

Agreement of Purchase and Sale Commercial

Form 500
for use in the Province of Ontario

This Agreement of Purchase and Sale dated this day of **June**, 20 **18**

BUYER, The Corporation of the County of Grey agrees to purchase from
(Full legal names of all Buyers)

SELLER, Golden Town Retirement Community Inc. and Golden Town Residential Community Inc. the following
(Full legal names of all Sellers)

REAL PROPERTY:

Address **121 William Street and 80 Victoria Street and 130 Albert Street, Meaford, Ontario**

fronting on the side of

in the

and having a frontage of more or less by a depth of more or less

and legally described as **See Schedule A**

..... (the "property")
(Legal description of land including easements not described elsewhere)

PURCHASE PRICE: Dollars (CDN\$)

Shall be equal to the existing balance of the mortgage(s) and other liabilities assumed by the Buyer on completion as expressly agreed upon in this Agreement of Purchase and Sale. Dollars

DEPOSIT: Buyer submits
(Herewith/Upon Acceptance/as otherwise described in this Agreement)

..... Dollars (CDN\$)

by negotiable cheque payable to **the Seller's lawyer, in trust** "Deposit Holder" to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion. For the purposes of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the deposit to the Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that, unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

Buyer agrees to pay the balance as more particularly set out in Schedule A attached.

SCHEDULE(S) A **attached hereto form(s) part of this Agreement.**

1. IRREVOCABILITY: This offer shall be irrevocable by **Buyer** until **5:00** e.m./p.m. on
(Seller/Buyer)

the **28th** day of **June**, 20 **18**, after which time, if not accepted, this offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.

2. COMPLETION DATE: This Agreement shall be completed by no later than 6:00 p.m. on the **28th** day of **September**

....., 20 **18**, Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

INITIALS OF BUYER(S):

INITIALS OF SELLERS(S):

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

FAX No.: **(519) 538-3531**
 (For delivery of Documents to Seller)

Email Address: **gtrc@bmts.com**
 (For delivery of Documents to Seller)

FAX No.: **(519) 376-8998 (County) & (519) 376-8288 / The**
 (For delivery of Documents to Buyer)

rrobinson@owensoundlawyers.com Alliance
lacey.thompson@grey.ca & Lawyers
 (For delivery of Documents to Buyer)

4. CHATELS INCLUDED:
See Schedule attached hereto

Unless otherwise stated in this Agreement or any Schedule hereto, Seller agrees to convey all fixtures and chattels included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels.

5. FIXTURES EXCLUDED:
See Schedule attached hereto

6. RENTAL ITEMS (Including Lease, Lease to Own): The following equipment is rented and **not** included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable:

None

The Buyer agrees to co-operate and execute such documentation as may be required to facilitate such assumption.

7. HST: If the sale of the property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be in addition to the Purchase Price. The Seller will not collect HST if the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the Seller in respect of any HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction. If the sale of the property is not subject to HST, Seller agrees to certify on or before closing, that the transaction is not subject to HST. Any HST on chattels, if applicable, is not included in the Purchase Price.

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8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the 14th day of September, 2018, (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there are no outstanding work orders or deficiency notices affecting the property, that its present use (rental residential complex) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.

10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telephone services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.

11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Upper Canada. Unless otherwise agreed to by the lawyers, such exchange of the Requisite Deliveries will occur in the applicable Land Titles Office or such other location agreeable to both lawyers.

12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.

13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this offer there shall be a binding agreement of purchase and sale between Buyer and Seller.

14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.

INITIALS OF BUYER(S):



INITIALS OF SELLER(S):



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- 15. PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.
- 16. DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O.1990.
- 17. RESIDENCY:** (a) Subject to (b) below, the Seller represents and warrants that the Seller is not and on completion will not be a non-resident under the non-residency provisions of the Income Tax Act which representation and warranty shall survive and not merge upon the completion of this transaction and the Seller shall deliver to the Buyer a statutory declaration that Seller is not then a non-resident of Canada;
 (b) provided that if the Seller is a non-resident under the non-residency provisions of the Income Tax Act, the Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate.
- 18. ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.
- 19. TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
- 20. PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.
- 21. TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money shall be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.
- 22. FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O.1990 unless the spouse of the Seller has executed the consent hereinafter provided.
- 23. UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing ureaformaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
- ~~24. LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE: The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.~~
- ~~25. CONSUMER REPORTS: The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.~~
- 26. AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.
- 27. TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF BUYER(S):



INITIALS OF SELLERS(S):



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28. SUCCESSORS AND ASSIGNS: The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

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

The Corporation of the County of Grey

Per: (Witness) (Buyer/Authorized Signing Officer) DATE June, 2018

Per: (Witness) (Buyer/Authorized Signing Officer) DATE June, 2018

We have authority to bind the Corporation

I, the Undersigned Seller, agree to the above offer. I hereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer.

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

Golden Town Retirement Community Inc. Golden Town Residential Community Inc.

Per: (Witness) (Seller/Authorized Signing Officer) DATE June, 2018

Per: (Witness) (Seller/Authorized Signing Officer) DATE June, 2018

We have authority to bind the Corporation We have authority to bind the Corporation

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

(Witness) (Spouse) DATE

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at a.m./p.m. this day of 2018

(Signature of Seller or Buyer)

INFORMATION ON BROKERAGE(S)

Listing Brokerage Tel.No. (Salesperson / Broker Name) Co-op/Buyer Brokerage Tel.No. (Salesperson / Broker Name)

ACKNOWLEDGEMENT

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

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

(Seller) DATE (Seller) DATE Address for Service Tel.No. Seller's Lawyer Address Email Tel.No. FAX No.

(Buyer) DATE (Buyer) DATE Address for Service Tel.No. Buyer's Lawyer A. E. (Rob) Robinson, The Alliance Lawyers Address 142 10th St. W., Box 730, Owen Sound, ON, N4K 5W9 Email rrobinson@owensoundlawyers.com Tel.No. 519 376-7450 FAX No. 519 376-8288

FOR OFFICE USE ONLY

COMMISSION TRUST AGREEMENT

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

DATED as of the date and time of the acceptance of the foregoing Agreement of Purchase and Sale. Acknowledged by: (Authorized to bind the Listing Brokerage) (Authorized to bind the Co-operating Brokerage)

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SCHEDULE A

Legal Description:

FIRSTLY: LT 1359-1360, 1364 PL 309 MEAFORD; PT LT 1365 PL 309 MEAFORD, PT 1 16R-3992 (PIN 37107-0219), Municipal Address: 121 William Street, Meaford, Ontario

SECONDLY: PT LT 1323 - 1324, 1331 PL 309 MEAFORD PT 1 16R-4209; MEAFORD (PIN 37107-0188) Municipal Address: 80 Victoria Street, Meaford, Ontario

This Agreement of Purchase and Sale is for the purchase of all of the assets of Golden Town Retirement Community Inc. and Golden Town Residential Community Inc. located at or relating to the above properties, including all accounts receivable, cash, investments, furniture, equipment, fixtures, prepaid expenses, warranty rights, rights under leases and the real estate above described.

The Buyer agrees to pay the balance of the purchase price, subject to adjustments, by assuming the existing first mortgage(s) and the accounts payable relating to the properties on completion and the balance to paid to the Seller on completion of this transaction, with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.

This offer is conditional upon the Buyer reviewing the terms of any rental agreements with tenants of the properties and rental contracts, lease contracts or lease to own agreements with respect to any non-owned assets ("Rental Agreements") and finding such terms to be satisfactory to the Buyer in the Buyer's sole and absolute discretion.

This offer is conditional upon the Buyer's council providing all required approvals and passing all appropriate by-laws as required by the Municipal Act, 2001 and the Buyer's existing municipal policies.

The Seller will provide copies of such Rental Agreements within 5 days of acceptance of this offer. Unless the Buyer gives notice in writing to the Seller personally or in accordance with any other provisions for delivery of notice in this Agreement of Purchase and Sale or any Schedule thereto not later than 5 p.m. on the 30th day after receipt of the Rental Agreements that this condition is fulfilled, this offer shall be null and void and the deposit shall be returned to the Buyer in full without deduction. This condition is included for the sole benefit of the Buyer and may be waived at the Buyer's sole option by notice in writing to the Seller within the time period stated herein.

The Buyer agrees to assume the existing first Charge/Mortgage. This Offer is conditional upon the Buyer obtaining the approval of the Chargee/Mortgagee to assume the existing Charge/Mortgage. The Buyer hereby agrees to proceed immediately to make an application and provide such material as may be required by the Chargee/Mortgagee for approval of the Buyer as the Chargor/Mortgagor.

Buyer agrees to assume the existing tenancies subject of Rental Agreements which the Seller warrants are the only tenancies affecting the property. The Seller will provide a list of current tenancies, any outstanding or ongoing Landlord and Tenant Board proceedings, accommodation requests and copies of Rental Agreements. Seller will work with Buyer to ensure a smooth transition for tenants. The Seller and Buyer agree that the present General Manager shall be offered the same position on substantially

the same terms and conditions of employment by the Buyer. Buyer shall have no obligation with respect to any other employees of the Seller and the Seller shall indemnify and hold Buyer harmless against any claims by current or prior employees.

The Seller represents and warrants to the Buyer and acknowledges that the Buyer is relying on such representations and warranties as follows:

- (1) That the chattels and fixtures as included in this Agreement of Purchase and Sale will be in good working order and free from all liens and encumbrances on completion.
- (2) That all the mechanical, electrical, heating, ventilation, air conditioning systems, air compressors, elevators, conveyor systems, sprinkler systems, boilers, and all other equipment on the real property shall be in good working order on completion.
- (3) That the property is in compliance with the Fire Code and all fire safety regulations and there are working smoke alarms and sprinkler systems. The buildings contain fire-rated doors. The Seller is to provide a satisfactory fire inspection report and agrees to rectify any deficiencies contained in the report on or before closing.
- (4) There are no outstanding work orders.
- (5) That the Seller is unaware of any environmental contamination on the properties and has complied at all times with applicable statutes, regulations, orders and protocols regarding any hazardous materials located at or brought on the properties.
- (6) That the audited financial statements for the fiscal year end of the Seller that was most recently completed were prepared in accordance with applicable generally accepted accounting practices for comparable corporations, contain complete and accurate information regarding the Seller's assets and liabilities as well as the financial results of its operations for the periods of time reported upon and contain no incorrect information.
- (7) That the Seller is not aware of any current or previous attempt to organize any bargaining unit for the employees that would result in collective bargaining for employment terms.
- (8) That the Seller has complied with all applicable rent control requirements of the Residential Tenancies Act and all predecessor and comparable legislation applicable to its operations.

The Parties agree that this representation and warranty shall survive and not merge on completion of this transaction, but apply only to the state of the property at completion of this transaction.

Notwithstanding any other provision of this Agreement of Purchase and Sale, the parties agree that the transaction contemplated by this Agreement is a sale of all or substantially all of the assets of an ongoing business and the parties shall co-operate in preparing and filing a joint election pursuant to section 167(1) of the Excise Tax Act (HST) such that no HST is collected or remitted at the closing date.