstanding any such modifications. The Purchaser hereby agrees to pay in advance for any of the changes, which Purchaser initiated or ordered by the Purchaser.

26. RIGHT OF ENTRY

Notwithstanding the occupancy of the Unit by the Purchaser on and after the Interim Closing Date and the Final Closing Date, as applicable, the Vendor or any person, authorized by it shall be entitled at all reasonable times and upon reasonable prior notice to the Purchaser to enter the Unit and the Common Elements in order to make inspections or to do any work or repairs therein or thereon which may be deemed necessary by the Vendor in connection with the Unit

or the Common Elements and such right shall be in addition to any rights and easements created under the Act.

27. TERMINATION WITHOUT DEFAULT

(a) In the event this Agreement is terminated through no fault of the Purchaser, all deposit monies paid by the Purchaser towards the Purchase Price, together with any interest to be paid thereon, shall be returned to the Purchaser provided, however, that the Vendor shall not be obligated to return any monies paid by the Purchaser as an Occupancy Licence Fee, for upgrades, changes or extras ordered by the Purchaser; and

(b) in no event shall the Vendor be liable to the Purchaser for any damages or costs whatsoever and without limiting the generality of the foregoing, for any monies paid to the Vendor for upgrades, changes, extras, for any loss of bargain, for any relocating costs, or for any legal or other fees or expenses incurred in relation to this Agreement. This provision may be pleaded by the Vendor as a complete defence to any such claim.

28. PURCHASER'S DEFAULT

Should the Purchaser be in default in any of covenants, representations, warranties, acknowledgments and obligations to be observed or performed under this Agreement including, without limiting, any and all covenants contained in the Occupancy Licence, and should such default continue for 5 days after written notice thereof has been given to the Purchaser by or on behalf of the Vendor, then in addition to any other rights or remedies which the Vendor may have, the Vendor, at its option, shall have the right to declare this Agreement terminated and in such event all deposit monies paid by the Purchaser (including all monies paid to the Vendor with respect to extras or changes to the Unit ordered by the Purchaser) shall be the absolute property of the Vendor, as liquidated damages and not as a penalty and without prejudice to or limiting the rights of the Vendor to claim for damages in excess of the deposit monies so retained by the Vendor. If the Purchaser has taken possession of the Unit, the Purchaser shall immediately vacate the Unit and the Vendor shall be at liberty to sell the Unit with or without re-entry. If the Vendor is required to pay any lien, execution or encumbrance to obtain a mortgage advance, the Purchaser shall reimburse the Vendor for all amounts and costs so paid.

29. MATERIAL CHANGE

In the event there is any change in the interior layout of the Unit or change in the size of the Unit which is a material change as contemplated by the Act, in the sole and unfettered discretion of the Vendor, the Purchaser covenants, and agrees that the Purchaser's sole remedy shall be the rescission rights afforded pursuant to the Act, notwithstanding any rule of law or equity to the contrary. The Purchaser is advised that the Declarant shall have the right to increase or decrease the number of units in the Condominium as set out in the Disclosure Statement, at its sole discretion, provided however that the Unit shall not be materially altered, except as provided for in the Disclosure Statement and provided further that the proportion of common interest and contribution to Condominium Expenses as allocated to the Unit in the Declaration shall not be materially increased. In the event of any such alterations or changes, the Condominium Documents shall be amended accordingly and the Purchaser hereby consents to any such alterations, changes or modifications and agrees to complete this Agreement notwithstanding such alterations, changes or modifications. The Purchaser acknowledges that the Act may be amended or replaced in which event any one or more of the Condominium Documents may not comply with the requirements of such amendment or replacement. The Purchaser acknowledges and agrees that any change or supplement to the Condominium Documents necessitated by or resulting by reason of such amendment or replacement shall not be considered by the Purchaser to be material amendment of the Condominium Documents and the Purchaser agrees to acknowledge receipt of notice of any such change or supplement to the Condominium Documents as of the date of this Agreement.

30. TENDER

The parties waive personal tender and agree that tender, in the absence of any other normally acceptable arrangement shall be validly made by the Vendor upon the Purchaser, by a representative of the Vendor attending at the Land Registry Office in which title to the Condominium is recorded at 12:00 noon on the Interim Closing Date or the Final Closing Date, as the case may be and remaining there until 1:00 p.m. In the event the Purchaser or the Purchaser's lawyer fails to appear or appears and fails to complete the Interim Closing or the Final Closing, as the case may be, such attendance by the Vendor's representative shall be deemed satisfactory evidence that the Vendor is ready, willing and able to complete the same at such time. Payment shall be made by certified cheque, bank draft or money order drawn on any Canadian chartered bank or trust company. Notwithstanding the foregoing, in the event the Purchaser or the Purchaser's lawyer indicates or expresses to the Vendor or his lawyer, on or before the Interim Closing Date and the Final Closing Date, as applicable, that the Purchaser is unable or unwilling to complete the Interim Closing or the Final Closing, as the case may be, the Vendor is relieved of any obligation to make any formal tender upon the Purchaser or the Purchaser's lawyer and may exercise forthwith any and all of its right and remedies provided for in this Agreement and at law.

31. CAUSE OF ACTION

The Purchaser shall not have any claim or cause of action as a result of any matter or thing arising under or in connection with this Agreement against any person other than the Vendor named in this Agreement and no recourse for recovery on such claim or cause of action except to the Lands only.

32. CONDITIONS

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This Agreement is conditional to the Interim Closing Date upon each of the following:

- (a) the Vendor being satisfied, in its sole and absolute discretion, that it will be willing and able to comply with any conditions of site plan approval and/or development agreement;
- (b) receipt by the Vendor of all necessary building permits and of draft plan of Condominium approval for the Condominium free of any conditions which are, in the Vendor's sole and absolute discretion, unduly onerous or unacceptable for any reason;
- (c) the Vendor being satisfied, in its sole and absolute discretion of the ability of the Purchaser to pay the deposit monies, and the balance of the Purchase Price on the Interim or Final Closing Date, as the case may be; and
- (d) the registration by the Vendor of the Declaration Documents on title to the Lands.

Each of the foregoing conditions are for the benefit of the Vendor only and may be waived by the Vendor at any time. The conditions shall be deemed to have been waived by the Vendor in the event that the Vendor does not give notice to the contrary to the Purchaser or the Purchaser's lawyer at any time prior to the Interim Closing Date. In the event that the Vendor gives notice to the Purchaser or the Purchaser's lawyer at any time prior to the Interim Closing Date that anyone or more of the conditions have not been satisfied, this Agreement shall be terminated and the Vendor shall return to the Purchaser all deposit monies paid by the Purchaser under this Agreement, except for amounts paid for any changes or extras ordered by the Purchaser and any other amounts which may be retained by the Vendor pursuant to this Agreement.

33. NOTICE

Any notice given pursuant to the terms of this Agreement shall be deemed to have been properly given if it is in writing and is delivered by hand, ordinary prepaid post or facsimile to the attention of the Purchaser or to the Purchaser's lawyer to their respective address indicated herein or to the address of the Unit after the Interim Closing Date and to the Vendor's lawyer at the address indicated in this Agreement or such other address as may from time to time be given by notice in accordance with the foregoing. Such notice shall be deemed to have been received on the day it was delivered by hand on the business day immediately following the day of receipt by facsimile and on the third business day following the day of mailing. Notice shall not be delivered by mail in the event of suspension of postal service or threatened postal disruption.

34. PLANNING ACT

This Agreement is conditional upon compliance with the subdivision provisions of the Planning Act and any amendments thereto.

35. LEASE OF UNITS

The Vendor may from time to time lease any and all unsold units in the Condominium for residential purposes and this paragraph shall constitute notice to the Purchaser pursuant to the Act.

36. POWER OF ATTORNEY

(a) In accordance with the provisions of the Powers of Attorney Act, the Purchaser hereby confirms and agrees that each and every power of attorney granted by the Purchaser in this Agreement may be exercised by the donee during any subsequent legal incapability 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 Title Office in which the Condominium is registered, 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); and

(d) the Purchaser hereby irrevocably authorizes and directs all credit agencies and other relevant institutions (including financial institutions) to release to the Vendor all reports and information regarding the Purchaser's credit and financial ability from time to time as the Vendor may request from time to time. The Purchaser covenants and agrees to forthwith provide such further authorization, directions and other documentation as such institutions or agencies may require from time to time. The Purchaser hereby irrevocably nominates constitutes and appoints the Vendor or any representative of the Vendor to be and act as the Purchaser's attorney in his place and stead for the purposes of executing and delivering such aforementioned documentation.

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37. GENERAL

- (a) The Vendor and the Purchaser shall deliver to each other, a statutory declaration on the Final Closing Date that they are a not a non-resident of Canada within the meaning of the Tax Act;
- (b) the Vendor and Purchaser shall pay the costs of registration of their respective documents and any tax in connection therewith;
- (c) the Offer presented through this Agreement, when accepted, shall constitute a binding contract of purchase and sale subject only to the expiration of the rescission period in the Act, and time shall in all respects be of the essence hereof;
- (d) there is no representation, warranty, guarantee, collateral agreement or condition affecting this Agreement, the Condominium or the Unit other than as expressly provided for in this Agreement;
- (e) this Agreement is to be read with all changes of gender or number required by the context and the terms, provisions and conditions hereof shall be for the benefit of and be binding upon the Vendor and the Purchaser, and as the context of this Agreement permits, their respective heirs, personal representatives, estate trustees, executors, administrators, successor and assigns;
- (f) this Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.
- (g) the headings of this Agreement form no part hereof and are inserted for convenience of reference only; and
- (h) each of the Provisions of this Agreement shall be deemed independent and severable, and the invalidity or unenforceability in whole or in part of any one or more of such provisions shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Agreement, and in such event all the other provisions of this Agreement shall continue in full force and effect as if such invalid provision had never been included herein.

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SCHEDULE 3

TERMS OF OCCUPANCY LICENCE

1. During the Interim Occupancy Period, the Purchaser shall pay to the Vendor the Occupancy Licence Fee, equal to the total of the following:
 - (a) interest calculated on a monthly basis on the unpaid balance of the purchase price at the rate equal to chartered bank administration rate from one year conventional residential mortgages, unless otherwise prescribed by the Regulations under the Act;
 - (b) an amount reasonably estimated by the Vendor on a monthly basis for municipal realty taxes attributable by the Vendor to the Unit; and
 - (c) the projected monthly contribution for the Unit toward Common Expenses.
2. The Occupancy Licence Fee shall be payable on the first day of each month in advance during the Interim Occupancy Period, no part of which shall be credited as payment on account of the Purchase Price, but which payments shall be a charge for occupancy only. If the Interim Closing Date is not the first day of the month, the Purchaser shall pay on the Interim Closing Date a pro rata amount for the balance of that month. The Purchaser shall deliver to the Vendor on or before the Interim Closing Date a series of twelve (12) post-dated cheques as required by the Vendor for payment of the estimated monthly Occupancy Licence Fee. The Occupancy Licence Fee may be recalculated by the Vendor from time to time based on revised estimates of the items which may be taken into account in the calculation thereof and the Purchaser shall pay to the Vendor such revised Occupancy Licence Fee upon notice thereof from the Vendor. With respect to realty taxes, the Purchaser agrees that the amount estimated by the Vendor to be attributed to the Unit shall be subject to recalculation based upon the real property tax assessment or reassessment of the Unit and/or Condominium issued by the municipality before or after the Final Closing Date and the municipal tax rate applicable thereto as at the date such assessment or reassessment is issued. The Occupancy Licence Fee shall thereupon be recalculated by the Vendor and any amount owing by one party to the other shall be paid upon demand.
3. The Purchaser shall be allowed to remain in occupancy of the Unit during the Interim Occupancy Period provided the terms of the Occupancy Licence and this Agreement have been observed and performed by the Purchaser. In the event the Purchaser breaches the terms of the Occupancy Licence the Vendor in its sole discretion and without limitation of any other rights a remedies provided for in this Agreement or the Act may terminate this Agreement and revoke the Occupancy Licence pursuant to paragraph 26 of Schedule 2 to this Agreement whereupon the Purchaser shall be deemed a trespasser and shall give up vacant possession forthwith. The Vendor may take whatever steps it deems necessary to obtain vacant possession including an action for possession issued in the Ontario Superior Court, and the Purchaser shall reimburse the Vendor for all costs it may incur, including costs of said action on a substantial indemnity basis.
4. Prior to the time that the Purchaser takes possession of the Unit, the Purchaser shall execute and deliver to the Vendor any documents, directions, acknowledgments, assumption agreements or any and all other documents required reasonably by the Vendor pursuant to this Agreement.
5. The Purchaser shall pay the Occupancy Licence Fee monthly during the Interim Occupancy Period and the Vendor shall return any unused post-dated Occupancy Licence Fee cheques to the Purchaser on or shortly after the Final Closing Date.
6. During the Interim Occupancy Period the Purchaser shall maintain the Unit in a clean and sanitary condition and shall not make any alterations, improvements or additions thereto without the prior written approval of the Vendor which may be unreasonably withheld. The Purchaser shall be responsible as and from the date of Interim Occupancy for all public utilities and private services delivered to the Unit, or other charges and expenses billed directly to the occupant of the Unit by the supplier of such services and such charges and expenses shall not be the responsibility of the Corporation.
7. The Purchaser's occupancy of the Unit shall be governed by the provisions of the Condominium Documents and the provisions of this Agreement. The Unit shall be occupied and used for residential purposes only and as provided for in the Disclosure Statement and Declaration.
8. The Vendor covenants to proceed with all due diligence to register the Condominium Documents. If the Vendor for any reason whatsoever is unable to register the Condominium Documents and therefore is unable to deliver a registerable Transfer/Deed to the Purchaser on or before the 31st day of December, 2006 the Purchaser or Vendor shall have the right after said date to declare, on giving 60 days written notice to the other, that this Occupancy Licence and this Agreement, notwithstanding any intervening act or negotiations, will be terminated. Upon termination of the Occupancy Licence, the Purchaser shall give up vacant possession of the Unit and pay the Occupancy Licence Fee to such date of termination, after which all moneys paid by the Purchaser on account of the Purchase Price, except for amounts paid for any changes or extras ordered by the Purchaser, shall be returned to the Purchaser subject to any repair and redecorating expenses incurred by the Vendor to restore the Unit to its original state of occupancy, reasonable wear and tear excepted. The Purchaser agrees to provide the Vendor with a release of this Agreement in the Vendor's standard

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form on or before such date of termination.

9. The Vendor and the Purchaser covenant and agree, notwithstanding the taking of possession, that all terms of the Occupancy Licence continue to be binding upon them and that the Vendor may enforce the provisions of the Occupancy Licence separate and apart from any other provisions of this Agreement.

10. The Purchaser acknowledges that the Vendor holds a fire insurance policy on the Condominium only and not on any improvements or betterments made by or on behalf of the Purchaser in or to the Unit. It is the responsibility of the Purchaser, after the Interim Closing Date, to insure such improvements or betterments and to replace same if they are removed, damaged or destroyed. The Vendor is not liable for any loss by the Purchaser occasioned by fire, theft or other casualty, unless caused by the Vendor's negligent conduct.

11. The Purchaser agrees to indemnify the Vendor for all losses, costs and expenses incurred whatsoever as a result of the Purchaser's use of the Unit or the Condominium, or by reason of injury to any person or property in or upon the Unit or the Condominium resulting from the negligence of the Purchaser, members of the Purchaser's family and the Purchaser's servants, agents, tenants, invitees, contractors and licensees. The Purchaser agrees that should the Vendor elect to repair or redecorate all or any part of the Unit or the Condominium as a result of the Purchaser's use of the Unit or Condominium, the Purchaser will immediately reimburse the Vendor for the cost of doing same. The determination of need for such repairs or redecoration shall be at the discretion of the Vendor and such costs may be added to the Purchase Price.

12. The Purchaser shall not have the right to assign, sublet or in any other manner dispose of or convey an interest in this Occupancy Licence during the Interim Occupancy Period without the prior written consent of the Vendor and, if applicable, any mortgagee, which consent may be arbitrarily withheld. The Purchaser acknowledges that an administrative fee of \$350.00 will be payable to the Vendor each time the Purchaser requests the consent of the Vendor to any assignment, sublet, disposition of or conveyance of an interest in this Occupancy Licence during the Interim Occupancy Period. Notwithstanding any such assignment, sublet, disposition or conveyance, the Purchaser shall continue to be bound by the terms of this Agreement.

13. The provisions of this Agreement, unless expressly modified by the terms of this Occupancy Licence, shall be deemed to form an integral part of this Occupancy Licence. In the event the Vendor elects to terminate this Occupancy Licence pursuant to this Agreement following substantial damage to the Unit and/or the Condominium, the Occupancy Licence shall terminate forthwith upon notice from the Vendor to the Purchaser. If the Unit and/or the Condominium can be repaired within a reasonable time following damage as determined by the Vendor (but not, in any event, to exceed 180 days) and the Unit is, during such period of repair uninhabitable, the Vendor shall proceed to carry out the necessary repairs to the Unit and/or the Condominium with all due diligence and the Occupancy Licence Fee shall abate during the period the Unit remains uninhabitable; otherwise, the Purchaser shall vacate the Unit and deliver up vacant possession to the Vendor and all moneys, to the extent provided for in paragraph 26 of Schedule 2 to this Agreement (excluding the Occupancy Licence Fee paid to the Vendor) shall be returned to the Purchaser. It is understood and agreed that the proceeds of all insurance policies held by the Vendor are for the benefit of the Vendor alone.

14. The transfer of title to the Unit shall take place on the Final Closing Date upon which date, unless otherwise expressly provided for hereunder, the Occupancy Licence shall be terminated.

SCHEDULE 4
UNIT PLAN

Handwritten initials/signature

SCHEDULE 6

INCLUSIONS IN THE UNIT OR COMMON ELEMENTS,
FINISHES AND SPECIFICATIONS

The Purchaser acknowledges that only the items set out in this Schedule are included with the Unit or the Common Elements and as part of the Purchase Price and that furnishings, décor, improvements, drapes, tracks and wall coverings in the model suite(s), if any, are for display purposes only and are not included in the Purchase Price. The Purchaser shall have choice of colours and design from Vendor's samples with respect to ceramic tiles, paint, kitchen cabinets, counter-tops and flooring, provided selection is made within 10 days of request from the Vendor and provided that items listed are not already installed or ordered and provided further that they are available at the time of choice. The Vendor will not be responsible for any colour errors by suppliers. The Vendor reserves the right to substitute alternative materials, colours and fixtures of equal or better quality. Any changes to plans and specifications requested after this Agreement or during construction are to be acknowledged by the Purchaser, with appropriate cost adjustment, before same changes will be effected. The Vendor reserves the right to refuse any changes. The Vendor will request payment for the cost of any changes at the time same is requested. In the event that colours and/or finishing chosen by the Purchaser for the interior of the Unit subsequently become unavailable, the Purchaser agrees to re-attend with the Vendor to choose from substitute colours and/or finishings. If the Purchaser fails to choose colours or finishing or fails to make any selection or determination required of the Purchaser within 7 days, the Vendor may choose the colours and finishing for the Purchaser and the Purchaser agrees to accept the Vendor's selections.

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AGREEMENT OF PURCHASE AND SALE

1. PRAEVL R. RAYTHATHIA
(Name(s) of Purchaser(s))

(the "Purchaser") hereby agrees with 1539304 Ontario Inc., operating as Trinity Landing (the "Vendor") to purchase Unit 07, Level 1, Suite 111 as shown on the copy of the plan attached as Schedule 4, being a proposed unit in a proposed standard freehold condominium located at 80 King William Street, Hamilton, Ontario, shown on the copy of the site plan attached as Schedule 5 together with its appurtenant common elements and (where applicable) the Parking Unit Number _____ (collectively, the "Unit") on the lands described in Schedule 1 hereto (the "Lands") on the terms of this Agreement.

2. PURCHASE PRICE

The purchase price of the Unit shall be One hundred & thirty four thousand (\$ 1,34,000) in lawful money of Canada (the "Purchase Price"), payable as follows:

(a) *interest* the sum of ONE THOUSAND DOLLARS (\$1,000.00) cheque payable to the Vendor's lawyers, Messrs. Burns, Vasan, ~~Limboris~~, Vitelli LLP, in trust, to be delivered by the Purchaser to the Vendor with the copies of this Agreement executed by the Purchaser, as a deposit to be held by the said solicitors pending completion or other termination of this Agreement and to be credited against the Purchase Price, on closing;

(b) the following additional deposits each by cheque payable to the said solicitors in trust postdated as follows:

- (i) 2500 \$5,000.00 due within 15 days of the date of acceptance of this Agreement;
- (ii) 2500 \$5,000.00 due within 45 days of the date of acceptance of this Agreement.

iii. \$4000 Payable to 1539304 Ontario INC - 15 days
All said cheques to be delivered to the Vendor with the copies of this Agreement executed by the Purchaser. The Vendor shall cause its said solicitors to hold all deposit monies in a separate trust account in a Chartered Bank in Ontario pending completion or other termination of this Agreement and to be credited on account of the purchase price on final closing. Where any of the deposit cheques is uncertified and is not honoured by the Drawee, then the purchaser shall be conclusively deemed to be in default under the Agreement, and at its option, the Vendor may declare all deposit monies already received by it as forfeited;

(c) the balance of the Purchase Price by certified funds, payable to the Vendor's solicitor subject to adjustments as specified in Schedule 2 hereof, on the Final Closing Date;

3. OCCUPANCY DATE

The Interim Closing Date shall occur on Sept 11th 2006 or such extended or earlier date as may be determined by the Vendor in accordance with this Agreement. The Interim Closing Date is a tentative date by which the Vendor anticipates the Unit will be ready for occupancy by the Purchaser but which date may be varied by the Vendor in accordance with the provisions of this Agreement.

4. FINAL CLOSING DATE

Title to the Unit shall be transferred on the Final Closing Date, being a date subsequent to the Interim Closing Date and established by the Vendor in accordance with this Agreement

5. SCHEDULES

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Schedules 1 to ~~8~~ inclusive attached hereto and any amendments or addenda thereto shall form part of this Agreement.

6. ACKNOWLEDGMENT


The Purchaser acknowledges having read this Agreement and all Schedules, amendments and addenda hereto.

7. ACCEPTANCE

Delivery to the Vendor of copies of this Agreement executed by the Purchaser shall constitute an offer irrevocable by the Purchaser until 5:00 p.m. on the 5th day after the date of delivery of the same by the Purchaser and if this Agreement is not executed by the Vendor by such time, such offer shall be considered to have been withdrawn by the Purchaser and the deposit shall be returned to the Purchaser without interest.

Copies of this Agreement have been executed by the Purchaser and delivered to the Vendor on the 2 day of July, 2006

Witness:

Purchaser:
PRABU B. RAJTHATHA


Purchaser's Lawyer

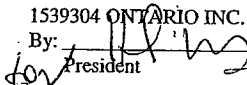
Purchaser's Address:
610 82 HoneySuckle Cr
Ancaster
L9K1B3

Telephone: _____
Fax: _____

Telephone: _____
Fax: _____

Copies of this Agreement have been executed by the Vendor on the 2 day of July, 2006

Vendor's Lawyer:
Burns, Vasan, Limberis, Vitulli LLP
Barristers & Solicitors
305 - 21 King Street West
Hamilton, Ontario
L8P 4W7
Tel: (905) 522-1382
Fax: (905) 522-0855

1539304 ONTARIO INC.
By: 
President

I have the authority to bind the corporation.

R. SRINI VASAN

SCHEDULE 1
LEGAL DESCRIPTION OF LANDS

P.I.N. 17167 - 0115 L.T.
being, 80 King William Street, Hamilton, Ontario
Lot 21, Part Lot 22, Nathaniel Hughson Survey
(unregistered), south side of King William Street,
between John Street and Catharine Street, being
Part 1 on 62R -16706, City of Hamilton

SCHEDULE 2
ADDITIONAL TERMS OF AGREEMENT

1. DEFINITIONS

The words and phrases used in this Agreement and the Schedules, amendments and addenda to this Agreement shall each have the meaning provided for in the Condominium Act, 1998 and any amendments thereto unless otherwise provided for elsewhere in this Agreement or as follows:

- (a) "Act" shall mean the Condominium Act, 1998 of Ontario;
- (b) "Agreement" shall mean this Agreement of Purchase and Sale and all Schedules, amendments and addenda to this Agreement;
- (c) "Condominium" shall mean the proposed Condominium Plan and the Condominium Corporation to be created upon the registration of its Condominium Documents on title to the Lands and the building(s) constructed or to be constructed on the Lands;
- (d) "Condominium Documents" shall mean the Declaration, Description and By-Laws by which the Corporation is intended to be created and organized;
- (e) "Corporation" shall mean the corporation created upon registration of the Declaration and the Description;
- (f) "Interim Occupancy Period" shall mean the period of time, if any, from and including the Interim Closing Date to the Final Closing Date;
- (g) "Lands" shall mean the lands described in Schedule 1 hereto;
- (h) "Occupancy Licence" shall mean the licence granted to the Purchaser to occupy the Unit during the interim occupancy period, in accordance with the provisions of Schedule 3 attached;
- (i) "Occupancy Licence Fee" shall mean the sum of money payable monthly in advance by the Purchaser to the Vendor during the Interim Occupancy Period, calculated in accordance with this Agreement and the Act;
- (j) "Property" shall mean the Lands and interests appurtenant to the Lands as described in the Description; and
- (k) "Unit" shall mean the unit or the proposed unit in the Condominium.

2. DEPOSIT MONIES

In accordance with the Act, all monies received from the Purchaser on account of this Agreement, other than monies paid as the Occupancy Licence Fee or for upgrades, changes or extras ordered by the Purchaser, shall be held in trust until its disposition to the person entitled thereto or delivery of prescribed security to the Purchaser for repayment, in accordance with the Act. The Vendor shall credit the Purchaser on the Final Closing Date with interest at the rate prescribed pursuant to the Act on all such money received by the Vendor on account of the purchase price (excluding extras and upgrades ordered by the Purchaser) from the Interim Occupancy date until the Final Closing Date.

3. ADJUSTMENTS

The balance of the Purchase Price shall be adjusted on the Interim Closing Date, or on the Final Closing Date, or as may be required by the Vendor, as to all prepaid, current or accrued expenses or charges and as to other items required by the terms of this Agreement, which shall include, without limiting the generality of the foregoing the following:

- (a) assessments prepaid or owing or as estimated by the Vendor towards the common expenses; and/or the reserve fund;
- (b) an amount equal to that estimated by the Vendor to be payable by the Purchaser, as a contribution by the Purchaser towards the common expenses and/or the reserve fund equivalent to common expenses for the Unit for a period of two (2) months, which sum shall be paid directly to the Corporation and in the case of common expenses, credited by the Corporation to the Purchaser. Such sum, or part thereof forming part of the reserve fund shall be in addition to any common expenses otherwise payable to the Corporation. The Purchaser agrees to deliver on the Final Closing Date a series of twelve post-dated cheques in an amount estimated by the Vendor to be payable monthly to the Corporation on account of the common expenses for that period of time;
- (c) unearned insurance premiums, and where such insurance is carried by the Corporation, the Purchaser's share of any unearned or accrued premiums determined by the proportion of common interest of the Unit;
- (d) the realty taxes to be estimated by the Vendor for the calendar year in which this Agreement is completed and shall be adjusted as if such sum had been paid by the Vendor notwithstanding that the same may not be by the Interim

Closing Date or by the Final Closing Date have been levied or paid, subject, however, to readjustment upon the actual amount of said realty taxes being ascertained. 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 the Purchaser. In the event, as on the Final Closing Date, the Condominium is 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 to the Purchaser based upon the common interest of the Unit or alternatively equally among all of the residential units within the Condominium or in such other manner as the Vendor may elect, acting reasonably, at the Vendor's option. At the Vendor's option, realty taxes may not be adjusted until individual unit assessments have been made. Any realty tax re-assessment following the Final Closing Date shall be the responsibility of the Purchaser. All other contributions, rates and charges if not paid by the Vendor on a per unit basis shall be apportioned to the Purchaser in the same manner as provided for above for the apportionment of realty taxes;

- (e) the cost of public utilities or private services (including purchased or rented hot water tank) which if not billed separately may be adjusted by attributing to the Purchaser a share of such cost, as determined by the common interest of the Unit, and any charges paid by the Vendor to a public utility supplier or supplier of private service which may be attributable to the Unit.
- (f) reimbursement to the Vendor for the transaction levy surcharge imposed upon the Vendor by the Law Society of Upper Canada;
- (g) the deposits;
- (h) interest on deposit monies in accordance with the Act and/or this Agreement;
- (i) the Occupancy Licence Fee provided for in Schedule 3 hereto;
- (j) the sum of \$250.00 to cover the legal and administrative fees for the preparation of the Vendor Take-Back Mortgage, if any;
- (k) security deposit of \$250.00 on Interim Closing, to be held by the Vendor, until the purchaser provides proof that he or she has transferred the gas and hydro accounts for the Unit into his or her name as of the Interim Closing date;
- (l) an administrative fee of \$150.00 shall be charged to the Purchaser for any cheque paid for a deposit, the Occupancy Licence Fee or for any upgrades which is returned N.S.F. or upon which a "stop payment" has been ordered, or otherwise not honoured by the financial institution on which such cheque is drawn;
- (m) if the Purchaser is not a resident of Canada for the purposes of the Income Tax Act (the "Tax Act"), the Vendor shall be entitled to withhold and remit to Revenue Canada the appropriate amount of interest payable to the Purchaser on account of the deposit monies paid hereunder, in accordance with the Income Tax Act;
- (n) if any of the adjustments to be made on the Interim Occupancy Date cannot be accurately determined at that time, the Vendor may estimate the adjustment to be made, and a final adjustment shall be made when the same may be accurately determined;
- (o) **UPGRADES AND EXTRAS:** The price for any upgrades or extras requested by the Purchaser shall be paid directly to the Vendor by the Purchaser upon executing the written order for such upgrades or extras. At the option of the Purchaser, the amount so received by the Vendor shall be added to the purchase price on the Statement of Adjustments as an adjustment;
- (p) the Purchaser shall further pay to the Vendor, on closing as an adjustment, an administration and set up fee of \$300.00 in relations to the security for Builder's Warranty referred to in paragraph 9 (c) of the Disclosure Statement.

4. GOODS AND SERVICES TAX

The Goods and Services Tax (the "G.S.T.") payable pursuant to the Excise Tax Act (the "G.S.T. Act") is included in the Purchase Price of units to Purchasers who qualify for rebate of G.S.T. as specified below. The actual monetary consideration for the Unit exclusive of any extras, requested changes, or adjustments (the "Consideration"), is the amount derived by subtracting the G.S.T. payable, less all refunds, credits and rebates available to the Purchaser pursuant to the G.S.T. Act, including, without limiting the generality of the foregoing, the new housing rebate under the G.S.T. Act (the "G.S.T. Rebate"), from the Purchase Price. The Purchaser hereby irrevocably assigns to and in favour of the Vendor any and all rights the Purchaser may have to any rebates, refunds or credits available pursuant to the G.S.T. Act, including without limiting the generality of the foregoing, the G.S.T. Rebate, in the event that the Purchaser qualifies for the G.S.T. Rebate. The Purchaser covenants and agrees that the Purchaser shall immediately following the completion of this Agreement, personally occupy the Unit or cause one or more of the Purchaser's relations (as defined in the G.S.T. Act) to occupy the Unit for such period of time as shall then be required in order to entitle the Purchaser to the G.S.T. Rebate or any such rebates, refunds or credits pursuant to the G.S.T. Act. The Purchaser covenants and agrees to deliver to the Vendor on the Final Closing Date any and all documentation and/or application forms as the Vendor shall request, from time to time, in order to facilitate the aforesaid assignment of G.S.T. rebates, refunds or credits. In the event that the Purchaser shall for any reason fail to qualify for the G.S.T. Rebate, the Purchaser shall indemnify the Vendor in the amount that the Purchaser would have been entitled to had the Purchaser

so qualified for the G.S.T. Rebate, and in the event that such failure to qualify is known on or before the Final Closing Date, then the full amount of the G.S.T. shall be in addition to the purchase price and credited and paid to the Vendor on closing. Notwithstanding any other provision of this Agreement, the Purchaser acknowledges and agrees that the Purchase Price does not include any G.S.T. payable with respect to any of the adjustments or any extras, requested, changes or upgrades purchased, ordered or chosen by the Purchaser which are not specifically included with the Unit or in the Purchase Price, and the Purchaser covenants and agrees to pay such G.S.T. to the Vendor in accordance with the G.S.T. Act.

5. INTERIM OCCUPANCY

(a) If the Unit is substantially complete and fit for occupancy on the Interim Closing Date, the Purchaser shall occupy the Unit on the Interim Closing Date pursuant to the Occupancy Licence provided for in Schedule 3. In the event substantial completion of the Unit may be delayed for any reason other than the wilful neglect of the Vendor, the Vendor shall be permitted reasonable extensions of time not exceeding in the aggregate 240 days, to substantially complete the Unit and the Interim Closing Date shall be extended accordingly. If the Vendor shall be unable to complete the Unit for occupancy within such reasonable extension of time, all moneys, to the extent provided for in paragraph 25 of this Schedule, shall be returned to the Purchaser, this Agreement shall be terminated and the Vendor shall not be liable to the Purchaser for any damages arising as a result thereof and shall have no further obligation hereunder;

(b) the Vendor shall be entitled upon giving at least 60 days written notice to the Purchaser, to accelerate the Interim Closing Date provided the Unit is substantially complete and fit for occupancy on such earlier date. If the Unit is substantially completed and fit for occupancy by the Interim Closing Date or any acceleration or extension thereof in accordance with this Agreement, the Purchaser shall take interim occupancy of the Unit on that date notwithstanding that the Vendor has not fully completed the Unit or the proposed Common Elements on such date and the Vendor shall complete such outstanding work required by this Agreement within a reasonable time after the Interim Closing Date, having regard to weather conditions and the availability of labour and materials. The Unit shall be deemed to be substantially completed when the interior of the Unit has been finished to permit occupancy. The Purchaser acknowledges that failure to complete the proposed Common Elements on or before the Interim Closing Date shall not be deemed to be a failure to complete the Unit.

6. INSPECTION

The Purchaser agrees to inspect the Unit upon the Vendor's request, with a representative of the Vendor, prior to the Interim Closing Date and to list all mutually agreed upon outstanding, incomplete or apparently defective items in the Unit at the time of inspection, and the Vendor's obligation to complete or rectify work shall thereafter be limited only to those items contained in the said list and except as to those items, the Purchaser shall be deemed to have acknowledged that the Unit has been completed in accordance with this Agreement and the Purchaser shall be deemed conclusively to have accepted the Unit in its condition as at the time of inspection. The inspection by the Purchaser is a condition of the Vendor's obligation to provide occupancy of the Unit to the Purchaser.

7. EXECUTIONS

The Purchaser agrees to provide to the Vendor's Solicitors on the Interim Closing Date an Execution Certificate as of that date confirming that no execution against the individual(s) in whose name(s) title to the Unit is to be taken and further agrees to provide on the Final Closing Date such further clear Execution Certificate a may be required by the Vendor to obtain mortgage advances with respect to the Unit.

8. FINAL CLOSING

Following registration of the Condominium, the Vendor's solicitor shall designate a date not less than 21 days nor more than 90 days after the date of such registration as the Final Closing Date by delivery of written notice of such date to the Purchaser, and the within transaction shall close on the date so designated. The final closing date, in any event, shall be a date not later than the 31st day of December, 2006.

9. RISK

The Unit shall be and remain at the risk of the Vendor until the Final Closing Date. If any part of the Condominium is damaged before the Condominium Documents are registered, the Vendor may in its sole discretion either terminate this Agreement and return to the Purchaser all deposit monies paid by the Purchaser to the Vendor or make such repairs as are necessary to complete this Agreement, it being understood and agreed that all insurance policies and the proceeds thereof are to be for the benefit of the Vendor alone.

10. SEARCH OF TITLE

The Purchaser shall be allowed to the date which is 10 days prior to the Final Closing Date (the "Search Period") to examine title to the Unit at the Purchaser's own expense. If within the Search Period any valid objection to title to the Unit is made in writing to the Vendor which the Vendor may be unable or unwilling to rectify and which the Purchaser will not waive this Agreement shall, notwithstanding any intermediate negotiations in respect of any such, be terminated and the deposit monies, together with the interest to be paid thereon, after deducting any payments due to the Vendor by the Purchaser as provided for in this Agreement, shall be returned to the Purchaser and the Vendor shall have no

further liability or obligation to the Purchaser and shall not be liable for any costs or damages. Save as to any valid objections to made within the Search Period, the Purchaser shall be deemed to have accepted the title of the Vendor to the Unit. In the event the Purchaser has assumed occupancy of the Unit pursuant to paragraph 5 above, the Purchaser shall vacate and deliver vacant possession of the Unit in good repair and in a tidy condition to the Vendor before becoming entitled to the return of said deposit monies.

11. NAME OF TRANSFEREE

The Purchaser agrees to submit to the Vendor within the Search Period written confirmation as to the manner in which title to the Unit is to be registered, and the Purchaser shall be required to take title to the Unit in the manner so advised unless the Vendor otherwise consents in writing, which consent maybe arbitrarily withheld. If the Purchaser does not submit such confirmation within the Search Period the Vendor shall be entitled to tender a Transfer/Deed on the Final Closing Date with the Transferee therein being the name of the Purchaser as shown in this Agreement. The Purchaser shall be entitled to direct that title to the Unit be taken in the name of the Purchaser's spouse, or a member or members of the Purchaser's immediate family only, but shall not be permitted to direct that title to the Unit be taken in the name of any other party.

12. CONDITION OF TITLE

The Purchaser agrees to accept title to the Unit subject to and to be bound by the following:

- (a) the Condominium Documents in the general form attached to the Disclosure Statement delivered to the Purchaser as set out in Schedule 6;
- (b) any subdivision, development, site plan, condominium or like agreements with the municipality or other governmental authority having jurisdiction, provided always that same do not in the aggregate materially and adversely affect the use of the Unit and the Condominium as a residential or parking unit as the case may be and a residential condominium, respectively;
- (c) any easements, rights-of way, encroachment agreements, heritage agreements, restrictions, conditions or covenants that run with the land and subject to any easements, licences, rights or agreements now registered or to be registered for the installation and maintenance of any public utilities or private services including, without limitation, telephone, hydro, gas, storm and sanitary sewer, water and cable television or master antenna television distribution systems or coaxial cable or fibre-optic installation and any easements and rights-of-way which may be required by a municipality or other governmental authority for access through the proposed Common Elements, or with respect to buildings, and any agreement with the Municipality with respect to the bridge connecting the subject building to the building situate on the south side of the alleyway at the rear;
- (d) any restrictions, condition, or warnings imposed by any municipality or other governmental authority contained in any site plan, subdivision, condominium, financial or development agreements;
- (e) temporary or periodic easements in favour of the Declarant and/or its affiliates or assignees for construction of the Condominium, sales of units and/or any development in the vicinity thereof;
- (f) restrictive covenants prohibiting anyone from using the lands and any part thereof for the purposes of the sale, marketing, storage, distribution or handling in bulk of oil or petroleum products, including bulk quantities of gasoline and other motor fuels, lubricants, motor oils, greases and solvents;
- (g) any other matters expressly provided for in this Agreement.

The Purchaser shall satisfy himself as to the due compliance with the provisions of any such agreements or instruments referred to above and shall not require release of the Unit or the Condominium from the same. The Purchaser covenants and agrees to consent to the provisions of any such agreements or instruments referred to above and, if required, to execute all documents and do all things requisite for this purpose, either before or after the Final Closing Date. The Vendor shall be entitled to insert in or to the Transfer to be delivered to the Purchase on the Final Closing Date 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 Final Closing Date, or the Vendor may require that the Purchaser deliver a separate written covenant on the Final Closing Date.

13. HVAC, HOT WATER TANK AND APPLIANCES

- (i) The unit is equipped with a separate HVAC equipment for heating and air conditioning purposes, a hot water tank and a fridge and stove and a dishwasher, and the purchaser agrees that the only warranty that the purchaser will receive with respect to all of said chattels and equipment is the manufacturer's standard warranty,

14. VENDOR'S LIEN

The Purchaser agrees that the Vendor shall have a Vendor's Lien for the unpaid balance of the Purchase Price, if any,

on the Final Closing Date and the Vendor shall be entitled to register a Notice of Lien on title to the Unit.

15. EXISTING MORTGAGES

The Purchaser acknowledges that the Unit may be encumbered by mortgages which are not intended to be assumed by the Purchaser and that the Vendor shall not be obliged to obtain and register a discharge of any such mortgages which affect the Unit on the Final Closing Date. The Purchaser agrees to accept the Vendor's undertaking to obtain and register a discharge or partial discharge of each such mortgage as soon as reasonably possible after the Final Closing Date subject to the Vendor providing to the Purchaser the following:

- (a) a letter or statement from each such mortgagee confirming the amount required to be paid to such mortgagee to obtain a discharge of each such mortgage from title to the Unit;
- (b) a direction from the Vendor to the Purchaser to pay such amount to such mortgagee on the Final Closing Date by way of certified cheques delivered to Vendor's solicitor; and
- (c) an undertaking from the Vendor or the Vendor's solicitor to deliver such amounts to each such mortgagee and to register the discharge of each such mortgage from title to the Unit upon receipt thereof and to advise the Purchaser or the Purchaser's lawyer of registration thereof.

16. CONSTRUCTION LIENS

The Purchaser acknowledges and agrees that the deposits paid pursuant to this Agreement shall be deemed to be monies held in trust pursuant to the Act, and the Purchaser shall therefore be deemed to be a "home buyer" as defined in the Construction Lien Act and the Purchaser shall not be entitled to request or demand that any holdback for construction liens be maintained for any portion of the purchase price on the Interim Closing Date or on the Final Closing Date.

17. SUBORDINATION OF AGREEMENT

The Purchaser covenants and agrees that this Agreement is subordinate to and postponed to any mortgages arranged by the Vendor and any advances thereunder from time to time, and to any easements, rights-of-way, licenses or other agreements affecting the Condominium. The Purchaser further agrees to consent to and execute all documentation as may be required by the Vendor to give effect to the foregoing and the Purchaser hereby irrevocably appoints the Vendor as the purchaser's attorney to execute any consents or other documents required by the Vendor to give effect to the provisions of this paragraph.

18. NO REGISTRATION OF AGREEMENT

The purchaser covenants and agrees not to register this Agreement or notice of this Agreement or a caution, certificate of pending litigation, Purchaser's Lien, or any other document giving notice of this Agreement against title to the Unit or the Lands and further agrees not to give, register, or permit to be registered any encumbrance against the Unit or the Lands prior to completion of this Agreement. Should the Purchaser be in default of the Purchaser's obligations hereunder, the Vendor may, as agent and attorney of the Purchaser, cause the removal of notice of this Agreement, caution, certificate of pending litigation, Purchaser's Lien, or other document giving notice of this Agreement or any assignment thereof, from the title to the Unit or the Lands. In addition, the Vendor, at its option, shall have the right to declare this Agreement terminated in accordance with the provisions of paragraph 26 of this Schedule. The Purchaser hereby irrevocably consents to a court order removing such notice of this Agreement, any caution, or any other document a instrument whatsoever from title to the Unit or the Lands and the Purchaser agrees to pay all of the Vendor's costs and expenses a obtaining such order (including legal and other fees and expenses actually incurred by the Vendor).

19. PERSONAL USE OF PURCHASER

The Purchaser represents to the Vendor, upon which representation the Vendor has relied in entering into this Agreement, that the Purchaser is purchasing the Unit for the Purchaser's own personal use and not for short term, speculative investment purposes. The Purchaser covenants and agrees with the Vendor not to list for sale, advertise for sale, offer for lease, offer for sale, sell, lease, transfer or assign the interest of the Purchaser under this Agreement at any time prior to the Final Closing Date without prior written consent of the Vendor, which consent may be arbitrarily withheld. In the event the Vendor agrees to consent to the assignment, then the following provisions shall apply to and be deemed to be part of such consent:

- a) This Agreement of Purchase and Sale may be assigned only once and the Assignee shall not have the right to make any further assignments;
- b) The Assignment shall not be for a price less than the Purchase Price as set out in Paragraph 2 above;
- c) The Vendor is to be advised of the Assignment at least 90 days prior to final closing;
- d) If a mortgage is being arranged to finance the purchase of this Property, a copy of the Assignee's approval by the lender shall be provided to the Vendor with notice of the assignment, for the assignment to be effective.
- e) The Purchaser shall remain responsible for the performance of the obligations of the Purchaser under the Agreement of Purchase and Sale up to the closing, notwithstanding the assignment.
- f) The Assignee will enter into a covenant with the Vendor to assume the obligations of the Purchaser

- contained in the Agreement of Purchase and Sale by signing this form.
- g) The Assignee shall be bound by all acts of the Purchaser up until the date of the assignment including any selections by the Purchaser of colours and materials and for any extras.
 - h) The Vendor shall be paid a consent fee of \$1,500.00 plus GST on notification of the Assignment by the Purchaser.

20. INVESTORS AND GST

In the event the Purchaser is an investor and purchasing the subject unit(s) for rental purposes, the Purchaser shall disclose himself as an investor to the Vendor and any Goods and Services Tax (G.S.T.) payable shall be in addition to the purchase price.

21. NO OBJECTION

The Purchaser covenants and agrees that the Purchaser shall not object to nor oppose any amendment to or change in the zoning and/or site plan and/or draft condominium plan, nor oppose any other applications by the Vendor to any board, tribunal, municipality or other governmental authority relating to the construction and registration of the Condominium, or development on adjoining lands or any other lands owned by the Vendor in the vicinity of the Condominium, if any.

22. NO INTERFERENCE

The Purchaser covenants and agrees that the Purchaser shall not interfere with the completion of any part of the Condominium by the Vendor. Until the Condominium is completed and all units are sold, the Vendor may make such use of the Condominium as may facilitate such completion and sales, including, but not limited to, the maintenance of a sales/rental/administration office and model units, and the display of signs located on the Property.

23. PURCHASER'S COVENANTS, REPRESENTATIONS AND WARRANTIES

The Purchaser's covenants, warranties and obligations contained in this Agreement shall survive the completion of this Agreement and shall remain in full force and effect notwithstanding the transfer of title to the Unit to the Purchaser.

24. SIZE OF UNIT, LAYOUTS OF UNIT AND EXTERIOR ELEVATIONS OF THE BUILDING.

Notwithstanding anything contained in any brochures, drawings, plans, advertisements, or other marketing materials, or any statements made by the Vendor's sales representatives, the Purchaser acknowledges that there is no warranty or representation contained herein on the part of the Vendor as to the area of the Unit. The Purchaser further acknowledges that any dimensions, interior layouts and or other data shown on such materials are approximate only and that the Purchaser is not purchasing the Unit on a price per square foot basis. Accordingly, the Purchaser shall not be entitled to any abatement or refund of the Purchase Price based on the precise area of the Unit as constructed. The Purchaser further acknowledges that the size of the Unit as represented by the sales literature is measured in accordance with industry standards from the exterior surface of exterior walls, exterior surface of all corridor walls and proposed Common Elements enclosing and abutting the Unit and the center line of walls separating units, and accordingly, such measurements may differ from measurements made using the Unit boundaries set out in the Declaration. Actual usable floor space may vary from the stated floor area.

25. CONSTRUCTION

The Purchaser acknowledges that the Condominium will be constructed substantially in accordance with plans and specifications filed or to be filed with the municipality having jurisdiction. The Purchaser shall have no claim against the Vendor for any higher or better standards of workmanship or materials. The Purchaser agrees that the foregoing may be pleaded by the Vendor as an estoppel in any action brought by the Purchaser or the Purchaser's successors against the Vendor. The Vendor may from time to time, change, vary or modify in its sole discretion or at the instance of any governmental authority, engineer or mortgagee, any elevations, interior layouts or designs, building specifications or site plans of the Condominium to conform with any municipal or architectural requirements related to Building Code, Official Plan or Official Plan Amendments, zoning by-laws, Committee of Adjustment and/or Land Division Committee decision, municipal site plan or condominium plan approval or architectural or heritage control. Such changes may be to the plans and specification as they existed at the time the Purchaser entered into this Agreement or as illustrated in any sales brochures, models or otherwise. With respect to any aspect of construction, finishing or equipment, the Vendor shall have the right, without the Purchaser's consent, to substitute materials for those described in this Agreement or in the plans or specifications, provided substituted materials are in the judgment of the Vendor's architect, whose determination shall be final and binding, of equal or better quality. The Purchaser shall have no claim against the Vendor for any such changes, variances or modifications nor shall the Vendor be required to give notice thereof. The Purchaser hereby consents to any such alterations and agrees to complete this Agreement notwithstanding any such modifications. The Purchaser hereby agrees to pay in advance for any of the changes, which Purchaser initiated or ordered by the Purchaser.

26. RIGHT OF ENTRY

Notwithstanding the occupancy of the Unit by the Purchaser on and after the Interim Closing Date and the Final Closing Date, as applicable, the Vendor or any person, authorized by it shall be entitled at all reasonable times and upon reasonable prior notice to the Purchaser to enter the Unit and the Common Elements in order to make inspections or to do any work or repairs therein or thereon which may be deemed necessary by the Vendor in connection with the Unit or the Common Elements and such right shall be in addition to any rights and easements created under the Act.

27. TERMINATION WITHOUT DEFAULT

(a) In the event this Agreement is terminated through no fault of the Purchaser, all deposit monies paid by the Purchaser towards the Purchase Price, together with any interest to be paid thereon, shall be returned to the Purchaser provided, however, that the Vendor shall not be obligated to return any monies paid by the Purchaser as an Occupancy Licence Fee, for upgrades, changes or extras ordered by the Purchaser; and

(b) in no event shall the Vendor be liable to the Purchaser for any damages or costs whatsoever and without limiting the generality of the foregoing, for any monies paid to the Vendor for upgrades, changes, extras, for any loss of bargain, for any relocating costs, or for any legal or other fees or expenses incurred in relation to this Agreement. This provision may be pleaded by the Vendor as a complete defence to any such claim.

28. PURCHASER'S DEFAULT

Should the Purchaser be in default in any of covenants, representations, warranties, acknowledgments and obligations to be observed or performed under this Agreement including, without limiting, any and all covenants contained in the Occupancy Licence, and should such default continue for 5 days after written notice thereof has been given to the Purchaser by or on behalf of the Vendor, then in addition to any other rights or remedies which the Vendor may have, the Vendor, at its option, shall have the right to declare this Agreement terminated and in such event all deposit monies paid by the Purchaser (including all monies paid to the Vendor with respect to extras or changes to the Unit ordered by the Purchaser) shall be the absolute property of the Vendor, as liquidated damages and not as a penalty and without prejudice to or limiting the rights of the Vendor to claim for damages in excess of the deposit monies so retained by the Vendor. If the Purchaser has taken possession of the Unit, the Purchaser shall immediately vacate the Unit and the Vendor shall be at liberty to sell the Unit with or without re-entry. If the Vendor is required to pay any lien, execution or encumbrance to obtain a mortgage advance, the Purchaser shall reimburse the Vendor for all amounts and costs so paid.

29. MATERIAL CHANGE

In the event there is any change in the interior layout of the Unit or change in the size of the Unit which is a material change as contemplated by the Act, in the sole and unfettered discretion of the Vendor, the Purchaser covenants; and agrees that the Purchaser's sole remedy shall be the rescission rights afforded pursuant to the Act, notwithstanding any rule of law or equity to the contrary. The Purchaser is advised that the Declarant shall have the right to increase or decrease the number of units in the Condominium as set out in the Disclosure Statement, at its sole discretion, provided however that the Unit shall not be materially altered; except as provided for in the Disclosure Statement and provided further that the proportion of common interest and contribution to Condominium Expenses as allocated to the Unit in the Declaration shall not be materially increased. In the event of any such alterations or changes, the Condominium Documents shall be amended accordingly and the Purchaser hereby consents to any such alterations, changes or modifications and agrees to complete this Agreement notwithstanding such alterations, changes or modifications. The Purchaser acknowledges that the Act may be amended or replaced in which event any one or more of the Condominium Documents may not comply with the requirements of such amendment or replacement. The Purchaser acknowledges and agrees that any change or supplement to the Condominium Documents necessitated by or resulting by reason of such amendment or replacement shall not be considered by the Purchaser to be material amendment of the Condominium Documents and the Purchaser agrees to acknowledge receipt of notice of any such change or supplement to the Condominium Documents as of the date of this Agreement.

30. TENDER

The parties waive personal tender and agree that tender, in the absence of any other normally acceptable arrangement shall be validly made by the Vendor upon the Purchaser, by a representative of the Vendor attending at the Land Registry Office in which title to the Condominium is recorded at 12:00 noon on the Interim Closing Date or the Final Closing Date, as the case may be and remaining there until 1:00 p.m. In the event the Purchaser or the Purchaser's lawyer fails to appear or appears and fails to complete the Interim Closing or the Final Closing, as the case may be, such attendance by the Vendor's representative shall be deemed satisfactory evidence that the Vendor is ready, willing and able to complete the same at such time. Payment shall be made by certified cheque, bank draft or money order drawn on any Canadian chartered bank or trust company. Notwithstanding the foregoing, in the event the Purchaser or the Purchaser's lawyer indicates or expresses to the Vendor or his lawyer, on or before the Interim Closing Date and the Final Closing Date, as applicable, that the Purchaser is unable or unwilling to complete the Interim Closing or the Final Closing, as the case may be, the Vendor is relieved of any obligation to make any formal tender upon the Purchaser or the Purchaser's lawyer and may exercise forthwith any and all of its right and remedies provided for in this Agreement and at law.

31. CAUSE OF ACTION

The Purchaser shall not have any claim or cause of action as a result of any matter or thing arising under or in connection with this Agreement against any person other than the Vendor named in this Agreement and no recourse for recovery on such claim or cause of action except to the Lands only.

32. CONDITIONS

This Agreement is conditional to the Interim Closing Date upon each of the following:

- (a) the Vendor being satisfied, in its sole and absolute discretion, that it will be willing and able to comply with any conditions of site plan approval and/or development agreement;
- (b) receipt by the Vendor of all necessary building permits and of draft plan of Condominium approval for the Condominium free of any conditions which are, in the Vendor's sole and absolute discretion, unduly onerous or unacceptable for any reason;
- (c) the Vendor being satisfied, in its sole and absolute discretion of the ability of the Purchaser to pay the deposit monies, and the balance of the Purchase Price on the Interim or Final Closing Date, as the case may be; and
- (d) the registration by the Vendor of the Declaration Documents on title to the Lands.

Each of the foregoing conditions are for the benefit of the Vendor only and may be waived by the Vendor at any time. The conditions shall be deemed to have been waived by the Vendor in the event that the Vendor does not give notice to the contrary to the Purchaser or the Purchaser's lawyer at any time prior to the Interim Closing Date. In the event that the Vendor gives notice to the Purchaser or the Purchaser's lawyer at any time prior to the Interim Closing Date that anyone or more of the conditions have not been satisfied, this Agreement shall be terminated and the Vendor shall return to the Purchaser all deposit monies paid by the Purchaser under this Agreement, except for amounts paid for any changes or extras ordered by the Purchaser and any other amounts which may be retained by the Vendor pursuant to this Agreement.

33. NOTICE

Any notice given pursuant to the terms of this Agreement shall be deemed to have been properly given if it is in writing and is delivered by hand, ordinary prepaid post or facsimile to the attention of the Purchaser or to the Purchaser's lawyer to their respective address indicated herein or to the address of the Unit after the Interim Closing Date and to the Vendor's lawyer at the address indicated in this Agreement or such other address as may from time to time be given by notice in accordance with the foregoing. Such notice shall be deemed to have been received on the day it was delivered by hand on the business day immediately following the day of receipt by facsimile and on the third business day following the day of mailing. Notice shall not be delivered by mail in the event of suspension of postal service or threatened postal disruption.

34. PLANNING ACT

This Agreement is conditional upon compliance with the subdivision provisions of the Planning Act and any amendments thereto.

35. LEASE OF UNITS

The Vendor may from time to time lease any and all unsold units in the Condominium for residential purposes and this paragraph shall constitute notice to the Purchaser pursuant to the Act.

36. POWER OF ATTORNEY

- (a) In accordance with the provisions of the Powers of Attorney Act, the Purchaser hereby confirms and agrees that each and every power of attorney granted by the Purchaser in this Agreement may be exercised by the donee during any subsequent legal incapability 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 Title Office in which the Condominium is registered, 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); and
- (d) the Purchaser hereby irrevocably authorizes and directs all credit agencies and other relevant institutions (including financial institutions) to release to the Vendor all reports and information regarding the Purchaser's credit and financial ability from time to time as the Vendor may request from time to time. The Purchaser covenants and agrees

to forthwith provide such further authorization, directions and other documentation as such institutions or agencies may require from time to time. The Purchaser hereby irrevocably nominates constitutes and appoints the Vendor or any representative of the Vendor to be and act as the Purchaser's attorney in his place and stead for the purposes of executing and delivering such aforementioned documentation.

37. GENERAL

- (a) The Vendor and the Purchaser shall deliver to each other, a statutory declaration on the Final Closing Date that they are not a non-resident of Canada within the meaning of the Tax Act;
- (b) the Vendor and Purchaser shall pay the costs of registration of their respective documents and any tax in connection therewith;
- (c) the Offer presented through this Agreement, when accepted, shall constitute a binding contract of purchase and sale subject only to the expiration of the rescission period in the Act, and time shall in all respects be of the essence hereof;
- (d) there is no representation, warranty, guarantee, collateral agreement or condition affecting this Agreement, the Condominium or the Unit other than as expressly provided for in this Agreement;
- (e) this Agreement is to be read with all changes of gender or number required by the context and the terms, provisions and conditions hereof shall be for the benefit of and be binding upon the Vendor and the Purchaser, and as the context of this Agreement permits, their respective heirs, personal representatives, estate trustees, executors, administrators, successor and assigns;
- (f) this Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.
- (g) the headings of this Agreement form no part hereof and are inserted for convenience of reference only; and
- (h) each of the Provisions of this Agreement shall be deemed independent and severable, and the invalidity or unenforceability in whole or in part of any one or more of such provisions shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Agreement, and in such event all the other provisions of this Agreement shall continue in full force and effect as if such invalid provision had never been included herein.

SCHEDULE 3
TERMS OF OCCUPANCY LICENCE

1. During the Interim Occupancy Period, the Purchaser shall pay to the Vendor the Occupancy Licence Fee, equal to the total of the following:
 - (a) interest calculated on a monthly basis on the unpaid balance of the purchase price at the rate equal to chartered bank administration rate from one year conventional residential mortgages, unless otherwise prescribed by the Regulations under the Act;
 - (b) an amount reasonably estimated by the Vendor on a monthly basis for municipal realty taxes attributable by the Vendor to the Unit; and
 - (c) the projected monthly contribution for the Unit toward Common Expenses.
2. The Occupancy Licence Fee shall be payable on the first day of each month in advance during the Interim Occupancy Period, no part of which shall be credited as payment on account of the Purchase Price, but which payments shall be a charge for occupancy only. If the Interim Closing Date is not the first day of the month, the Purchaser shall pay on the Interim Closing Date a pro rata amount for the balance of that month. The Purchaser shall deliver to the Vendor on or before the Interim Closing Date a series of twelve (12) post-dated cheques as required by the Vendor for payment of the estimated monthly Occupancy Licence Fee. The Occupancy Licence Fee may be recalculated by the Vendor from time to time based on revised estimates of the items which may be taken into account in the calculation thereof and the Purchaser shall pay to the Vendor such revised Occupancy Licence Fee upon notice thereof from the Vendor. With respect to realty taxes, the Purchaser agrees that the amount estimated by the Vendor to be attributed to the Unit shall be subject to recalculation based upon the real property tax assessment or reassessment of the Unit and/or Condominium issued by the municipality before or after the Final Closing Date and the municipal tax rate applicable thereto as at the date such assessment or reassessment is issued. The Occupancy Licence Fee shall thereupon be recalculated by the Vendor and any amount owing by one party to the other shall be paid upon demand.
3. The Purchaser shall be allowed to remain in occupancy of the Unit during the Interim Occupancy Period provided the terms of the Occupancy Licence and this Agreement have been observed and performed by the Purchaser. In the event the Purchaser breaches the terms of the Occupancy Licence the Vendor in its sole discretion and without limitation of any other rights a remedies provided for in this Agreement or the Act may terminate this Agreement and revoke the Occupancy Licence pursuant to paragraph 26 of Schedule 2 to this Agreement whereupon the Purchaser shall be deemed a trespasser and shall give up vacant possession forthwith. The Vendor may take whatever steps it deems necessary to obtain vacant possession including an action for possession issued in the Ontario Superior Court, and the Purchaser shall reimburse the Vendor for all costs it may incur, including costs of said action on a substantial indemnity basis.
4. Prior to the time that the Purchaser takes possession of the Unit, the Purchaser shall execute and deliver to the Vendor any documents, directions, acknowledgments, assumption agreements or any and all other documents required reasonably by the Vendor pursuant to this Agreement.
5. The Purchaser shall pay the Occupancy Licence Fee monthly during the Interim Occupancy Period and the Vendor shall return any unused post-dated Occupancy Licence Fee cheques to the Purchaser on or shortly after the Final Closing Date.
6. During the Interim Occupancy Period the Purchaser shall maintain the Unit in a clean and sanitary condition and shall not make any alterations, improvements or additions thereto without the prior written approval of the Vendor which may be unreasonably withheld. The Purchaser shall be responsible as and from the date of Interim Occupancy for all public utilities and private services delivered to the Unit, or other charges and expenses billed directly to the occupant of the Unit by the supplier of such services and such charges and expenses shall not be the responsibility of the Corporation.
7. The Purchaser's occupancy of the Unit shall be governed by the provisions of the Condominium Documents and the provisions of this Agreement. The Unit shall be occupied and used for residential purposes only and as provided for in the Disclosure Statement and Declaration.
8. The Vendor covenants to proceed with all due diligence to register the Condominium Documents. If the Vendor for any reason whatsoever is unable to register the Condominium Documents and therefore is unable to deliver a registerable Transfer/Deed to the Purchaser on or before the 31st day of December, 2006 the Purchaser or Vendor shall have the right after said date to declare, on giving 60 days written notice to the other, that this Occupancy Licence and this Agreement, notwithstanding any intervening act or negotiations, will be terminated. Upon termination of the Occupancy Licence, the Purchaser shall give up vacant possession of the Unit and pay the Occupancy Licence Fee to such date of termination, after which all moneys paid by the Purchaser on account of the Purchase Price, except for amounts paid for any changes or extras ordered by the Purchaser, shall be returned to the Purchaser subject to any repair and redecorating expenses incurred by the Vendor to restore the Unit to its original state of occupancy, reasonable wear

and tear excepted. The Purchaser agrees to provide the Vendor with a release of this Agreement in the Vendor's standard form on or before such date of termination.

9. The Vendor and the Purchaser covenant and agree, notwithstanding the taking of possession, that all terms of the Occupancy Licence continue to be binding upon them and that the Vendor may enforce the provisions of the Occupancy Licence separate and apart from any other provisions of this Agreement.

10. The Purchaser acknowledges that the Vendor holds a fire insurance policy on the Condominium only and not on any improvements or betterments made by or on behalf of the Purchaser in or to the Unit. It is the responsibility of the Purchaser, after the Interim Closing Date, to insure such improvements or betterments and to replace same if they are removed, damaged or destroyed. The Vendor is not liable for any loss by the Purchaser occasioned by fire, theft or other casualty, unless caused by the Vendor's negligent conduct.

11. The Purchaser agrees to indemnify the Vendor for all losses, costs and expenses incurred whatsoever as a result of the Purchaser's use of the Unit or the Condominium, or by reason of injury to any person or property in or upon the Unit or the Condominium resulting from the negligence of the Purchaser, members of the Purchaser's family and the Purchaser's servants, agents, tenants, invitees, contractors and licencees. The Purchaser agrees that should the Vendor elect to repair or redecorate all or any part of the Unit or the Condominium as a result of the Purchaser's use of the Unit or Condominium, the Purchaser will immediately reimburse the Vendor for the cost of doing same. The determination of need for such repairs or redecoration shall be at the discretion of the Vendor and such costs may be added to the Purchase Price.

12. The Purchaser shall not have the right to assign, sublet or in any other manner dispose of or convey an interest in this Occupancy Licence during the Interim Occupancy Period without the prior written consent of the Vendor and, if applicable, any mortgagee, which consent may be arbitrarily withheld. The Purchaser acknowledges that an administrative fee of \$350.00 will be payable to the Vendor each time the Purchaser requests the consent of the Vendor to any assignment, sublet, disposition of or conveyance of an interest in this Occupancy Licence during the Interim Occupancy Period. Notwithstanding any such assignment, sublet, disposition or conveyance, the Purchaser shall continue to be bound by the terms of this Agreement.

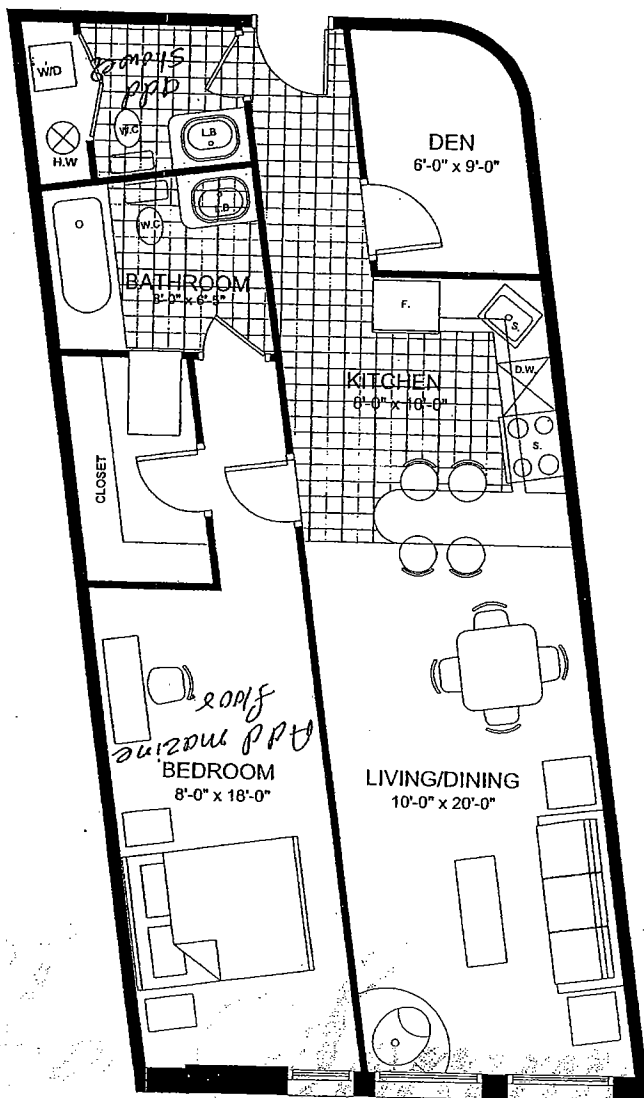
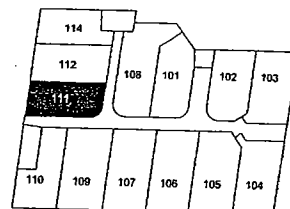
13. The provisions of this Agreement, unless expressly modified by the terms of this Occupancy Licence, shall be deemed to form an integral part of this Occupancy Licence. In the event the Vendor elects to terminate this Occupancy Licence pursuant to this Agreement following substantial damage to the Unit and/or the Condominium, the Occupancy Licence shall terminate forthwith upon notice from the Vendor to the Purchaser. If the Unit and/or the Condominium can be repaired within a reasonable time following damage as determined by the Vendor (but not, in any event, to exceed 180 days) and the Unit is, during such period of repair uninhabitable, the Vendor shall proceed to carry out the necessary repairs to the Unit and/or the Condominium with all due diligence and the Occupancy Licence Fee shall abate during the period the Unit remains uninhabitable; otherwise, the Purchaser shall vacate the Unit and deliver up vacant possession to the Vendor and all moneys, to the extent provided for in paragraph 26 of Schedule 2 to this Agreement (excluding the Occupancy Licence Fee paid to the Vendor) shall be returned to the Purchaser. It is understood and agreed that the proceeds of all insurance policies held by the Vendor are for the benefit of the Vendor alone.

14. The transfer of title to the Unit shall take place on the Final Closing Date upon which date, unless otherwise expressly provided for hereunder, the Occupancy Licence shall be terminated.

SCHEDULE 4
UNIT PLAN

The Somerset 730 Sq. Ft.
UNITS 111/211, 311

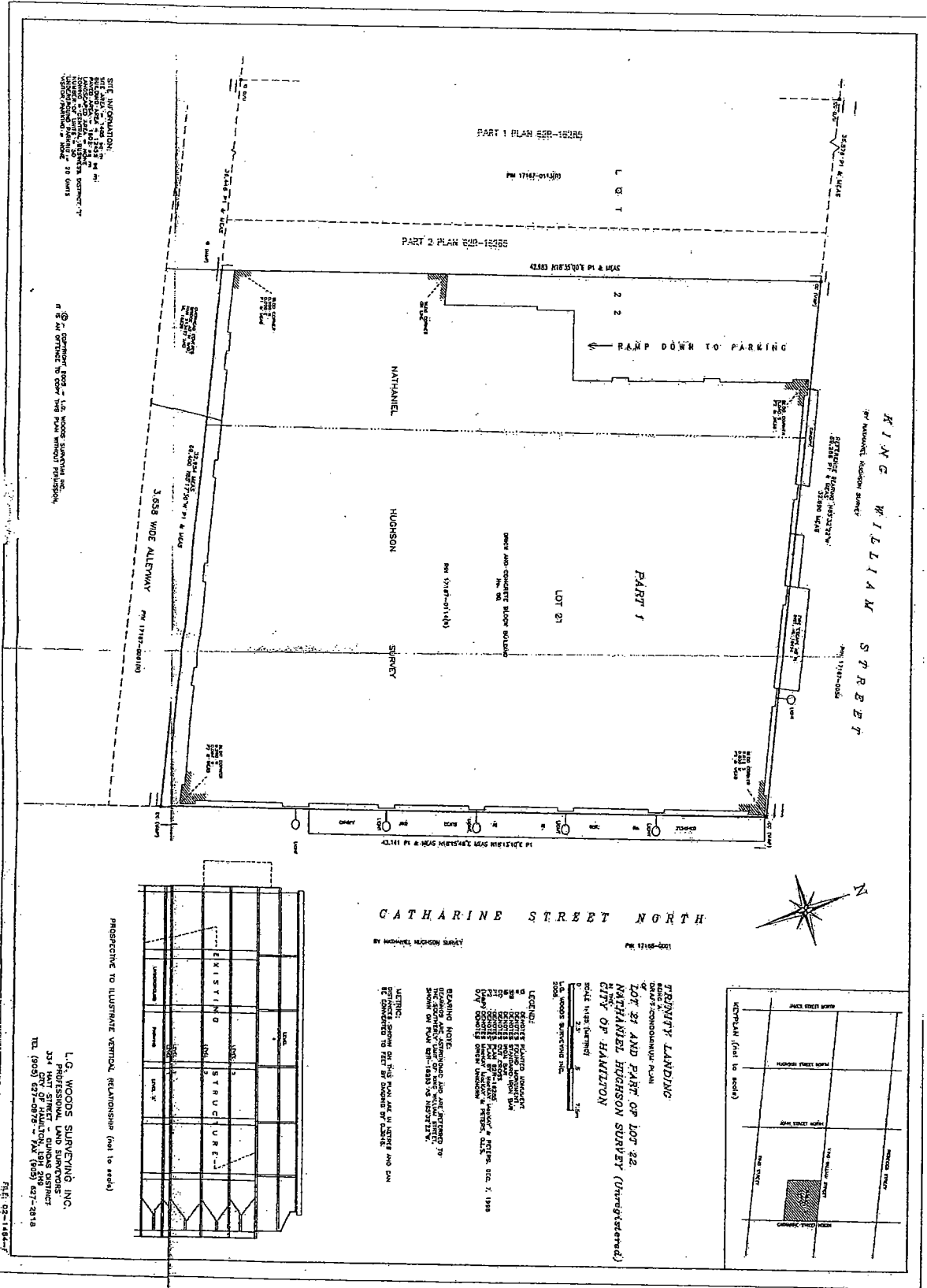
- Complete open concept unit
- Powder/laundry room
- Den
- Breakfast counter and dining area
- Spacious living room 10x20
- Master bedroom/walk-in-closet/ensuite
- * High ceiling



SITE OFFICE
TRINITY LANDING
 80 KING WILLIAM STREET,
 HAMILTON, ONTARIO L8R 1A4
 PHONE: 905-521-6868
www.trinitylanding.com

*Some features shown are optional. *All dimensions and specifications are approximate and subject to change without notice
 * Ceiling height 1st floor 14'4" approx. 2nd floor 12'5" approx., 3rd floor 12'1" approx..

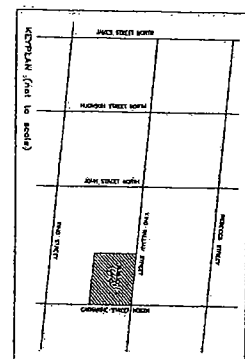
SCHEDULE 5
SITE PLAN



SITE INFORMATION:
 PROJECT NO. 100-1011-10-10
 DATE OF PLAN: 10/10/10
 DRAWN BY: [Name]
 CHECKED BY: [Name]
 APPROVED BY: [Name]
 L.S. Woods Surveying Inc.
 234 HOLT STREET - QUINCY DISTRICT
 TEL: (905) 477-0775 FAX: (905) 477-2818



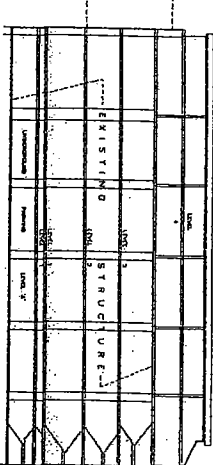
CATHARINE STREET NORTH
 PROJECT NO. 100-1011-10-10



PRIORITY LANDING
 LOT 21 AND PART OF LOT 22
 NATHANIEL HOBSON SURVEY (throughstand)
 CITY OF HAMILTON

LEGEND:
 1. EXISTING BUILDING FOOTPRINT
 2. PROPOSED BUILDING FOOTPRINT
 3. EXISTING DRIVEWAY
 4. PROPOSED DRIVEWAY
 5. EXISTING SIDEWALK
 6. PROPOSED SIDEWALK
 7. EXISTING CURB
 8. PROPOSED CURB
 9. EXISTING EASEMENT
 10. PROPOSED EASEMENT

NOTES:
 1. ALL DIMENSIONS ARE IN METERS UNLESS OTHERWISE SPECIFIED.
 2. THE PROPOSED BUILDING FOOTPRINT IS SHOWN ON PLAN REF-100-1011-10-10.
 3. THE PROPOSED DRIVEWAY IS SHOWN ON PLAN REF-100-1011-10-10.
 4. THE PROPOSED SIDEWALK IS SHOWN ON PLAN REF-100-1011-10-10.
 5. THE PROPOSED CURB IS SHOWN ON PLAN REF-100-1011-10-10.
 6. THE PROPOSED EASEMENT IS SHOWN ON PLAN REF-100-1011-10-10.

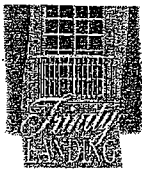


L.G. WOODS SURVEYING INC.
 PROFESSIONAL LAND SURVEYORS
 234 HOLT STREET - QUINCY DISTRICT
 TEL: (905) 477-0775 FAX: (905) 477-2818

SCHEDULE 6

INCLUSIONS IN THE UNIT OR COMMON ELEMENTS,
FINISHES AND SPECIFICATIONS

The Purchaser acknowledges that only the items set out in this Schedule are included with the Unit or the Common Elements and as part of the Purchase Price and that furnishings, decor, improvements, drapes, tracks and wall coverings in the model suite(s), if any, are for display purposes only and are not included in the Purchase Price. The Purchaser shall have choice of colours and design from Vendor's samples with respect to ceramic tiles, paint, kitchen cabinets, counter-tops and flooring, provided selection is made within 10 days of request from the Vendor and provided that items listed are not already installed or ordered and provided further that they are available at the time of choice. The Vendor will not be responsible for any colour errors by suppliers. The Vendor reserves the right to substitute alternative materials, colours and fixtures of equal or better quality. Any changes to plans and specifications requested after this Agreement, or during construction are to be acknowledged by the Purchaser, with appropriate cost adjustment, before same changes will be effected. The Vendor reserves the right to refuse any changes. The Vendor will request payment for the cost of any changes at the time same is requested. In the event that colours and/or finishing chosen by the Purchaser for the interior of the Unit subsequently become unavailable, the Purchaser agrees to re-attend with the Vendor to choose from substitute colours and/or finishings. If the Purchaser fails to choose colours or finishing or fails to make any selection or determination required of the Purchaser within 7 days, the Vendor may choose the colours and finishing for the Purchaser and the Purchaser agrees to accept the Vendor's selections.



AGREEMENT OF PURCHASE AND SALE

1. SHIRLEY THAI
(Name(s) of Purchaser(s))

(the "Purchaser") hereby agrees with 1539304 Ontario Inc., operating as Trinity Landing (the "Vendor") to purchase Unit 4, Level 1, Suite 107 as shown on the copy of the plan attached as Schedule 4, being a proposed unit in a proposed standard freehold condominium located at 80 King William Street, Hamilton, Ontario, shown on the copy of the site plan attached as Schedule 5 together with its appurtenant common elements and (where applicable) the Parking Unit Number _____ (collectively, the "Unit") on the lands described in Schedule 1 hereto (the "Lands") on the terms of this Agreement.

2. PURCHASE PRICE

The purchase price of the Unit shall be ONE THOUSAND SIXTY-THREE THOUSAND + TWENTY EIGHT Dollars (\$ 163,028.00) in lawful money of Canada (the "Purchase Price"), payable as follows:

- (a) the sum of ONE THOUSAND DOLLARS (\$1,000.00) cheque payable to the Vendor's Lawyers, Messrs. Burns, Vasan, ~~Limberis, Vitelli~~ LLP, in trust, to be delivered by the Purchaser to the Vendor with the copies of this Agreement executed by the Purchaser, as a deposit to be held by the said solicitors pending completion or other termination of this Agreement and to be credited against the Purchase Price, on closing;
- (b) the following additional deposits each by cheque payable to the said solicitors in trust, ~~as follows:~~ TRINITY LANDING TRUSTEE
 - (i) \$3,000 ON AUG 15 2006 \$5,000.00 due within 15 days of the date of acceptance of this Agreement;
 - (ii) \$3,028 PAYABLE TO 1539304 ONTARIO INC. \$5,000.00 due within 45 days of the date of acceptance of this Agreement.

All said cheques to be delivered to the Vendor with the copies of this Agreement executed by the Purchaser. The Vendor shall cause its said solicitors to hold all deposit monies in a separate trust account in a Chartered Bank in Ontario pending completion or other termination of this Agreement and to be credited on account of the purchase price on final closing. Where any of the deposit cheques is uncertified and is not honoured by the Drawee, then the purchaser shall be conclusively deemed to be in default under the Agreement, and at its option, the Vendor may declare all deposit monies already received by it as forfeited;

- (c) the balance of the Purchase Price by certified funds, payable to the Vendor's solicitor subject to adjustments as specified in Schedule 2 hereof, on the Final Closing Date;

3. OCCUPANCY DATE

The Interim Closing Date shall occur on AUG 15, 2006 or such extended or earlier date as may be determined by the Vendor in accordance with this Agreement. The Interim Closing Date is a tentative date by which the Vendor anticipates the Unit will be ready for occupancy by the Purchaser but which date may be varied by the Vendor in accordance with the provisions of this Agreement.

4. FINAL CLOSING DATE

Title to the Unit shall be transferred on the Final Closing Date, being a date subsequent to the Interim Closing Date and established by the Vendor in accordance with this Agreement

5. SCHEDULES

Schedules 1 to 6 inclusive attached hereto and any amendments or addenda thereto shall form part of this Agreement.

6. SCHEDULE 7 IS TL 00628
ACKNOWLEDGMENT

The Purchaser acknowledges having read this Agreement and all Schedules, amendments and addenda hereto.

7. ACCEPTANCE

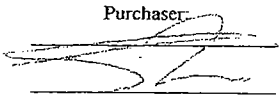
Delivery to the Vendor of copies of this Agreement executed by the Purchaser shall constitute an offer irrevocable by the Purchaser until 5:00 p.m. on the 5th day after the date of delivery of the same by the Purchaser and if this Agreement is not executed by the Vendor by such time, such offer shall be considered to have been withdrawn by the Purchaser and the deposit shall be returned to the Purchaser without interest.

ABSOLUTE RIGHT TO CANCEL THIS AGREEMENT UNTIL July 2006

Copies of this Agreement have been executed by the Purchaser and delivered to the Vendor on the 1st day of July, 2005
Witness: _____

Purchaser's Lawyer

Telephone: _____
Fax: _____

Purchaser


Purchaser's Address:
SHIRLEY T/AAI

Telephone: 531 5633011
Fax: _____

Copies of this Agreement have been executed by the Vendor on the 12 day of July, 2005

Vendor's Lawyer:
Burns, Vasan, Limberis, Vitulli LLP
Barristers & Solicitors
305 - 21 King Street West
Hamilton, Ontario
L8P 4W7
Tel: (905) 522-1382
Fax: (905) 522-0855

1539304 ONTARIO INC.
By: 
President

I have the authority to bind the corporation.

R. SRINI VASAN

E-MISSS WIRLEY
10/11/05

SCHEDULE 1
LEGAL DESCRIPTION OF LANDS

P.I.N. 17167 - 0115 L.T.
being, 80 King William Street, Hamilton, Ontario
Lot 21, Part Lot 22, Nathaniel Hughson Survey
(unregistered), south side of King William Street,
between John Street and Catharine Street, being
Part 1 on 62R -16706, City of Hamilton

SCHEDULE 2
ADDITIONAL TERMS OF AGREEMENT

I. DEFINITIONS

The words and phrases used in this Agreement and the Schedules, amendments and addenda to this Agreement shall each have the meaning provided for in the Condominium Act, 1998 and any amendments thereto unless otherwise provided for elsewhere in this Agreement or as follows:

- (a) "Act" shall mean the Condominium Act, 1998 of Ontario;
- (b) "Agreement" shall mean this Agreement of Purchase and Sale and all Schedules, amendments and addenda to this Agreement;
- (c) "Condominium" shall mean the proposed Condominium Plan and the Condominium Corporation to be created upon the registration of its Condominium Documents on title to the Lands and the building(s) constructed or to be constructed on the Lands;
- (d) "Condominium Documents" shall mean the Declaration, Description and By-Laws by which the Corporation is intended to be created and organized;
- (e) "Corporation" shall mean the corporation created upon registration of the Declaration and the Description;
- (f) "Interim Occupancy Period" shall mean the period of time, if any, from and including the Interim Closing Date to the Final Closing Date;
- (g) "Lands" shall mean the lands described in Schedule 1 hereto;
- (h) "Occupancy Licence" shall mean the licence granted to the Purchaser to occupy the Unit during the interim occupancy period, in accordance with the provisions of Schedule 3 attached;
- (i) "Occupancy Licence Fee" shall mean the sum of money payable monthly in advance by the Purchaser to the Vendor during the Interim Occupancy Period, calculated in accordance with this Agreement and the Act;
- (j) "Property" shall mean the Lands and interests appurtenant to the Lands as described in the Description; and
- (k) "Unit" shall mean the unit or the proposed unit in the Condominium.

2. DEPOSIT MONIES

In accordance with the Act, all monies received from the Purchaser on account of this Agreement, other than monies paid as the Occupancy Licence Fee or for upgrades, changes or extras ordered by the Purchaser, shall be held in trust until its disposition to the person entitled thereto or delivery of prescribed security to the Purchaser for repayment, in accordance with the Act. The Vendor shall credit the Purchaser on the Final Closing Date with interest at the rate prescribed pursuant to the Act on all such money received by the Vendor on account of the purchase price (excluding extras and upgrades ordered by the Purchaser) from the Interim Occupancy date until the Final Closing Date.

3. ADJUSTMENTS

The balance of the Purchase Price shall be adjusted on the Interim Closing Date, or on the Final Closing Date, or as may be required by the Vendor, as to all prepaid, current or accrued expenses or charges and as to other items required by the terms of this Agreement, which shall include, without limiting the generality of the foregoing the following:

- (a) assessments prepaid or owing or as estimated by the Vendor towards the common expenses; and/or the reserve fund;
- (b) an amount equal to that estimated by the Vendor to be payable by the Purchaser, as a contribution by the Purchaser towards the common expenses and/or the reserve fund equivalent to common expenses for the Unit for a period of two (2) months, which sum shall be paid directly to the Corporation and in the case of common expenses, credited by the Corporation to the Purchaser. Such sum, or part thereof forming part of the reserve fund shall be in addition to any common expenses otherwise payable to the Corporation. The Purchaser agrees to deliver on the Final Closing Date a series of twelve post-dated cheques in an amount estimated by the Vendor to be payable monthly to the Corporation on account of the common expenses for that period of time;
- (c) unearned insurance premiums, and where such insurance is carried by the Corporation, the Purchaser's share of any unearned or accrued premiums determined by the proportion of common interest of the Unit;
- (d) the realty taxes to be estimated by the Vendor for the calendar year in which this Agreement is completed and shall be adjusted as if such sum had been paid by the Vendor notwithstanding that the same may not be by the Interim

Closing Date or by the Final Closing Date have been levied or paid, subject, however, to readjustment upon the actual amount of said realty taxes being ascertained. 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 the Purchaser. In the event, as on the Final Closing Date, the Condominium is 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 to the Purchaser based upon the common interest of the Unit or alternatively equally among all of the residential units within the Condominium or in such other manner as the Vendor may elect, acting reasonably, at the Vendor's option. At the Vendor's option, realty taxes may not be adjusted until individual unit assessments have been made. Any realty tax re-assessment following the Final Closing Date shall be the responsibility of the Purchaser. All other contributions, rates and charges if not paid by the Vendor on a per unit basis shall be apportioned to the Purchaser in the same manner as provided for above for the apportionment of realty taxes;

- (e) the cost of public utilities or private services (including purchased or rented hot water tank) which if not billed separately may be adjusted by attributing to the Purchaser a share of such cost, as determined by the common interest of the Unit, and any charges paid by the Vendor to a public utility supplier or supplier of private service which may be attributable to the Unit.
- (f) reimbursement to the Vendor for the transaction levy surcharge imposed upon the Vendor by the Law Society of Upper Canada;
- (g) the deposits;
- (h) interest on deposit monies in accordance with the Act and/or this Agreement;
- (i) the Occupancy Licence Fee provided for in Schedule 3 hereto;
- (j) the sum of \$250.00 to cover the legal and administrative fees for the preparation of the Vendor Take-Back Mortgage, if any;
- (k) security deposit of \$250.00 on Interim Closing, to be held by the Vendor, until the purchaser provides proof that he or she has transferred the gas and hydro accounts for the Unit into his or her name as of the Interim Closing date;
- (l) an administrative fee of \$150.00 shall be charged to the Purchaser for any cheque paid for a deposit, the Occupancy Licence Fee or for any upgrades which is returned N.S.F. or upon which a "stop payment" has been ordered, or otherwise not honoured by the financial institution on which such cheque is drawn;
- (m) if the Purchaser is not a resident of Canada for the purposes of the Income Tax Act (the "Tax Act"), the Vendor shall be entitled to withhold and remit to Revenue Canada the appropriate amount of interest payable to the Purchaser on account of the deposit monies paid hereunder, in accordance with the Income Tax Act;
- (n) if any of the adjustments to be made on the Interim Occupancy Date cannot be accurately determined at that time, the Vendor may estimate the adjustment to be made, and a final adjustment shall be made when the same may be accurately determined;
- (o) **UPGRADES AND EXTRAS:** The price for any upgrades or extras requested by the Purchaser shall be paid directly to the Vendor by the Purchaser upon executing the written order for such upgrades or extras. At the option of the Purchaser, the amount so received by the Vendor shall be added to the purchase price on the Statement of Adjustments as an adjustment;
- (p) the Purchaser shall further pay to the Vendor, on closing as an adjustment, an administration and set up fee of \$300.00 in relations to the security for Builder's Warranty referred to in paragraph 9 (c) of the Disclosure Statement.

4. GOODS AND SERVICES TAX

The Goods and Services Tax (the "G.S.T.") payable pursuant to the Excise Tax Act (the "G.S.T. Act") is included in the Purchase Price of units to Purchasers who qualify for rebate of G.S.T. as specified below. The actual monetary consideration for the Unit exclusive of any extras, requested changes, or adjustments (the "Consideration"), is the amount derived by subtracting the G.S.T. payable, less all refunds, credits and rebates available to the Purchaser pursuant to the G.S.T. Act, including, without limiting the generality of the foregoing, the new housing rebate under the G.S.T. Act (the "G.S.T. Rebate"), from the Purchase Price. The Purchaser hereby irrevocably assigns to and in favour of the Vendor any and all rights the Purchaser may have to any rebates, refunds or credits available pursuant to the G.S.T. Act, including without limiting the generality of the foregoing, the G.S.T. Rebate, in the event that the Purchaser qualifies for the G.S.T. Rebate. The Purchaser covenants and agrees that the Purchaser shall immediately following the completion of this Agreement, personally occupy the Unit or cause one or more of the Purchaser's relations (as defined in the G.S.T. Act) to occupy the Unit for such period of time as shall then be required in order to entitle the Purchaser to the G.S.T. Rebate or any such rebates, refunds or credits pursuant to the G.S.T. Act. The Purchaser covenants and agrees to deliver to the Vendor on the Final Closing Date any and all documentation and/or application forms as the Vendor shall request, from time to time, in order to facilitate the aforesaid assignment of G.S.T. rebates, refunds or credits. In the event that the Purchaser shall for any reason fail to qualify for the G.S.T. Rebate, the Purchaser shall indemnify the Vendor in the amount that the Purchaser would have been entitled to had the Purchaser

so qualified for the G.S.T. Rebate, and in the event that such failure to qualify is known on or before the Final Closing Date, then the full amount of the G.S.T. shall be in addition to the purchase price and credited and paid to the Vendor on closing. Notwithstanding any other provision of this Agreement, the Purchaser acknowledges and agrees that the Purchase Price does not include any G.S.T. payable with respect to any of the adjustments or any extras, requested, changes or upgrades purchased, ordered or chosen by the Purchaser which are not specifically included with the Unit or in the Purchase Price, and the Purchaser covenants and agrees to pay such G.S.T. to the Vendor in accordance with the G.S.T. Act.

5. INTERIM OCCUPANCY

(a) If the Unit is substantially complete and fit for occupancy on the Interim Closing Date, the Purchaser shall occupy the Unit on the Interim Closing Date pursuant to the Occupancy Licence provided for in Schedule 3. In the event substantial completion of the Unit may be delayed for any reason other than the wilful neglect of the Vendor, the Vendor shall be permitted reasonable extensions of time not exceeding in the aggregate 240 days, to substantially complete the Unit and the Interim Closing Date shall be extended accordingly. If the Vendor shall be unable to complete the Unit for occupancy within such reasonable extension of time, all moneys, to the extent provided for in paragraph 25 of this Schedule, shall be returned to the Purchaser, this Agreement shall be terminated and the Vendor shall not be liable to the Purchaser for any damages arising as a result thereof and shall have no further obligation hereunder;

(b) the Vendor shall be entitled upon giving at least 60 days written notice to the Purchaser, to accelerate the Interim Closing Date provided the Unit is substantially complete and fit for occupancy on such earlier date. If the Unit is substantially completed and fit for occupancy by the Interim Closing Date or any acceleration or extension thereof in accordance with this Agreement, the Purchaser shall take interim occupancy of the Unit on that date notwithstanding that the Vendor has not fully completed the Unit or the proposed Common Elements on such date and the Vendor shall complete such outstanding work required by this Agreement within a reasonable time after the Interim Closing Date, having regard to weather conditions and the availability of labour and materials. The Unit shall be deemed to be substantially completed when the interior of the Unit has been finished to permit occupancy. The Purchaser acknowledges that failure to complete the proposed Common Elements on or before the Interim Closing Date shall not be deemed to be a failure to complete the Unit.

6. INSPECTION

The Purchaser agrees to inspect the Unit upon the Vendor's request, with a representative of the Vendor, prior to the Interim Closing Date and to list all mutually agreed upon outstanding, incomplete or apparently defective items in the Unit at the time of inspection, and the Vendor's obligation to complete or rectify work shall thereafter be limited only to those items contained in the said list and except as to those items, the Purchaser shall be deemed to have acknowledged that the Unit has been completed in accordance with this Agreement and the Purchaser shall be deemed conclusively to have accepted the Unit in its condition as at the time of inspection. The inspection by the Purchaser is a condition of the Vendor's obligation to provide occupancy of the Unit to the Purchaser.

7. EXECUTIONS

The Purchaser agrees to provide to the Vendor's Solicitors on the Interim Closing Date an Execution Certificate as of that date confirming that no execution against the individual(s) in whose name(s) title to the Unit is to be taken and further agrees to provide on the Final Closing Date such further clear Execution Certificate a may be required by the Vendor to obtain mortgage advances with respect to the Unit.

8. FINAL CLOSING

Following registration of the Condominium, the Vendor's solicitor shall designate a date not less than 21 days nor more than 90 days after the date of such registration as the Final Closing Date by delivery of written notice of such date to the Purchaser, and the within transaction shall close on the date so designated. The final closing date, in any event, shall be a date not later than the 31st day of December, 2006.

9. RISK

The Unit shall be and remain at the risk of the Vendor until the Final Closing Date. If any part of the Condominium is damaged before the Condominium Documents are registered, the Vendor may in its sole discretion either terminate this Agreement and return to the Purchaser all deposit monies paid by the Purchaser to the Vendor or make such repairs as are necessary to complete this Agreement, it being understood and agreed that all insurance policies and the proceeds thereof are to be for the benefit of the Vendor alone.

10. SEARCH OF TITLE

The Purchaser shall be allowed to the date which is 10 days prior to the Final Closing Date (the "Search Period") to examine title to the Unit at the Purchaser's own expense. If within the Search Period any valid objection to title to the Unit is made in writing to the Vendor which the Vendor may be unable or unwilling to rectify and which the Purchaser will not waive this Agreement shall, notwithstanding any intermediate negotiations in respect of any such, be terminated and the deposit monies, together with the interest to be paid thereon, after deducting any payments due to the Vendor by the Purchaser as provided for in this Agreement, shall be returned to the Purchaser and the Vendor shall have no

further liability or obligation to the Purchaser and shall not be liable for any costs or damages. Save as to any valid objections to made within the Search Period, the Purchaser shall be deemed to have accepted the title of the Vendor to the Unit. In the event the Purchaser has assumed occupancy of the Unit pursuant to paragraph 5 above, the Purchaser shall vacate and deliver vacant possession of the Unit in good repair and in a tidy condition to the Vendor before becoming entitled to the return of said deposit monies.

11. NAME OF TRANSFEREE

The Purchaser agrees to submit to the Vendor within the Search Period written confirmation as to the manner in which title to the Unit is to be registered, and the Purchaser shall be required to take title to the Unit in the manner so advised unless the Vendor otherwise consents in writing, which consent may be arbitrarily withheld. If the Purchaser does not submit such confirmation within the Search Period the Vendor shall be entitled to tender a Transfer/Deed on the Final Closing Date with the Transferee therein being the name of the Purchaser shown in this Agreement. The Purchaser shall be entitled to direct that title to the Unit be taken in the name of the Purchaser's spouse, or a member or members of the Purchaser's immediate family only, but shall not be permitted to direct that title to the Unit be taken in the name of any other party.

12. CONDITION OF TITLE

The Purchaser agrees to accept title to the Unit subject to and to be bound by the following:

- (a) the Condominium Documents in the general form attached to the Disclosure Statement delivered to the Purchaser as set out in Schedule 6;
- (b) any subdivision, development, site plan, condominium or like agreements with the municipality or other governmental authority having jurisdiction, provided always that same do not in the aggregate materially and adversely affect the use of the Unit and the Condominium as a residential or parking unit as the case may be and a residential condominium, respectively;
- (c) any easements, rights-of way, encroachment agreements, heritage agreements, restrictions, conditions or covenants that run with the land and subject to any easements, licences, rights or agreements now registered or to be registered for the installation and maintenance of any public utilities or private services including, without limitation, telephone, hydro, gas, storm and sanitary sewer, water and cable television or master antenna television distribution systems or coaxial cable or fibre-optic installation and any easements and rights-of-way which may be required by a municipality or other governmental authority for access through the proposed Common Elements, or with respect to buildings, and any agreement with the Municipality with respect to the bridge connecting the subject building to the building situate on the south side of the alleyway at the rear;
- (d) any restrictions, condition, or warnings imposed by any municipality or other governmental authority contained in any site plan, subdivision, condominium, financial or development agreements;
- (e) temporary or periodic easements in favour of the Declarant and/or its affiliates or assignees for construction of the Condominium, sales of units and/or any development in the vicinity thereof;
- (f) restrictive covenants prohibiting anyone from using the lands and any part thereof for the purposes of the sale, marketing, storage, distribution or handling in bulk of oil or petroleum products, including bulk quantities of gasoline and other motor fuels, lubricants, motor oils, greases and solvents;
- (g) any other matters expressly provided for in this Agreement.

The Purchaser shall satisfy himself as to the due compliance with the provisions of any such agreements or instruments referred to above and shall not require release of the Unit or the Condominium from the same. The Purchaser covenants and agrees to consent to the provisions of any such agreements or instruments referred to above and, if required, to execute all documents and do all things requisite for this purpose, either before or after the Final Closing Date. The Vendor shall be entitled to insert in or to the Transfer to be delivered to the Purchase on the Final Closing Date 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 Final Closing Date, or the Vendor may require that the Purchaser deliver a separate written covenant on the Final Closing Date.

13. HVAC, HOT WATER TANK AND APPLIANCES

- (i) The unit is equipped with a separate HVAC equipment for heating and air conditioning purposes, a hot water tank and a fridge and stove and a dishwasher, and the purchaser agrees that the only warranty that the purchaser will receive with respect to all of said chattels and equipment is the manufacturer's standard warranty,

14. VENDOR'S LIEN

The Purchaser agrees that the Vendor shall have a Vendor's Lien for the unpaid balance of the Purchase Price, if any,

on the Final Closing Date and the Vendor shall be entitled to register a Notice of Lien on title to the Unit.

15. EXISTING MORTGAGES

The Purchaser acknowledges that the Unit may be encumbered by mortgages which are not intended to be assumed by the Purchaser and that the Vendor shall not be obliged to obtain and register a discharge of any such mortgages which affect the Unit on the Final Closing Date. The Purchaser agrees to accept the Vendor's undertaking to obtain and register a discharge or partial discharge of each such mortgage as soon as reasonably possible after the Final Closing Date subject to the Vendor providing to the Purchaser the following:

- (a) a letter or statement from each such mortgagee confirming the amount required to be paid to such mortgagee to obtain a discharge of each such mortgage from title to the Unit;
- (b) a direction from the Vendor to the Purchaser to pay such amount to such mortgagee on the Final Closing Date by way of certified cheques delivered to Vendor's solicitor; and
- (c) an undertaking from the Vendor or the Vendor's solicitor to deliver such amounts to each such mortgagee and to register the discharge of each such mortgage from title to the Unit upon receipt thereof and to advise the Purchaser or the Purchaser's lawyer of registration thereof.

16. CONSTRUCTION LIENS

The Purchaser acknowledges and agrees that the deposits paid pursuant to this Agreement shall be deemed to be monies held in trust pursuant to the Act, and the Purchaser shall therefore be deemed to be a "home buyer" as defined in the Construction Lien Act and the Purchaser shall not be entitled to request or demand that any holdback for construction liens be maintained for any portion of the purchase price on the Interim Closing Date or on the Final Closing Date.

17. SUBORDINATION OF AGREEMENT

The Purchaser covenants and agrees that this Agreement is subordinate to and postponed to any mortgages arranged by the Vendor and any advances thereunder from time to time, and to any easements, rights-of-way, licenses or other agreements affecting the Condominium. The Purchaser further agrees to consent to and execute all documentation as may be required by the Vendor to give effect to the foregoing and the Purchaser hereby irrevocably appoints the Vendor as the purchaser's attorney to execute any consents or other documents required by the Vendor to give effect to the provisions of this paragraph.

18. NO REGISTRATION OF AGREEMENT

The purchaser covenants and agrees not to register this Agreement or notice of this Agreement or a caution, certificate of pending litigation, Purchaser's Lien, or any other document giving notice of this Agreement against title to the Unit or the Lands and further agrees not to give, register, or permit to be registered any encumbrance against the Unit or the Lands prior to completion of this Agreement. Should the Purchaser be in default of the Purchaser's obligations hereunder, the Vendor may, as agent and attorney of the Purchaser, cause the removal of notice of this Agreement, caution, certificate of pending litigation, Purchaser's Lien, or other document giving notice of this Agreement or any assignment thereof, from the title to the Unit or the Lands. In addition, the Vendor, at its option, shall have the right to declare this Agreement terminated in accordance with the provisions of paragraph 26 of this Schedule. The Purchaser hereby irrevocably consents to a court order removing such notice of this Agreement, any caution, or any other document a instrument whatsoever from title to the Unit or the Lands and the Purchaser agrees to pay all of the Vendor's costs and expenses a obtaining such order (including legal and other fees and expenses actually incurred by the Vendor).

19. PERSONAL USE OF PURCHASER

The Purchaser represents to the Vendor, upon which representation the Vendor has relied in entering into this Agreement, that the Purchaser is purchasing the Unit for the Purchaser's own personal use and not for short term, speculative investment purposes. The Purchaser covenants and agrees with the Vendor not to list for sale, advertise for sale, offer for lease, offer for sale, sell, lease, transfer or assign the interest of the Purchaser under this Agreement at any time prior to the Final Closing Date without prior written consent of the Vendor, which consent may be arbitrarily withheld. In the event the Vendor agrees to consent to the assignment, then the following provisions shall apply to and be deemed to be part of such consent:

- a) This Agreement of Purchase and Sale may be assigned only once and the Assignee shall not have the right to make any further assignments;
- b) The Assignment shall not be for a price less than the Purchase Price as set out in Paragraph 2 above;
- c) The Vendor is to be advised of the Assignment at least 90 days prior to final closing;
- d) If a mortgage is being arranged to finance the purchase of this Property, a copy of the Assignee's approval by the lender shall be provided to the Vendor with notice of the assignment, for the assignment to be effective.
- e) The Purchaser shall remain responsible for the performance of the obligations of the Purchaser under the Agreement of Purchase and Sale up to the closing, notwithstanding the assignment.
- f) The Assignee will enter into a covenant with the Vendor to assume the obligations of the Purchaser

- g) contained in the Agreement of Purchase and Sale by signing this form.
The Assignee shall be bound by all acts of the Purchaser up until the date of the assignment including any selections by the Purchaser of colours and materials and for any extras.
- h) The Vendor shall be paid a consent fee of \$1,500.00 plus GST on notification of the Assignment by the Purchaser.

20. INVESTORS AND GST

In the event the Purchaser is an investor and purchasing the subject unit(s) for rental purposes, the Purchaser shall disclose himself as an investor to the Vendor and any Goods and Services Tax (G.S.T.) payable shall be in addition to the purchase price.

21. NO OBJECTION

The Purchaser covenants and agrees that the Purchaser shall not object to nor oppose any amendment to or change in the zoning and/or site plan and/or draft condominium plan, nor oppose any other applications by the Vendor to any board, tribunal, municipality or other governmental authority relating to the construction and registration of the Condominium, or development on adjoining lands or any other lands owned by the Vendor in the vicinity of the Condominium, if any.

22. NO INTERFERENCE

The Purchaser covenants and agrees that the Purchaser shall not interfere with the completion of any part of the Condominium by the Vendor. Until the Condominium is completed and all units are sold, the Vendor may make such use of the Condominium as may facilitate such completion and sales, including, but not limited to, the maintenance of a sales/rental/administration office and model units, and the display of signs located on the Property.

23. PURCHASER'S COVENANTS, REPRESENTATIONS AND WARRANTIES

The Purchaser's covenants, warranties and obligations contained in this Agreement shall survive the completion of this Agreement and shall remain in full force and effect notwithstanding the transfer of title to the Unit to the Purchaser.

24. SIZE OF UNIT, LAYOUTS OF UNIT AND EXTERIOR ELEVATIONS OF THE BUILDING.

Notwithstanding anything contained in any brochures, drawings, plans, advertisements, or other marketing materials, or any statements made by the Vendor's sales representatives, the Purchaser acknowledges that there is no warranty or representation contained herein on the part of the Vendor as to the area of the Unit. The Purchaser further acknowledges that any dimensions, interior layouts and or other data shown on such materials are approximate only and that the Purchaser is not purchasing the Unit on a price per square foot basis. Accordingly, the Purchaser shall not be entitled to any abatement or refund of the Purchase Price based on the precise area of the Unit as constructed. The Purchaser further acknowledges that the size of the Unit as represented by the sales literature is measured in accordance with industry standards from the exterior surface of exterior walls, exterior surface of all corridor walls and proposed Common Elements enclosing and abutting the Unit and the center line of walls separating units, and accordingly, such measurements may differ from measurements made using the Unit boundaries set out in the Declaration. Actual usable floor space may vary from the stated floor area.

25. CONSTRUCTION

The Purchaser acknowledges that the Condominium will be constructed substantially in accordance with plans and specifications filed or to be filed with the municipality having jurisdiction. The Purchaser shall have no claim against the Vendor for any higher or better standards of workmanship or materials. The Purchaser agrees that the foregoing may be pleaded by the Vendor as an estoppel in any action brought by the Purchaser or the Purchaser's successors against the Vendor. The Vendor may from time to time, change, vary or modify in its sole discretion or at the instance of any governmental authority, engineer or mortgagee, any elevations, interior layouts or designs, building specifications or site plans of the Condominium to conform with any municipal or architectural requirements related to Building Code, Official Plan or Official Plan Amendments, zoning by-laws, Committee of Adjustment and/or Land Division Committee decision, municipal site plan or condominium plan approval or architectural or heritage control. Such changes may be to the plans and specification as they existed at the time the Purchaser entered into this Agreement or as illustrated in any sales brochures, models or otherwise. With respect to any aspect of construction, finishing or equipment, the Vendor shall have the right, without the Purchaser's consent, to substitute materials for those described in this Agreement or in the plans or specifications, provided substituted materials are in the judgment of the Vendor's architect, whose determination shall be final and binding, of equal or better quality. The Purchaser shall have no claim against the Vendor for any such changes, variances or modifications nor shall the Vendor be required to give notice thereof. The Purchaser hereby consents to any such alterations and agrees to complete this Agreement notwithstanding any such modifications. The Purchaser hereby agrees to pay in advance for any of the changes, which Purchaser initiated or ordered by the Purchaser.

26. RIGHT OF ENTRY

Notwithstanding the occupancy of the Unit by the Purchaser on and after the Interim Closing Date and the Final Closing Date, as applicable, the Vendor or any person, authorized by it shall be entitled at all reasonable times and upon reasonable prior notice to the Purchaser to enter the Unit and the Common Elements in order to make inspections or to do any work or repairs therein or thereon which may be deemed necessary by the Vendor in connection with the Unit or the Common Elements and such right shall be in addition to any rights and easements created under the Act.

27. TERMINATION WITHOUT DEFAULT

(a) In the event this Agreement is terminated through no fault of the Purchaser, all deposit monies paid by the Purchaser towards the Purchase Price, together with any interest to be paid thereon, shall be returned to the Purchaser provided, however, that the Vendor shall not be obligated to return any monies paid by the Purchaser as an Occupancy Licence Fee, for upgrades, changes or extras ordered by the Purchaser; and

(b) in no event shall the Vendor be liable to the Purchaser for any damages or costs whatsoever and without limiting the generality of the foregoing, for any monies paid to the Vendor for upgrades, changes, extras, for any loss of bargain, for any relocating costs, or for any legal or other fees or expenses incurred in relation to this Agreement. This provision may be pleaded by the Vendor as a complete defence to any such claim.

28. PURCHASER'S DEFAULT

Should the Purchaser be in default in any of covenants, representations, warranties, acknowledgments and obligations to be observed or performed under this Agreement including, without limiting, any and all covenants contained in the Occupancy Licence, and should such default continue for 5 days after written notice thereof has been given to the Purchaser by or on behalf of the Vendor; then in addition to any other rights or remedies which the Vendor may have, the Vendor, at its option, shall have the right to declare this Agreement terminated and in such event all deposit monies paid by the Purchaser (including all monies paid to the Vendor with respect to extras or changes to the Unit ordered by the Purchaser) shall be the absolute property of the Vendor, as liquidated damages and not as a penalty and without prejudice to or limiting the rights of the Vendor to claim for damages in excess of the deposit monies so retained by the Vendor. If the Purchaser has taken possession of the Unit, the Purchaser shall immediately vacate the Unit and the Vendor shall be at liberty to sell the Unit with or without re-entry. If the Vendor is required to pay any lien, execution or encumbrance to obtain a mortgage advance, the Purchaser shall reimburse the Vendor for all amounts and costs so paid.

29. MATERIAL CHANGE

In the event there is any change in the interior layout of the Unit or change in the size of the Unit which is a material change as contemplated by the Act, in the sole and unfettered discretion of the Vendor, the Purchaser covenants; and agrees that the Purchaser's sole remedy shall be the rescission rights afforded pursuant to the Act, notwithstanding any rule of law or equity to the contrary. The Purchaser is advised that the Declarant shall have the right to increase or decrease the number of units in the Condominium as set out in the Disclosure Statement, at its sole discretion, provided however that the Unit shall not be materially altered; except as provided for in the Disclosure Statement and provided further that the proportion of common interest and contribution to Condominium Expenses as allocated to the Unit in the Declaration shall not be materially increased. In the event of any such alterations or changes, the Condominium Documents shall be amended accordingly and the Purchaser hereby consents to any such alterations, changes or modifications and agrees to complete this Agreement notwithstanding such alterations, changes or modifications. The Purchaser acknowledges that the Act may be amended or replaced in which event any one or more of the Condominium Documents may not comply with the requirements of such amendment or replacement. The Purchaser acknowledges and agrees that any change or supplement to the Condominium Documents necessitated by or resulting by reason of such amendment or replacement shall not be considered by the Purchaser to be material amendment of the Condominium Documents and the Purchaser agrees to acknowledge receipt of notice of any such change or supplement to the Condominium Documents as of the date of this Agreement.

30. TENDER

The parties waive personal tender and agree that tender, in the absence of any other normally acceptable arrangement shall be validly made by the Vendor upon the Purchaser, by a representative of the Vendor attending at the Land Registry Office in which title to the Condominium is recorded at 12:00 noon on the Interim Closing Date or the Final Closing Date, as the case may be and remaining there until 1:00 p.m. In the event the Purchaser or the Purchaser's lawyer fails to appear or appears and fails to complete the Interim Closing or the Final Closing, as the case may be, such attendance by the Vendor's representative shall be deemed satisfactory evidence that the Vendor is ready, willing and able to complete the same at such time. Payment shall be made by certified cheque, bank draft or money order drawn on any Canadian chartered bank or trust company. Notwithstanding the foregoing, in the event the Purchaser or the Purchaser's lawyer indicates or expresses to the Vendor or his lawyer, on or before the Interim Closing Date and the Final Closing Date, as applicable, that the Purchaser is unable or unwilling to complete the Interim Closing or the Final Closing, as the case may be, the Vendor is relieved of any obligation to make any formal tender upon the Purchaser or the Purchaser's lawyer and may exercise forthwith any and all of its right and remedies provided for in this Agreement and at law.

31. CAUSE OF ACTION

The Purchaser shall not have any claim or cause of action as a result of any matter or thing arising under or in connection with this Agreement against any person other than the Vendor named in this Agreement and no recourse for recovery on such claim or cause of action except to the Lands only.

32. CONDITIONS

This Agreement is conditional to the Interim Closing Date upon each of the following:

- (a) the Vendor being satisfied, in its sole and absolute discretion, that it will be willing and able to comply with any conditions of site plan approval and/or development agreement;
- (b) receipt by the Vendor of all necessary building permits and of draft plan of Condominium approval for the Condominium free of any conditions which are, in the Vendor's sole and absolute discretion, unduly onerous or unacceptable for any reason;
- (c) the Vendor being satisfied, in its sole and absolute discretion of the ability of the Purchaser to pay the deposit monies, and the balance of the Purchase Price on the Interim or Final Closing Date, as the case may be; and
- (d) the registration by the Vendor of the Declaration Documents on title to the Lands.

Each of the foregoing conditions are for the benefit of the Vendor only and may be waived by the Vendor at any time. The conditions shall be deemed to have been waived by the Vendor in the event that the Vendor does not give notice to the contrary to the Purchaser or the Purchaser's lawyer at any time prior to the Interim Closing Date. In the event that the Vendor gives notice to the Purchaser or the Purchaser's lawyer at any time prior to the Interim Closing Date that anyone or more of the conditions have not been satisfied, this Agreement shall be terminated and the Vendor shall return to the Purchaser all deposit monies paid by the Purchaser under this Agreement, except for amounts paid for any changes or extras ordered by the Purchaser and any other amounts which may be retained by the Vendor pursuant to this Agreement.

33. NOTICE

Any notice given pursuant to the terms of this Agreement shall be deemed to have been properly given if it is in writing and is delivered by hand, ordinary prepaid post or facsimile to the attention of the Purchaser or to the Purchaser's lawyer to their respective address indicated herein or to the address of the Unit after the Interim Closing Date and to the Vendor's lawyer at the address indicated in this Agreement or such other address as may from time to time be given by notice in accordance with the foregoing. Such notice shall be deemed to have been received on the day it was delivered by hand on the business day immediately following the day of receipt by facsimile and on the third business day following the day of mailing. Notice shall not be delivered by mail in the event of suspension of postal service or threatened postal disruption.

34. PLANNING ACT

This Agreement is conditional upon compliance with the subdivision provisions of the Planning Act and any amendments thereto.

35. LEASE OF UNITS

The Vendor may from time to time lease any and all unsold units in the Condominium for residential purposes and this paragraph shall constitute notice to the Purchaser pursuant to the Act.

36. POWER OF ATTORNEY

- (a) In accordance with the provisions of the Powers of Attorney Act, the Purchaser hereby confirms and agrees that each and every power of attorney granted by the Purchaser in this Agreement may be exercised by the donee during any subsequent legal incapability 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 Title Office in which the Condominium is registered, 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); and
- (d) the Purchaser hereby irrevocably authorizes and directs all credit agencies and other relevant institutions (including financial institutions) to release to the Vendor all reports and information regarding the Purchaser's credit and financial ability from time to time as the Vendor may request from time to time. The Purchaser covenants and agrees

to forthwith provide such further authorization, directions and other documentation as such institutions or agencies may require from time to time. The Purchaser hereby irrevocably nominates constitutes and appoints the Vendor or any representative of the Vendor to be and act as the Purchaser's attorney in his place and stead for the purposes of executing and delivering such aforementioned documentation.

37. GENERAL

- (a) The Vendor and the Purchaser shall deliver to each other, a statutory declaration on the Final Closing Date that they are not a non-resident of Canada within the meaning of the Tax Act;
- (b) the Vendor and Purchaser shall pay the costs of registration of their respective documents and any tax in connection therewith;
- (c) the Offer presented through this Agreement, when accepted, shall constitute a binding contract of purchase and sale subject only to the expiration of the rescission period in the Act, and time shall in all respects be of the essence hereof;
- (d) there is no representation, warranty, guarantee, collateral agreement or condition affecting this Agreement, the Condominium or the Unit other than as expressly provided for in this Agreement;
- (e) this Agreement is to be read with all changes of gender or number required by the context and the terms, provisions and conditions hereof shall be for the benefit of and be binding upon the Vendor and the Purchaser, and as the context of this Agreement permits, their respective heirs, personal representatives, estate trustees, executors, administrators, successor and assigns;
- (f) this Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.
- (g) the headings of this Agreement form no part hereof and are inserted for convenience of reference only; and
- (h) each of the Provisions of this Agreement shall be deemed independent and severable, and the invalidity or unenforceability in whole or in part of any one or more of such provisions shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Agreement, and in such event all the other provisions of this Agreement shall continue in full force and effect as if such invalid provision had never been included herein.

SCHEDULE 3
TERMS OF OCCUPANCY LICENCE

1. During the Interim Occupancy Period, the Purchaser shall pay to the Vendor the Occupancy Licence Fee, equal to the total of the following:
 - (a) interest calculated on a monthly basis on the unpaid balance of the purchase price at the rate equal to chartered bank administration rate from one year conventional residential mortgages, unless otherwise prescribed by the Regulations under the Act;
 - (b) an amount reasonably estimated by the Vendor on a monthly basis for municipal realty taxes attributable by the Vendor to the Unit; and
 - (c) the projected monthly contribution for the Unit toward Common Expenses.
2. The Occupancy Licence Fee shall be payable on the first day of each month in advance during the Interim Occupancy Period, no part of which shall be credited as payment on account of the Purchase Price, but which payments shall be a charge for occupancy only. If the Interim Closing Date is not the first day of the month, the Purchaser shall pay on the Interim Closing Date a pro rata amount for the balance of that month. The Purchaser shall deliver to the Vendor on or before the Interim Closing Date a series of twelve (12) post-dated cheques as required by the Vendor for payment of the estimated monthly Occupancy Licence Fee. The Occupancy Licence Fee may be recalculated by the Vendor from time to time based on revised estimates of the items which may be taken into account in the calculation thereof and the Purchaser shall pay to the Vendor such revised Occupancy Licence Fee upon notice thereof from the Vendor. With respect to realty taxes, the Purchaser agrees that the amount estimated by the Vendor to be attributed to the Unit shall be subject to recalculation based upon the real property tax assessment or reassessment of the Unit and/or Condominium issued by the municipality before or after the Final Closing Date and the municipal tax rate applicable thereto as at the date such assessment or reassessment is issued. The Occupancy Licence Fee shall thereupon be recalculated by the Vendor and any amount owing by one party to the other shall be paid upon demand.
3. The Purchaser shall be allowed to remain in occupancy of the Unit during the Interim Occupancy Period provided the terms of the Occupancy Licence and this Agreement have been observed and performed by the Purchaser. In the event the Purchaser breaches the terms of the Occupancy Licence the Vendor in its sole discretion and without limitation of any other rights a remedies provided for in this Agreement or the Act may terminate this Agreement and revoke the Occupancy Licence pursuant to paragraph 26 of Schedule 2 to this Agreement whereupon the Purchaser shall be deemed a trespasser and shall give up vacant possession forthwith. The Vendor may take whatever steps it deems necessary to obtain vacant possession including an action for possession issued in the Ontario Superior Court, and the Purchaser shall reimburse the Vendor for all costs it may incur, including costs of said action on a substantial indemnity basis.
4. Prior to the time that the Purchaser takes possession of the Unit, the Purchaser shall execute and deliver to the Vendor any documents, directions, acknowledgments, assumption agreements or any and all other documents required reasonably by the Vendor pursuant to this Agreement.
5. The Purchaser shall pay the Occupancy Licence Fee monthly during the Interim Occupancy Period and the Vendor shall return any unused post-dated Occupancy Licence Fee cheques to the Purchaser on or shortly after the Final Closing Date.
6. During the Interim Occupancy Period the Purchaser shall maintain the Unit in a clean and sanitary condition and shall not make any alterations, improvements or additions thereto without the prior written approval of the Vendor which may be unreasonably withheld. The Purchaser shall be responsible as and from the date of Interim Occupancy for all public utilities and private services delivered to the Unit, or other charges and expenses billed directly to the occupant of the Unit by the supplier of such services and such charges and expenses shall not be the responsibility of the Corporation.
7. The Purchaser's occupancy of the Unit shall be governed by the provisions of the Condominium Documents and the provisions of this Agreement. The Unit shall be occupied and used for residential purposes only and as provided for in the Disclosure Statement and Declaration.
8. The Vendor covenants to proceed with all due diligence to register the Condominium Documents. If the Vendor for any reason whatsoever is unable to register the Condominium Documents and therefore is unable to deliver a registerable Transfer/Deed to the Purchaser on or before the 31st day of December, 2006 the Purchaser or Vender shall have the right after said date to declare, on giving 60 days written notice to the other, that this Occupancy Licence and this Agreement, notwithstanding any intervening act or negotiations, will be terminated. Upon termination of the Occupancy Licence, the Purchaser shall give up vacant possession of the Unit and pay the Occupancy Licence Fee to such date of termination, after which all moneys paid by the Purchaser on account of the Purchase Price, except for amounts paid for any changes or extras ordered by the Purchaser, shall be returned to the Purchaser subject to any repair and redecorating expenses incurred by the Vendor to restore the Unit to its original state of occupancy, reasonable wear

and tear excepted. The Purchaser agrees to provide the Vendor with a release of this Agreement in the Vendor's standard form on or before such date of termination.

9. The Vendor and the Purchaser covenant and agree, notwithstanding the taking of possession, that all terms of the Occupancy Licence continue to be binding upon them and that the Vendor may enforce the provisions of the Occupancy Licence separate and apart from any other provisions of this Agreement.

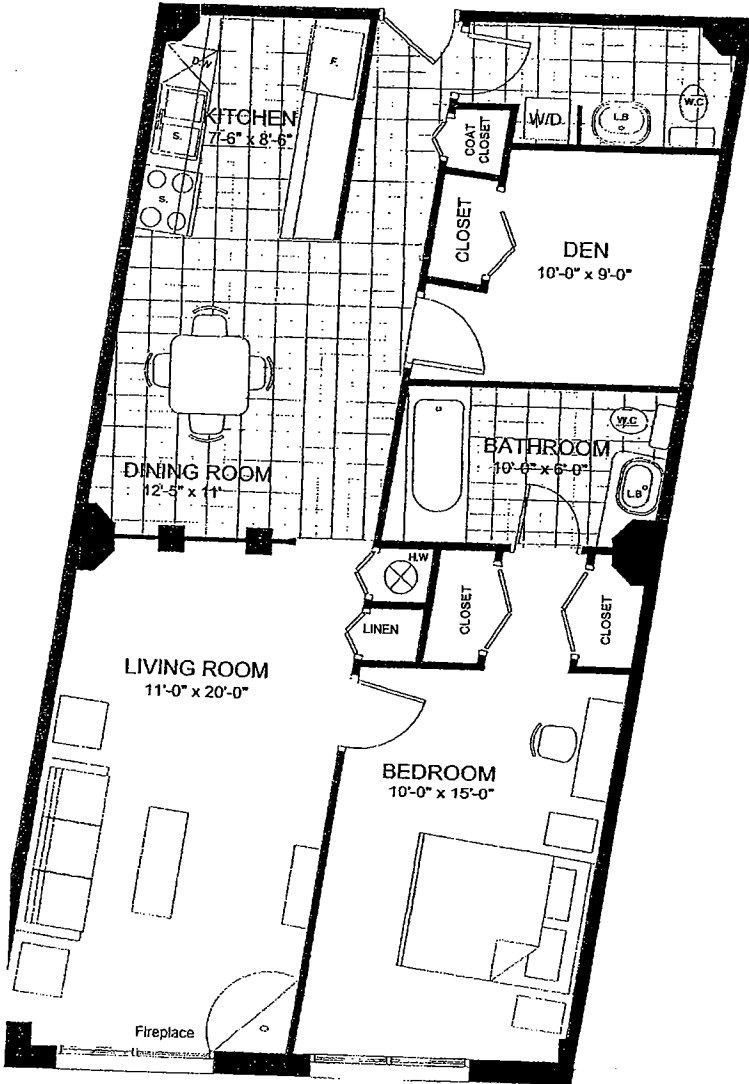
10. The Purchaser acknowledges that the Vendor holds a fire insurance policy on the Condominium only and not on any improvements or betterments made by or on behalf of the Purchaser in or to the Unit. It is the responsibility of the Purchaser, after the Interim Closing Date, to insure such improvements or betterments and to replace same if they are removed, damaged or destroyed. The Vendor is not liable for any loss by the Purchaser occasioned by fire, theft or other casualty, unless caused by the Vendor's negligent conduct.

11. The Purchaser agrees to indemnify the Vendor for all losses, costs and expenses incurred whatsoever as a result of the Purchaser's use of the Unit or the Condominium, or by reason of injury to any person or property in or upon the Unit or the Condominium resulting from the negligence of the Purchaser, members of the Purchaser's family and the Purchaser's servants, agents, tenants, invitees, contractors and licensees. The Purchaser agrees that should the Vendor elect to repair or redecorate all or any part of the Unit or the Condominium as a result of the Purchaser's use of the Unit or Condominium, the Purchaser will immediately reimburse the Vendor for the cost of doing same. The determination of need for such repairs or redecoration shall be at the discretion of the Vendor and such costs may be added to the Purchase Price.

12. The Purchaser shall not have the right to assign, sublet or in any other manner dispose of or convey an interest in this Occupancy Licence during the Interim Occupancy Period without the prior written consent of the Vendor and, if applicable, any mortgagee, which consent may be arbitrarily withheld. The Purchaser acknowledges that an administrative fee of \$350.00 will be payable to the Vendor each time the Purchaser requests the consent of the Vendor to any assignment, sublet, disposition of or conveyance of an interest in this Occupancy Licence during the Interim Occupancy Period. Notwithstanding any such assignment, sublet, disposition or conveyance, the Purchaser shall continue to be bound by the terms of this Agreement.

13. The provisions of this Agreement, unless expressly modified by the terms of this Occupancy Licence, shall be deemed to form an integral part of this Occupancy Licence. In the event the Vendor elects to terminate this Occupancy Licence pursuant to this Agreement following substantial damage to the Unit and/or the Condominium, the Occupancy Licence shall terminate forthwith upon notice from the Vendor to the Purchaser. If the Unit and/or the Condominium can be repaired within a reasonable time following damage as determined by the Vendor (but not, in any event, to exceed 180 days) and the Unit is, during such period of repair uninhabitable, the Vendor shall proceed to carry out the necessary repairs to the Unit and/or the Condominium with all due diligence and the Occupancy Licence Fee shall abate during the period the Unit remains uninhabitable; otherwise, the Purchaser shall vacate the Unit and deliver up vacant possession to the Vendor and all moneys, to the extent provided for in paragraph 26 of Schedule 2 to this Agreement (excluding the Occupancy Licence Fee paid to the Vendor) shall be returned to the Purchaser. It is understood and agreed that the proceeds of all insurance policies held by the Vendor are for the benefit of the Vendor alone.

14. The transfer of title to the Unit shall take place on the Final Closing Date upon which date, unless otherwise expressly provided for hereunder, the Occupancy Licence shall be terminated.



The Victoria - B

903 Sq. Ft.

UNITS 107, 207, 307

Powder/laundry room

Den

Separate dining room

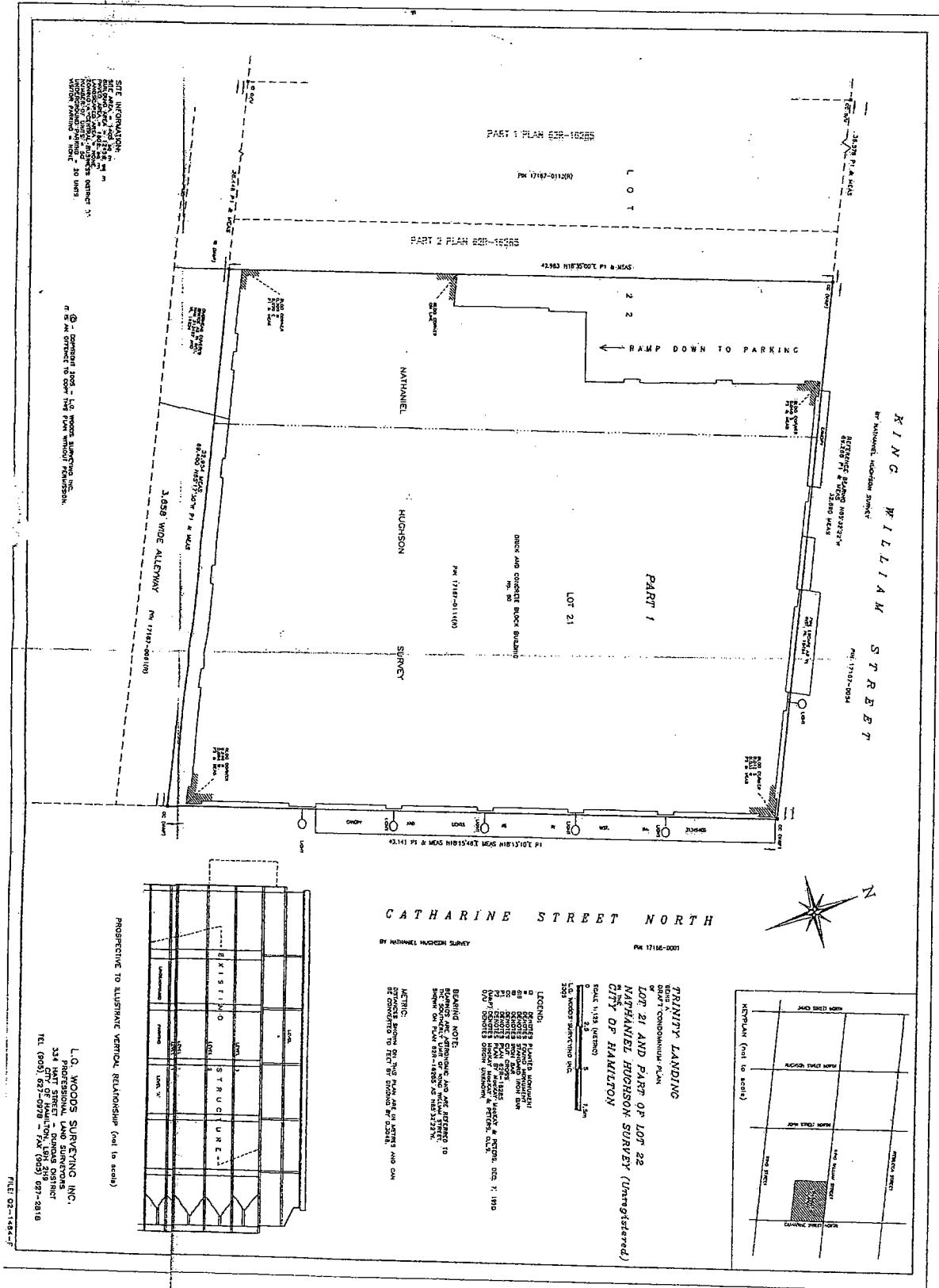
Large living room 11x20

Master bedroom/his&her closets/ensuite

* High ceiling

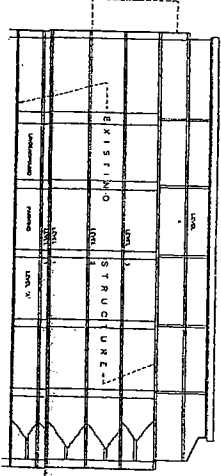
Dimensions are approximate and subject to change without notice.
1st floor 12'5" approx., 3rd floor 12'1" approx..

SCHEDULE 5
SITE PLAN



SITE INFORMATION:
 1. THIS SITE PLAN IS A PRELIMINARY PLAN AND IS NOT TO BE USED FOR CONSTRUCTION.
 2. THE PROPOSED BUILDING IS TO BE CONSTRUCTED IN ACCORDANCE WITH THE ZONING BY-LAW.
 3. THE PROPOSED BUILDING IS TO BE CONSTRUCTED IN ACCORDANCE WITH THE ZONING BY-LAW.
 4. THE PROPOSED BUILDING IS TO BE CONSTRUCTED IN ACCORDANCE WITH THE ZONING BY-LAW.
 5. THE PROPOSED BUILDING IS TO BE CONSTRUCTED IN ACCORDANCE WITH THE ZONING BY-LAW.

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 ALL RIGHTS RESERVED

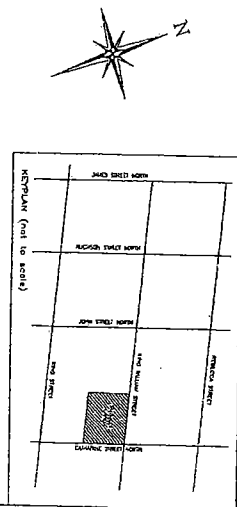


PROSPECTIVE TO ILLUSTRATIVE VERTICAL RELATIONSHIP (NOT TO SCALE)

L.O. WOODS SURVEYING INC.
 334 HART STREET - Oshawa, Ontario
 TEL: (905) 653-0728 FAX: (905) 627-2818

FILE: 02-154-F

CATHARINE STREET NORTH
 BY NATHANIEL HUDSON SURVEY
 PR 1716-001



PRINITY LANDING
 DATE: 1/11/17
 DRAWN BY: [Name]
 CHECKED BY: [Name]
 LOT 21 AND PART OF LOT 22
 NATHANIEL HUDSON SURVEY (Unregistered)
 CITY OF HAMILTON

SCALE: 1:125 (VERTICAL)
 SCALE: 1:125 (HORIZONTAL)
 NORTH ARROW

- LEGEND:**
- 1. EXISTING BUILDING FOOTPRINT
 - 2. EXISTING DRIVEWAY
 - 3. EXISTING SIDEWALK
 - 4. EXISTING CURB
 - 5. EXISTING PAVEMENT
 - 6. EXISTING ASPHALT
 - 7. EXISTING CONCRETE
 - 8. EXISTING BRICK
 - 9. EXISTING STONE
 - 10. EXISTING METAL
 - 11. EXISTING WOOD
 - 12. EXISTING GLASS
 - 13. EXISTING PLASTER
 - 14. EXISTING GYPSUM
 - 15. EXISTING LIME
 - 16. EXISTING SAND
 - 17. EXISTING GRAVEL
 - 18. EXISTING SOIL
 - 19. EXISTING ROCK
 - 20. EXISTING VEGETATION
 - 21. EXISTING TREES
 - 22. EXISTING SHRUBS
 - 23. EXISTING HERBS
 - 24. EXISTING FLOWERS
 - 25. EXISTING FRUIT
 - 26. EXISTING SEEDS
 - 27. EXISTING SPORES
 - 28. EXISTING BACTERIA
 - 29. EXISTING FUNGI
 - 30. EXISTING ALGAE
 - 31. EXISTING LICHENS
 - 32. EXISTING MOSS
 - 33. EXISTING MUSHROOMS
 - 34. EXISTING MANTLES
 - 35. EXISTING MYCELIUM
 - 36. EXISTING SPORES
 - 37. EXISTING FRUITING BODIES
 - 38. EXISTING SPORES
 - 39. EXISTING FRUITING BODIES
 - 40. EXISTING SPORES
 - 41. EXISTING FRUITING BODIES
 - 42. EXISTING SPORES
 - 43. EXISTING FRUITING BODIES
 - 44. EXISTING SPORES
 - 45. EXISTING FRUITING BODIES
 - 46. EXISTING SPORES
 - 47. EXISTING FRUITING BODIES
 - 48. EXISTING SPORES
 - 49. EXISTING FRUITING BODIES
 - 50. EXISTING SPORES

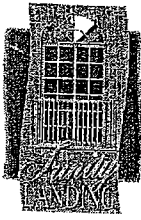
BEARING NOTE:
 BEARINGS AND DISTANCES ARE REFERRED TO
 BEARINGS ARE REFERRED TO AS TRUE BEARINGS
 UNLESS OTHERWISE SPECIFIED.
 DISTANCES ARE REFERRED TO AS TRUE DISTANCES
 UNLESS OTHERWISE SPECIFIED.

METRIC:
 DIMENSIONS SHOWN ON THIS PLAN ARE IN METERS AND CM
 BE CONVERTED TO FEET BY DIVIDING BY 0.3048.

SCHEDULE 6

INCLUSIONS IN THE UNIT OR COMMON ELEMENTS,
FINISHES AND SPECIFICATIONS

The Purchaser acknowledges that only the items set out in this Schedule are included with the Unit or the Common Elements and as part of the Purchase Price and that furnishings, decor, improvements, drapes, tracks and wall coverings in the model suite(s), if any, are for display purposes only and are not included in the Purchase Price. The Purchaser shall have choice of colours and design from Vendor's samples with respect to ceramic tiles, paint, kitchen cabinets, counter-tops and flooring, provided selection is made within 10 days of request from the Vendor and provided that items listed are not already installed or ordered and provided further that they are available at the time of choice. The Vendor will not be responsible for any colour errors by suppliers. The Vendor reserves the right to substitute alternative materials, colours and fixtures of equal or better quality. Any changes to plans and specifications requested after this Agreement, or during construction are to be acknowledged by the Purchaser, with appropriate cost adjustment, before same changes will be effected. The Vendor reserves the right to refuse any changes. The Vendor will request payment for the cost of any changes at the time same is requested. In the event that colours and/or finishing chosen by the Purchaser for the interior of the Unit subsequently become unavailable, the Purchaser agrees to re-attend with the Vendor to choose from substitute colours and/or finishings. If the Purchaser fails to choose colours or finishing or fails to make any selection or determination required of the Purchaser within 7 days, the Vendor may choose the colours and finishing for the Purchaser and the Purchaser agrees to accept the Vendor's selections.



AGREEMENT OF PURCHASE AND SALE

1. ^{CPO} Robert Barry Peter Turkotte & Pamela Jane Caroline Diosis
(Name(s) of Purchaser(s))

(the "Purchaser") hereby agrees with 1539304 Ontario Inc., operating as Trinity Landing (the "Vendor") to purchase Unit 2166, Level Four, Suite 411 as shown on the copy of the plan attached as Schedule 4, being shown on the copy of the site plan attached as Schedule 5 together with its appurtenant common elements and (where applicable) the Parking Unit Number P2 (collectively, the "Unit") on the lands described in Schedule 1 hereto (the "Lands") on the terms of this Agreement. RD MT

2. PURCHASE PRICE

The purchase price of the Unit shall be Two Hundred Sixty Six Thousand Nine Hundred dollars (\$ 266,900) in lawful money of Canada (the "Purchase Price"), payable as follows: RD MT

(a) the sum of ONE THOUSAND DOLLARS (\$1,000.00) cheque payable to the Vendor's lawyers, Messrs. Burns, Vasan, ~~Jimberis~~ Vitmir LLP, in trust, to be delivered by the Purchaser to the Vendor with the copies of this Agreement executed by the Purchaser, as a deposit to be held by the said solicitors pending completion or other termination of this Agreement and to be credited against the Purchase Price, on closing; RD MT

(b) the following additional deposits each by cheque payable to the said solicitors in trust postdated as follows: RD MT

- (i) \$5,000.00 due within 15 days of the date of acceptance of this Agreement;
- (ii) \$5,000.00 due within 45 days of the date of acceptance of this Agreement.

iii 5,200 payable to 1539304 ONTARIO INC. TRINITY LANDING ON SEPT 2006
All said cheques to be delivered to the Vendor with the copies of this Agreement executed by the Purchaser. The Vendor shall cause its said solicitors to hold all deposit monies in a separate trust account in a Chartered Bank in Ontario pending completion or other termination of this Agreement and to be credited on account of the purchase price on final closing. Where any of the deposit cheques is uncertified and is not honoured by the Drawee, then the purchaser shall be conclusively deemed to be in default under the Agreement, and at its option, the Vendor may declare all deposit monies already received by it as forfeited; RD MT

(c) the balance of the Purchase Price by certified funds, payable to the Vendor's solicitor subject to adjustments as specified in Schedule 2 hereof, on the Final Closing Date;

3. OCCUPANCY DATE

The Interim Closing Date shall occur on NOVEMBER 14 2006 or such extended or earlier date as may be determined by the Vendor in accordance with this Agreement. The Interim Closing Date is a tentative date by which the Vendor anticipates the Unit will be ready for occupancy by the Purchaser but which date may be varied by the Vendor in accordance with the provisions of this Agreement. RD MT

4. FINAL CLOSING DATE

Title to the Unit shall be transferred on the Final Closing Date, being a date subsequent to the Interim Closing Date and established by the Vendor in accordance with this Agreement

5. SCHEDULES

Schedules 1 to 6 inclusive attached hereto and any amendments or addenda thereto shall form part of this Agreement. RD MT

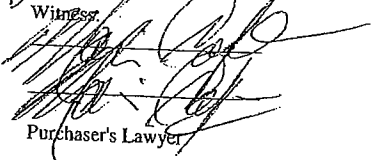
6. ACKNOWLEDGMENT

The Purchaser acknowledges having read this Agreement and all Schedules, amendments and addenda hereto.

7. ACCEPTANCE

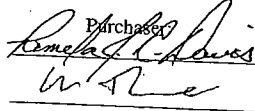
Delivery to the Vendor of copies of this Agreement executed by the Purchaser shall constitute an offer irrevocable by the Purchaser until 5:00 p.m. on the 5th day after the date of delivery of the same by the Purchaser and if this Agreement is not executed by the Vendor by such time, such offer shall be considered to have been withdrawn by the Purchaser and the deposit shall be returned to the Purchaser without interest.

Copies of this Agreement have been executed by the Purchaser and delivered to the Vendor on the 21 day of June, 2006

Witness


Purchaser's Lawyer

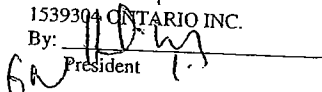
Telephone: _____
Fax: _____

Purchaser


Purchaser's Address:
118 Beland St
Hamilton, ON
L8S 3A7
Telephone: 905-746-2810
Fax: _____

Copies of this Agreement have been executed by the Vendor on the 17 day of June, 2006

Vendor's Lawyer:
Burns, Vasan, Limberis, Vitulli LLP
Barristers & Solicitors
305 - 21 King Street West
Hamilton, Ontario
L8P 4W7
Tel: (905) 522-1382
Fax: (905) 522-0855

1539304 ONTARIO INC.
By: 
President

I have the authority to bind the corporation.

R. SRINI VASAN



SCHEDULE 1
LEGAL DESCRIPTION OF LANDS

P.I.N. 17167 - 0115 L.T.
being, 80 King William Street, Hamilton, Ontario
Lot 21, Part Lot 22, Nathaniel Hughson Survey
(unregistered), south side of King William Street,
between John Street and Catharine Street, being
Part 1 on 62R -16706, City of Hamilton

Mr. RD

SCHEDULE 2
ADDITIONAL TERMS OF AGREEMENT

1. DEFINITIONS

The words and phrases used in this Agreement and the Schedules, amendments and addenda to this Agreement shall each have the meaning provided for in the Condominium Act, 1998 and any amendments thereto unless otherwise provided for elsewhere in this Agreement or as follows:

- (a) "Act" shall mean the Condominium Act, 1998 of Ontario;
- (b) "Agreement" shall mean this Agreement of Purchase and Sale and all Schedules, amendments and addenda to this Agreement;
- (c) "Condominium" shall mean the proposed Condominium Plan and the Condominium Corporation to be created upon the registration of its Condominium Documents on title to the Lands and the building(s) constructed or to be constructed on the Lands;
- (d) "Condominium Documents" shall mean the Declaration, Description and By-Laws by which the Corporation is intended to be created and organized;
- (e) "Corporation" shall mean the corporation created upon registration of the Declaration and the Description;
- (f) "Interim Occupancy Period" shall mean the period of time, if any, from and including the Interim Closing Date to the Final Closing Date;
- (g) "Lands" shall mean the lands described in Schedule 1 hereto;
- (h) "Occupancy Licence" shall mean the licence granted to the Purchaser to occupy the Unit during the interim occupancy period, in accordance with the provisions of Schedule 3 attached;
- (i) "Occupancy Licence Fee" shall mean the sum of money payable monthly in advance by the Purchaser to the Vendor during the Interim Occupancy Period, calculated in accordance with this Agreement and the Act;
- (j) "Property" shall mean the Lands and interests appurtenant to the Lands as described in the Description; and
- (k) "Unit" shall mean the unit or the proposed unit in the Condominium.

2. DEPOSIT MONIES

In accordance with the Act, all monies received from the Purchaser on account of this Agreement, other than monies paid as the Occupancy Licence Fee or for upgrades, changes or extras ordered by the Purchaser, shall be held in trust until its disposition to the person entitled thereto or delivery of prescribed security to the Purchaser for repayment, in accordance with the Act. The Vendor shall credit the Purchaser on the Final Closing Date with interest at the rate prescribed pursuant to the Act on all such money received by the Vendor on account of the purchase price (excluding extras and upgrades ordered by the Purchaser) from the Interim Occupancy date until the Final Closing Date.

3. ADJUSTMENTS

The balance of the Purchase Price shall be adjusted on the Interim Closing Date, or on the Final Closing Date, or as may be required by the Vendor, as to all prepaid, current or accrued expenses or charges and as to other items required by the terms of this Agreement, which shall include, without limiting the generality of the foregoing the following:

- (a) assessments prepaid or owing or as estimated by the Vendor towards the common expenses; and/or the reserve fund;
- (b) an amount equal to that estimated by the Vendor to be payable by the Purchaser, as a contribution by the Purchaser towards the common expenses and/or the reserve fund equivalent to common expenses for the Unit for a period of two (2) months, which sum shall be paid directly to the Corporation and in the case of common expenses, credited by the Corporation to the Purchaser. Such sum, or part thereof forming part of the reserve fund shall be in addition to any common expenses otherwise payable to the Corporation. The Purchaser agrees to deliver on the Final Closing Date a series of twelve post-dated cheques in an amount estimated by the Vendor to be payable monthly to the Corporation on account of the common expenses for that period of time;
- (c) unearned insurance premiums, and where such insurance is carried by the Corporation, the Purchaser's share of any unearned or accrued premiums determined by the proportion of common interest of the Unit;
- (d) the realty taxes to be estimated by the Vendor for the calendar year in which this Agreement is completed and shall be adjusted as if such sum had been paid by the Vendor notwithstanding that the same may not be by the Interim

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Closing Date or by the Final Closing Date have been levied or paid, subject, however, to readjustment upon the actual amount of said realty taxes being ascertained. 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 the Purchaser. In the event, as on the Final Closing Date, the Condominium is 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 to the Purchaser based upon the common interest of the Unit or alternatively equally among all of the residential units within the Condominium or in such other manner as the Vendor may elect, acting reasonably, at the Vendor's option. At the Vendor's option, realty taxes may not be adjusted until individual unit assessments have been made. Any realty tax re-assessment following the Final Closing Date shall be the responsibility of the Purchaser. All other contributions, rates and charges if not paid by the Vendor on a per unit basis shall be apportioned to the Purchaser in the same manner as provided for above for the apportionment of realty taxes;

- (e) the cost of public utilities or private services (including purchased or rented hot water tank) which if not billed separately may be adjusted by attributing to the Purchaser a share of such cost, as determined by the common interest of the Unit, and any charges paid by the Vendor to a public utility supplier or supplier of private service which may be attributable to the Unit.
- (f) reimbursement to the Vendor for the transaction levy surcharge imposed upon the Vendor by the Law Society of Upper Canada;
- (g) the deposits;
- (h) interest on deposit monies in accordance with the Act and/or this Agreement;
- (i) the Occupancy Licence Fee provided for in Schedule 3 hereto;
- (j) the sum of \$250.00 to cover the legal and administrative fees for the preparation of the Vendor Take-Back Mortgage, if any;
- (k) security deposit of \$250.00 on Interim Closing, to be held by the Vendor, until the purchaser provides proof that he or she has transferred the gas and hydro accounts for the Unit into his or her name as of the Interim Closing date;
- (l) an administrative fee of \$150.00 shall be charged to the Purchaser for any cheque paid for a deposit, the Occupancy Licence Fee or for any upgrades which is returned N.S.F. or upon which a "stop payment" has been ordered, or otherwise not honoured by the financial institution on which such cheque is drawn;
- (m) if the Purchaser is not a resident of Canada for the purposes of the Income Tax Act (the "Tax Act"), the Vendor shall be entitled to withhold and remit to Revenue Canada the appropriate amount of interest payable to the Purchaser on account of the deposit monies paid hereunder, in accordance with the Income Tax Act;
- (n) if any of the adjustments to be made on the Interim Occupancy Date cannot be accurately determined at that time, the Vendor may estimate the adjustment to be made, and a final adjustment shall be made when the same may be accurately determined;
- (o) **UPGRADES AND EXTRAS:** The price for any upgrades or extras requested by the Purchaser shall be paid directly to the Vendor by the Purchaser upon executing the written order for such upgrades or extras. At the option of the Purchaser, the amount so received by the Vendor shall be added to the purchase price on the Statement of Adjustments as an adjustment;
- (p) the Purchaser shall further pay to the Vendor, on closing as an adjustment, an administration and set up fee of \$300.00 in relations to the security for Builder's Warranty referred to in paragraph 9 (c) of the Disclosure Statement.

4. GOODS AND SERVICES TAX

The Goods and Services Tax (the "G.S.T.") payable pursuant to the Excise Tax Act (the "G.S.T. Act") is included in the Purchase Price of units to Purchasers who qualify for rebate of G.S.T. as specified below. The actual monetary consideration for the Unit exclusive of any extras, requested changes, or adjustments (the "Consideration"), is the amount derived by subtracting the G.S.T. payable, less all refunds, credits and rebates available to the Purchaser pursuant to the G.S.T. Act, including, without limiting the generality of the foregoing, the new housing rebate under the G.S.T. Act (the "G.S.T. Rebate"), from the Purchase Price. The Purchaser hereby irrevocably assigns to and in favour of the Vendor any and all rights the Purchaser may have to any rebates, refunds or credits available pursuant to the G.S.T. Act, including without limiting the generality of the foregoing, the G.S.T. Rebate, in the event that the Purchaser qualifies for the G.S.T. Rebate. The Purchaser covenants and agrees that the Purchaser shall immediately following the completion of this Agreement, personally occupy the Unit or cause one or more of the Purchaser's relations (as defined in the G.S.T. Act) to occupy the Unit for such period of time as shall then be required in order to entitle the Purchaser to the G.S.T. Rebate or any such rebates, refunds or credits pursuant to the G.S.T. Act. The Purchaser covenants and agrees to deliver to the Vendor on the Final Closing Date any and all documentation and/or application forms as the Vendor shall request, from time to time, in order to facilitate the aforesaid assignment of G.S.T. rebates, refunds or credits. In the event that the Purchaser shall for any reason fail to qualify for the G.S.T. Rebate, the Purchaser shall indemnify the Vendor in the amount that the Purchaser would have been entitled to had the Purchaser

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so qualified for the G.S.T. Rebate, and in the event that such failure to qualify is known on or before the Final Closing Date, then the full amount of the G.S.T. shall be in addition to the purchase price and credited and paid to the Vendor on closing. Notwithstanding any other provision of this Agreement, the Purchaser acknowledges and agrees that the Purchase Price does not include any G.S.T. payable with respect to any of the adjustments or any extras, requested, changes or upgrades purchased, ordered or chosen by the Purchaser which are not specifically included with the Unit or in the Purchase Price, and the Purchaser covenants and agrees to pay such G.S.T. to the Vendor in accordance with the G.S.T. Act.

5. INTERIM OCCUPANCY

(a) If the Unit is substantially complete and fit for occupancy on the Interim Closing Date, the Purchaser shall occupy the Unit on the Interim Closing Date pursuant to the Occupancy Licence provided for in Schedule 3. In the event substantial completion of the Unit may be delayed for any reason other than the wilful neglect of the Vendor, the Vendor shall be permitted reasonable extensions of time not exceeding in the aggregate 240 days, to substantially complete the Unit and the Interim Closing Date shall be extended accordingly. If the Vendor shall be unable to complete the Unit for occupancy within such reasonable extension of time, all moneys, to the extent provided for in paragraph 25 of this Schedule, shall be returned to the Purchaser, this Agreement shall be terminated and the Vendor shall not be liable to the Purchaser for any damages arising as a result thereof and shall have no further obligation hereunder;

(b) the Vendor shall be entitled upon giving at least 60 days written notice to the Purchaser, to accelerate the Interim Closing Date provided the Unit is substantially complete and fit for occupancy on such earlier date. If the Unit is substantially completed and fit for occupancy by the Interim Closing Date or any acceleration or extension thereof in accordance with this Agreement, the Purchaser shall take interim occupancy of the Unit on that date notwithstanding that the Vendor has not fully completed the Unit or the proposed Common Elements on such date and the Vendor shall complete such outstanding work required by this Agreement within a reasonable time after the Interim Closing Date, having regard to weather conditions and the availability of labour and materials. The Unit shall be deemed to be substantially completed when the interior of the Unit has been finished to permit occupancy. The Purchaser acknowledges that failure to complete the proposed Common Elements on or before the Interim Closing Date shall not be deemed to be a failure to complete the Unit.

6. INSPECTION

The Purchaser agrees to inspect the Unit upon the Vendor's request, with a representative of the Vendor, prior to the Interim Closing Date and to list all mutually agreed upon outstanding, incomplete or apparently defective items in the Unit at the time of inspection, and the Vendor's obligation to complete or rectify work shall thereafter be limited only to those items contained in the said list and except as to those items, the Purchaser shall be deemed to have acknowledged that the Unit has been completed in accordance with this Agreement and the Purchaser shall be deemed conclusively to have accepted the Unit in its condition as at the time of inspection. The inspection by the Purchaser is a condition of the Vendor's obligation to provide occupancy of the Unit to the Purchaser.

7. EXECUTIONS

The Purchaser agrees to provide to the Vendor's Solicitors on the Interim Closing Date an Execution Certificate as of that date confirming that no execution against the individual(s) in whose name(s) title to the Unit is to be taken and further agrees to provide on the Final Closing Date such further clear Execution Certificate a may be required by the Vendor to obtain mortgage advances with respect to the Unit.

8. FINAL CLOSING

Following registration of the Condominium, the Vendor's solicitor shall designate a date not less than 21 days nor more than 90 days after the date of such registration as the Final Closing Date by delivery of written notice of such date to the Purchaser, and the within transaction shall close on the date so designated. The final closing date, in any event, shall be a date not later than the 31st day of December, 2006.

9. RISK

The Unit shall be and remain at the risk of the Vendor until the Final Closing Date. If any part of the Condominium is damaged before the Condominium Documents are registered, the Vendor may in its sole discretion either terminate this Agreement and return to the Purchaser all deposit monies paid by the Purchaser to the Vendor or make such repairs as are necessary to complete this Agreement, it being understood and agreed that all insurance policies and the proceeds thereof are to be for the benefit of the Vendor alone.

10. SEARCH OF TITLE

The Purchaser shall be allowed to the date which is 10 days prior to the Final Closing Date (the "Search Period") to examine title to the Unit at the Purchaser's own expense. If within the Search Period any valid objection to title to the Unit is made in writing to the Vendor which the Vendor may be unable or unwilling to rectify and which the Purchaser will not waive this Agreement shall, notwithstanding any intermediate negotiations in respect of any such, be terminated and the deposit monies, together with the interest to be paid thereon, after deducting any payments due to the Vendor by the Purchaser as provided for in this Agreement, shall be returned to the Purchaser and the Vendor shall have no

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further liability or obligation to the Purchaser and shall not be liable for any costs or damages. Save as to any valid objections to made within the Search Period, the Purchaser shall be deemed to have accepted the title of the Vendor to the Unit. In the event the Purchaser has assumed occupancy of the Unit pursuant to paragraph 5 above, the Purchaser shall vacate and deliver vacant possession of the Unit in good repair and in a tidy condition to the Vendor before becoming entitled to the return of said deposit monies.

11. NAME OF TRANSFEREE

The Purchaser agrees to submit to the Vendor within the Search Period written confirmation as to the manner in which title to the Unit is to be registered, and the Purchaser shall be required to take title to the Unit in the manner so advised unless the Vendor otherwise consents in writing, which consent maybe arbitrarily withheld. If the Purchaser does not submit such confirmation within the Search Period the Vendor shall be entitled to tender a Transfer/Deed on the Final Closing Date with the Transferee therein being the name of the Purchaser as shown in this Agreement. The Purchaser shall be entitled to direct that title to the Unit be taken in the name of the Purchaser's spouse, or a member or members of the Purchaser's immediate family only, but shall not be permitted to direct that title to the Unit be taken in the name of any other party.

12. CONDITION OF TITLE

The Purchaser agrees to accept title to the Unit subject to and to be bound by the following:

- (a) the Condominium Documents in the general form attached to the Disclosure Statement delivered to the Purchaser as set out in Schedule 6;
- (b) any subdivision, development, site plan, condominium or like agreements with the municipality or other governmental authority having jurisdiction, provided always that same do not in the aggregate materially and adversely affect the use of the Unit and the Condominium as a residential or parking unit as the case may be and a residential condominium, respectively;
- (c) any easements, rights-of way, encroachment agreements, heritage agreements, restrictions, conditions or covenants that run with the land and subject to any easements, licences, rights or agreements now registered or to be registered for the installation and maintenance of any public utilities or private services including, without limitation, telephone, hydro, gas, storm and sanitary sewer, water and cable television or master antenna television distribution systems or coaxial cable or fibre-optic installation and any easements and rights of-way which may be required by a municipality or other governmental authority for access through the proposed Common Elements, or with respect to buildings, and any agreement with the Municipality with respect to the bridge connecting the subject building to the building situate on the south side of the alleyway at the rear;
- (d) any restrictions, condition, or warnings imposed by any municipality or other governmental authority contained in any site plan, subdivision, condominium, financial or development agreements;
- (e) temporary or periodic easements in favour of the Declarant and/or its affiliates or assignees for construction of the Condominium, sales of units and/or any development in the vicinity thereof;
- (f) restrictive covenants prohibiting anyone from using the lands and any part thereof for the purposes of the sale, marketing, storage, distribution or handling in bulk of oil or petroleum products, including bulk quantities of gasoline and other motor fuels, lubricants, motor oils, greases and solvents;
- (g) any other matters expressly provided for in this Agreement.

The Purchaser shall satisfy himself as to the due compliance with the provisions of any such agreements or instruments referred to above and shall not require release of the Unit or the Condominium from the same. The Purchaser covenants and agrees to consent to the provisions of any such agreements or instruments referred to above and, if required, to execute all documents and do all things requisite for this purpose, either before or after the Final Closing Date. The Vendor shall be entitled to insert in or to the Transfer to be delivered to the Purchase on the Final Closing Date 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 Final Closing Date, or the Vendor may require that the Purchaser deliver a separate written covenant on the Final Closing Date.

13. HVAC, HOT WATER TANK AND APPLIANCES

- (i) The unit is equipped with a separate HVAC equipment for heating and air conditioning purposes, a hot water tank and a fridge and stove and a dishwasher, and the purchaser agrees that the only warranty that the purchaser will receive with respect to all of said chattels and equipment is the manufacturer's standard warranty,

14. VENDOR'S LIEN

The Purchaser agrees that the Vendor shall have a Vendor's Lien for the unpaid balance of the Purchase Price, if any,

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on the Final Closing Date and the Vendor shall be entitled to register a Notice of Lien on title to the Unit.

15. EXISTING MORTGAGES

The Purchaser acknowledges that the Unit may be encumbered by mortgages which are not intended to be assumed by the Purchaser and that the Vendor shall not be obliged to obtain and register a discharge of any such mortgages which affect the Unit on the Final Closing Date. The Purchaser agrees to accept the Vendor's undertaking to obtain and register a discharge or partial discharge of each such mortgage as soon as reasonably possible after the Final Closing Date subject to the Vendor providing to the Purchaser the following:

- (a) a letter or statement from each such mortgagee confirming the amount required to be paid to such mortgagee to obtain a discharge of each such mortgage from title to the Unit;
- (b) a direction from the Vendor to the Purchaser to pay such amount to such mortgagee on the Final Closing Date by way of certified cheques delivered to Vendor's solicitor; and
- (c) an undertaking from the Vendor or the Vendor's solicitor to deliver such amounts to each such mortgagee and to register the discharge of each such mortgage from title to the Unit upon receipt thereof and to advise the Purchaser or the Purchaser's lawyer of registration thereof.

16. CONSTRUCTION LIENS

The Purchaser acknowledges and agrees that the deposits paid pursuant to this Agreement shall be deemed to be monies held in trust pursuant to the Act, and the Purchaser shall therefore be deemed to be a "home buyer" as defined in the Construction Lien Act and the Purchaser shall not be entitled to request or demand that any holdback for construction liens be maintained for any portion of the purchase price on the Interim Closing Date or on the Final Closing Date.

17. SUBORDINATION OF AGREEMENT

The Purchaser covenants and agrees that this Agreement is subordinate to and postponed to any mortgages arranged by the Vendor and any advances thereunder from time to time, and to any easements, rights-of-way, licenses or other agreements affecting the Condominium. The Purchaser further agrees to consent to and execute all documentation as may be required by the Vendor to give effect to the foregoing and the Purchaser hereby irrevocably appoints the Vendor as the purchaser's attorney to execute any consents or other documents required by the Vendor to give effect to the provisions of this paragraph.

18. NO REGISTRATION OF AGREEMENT

The purchaser covenants and agrees not to register this Agreement or notice of this Agreement or a caution, certificate of pending litigation, Purchaser's Lien, or any other document giving notice of this Agreement against title to the Unit or the Lands and further agrees not to give, register, or permit to be registered any encumbrance against the Unit or the Lands prior to completion of this Agreement. Should the Purchaser be in default of the Purchaser's obligations hereunder, the Vendor may, as agent and attorney of the Purchaser, cause the removal of notice of this Agreement, caution, certificate of pending litigation, Purchaser's Lien, or other document giving notice of this Agreement or any assignment thereof, from the title to the Unit or the Lands. In addition, the Vendor, at its option, shall have the right to declare this Agreement terminated in accordance with the provisions of paragraph 26 of this Schedule. The Purchaser hereby irrevocably consents to a court order removing such notice of this Agreement, any caution, or any other document a instrument whatsoever from title to the Unit or the Lands and the Purchaser agrees to pay all of the Vendor's costs and expenses a obtaining such order (including legal and other fees and expenses actually incurred by the Vendor).

19. PERSONAL USE OF PURCHASER

The Purchaser represents to the Vendor, upon which representation the Vendor has relied in entering into this Agreement, that the Purchaser is purchasing the Unit for the Purchaser's own personal use and not for short term, speculative investment purposes. The Purchaser covenants and agrees with the Vendor not to list for sale, advertise for sale, offer for lease, offer for sale, sell, lease, transfer or assign the interest of the Purchaser under this Agreement at any time prior to the Final Closing Date without prior written consent of the Vendor, which consent may be arbitrarily withheld. In the event the Vendor agrees to consent to the assignment, then the following provisions shall apply to and be deemed to be part of such consent:

- a) This Agreement of Purchase and Sale may be assigned only once and the Assignee shall not have the right to make any further assignments;
- b) The Assignment shall not be for a price less than the Purchase Price as set out in Paragraph 2 above;
- c) The Vendor is to be advised of the Assignment at least 90 days prior to final closing;
- d) If a mortgage is being arranged to finance the purchase of this Property, a copy of the Assignee's approval by the lender shall be provided to the Vendor with notice of the assignment, for the assignment to be effective.
- e) The Purchaser shall remain responsible for the performance of the obligations of the Purchaser under the Agreement of Purchase and Sale up to the closing, notwithstanding the assignment.
- f) The Assignee will enter into a covenant with the Vendor to assume the obligations of the Purchaser

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- contained in the Agreement of Purchase and Sale by signing this form.
- g) The Assignee shall be bound by all acts of the Purchaser up until the date of the assignment including any selections by the Purchaser of colours and materials and for any extras.
 - h) The Vendor shall be paid a consent fee of \$1,500.00 plus GST on notification of the Assignment by the Purchaser.

20. INVESTORS AND GST

In the event the Purchaser is an investor and purchasing the subject unit(s) for rental purposes, the Purchaser shall disclose himself as an investor to the Vendor and any Goods and Services Tax (G.S.T.) payable shall be in addition to the purchase price.

21. NO OBJECTION

The Purchaser covenants and agrees that the Purchaser shall not object to nor oppose any amendment to or change in the zoning and/or site plan and/or draft condominium plan, nor oppose any other applications by the Vendor to any board, tribunal, municipality or other governmental authority relating to the construction and registration of the Condominium, or development on adjoining lands or any other lands owned by the Vendor in the vicinity of the Condominium, if any.

22. NO INTERFERENCE

The Purchaser covenants and agrees that the Purchaser shall not interfere with the completion of any part of the Condominium by the Vendor. Until the Condominium is completed and all units are sold, the Vendor may make such use of the Condominium as may facilitate such completion and sales, including, but not limited to, the maintenance of a sales/rental/administration office and model units, and the display of signs located on the Property.

23. PURCHASER'S COVENANTS, REPRESENTATIONS AND WARRANTIES

The Purchaser's covenants, warranties and obligations contained in this Agreement shall survive the completion of this Agreement and shall remain in full force and effect notwithstanding the transfer of title to the Unit to the Purchaser.

24. SIZE OF UNIT, LAYOUTS OF UNIT AND EXTERIOR ELEVATIONS OF THE BUILDING.

Notwithstanding anything contained in any brochures, drawings, plans, advertisements, or other marketing materials, or any statements made by the Vendor's sales representatives, the Purchaser acknowledges that there is no warranty or representation contained herein on the part of the Vendor as to the area of the Unit. The Purchaser further acknowledges that any dimensions, interior layouts and/or other data shown on such materials are approximate only and that the Purchaser is not purchasing the Unit on a price per square foot basis. Accordingly, the Purchaser shall not be entitled to any abatement or refund of the Purchase Price based on the precise area of the Unit as constructed. The Purchaser further acknowledges that the size of the Unit as represented by the sales literature is measured in accordance with industry standards from the exterior surface of exterior walls, exterior surface of all corridor walls and proposed Common Elements enclosing and abutting the Unit and the center line of walls separating units, and accordingly, such measurements may differ from measurements made using the Unit boundaries set out in the Declaration. Actual usable floor space may vary from the stated floor area.

25. CONSTRUCTION

The Purchaser acknowledges that the Condominium will be constructed substantially in accordance with plans and specifications filed or to be filed with the municipality having jurisdiction. The Purchaser shall have no claim against the Vendor for any higher or better standards of workmanship or materials. The Purchaser agrees that the foregoing may be pleaded by the Vendor as an estoppel in any action brought by the Purchaser or the Purchaser's successors against the Vendor. The Vendor may from time to time, change, vary or modify in its sole discretion or at the instance of any governmental authority, engineer or mortgagee, any elevations, interior layouts or designs, building specifications or site plans of the Condominium to conform with any municipal or architectural requirements related to Building Code, Official Plan or Official Plan Amendments, zoning by-laws, Committee of Adjustment and/or Land Division Committee decision, municipal site plan or condominium plan approval or architectural or heritage control. Such changes may be to the plans and specification as they existed at the time the Purchaser entered into this Agreement or as illustrated in any sales brochures, models or otherwise. With respect to any aspect of construction, finishing or equipment, the Vendor shall have the right, without the Purchaser's consent, to substitute materials for those described in this Agreement or in the plans or specifications, provided substituted materials are in the judgment of the Vendor's architect, whose determination shall be final and binding, of equal or better quality. The Purchaser shall have no claim against the Vendor for any such changes, variances or modifications nor shall the Vendor be required to give notice thereof. The Purchaser hereby consents to any such alterations and agrees to complete this Agreement notwithstanding any such modifications. The Purchaser hereby agrees to pay in advance for any of the changes, which Purchaser initiated or ordered by the Purchaser.

26. RIGHT OF ENTRY

Notwithstanding the occupancy of the Unit by the Purchaser on and after the Interim Closing Date and the Final Closing Date, as applicable, the Vendor or any person, authorized by it shall be entitled at all reasonable times and upon reasonable prior notice to the Purchaser to enter the Unit and the Common Elements in order to make inspections or to do any work or repairs therein or thereon which may be deemed necessary by the Vendor in connection with the Unit or the Common Elements and such right shall be in addition to any rights and easements created under the Act.

27. TERMINATION WITHOUT DEFAULT

(a) In the event this Agreement is terminated through no fault of the Purchaser, all deposit monies paid by the Purchaser towards the Purchase Price, together with any interest to be paid thereon, shall be returned to the Purchaser provided, however, that the Vendor shall not be obligated to return any monies paid by the Purchaser as an Occupancy Licence Fee, for upgrades, changes or extras ordered by the Purchaser; and

(b) in no event shall the Vendor be liable to the Purchaser for any damages or costs whatsoever and without limiting the generality of the foregoing, for any monies paid to the Vendor for upgrades, changes, extras, for any loss of bargain, for any relocating costs, or for any legal or other fees or expenses incurred in relation to this Agreement. This provision may be pleaded by the Vendor as a complete defence to any such claim.

28. PURCHASER'S DEFAULT

Should the Purchaser be in default in any of covenants, representations, warranties, acknowledgments and obligations to be observed or performed under this Agreement including, without limiting, any and all covenants contained in the Occupancy Licence, and should such default continue for 5 days after written notice thereof has been given to the Purchaser by or on behalf of the Vendor, then in addition to any other rights or remedies which the Vendor may have, the Vendor, at its option, shall have the right to declare this Agreement terminated and in such event all deposit monies paid by the Purchaser (including all monies paid to the Vendor with respect to extras or changes to the Unit ordered by the Purchaser) shall be the absolute property of the Vendor, as liquidated damages and not as a penalty and without prejudice to or limiting the rights of the Vendor to claim for damages in excess of the deposit monies so retained by the Vendor. If the Purchaser has taken possession of the Unit, the Purchaser shall immediately vacate the Unit and the Vendor shall be at liberty to sell the Unit with or without re-entry. If the Vendor is required to pay any lien, execution or encumbrance to obtain a mortgage advance, the Purchaser shall reimburse the Vendor for all amounts and costs so paid.

29. MATERIAL CHANGE

In the event there is any change in the interior layout of the Unit or change in the size of the Unit which is a material change as contemplated by the Act, in the sole and unfettered discretion of the Vendor, the Purchaser covenants; and agrees that the Purchaser's sole remedy shall be the rescission rights afforded pursuant to the Act, notwithstanding any rule of law or equity to the contrary. The Purchaser is advised that the Declarant shall have the right to increase or decrease the number of units in the Condominium as set out in the Disclosure Statement, at its sole discretion, provided however that the Unit shall not be materially altered; except as provided for in the Disclosure Statement and provided further that the proportion of common interest and contribution to Condominium Expenses as allocated to the Unit in the Declaration shall not be materially increased. In the event of any such alterations or changes, the Condominium Documents shall be amended accordingly and the Purchaser hereby consents to any such alterations, changes or modifications and agrees to complete this Agreement notwithstanding such alterations, changes or modifications. The Purchaser acknowledges that the Act may be amended or replaced in which event any one or more of the Condominium Documents may not comply with the requirements of such amendment or replacement. The Purchaser acknowledges and agrees that any change or supplement to the Condominium Documents necessitated by or resulting by reason of such amendment or replacement shall not be considered by the Purchaser to be material amendment of the Condominium Documents and the Purchaser agrees to acknowledge receipt of notice of any such change or supplement to the Condominium Documents as of the date of this Agreement.

30. TENDER

The parties waive personal tender and agree that tender, in the absence of any other normally acceptable arrangement shall be validly made by the Vendor upon the Purchaser, by a representative of the Vendor attending at the Land Registry Office in which title to the Condominium is recorded at 12:00 noon on the Interim Closing Date or the Final Closing Date, as the case may be and remaining there until 1:00 p.m. In the event the Purchaser or the Purchaser's lawyer fails to appear or appears and fails to complete the Interim Closing or the Final Closing, as the case may be, such attendance by the Vendor's representative shall be deemed satisfactory evidence that the Vendor is ready, willing and able to complete the same at such time. Payment shall be made by certified cheque, bank draft or money order drawn on any Canadian chartered bank or trust company. Notwithstanding the foregoing, in the event the Purchaser or the Purchaser's lawyer indicates or expresses to the Vendor or his lawyer, on or before the Interim Closing Date and the Final Closing Date, as applicable, that the Purchaser is unable or unwilling to complete the Interim Closing or the Final Closing, as the case may be, the Vendor is relieved of any obligation to make any formal tender upon the Purchaser or the Purchaser's lawyer and may exercise forthwith any and all of its right and remedies provided for in this Agreement and at law.

31. CAUSE OF ACTION

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The Purchaser shall not have any claim or cause of action as a result of any matter or thing arising under or in connection with this Agreement against any person other than the Vendor named in this Agreement and no recourse for recovery on such claim or cause of action except to the Lands only.

32. CONDITIONS

This Agreement is conditional to the Interim Closing Date upon each of the following:

- (a) the Vendor being satisfied, in its sole and absolute discretion, that it will be willing and able to comply with any conditions of site plan approval and/or development agreement;
- (b) receipt by the Vendor of all necessary building permits and of draft plan of Condominium approval for the Condominium free of any conditions which are, in the Vendor's sole and absolute discretion, unduly onerous or unacceptable for any reason;
- (c) the Vendor being satisfied, in its sole and absolute discretion of the ability of the Purchaser to pay the deposit monies, and the balance of the Purchase Price on the Interim or Final Closing Date, as the case may be; and
- (d) the registration by the Vendor of the Declaration Documents on title to the Lands.

Each of the foregoing conditions are for the benefit of the Vendor only and may be waived by the Vendor at any time. The conditions shall be deemed to have been waived by the Vendor in the event that the Vendor does not give notice to the contrary to the Purchaser or the Purchaser's lawyer at any time prior to the Interim Closing Date. In the event that the Vendor gives notice to the Purchaser or the Purchaser's lawyer at any time prior to the Interim Closing Date that anyone or more of the conditions have not been satisfied, this Agreement shall be terminated and the Vendor shall return to the Purchaser all deposit monies paid by the Purchaser under this Agreement, except for amounts paid for any changes or extras ordered by the Purchaser and any other amounts which may be retained by the Vendor pursuant to this Agreement.

33. NOTICE

Any notice given pursuant to the terms of this Agreement shall be deemed to have been properly given if it is in writing and is delivered by hand, ordinary prepaid post or facsimile to the attention of the Purchaser or to the Purchaser's lawyer to their respective address indicated herein or to the address of the Unit after the Interim Closing Date and to the Vendor's lawyer at the address indicated in this Agreement or such other address as may from time to time be given by notice in accordance with the foregoing. Such notice shall be deemed to have been received on the day it was delivered by hand on the business day immediately following the day of receipt by facsimile and on the third business day following the day of mailing. Notice shall not be delivered by mail in the event of suspension of postal service or threatened postal disruption.

34. PLANNING ACT

This Agreement is conditional upon compliance with the subdivision provisions of the Planning Act and any amendments thereto.

35. LEASE OF UNITS

The Vendor may from time to time lease any and all unsold units in the Condominium for residential purposes and this paragraph shall constitute notice to the Purchaser pursuant to the Act.

36. POWER OF ATTORNEY

- (a) In accordance with the provisions of the Powers of Attorney Act, the Purchaser hereby confirms and agrees that each and every power of attorney granted by the Purchaser in this Agreement may be exercised by the donee during any subsequent legal incapability 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 Title Office in which the Condominium is registered, 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); and
- (d) the Purchaser hereby irrevocably authorizes and directs all credit agencies and other relevant institutions (including financial institutions) to release to the Vendor all reports and information regarding the Purchaser's credit and financial ability from time to time as the Vendor may request from time to time. The Purchaser covenants and agrees

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to forthwith provide such further authorization, directions and other documentation as such institutions or agencies may require from time to time. The Purchaser hereby irrevocably nominates constitutes and appoints the Vendor or any representative of the Vendor to be and act as the Purchaser's attorney in his place and stead for the purposes of executing and delivering such aforementioned documentation.

37. GENERAL

- (a) The Vendor and the Purchaser shall deliver to each other, a statutory declaration on the Final Closing Date that they are not a non-resident of Canada within the meaning of the Tax Act;
- (b) the Vendor and Purchaser shall pay the costs of registration of their respective documents and any tax in connection therewith;
- (c) the Offer presented through this Agreement, when accepted, shall constitute a binding contract of purchase and sale subject only to the expiration of the rescission period in the Act, and time shall in all respects be of the essence hereof;
- (d) there is no representation, warranty, guarantee, collateral agreement or condition affecting this Agreement, the Condominium or the Unit other than as expressly provided for in this Agreement;
- (e) this Agreement is to be read with all changes of gender or number required by the context and the terms, provisions and conditions hereof shall be for the benefit of and be binding upon the Vendor and the Purchaser, and as the context of this Agreement permits, their respective heirs, personal representatives, estate trustees, executors, administrators, successor and assigns;
- (f) this Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.
- (g) the headings of this Agreement form no part hereof and are inserted for convenience of reference only; and
- (h) each of the Provisions of this Agreement shall be deemed independent and severable, and the invalidity or unenforceability in whole or in part of any one or more of such provisions shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Agreement, and in such event all the other provisions of this Agreement shall continue in full force and effect as if such invalid provision had never been included herein.

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SCHEDULE 3
TERMS OF OCCUPANCY LICENCE

1. During the Interim Occupancy Period, the Purchaser shall pay to the Vendor the Occupancy Licence Fee, equal to the total of the following:
 - (a) interest calculated on a monthly basis on the unpaid balance of the purchase price at the rate equal to chartered bank administration rate from one year conventional residential mortgages, unless otherwise prescribed by the Regulations under the Act;
 - (b) an amount reasonably estimated by the Vendor on a monthly basis for municipal realty taxes attributable by the Vendor to the Unit; and
 - (c) the projected monthly contribution for the Unit toward Common Expenses.
2. The Occupancy Licence Fee shall be payable on the first day of each month in advance during the Interim Occupancy Period, no part of which shall be credited as payment on account of the Purchase Price, but which payments shall be a charge for occupancy only. If the Interim Closing Date is not the first day of the month, the Purchaser shall pay on the Interim Closing Date a pro rata amount for the balance of that month. The Purchaser shall deliver to the Vendor on or before the Interim Closing Date a series of twelve (12) post-dated cheques as required by the Vendor for payment of the estimated monthly Occupancy Licence Fee. The Occupancy Licence Fee may be recalculated by the Vendor from time to time based on revised estimates of the items which may be taken into account in the calculation thereof and the Purchaser shall pay to the Vendor such revised Occupancy Licence Fee upon notice thereof from the Vendor. With respect to realty taxes, the Purchaser agrees that the amount estimated by the Vendor to be attributed to the Unit shall be subject to recalculation based upon the real property tax assessment or reassessment of the Unit and/or Condominium issued by the municipality before or after the Final Closing Date and the municipal tax rate applicable thereto as at the date such assessment or reassessment is issued. The Occupancy Licence Fee shall thereupon be recalculated by the Vendor and any amount owing by one party to the other shall be paid upon demand.
3. The Purchaser shall be allowed to remain in occupancy of the Unit during the Interim Occupancy Period provided the terms of the Occupancy Licence and this Agreement have been observed and performed by the Purchaser. In the event the Purchaser breaches the terms of the Occupancy Licence the Vendor in its sole discretion and without limitation of any other rights a remedies provided for in this Agreement or the Act may terminate this Agreement and revoke the Occupancy Licence pursuant to paragraph 26 of Schedule 2 to this Agreement whereupon the Purchaser shall be deemed a trespasser and shall give up vacant possession forthwith. The Vendor may take whatever steps it deems necessary to obtain vacant possession including an action for possession issued in the Ontario Superior Court, and the Purchaser shall reimburse the Vendor for all costs it may incur, including costs of said action on a substantial indemnity basis.
4. Prior to the time that the Purchaser takes possession of the Unit, the Purchaser shall execute and deliver to the Vendor any documents, directions, acknowledgments, assumption agreements or any and all other documents required reasonably by the Vendor pursuant to this Agreement.
5. The Purchaser shall pay the Occupancy Licence Fee monthly during the Interim Occupancy Period and the Vendor shall return any unused post-dated Occupancy Licence Fee cheques to the Purchaser on or shortly after the Final Closing Date.
6. During the Interim Occupancy Period the Purchaser shall maintain the Unit in a clean and sanitary condition and shall not make any alterations, improvements or additions thereto without the prior written approval of the Vendor which may be unreasonably withheld. The Purchaser shall be responsible as and from the date of Interim Occupancy for all public utilities and private services delivered to the Unit, or other charges and expenses billed directly to the occupant of the Unit by the supplier of such services and such charges and expenses shall not be the responsibility of the Corporation.
7. The Purchaser's occupancy of the Unit shall be governed by the provisions of the Condominium Documents and the provisions of this Agreement. The Unit shall be occupied and used for residential purposes only and as provided for in the Disclosure Statement and Declaration.
8. The Vendor covenants to proceed with all due diligence to register the Condominium Documents. If the Vendor for any reason whatsoever is unable to register the Condominium Documents and therefore is unable to deliver a registerable Transfer/Deed to the Purchaser on or before the 31st day of December, 2006 the Purchaser or Vendor shall have the right after said date to declare, on giving 60 days written notice to the other, that this Occupancy Licence and this Agreement, notwithstanding any intervening act or negotiations, will be terminated. Upon termination of the Occupancy Licence, the Purchaser shall give up vacant possession of the Unit and pay the Occupancy Licence Fee to such date of termination, after which all moneys paid by the Purchaser on account of the Purchase Price, except for amounts paid for any changes or extras ordered by the Purchaser, shall be returned to the Purchaser subject to any repair and redecorating expenses incurred by the Vendor to restore the Unit to its original state of occupancy, reasonable wear

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and tear excepted. The Purchaser agrees to provide the Vendor with a release of this Agreement in the Vendor's standard form on or before such date of termination.

9. The Vendor and the Purchaser covenant and agree, notwithstanding the taking of possession, that all terms of the Occupancy Licence continue to be binding upon them and that the Vendor may enforce the provisions of the Occupancy Licence separate and apart from any other provisions of this Agreement.

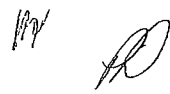
10. The Purchaser acknowledges that the Vendor holds a fire insurance policy on the Condominium only and not on any improvements or betterments made by or on behalf of the Purchaser in or to the Unit. It is the responsibility of the Purchaser, after the Interim Closing Date, to insure such improvements or betterments and to replace same if they are removed, damaged or destroyed. The Vendor is not liable for any loss by the Purchaser occasioned by fire, theft or other casualty, unless caused by the Vendor's negligent conduct.

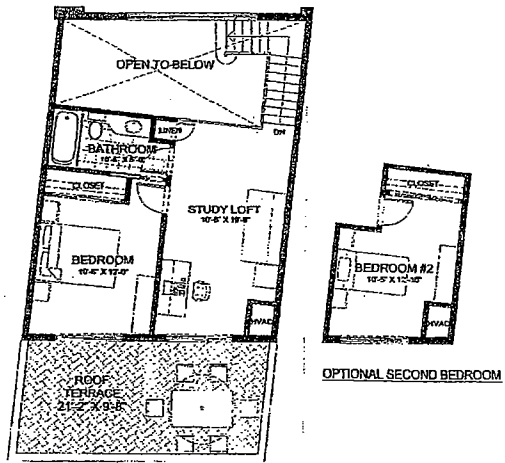
11. The Purchaser agrees to indemnify the Vendor for all losses, costs and expenses incurred whatsoever as a result of the Purchaser's use of the Unit or the Condominium, or by reason of injury to any person or property in or upon the Unit or the Condominium resulting from the negligence of the Purchaser, members of the Purchaser's family and the Purchaser's servants, agents, tenants, invitees, contractors and licensees. The Purchaser agrees that should the Vendor elect to repair or redecorate all or any part of the Unit or the Condominium as a result of the Purchaser's use of the Unit or Condominium, the Purchaser will immediately reimburse the Vendor for the cost of doing same. The determination of need for such repairs or redecoration shall be at the discretion of the Vendor and such costs may be added to the Purchase Price.

12. The Purchaser shall not have the right to assign, sublet or in any other manner dispose of or convey an interest in this Occupancy Licence during the Interim Occupancy Period without the prior written consent of the Vendor and, if applicable, any mortgagee, which consent may be arbitrarily withheld. The Purchaser acknowledges that an administrative fee of \$350.00 will be payable to the Vendor each time the Purchaser requests the consent of the Vendor to any assignment, sublet, disposition of or conveyance of an interest in this Occupancy Licence during the Interim Occupancy Period. Notwithstanding any such assignment, sublet, disposition or conveyance, the Purchaser shall continue to be bound by the terms of this Agreement.

13. The provisions of this Agreement, unless expressly modified by the terms of this Occupancy Licence, shall be deemed to form an integral part of this Occupancy Licence. In the event the Vendor elects to terminate this Occupancy Licence pursuant to this Agreement following substantial damage to the Unit and/or the Condominium, the Occupancy Licence shall terminate forthwith upon notice from the Vendor to the Purchaser. If the Unit and/or the Condominium can be repaired within a reasonable time following damage as determined by the Vendor (but not, in any event, to exceed 180 days) and the Unit is, during such period of repair uninhabitable, the Vendor shall proceed to carry out the necessary repairs to the Unit and/or the Condominium with all due diligence and the Occupancy Licence Fee shall abate during the period the Unit remains uninhabitable; otherwise, the Purchaser shall vacate the Unit and deliver up vacant possession to the Vendor and all moneys, to the extent provided for in paragraph 26 of Schedule 2 to this Agreement (excluding the Occupancy Licence Fee paid to the Vendor) shall be returned to the Purchaser. It is understood and agreed that the proceeds of all insurance policies held by the Vendor are for the benefit of the Vendor alone.

14. The transfer of title to the Unit shall take place on the Final Closing Date upon which date, unless otherwise expressly provided for hereunder, the Occupancy Licence shall be terminated.

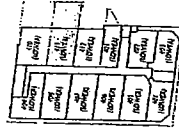




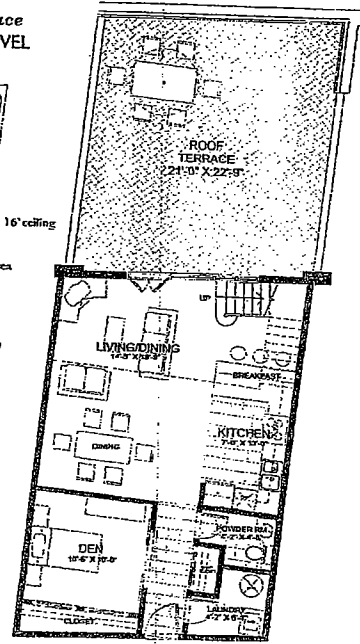
Dimensions are approximate and subject to change without notice.
 Standard features may vary.

The Castle

1,163 Sq. Ft.
 +750 Sq. Ft. Terrace
 UNIT 411 LOWER LEVEL



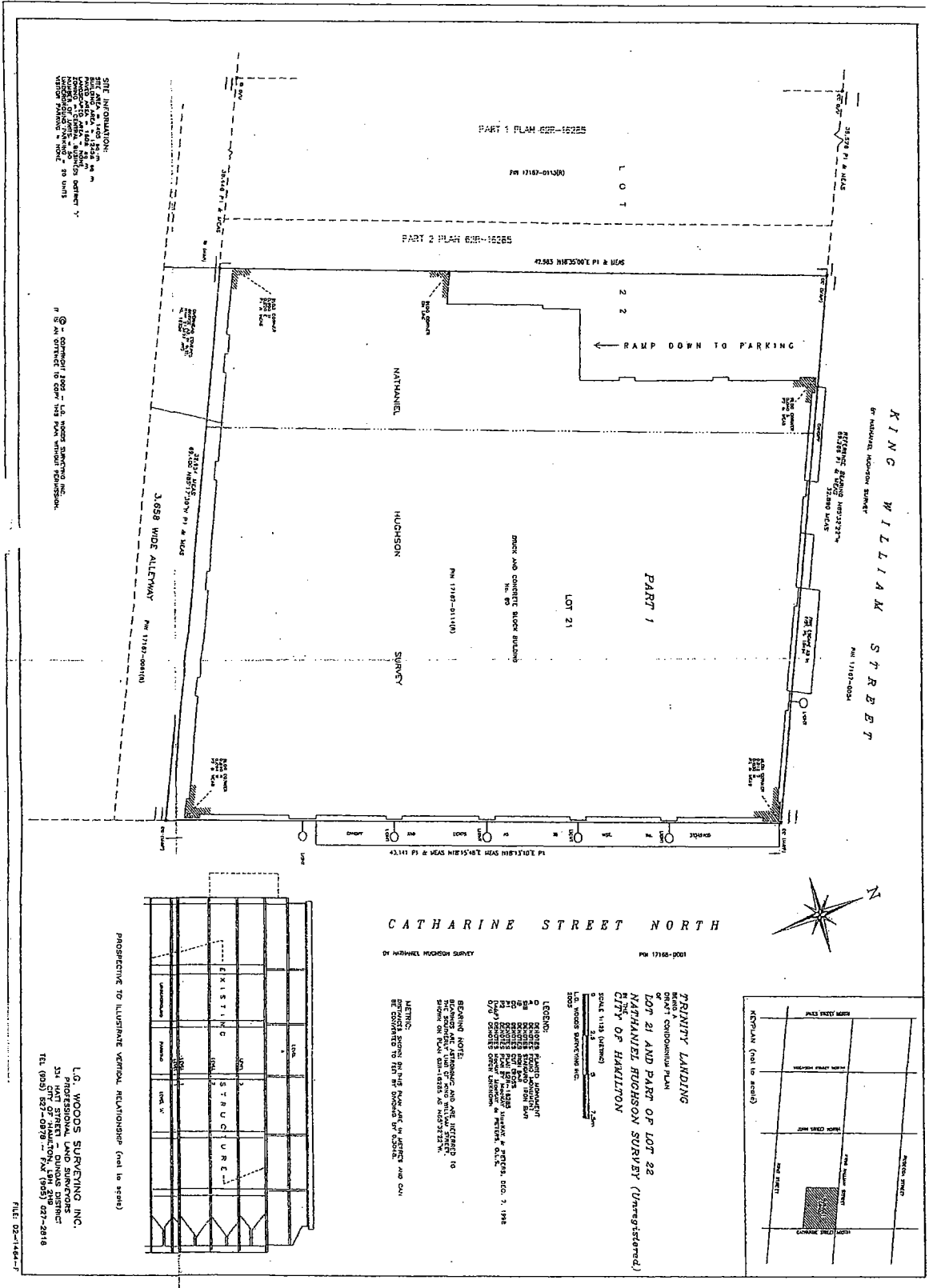
- 2 level open concept unit
- Large living/dining area with 16' ceiling
- Den
- Laundry Room
- Breakfast counter & dining area
- Large terraces on both levels
- Master bedroom with ensuite privilege
- Spacious open study loft
- *411B optional second bedroom



*Some features shown are optional. * All dimensions and sq. ft. are approximate and subject to change without notice.
 At the option of the developer

Handwritten initials/signature.

SCHEDULE 5
SITE PLAN



SITE INFORMATION:
 THIS PLAN AND ALL INFORMATION HEREON IS FOR INFORMATION ONLY AND DOES NOT CONSTITUTE AN OFFER OF ANY FINANCIAL PRODUCT OR SERVICE. THE INFORMATION IS NOT INTENDED TO BE USED AS A BASIS FOR ANY INVESTMENT DECISION. THE INFORMATION IS NOT INTENDED TO BE USED AS A BASIS FOR ANY INVESTMENT DECISION.

PROJECT INFORMATION:
 PROJECT NAME: TRINITY LANDING
 PROJECT ADDRESS: 331 WINT STREET, QUINCY DISTRICT
 PROJECT CONTACT: L.O. WOODS SURVEYING INC.
 PROJECT PHONE: (905) 887-8878

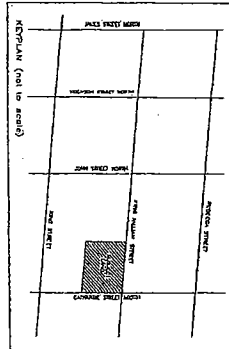
CATHARINE STREET NORTH
 OF NATHANIEL HUGHSON SURVEY
 PLAN NO. 11718-001

TRINITY LANDING
 PART 1
 PART 2
 LOT 21 AND PART OF LOT 22
 NATHANIEL HUGHSON SURVEY (Unregistered)
 CITY OF HAMILTON

LEGEND:
 1. EXISTING PROPERTY BOUNDARY
 2. PROPOSED PROPERTY BOUNDARY
 3. EXISTING BUILDING FOOTPRINT
 4. PROPOSED BUILDING FOOTPRINT
 5. EXISTING DRIVEWAY
 6. PROPOSED DRIVEWAY
 7. EXISTING SIDEWALK
 8. PROPOSED SIDEWALK
 9. EXISTING CURB
 10. PROPOSED CURB
 11. EXISTING STREET LIGHT
 12. PROPOSED STREET LIGHT
 13. EXISTING UTILITY POLE
 14. PROPOSED UTILITY POLE
 15. EXISTING UTILITY LINE
 16. PROPOSED UTILITY LINE
 17. EXISTING TREE
 18. PROPOSED TREE
 19. EXISTING FENCE
 20. PROPOSED FENCE
 21. EXISTING SIGN
 22. PROPOSED SIGN
 23. EXISTING BIKEWAY
 24. PROPOSED BIKEWAY
 25. EXISTING BIKEWAY MARKING
 26. PROPOSED BIKEWAY MARKING
 27. EXISTING BIKEWAY SIGN
 28. PROPOSED BIKEWAY SIGN
 29. EXISTING BIKEWAY LIGHT
 30. PROPOSED BIKEWAY LIGHT
 31. EXISTING BIKEWAY STOP SIGN
 32. PROPOSED BIKEWAY STOP SIGN
 33. EXISTING BIKEWAY YIELD SIGN
 34. PROPOSED BIKEWAY YIELD SIGN
 35. EXISTING BIKEWAY AHEAD SIGN
 36. PROPOSED BIKEWAY AHEAD SIGN
 37. EXISTING BIKEWAY NO LEFT TURN SIGN
 38. PROPOSED BIKEWAY NO LEFT TURN SIGN
 39. EXISTING BIKEWAY NO RIGHT TURN SIGN
 40. PROPOSED BIKEWAY NO RIGHT TURN SIGN
 41. EXISTING BIKEWAY NO U-TURN SIGN
 42. PROPOSED BIKEWAY NO U-TURN SIGN
 43. EXISTING BIKEWAY NO THROUGH SIGN
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 55. EXISTING BIKEWAY NO THROUGH AND NO U-TURN AND NO RIGHT TURN AND NO LEFT TURN SIGN
 56. PROPOSED BIKEWAY NO THROUGH AND NO U-TURN AND NO RIGHT TURN AND NO LEFT TURN SIGN

BEARING NOTE:
 ALL BEARINGS AND DISTANCES ARE REFERRED TO THE NORTH BY THE SURVEYOR'S MAGNETIC DECLINATION OF 11.1° WEST AS OF 2011.01.01.

WARNING:
 THIS PLAN AND ALL INFORMATION HEREON IS FOR INFORMATION ONLY AND DOES NOT CONSTITUTE AN OFFER OF ANY FINANCIAL PRODUCT OR SERVICE. THE INFORMATION IS NOT INTENDED TO BE USED AS A BASIS FOR ANY INVESTMENT DECISION.



L.O. WOODS SURVEYING INC.
 331 WINT STREET
 QUINCY DISTRICT
 TEL: (905) 887-8878 FAX: (905) 887-8816

FILE: 02-142-7

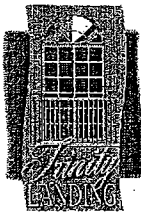
Handwritten initials/signature

SCHEDULE 6

INCLUSIONS IN THE UNIT OR COMMON ELEMENTS,
FINISHES AND SPECIFICATIONS

The Purchaser acknowledges that only the items set out in this Schedule are included with the Unit or the Common Elements and as part of the Purchase Price and that furnishings, decor, improvements, drapes, tracks and wall coverings in the model suite(s), if any, are for display purposes only and are not included in the Purchase Price. The Purchaser shall have choice of colours and design from Vendor's samples with respect to ceramic tiles, paint, kitchen cabinets, counter-tops and flooring, provided selection is made within 10 days of request from the Vendor and provided that items listed are not already installed or ordered and provided further that they are available at the time of choice. The Vendor will not be responsible for any colour errors by suppliers. The Vendor reserves the right to substitute alternative materials, colours and fixtures of equal or better quality. Any changes to plans and specifications requested after this Agreement, or during construction are to be acknowledged by the Purchaser, with appropriate cost adjustment, before same changes will be effected. The Vendor reserves the right to refuse any changes. The Vendor will request payment for the cost of any changes at the time same is requested. In the event that colours and/or finishing chosen by the Purchaser for the interior of the Unit subsequently become unavailable, the Purchaser agrees to re-attend with the Vendor to choose from substitute colours and/or finishings. If the Purchaser fails to choose colours or finishing or fails to make any selection or determination required of the Purchaser within 7 days, the Vendor may choose the colours and finishing for the Purchaser and the Purchaser agrees to accept the Vendor's selections.

Mr
D



AGREEMENT OF PURCHASE AND SALE

JOSEPH Robert Denis Vachon & ERIC Charles Kafka
ETC DV (Name(s) of Purchaser(s))

HP

(the "Purchaser") hereby agrees with 1539304 Ontario Inc., operating as Trinity Landing (the "Vendor") to purchase Unit 2, Level 2, Suite 205 as shown on the copy of the plan attached as Schedule 4, being a proposed unit in a proposed standard freehold condominium located at 80 King William Street, Hamilton, Ontario, shown on the copy of the site plan attached as Schedule 5 together with its appurtenant common elements and (where applicable) the Parking Unit Number _____ (collectively, the "Unit") on the lands described in Schedule 1 hereto (the "Lands") on the terms of this Agreement.

2. PURCHASE PRICE

ER DV HP

The purchase price of the Unit shall be ONE HUNDRED + FIFTY-THREE THOUSAND SEVEN HUNDRED (\$153,800) in lawful money of Canada (the "Purchase Price"), payable as follows:

(a) the sum of ONE THOUSAND DOLLARS (\$1,000.00) cheque payable to the Vendor's lawyers, Messrs. Burns, Vasan, ~~Kim & Vinn~~ LLP, in trust, to be delivered by the Purchaser to the Vendor with the copies of this Agreement executed by the Purchaser, as a deposit to be held by the said solicitors pending completion or other termination of this Agreement and to be credited against the Purchase Price, on closing;

ER DV HP

(b) the following additional deposits each by cheque payable to the said solicitors in trust postdated as follows:

- (i) \$2,140 SEPTEMBER 18 2006
- (ii) ~~\$5,000.00~~ due within ~~45~~ days of the date of acceptance of this Agreement;
- (iii) ~~\$5,000.00~~ due within 45 days of the date of acceptance of this Agreement.

IN ADDITION TO THE ABOVE A FURTHER DEPOSIT OF \$3960 PAYABLE

All said cheques to be delivered to the Vendor with the copies of this Agreement executed by the Purchaser. The Vendor shall cause its said solicitors to hold all deposit monies in a separate trust account in a Chartered Bank in Ontario pending completion or other termination of this Agreement and to be credited on account of the purchase price on final closing. Where any of the deposit cheques is uncertified and is not honoured by the Drawee, then the purchaser shall be conclusively deemed to be in default under the Agreement, and at its option, the Vendor may declare all deposit monies already received by it as forfeited;

(c) the balance of the Purchase Price by certified funds, payable to the Vendor's solicitor subject to adjustments as specified in Schedule 2 hereof, on the Final Closing Date;

3. OCCUPANCY DATE

ER DV HP

The Interim Closing Date shall occur on NOV-28 2006 or such extended or earlier date as may be determined by the Vendor in accordance with this Agreement. The Interim Closing Date is a tentative date by which the Vendor anticipates the Unit will be ready for occupancy by the Purchaser but which date may be varied by the Vendor in accordance with the provisions of this Agreement.

NOTICE SHALL BE GIVEN BEFORE MOVING DATE IF CHANGED. BE A MINIMUM OF 60 DAYS

4. FINAL CLOSING DATE

ER DV HP

Title to the Unit shall be transferred on the Final Closing Date, being a date subsequent to the Interim Closing Date and established by the Vendor in accordance with this Agreement

5. SCHEDULES

ER DV HP

Schedules 1 to 7 inclusive attached hereto and any amendments or addenda thereto shall form part of this Agreement.

SCHEDULE 7 IS TO BE PART OF THIS AGREEMENT

6. ACKNOWLEDGMENT

The Purchaser acknowledges having read this Agreement and all Schedules, amendments and addenda hereto.

7. ACCEPTANCE

ER DV

Delivery to the Vendor of copies of this Agreement executed by the Purchaser shall constitute an offer irrevocable by the Purchaser until 5:00 p.m. on the 5th day after the date of delivery of the same by the Purchaser and if this Agreement is not executed by the Vendor by such time, such offer shall be considered to have been withdrawn by the Purchaser and the deposit shall be returned to the Purchaser without interest.


THE DEVELOPER WARRANTS ALL WORKMANSHIP FOR ANY DEFICIENCIES IN QUALITY OF WORKMANSHIP FOR A PERIOD OF 60 DAYS PAST THE INSPECTION ANTICIPATED IN SCHEDULE 2 PARAGRAPH 6

THE PURCHASER IS ENTITLED TO A STORAGE LOCKER.

1539304 U.I.A. TRINITY LANDING U.I.A. PAYABLE ON OR BEFORE SEP 18 2006

HP

Copies of this Agreement have been executed by the Purchaser and delivered to the Vendor on the 3rd day of Sept 2006

Witness:

Purchaser's Lawyer

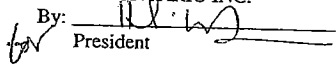
Purchaser:
Eric Kalk
Denis Uarda

Purchaser's Address:
505 LOCUM ST. #1110
BUFFINGTON ONT
L7S 1K6
Telephone: 905-632-8954
Fax:

Telephone:
Fax:

Copies of this Agreement have been executed by the Vendor on the 3rd day of Sept, 2006

Vendor's Lawyer:
Burns, Vasan, Limberis, Vitulli LLP
Barristers & Solicitors
305 - 21 King Street West
Hamilton, Ontario
L8P 4W7
Tel: (905) 522-1382
Fax: (905) 522-0855

1539304 ONTARIO INC.
By: 
President

I have the authority to bind the corporation.

R. SRINI VASAN

SCHEDULE 1
LEGAL DESCRIPTION OF LANDS

P.I.N. 17167 - 0115 L.T.
being, 80 King William Street, Hamilton, Ontario
Lot 21, Part Lot 22, Nathaniel Hughson Survey
(unregistered), south side of King William Street,
between John Street and Catharine Street, being
Part 1 on 62R -16706, City of Hamilton

SCHEDULE 2
ADDITIONAL TERMS OF AGREEMENT

1. DEFINITIONS

The words and phrases used in this Agreement and the Schedules, amendments and addenda to this Agreement shall each have the meaning provided for in the Condominium Act, 1998 and any amendments thereto unless otherwise provided for elsewhere in this Agreement or as follows:

- (a) "Act" shall mean the Condominium Act, 1998 of Ontario;
- (b) "Agreement" shall mean this Agreement of Purchase and Sale and all Schedules, amendments and addenda to this Agreement;
- (c) "Condominium" shall mean the proposed Condominium Plan and the Condominium Corporation to be created upon the registration of its Condominium Documents on title to the Lands and the building(s) constructed or to be constructed on the Lands;
- (d) "Condominium Documents" shall mean the Declaration, Description and By-Laws by which the Corporation is intended to be created and organized;
- (e) "Corporation" shall mean the corporation created upon registration of the Declaration and the Description;
- (f) "Interim Occupancy Period" shall mean the period of time, if any, from and including the Interim Closing Date to the Final Closing Date;
- (g) "Lands" shall mean the lands described in Schedule 1 hereto;
- (h) "Occupancy Licence" shall mean the licence granted to the Purchaser to occupy the Unit during the interim occupancy period, in accordance with the provisions of Schedule 3 attached;
- (i) "Occupancy Licence Fee" shall mean the sum of money payable monthly in advance by the Purchaser to the Vendor during the Interim Occupancy Period, calculated in accordance with this Agreement and the Act;
- (j) "Property" shall mean the Lands and interests appurtenant to the Lands as described in the Description; and
- (k) "Unit" shall mean the unit or the proposed unit in the Condominium.

2. DEPOSIT MONIES

In accordance with the Act, all monies received from the Purchaser on account of this Agreement, other than monies paid as the Occupancy Licence Fee or for upgrades, changes or extras ordered by the Purchaser, shall be held in trust until its disposition to the person entitled thereto or delivery of prescribed security to the Purchaser for repayment, in accordance with the Act. The Vendor shall credit the Purchaser on the Final Closing Date with interest at the rate prescribed pursuant to the Act on all such money received by the Vendor on account of the purchase price (excluding extras and upgrades ordered by the Purchaser) from the Interim Occupancy date until the Final Closing Date.

3. ADJUSTMENTS

The balance of the Purchase Price shall be adjusted on the Interim Closing Date, or on the Final Closing Date, or as may be required by the Vendor, as to all prepaid, current or accrued expenses or charges and as to other items required by the terms of this Agreement, which shall include, without limiting the generality of the foregoing the following:

- (a) assessments prepaid or owing or as estimated by the Vendor towards the common expenses; and/or the reserve fund;
- (b) an amount equal to that estimated by the Vendor to be payable by the Purchaser, as a contribution by the Purchaser towards the common expenses and/or the reserve fund equivalent to common expenses for the Unit for a period of two (2) months, which sum shall be paid directly to the Corporation and in the case of common expenses, credited by the Corporation to the Purchaser. Such sum, or part thereof forming part of the reserve fund shall be in addition to any common expenses otherwise payable to the Corporation. The Purchaser agrees to deliver on the Final Closing Date a series of twelve post-dated cheques in an amount estimated by the Vendor to be payable monthly to the Corporation on account of the common expenses for that period of time;
- (c) unearned insurance premiums, and where such insurance is carried by the Corporation, the Purchaser's share of any unearned or accrued premiums determined by the proportion of common interest of the Unit;
- (d) the realty taxes to be estimated by the Vendor for the calendar year in which this Agreement is completed and shall be adjusted as if such sum had been paid by the Vendor notwithstanding that the same may not by the Interim

Closing Date or by the Final Closing Date have been levied or paid, subject, however, to readjustment upon the actual amount of said realty taxes being ascertained. 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 the Purchaser. In the event, as on the Final Closing Date, the Condominium is 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 to the Purchaser based upon the common interest of the Unit or alternatively equally among all of the residential units within the Condominium or in such other manner as the Vendor may elect, acting reasonably, at the Vendor's option. At the Vendor's option, realty taxes may not be adjusted until individual unit assessments have been made. Any realty tax re-assessment following the Final Closing Date shall be the responsibility of the Purchaser. All other contributions, rates and charges if not paid by the Vendor on a per unit basis shall be apportioned to the Purchaser in the same manner as provided for above for the apportionment of realty taxes;

(e) the cost of public utilities or private services (including purchased or rented hot water tank) which if not billed separately may be adjusted by attributing to the Purchaser a share of such cost, as determined by the common interest of the Unit, and any charges paid by the Vendor to a public utility supplier or supplier of private service which may be attributable to the Unit.

(f) reimbursement to the Vendor for the transaction levy surcharge imposed upon the Vendor by the Law Society of Upper Canada;

(g) the deposits;

(h) interest on deposit monies in accordance with the Act and/or this Agreement;

(i) the Occupancy Licence Fee provided for in Schedule 3 hereto;

(j) the sum of \$250.00 to cover the legal and administrative fees for the preparation of the Vendor Take-Back Mortgage, if any;

(k) security deposit of \$250.00 on Interim Closing, to be held by the Vendor, until the purchaser provides proof that he or she has transferred the gas and hydro accounts for the Unit into his or her name as of the Interim Closing date;

(l) an administrative fee of \$150.00 shall be charged to the Purchaser for any cheque paid for a deposit, the Occupancy Licence Fee or for any upgrades which is returned N.S.F. or upon which a "stop payment" has been ordered, or otherwise not honoured by the financial institution on which such cheque is drawn;

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

(n) if any of the adjustments to be made on the Interim Occupancy Date cannot be accurately determined at that time, the Vendor may estimate the adjustment to be made, and a final adjustment shall be made when the same may be accurately determined;

(o) **UPGRADES AND EXTRAS:** The price for any upgrades or extras requested by the Purchaser shall be paid directly to the Vendor by the Purchaser upon executing the written order for such upgrades or extras. At the option of the Purchaser, the amount so received by the Vendor shall be added to the purchase price on the Statement of Adjustments as an adjustment;

(p) the Purchaser shall further pay to the Vendor, on closing as an adjustment, an administration and set up fee of \$300.00 in relations to the security for Builder's Warranty referred to in paragraph 9 (c) of the Disclosure Statement.

4. GOODS AND SERVICES TAX

The Goods and Services Tax (the "G.S.T.") payable pursuant to the Excise Tax Act (the "G.S.T. Act") is included in the Purchase Price of units to Purchasers who qualify for rebate of G.S.T. as specified below. The actual monetary consideration for the Unit exclusive of any extras, requested changes, or adjustments (the "Consideration"), is the amount derived by subtracting the G.S.T. payable, less all refunds, credits and rebates available to the Purchaser pursuant to the G.S.T. Act, including, without limiting the generality of the foregoing, the new housing rebate under the G.S.T. Act (the "G.S.T. Rebate"), from the Purchase Price. The Purchaser hereby irrevocably assigns to and in favour of the Vendor any and all rights the Purchaser may have to any rebates, refunds or credits available pursuant to the G.S.T. Act, including without limiting the generality of the foregoing, the G.S.T. Rebate, in the event that the Purchaser qualifies for the G.S.T. Rebate. The Purchaser covenants and agrees that the Purchaser shall immediately following the completion of this Agreement, personally occupy the Unit or cause one or more of the Purchaser's relations (as defined in the G.S.T. Act) to occupy the Unit for such period of time as shall then be required in order to entitle the Purchaser to the G.S.T. Rebate or any such rebates, refunds or credits pursuant to the G.S.T. Act. The Purchaser covenants and agrees to deliver to the Vendor on the Final Closing Date any and all documentation and/or application forms as the Vendor shall request, from time to time, in order to facilitate the aforesaid assignment of G.S.T. rebates, refunds or credits. In the event that the Purchaser shall for any reason fail to qualify for the G.S.T. Rebate, the Purchaser shall indemnify the Vendor in the amount that the Purchaser would have been entitled to had the Purchaser

so qualified for the G.S.T. Rebate, and in the event that such failure to qualify is known on or before the Final Closing Date, then the full amount of the G.S.T. shall be in addition to the purchase price and credited and paid to the Vendor on closing. Notwithstanding any other provision of this Agreement, the Purchaser acknowledges and agrees that the Purchase Price does not include any G.S.T. payable with respect to any of the adjustments or any extras, requested, changes or upgrades purchased, ordered or chosen by the Purchaser which are not specifically included with the Unit or in the Purchase Price, and the Purchaser covenants and agrees to pay such G.S.T. to the Vendor in accordance with the G.S.T. Act.

5. INTERIM OCCUPANCY

(a) If the Unit is substantially complete and fit for occupancy on the Interim Closing Date, the Purchaser shall occupy the Unit on the Interim Closing Date pursuant to the Occupancy Licence provided for in Schedule 3. In the event substantial completion of the Unit may be delayed for any reason other than the wilful neglect of the Vendor, the Vendor shall be permitted reasonable extensions of time not exceeding in the aggregate 240 days, to substantially complete the Unit and the Interim Closing Date shall be extended accordingly. If the Vendor shall be unable to complete the Unit for occupancy within such reasonable extension of time, all moneys, to the extent provided for in paragraph 25 of this Schedule, shall be returned to the Purchaser, this Agreement shall be terminated and the Vendor shall not be liable to the Purchaser for any damages arising as a result thereof and shall have no further obligation hereunder;

(b) the Vendor shall be entitled upon giving at least 60 days written notice to the Purchaser, to accelerate the Interim Closing Date provided the Unit is substantially complete and fit for occupancy on such earlier date. If the Unit is substantially completed and fit for occupancy by the Interim Closing Date or any acceleration or extension thereof in accordance with this Agreement, the Purchaser shall take interim occupancy of the Unit on that date notwithstanding that the Vendor has not fully completed the Unit or the proposed Common Elements on such date and the Vendor shall complete such outstanding work required by this Agreement within a reasonable time after the Interim Closing Date, having regard to weather conditions and the availability of labour and materials. The Unit shall be deemed to be substantially completed when the interior of the Unit has been finished to permit occupancy. The Purchaser acknowledges that failure to complete the proposed Common Elements on or before the Interim Closing Date shall not be deemed to be a failure to complete the Unit.

6. INSPECTION

The Purchaser agrees to inspect the Unit upon the Vendor's request, with a representative of the Vendor, prior to the Interim Closing Date and to list all mutually agreed upon outstanding, incomplete or apparently defective items in the Unit at the time of inspection, and the Vendor's obligation to complete or rectify work shall thereafter be limited only to those items contained in the said list and except as to those items, the Purchaser shall be deemed to have acknowledged that the Unit has been completed in accordance with this Agreement and the Purchaser shall be deemed conclusively to have accepted the Unit in its condition as at the time of inspection. The inspection by the Purchaser is a condition of the Vendor's obligation to provide occupancy of the Unit to the Purchaser.

7. EXECUTIONS

The Purchaser agrees to provide to the Vendor's Solicitors on the Interim Closing Date an Execution Certificate as of that date confirming that no execution against the individual(s) in whose name(s) title to the Unit is to be taken and further agrees to provide on the Final Closing Date such further clear Execution Certificate as may be required by the Vendor to obtain mortgage advances with respect to the Unit.

8. FINAL CLOSING

Following registration of the Condominium, the Vendor's solicitor shall designate a date not less than 21 days nor more than 90 days after the date of such registration as the Final Closing Date by delivery of written notice of such date to the Purchaser, and the within transaction shall close on the date so designated. The final closing date, in any event, shall be a date not later than the 31st day of December, 2006.

9. RISK

The Unit shall be and remain at the risk of the Vendor until the Final Closing Date. If any part of the Condominium is damaged before the Condominium Documents are registered, the Vendor may in its sole discretion either terminate this Agreement and return to the Purchaser all deposit monies paid by the Purchaser to the Vendor or make such repairs as are necessary to complete this Agreement, it being understood and agreed that all insurance policies and the proceeds thereof are to be for the benefit of the Vendor alone.

10. SEARCH OF TITLE

The Purchaser shall be allowed to the date which is 10 days prior to the Final Closing Date (the "Search Period") to examine title to the Unit at the Purchaser's own expense. If within the Search Period any valid objection to title to the Unit is made in writing to the Vendor which the Vendor may be unable or unwilling to rectify and which the Purchaser will not waive this Agreement shall, notwithstanding any intermediate negotiations in respect of any such, be terminated and the deposit monies, together with the interest to be paid thereon, after deducting any payments due to the Vendor by the Purchaser as provided for in this Agreement, shall be returned to the Purchaser and the Vendor shall have no

further liability or obligation to the Purchaser and shall nor be liable for any costs or damages. Save as to any valid objections to made within the Search Period, the Purchaser shall be deemed to have accepted the title of the Vendor to the Unit. In the event the Purchaser has assumed occupancy of the Unit pursuant to paragraph 5 above, the Purchaser shall vacate and deliver vacant possession of the Unit in good repair and in a tidy condition to the Vendor before becoming entitled to the return of said deposit monies.

11. NAME OF TRANSFEREE

The Purchaser agrees to submit to the Vendor within the Search Period written confirmation as to the manner in which title to the Unit is to be registered, and the Purchaser shall be required to take title to the Unit in the manner so advised unless the Vendor otherwise consents in writing, which consent maybe arbitrarily withheld. If the Purchaser does not submit such confirmation within the Search Period the Vendor shall be entitled to tender a Transfer/Deed on the Final Closing Date with the Transferee therein being the name of the Purchaser as shown in this Agreement. The Purchaser shall be entitled to direct that title to the Unit be taken in the name of the Purchaser's spouse, or a member or members of the Purchaser's immediate family only, but shall not be permitted to direct that title to the Unit be taken in the name of any other party.

12. CONDITION OF TITLE

The Purchaser agrees to accept title to the Unit subject to and to be bound by the following:

- (a) the Condominium Documents in the general form attached to the Disclosure Statement delivered to the Purchaser as set out in Schedule 6;
- (b) any subdivision, development, site plan, condominium or like agreements with the municipality or other governmental authority having jurisdiction, provided always that same do not in the aggregate materially and adversely affect the use of the Unit and the Condominium as a residential or parking unit as the case may be and a residential condominium, respectively;
- (c) any easements, rights-of way, encroachment agreements, heritage agreements, restrictions, conditions or covenants that run with the land and subject to any easements, licences, rights or agreements now registered or to be registered for the installation and maintenance of any public utilities or private services including, without limitation, telephone, hydro, gas, storm and sanitary sewer, water and cable television or master antenna television distribution systems or coaxial cable or fibre-optic installation and any easements and rights of-way which may be required by a municipality or other governmental authority for access through the proposed Common Elements, or with respect to buildings, and any agreement with the Municipality with respect to the bridge connecting the subject building to the building situate on the south side of the alleyway at the rear;
- (d) any restrictions, condition, or warnings imposed by any municipality or other governmental authority contained in any site plan, subdivision, condominium, financial or development agreements;
- (e) temporary or periodic easements in favour of the Declarant and/or its affiliates or assignees for construction of the Condominium, sales of units and/or any development in the vicinity thereof;
- (f) restrictive covenants prohibiting anyone from using the lands and any part thereof for the purposes of the sale, marketing, storage, distribution or handling in bulk of oil or petroleum products, including bulk quantities of gasoline and other motor fuels, lubricants, motor oils, greases and solvents;
- (g) any other matters expressly provided for in this Agreement.

The Purchaser shall satisfy himself as to the due compliance with the provisions of any such agreements or instruments referred to above and shall not require release of the Unit or the Condominium from the same. The Purchaser covenants and agrees to consent to the provisions of any such agreements or instruments referred to above and, if required, to execute all documents and do all things requisite for this purpose, either before or after the Final Closing Date. The Vendor shall be entitled to insert in or to the Transfer to be delivered to the Purchase on the Final Closing Date 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 Final Closing Date, or the Vendor may require that the Purchaser deliver a separate written covenant on the Final Closing Date.

13. HVAC, HOT WATER TANK AND APPLIANCES

- (i) The unit is equipped with a separate HVAC equipment for heating and air conditioning purposes, a hot water tank and a fridge and stove and a dishwasher, and the purchaser agrees that the only warranty that the purchaser will receive with respect to all of said chattels and equipment is the manufacturer's standard warranty.

14. VENDOR'S LIEN

The Purchaser agrees that the Vendor shall have a Vendor's Lien for the unpaid balance of the Purchase Price, if any,

on the Final Closing Date and the Vendor shall be entitled to register a Notice of Lien on title to the Unit.

15. EXISTING MORTGAGES

The Purchaser acknowledges that the Unit may be encumbered by mortgages which are not intended to be assumed by the Purchaser and that the Vendor shall not be obliged to obtain and register a discharge of any such mortgages which affect the Unit on the Final Closing Date. The Purchaser agrees to accept the Vendor's undertaking to obtain and register a discharge or partial discharge of each such mortgage as soon as reasonably possible after the Final Closing Date subject to the Vendor providing to the Purchaser the following:

- (a) a letter or statement from each such mortgagee confirming the amount required to be paid to such mortgagee to obtain a discharge of each such mortgage from title to the Unit;
- (b) a direction from the Vendor to the Purchaser to pay such amount to such mortgagee on the Final Closing Date by way of certified cheques delivered to Vendor's solicitor; and
- (c) an undertaking from the Vendor or the Vendor's solicitor to deliver such amounts to each such mortgagee and to register the discharge of each such mortgage from title to the Unit upon receipt thereof and to advise the Purchaser or the Purchaser's lawyer of registration thereof.

16. CONSTRUCTION LIENS

The Purchaser acknowledges and agrees that the deposits paid pursuant to this Agreement shall be deemed to be monies held in trust pursuant to the Act, and the Purchaser shall therefore be deemed to be a "home buyer" as defined in the Construction Lien Act and the Purchaser shall not be entitled to request or demand that any holdback for construction liens be maintained for any portion of the purchase price on the Interim Closing Date or on the Final Closing Date.

17. SUBORDINATION OF AGREEMENT

The Purchaser covenants and agrees that this Agreement is subordinate to and postponed to any mortgages arranged by the Vendor and any advances thereunder from time to time, and to any easements, rights-of-way, licenses or other agreements affecting the Condominium. The Purchaser further agrees to consent to and execute all documentation as may be required by the Vendor to give effect to the foregoing and the Purchaser hereby irrevocably appoints the Vendor as the purchaser's attorney to execute any consents or other documents required by the Vendor to give effect to the provisions of this paragraph.

18. NO REGISTRATION OF AGREEMENT

The purchaser covenants and agrees not to register this Agreement or notice of this Agreement or a caution, certificate of pending litigation, Purchaser's Lien, or any other document giving notice of this Agreement against title to the Unit or the Lands and further agrees not to give, register, or permit to be registered any encumbrance against the Unit or the Lands prior to completion of this Agreement. Should the Purchaser be in default of the Purchaser's obligations hereunder, the Vendor may, as agent and attorney of the Purchaser, cause the removal of notice of this Agreement, caution, certificate of pending litigation, Purchaser's Lien, or other document giving notice of this Agreement or any assignment thereof, from the title to the Unit or the Lands. In addition, the Vendor, at its option, shall have the right to declare this Agreement terminated in accordance with the provisions of paragraph 26 of this Schedule. The Purchaser hereby irrevocably consents to a court order removing such notice of this Agreement, any caution, or any other document a instrument whatsoever from title to the Unit or the Lands and the Purchaser agrees to pay all of the Vendor's costs and expenses a obtaining such order (including legal and other fees and expenses actually incurred by the Vendor).

19. PERSONAL USE OF PURCHASER

The Purchaser represents to the Vendor, upon which representation the Vendor has relied in entering into this Agreement, that the Purchaser is purchasing the Unit for the Purchaser's own personal use and not for short term, speculative investment purposes. The Purchaser covenants and agrees with the Vendor not to list for sale, advertise for sale, offer for lease, offer for sale, sell, lease, transfer or assign the interest of the Purchaser under this Agreement at any time prior to the Final Closing Date without prior written consent of the Vendor, which consent may be arbitrarily withheld. In the event the Vendor agrees to consent to the assignment, then the following provisions shall apply to and be deemed to be part of such consent:

- a) This Agreement of Purchase and Sale may be assigned only once and the Assignee shall not have the right to make any further assignments;
- b) The Assignment shall not be for a price less than the Purchase Price as set out in Paragraph 2 above;
- c) The Vendor is to be advised of the Assignment at least 90 days prior to final closing;
- d) If a mortgage is being arranged to finance the purchase of this Property, a copy of the Assignee's approval by the lender shall be provided to the Vendor with notice of the assignment, for the assignment to be effective.
- e) The Purchaser shall remain responsible for the performance of the obligations of the Purchaser under the Agreement of Purchase and Sale up to the closing, notwithstanding the assignment.
- f) The Assignee will enter into a covenant with the Vendor to assume the obligations of the Purchaser

- contained in the Agreement of Purchase and Sale by signing this form.
- g) The Assignee shall be bound by all acts of the Purchaser up until the date of the assignment including any selections by the Purchaser of colours and materials and for any extras.
 - h) The Vendor shall be paid a consent fee of \$1,500.00 plus GST on notification of the Assignment by the Purchaser.

20. INVESTORS AND GST

In the event the Purchaser is an investor and purchasing the subject unit(s) for rental purposes, the Purchaser shall disclose himself as an investor to the Vendor and any Goods and Services Tax (G.S.T.) payable shall be in addition to the purchase price.

21. NO OBJECTION

The Purchaser covenants and agrees that the Purchaser shall not object to nor oppose any amendment to or change in the zoning and/or site plan and/or draft condominium plan, nor oppose any other applications by the Vendor to any board, tribunal, municipality or other governmental authority relating to the construction and registration of the Condominium, or development on adjoining lands or any other lands owned by the Vendor in the vicinity of the Condominium, if any.

22. NO INTERFERENCE

The Purchaser covenants and agrees that the Purchaser shall not interfere with the completion of any part of the Condominium by the Vendor. Until the Condominium is completed and all units are sold, the Vendor may make such use of the Condominium as may facilitate such completion and sales, including, but not limited to, the maintenance of a sales/rental/administration office and model units, and the display of signs located on the Property.

23. PURCHASER'S COVENANTS, REPRESENTATIONS AND WARRANTIES

The Purchaser's covenants, warranties and obligations contained in this Agreement shall survive the completion of this Agreement and shall remain in full force and effect notwithstanding the transfer of title to the Unit to the Purchaser.

24. SIZE OF UNIT, LAYOUTS OF UNIT AND EXTERIOR ELEVATIONS OF THE BUILDING.

Notwithstanding anything contained in any brochures, drawings, plans, advertisements, or other marketing materials, or any statements made by the Vendor's sales representatives, the Purchaser acknowledges that there is no warranty or representation contained herein on the part of the Vendor as to the area of the Unit. The Purchaser further acknowledges that any dimensions, interior layouts and or other data shown on such materials are approximate only and that the Purchaser is not purchasing the Unit on a price per square foot basis. Accordingly, the Purchaser shall not be entitled to any abatement or refund of the Purchase Price based on the precise area of the Unit as constructed. The Purchaser further acknowledges that the size of the Unit as represented by the sales literature is measured in accordance with industry standards from the exterior surface of exterior walls, exterior surface of all corridor walls and proposed Common Elements enclosing and abutting the Unit and the center line of walls separating units, and accordingly, such measurements may differ from measurements made using the Unit boundaries set out in the Declaration. Actual usable floor space may vary from the stated floor area.

25. CONSTRUCTION

The Purchaser acknowledges that the Condominium will be constructed substantially in accordance with plans and specifications filed or to be filed with the municipality having jurisdiction. The Purchaser shall have no claim against the Vendor for any higher or better standards of workmanship or materials. The Purchaser agrees that the foregoing may be pleaded by the Vendor as an estoppel in any action brought by the Purchaser or the Purchaser's successors against the Vendor. The Vendor may from time to time, change, vary or modify in its sole discretion or at the instance of any governmental authority, engineer or mortgagee, any elevations, interior layouts or designs, building specifications or site plans of the Condominium to conform with any municipal or architectural requirements related to Building Code, Official Plan or Official Plan Amendments, zoning by-laws, Committee of Adjustment and/or Land Division Committee decision, municipal site plan or condominium plan approval or architectural or heritage control. Such changes may be to the plans and specification as they existed at the time the Purchaser entered into this Agreement or as illustrated in any sales brochures, models or otherwise. With respect to any aspect of construction, finishing or equipment, the Vendor shall have the right, without the Purchaser's consent, to substitute materials for those described in this Agreement or in the plans or specifications, provided substituted materials are in the judgment of the Vendor's architect, whose determination shall be final and binding, of equal or better quality. The Purchaser shall have no claim against the Vendor for any such changes, variances or modifications nor shall the Vendor be required to give notice thereof. The Purchaser hereby consents to any such alterations and agrees to complete this Agreement notwithstanding any such modifications. The Purchaser hereby agrees to pay in advance for any of the changes, which Purchaser initiated or ordered by the Purchaser.

26. RIGHT OF ENTRY

Notwithstanding the occupancy of the Unit by the Purchaser on and after the Interim Closing Date and the Final Closing Date, as applicable, the Vendor or any person, authorized by it shall be entitled at all reasonable times and upon reasonable prior notice to the Purchaser to enter the Unit and the Common Elements in order to make inspections or to do any work or repairs therein or thereon which may be deemed necessary by the Vendor in connection with the Unit or the Common Elements and such right shall be in addition to any rights and easements created under the Act.

27. TERMINATION WITHOUT DEFAULT

(a) In the event this Agreement is terminated through no fault of the Purchaser, all deposit monies paid by the Purchaser towards the Purchase Price, together with any interest to be paid thereon, shall be returned to the Purchaser provided, however, that the Vendor shall not be obligated to return any monies paid by the Purchaser as an Occupancy Licence Fee, for upgrades, changes or extras ordered by the Purchaser; and

(b) in no event shall the Vendor be liable to the Purchaser for any damages or costs whatsoever and without limiting the generality of the foregoing, for any monies paid to the Vendor for upgrades, changes, extras, for any loss of bargain, for any relocating costs, or for any legal or other fees or expenses incurred in relation to this Agreement. This provision may be pleaded by the Vendor as a complete defence to any such claim.

28. PURCHASER'S DEFAULT

Should the Purchaser be in default in any of covenants, representations, warranties, acknowledgments and obligations to be observed or performed under this Agreement including, without limiting, any and all covenants contained in the Occupancy Licence, and should such default continue for 5 days after written notice thereof has been given to the Purchaser by or on behalf of the Vendor, then in addition to any other rights or remedies which the Vendor may have, the Vendor, at its option, shall have the right to declare this Agreement terminated and in such event all deposit monies paid by the Purchaser (including all monies paid to the Vendor with respect to extras or changes to the Unit ordered by the Purchaser) shall be the absolute property of the Vendor, as liquidated damages and not as a penalty and without prejudice to or limiting the rights of the Vendor to claim for damages in excess of the deposit monies so retained by the Vendor. If the Purchaser has taken possession of the Unit, the Purchaser shall immediately vacate the Unit and the Vendor shall be at liberty to sell the Unit with or without re-entry. If the Vendor is required to pay any lien, execution or encumbrance to obtain a mortgage advance, the Purchaser shall reimburse the Vendor for all amounts and costs so paid.

29. MATERIAL CHANGE

In the event there is any change in the interior layout of the Unit or change in the size of the Unit which is a material change as contemplated by the Act, in the sole and unfettered discretion of the Vendor, the Purchaser covenants; and agrees that the Purchaser's sole remedy shall be the rescission rights afforded pursuant to the Act, notwithstanding any rule of law or equity to the contrary. The Purchaser is advised that the Declarant shall have the right to increase or decrease the number of units in the Condominium as set out in the Disclosure Statement, at its sole discretion, provided however that the Unit shall not be materially altered; except as provided for in the Disclosure Statement and provided further that the proportion of common interest and contribution to Condominium Expenses as allocated to the Unit in the Declaration shall not be materially increased. In the event of any such alterations or changes, the Condominium Documents shall be amended accordingly and the Purchaser hereby consents to any such alterations, changes or modifications and agrees to complete this Agreement notwithstanding such alterations, changes or modifications. The Purchaser acknowledges that the Act may be amended or replaced in which event any one or more of the Condominium Documents may not comply with the requirements of such amendment or replacement. The Purchaser acknowledges and agrees that any change or supplement to the Condominium Documents necessitated by or resulting by reason of such amendment or replacement shall not be considered by the Purchaser to be material amendment of the Condominium Documents and the Purchaser agrees to acknowledge receipt of notice of any such change or supplement to the Condominium Documents as of the date of this Agreement.

30. TENDER

The parties waive personal tender and agree that tender, in the absence of any other normally acceptable arrangement shall be validly made by the Vendor upon the Purchaser, by a representative of the Vendor attending at the Land Registry Office in which title to the Condominium is recorded at 12:00 noon on the Interim Closing Date or the Final Closing Date, as the case may be and remaining there until 1:00 p.m. In the event the Purchaser or the Purchaser's lawyer fails to appear or appears and fails to complete the Interim Closing or the Final Closing, as the case may be, such attendance by the Vendor's representative shall be deemed satisfactory evidence that the Vendor is ready, willing and able to complete the same at such time. Payment shall be made by certified cheque, bank draft or money order drawn on any Canadian chartered bank or trust company. Notwithstanding the foregoing, in the event the Purchaser or the Purchaser's lawyer indicates or expresses to the Vendor or his lawyer, on or before the Interim Closing Date and the Final Closing Date, as applicable, that the Purchaser is unable or unwilling to complete the Interim Closing or the Final Closing, as the case may be, the Vendor is relieved of any obligation to make any formal tender upon the Purchaser or the Purchaser's lawyer and may exercise forthwith any and all of its right and remedies provided for in this Agreement and at law.

31. CAUSE OF ACTION

The Purchaser shall not have any claim or cause of action as a result of any matter or thing arising under or in connection with this Agreement against any person other than the Vendor named in this Agreement and no recourse for recovery on such claim or cause of action except to the Lands only.

32. CONDITIONS

This Agreement is conditional to the Interim Closing Date upon each of the following:

- (a) the Vendor being satisfied, in its sole and absolute discretion, that it will be willing and able to comply with any conditions of site plan approval and/or development agreement;
- (b) receipt by the Vendor of all necessary building permits and of draft plan of Condominium approval for the Condominium free of any conditions which are, in the Vendor's sole and absolute discretion, unduly onerous or unacceptable for any reason;
- (c) the Vendor being satisfied, in its sole and absolute discretion of the ability of the Purchaser to pay the deposit monies, and the balance of the Purchase Price on the Interim or Final Closing Date, as the case may be; and
- (d) the registration by the Vendor of the Declaration Documents on title to the Lands.

Each of the foregoing conditions are for the benefit of the Vendor only and may be waived by the Vendor at any time. The conditions shall be deemed to have been waived by the Vendor in the event that the Vendor does not give notice to the contrary to the Purchaser or the Purchaser's lawyer at any time prior to the Interim Closing Date. In the event that the Vendor gives notice to the Purchaser or the Purchaser's lawyer at any time prior to the Interim Closing Date that anyone or more of the conditions have not been satisfied, this Agreement shall be terminated and the Vendor shall return to the Purchaser all deposit monies paid by the Purchaser under this Agreement, except for amounts paid for any changes or extras ordered by the Purchaser and any other amounts which may be retained by the Vendor pursuant to this Agreement.

33. NOTICE

Any notice given pursuant to the terms of this Agreement shall be deemed to have been properly given if it is in writing and is delivered by hand, ordinary prepaid post or facsimile to the attention of the Purchaser or to the Purchaser's lawyer to their respective address indicated herein or to the address of the Unit after the Interim Closing Date and to the Vendor's lawyer at the address indicated in this Agreement or such other address as may from time to time be given by notice in accordance with the foregoing. Such notice shall be deemed to have been received on the day it was delivered by hand on the business day immediately following the day of receipt by facsimile and on the third business day following the day of mailing. Notice shall not be delivered by mail in the event of suspension of postal service or threatened postal disruption.

34. PLANNING ACT

This Agreement is conditional upon compliance with the subdivision provisions of the Planning Act and any amendments thereto.

35. LEASE OF UNITS

The Vendor may from time to time lease any and all unsold units in the Condominium for residential purposes and this paragraph shall constitute notice to the Purchaser pursuant to the Act.

36. POWER OF ATTORNEY

- (a) In accordance with the provisions of the Powers of Attorney Act, the Purchaser hereby confirms and agrees that each and every power of attorney granted by the Purchaser in this Agreement may be exercised by the donee during any subsequent legal incapability 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 Title Office in which the Condominium is registered, 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); and
- (d) the Purchaser hereby irrevocably authorizes and directs all credit agencies and other relevant institutions (including financial institutions) to release to the Vendor all reports and information regarding the Purchaser's credit and financial ability from time to time as the Vendor may request from time to time. The Purchaser covenants and agrees

to forthwith provide such further authorization, directions and other documentation as such institutions or agencies may require from time to time. The Purchaser hereby irrevocably nominates constitutes and appoints the Vendor or any representative of the Vendor to be and act as the Purchaser's attorney in his place and stead for the purposes of executing and delivering such aforementioned documentation.

37. GENERAL

- (a) The Vendor and the Purchaser shall deliver to each other, a statutory declaration on the Final Closing Date that they are not a non-resident of Canada within the meaning of the Tax Act;
- (b) the Vendor and Purchaser shall pay the costs of registration of their respective documents and any tax in connection therewith;
- (c) the Offer presented through this Agreement, when accepted, shall constitute a binding contract of purchase and sale subject only to the expiration of the rescission period in the Act, and time shall in all respects be of the essence hereof;
- (d) there is no representation, warranty, guarantee, collateral agreement or condition affecting this Agreement, the Condominium or the Unit other than as expressly provided for in this Agreement;
- (e) this Agreement is to be read with all changes of gender or number required by the context and the terms, provisions and conditions hereof shall be for the benefit of and be binding upon the Vendor and the Purchaser, and as the context of this Agreement permits, their respective heirs, personal representatives, estate trustees, executors, administrators, successor and assigns;
- (f) this Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.
- (g) the headings of this Agreement form no part hereof and are inserted for convenience of reference only; and
- (h) each of the Provisions of this Agreement shall be deemed independent and severable, and the invalidity or unenforceability in whole or in part of any one or more of such provisions shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Agreement, and in such event all the other provisions of this Agreement shall continue in full force and effect as if such invalid provision had never been included herein.

SCHEDULE 3

TERMS OF OCCUPANCY LICENCE

1. During the Interim Occupancy Period, the Purchaser shall pay to the Vendor the Occupancy Licence Fee, equal to the total of the following:

(a) interest calculated on a monthly basis on the unpaid balance of the purchase price at the rate equal to chartered bank administration rate from one year conventional residential mortgages, unless otherwise prescribed by the Regulations under the Act;

(b) an amount reasonably estimated by the Vendor on a monthly basis for municipal realty taxes attributable by the Vendor to the Unit; and

(c) the projected monthly contribution for the Unit toward Common Expenses.

2. The Occupancy Licence Fee shall be payable on the first day of each month in advance during the Interim Occupancy Period, no part of which shall be credited as payment on account of the Purchase Price, but which payments shall be a charge for occupancy only. If the Interim Closing Date is not the first day of the month, the Purchaser shall pay on the Interim Closing Date a pro rata amount for the balance of that month. The Purchaser shall deliver to the Vendor on or before the Interim Closing Date a series of twelve (12) post-dated cheques as required by the Vendor for payment of the estimated monthly Occupancy Licence Fee. The Occupancy Licence Fee may be recalculated by the Vendor from time to time based on revised estimates of the items which may be taken into account in the calculation thereof and the Purchaser shall pay to the Vendor such revised Occupancy Licence Fee upon notice thereof from the Vendor. With respect to realty taxes, the Purchaser agrees that the amount estimated by the Vendor to be attributed to the Unit shall be subject to recalculation based upon the real property tax assessment or reassessment of the Unit and/or Condominium issued by the municipality before or after the Final Closing Date and the municipal tax rate applicable thereto as at the date such assessment or reassessment is issued. The Occupancy Licence Fee shall thereupon be recalculated by the Vendor and any amount owing by one party to the other shall be paid upon demand.

3. The Purchaser shall be allowed to remain in occupancy of the Unit during the Interim Occupancy Period provided the terms of the Occupancy Licence and this Agreement have been observed and performed by the Purchaser. In the event the Purchaser breaches the terms of the Occupancy Licence the Vendor in its sole discretion and without limitation of any other rights a remedies provided for in this Agreement or the Act may terminate this Agreement and revoke the Occupancy Licence pursuant to paragraph 26 of Schedule 2 to this Agreement whereupon the Purchaser shall be deemed a trespasser and shall give up vacant possession forthwith. The Vendor may take whatever steps it deems necessary to obtain vacant possession including an action for possession issued in the Ontario Superior Court, and the Purchaser shall reimburse the Vendor for all costs it may incur, including costs of said action on a substantial indemnity basis.

4. Prior to the time that the Purchaser takes possession of the Unit, the Purchaser shall execute and deliver to the Vendor any documents, directions, acknowledgments, assumption agreements or any and all other documents required reasonably by the Vendor pursuant to this Agreement.

5. The Purchaser shall pay the Occupancy Licence Fee monthly during the Interim Occupancy Period and the Vendor shall return any unused post-dated Occupancy Licence Fee cheques to the Purchaser on or shortly after the Final Closing Date.

6. During the Interim Occupancy Period the Purchaser shall maintain the Unit in a clean and sanitary condition and shall not make any alterations, improvements or additions thereto without the prior written approval of the Vendor which may be unreasonably withheld. The Purchaser shall be responsible as and from the date of Interim Occupancy for all public utilities and private services delivered to the Unit, or other charges and expenses billed directly to the occupant of the Unit by the supplier of such services and such charges and expenses shall not be the responsibility of the Corporation.

7. The Purchaser's occupancy of the Unit shall be governed by the provisions of the Condominium Documents and the provisions of this Agreement. The Unit shall be occupied and used for residential purposes only and as provided for in the Disclosure Statement and Declaration.

8. The Vendor covenants to proceed with all due diligence to register the Condominium Documents. If the Vendor for any reason whatsoever is unable to register the Condominium Documents and therefore is unable to deliver a registerable Transfer/Deed to the Purchaser on or before the 31st day of December, 2006 the Purchaser or Vendor shall have the right after said date to declare, on giving 60 days written notice to the other, that this Occupancy Licence and this Agreement, notwithstanding any intervening act or negotiations, will be terminated. Upon termination of the Occupancy Licence, the Purchaser shall give up vacant possession of the Unit and pay the Occupancy Licence Fee to such date of termination, after which all moneys paid by the Purchaser on account of the Purchase Price, except for amounts paid for any changes or extras ordered by the Purchaser, shall be returned to the Purchaser subject to any repair and redecorating expenses incurred by the Vendor to restore the Unit to its original state of occupancy, reasonable wear

and tear excepted. The Purchaser agrees to provide the Vendor with a release of this Agreement in the Vendor's standard form on or before such date of termination.

9. The Vendor and the Purchaser covenant and agree, notwithstanding the taking of possession, that all terms of the Occupancy Licence continue to be binding upon them and that the Vendor may enforce the provisions of the Occupancy Licence separate and apart from any other provisions of this Agreement.

10. The Purchaser acknowledges that the Vendor holds a fire insurance policy on the Condominium only and not on any improvements or betterments made by or on behalf of the Purchaser in or to the Unit. It is the responsibility of the Purchaser, after the Interim Closing Date, to insure such improvements or betterments and to replace same if they are removed, damaged or destroyed. The Vendor is not liable for any loss by the Purchaser occasioned by fire, theft or other casualty, unless caused by the Vendor's negligent conduct.

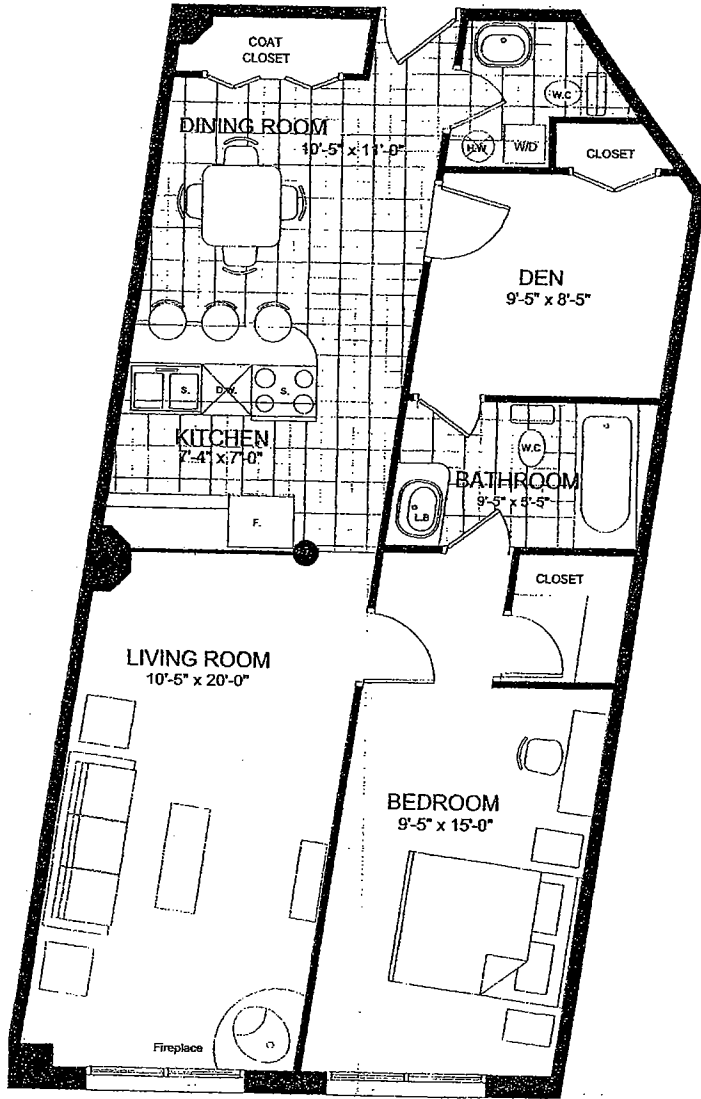
11. The Purchaser agrees to indemnify the Vendor for all losses, costs and expenses incurred whatsoever as a result of the Purchaser's use of the Unit or the Condominium, or by reason of injury to any person or property in or upon the Unit or the Condominium resulting from the negligence of the Purchaser, members of the Purchaser's family and the Purchaser's servants, agents, tenants, invitees, contractors and licencees. The Purchaser agrees that should the Vendor elect to repair or redecorate all or any part of the Unit or the Condominium as a result of the Purchaser's use of the Unit or Condominium, the Purchaser will immediately reimburse the Vendor for the cost of doing same. The determination of need for such repairs or redecoration shall be at the discretion of the Vendor and such costs may be added to the Purchase Price.

12. The Purchaser shall not have the right to assign, sublet or in any other manner dispose of or convey an interest in this Occupancy Licence during the Interim Occupancy Period without the prior written consent of the Vendor and, if applicable, any mortgagee, which consent may be arbitrarily withheld. The Purchaser acknowledges that an administrative fee of \$350.00 will be payable to the Vendor each time the Purchaser requests the consent of the Vendor to any assignment, sublet, disposition of or conveyance of an interest in this Occupancy Licence during the Interim Occupancy Period. Notwithstanding any such assignment, sublet, disposition or conveyance, the Purchaser shall continue to be bound by the terms of this Agreement.

13. The provisions of this Agreement, unless expressly modified by the terms of this Occupancy Licence, shall be deemed to form an integral part of this Occupancy Licence. In the event the Vendor elects to terminate this Occupancy Licence pursuant to this Agreement following substantial damage to the Unit and/or the Condominium, the Occupancy Licence shall terminate forthwith upon notice from the Vendor to the Purchaser. If the Unit and/or the Condominium can be repaired within a reasonable time following damage as determined by the Vendor (but not, in any event, to exceed 180 days) and the Unit is, during such period of repair uninhabitable, the Vendor shall proceed to carry out the necessary repairs to the Unit and/or the Condominium with all due diligence and the Occupancy Licence Fee shall abate during the period the Unit remains uninhabitable; otherwise, the Purchaser shall vacate the Unit and deliver up vacant possession to the Vendor and all moneys, to the extent provided for in paragraph 26 of Schedule 2 to this Agreement (excluding the Occupancy Licence Fee paid to the Vendor) shall be returned to the Purchaser. It is understood and agreed that the proceeds of all insurance policies held by the Vendor are for the benefit of the Vendor alone.

14. The transfer of title to the Unit shall take place on the Final Closing Date upon which date, unless otherwise expressly provided for hereunder, the Occupancy Licence shall be terminated.

Schedule 4



The Hammil-B

841 Sq. Ft.

UNITS 105, (205) 305

Powder/laundry room

Open kitchen with breakfast counter

Separate dining room

Spacious living room 10 1/2 x 20

Den with french doors if required/ensuite access.

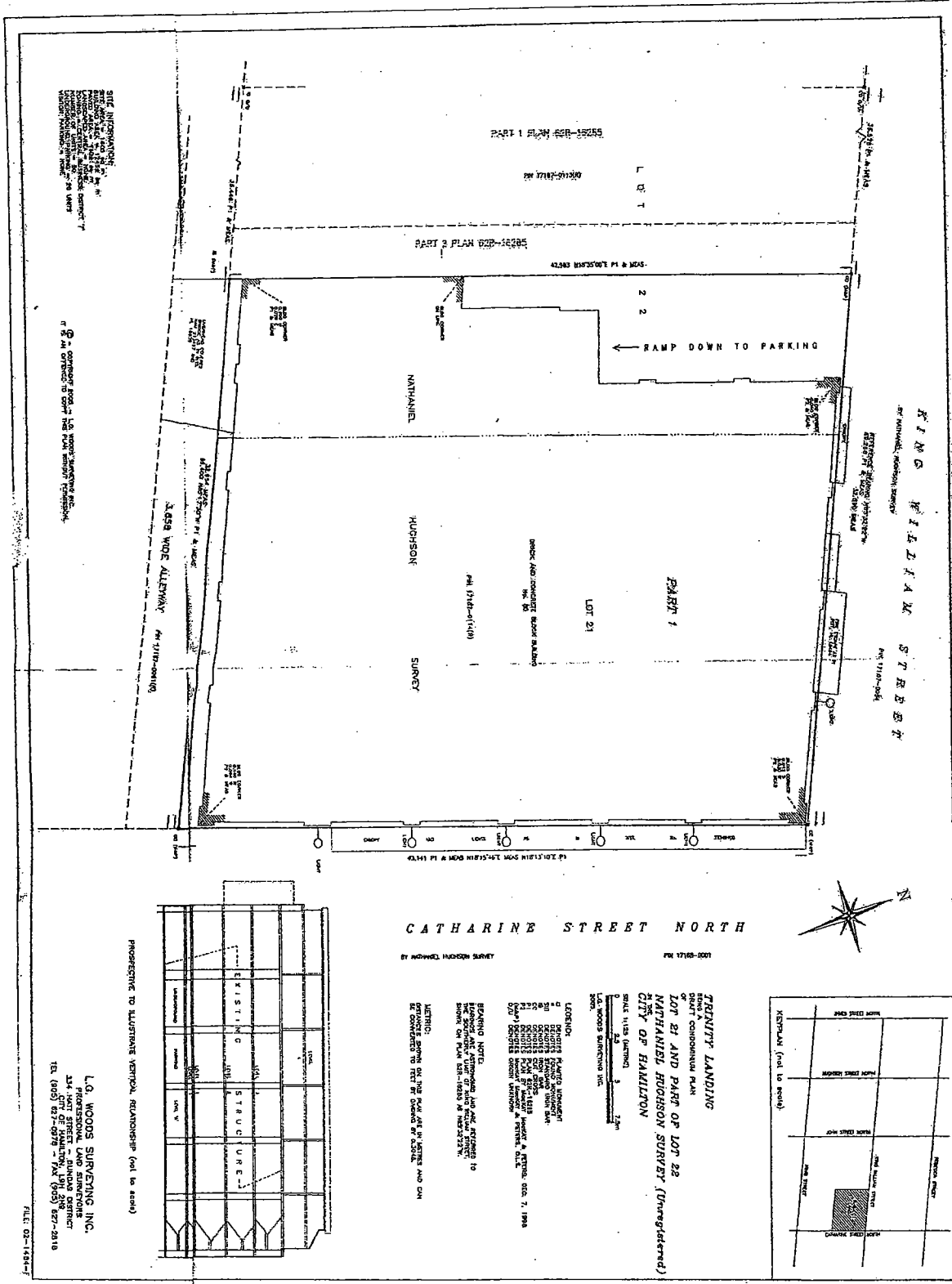
Master bedroom/walk-in-closet/ensuite

*High ceiling

Dimensions are approximate and subject to change without notice.

1st floor 12'5" approx., 3rd floor 12'1" approx..

**SCHEDULE 5
SITE PLAN**



SITE INFORMATION
 THIS PLAN IS A PRELIMINARY SITE PLAN FOR THE PROPOSED TRINITY LANDING DEVELOPMENT. THE DEVELOPER HAS CONDUCTED A PRELIMINARY SURVEY AND HAS FOUND THAT THE PROPOSED DEVELOPMENT IS FEASIBLE. THE DEVELOPER HAS OBTAINED ALL NECESSARY PERMITS AND APPROVALS FROM THE CITY OF HAMILTON. THE DEVELOPER HAS ALSO OBTAINED A LETTER FROM THE CITY OF HAMILTON CONFIRMING THAT THE PROPOSED DEVELOPMENT IS FEASIBLE. THE DEVELOPER HAS ALSO OBTAINED A LETTER FROM THE CITY OF HAMILTON CONFIRMING THAT THE PROPOSED DEVELOPMENT IS FEASIBLE.

IT IS A CONDITION OF THIS PLAN THAT THE DEVELOPER SHALL MAINTAIN THE ALLEWAY OPEN AND ACCESSIBLE AT ALL TIMES.

CATHARINE STREET NORTH

1000-091111-01

TRINITY LANDING

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L.O. WOODS SURVEYING INC.
 134 LINDA STREET - SUITE 200
 HAMILTON, ONTARIO L8N 3K1
 TEL: (905) 576-0272 FAX: (905) 577-2818

FILE: 02-15847

SCHEDULE 6

INCLUSIONS IN THE UNIT OR COMMON ELEMENTS,
FINISHES AND SPECIFICATIONS

The Purchaser acknowledges that only the items set out in this Schedule are included with the Unit or the Common Elements and as part of the Purchase Price and that furnishings, decor, improvements, drapes, tracks and wall coverings in the model suite(s), if any, are for display purposes only and are not included in the Purchase Price. The Purchaser shall have choice of colours and design from Vendor's samples with respect to ceramic tiles, paint, kitchen cabinets, counter-tops and flooring, provided selection is made within 10 days of request from the Vendor and provided that items listed are not already installed or ordered and provided further that they are available at the time of choice. The Vendor will not be responsible for any colour errors by suppliers. The Vendor reserves the right to substitute alternative materials, colours and fixtures of equal or better quality. Any changes to plans and specifications requested after this Agreement, or during construction are to be acknowledged by the Purchaser, with appropriate cost adjustment, before same changes will be effected. The Vendor reserves the right to refuse any changes. The Vendor will request payment for the cost of any changes at the time same is requested. In the event that colours and/or finishing chosen by the Purchaser for the interior of the Unit subsequently become unavailable, the Purchaser agrees to re-attend with the Vendor to choose from substitute colours and/or finishings. If the Purchaser fails to choose colours or finishing or fails to make any selection or determination required of the Purchaser within 7 days, the Vendor may choose the colours and finishing for the Purchaser and the Purchaser agrees to accept the Vendor's selections.



CUSTOMER REQUEST FOR OPTIONAL ADDITIONS

Schedule 7

EKA FKA 140 to Trul. Denis Vachon to mail.com

FOR CONSTRUCTION USE ONLY TL

PROJECT _____ PHASE #1 PHASE #2 UNIT # 205-
CLOSING DATE NOV 28 FLOOR PLAN HAMELY
PURCHASER'S NAME Joseph Robert Vachon + Eric Charles Vachon PHONE # 905 632 8959
PURCHASER'S ADDRESS 505 LOCUST ST #1110, BURLINGTON L7S 1X6

0068

ITEM #	DESCRIPTION	PRICE
ITEM #1	UPGRADED KITCHEN AS IN 2074 HIGHER CABINETS AS IN 209 + SAME GLASS + END CAP SHELVES.	\$ 3,800
ITEM #2	SPLIT FRONT CLOSET IN 1/2 20" SEPERATION - SHELVING ON LEFT SIDE AS YOU FACE THE CLOSET - BI FOLD DOORS ON CLOSET.	N/C
ITEM #3	REMOTE CONTROL CEILING FAN LOCATION TO BE DETERMINED	N/C
ITEM #4	HARDWARE TO BE SILVER ON DOORS (AS 209)	
ITEM #5		
ITEM #6	QUOTE ON LAMINATE FLOORING	

Item No. 1	
Item No. 2	
Item No. 3	
Item No. 4	
Item No. 5	
Item No. 6	
SUB-TOTAL	
Administrative Fees	
G.S.T.	160-
TOTAL	3960

In the event the work on the site has progressed beyond the point where the items covered by this extra cannot be installed without entailing any unusual expense, then this order is to be cancelled and any deposit paid in connection with the same is to be refunded to the purchaser.

It is understood and agreed that if for any reason whatsoever the Agreement of Purchase and Sales is not completed, the total cost of extras ordered are not refundable to the purchaser.

This selection is final and cannot be changed once submitted. Purchaser has checked and acknowledges accuracy of same. Selections will not be processed unless signed by TRINITY LANDING.

CHEQUE ATTACHED FOR TOTAL Sept 18 2006

Purchasers Signature Eric Vachon

Date _____

Trinity Landing Sales Rep. [Signature]

Signature [Signature]

1539304 Ontario Inc.

Court No: CV-08-7714-00CL

Estate No: 31-455723

Receiver's Interim Statement of Receipts and Disbursements
IN THE MATTER OF THE RECEIVERSHIP OF
1539304 ONTARIO INC., OPERATING AS TRINITY LANDING

RECEIPTS

Advance from ICICI Bank - Receiver's Certificate No. 1	\$ 50,000.00
Advance from ICICI Bank - Receiver's Certificate No. 2	\$ 50,000.00
Advance from ICICI Bank - Receiver's Certificate No. 3	\$ 100,000.00
Advance from ICICI Bank - Receiver's Certificate No. 4 (Cancelled)	\$ -
Advance from ICICI Bank - Receiver's Certificate No. 5	\$ 41,000.00
Advance from ICICI Bank - Receiver's Certificate No. 6	\$ 110,000.00
Advance from ICICI Bank - Receiver's Certificate No. 7	\$ 29,000.00
Interest	1.93

TOTAL RECEIPTS:	\$ 380,001.93
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DISBURSEMENTS

Receiver's Fee	67,885.32
Pelican Woodcliff Inc.	84,034.61
Solicitor to the Receiver (Lang Michener LLP.)	54,322.20
Pinchin Environmental	5,900.00
Insurance	27,824.00
Property Tax (inclusive of arrears)	23,722.46
Security	10,236.25
Utilities	26,005.72
Electrical Repairs	1,810.73
Harold Epp - Emergency & Contracted Work	7,565.00
Fees paid to the Official Receiver	70.00
GST paid	15,424.50
Provincial sales tax paid	2,226.72
Locksmith	750.00
Newspaper Ads/Graphic Artist	7,482.08
Mould Removal	36,382.00
Bank Charges	208.27

TOTAL DISBURSEMENTS	371,849.86
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AMOUNT ON HAND AS AT June 2, 2009	\$ 8,152.07
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**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

ICICI BANK CANADA

Applicants

- and -

1539304 ONTARIO INC.

Respondents

**AFFIDAVIT OF IRA SMITH
(Sworn June 8, 2009)**

I, Ira Smith, of the City of Vaughan, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am the President of Ira Smith Trustee & Receiver Inc. (“ISI”), the court-appointed interim receiver and receiver and manager (the “Receiver”) of 1539304 Ontario Inc. (the “Debtor”). As such, I have knowledge of the matters hereinafter deposed to, except where stated to be on information and belief and whereso stated I verily believe it to be true.
2. ISI was appointed Receiver of all of the property, assets and undertaking of the Debtor pursuant to an Order of the Ontario Superior Court of Justice dated November 12, 2008 (the “Receivership Order”).
3. Pursuant to paragraph 18 of the Receivership Order, the Receiver and its legal counsel are required to pass their accounts from time to time.

4. Attached hereto and marked as **Exhibit "A"** to this my Affidavit is a summary of the fees charged and accounts rendered by the Receiver in respect of the proceedings (the "**Accounts Summary**") for the period from February 16, 2009 to May 31, 2009 (the "**Time Period**"). A copy of the invoice rendered by the Receiver and referenced in the Accounts Summary are attached to this my Affidavit as **Exhibit "B"**.

5. The Receiver has filed its Second Report with this Honourable Court, which outlines, among other things, the Receiver's overall actions and activities since February 20, 2009, the date of its Second Report.

6. A total of 162.6 hours were expended by the Receiver in connection with this matter during the Time Period, giving rise to fees totaling \$54,589.50 (excluding GST) for an average hourly rate of \$335.73 and allocated approximately as outlined in the Accounts Summary.

7. To the best of my knowledge, the rates charged by the Receiver throughout the course of these proceedings are comparable to the rates charged by other accounting firms in the Greater Toronto Area for the provision of similar services.

8. The hourly billing rates outlined on the Accounts Summary are the normal hourly rates charged by the Receiver for services rendered in relation to similar proceedings.

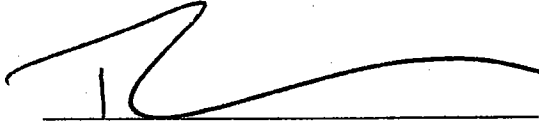
9. I verily believe that the Receiver's accounts are fair and reasonable in the circumstances.

10. Attached as Exhibit "A" to the Affidavit of Leslie Wittlin sworn June 8, 2009 and filed in support of the within motion are copies of the accounts rendered by Lang Michener LLP ("**LM**"), counsel to the Receiver, for the period from February 2, 2009, to April 30, 2009.

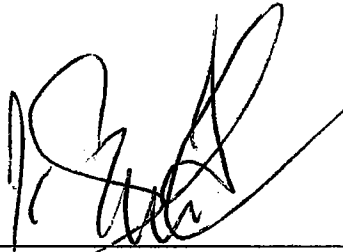
11. LM has rendered services throughout these proceedings consistent with instructions from the Receiver, the Receiver has approved all such accounts and I verily believe that the fees and disbursements of LM are fair and reasonable in the circumstances.

12. The said Affidavit is sworn in connection with the Receiver's motion to have, among other things, its fees and disbursements approved by this Honourable Court and for no improper purpose.

SWORN BEFORE ME at the City of
Vaughan, in the Province of Ontario,
on June 8, 2009.



A Commissioner for taking affidavits



Ira Smith

Brandon Smith, a Commissioner, etc.,
Province of Ontario, for Ira Smith Trustee
& Receiver Inc. Trustee in Bankruptcy.
Expires May 2, 2011.

4A4

IRA SMITH TRUSTEE & RECEIVER INC.
INTERIM RECEIVER AND RECEIVER AND MANAGER OF
1539304 ONTARIO INC.

FEBRUARY 16, 2009 – MAY 31, 2009

Staff Member	Title	Total Hours	Hourly Rate (\$CDN)	Amount Billed (\$CDN)
Ira Smith MBA, CA•CIRP, Trustee	President	81.1	425.00	34,467.50
Brandon Smith BA	Estate Manager	79.3	250.00	19,825.00
Cheryl Meads	Technician	<u>2.2</u>	135.00	<u>297.00</u>
Total		<u>162.6</u>	Average hourly rate of \$335.73	54,589.50
Disbursements (as at May 31, 2009)				702.40
Net Fees and Disbursements (excluding GST)				<u>55,291.90</u>

This Exhibit ^A referred to in the
Affidavit of Ira Smith
Sworn before me this 5th day of June, 2009

[Signature]
A Commissioner, etc.

Brandon Smith, a Commissioner, etc.,
Province of Ontario, for Ira Smith Trustee
& Receiver Inc. Trustee in Bankruptcy.
Expires May 2, 2011.

Ira Smith

u B a

TRUSTEE & RECEIVER INC.
167 Applewood Cres., Suite 6, Concord, ON L4K 4K7

This Exhibit B referred to in the
Affidavit of Ira Smith
Sworn before me this 8th day of June, 2009

Tel. (905) 738-4167
Fax (905) 738-9848
Email: ira@irasmithinc.com
Website: www.irasmithinc.com

Brandon Smith
A Commissioner, etc.
Brandon Smith, a Commissioner, etc.,
Province of Ontario, for Ira Smith Trustee
& Receiver Inc. Trustee in Bankruptcy.
Expires May 2, 2011.

June 8, 2009

R-TRINITY

GST # 86236 5699

IN THE MATTER OF THE RECEIVERSHIP OF 1539304 ONTARIO INC. O/A TRINITY LANDING CONDOMINIUMS

For professional services rendered for the period from February 16, 2009 to March 31, 2009 inclusive, in acting as Receiver of 1539304 Ontario Inc. in accordance with the Order of the Ontario Superior Court of Justice (Commercial List) dated November 12, 2008 as follows (detail attached):

<u>Staff</u>	<u>Hourly rate</u>	<u>Hours</u>	
I. Smith, President and Trustee	\$425	81.1	
B. Smith, BA, Estate Manager	\$250	79.3	
C. Meads, Technician	\$135	<u>2.2</u>	
		<u>162.6</u>	
			\$54,589.50

Disbursements (February 16, 2009 to March 31, 2009):

Travel – mileage, tolls and parking	\$ 209.45	
Postage	18.58	
Phone/Long distance/Fax	72.40	
Printing/Copying	175.00	
Misc. (presentation aids)	10.35	
Courier	<u>216.62</u>	
		<u>702.40</u>
		\$55,291.90
	GST	<u>2,764.60</u>
		<u>\$58,056.50</u>
Less: April 9, 2009 interim draw		(41,812.07)
		<u>\$16,244.43</u>

Ira Smith Trustee & Receiver Inc.
Detail Time Sheet

Period from: 2009-02-16 to 2009-05-31

Key name Full Estate Name
R- TRINITY 1539304 Ontario Inc.

<u>Date</u>	<u>Name</u>	<u>Duration</u>	<u>Activity</u>	<u>\$</u>
16-Feb-09	IRA		7.5 Writing of First Report to Court	3,187.50
17-Feb-09	BRANDON		4.0 Prep for mtg; travel to from and attend at mtg in Hamilton w/ City and Bank	1,000.00
17-Feb-09	IRA		3.9 Continuation of writing First Report to Court	1,657.50
18-Feb-09	BRANDON		2.0 Prep wip & R&D Exhibits for 1st report	500.00
18-Feb-09	BRANDON		0.3 assist C. Meads w/ ltr re freeze acct	75.00
18-Feb-09	BRANDON		2.0 Add sections to report re trust funds and borrowing; prep affidavit of I. Smith re billing, emails from City of Hamilton & PWI	500.00
18-Feb-09	CHERYL		0.6 Drafting let to bank freezing acct, fax cover sheet, faxing same	81.00
18-Feb-09	IRA		5.2 Preparation of all sale docs and emails w. LM on changes to drafts	2,210.00
19-Feb-09	BRANDON		Draft volume 2 to 1st report, update volume 1, update exhibits; tcs/emails w/ L. Wittlin & PWI; assist I. Smith with final report & Exhibits; commission affidavits of I. Smith	1,750.00
19-Feb-09	IRA		2.1 First Report to Court	892.50
19-Feb-09	IRA		1.0 FINALIZING FIRST REPORT TO COURT	425.00
19-Feb-09	IRA		3.7 FINALIZING FIRST REPORT TO COURT AND EXHIBITS INCL TELCONS AND EMAILS W. LM	1,572.50
19-Feb-09	IRA		0.4 Transmittal letter to Aaron Rousseau enclosing original signed copies, telcon w. A. Rousseau re Report to Court Exhibits	170.00
23-Feb-09	BRANDON		0.3 TC w/ Kory and send copy of Motion Record	75.00
23-Feb-09	IRA		0.4 Telcon w. L. Wittlin re certain matters pertaining to this week's Court attendance	170.00
24-Feb-09	BRANDON		0.5 Discussions w/ I. Smith and A. Rousseau re vol. 2 of 1st report	125.00
24-Feb-09	BRANDON		2.0 Assemble exhibits, copy collate and bind vol 2 of 1st report	500.00
24-Feb-09	IRA		3.8 Rvw and changes to volume 2, finalization and issuance of volume 2	1,615.00
25-Feb-09	BRANDON		0.3 CALCULATE BORROWING NEEDS	75.00
26-Feb-09	BRANDON		0.2 Emails re insurance coverage	50.00
26-Feb-09	BRANDON		0.2 TC w/ Ira re court progress; TC w/ Lionel re what happened in court & rational behind sales process timeline	50.00
26-Feb-09	IRA		6.5 Travel to and from Court, attend in Court for First Report approval	2,762.50
27-Feb-09	BRANDON		0.5 Matters re insurance; bind coverage	125.00
27-Feb-09	IRA		0.7 Email to H. Whiteley and R. Weston, telcon w. L. Wittlin, voicemail from A. Rousseau	297.50
1-Mar-09	IRA		4.1 Prep of Supp First Report for Court	1,742.50
2-Mar-09	BRANDON		0.2 Rvw mould abatement proposals	50.00
2-Mar-09	BRANDON		0.2 Email w/ unit owner	50.00
2-Mar-09	IRA		0.7 Emails with Les Wittlin and Aaron Rousseau re Supp Report and Ron Weston position	297.50

Ira Smith Trustee & Receiver Inc.
Detail Time Sheet

Period from: 2009-02-16 to 2009-05-31

Key name Full Estate Name
R- TRINITY 1539304 Ontario Inc.

<u>Date</u>	<u>Name</u>	<u>Duration</u>	<u>Activity</u>	<u>\$</u>
3-Mar-09	BRANDON		TC w/ M. Caplan re court/depositors/unsec creds; email to unit owner re deposit	100.00
3-Mar-09	IRA		1.2 r/w of next draft of Supp Report, changes thereto and emails w. LM	510.00
3-Mar-09	IRA		0.4 Emails and telcon w. Aaron Rousseau and Les Wittlin	170.00
4-Mar-09	IRA		1.6 Review of Draft Supp Report, r/w and changes to Wittlin letter to Weston, telcon w. L. Wittlin and changes to Supp Report, email to Wittlin and Rousseau	680.00
4-Mar-09	IRA		0.9 Finalizing and issuing Report and Exhibits	382.50
5-Mar-09	BRANDON		1.3 rcv funds from ICIC & disburse	325.00
5-Mar-09	IRA		0.6 Telcon w. Natan Ary re Supp report to Court, email from L. Wittlin re R. Weston reply to Wittlin previous letter, r/w of R. Weston reply, email to L. Wittlin re issues	255.00
5-Mar-09	IRA		0.7 Telcon w. L. Wittlin re Weston letter and our position re letter and for March 10	297.50
6-Mar-09	BRANDON		0.2 email to Kory Ng et al re supplementary report	50.00
6-Mar-09	BRANDON		0.2 TC w/ unit owner	50.00
7-Mar-09	IRA		R/w of responding affidavit material from City of Hamilton, preparing comments for LM, email to Les Wittlin and Aaron Rousseau regarding City's responding material and position we should take	680.00
7-Mar-09	IRA		0.2 Emails to Gorber re updating webpage and attaching files	85.00
9-Mar-09	BRANDON		1.2 Email to ICICI re mould contractor; TC w/ L Wittlin re mtgs w/ City; Email 1st mtg minutes; transcribe 2ns mtg minutes and send to L Wittlin	300.00
9-Mar-09	BRANDON		0.3 Respond to Caplan re sales process	75.00
9-Mar-09	IRA		Emails w. LM re submissions tomorrow, r/w of submissions and suggested amendments, telcon w. Aaron Rousseau re submissions, telcon w. Les Wittlin re submissions	1,105.00
10-Mar-09	BRANDON		0.5 Emails w/ pelican re reconcile security o/s prnt; review emails from Ira/Les & PWI	125.00
10-Mar-09	IRA		5.3 Travel to and from and attend in Court re Receiver's Supp Report and PWI retainer letter approval	2,252.50
11-Mar-09	IRA		0.2 Emails w. LM re presentation on March 30	85.00
12-Mar-09	BRANDON		0.2 R/w stmnt from security co	50.00
12-Mar-09	BRANDON		1.2 Conf call w/ I. Smith, and PWI re presentation and sales process	300.00
13-Mar-09	BRANDON		0.2 VM from Kory Ng at ICICI re wanting an R&D, send email that we will prep nxt wk but in mean time refer to 1st report	50.00
16-Mar-09	BRANDON		1.0 TC and Emails from Kory NG at ICICI re needs re increased borrowing authority; prep R&D	250.00
19-Mar-09	BRANDON		0.7 calculate borrowing needs; email to Kory, payment to gas co; prep rcvrs certificate 4	175.00

Ira Smith Trustee & Receiver Inc.

Detail Time Sheet

Period from: 2009-02-16 to 2009-05-31

Key name Full Estate Name
R- TRINITY 1539304 Ontario Inc.

Date	Name	Duration	Activity	\$
23-Mar-09	BRANDON		0.3 TC w/ Natan re budget; tc w/ locksmith re rekeying	75.00
24-Mar-09	BRANDON		1.0 Review PWI Budget, amend as required re utils & Insurance; review ISI wip; TC w/ K. NG and send to ICICI	250.00
24-Mar-09	BRANDON		1.0 Review teaser from PWI, backline and send to I. Smith; review sales process schedule; review appraisal and terms of sale	250.00
24-Mar-09	CHERYL		0.4 Preparing let to ICIC bank re: Receiver's Certificate, photocopying and arranging courier same	54.00
25-Mar-09	BRANDON		0.2 Emails w/ Natan @ PWI re budget, schedule, teaser & presentation	50.00
25-Mar-09	IRA		2.1 Voicemails from and to L. Meunier re current status, revisions to sales process timeline, email to PWI re timeline draft, email from L. Wittlin, rvw of draft confidentiality agreement and email to L. Wittlin re same, telcon w. pot purch re opportunity	892.50
26-Mar-09	BRANDON		2.0 Review presentation from PWI; Review CCDC@ from PWI, send to counsel; TC and emails to Kory at ICICI; discussion of time line w./ I Smith	500.00
26-Mar-09	IRA		1.7 Sales docs rvw and amendments, emails to PWI and ICICI	722.50
27-Mar-09	BRANDON		0.5 TC w/ Natan re PPT; email from L. Wittlin	125.00
27-Mar-09	BRANDON		2.3 Mtg @ PWI re presentation to city	575.00
27-Mar-09	IRA		3.1 Travel to and from and attend meeting at PWI to rehearse Monday presentation and telcon w. L. Wittlin	1,317.50
30-Mar-09	BRANDON		5.0 Travel to from and attend at Mtg at Lang Michener re presentation of vol 2 to city	1,250.00
30-Mar-09	BRANDON		0.7 Review o/s invoices, prep schedule and send to Kory following TC	175.00
30-Mar-09	BRANDON		0.4 TC w/ L. Meunier re borrowing and mould; email to Les re same	100.00
30-Mar-09	IRA		4.9 Travel to and from and attend at meeting with ICICI and City of Hamilton to present Volume 2 info w. Pelican Woodcliff	2,082.50
31-Mar-09	BRANDON		1.8 Email with PWI re banks position on funding and mould abatement; TC w/ Les; TC w/ L. Meunier; multiple emails and TCs re financing and schedule changes as a result	450.00
1-Apr-09	CHERYL		0.7 VM from Lionel; discussions w/ Les, Heath re stoppage in funding	94.50
3-Apr-09	IRA		2.6 Travel to and from and attend meeting w. R. Mandowsky and L. Meunier	1,105.00
5-Apr-09	BRANDON		0.3 Email with unit purchaser re deposit funds	75.00
6-Apr-09	BRANDON		0.5 Calculate borrowing needs for Rcvr certificate 5, cancel cert. 4, issue cert 5 w/ letter to K. Ng via email & regular mail	125.00
6-Apr-09	IRA		0.2 Telcon w. L. Wittlin re current status of funding request to ICICI and sales process delay	85.00
6-Apr-09	IRA		0.4 Emails from and to Kory Ng et al at ICICI Bank regarding funding and the sales process	170.00
6-Apr-09	IRA		0.2 Telcon w. L. Wittlin re status of receivership administration	85.00

Ira Smith Trustee & Receiver Inc.

Detail Time Sheet

Period from: 2009-02-16 to 2009-05-31

Key name Full Estate Name
R- TRINITY 1539304 Ontario Inc.

<u>Date</u>	<u>Name</u>	<u>Duration</u>	<u>Activity</u>	<u>\$</u>
7-Apr-09	BRANDON		0.4 Email from M. Winnick re Mould contractor needs & Sched; TC from All Door re tools/equip on site; email to L. Wittlin re procedure for release of 3rd party assets	100.00
8-Apr-09	BRANDON		0.1 Emails w/ ICIC re approval of receiver's certificate 5	25.00
9-Apr-09	BRANDON		issue pmt for utilities & security from rcvr cert 5; calculate borrowing needs and Wip; issue rcvr's certificate 6	250.00
9-Apr-09	BRANDON		0.4 TC w/ L. Wittlin re 3rd party claimant and borrowing concerns	100.00
14-Apr-09	BRANDON		0.7 TC with pot purchaser; emails w/ Kory re rcvr's certificate and insurance	175.00
16-Apr-09	BRANDON		1.2 re-jig sales process timelines; discussions w/ I Smith; send teaser comments and schedule to PWI; prep draft Ad; circulate and review comments	300.00
17-Apr-09	IRA		2.3 Rvw of time line, teaser, terms and conditions, draft ad for newspapers and amendments thereto	977.50
20-Apr-09	BRANDON		0.1 banking	25.00
20-Apr-09	BRANDON		1.0 issue payments	250.00
21-Apr-09	IRA		1.7 Rvw of time line, changes thereto, email to Natan Ary, telcon w. Les Wittlin re sales process, rvw of Wittlin email to H. Whiteley re sales process	722.50
22-Apr-09	IRA		0.7 Final approval of ad for sale of property	297.50
29-Apr-09	CHERYL		0.2 CALLS RE: PURCHASING, FORWARDING E-MAIL SAME	27.00
29-Apr-09	IRA		1.3 Finalization of Terms and Conditions, pot purch emails, emails w. N. Ary re email to pot purch's, Hamilton Spectator re ad placement	552.50
30-Apr-09	BRANDON		1.5 TC and emails with pot purchasers	375.00
30-Apr-09	IRA		0.8 Dealing w. finalization of Conf Agreement, finalization of Terms and Conditions, emails w. N. Ary, emails w. Lang Michener et al re teaser and terms and conditions	340.00
1-May-09	BRANDON		1.0 TC & emails w/ potential purchasers	250.00
4-May-09	BRANDON		0.7 TC with gas co re applying credit balances against owing; emails w/ pot purchasers	175.00
5-May-09	BRANDON		0.3 TC w/ unsec cred; emails w/ pot purch	75.00
5-May-09	BRANDON		1.3 Reconcile security bills; emails with pelican re mould and utilities	325.00
5-May-09	BRANDON		0.5 TC w/ I. Smith & N. Ary re CIM	125.00
6-May-09	BRANDON		1.0 TC/emails w/ pot purch; Circulate CA's matters re M. Caplan	250.00
7-May-09	BRANDON		0.4 Emails w/ pot purchasers re conf. agreements	100.00
8-May-09	BRANDON		0.4 TC w/ unsec cred; emails re sales process	100.00
11-May-09	BRANDON		2.5 Prepare 1st interim report, reconcile acct, prepare R&D, request web update, circulate report by mail and email to requesting stakeholders	625.00
11-May-09	BRANDON		0.2 Review corrsp from lien claimant and circulate to L. Wittlin/ A. Rousseau for comment and response	50.00

Ira Smith Trustee & Receiver Inc.

Detail Time Sheet

Period from: 2009-02-16 to 2009-05-31

Key name Full Estate Name
R- TRINITY 1539304 Ontario Inc.

<u>Date</u>	<u>Name</u>	<u>Duration</u>	<u>Activity</u>	<u>\$</u>
12-May-09	BRANDON		0.9 Respond to M. Caplan; emails w/ PWI and pot purch re sales process	225.00
12-May-09	IRA		1.9 CIM Review	807.50
13-May-09	BRANDON		0.8 Emails and TCs w/ pot purchasers; PMT to Horizon Utilities; calculate borrowing needs for 7th certificate	200.00
14-May-09	BRANDON		3.8 Review final CIM, circulate to qualified recipients; emails with N. Ary at PWI & pot purchasers re sales process matters; Emails & TCs w/ Union Gas and PWI re meter readings; Letter from and response to H. Ganatra and CRA re o/s	950.00
15-May-09	BRANDON		GST returns	300.00
16-May-09	BRANDON		1.2 Matters sales process; emails w/ pot purchasers & city	100.00
19-May-09	BRANDON		0.4 TC/emails w/ pot purchasers, prep CA & CIMS	500.00
19-May-09	IRA		2.0 TC/emails w/ pot purchasers, prep CA & CIMS	85.00
19-May-09	IRA		0.2 Telcon w. H. Rubinoff and client re opportunity	255.00
19-May-09	IRA		0.6 Email blast re revised dates and opportunity	297.50
19-May-09	IRA		0.7 Rcpt and rvw of signed CA's and distribution of related CIM's	500.00
20-May-09	BRANDON		2.0 TC/emails w/ pot purchasers, prep CA & CIMS	40.50
20-May-09	CHERYL		0.3 E-mails and disc. With B. Smith re: potential purchasers	100.00
21-May-09	BRANDON		0.4 TC/emails w/ pot purchasers	625.00
22-May-09	BRANDON		tc/emails w/ pot purchasers; corresp w/ A. Rousseau re lien holders; matters re gas billing	125.00
26-May-09	BRANDON		0.5 Matters re sales process/ PWI etc	170.00
26-May-09	IRA		0.4 Rvw of NBLO's and emails to Wittin and Pelican	750.00
27-May-09	BRANDON		3.0 Review Data room docs; render pmt to B&N for mould removal; emails w/ A. Rousseau re Lien Claimant	1,000.00
29-May-09	BRANDON		set up data room docs; communication w/ J. Gorber re data room; communicate with NBLO's; analysis of bids, transmit to LM; emails w/ ICIC re funds and status	54,589.50
			162.6	

<u>Employee name</u>	<u>Hourly Rate</u>	<u>Amount</u>
IRA SMITH	81.1	34,467.50
BRANDON SMITH	79.3	19,825.00
CHERYL DESHANE	2.2	297.00
Total:	162.6	54,589.50
Average Hourly Rate:		335.73

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

BETWEEN:

ICICI BANK CANADA

Applicant

- and -

1539304 ONTARIO INC.

Respondent

APPLICATION UNDER s.47(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3, s. 101 of the *Courts of Justice Act*, R.S.O. c. C-43 and Rules 14.05(2) and (3) (d), (g) and (h) of the *Rules of Civil Procedure*.

**AFFIDAVIT OF LESLIE A. WITTLIN
(sworn June 8, 2009)**

I, Leslie A. Wittlin, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**


1. I am a partner in the law firm of Lang Michener LLP (“Lang Michener”). I am the billing professional for billings related to the retainer of Lang Michener as independent counsel to Ira Smith Trustee & Receiver Inc. (the “Receiver”) in its capacity as Court-appointed Interim Receiver and Receiver and Manager of 1539304 Ontario Inc. (the “Debtor”) and as such I have personal knowledge of the matters to which I refer to herein.
2. Pursuant to an Order of this Court dated November 12, 2008, the Receiver was appointed effective November 12, 2008 (the “Initial Order”).
3. Pursuant to the Initial Order, Lang Michener has acted as independent counsel to the Receiver in its dual capacities as Interim Receiver and Receiver and Manager of the Debtor’s current and future assets, undertakings and properties.

4. Lang Michener has provided services and incurred disbursements as independent counsel to the Receiver for the period from February 2, 2009 to April 30, 2009 as described in the Third, Fourth and Fifth Interim Bills of Costs rendered in the receivership, copies of which Interim Bills of Costs are attached hereto as **Exhibits "A", "B" and "C" respectively.**

5. Based upon my review of the Interim Bills of Costs and my knowledge of the services provided and disbursements incurred in relation to the receivership, I am of the view that the Interim Bills of Costs contain a fair and accurate description of the services provided, the fees billed by Lang Michener for such services and the disbursements incurred by Lang Michener necessarily and incidental to the provision of such services.

6. I make this Affidavit in support of the motion of the Receiver for approval of its fees and disbursements of those of its counsel, and for no other or improper purpose.

SWORN BEFORE ME at the City of)
)
 Toronto, in the Province of Ontario,)
)
 This 8th day of June, 2009)
)



 A COMMISSIONER IN AND FOR
 THE PROVINCE OF ONTARIO



 Leslie A. Wittlin

THIS IS EXHIBIT "A" referred to in
the affidavit of LESLIE A. WITTLIN
sworn before me this 8th
day of JUNE, 2009.



A COMMISSIONER ETC.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
COMMERCIAL LIST**

BETWEEN

ICICI BANK CANADA

Applicant

- and -

1539304 ONTARIO INC.

Respondents

**THIRD INTERIM BILL OF COSTS OF INDEPENDENT
COUNSEL FOR THE INTERIM RECEIVER AND THE
RECEIVER AND MANAGER OF 1539304 ONTARIO INC.**

FOR PROFESSIONAL SERVICES RENDERED as independent counsel to Ira Smith Trustee & Receiver Inc. (the "Receiver") in its capacity as court appointed interim receiver and receiver and manager of 1539304 Ontario Inc., for the period from February 2, 2009 to February 27, 2009 as particularized in the Schedule of time docket entries annexed hereto;

Professional	Year of Call	Rate	Total Time	Total Fees
Cheryl Cohen		225.00	.50	112.50
Leslie A. Wittlin	1974	690.00	33.50	23,115.00
Alex A. Ilchenko	1993	565.00	8.80	4,972.00
Aaron Rousseau		315.00	31.00	9,765.00
Natasha Wirtanen		230.00	5.00	1,150.00
Catherine Ma		115.00	1.20	138.00

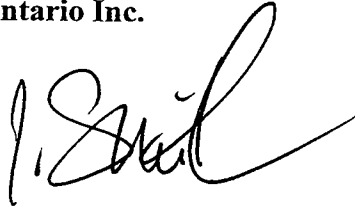
Fees and Disbursements	\$40,017.95
GST on Fees and Disbursements	<u>1,994.55</u>
Total Fees and Disbursements	<u>\$42,012.50</u>

I hereby certify that I have examined the above bill, the services have been duly authorized and rendered and the charges are in my opinion fair and reasonable.

Dated at Toronto, Ontario, this 20th day of April March, 2009.

**Ira Smith Trustee & Receiver Inc., in its capacity as
interim receiver and the receiver and manager of
1539304 Ontario Inc.**

Per:



Ira Smith, President

**Schedule of time docket entries for the period
from February 2, 2009 to February 27, 2009**

02 FEB 09	CC	Obtain copies of registered title documents;	.50
02 FEB 09	AAI	Revising letter to service list regarding available dates; reviewing application record and multiple lien claims; revising creditor list; meeting with L. Wittlin and A. Rousseau;	.80
02 FEB 09	LAW	Reviewing voice message from J. Quigg, lawyer for Crotech, construction lien claimant; returning voice message and drafting e-mail to her to provide copy of order appointing receiver; telephone discussions with B. Smith regarding old lien claims and new lien claims, and confirming certain facts relating to the old lien claims and the use of the letter of credit to deal with them; brief conference with A. Rousseau and A. Ilchenko to follow-up on matters to be addressed in establishing a court date and items to be covered in the receiver's report, bringing forward the service list, etc.;	1.00
02 FEB 09	AR	Review correspondence between L. Wittlin, B. Smith and H. Whiteley; discussion with L. Wittlin and A. Ilchenko regarding courses of action available, next steps and division of responsibility;	.50
03 FEB 09	AAI	Revising letter to service list regarding available dates; meeting with A. Rousseau regarding letter;	.40
03 FEB 09	LAW	Conferring with A. Rousseau and A. Ilchenko regarding finalizing revised service list for receivership proceedings and letter to service list parties regarding court date; listing issues to be addressed and responsibilities;	.80
03 FEB 09	AR	Research and prepare revised service list; revise letter to all parties regarding motion for report and approval of sale process;	1.60
04 FEB 09	AAI	Reviewing sales process Orders; meeting with A. Rousseau regarding preparation of court materials;	.40

04 FEB 09	LAW	Reviewing voice message from P. Sullivan on behalf of one of the lien claimants; instructions to A. Rousseau as to the response to be made; receiving and reviewing memorandum from B. Smith regarding inquiry by potential purchaser and response to be made at this point in time; advising B. Smith as to how to handle such inquiries pending preparation of report and marketing and sale plan; note to file;	.70
04 FEB 09	AR	Exchange voicemails with counsel for lien claimants; receive and read letter from counsel for Basic Drywall and Sibbald Roofing regarding sale process; e-mails from B. Smith regarding sale process and confidentiality for consultants; e-mails from counsel for other parties regarding motion date;	.40
06 FEB 09	AR	Listen to voicemail from counsel for Randy Legacy regarding appraisals, sale process and holdback; draft letter to counsel for Sibbald and Basic Drywall advising that further information regarding sale process will come with motion;	.20
09 FEB 09	AR	Exchange voicemails with and call with P. Sullivan, counsel for Randy Legacy regarding proposed sale process, holdbacks and status of liens; review e-mails between L. Wittlin and B. Smith regarding Phase 3 mould report; prepare court request form for motion;	.70
10 FEB 09	LAW	Reviewing voice message from H. Whiteley, solicitor for ICICI Bank; obtaining and reviewing consultant's confidential reports relating to water seepage, mould and other structural and functional issues with the property; reviewing quotations on work required to be done to clean up the property; telephone discussion with B. Smith and forward voice message to H. Whiteley; brief consultation with A. Ilchenko regarding timing of return of upcoming motion;	1.20
11 FEB 09	AAI	Discussing confirmation of hearing date with Commercial Court registrar; discussing preparation of court materials with A. Rousseau; discussing repair costs and lien claims with L. Wittlin;	.40

11 FEB 09	LAW	Telephone call from I. Smith regarding preparing draft report and timing thereof; considering tentative information relating to the consultant's reports and estimates for repairs and other issues; advising as to the possible sealing of certain consulting reports which get opened only to serious possible purchasers; telephone calls to H. Whiteley; advising B. Smith concerning potential problems arising with real estate agent in Hamilton who was selling proposed condominium units for the owner; notes to file;	.70
11 FEB 09	AR	Draft letter to all parties regarding court date; listen to voicemail from and leave voicemail for counsel for lien claimant;	.20
12 FEB 09	AAI	Reviewing correspondence with Broker regarding request for financial information; discussing response to Broker with L. Wittlin;	.40
12 FEB 09	LAW	Reviewing and responding to e-mails from M. Caplan regarding his position as real estate broker and creditor of the project and his complaints about the communications he has had with the receiver so far; preparing detailed response thereto and reviewing comments by I. Smith in respect thereof; reviewing further communication from M. Caplan and responding thereto; brief e-mail exchanges with I. and B. Smith regarding preparation of report of receiver for court on February 26 and matters to be addressed therein; brief consultation with A. Rousseau regarding communication from another law firm on behalf of a creditor seeking waiver of the limitation period and response to be made;	1.00
12 FEB 09	AR	Read and analyze letter from counsel for Building Technology Specialists Inc. regarding new claim and limitation date; confer with L. Wittlin regarding response to letter; e-mails to and from B. Smith regarding response to letter; call with counsel for Crotech and Matthews Equipment regarding receiver position on lien claims;	.60
13 FEB 09	AAI	Reviewing correspondence with Broker regarding request for financial information; discussing response to Broker with L. Wittlin; discussing status of repair costs and lien amounts with L. Wittlin;	.20

13 FEB 09	LAW	Telephone calls from I. and B. Smith regarding meeting with PW and bank concerning state of property and efforts that may be required and possible positions that might be taken; conferring with A. Rousseau regarding preparing and organizing motion record materials, exchanging voice messages with H. Whiteley regarding upcoming meeting with bank and City; notes to file;	2.00
13 FEB 09	AR	Instructions from L. Wittlin regarding preparation of motion record; prepare motion record;	1.30
15 FEB 09	LAW	Receiving and reviewing engagement letter agreement between receiver and Pelican Woodcliff; preparing comments for I. Smith in respect thereof; exchanging e-mails with I. Smith;	.80
16 FEB 09	LAW	Lengthy telephone discussion with I. Smith regarding amendments to engagement letter agreement with Pelican Woodcliff and finalizing the terms thereof; addressing other matters to be dealt with in the draft report being prepared by I. Smith;	.70
17 FEB 09	AAI	Reviewing and revising draft report of the Receiver; discussing revisions with L. Wittlin; discussing preparation of court materials with A. Rousseau;	1.40
17 FEB 09	LAW	Reviewing e-mail from M. Caplan; receiving and reviewing draft report prepared by I. Smith, conferring with A. Ilchenko and A. Rousseau regarding numerous amendments required thereto and assembling the motion record; notes to file;	1.50
17 FEB 09	AR	Record issues of importance to address in first report; draft memorandum to I. Smith listing issues of importance to address in first report;	2.20
18 FEB 09	AAI	Reviewing and revising draft report of the Receiver; reviewing and revising terms and conditions of sale; reviewing and revising confidentiality agreement; discussing revisions with L. Wittlin and I. Smith;	1.40

18 FEB 09	LAW	Reviewing revised draft report with track changes; reviewing draft terms of sale and considering additional provisions relating to the specific property; consultations with A. Rousseau regarding preparation of motion record and inclusion of certain materials therein; brief consultation with A. Ilchenko regarding paragraph 14 of draft terms of sale; conference telephone discussion with A. Ilchenko and I. Smith regarding shortening up the sales procedure by prescribing the form of agreement of purchase and sale; notes to file;	2.30
18 FEB 09	AR	Listen to voicemail from and leave voicemail for J. Quig, counsel for Crotech, regarding receiver's position on lien claimants; review terms and conditions of proposed sale process; discuss proposed sale process with L. Wittlin to enable clarification for lien claimants;	.90
19 FEB 09	AAI	Reviewing and revising draft report of the Receiver; reviewing and revising terms and conditions of sale; reviewing and revising confidentiality agreement; reviewing and revising draft Order and Notice of Motion; discussing revisions with L. Wittlin and I. Smith; discussing finalization of Motion Record with A. Rousseau;	2.10
19 FEB 09	LAW	Reviewing exchange of multiple e-mails regarding use of prescribed agreement of purchase and sale and timing thereof; reviewing revised terms and conditions of sale and sales process timeline documents and preparing detailed comments in respect thereof; conferring with A. Ilchenko to finalize comments for I. Smith; telephone discussions with I. Smith to provide comments and to discuss certain amendments suggested; reviewing revised final form of documents and contents of receiver's first report; conferring with A. Ilchenko; A. Rousseau, I. Smith and B. Smith concerning ancillary matters to finalize the preparation of the required motion record;	3.80
19 FEB 09	AR	Review revised first report; prepare motion record; calls with J. Pichelli, counsel for Better Built regarding motion; e-mails to and from J. Lefurgey, counsel for Basic Drywall regarding motion;	4.10

20 FEB 09	LAW	Completing review of assembled motion record including all schedules thereto, brief consultations with A. Ilchenko, A. Rousseau and I. Smith to finalize; voice message to H. Whiteley regarding position of bank; telephone discussion with I. Smith regarding details to attend to in court on February 26, 2009; receiving and reviewing copy of statement of claim delivered by lawyer in Welland against the numbered company;	2.00
20 FEB 09	AR	Calls with B. Smith and I. Smith regarding motion record; revise motion record; arrange for service of motion record on service list;	3.20
23 FEB 09	AAI	Discussing hearing of Motion with L. Wittlin; discussing trust fund issue with A. Rousseau and L. Wittlin; discussing filing of court materials with A. Rousseau;	.20
23 FEB 09	LAW	Reviewing e-mails from M. Caplan and responding thereto; considering positions of proposed condominium unit purchasers with A. Rousseau and A. Ilchenko; addressing carriage of return of motion in court; brief consultation with I. Smith regarding preparation for and attendance in court on February 26, 2009;	.50
23 FEB 09	AR	Draft letter to C. Peddle, counsel for Building Technology Specialists regarding statement of claim issued by Building Technology Specialists; arrange for filing of motion record; discussion with L. Wittlin of appropriate position for Receiver on deposit monies of purchasers;	2.10
24 FEB 09	AAI	Discussing hearing of Motion with L. Wittlin; discussing filing of court materials with A. Rousseau;	.60
24 FEB 09	LAW	Conferring with A. Rousseau regarding preparation for court and sealing order procedure; telephone discussion with I. Smith regarding preliminary view on treatment of deposits on proposed condominium unit purchases following review of trust ledger and agreements of purchase and sale forwarded by Burns Vasan, solicitors for the owner/developer; advising as to the manner in which this issue should be addressed on a subsequent court date; receiving and reviewing draft of volume 2 of the first report dealing with the sealing of confidential matters; preparing comments in respect thereof, telephone	3.00

discussion with I. Smith; telephone discussion with H. Whiteley, solicitor for ICICI Bank regarding position of bank on various issues, including return of the deposits paid into the trust account of Burns Vasan and the mechanics thereof; receiving and reviewing correspondence from P. Sullivan on behalf of Randy Legacy, lien claimant, and from D. Swift on behalf of 353903 Ontario Ltd.; considering the positions they want to take and responding by e-mail thereto; reviewing responses to be made with A. Rousseau and bringing the views forward in court on February 26, 2009; conferring briefly with A. Rousseau and A. Ilchenko;

24 FEB 09	AR	E-mails to and from C. Peddle, counsel for Building Technology Specialists, regarding statement of claim issued by Building Technology Specialists; review statement of claim from Building Technology Specialists; listen voicemail from and leave voicemail for J. Quig, counsel for Crotech, regarding addressing priority of liens claims in motion of February 26; instructions to N. Wirtanen to prepare memorandum of law regarding trust character of purchasers' deposits; confer with L. Wittlin; leave voicemail for and call with I. Smith regarding volume 2 of first report; review volume 2 of first report;	2.10
24 FEB 09	NW	Researching law relating to deposit money and trusts from a condo purchase and sale agreement for A. Rousseau;	2.00
24 FEB 09	CM	Attendance at Commercial Court to file Motion Record returnable February 26, 2009; e-mail to A Rousseau advising of same;	.60
25 FEB 09	AAI	Discussing filing of court materials with A. Rousseau including portion intended to be sealed;	.30
25 FEB 09	LAW	Telephone discussions with I. Smith and B. Smith regarding verification of certain information contained in the report and in the second volume of the report intended to be sealed; brief conference with A. Rousseau to go over the points to be addressed in court on Thursday morning; notes to file;	1.50

25 FEB 09	AR	Prepare for motion regarding first report; review volume 2 of first report; arrange for filing of volume 2 of first report; conference call with I. Smith and L. Wittlin regarding justification for sealing order for volume 2 of report and conflict between trust ledgers in volume 1 of first report and chart of deposits collected in volume 2 of first report; review memorandum of law from N. Wirtanen regarding trust character of purchasers' deposits; instructions to N. Wirtanen to revise memorandum;	2.70
25 FEB 09	NW	Researching and drafting memo on deposits held in trust under a purchase and sale agreement;	1.60
25 FEB 09	CM	Attendance at Commercial List office to file report of receiver; attend at Judge's Administration; delivered report to Peppal, J.; call to A. Rousseau to report;	.60
26 FEB 09	LAW	Preparation for and attendance at court on return of motion to present first report of receiver including gowning and discussions with other counsel, making submissions and responding to various submissions; subsequent consultations with I. Smith, A. Rousseau and counsel for the City of Hamilton and ICICI Bank regarding preparation of supplementary report of receiver concerning choice of PWI and basis thereof; notes to file;	6.50
26 FEB 09	AR	Attend motion for approval of receiver's first report, increase of borrowing facility to \$450,000, retention of Pelican Woodcliff Inc., and sealing of second volume of first report; confer with L. Wittlin and conference call with I. Smith regarding contents and timing of supplementary first report to support retention of Pelican Woodcliff Inc.; draft outline of supplementary report;	7.80
26 FEB 09	NW	Drafting a memo on deposits held in trust by solicitors for Trinity Landing under purchase and sale agreements;	1.40
27 FEB 09	AAI	Discussing outcome of hearing and additional materials required with L. Wittlin, A. Rousseau and I. Smith;	.20

27 FEB 09 LAW Reviewing memorandum to R. Weston and H. Whiteley sent by I. Smith regarding opinions on bank security and additional arrangements between the City and the bank with respect to repayment of the City mortgage in priority to or pari passu with the repayment of the bank out of sales proceeds; reviewing the application record and particularly the terms and conditions of the bank security and the priority agreements between the bank and the City, reviewing title and PPSA searches conducted on November 13, 2008, writing to H. Whiteley and R. Weston regarding unregistered documents pertaining to repayment of the City mortgage in priority to or pari passu with the Bank mortgage, receiving and reviewing further documentation from H. Whiteley in respect thereof; 3.50

27 FEB 09 LAW Drafting security review opinion as to validity and enforceability of the bank security, commenting on the effect of the registered priority agreements between the bank and the City, conferring with I. Smith regarding preparation of supplementary report, receiving and reviewing endorsement issued by Justice Pepall together with order as amended and signed by her; conferring with I. Smith and A. Rousseau in respect of the endorsement and the order; detailed memorandum to R. Weston regarding any materials in support of his submissions in court which he intends to rely upon; telephone discussions with H. Whiteley and S. Rosen regarding clarification of certain aspects of the bank security and other documents contained in the application record; detailed notes to file;

27 FEB 09 AR Assist L. Wittlin with review of validity and apparent priority of ICICI bank security; arrange for additional copies of volume 2 of first report and H. Ganatra's submissions to I. Smith; review order and endorsement by Justice Pepall on February 27; conference call with L. Wittlin and I. Smith regarding order and endorsement by Justice Pepall on February 27 as well as strategy and supplementary report for March 10 motion; .40

TOTAL TAXABLE HOURS

80.00

OUR FEE \$ 39,252.50

TAXABLE DISBURSEMENTS

Copies	\$ 547.45
Courier Delivery	31.61
Telephone	3.79
Fax	7.60
Electronic Real Estate Searches	<u>48.00</u>

TOTAL TAXABLE DISBURSEMENTS 638.45

NON-TAXABLE DISBURSEMENTS

Filing Fees	<u>\$ 127.00</u>
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TOTAL NON-TAXABLE DISBURSEMENTS 127.00


Goods and Services Tax (5% * 39,890.95)	<u>1,994.55</u>
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TOTAL BALANCE DUE \$ 42,012.50

THIS IS OUR INTERIM BILL OF COSTS

LANG MICHENER LLP

Per:



Leslie A. Wittlin

Court File No.: CV-08-7714-00CL

BETWEEN:

ICICI BANK CANADA
Applicant

- AND -

1539304 ONTARIO INC.

Respondent

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

(PROCEEDING COMMENCED AT
TORONTO)

BILL OF COSTS

LANG MICHENER LLP

Barristers & Solicitors

P.O. Box 747, Suite 2500

BCE Place, 181 Bay Street

Toronto, Ontario

M5J 2T7

Leslie A. Wittlin

LSUC No.: 14629M

Telephone: (416) 307-4087

Facsimile: (416) 304-3855

THIS IS EXHIBIT "B" referred to in
the affidavit of LESLIE A. WITTLIN
sworn before me this 8th
day of JUNE, 2009.

A handwritten signature in black ink, appearing to be 'M. W.', written over a horizontal line.

A COMMISSIONER ETC.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
COMMERCIAL LIST**

BETWEEN

ICICI BANK CANADA

Applicant

- and -

1539304 ONTARIO INC.

Respondents

**FOURTH INTERIM BILL OF COSTS OF INDEPENDENT
COUNSEL FOR THE INTERIM RECEIVER AND THE
RECEIVER AND MANAGER OF 1539304 ONTARIO INC.**

FOR PROFESSIONAL SERVICES RENDERED as independent counsel to Ira Smith Trustee & Receiver Inc. (the "Receiver") in its capacity as court appointed interim receiver and receiver and manager of 1539304 Ontario Inc., for the period from March 1, 2009 to March 31, 2009 as particularized in the Schedule of time docket entries annexed hereto;

Professional	Year of Call	Rate	Total Time	Total Fees
Alex A. Ilchenko	1993	565.00	.40	226.00
Leslie A. Wittlin	1974	725.00	37.20	26,970.00
Aaron Rousseau	2007	315.00	13.70	4,315.50
Glenn Grenier	1991	575.00	.40	230.00
Catherine Ma		115.00	.90	103.50

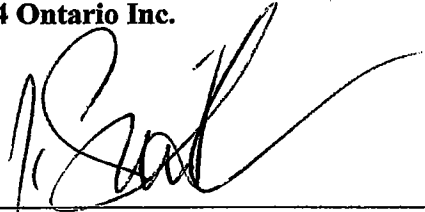
Fees and Disbursements	\$32,359.91
GST on Fees and Disbursements	<u>1,618.00</u>
Total Fees and Disbursements	<u>\$33,977.91</u>

I hereby certify that I have examined the above bill, the services have been duly authorized and rendered and the charges are in my opinion fair and reasonable.

Dated at Toronto, Ontario, this *SM* day of *SM* April, 2009.

**Ira Smith Trustee & Receiver Inc., in its capacity as
interim receiver and the receiver and manager of
1539304 Ontario Inc.**

Per:



Ira Smith, President

**Schedule of time docket entries for the period
from March 1, 2009 to March 31, 2009**

01 MAR 09	LAW	Receiving and reviewing first draft of supplementary report prepared by I. Smith and preparation of comments in respect thereof;	1.00
02 MAR 09	AAI	Revising letter to counsel for the City of Hamilton; discussing letter with L. Wittlin;	.20
02 MAR 09	LAW	Completing review of further documents sent by H. Whiteley; telephone discussion with H. Whiteley to clarify arrangements between the City and the Bank relating to the ability of Trinity Landing to pay the City's mortgage down from proceeds of sale of condominium units in the future; revising draft security review and opinion letter, reviewing comments on draft supplementary report to I. Smith and reviewing additional comments prepared by A. Rousseau; voice message to R. Weston and exchanging e-mails with R. Weston; telephone call from R. Weston and subsequent e-mail memorandum to him with respect to all issues addressed; subsequent exchange of e-mail with R. Weston concerning the position taken by the City and the support for it; exchanging further e-mail memoranda with I. Smith regarding suggested amendments to draft supplementary report and considering timing for completing and filing the supplementary report; notes to file;	3.70
02 MAR 09	AR	Emails from I. Smith, L. Wittlin, H. Whiteley and R. Weston regarding priority of City and Bank security; arrange for entry and issuance of order made February 27; draft letter to all parties regarding order made February 27 and adjournment to March 10; review and comment on draft supplementary report;	2.50
02 MAR 09	CM	Attend at the Commercial List office and issued and entered Order of Pepall, J.;	.30
03 MAR 09	LAW	Advising I. Smith concerning remaining motion materials, reviewing and finalizing draft supplementary report; receiving and reviewing position letter from R. Weston together with copies of numerous documents and e-mail memoranda being relied upon by him with respect to the priority issue as against the bank security; drafting response to his letter summarizing the receiver's views, telephone discussion with H. Whiteley regarding the	3.70

		position of the bank; further conference with I. Smith in order to finalize the supplementary report;	
03 MAR 09	AR	Review documents provided by City of Hamilton regarding postponement of security and report to L. Wittlin; review and comment on revised supplementary report of receiver; draft letter to go from L. Wittlin to R. Weston, counsel for the City of Hamilton, regarding security priorities between City of Hamilton and ICICI Bank, receiver's engagement of Pelican Woodcliff as consultant and motion of March 10, 2009;	2.10
04 MAR 09	LAW	Reviewing comments from I. Smith regarding position letter to R. Weston, making amendments to the letter as instructed, reviewing further questions and amendments to supplementary report submitted by I. Smith and responding thereto; advising I. Smith regarding priority of security issue and inability to render an opinion in context of return to court on March 10, 2009 for approval of PWI contracts; conferring with A. Rousseau regarding settling final documents for completing the supplementary motion record and a draft order for inclusion therein; finalizing position letter to R. Weston; telephone discussion with H. Whiteley regarding clarification of bank security position; brief consultation with G. Grenier regarding construction lien proof of claim process in the context of the court ordered receivership;	3.60
04 MAR 09	AR	Review and comment on revised draft supplementary report; review revised draft letter to R. Weston, counsel for the City of Hamilton, regarding motion of March 10, 2009; arrange for service and filing of supplementary motion record; draft affidavit of service of supplementary motion record;	2.30
04 MAR 09	GG	Conference with L. Wittlin concerning the receivership of a development involving two rounds of lien claimants and priorities between bank and said lien claimants;	.40
05 MAR 09	LAW	Reviewing further correspondence from R. Weston, discussion with I. Smith and A. Rousseau regarding response to be made to various matters raised by R. Weston; drafting proposed response and obtaining instructions from I. Smith in respect thereof;	2.00

05 MAR 09	AR	Read letter from R. Weston, counsel for the City of Hamilton regarding priority of security, retention of Pelican Woodcliff Inc. and motion of March 10, 2009; execute affidavit of service for supplementary motion record; arrange for service and filing of supplementary motion record;	.50
05 MAR 09	CM	Attend at Commercial List and filed Supplementary Motion Record of the receiver;	.60
06 MAR 09	AAI	Reviewing responding motion record served by counsel for the City of Hamilton;	.20
06 MAR 09	LAW	Receiving and reviewing further letter from R. Weston dated March 5, 2009 and reviewing matters raised therein with I. Smith;	.70
06 MAR 09	LAW	Receiving and reviewing responding motion record from solicitors for City of Hamilton; notes thereon;	1.00
06 MAR 09	AR	Read letter from R. Weston, counsel to City of Hamilton, regarding receiver's supplementary report, opinion regarding validity and enforceability of ICICI Bank Canada's security, and motion of March 10, 2009; review and comment on draft letter from L. Wittlin to R. Weston regarding receiver's supplementary report, opinion regarding validity and enforceability of ICICI Bank Canada's security, and motion of March 10, 2009; emails to and from L. Wittlin and I. Smith regarding letter to R. Weston; listen to voicemail from J. Quig, counsel for Crotech regarding sales process; leave voicemail J. Quig, counsel for Crotech regarding sales process;	.50
07 MAR 09	LAW	Conference call with I. Smith and A. Rousseau to review points raised in responding motion record served by solicitors for City and advise receiver in respect thereof; taking instructions from the receiver; notes to file;	1.00
07 MAR 09	AR	Read and analyze responding motion record from City of Hamilton regarding retention of Pelican Woodcliff and receivers' supplementary report; conference call with I. Smith and L. Wittlin regarding responding motion record of City of Hamilton;	1.30

08 MAR 09	LAW	Telephone discussion with I. Smith to review draft submissions for court and amendments thereto;	.50
09 MAR 09	LAW	Telephone call from B. Smith to review the minutes of the two meetings that took place between the Receiver, PWI and representatives of the City of Hamilton and exactly what positions were taken by the City at those meetings; revising draft argument and submissions after obtaining comments and instructions from I. Smith and conferring with A. Rousseau; finalizing draft arguments and submissions;	2.20
09 MAR 09	AR	Review and revise draft submissions for March 10, 2009 motion; discussion with L. Wittlin and call with I. Smith regarding revisions to submissions; call with J. Quig, counsel for Crotech regarding sales process and proof of claims process;	3.30
10 MAR 09	LAW	Final preparation for return of supplementary motion for approval of the consultant's engagement letter, receiving and reviewing further written submissions, facts by H. Ganatra, attending at court, gowning, final briefing by Receiver, arguing and making submissions, responding to submissions by solicitor for the City, reviewing Judge's endorsement, attending to enter the signed order, brief meeting with solicitor for City, solicitor for Bank and Receiver to firm-up March 30, 2009 presentation regarding sealed material, subsequent confirming letter to solicitors for the City and the bank regarding March 30, 2009 presentation and need for confidentiality agreements, instructions to A. Rousseau to serve the endorsement and the order on all the service list counsel, subsequent brief exchange with Receiver regarding claims process; notes to file;	6.60
10 MAR 09	AR	Review facsimile with submissions from H. Ganatra; read order and endorsement of March 10; draft letter to all parties regarding order and endorsement of March 10; arrange for meeting with representatives of City of Hamilton and ICICI Bank regarding sealed Volume 2 of receiver's First Report;	.80

11 MAR 09	LAW	Reviewing exchange of correspondence regarding requirements and preparation for audio/visual presentation to the City and the bank regarding sealed material relating to the property, confidentiality agreements and ground rules for the meeting;	.30
11 MAR 09	AR	Emails to and from I. Smith discussing appropriate format of presentation to City of Hamilton and ICICI Bank regarding sealed volume 2 of receiver's first report and necessary support for presentation;	.20
23 MAR 09	LAW	Reviewing notes of agreement to make presentation regarding sealed volume 2 of the first report and arrangements therefore, including confidentiality undertaking;	.30
24 MAR 09	LAW	Reviewing motion records; notes of agreements in principle with Bank and City of Hamilton regarding oral presentation of issues contained in sealed Volume 2 of First Report; preparing form of undertaking of confidentiality in respect thereof; memorandum to H. Whiteley and R. Weston in respect thereof;	1.00
25 MAR 09	LAW	Exchanging e-mail memoranda circulating form of suggested confidentiality undertaking for presentation by receiver to City and Bank; receiving responsive comments from R. Weston; instructions to prepare individual undertakings;	.60
26 MAR 09	LAW	Exchanging e-mail memoranda with R. Weston and H. Whiteley to settle preparation of confidentiality undertakings required for the presentation on the Volume 2 issues relating to the property; communication with I. Smith regarding outlining plan for organization of presentation; receiving and reviewing the draft stipulated price contract and supplement thereto for mould removal as proposed by contractor; preparation comments in respect thereof;	1.80
26 MAR 09	AR	Assist L. Wittlin in reviewing changes to CCDC 2 contract;	.10

27 MAR 09	LAW	Exchanging e-mails regarding presentation preparation; subsequent conference telephone discussion with I. Smith, B. Smith and N. Ari of Pelican Woodcliff to prepare presentation for City and Bank; advising regarding issues anticipated for discussion in conjunction with the presentation;	1.10
30 MAR 09	LAW	Preparing memorandum regarding confidentiality term of agreement to be inserted in mould removal contract; finish preparation for presentation of Volume 2 of the First Report dealing with the water seepage and mould problems; attending the meeting with the Bank and the City representatives; subsequent conferences to follow-up matters; exchanging voice messages with H. Whiteley regarding timeliness of loan advances to permit the Receiver to administer the receivership; exchanging voice messages with H. Whiteley in respect thereof;	4.60
31 MAR 09	LAW	Multiple telephone calls and exchanging e-mail memoranda with B. Smith and I. Smith regarding obtaining funding from ICICI Bank for payment of accumulated and future expenses in connection with the administration of the receivership; exchanging voice messages and subsequent lengthy telephone discussion with H. Whiteley of Gowlings representing the Bank; letter to H. Whiteley and R. Weston regarding delay in funding necessitating delay in implementation of sale process; advising the Receiver with respect to letting contracts in respect of the site in the circumstances; notes to file;	1.50
31 MAR 09	AR	Read letter from L. Wittlin to H. Whiteley and R. Weston regarding delay to sales process due to ICICI Bank's delay in agreeing to additional loan amount;	.10

TOTAL TAXABLE HOURS

52.60

OUR FEE

\$ 31,845.00

TAXABLE DISBURSEMENTS

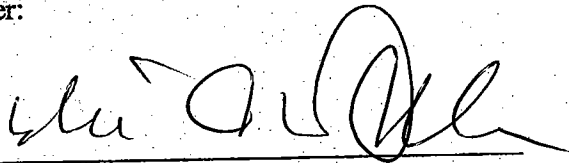
Copies	\$	486.55
Courier Delivery		9.58
Telephone		2.24

Taxi	14.29	
Fax	<u>2.25</u>	
TOTAL TAXABLE DISBURSEMENTS		514.91
Goods and Services Tax (5% of \$32,359.91)		<u>1,618.00</u>
TOTAL BALANCE DUE		<u>\$ 33,977.91</u>

THIS IS OUR INTERIM BILL OF COSTS

LANG MICHENER LLP

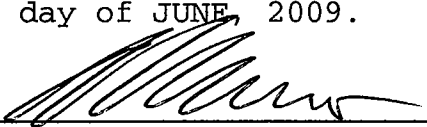
Per:



Leslie A. Wittlin

<p>BETWEEN: ICICI BANK CANADA Applicant</p>	<p>Court File No.: CV-08-7714-00CL</p> <p style="text-align: center;">- AND -</p> <p style="text-align: right;">1539304 ONTARIO INC. Respondent</p>
<p style="text-align: center;"><i>ONTARIO</i> SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)</p> <p style="text-align: center;">(PROCEEDING COMMENCED AT TORONTO)</p>	
<p style="text-align: center;">BILL OF COSTS</p>	
<p>LANG MICHENER LLP Barristers & Solicitors P.O. Box 747, Suite 2500 BCE Place, 181 Bay Street Toronto, Ontario M5J 2T7</p> <p>Leslie A. Wittlin LSUC No.: 14629M</p> <p>Telephone: (416) 307-4087 Facsimile: (416) 304-3855</p>	

THIS IS EXHIBIT "C" referred to in
the affidavit of LESLIE A. WITTLIN
sworn before me this 8th
day of JUNE, 2009.



A COMMISSIONER ETC.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
COMMERCIAL LIST**

BETWEEN

ICICI BANK CANADA

Applicant

- and -

1539304 ONTARIO INC.

Respondents


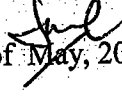
**FIFTH INTERIM BILL OF COSTS OF INDEPENDENT
COUNSEL FOR THE INTERIM RECEIVER AND THE
RECEIVER AND MANAGER OF 1539304 ONTARIO INC.**

FOR PROFESSIONAL SERVICES RENDERED as independent counsel to Ira Smith Trustee & Receiver Inc. (the "Receiver") in its capacity as court appointed interim receiver and receiver and manager of 1539304 Ontario Inc., for the period from April 1, 2009 to April 30, 2009 as particularized in the Schedule of time docket entries annexed hereto;

Professional	Year of Call	Rate	Total Time	Total Fees
Leslie A. Wittlin	1974	725.00	2.70	1,957.00
Aaron Rousseau	2007	315.00	2.50	787.50

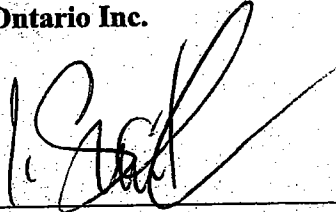
Fees and Disbursements	\$2,765.25
GST on Fees and Disbursements	138.26
Total Fees and Disbursements	<u>\$2,903.51</u>

I hereby certify that I have examined the above bill, the services have been duly authorized and rendered and the charges are in my opinion fair and reasonable.

Dated at Toronto, Ontario, this  day of  May, 2009.

**Ira Smith Trustee & Receiver Inc., in its capacity as
interim receiver and the receiver and manager of
1539304 Ontario Inc.**

Per:



Ira Smith, President

**Schedule of time docket entries for the period
from April 1, 2009 to April 30, 2009**

01 APR 09	LAW	Multiple telephone discussions with B. Smith regarding receivership funding issues, telephone discussion with H. Whiteley in respect thereof, subsequent conference telephone discussion with B. Smith and H. Whiteley; reviewing exchange of e-mail memoranda relating thereto;	.70
06 APR 09	LAW	Telephone discussion with I. Smith regarding status of financing with ICICI Bank;	.20
06 APR 09	AR	Draft letter to respondents regarding order and endorsement of March 10, 2009; revise service list;	.60
07 APR 09	LAW	Reviewing e-mail memorandum from B. Smith regarding all door claim to recover tools, equipment and scaffolding from the site and procedures to be followed in respect thereof; advising with respect thereto;	.30
09 APR 09	LAW	Telephone discussion with B. Smith regarding funding by ICICI Bank and limitation on borrowing charge and priority thereof; clarifying property proof of claim being put forward by a third party and recommending a procedure for dealing with such claims; subsequent brief conference with I. Smith regarding revising schedule for the implementation of the sales process;	.30
21 APR 09	LAW	Telephone call from I. Smith regarding status of rescheduling of sale process and matters to be attended to including drafting form of agreement of purchase and sale to be utilized once bidders are established through the process;	.40
21 APR 09	AR	Review teaser and revised sales process schedule; email L. Wittlin and I. Smith regarding distributing teaser and revised sales process schedule to Service List;	.10
22 APR 09	AR	Instructions from L. Wittlin regarding booking motion for June for approval of receiver's report, disbursement of deposits with previous counsel of debtor, letters of intent and form of agreement of purchase and sale; arrange for motion date;	.20
24 APR 09	AR	Draft letter to service list regarding motion dates in June for next report of receiver;	.30

Lang Michener LLP

Lawyers -- Patent & Trade Mark Agents

Page 4

27 APR 09	LAW	Telephone call from solicitor in St. Catherine's regarding construction lien claim matter and passing of trial record in May and need for consent by the Receiver;	.20
27 APR 09	AR	Email from counsel for Basic Drywall consenting to motion date; emails to and from counsel for City of Hamilton consenting to date; revise motion request form; email from counsel for Basic Drywall regarding consent to continue proceedings against receiver;	.40
28 APR 09	LAW	Reviewing memorandum to R. Weston from I. Smith regarding advertising of sale opportunity and distribution thereof;	.20
29 APR 09	LAW	Telephone call from R. Weston regarding interest in acquiring the property from a not-for-profit corporation and advice as to how to proceed with the receiver;	.20
29 APR 09	AR	Email from L. Wittlin regarding consent to lien action;	.10
30 APR 09	LAW	Reviewing memoranda from A. Rousseau regarding preparation for June report by receiver and sale process;	.20
30 APR 09	AR	Call with court regarding motion scheduling; emails to and from L. Wittlin and I. Smith regarding attendance at motion on June 11; email to all parties regarding sales teaser; draft letter to all parties regarding revised sales process and motion date; discuss issues in June 11 motion with L. Wittlin;	.80

TOTAL TAXABLE HOURS

5.20

OUR FEE

\$ 2,745.00

TAXABLE DISBURSEMENTS

Copies

\$ 20.25

TOTAL TAXABLE DISBURSEMENTS

20.25

Goods and Services Tax (5% of \$2,765.25)

138.26

TOTAL BALANCE DUE

\$ 2,903.51

THIS IS OUR FIFTH INTERIM BILL OF COSTS

LANG MICHENER LLP

Per:

A handwritten signature in black ink, appearing to read 'Leslie A. Wittlin', written over a horizontal line.

Leslie A. Wittlin

<p>BETWEEN: ICICI BANK CANADA Applicant</p>	<p>- AND -</p>	<p>Court File No.: CV-08-7714-00CL</p> <p>1539304 ONTARIO INC. Respondent</p>
<p><i>ONTARIO</i></p> <p>SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)</p> <p>(PROCEEDING COMMENCED AT TORONTO)</p>		
<p>BILL OF COSTS</p>		
<p>LANG MICHENER LLP Barristers & Solicitors P.O. Box 747, Suite 2500 BCE Place, 181 Bay Street Toronto, Ontario M5J 2T7</p> <p>Leslie A. Wittlin LSUC No.: 14629M</p> <p>Telephone: (416) 307-4087 Facsimile: (416) 304-3855</p>		

B E T W E E N:

ICI BANK CANADA
Applicant

- AND -

1539304 ONTARIO INC.
Respondent

Court File No. CV-08-7714-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE
(Commercial Court)

Proceeding commenced at Toronto

AFFIDAVIT

LANG MICHENER LLP

P.O. Box 747, Suite 2500
Brookfield Place, 181 Bay Street
Toronto, ON M5J 2T7

Leslie A. Wittlin

Law Society Registration #14629M
Tel: (416) 307-4087

Alex Ilchenko

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Tel: (416) 307-4116

Aaron Rousseau

Law Society Registration #53833E
Tel: (416) 307-4081
Fax: (416) 365-1719

**Lawyers for Ira Smith Trustee &
Receiver Inc. in its capacity as
Interim Receiver and Receiver and
Manager of 1539304 Ontario Inc.**

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

ICICI BANK CANADA

Applicants

- and -

1539304 ONTARIO INC.

Respondents

**AFFIDAVIT OF IRA SMITH
(Sworn June 8, 2009)**

I, Ira Smith, of the City of Vaughan, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am the President of Ira Smith Trustee & Receiver Inc. ("ISI"), the court-appointed interim receiver and receiver and manager (the "Receiver") of 1539304 Ontario Inc. (the "**Debtor**"). As such, I have knowledge of the matters hereinafter deposed to, except where stated to be on information and belief and whereso stated I verily believe it to be true.
2. ISI was appointed Receiver of all of the property, assets and undertaking of the Debtor pursuant to an Order of the Ontario Superior Court of Justice dated November 12, 2008 (the "**Receivership Order**").
3. Pursuant to paragraph 18 of the Receivership Order, the Receiver and its legal counsel are required to pass their accounts from time to time.

4. The Receiver has filed its Second Report with this Honourable Court, which outlines, among other things, the Receiver's overall actions and activities since the date of its First Report.

5. Attached hereto and marked as **Exhibit "A"** to this my Affidavit are copies of the accounts rendered by Pelican Woodcliff Inc., consultant to the Receiver, for the period from February 1, 2009 to May 29, 2009. The total of the fee and disbursements of Pelican Woodcliff Inc. (excluding GST) is \$64,775.65.

6. Pelican Woodcliff Inc. has rendered services throughout these proceedings consistent with instructions from the Receiver, the Receiver has approved all such accounts and I verily believe that the fees and disbursements of Pelican Woodcliff Inc. are fair and reasonable in the circumstances.

7. The said Affidavit is sworn in connection with the Receiver's motion to have, among other things, its fees and disbursements approved by this Honourable Court and for no improper purpose.

SWORN BEFORE ME at the City of
Vaughan, in the Province of Ontario,
on June 8, 2009.



A Commissioner for taking affidavits



Ira Smith

Brandon Smith, a Commissioner, etc.,
Province of Ontario, for Ira Smith Trustee
& Receiver in Bankruptcy.
Expires May 2, 2011.

This Exhibit A referred to in the
Affidavit of Ira Smith
Sworn before me this 8. day of... Feb. 2009

INVOICE NO. 110262

A Commissioner, etc.

February 27, 2009

Ira Smith, a Commissioner, etc.,
Trustee of Ontario, for Ira Smith Trustee
& Receiver Inc. Trustee in Bankruptcy.
Expires May 2, 2011.

Mr. Ira Smith
Ira Smith Trustee & Receiver Inc.
167 Applewood Crescent
Suite 6
Concord, Ontario L4K 4K7

**Re: Trinity Landing, 80 King William, Hamilton
Property Management and Project Management Services**

Our fee for work on the above project during the month of February, as per our proposal dated November 17, 2008, is as follows:

TOTAL FEES	As Attached	16,115.00
G.S.T. - 5%		805.75
DISBURSEMENTS	As Attached	<u>1,021.10</u>
TOTAL THIS INVOICE		<u>\$17,941.85</u>

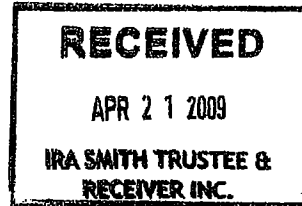
Terms: Net 30 Days
GST No. 868471244

DATE:

FEBRUARY 2009

			<u>Sub-Total</u>	<u>GST</u>	<u>Total</u>
Courier			40.00	2.00	42.00
407 ETR			151.00	0.00	151.00
Parking			3.33	0.17	3.50
			3.33	0.17	3.50
			3.33	0.17	3.50
			3.33	0.17	3.50
			3.33	0.17	3.50
Mileage	km	Rate			
	1,171	\$0.60	669.14	33.46	702.60
Photocopies	No.	Rate			
	540	\$0.20	<u>102.86</u>	<u>5.14</u>	<u>108.00</u>
TOTAL			<u>\$979.65</u>	<u>\$41.45</u>	<u>\$1,021.10</u>

INVOICE NO. 110373



March 31, 2009

Mr. Ira Smith
Ira Smith Trustee & Receiver Inc.
167 Applewood Crescent
Suite 6
Concord, Ontario L4K 4K7

**Re: Trinity Landing, 80 King William, Hamilton
Property Management and Project Management Services**

Our fee for work on the above project during the month of March, as per our proposal dated November 17, 2008, is as follows:

TOTAL FEES	As Attached	17,627.50
G.S.T. - 5%		881.38
DISBURSEMENTS	As Attached	<u>817.78</u>
TOTAL THIS INVOICE		<u>\$19,326.66</u>

Terms: Net 30 Days
GST No. 868471244

PELICAN WOODCLIFF INC.	80 KING WILLIAM STREET, HAMILTON					MARCH 2009				
	R. Mandowsky	N. Ary	M. Winnick	A. Wong	Total	R. Mandowsky	N. Ary	M. Winnick	A. Wong	Total
	Hours	Hours	Hours	Hours	Hours	Rate	Rate	Rate	Rate	Fee
I. Property Management										
a) Security					0.00	\$ 250.00	\$ 170.00	\$ 170.00	\$ 170.00	0.00
b) Utilities					0.00	0.00	0.00	0.00	0.00	0.00
c) Insurance Coverage					0.00	0.00	0.00	0.00	0.00	0.00
d) Building Inspections			19.00		19.00	0.00	0.00	3,230.00	0.00	3,230.00
II. Project Management										
1. Emergency Work										
a) Meet General & Other Contractors					0.00	0.00	0.00	0.00	0.00	0.00
b) Meet Consulting Team			2.00		2.00	0.00	0.00	340.00	0.00	340.00
c) Assemble Documentation					0.00	0.00	0.00	0.00	0.00	0.00
d) Scope of Emergency Work			3.00		3.00	0.00	0.00	510.00	0.00	510.00
e) Cost to Complete Estimate					0.00	0.00	0.00	0.00	0.00	0.00
f) Review Bids / Coordinate Work			2.00		2.00	0.00	0.00	340.00	0.00	340.00
2. Marketing & Sales Review										
a) Review Agreements Purchase					0.00	0.00	0.00	0.00	0.00	0.00
b) Review Condo Documents					0.00	0.00	0.00	0.00	0.00	0.00
c) Meet Sales Agent					0.00	0.00	0.00	0.00	0.00	0.00
d) Meet Purchasers					0.00	0.00	0.00	0.00	0.00	0.00
3. Discussions City Hamilton (Presentation)	1.00	13.50	4.00	10.50	29.00	250.00	2,295.00	680.00	1,785.00	5,010.00
4. Disposition Analysis & Implement					0.00	0.00	0.00	0.00	0.00	0.00
Strategy & Coordination		2.50			2.50	0.00	425.00	0.00	0.00	425.00
a) Preparing for Sale					0.00	0.00	0.00	0.00	0.00	0.00
(i) Potential Purchasers List	0.50	0.50	1.00		2.00	125.00	85.00	170.00	0.00	380.00
(ii) Teaser	1.00	1.25	4.00		6.25	250.00	212.50	680.00	0.00	1,142.50
(iii) Confidentiality Information Memo (CIM)					0.00	0.00	0.00	0.00	0.00	0.00
(iv) Web Based Data Room					0.00	0.00	0.00	0.00	0.00	0.00
b) Marketing Period					0.00	0.00	0.00	0.00	0.00	0.00
(i) Prepared & Publish Advertising					0.00	0.00	0.00	0.00	0.00	0.00
(ii) Publish Bus. Opportunity & Approved Terms					0.00	0.00	0.00	0.00	0.00	0.00
(iii) Initial Contact w/ Purchaser & Teaser distr.					0.00	0.00	0.00	0.00	0.00	0.00
(iv) Distribute & Execute CIM					0.00	0.00	0.00	0.00	0.00	0.00
(v) Receive Letter of Interest (LOI)					0.00	0.00	0.00	0.00	0.00	0.00
c) Evaluate Letter of Interest (LOI)					0.00	0.00	0.00	0.00	0.00	0.00
d) Formal Due Diligence					0.00	0.00	0.00	0.00	0.00	0.00
(i) Provide Access to Web Base Data Room					0.00	0.00	0.00	0.00	0.00	0.00
(ii) Analyze & Select Formal Offers					0.00	0.00	0.00	0.00	0.00	0.00
e) Negotiation & Finalization of P&S Agreem.					0.00	0.00	0.00	0.00	0.00	0.00
(i) Provide Additional Info to Buyers					0.00	0.00	0.00	0.00	0.00	0.00
(ii) Negotiation & Finalization of P&S Agreem.					0.00	0.00	0.00	0.00	0.00	0.00
f) Application to Court					0.00	0.00	0.00	0.00	0.00	0.00
g) Completion of Transaction					0.00	0.00	0.00	0.00	0.00	0.00
5. Other										
a) Take Over Report					0.00	0.00	0.00	0.00	0.00	0.00
b) Overall Coordination	6.00	3.00	6.00		15.00	1,500.00	510.00	1,020.00	0.00	3,030.00
c) Report to Receiver	2.00				2.00	500.00	0.00	0.00	0.00	500.00
d) Coordination of Consultants					0.00	0.00	0.00	0.00	0.00	0.00
e) Mould Study			9.00		9.00	0.00	0.00	1,530.00	0.00	1,530.00
f) Building Science Study			7.00		7.00	0.00	0.00	1,190.00	0.00	1,190.00
g) Meeting - Receiver, Bank, Lawyers					0.00	0.00	0.00	0.00	0.00	0.00
h) Court Activities					0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	10.50	20.75	67.00	10.50	98.75	2,625.00	3,527.50	9,690.00	1,785.00	\$ 17,627.50
GST - 5%										\$ 881.38
DISBURSEMENTS										\$ 817.78
TOTAL THIS INVOICE										\$ 19,326.66

DISBURSEMENTS

PROJECT: 80 KING WILLIAM

DATE: MARCH 2009

			<u>Sub-Total</u>	<u>GST</u>	<u>Total</u>
Courier			40.00	2.00	42.00
407 ETR			118.08	5.90	123.98
Parking			3.33	0.17	3.50
			3.33	0.17	3.50
			3.33	0.17	3.50
			3.33	0.17	3.50
			27.62	1.38	29.00
Mileage	km	Rate			
	904	\$0.60	516.57	25.83	542.40
Photocopies	No.	Rate			
	332	\$0.20	<u>63.24</u>	<u>3.16</u>	<u>66.40</u>
TOTAL			<u>\$778.83</u>	<u>\$38.95</u>	<u>\$817.78</u>

INVOICE NO. 110469

April 30, 2009

Mr. Ira Smith
Ira Smith Trustee & Receiver Inc.
167 Applewood Crescent
Suite 6
Concord, Ontario L4K 4K7

**Re: Trinity Landing, 80 King William, Hamilton
Property Management and Project Management Services**

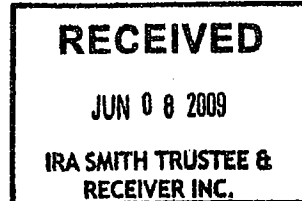
Our fee for work on the above project during the month of April, as per our proposal dated November 17, 2008, is as follows:

TOTAL FEES	As Attached	12,817.50
G.S.T. - 5%		640.88
DISBURSEMENTS	As Attached	<u>1,042.92</u>
TOTAL THIS INVOICE		<u>\$14,501.30</u>

Terms: Net 30 Days
GST No. 868471244

PELICAN WOODCLIFF INC.	80 KING WILLIAM STREET, HAMILTON					APRIL 2009				
	R. Mandowsky Hours	N. Ary Hours	M. Winnick Hours	A. Wong Hours	Total Hours	R. Mandowsky Rate	N. Ary Rate	M. Winnick Rate	A. Wong Rate	Total Fee
I. Property Management						\$ 250.00	\$ 170.00	\$ 170.00	\$ 170.00	
a) Security		0.25			0.25	0.00	42.50	0.00	0.00	42.50
b) Utilities		0.50	2.00		2.50	0.00	85.00	340.00	0.00	425.00
d) Building Inspections			20.00		20.00	0.00	0.00	3,400.00	0.00	3,400.00
II. Project Management										
1. Emergency Work										
3. Discussions City Hamilton (Presentation)										
4. Disposition Analysis & Implement										
Strategy & Coordination		1.00			1.00	0.00	170.00	0.00	0.00	170.00
a) Preparing for Sale										
(i) Potential Purchasers List		1.00			1.00	0.00	170.00	0.00	0.00	170.00
(ii) Teaser		1.75		3.00	4.75	0.00	297.50	0.00	610.00	807.50
(iv) Web Based Data Room		0.60	3.00		3.60	0.00	85.00	510.00	0.00	595.00
b) Marketing Period										
(ii) Publish Bus. Opportunity & Approved Terms		4.00			4.00	0.00	680.00	0.00	0.00	680.00
5. Other										
b) Overall Coordination	3.50	0.60			4.00	875.00	85.00	0.00	0.00	960.00
d) Coordination of Consultants		0.25	6.00		6.25	0.00	42.50	1,020.00	0.00	1,062.50
e) Mould Study & Remediation Supervision			19.50		19.50	0.00	0.00	3,315.00	0.00	3,315.00
f) Building Science Study			7.00		7.00	0.00	0.00	1,190.00	0.00	1,190.00
TOTAL	3.50	0.75	57.50	3.00	73.75	875.00	1,857.50	9,775.00	510.00	\$ 12,817.50
GST - 5%										\$ 640.88
DISBURSEMENTS										\$ 1,042.92
TOTAL THIS INVOICE										\$ 14,501.30

INVOICE NO. 120566



May 29, 2009

Mr. Ira Smith
Ira Smith Trustee & Receiver Inc.
167 Applewood Crescent
Suite 6
Concord, Ontario L4K 4K7

**Re: Trinity Landing, 80 King William, Hamilton
Property Management and Project Management Services**

Our fee for work on the above project during the month of May, as per our proposal dated November 17, 2008, is as follows:

TOTAL FEES	As Attached	14,570.00
G.S.T. - 5%		728.50
DISBURSEMENTS	As Attached	<u>763.85</u>
TOTAL THIS INVOICE		<u>\$16,062.35</u>

Terms: Net 30 Days
GST No. 868471244

PELICAN WOODCLIFF INC.	80 KING WILLIAM STREET, HAMILTON					MAY 2009				
	R. Mandowsky Hours	N. Ary Hours	M. Winnick Hours	M. Chapman Hours	Total Hours	R. Mandowsky Rate	N. Ary Rate	M. Winnick Rate	M. Chapman Rate	Total Fee
I. Property Management						\$ 250.00	\$ 170.00	\$ 170.00	\$ 90.00	
d) Building Inspections			19.00		19.00	0.00	0.00	3,230.00	0.00	3,230.00
II. Project Management										
1. Emergency Work										
2. Marketing & Sales Review										
3. Discussions City Hamilton (Presentation)					0.00	0.00	0.00	0.00	0.00	0.00
4. Disposition Analysis & Implement					0.00	0.00	0.00	0.00	0.00	0.00
Strategy & Coordination					0.00	0.00	0.00	0.00	0.00	0.00
a) Preparing for Sale					0.00	0.00	0.00	0.00	0.00	0.00
(i) Potential Purchasers List		2.00		3.50	5.50	0.00	340.00	0.00	315.00	655.00
(ii) Teaser		0.50			0.50	0.00	85.00	0.00	0.00	85.00
(iii) Confidentiality Information Memo (CIM)		14.75			14.75	0.00	2,507.50	0.00	0.00	2,507.50
(iv) Web Based Data Room		1.00	12.00		13.00	0.00	170.00	2,040.00	0.00	2,210.00
b) Marketing Period										
5. Other										
b) Overall Coordination	5.00	0.25	8.00		11.25	1,250.00	42.50	1,020.00	0.00	2,312.50
d) Coordination of Consultants			10.00		10.00	0.00	0.00	1,700.00	0.00	1,700.00
e) Mould Study & Remediation Supervision			11.00		11.00	0.00	0.00	1,870.00	0.00	1,870.00
TOTAL	6.00	18.50	58.00	3.50	86.00	1,250.00	3,145.00	9,880.00	315.00	\$ 14,570.00
GST - 5%										\$ 728.50
DISBURSEMENTS										\$ 783.85
TOTAL THIS INVOICE										\$ 16,062.35

DISBURSEMENTS

PROJECT: 80 KING WILLIAM

DATE: MAY 2009

			<u>Sub-Total</u>	<u>GST</u>	<u>Total</u>
Courier			12.75	0.64	13.39
407 ETR			214.79	0.00	214.79
P&H White Printing			42.12	1.95	44.07
Parking			3.33	0.17	3.50
			3.33	0.17	3.50
Parking			3.33	0.17	3.50
			3.33	0.17	3.50
Mileage	km	Rate			
	796	\$0.60	<u>454.86</u>	<u>22.74</u>	<u>477.60</u>
TOTAL			<u>\$737.84</u>	<u>\$26.01</u>	<u>\$763.85</u>

ICICI BANK CANADA

1539304 ONTARIO INC.

And

Applicants

Respondents

Court File No.: CV-08-7714-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
- COMMERCIAL LIST -**

Proceeding commenced at Toronto

**AFFIDAVIT OF IRA SMITH
(Sworn June 8, 2009)**

Ira Smith Trustee & Receiver Inc.
167 Applewood Crescent, Suite 6
Concord, ON L4K 4K7

Ira Smith CA●CIRP
Tel: 905-738-4167
Fax: 905-738-9848

Court-appointed interim receiver and receiver and
manager of 1539304 Ontario Inc.

Ira Smith

TRUSTEE & RECEIVER INC.

Suite 6-167 Applewood Crescent., Concord, Ontario Canada L4K 4K7

Telephone: (905) 738-4167 – Fax: (905) 738-9848

Web site: www.irasmithinc.com

31-455723

IN THE MATTER OF THE RECEIVERSHIP OF THE PROPERTY OF
1539304 ONTARIO INC. O/A TRINTY LANDING CONDOMINIUMS

INTERIM REPORT NUMBER 1 OF THE RECEIVER AND MANAGER under subsection 246(2) of the Bankruptcy and Insolvency Act

The Receiver and Manager hereby delivers its interim report number 1:

1. By Order of the Ontario Superior Court of Justice (Commercial List) dated the 12th day of November, 2008 the undersigned Ira Smith Trustee & Receiver Inc. ("ISI") became the Interim Receiver and Receiver and Manager, in respect of the property assets and undertakings of 1539304 Ontario Inc., an insolvent company that is described below:

The assets that the Receiver is currently aware of are as follows:

- | | |
|---|---------------|
| A) A condominium building
under construction, and all of
its fixtures and chattels
located at 80 King William
Street, Hamilton, Ontario | Value unknown |
|---|---------------|

The Receiver is unable to and does not express an opinion on any other assets and liabilities of the company apart from the above noted assets and the liabilities indicated hereafter.

2. The undersigned became the Receiver by virtue of being appointed by the Court.
3. The undersigned took possession or control of the property on the 13th day of November, 2008.
4. Since taking possession, the undersigned has:
 - a) changed the locks to the premises;
 - b) arranged for thrice nightly randomly conducted security patrols of the building;

- c) had the local utility companies re-establish hydro and gas service to the building;
- d) remediated electrical system deficiencies deemed unsafe by the local electrical utility;
- e) ensured adequate insurance coverage was in place;
- f) performed repairs and maintenance to the building to preserve the security of and integrity of the building and to ensure the safety of the public;
- g) engaged Pelican Woodcliff Inc., a real estate consulting firm to assist and advise the Receiver;
- h) engaged Pinchin Environmental Ltd. to perform Mould and Building Envelope studies;
- i) corresponded with individuals who had paid deposits for the purchase of units in the condominium and requested and reviewed documentation from the lawyer who currently holds deposits in-trust;
- j) held meetings and discussions with stakeholders to develop a plan of action to maximize the realization;
- k) reported to the Court regarding its intended course of action with respect to realization of the assets and received approval to sell the building on an as is where is basis (the details are contained in the Receiver's First Report which along with the Order approving it, is available from the Receiver's website);
- l) begun to execute the Court approved sales process;
- m) received financing for the cost of the Receivership in accordance with the Appointment Order dated November 12, 2008 and the Order approving the Receiver's First Report, dated February 26, 2009; and
- n) payment of expenses related to the Receivership, utilities, insurance and security of the asset.

5. The actions still to be taken by the Receiver are as follows:

- a) continue with the sales process as approved by the Court¹ which the Receiver estimates will take until August 2009, and ultimately complete a sales transaction;
- b) report to the Court from time to time as required;
- c) continue with future tasks related to paragraph 4(n) (above);
- d) seek the Court's advice and direction with respect to returning the deposits held in trust (as referenced in paragraph 4(i)) to the depositors;
- e) engage in claims-bar process to be approved by the Court;
- f) distribute the proceeds of the realization of the asset; and
- g) apply to the Court for our discharge

6. We attach the Receiver's interim statement of receipts and disbursements to date.

¹ The timeline as included in the Receiver's First Report, which the Receiver reserves the right to alter at its discretion, had to be delayed due to unforeseen conditions beyond the Receiver's control.

DATED at Concord, Ontario, this 11th day of May, 2009

Yours truly,

IRA SMITH TRUSTEE & RECEIVER INC.
solely in its capacity as Court-Appointed Interim Receiver
and Receiver and Manager of 1539304 Ontario Inc.
and not in its personal Capacity

Per:

A handwritten signature in black ink, appearing to read 'Brandon Smith', with a long horizontal flourish extending to the right.

Brandon Smith
Estate Manager

IN THE MATTER OF THE RECEIVERSHIP OF THE PROPERTY OF
1539304 ONTARIO INC. O/A TRINITY LANDING CONDOMINIUMS

INTERIM REPORT NUMBER 1 OF THE RECEIVER AND MANAGER
under subsection 246(2) of the Bankruptcy and Insolvency Act

Mailing List

The Official Receiver
Office of the Superintendent of Bankruptcy
25 St. Clair Avenue E, 6th Floor
Toronto, Ontario M4T 1M2

1539304 Ontario Inc.
821 Albion Road
Etobicoke, ON M9V 1A3

Larry Woods, O.L.S.
L.G. Woods Surveying Inc.
334 Hatt Street,
Dundas, ON L9H 2H9

ICICI Bank Canada
150 Ferrand Drive, Suite 1200
Toronto, ON M3C 3E5
Attn: Mr. Kory Ng

The City of Hamilton
21 King Street West, 12th Fl
Hamilton ON L8P 4W7
Attn: Mr. D. Fisher

Court No: CV-08-7714-00CL

Estate No: 31-455723

**Receiver's Interim Statement of Receipts and Disbursements
IN THE MATTER OF THE RECEIVERSHIP OF
1539304 ONTARIO INC., OPERATING AS TRINITY LANDING**

RECEIPTS

Advance from ICICI Bank - Receiver's Certificate No. 1	\$ 50,000.00
Advance from ICICI Bank - Receiver's Certificate No. 2	\$ 50,000.00
Advance from ICICI Bank - Receiver's Certificate No. 3	\$ 100,000.00
Advance from ICICI Bank - Receiver's Certificate No. 4 (Cancelled)	\$ -
Advance from ICICI Bank - Receiver's Certificate No. 5	\$ 41,000.00
Advance from ICICI Bank - Receiver's Certificate No. 6	\$ 110,000.00
Interest	1.93

TOTAL RECEIPTS \$ **351,001.93**

DISBURSEMENTS

Receiver's Fee	67,885.32
Pelican Woodcliff Inc.	84,034.61
Solicitor to the Receiver (Lang Michener LLP.)	54,322.20
Pinchin Environmental	5,900.00
Insurance	27,824.00
Property Tax (inclusive of arrears)	23,722.46
Security	7,329.25
Utilities	15,881.83
Electrical Repairs	1,810.73
Harold Epp - Emergency & Contracted Work	7,565.00
Fees paid to the Official Receiver	70.00
GST paid	12,375.95
Provincial sales tax paid	2,226.72
Locksmith	750.00
Bank Charges	208.27

TOTAL DISBURSEMENTS \$ **311,906.34**

AMOUNT ON HAND AS AT May 11, 2009 \$ **39,095.59**

B E T W E E N:

ICI BANK CANADA
Applicant

- AND -

1539304 ONTARIO INC.
Respondent

Court File No. CV-08-7714-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial Court)
Proceeding commenced at **Toronto**

MOTION RECORD
(returnable June 11, 2009)

LANG MICHENER LLP

P.O. Box 747, Suite 2500
Brookfield Place, 181 Bay Street
Toronto, ON M5J 2T7

Leslie A. Wittlin

Law Society Registration #14629M
Tel: (416) 307-4087

Alex Ilchenko

Law Society Registration #33944Q
Tel: (416) 307-4116

Aaron Rousseau

Law Society Registration #53833E
Tel: (416) 307-4081
Fax: (416) 365-1719

Lawyers for Ira Smith Trustee &
Receiver Inc. in its capacity as
Interim Receiver and Receiver and
Manager of 1539304 Ontario Inc.