Court File No. CV-24-00724076-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

FOREMOST MORTGAGE HOLDING CORPORATION

Applicant

- and -

BARAKAA DEVELOPER INC., LERRATO INC., and **2145499 ONTARIO INC.**

Respondents

APPLICATION UNDER section 243(1) of the *Bankruptcy and Insolvency Act,* R.S.C. 1985, c. B-3, and section 101 of the *Courts of Justice Act,* R.S.O. 1990, c. C.43

MOTION RECORD OF THE RECEIVER
(Returnable January 7, 2026)

December 16, 2025

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP
155 Wellington Street West, 35th Floor
Toronto, ON M5V 3H1

Jeffrey Larry (LSO# 44608D)
Tel: 416.646.4330
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Lawyers for the Applicant

TO: **THE SERVICE LIST**

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TAB 1

Court File No. CV-24-00724076-00CL

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B E T W E E N:

FOREMOST MORTGAGE HOLDING CORPORATION

Applicant

- and -

BARAKAA DEVELOPER INC., LERRATO INC., and **2145499 ONTARIO INC.**

Respondents

APPLICATION UNDER section 243(1) of the *Bankruptcy and Insolvency Act,* R.S.C. 1985, c. B-3, and section 101 of the *Courts of Justice Act,* R.S.O. 1990, c. C.43

NOTICE OF MOTION

The Applicant, Foremost Mortgage Holding Corporation (the "**Lender**"), will make a Motion to a Judge on January 7, 2025, at 330 University Avenue, Toronto, Ontario.

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

THE MOTION IS FOR:

1. An Amended and Restated Receivership Order in the form provided as Tab "4" hereto, amending and restating the Order of the Honorable Justice Black dated October 21, 2024 (the "**Appointment Order**"), extending the authority of KSV Restructuring Inc. as receiver and manager (the "**Receiver**") under the Appointment Order to:

(a) all of Barakaa Developer Inc. ("**Barakaa**") and Lerrato Inc.'s ("**Lerrato**") accounts receivable, tax refunds, book debts, and cash, cash equivalents, and bank accounts, subject to an amount equal to the net proceeds of any transaction required to repay the mortgagees on any sales of real properties owned by Barakaa and Lerrato that are not the Secured Properties (defined below), as the case may be;

(b) all of Barakaa and Lerrato's personal property as defined by the *Personal Property Security Act*, R.S.O. 1990, including Barakaa's and Lerrato's books and records related to their personal property; and

(c) all of Barakaa and Lerrato's Records (as defined in paragraph 5 of the Appointment Order) relating to (in any way) the Madison Properties and the Porte Properties and, without limiting the generality of the foregoing, all of Barakaa and Lerrato's Records (as defined in paragraph 5 of the Appointment Order) in respect of the construction, proceeds, financial affairs, and bank accounts regarding the Secured Properties (defined below).

2. Such further relief as counsel may advise and this Honourable Court deems just.

THE GROUNDS FOR THE MOTION ARE

A. Background: the Receiver is appointed

3. The Lender is an Ontario corporation in the business of mortgage financing.

4. Barakaa and Lerrato are real estate development corporations.

5. The Lender extended loans to Barakaa and Lerrato, secured by the Secured Properties (defined below). Barakaa and Lerrato defaulted on the loans (the "**Loans**").

6. The Lender sought and obtained the Appointment Order under which the Receiver was appointed over the following properties owned by the Debtors and forming security for the Loans (the "**Secured Properties**"):

(a) the real properties municipally known as 23 Madison Avenue, Richmond Hill, Ontario and 25 Madison Avenue, Richmond Hill, Ontario and having the legal descriptions set out in Appendix "A" of the Appointment Order, owned by Barakaa; and

(b) the real properties municipally known as 369, 371, 373, 375 and 377 Porte Road, Ajax, Ontario and having the legal descriptions set out in Appendix "B" of the Appointment Order, owned by Lerrato.

7. The Appointment Order also appointed the Receiver over all of the properties, assets and undertakings of 2145499 Ontario Inc. ("**214**"), acquired for, or used in relation to a business carried on by 214, including all proceeds thereof.

8. The indebtedness owing under the Loans was approximately $6.5 million at the time of the Appointment Order (the "**Indebtedness**").

9. Since its appointment, the Receiver has sold some of the Secured Properties, is preparing others for sale, and is otherwise attempting to maximize the value of the Secured Properties.

10. To date, from the Receiver's sales of certain of the Secured Properties, the Receiver has distributed approximately $3.2 million to the Lender on account of the Indebtedness (the "**Distributions**").

11. The Indebtedness is estimated to total $4.2 million as of December 2025, after taking into account the Distributions, legal costs, the Receiver's costs, borrowings from the Lender by the Receiver under Receiver's Certificates, and accruing interest.

B. The Lender's security entitles it to an expansion of the receivership

12. Among other things, the Debtors have granted the Lender general security over all of their assets by way of general security agreements dated May 21, 2022 (in respect of Barakaa) and June 29, 2022 (in respect of Lerrato) (collectively, the "**GSAs**").

13. On October 3, 2025, pursuant to the *Bankruptcy and Insolvency Act,* the Lender delivered Notices of Intention to Enforce Security to the Debtors. The notices specifically referenced the Lender's security under the GSAs.

C. Barakaa, Lerrato, and its principal are not cooperating with the Receiver

14. In September 2025, the Lender became aware that the Canada Revenue Agency would pay Harmonized Sales Tax refunds to Lerrato and Barakaa (the "**HST Refunds**").

15. On September 17 and 19, 2025, the Lender appointed the Receiver as private receiver all of Lerrato and Barakaa's accounts receivables including all tax refunds, pursuant to the Lender's security under the GSAs (the "**Private Appointment**").

16. When the Canada Revenue Agency paid the HST refunds to Lerrato and Barakaa, in September 2025, Barakaa and Lerrato's principal, Mr. Jhaveri, refused and/or neglected to pay them to the Receiver, despite being aware that the Receiver is entitled to the refunds.

17. Furthermore, as noted in the Receiver's Fourth Report to the Court, dated August 7, 2025 and the Receiver's Fifth Report to the Court, dated November 24, 2025, the Receiver has been unable to obtain the records to which it is entitled because Mr. Jhaveri is not cooperating with it. As well, Mr. Jhaveri has improperly diverted purchaser deposits from the Secured Properties from Barakaa and Lerrato to his and his other entities' own benefit.

D. The Receiver's position

18. The Receiver has consented to the expansion sought.

STATUTORY AND OTHER GROUNDS

19. Sections 187(5) and 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3.

20. Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43.

21. Rules 14.05, 16.08, 41, and 3.02 of the *Rules of Civil Procedure.*

22. The inherent and equitable jurisdiction of this Honourable Court.

23. Such further and other grounds as counsel may advise.

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

(a) The affidavit of Andrew Stern, affirmed on December 16, 2025;

(b) the Receiver's Fourth Report to the Court, dated August 7, 2025 and the Receiver's Fifth Report to the Court dated November 24, 2025;

(c) the consent of the Receiver; and

(d) such further and other evidence as counsel may advise and this Honourable Court may permit.

December 16, 2025

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Lawyers for the Plaintiff

TO: **THE SERVICE LIST**

FOREMOST MORTGAGE HOLDING CORPORATION Applicant	-and-	BARAKAA DEVELOPER INC. et al. Respondent

Court File No. CV-24-00724076-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

NOTICE OF MOTION

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP
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Lawyers for the Applicant, Foremost Mortgage Holding Corporation

TAB 2

Pactima eSignature Package ID: 5yRAHzhTSxDaAWO-f67nd

Court File No. CV-24-00724076-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

FOREMOST MORTGAGE HOLDING CORPORATION

Applicant

- and -

BARAKAA DEVELOPER INC., LERRATO INC., and **2145499 ONTARIO INC.**

Respondents

APPLICATION UNDER section 243(1) of the *Bankruptcy and Insolvency Act,* R.S.C. 1985, c. B-3*,* and section 101 of the *Courts of Justice Act,* R.S.O. 1990, c. C.43

AFFIDAVIT

I, Andrew Stern, of the City of Toronto, MAKE OATH AND SAY:

1. I am the Vice President of Operations of Foremost Financial Corporation an affiliated entity of the Applicant, Foremost Mortgage Holding Corporation (the "**Lender**"), and, as such, have knowledge of the matters contained in this affidavit. I affirm this affidavit in support of a motion for the expansion of the receivership in this matter.

2. Where I do not have personal knowledge of the matters to which I hereinafter depose, I have stated the source of my information and believe it to be true.

A. The parties

3. The Lender is an Ontario corporation in the business of mortgage financing.

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4. The Respondents, Barakaa Developer Inc. ("**Barakaa**") and Lerrato Inc. ("**Lerrato**") are real estate development corporations.

5. Barakaa and Lerrato are controlled by Hitesh Jhaveri and Niketa Jhaveri (the "**Principals**"). Barakaa and Lerrato's Corporate Profile Reports, showing that the Principals are Directors of Barakaa and Lerrato, is attached as Exhibit "**A**."

6. The Lender extended financing to Barakaa and Lerrato via loans (the "**Loans**") secured by mortgages on various real properties owned by Barakaa and Lerrato (the **"Secured Properties"**).

7. Barakaa and Lerrato defaulted on the Loans and the Lender moved successfully for the appointment of a receiver in October 2024. At the time, the total amount outstanding under the was approximately $6.5 million.

B. The Receiver is appointed

8. KSV Restructuring Inc. ("**KSV**") was appointed as receiver and manager (the "**Receiver**") over the Secured Properties by Order of this Court dated October 21, 2024 (the "**Appointment Order**"). A copy of the Court's Endorsement of October 21, 2024 (the "**Endorsement**"), is attached as Exhibit "**B**" and a copy of the Appointment Order is attached as Exhibit "**C**". The Secured Properties are particularized in Appendix "A" and Appendix "B" to the Appointment Order.

9. The Appointment Order also appointed the Receiver over all of the properties, assets and undertakings of the other Respondent, 2145499 Ontario Inc ("**214**"), acquired for, or used in relation to a business carried on by 214, including all proceeds thereof.

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C. Barakaa and Lerrato's indebtedness to the Lender

10. As noted in sections 2.1(7) and 2.2(8) of the Receiver's Fourth Report to the Court dated August 7, 2025 ("**Fourth Report**") and the Receiver's Fifth Report to the Court ("**Fifth Report**") dated November 24, 2025, attached hereto as Exhibits "**D**" and "**E**":

(a) the Receiver has distributed approximately $3.2 million to the Lender on account from sales of certain of the Secured Properties (the "**Distributions**"); and

(b) the Distributions have been insufficient to fully repay the indebtedness owing to the Lender under the Loans (the "**Indebtedness**").

11. The Indebtedness is estimated to total approximately $4.2 million as of December 11, 2025 after taking into account the Distributions, legal fees, the Receiver's costs, accruing interest, and borrowings from the Lender by the Receiver under Receiver's Certificates. Estimates of the indebtedness in respect of Barakaa and Lerrato are attached as Exhibit "**F**" and Exhibit "**G**", respectively.

D. The GSAs contemplate the appointment of a receiver over Barakaa and Lerrato

12. The Lender is entitled to the expansion of the receivership by virtue of the general security agreements entered into between the Lender and each of Barakaa and Lerrato on May 21, 2022 (in respect of Barakaa, attached as Exhibit "**H**"); and June 29, 2022 (in respect of Lerrato, attached as Exhibit "**I**") (collectively, the "**GSAs**").

13. Section 6.4 of the GSAs permits the Lender, upon Barakaa or Lerrato's default (as the case may be), to appoint a receiver over the "Collateral" (as defined therein) which

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includes the personal property, cash, accounts receivables, business and all of the assets of Barakaa or Lerrato as set out in section 2(1) of the GSAs.

14. The Lender registered financing statements in respect of the GSAs under the *Personal Property Security Act* (Ontario) against Barakaa and Lerrato on June 27, 2022 and July 5, 2022, respectively. A copy of the searches of the Personal Property Security Registration System (conducted on December 12, 2025 and June 21, 2024 by the Lender's lawyers) in respect of Barakaa and Lerrato is attached as Exhibits "**J"** and **"K."**

15. In respect of Barakaa, the following registrations exist. The Lender's registration was inadvertently removed from the Personal Property Registration System after June 21, 2024 and I have instructed the Lender's solicitor to re-register the Lender's interest forthwith.

Secured Party	**Collateral**	**Registration Date**	**Registration Number**
2333550 ONTARIO INC.	2020 ROLLS ROYCE WRAITH (VIN: SCAXZ0C06LU201227)	February 13, 2025	20250213 1441 1793 5784
Royal Bank of Canada	[no description]	January 14, 2020	20200114 1937 1531 6463

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Royal Bank of Canada	[no description]	April 1, 2021	20210401 1938 1531 4578

16. In respect of Lerrato, the search indicates that in addition to the Lender's registration, the following additional registrations exist:

Secured Party	**Collateral**	**Registration Date**	**Registration Number**
Royal Bank of Canada	[no description]	January 14, 2020	20200114 1937 1531 6461
Royal Bank of Canada	[no description]	January 14, 2020	20200114 1937 1531 6462
Royal Bank of Canada	2017 Maserati Levante - ZN661YUSXHX233094	November 7, 2022	20221107 1810 1532 6721

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E. Barakaa and Leratto frustrated the Lender's appointment of KSV as private receiver

17. In September 2025, the Lender became aware from the Receiver that the Canada Revenue Agency was going to pay Harmonized Sales Tax refunds to each of Barakaa and Lerrato.

18. The Lender was entitled to any HST refund payable to Barakaa or Lerrato under the terms of the GSAs.

19. In anticipation of the payment of the HST refunds (and to ensure that they were paid to Leratto and Barakaa, as required), the Lender appointed KSV as private receiver (the "**Private Receiver**") all of Lerrato and Barakaa's accounts receivables including all tax refunds (the "**Private Appointment**") on September 17 and 19, 2025 respectively. Copies of the Private Appointment, together with emails communicating the appointment to Barakaa and Lerrato's lawyer are attached as Exhibits "**L**" and "**M.**"

1. Lerrato obtained its HST refund and refuses to pay it to the Receiver

20. On September 23, 2025 the Lender's lawyers were advised by the Receiver's lawyers that despite the Private Appointment, the Canada Revenue Agency mistakenly paid $243,686.93 to Lerrato directly on account of its HST refund.

21. Accordingly, on September 23, 2025, the Receiver's counsel demanded that Lerrato pay that refund to KSV as the Private Receiver, but I understand from KSV that Lerrato has refused to do so. A copy of KSV's demand and email to Lerrato's counsel concerning this HST refund is attached as Exhibit "**N.**"

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2. Barakaa obtained its HST refund and refused to pay it to the Receiver

22. Barakaa received an HST refund totalling $118,496.30. I am advised by the Receiver's lawyer, Mr. Lamek, that the then lawyer to the Respondents, Harvey Chaiton, advised Mr. Lamek of this refund and provided a screenshot of Barakaa's CRA account showing the refund on September 16, 2025. Mr. Chaiton's email and the attached screenshot are attached as Exhibit "**O**." A portion of Mr. Chaiton's email is redacted as it concerned settlement discussions. Despite the Private Receiver's entitlement to these funds, I am advised by the Private Receiver that these funds have not been forwarded to it.

F. Barakaa and Lerrato are not cooperating with the Receiver

23. Barakaa, Lerrato, and Mr. Jhaveri are not cooperating with the Receiver, as described in the Fourth Report and Fifth Report.

24. As noted by the Receiver: "the Receiver has encountered significant difficulty receiving information from Mr. Jhaveri. To the extent he has provided information, it has often been untimely and/or unreliable."[1]

25. Further, the Respondents' conduct has complicated these proceedings and continues to imperil the Lender's first ranking security on the Secured Properties.

26. Among other things, the Respondents required and accepted various deposits from purchasers of the residential real estate on the Secured Properties (the "**Residential**

[1] Fouth Report, ¶2.1(11), incorporating by reference, Appendix "D" First Report of the Receiver dated January 20, 2025, footnote 3.

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Properties"). The deposits were diverted to Mr. Jhaveri personally or to other entities, and not to the Lender, despite its first ranking security on the Secured Properties.[2]

27. Various of the deposits were recognized by the Receiver as abnormally high relative to the market for the Residential Properties.[3]

28. This conduct further necessitates the expansion of the receivership over Barakaa and Lerrato.

G. Default and Receiver's consent

29. All of the Loans are due and payable by their terms, and neither Barakaa nor Lerrato have repaid the Indebtedness, despite demands to do so. This failure constitutes an event of default under the GSAs.

30. On October 3, 2025, pursuant to the *Bankruptcy and Insolvency Act, the* Lender delivered Notices of Intention to Enforce Security, specifically referencing its security under the GSAs. These notices are attached hereto as Exhibit "**P**."

31. The Receiver has consented to the expansion of its mandate as sought herein. A copy of its consent is attached hereto as Exhibit "**Q**."

[2] See Fourth Report ¶¶ 2.1(5), 2.1(10), 2.1(13), 3.2(1), 3.2(3), 3.3(1), and footnote 6; Fifth Report ¶ 2.1(10).
[3] See Fifth Report ¶2.1(5).

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AFFIRMED remotely by Andrew Stern at the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on this 16th day of December, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely

Dillon Gohil

Commissioner for Taking Affidavits
Dillon Gohil (LSO# 89738M)

Andrew Stern

Andrew Stern

This is Exhibit “A” referred to in the Affidavit of Andrew Stern sworn by Andrew Stern at the City of Toronto, in the Province of Ontario, before me on December 16, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

DILLON GOHIL (LSO# 89738M)

Ontario

Ministry of Public and
Business Service Delivery

Profile Report

BARAKAA DEVELOPER INC. as of July 16, 2024

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	BARAKAA DEVELOPER INC.
Ontario Corporation Number (OCN)	1956513
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	May 31, 2016
Registered or Head Office Address	9 Ridgevale Dr, Markham, Ontario, L6B 1A8, Canada

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Active Director(s)

Minimum Number of Directors	1
Maximum Number of Directors	5

Name	HITESH JHAVERI
Address for Service	9 Ridgevale Drive, Markham, Ontario, L6B 1A8, Canada
Resident Canadian	Yes
Date Began	May 31, 2016

Name	NIKETA JHAVERI
Address for Service	9 Ridgevale Dr, Markham, Ontario, L6B 1A8, Canada
Resident Canadian	Yes
Date Began	November 25, 2020

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.
V. Quintanilla W.
Director/Registrar
This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Active Officer(s)

There are no active Officers currently on file for this corporation.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

Director/Registrar

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Corporate Name History

Name	BARAKAA DEVELOPER INC.
Effective Date	May 31, 2016

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

Director/Registrar

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Active Business Names

This corporation does not have any active business names registered under the Business Names Act in Ontario.

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V. Quintanilla W.
Director/Registrar
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Expired or Cancelled Business Names

This corporation does not have any expired or cancelled business names registered under the Business Names Act in Ontario.

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V. Quintanilla W.
Director/Registrar
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Document List

Filing Name	Effective Date
Annual Return - 2022 PAF: HITESH JHAVERI	September 26, 2023
Annual Return - 2023 PAF: HITESH JHAVERI	September 26, 2023
CIA - Notice of Change PAF: HITESH JHAVERI - DIRECTOR	November 25, 2020
Annual Return - 2019 PAF: HITESH JHAVERI - DIRECTOR	August 30, 2020
Annual Return - 2018 PAF: HITESH JHAVERI - DIRECTOR	December 01, 2019
Annual Return - 2017 PAF: HITESH JHAVERI - DIRECTOR	December 01, 2019
CIA - Initial Return PAF: NIKETA WADIA - DIRECTOR	July 19, 2016
BCA - Articles of Incorporation	May 31, 2016

All “PAF” (person authorizing filing) information is displayed exactly as recorded in the Ontario Business Registry. Where PAF is not shown against a document, the information has not been recorded in the Ontario Business Registry.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.
V. Quintanilla W.
Director/Registrar
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Ontario

Ministère des Services au public et aux entreprises

Rapport de profil

BARAKAA DEVELOPER INC. en date du 16 juillet 2024

Loi	Loi sur les sociétés par actions
Type	Société par actions de l'Ontario
Dénomination	BARAKAA DEVELOPER INC.
Numéro de société de l'Ontario	1956513
Autorité législative responsable	Canada - Ontario
Statut	Active
Date de constitution	31 mai 2016
Adresse légale ou du siège social	9 Ridgevale Dr, Markham, Ontario, L6B 1A8, Canada

Copie certifiée conforme du dossier du ministère des Services au public et aux entreprises.

V. Quintanilla W.

Directeur ou registrateur

Ce rapport présente les renseignements les plus récents déposés à compter du 27 juin 1992 à l'égard des sociétés, et le 1er avril 1994, à l'égard des dépôts en vertu de la Loi sur les noms commerciaux et de la Loi sur les sociétés en commandite et enregistrés dans les dossiers électroniques tenus par le Ministère à la date et à l'heure auxquelles le rapport est généré, sauf si le rapport est généré pour une date antérieure. Si ce rapport est produit pour une date antérieure, le rapport contient les renseignements les plus récents déposés et enregistrés dans les dossiers électroniques tenus par le Ministère jusqu'à la date « en date du » indiquée sur le rapport. Des renseignements historiques supplémentaires peuvent exister au format papier ou microfiche.

Administrateurs en fonction

Nombre minimal d'administrateurs	1
Nombre maximal d'administrateurs	5

Dénomination	HITESH JHAVERI
Adresse aux fins de signification	9 Ridgevale Drive, Markham, Ontario, L6B 1A8, Canada
Résident canadien	Oui
Date d'entrée en fonction	31 mai 2016

Dénomination	NIKETA JHAVERI
Adresse aux fins de signification	9 Ridgevale Dr, Markham, Ontario, L6B 1A8, Canada
Résident canadien	Oui
Date d'entrée en fonction	25 novembre 2020

Copie certifiée conforme du dossier du ministère des Services au public et aux entreprises.
V. Quintanilla W.
Directeur ou registrateur
Ce rapport présente les renseignements les plus récents déposés à compter du 27 juin 1992 à l'égard des sociétés, et le 1er avril 1994, à l'égard des dépôts en vertu de la Loi sur les noms commerciaux et de la Loi sur les sociétés en commandite et enregistrés dans les dossiers électroniques tenus par le Ministère à la date et à l'heure auxquelles le rapport est généré, sauf si le rapport est généré pour une date antérieure. Si ce rapport est produit pour une date antérieure, le rapport contient les renseignements les plus récents déposés et enregistrés dans les dossiers électroniques tenus par le Ministère jusqu'à la date « en date du » indiquée sur le rapport. Des renseignements historiques supplémentaires peuvent exister au format papier ou microfiche.

Dirigeants en fonction

Il n'y a aucun dirigeant actif au dossier.

Copie certifiée conforme du dossier du ministère des Services au public et aux entreprises.

Directeur ou registrateur

Ce rapport présente les renseignements les plus récents déposés à compter du 27 juin 1992 à l'égard des sociétés, et le 1er avril 1994, à l'égard des dépôts en vertu de la Loi sur les noms commerciaux et de la Loi sur les sociétés en commandite et enregistrés dans les dossiers électroniques tenus par le Ministère à la date et à l'heure auxquelles le rapport est généré, sauf si le rapport est généré pour une date antérieure. Si ce rapport est produit pour une date antérieure, le rapport contient les renseignements les plus récents déposés et enregistrés dans les dossiers électroniques tenus par le Ministère jusqu'à la date « en date du » indiquée sur le rapport. Des renseignements historiques supplémentaires peuvent exister au format papier ou microfiche.

Historique des dénominations sociales

Nom	BARAKAA DEVELOPER INC.
Date d'entrée en vigueur	31 mai 2016

Copie certifiée conforme du dossier du ministère des Services au public et aux entreprises.
V. Quintanilla W.
Directeur ou registrateur
Ce rapport présente les renseignements les plus récents déposés à compter du 27 juin 1992 à l'égard des sociétés, et le 1er avril 1994, à l'égard des dépôts en vertu de la Loi sur les noms commerciaux et de la Loi sur les sociétés en commandite et enregistrés dans les dossiers électroniques tenus par le Ministère à la date et à l'heure auxquelles le rapport est généré, sauf si le rapport est généré pour une date antérieure. Si ce rapport est produit pour une date antérieure, le rapport contient les renseignements les plus récents déposés et enregistrés dans les dossiers électroniques tenus par le Ministère jusqu'à la date « en date du » indiquée sur le rapport. Des renseignements historiques supplémentaires peuvent exister au format papier ou microfiche.

Noms commerciaux en vigueur

Cette personne morale n'a aucun nom commercial actif enregistré en vertu de la Loi sur les noms commerciaux de l'Ontario.

Copie certifiée conforme du dossier du ministère des Services au public et aux entreprises.

Directeur ou registrateur

Ce rapport présente les renseignements les plus récents déposés à compter du 27 juin 1992 à l'égard des sociétés, et le 1er avril 1994, à l'égard des dépôts en vertu de la Loi sur les noms commerciaux et de la Loi sur les sociétés en commandite et enregistrés dans les dossiers électroniques tenus par le Ministère à la date et à l'heure auxquelles le rapport est généré, sauf si le rapport est généré pour une date antérieure. Si ce rapport est produit pour une date antérieure, le rapport contient les renseignements les plus récents déposés et enregistrés dans les dossiers électroniques tenus par le Ministère jusqu'à la date « en date du » indiquée sur le rapport. Des renseignements historiques supplémentaires peuvent exister au format papier ou microfiche.

Noms commerciaux expirés ou révoqués

Les noms commerciaux actifs enregistrés de cette personne morale en vertu de la Loi sur les noms commerciaux de l'Ontario sont expirés ou annulés.

Copie certifiée conforme du dossier du ministère des Services au public et aux entreprises.

Directeur ou registrateur

Ce rapport présente les renseignements les plus récents déposés à compter du 27 juin 1992 à l'égard des sociétés, et le 1er avril 1994, à l'égard des dépôts en vertu de la Loi sur les noms commerciaux et de la Loi sur les sociétés en commandite et enregistrés dans les dossiers électroniques tenus par le Ministère à la date et à l'heure auxquelles le rapport est généré, sauf si le rapport est généré pour une date antérieure. Si ce rapport est produit pour une date antérieure, le rapport contient les renseignements les plus récents déposés et enregistrés dans les dossiers électroniques tenus par le Ministère jusqu'à la date « en date du » indiquée sur le rapport. Des renseignements historiques supplémentaires peuvent exister au format papier ou microfiche.

Liste de documents

Nom du dépôt	Date d'entrée en vigueur
Rapport annuel - 2022 PRE: HITESH JHAVERI	26 septembre 2023
Rapport annuel - 2023 PRE: HITESH JHAVERI	26 septembre 2023
CIA - Avis de modification PRE: HITESH JHAVERI - DIRECTOR	25 novembre 2020
Rapport annuel - 2019 PRE: HITESH JHAVERI - DIRECTOR	30 août 2020
Rapport annuel - 2018 PRE: HITESH JHAVERI - DIRECTOR	01 décembre 2019
Rapport annuel - 2017 PRE: HITESH JHAVERI - DIRECTOR	01 décembre 2019
CIA - Rapport initial PRE: NIKETA WADIA - DIRECTOR	19 juillet 2016
BCA - Statuts constitutifs	31 mai 2016

Tous les renseignements de la « PRE » (personne autorisant le dépôt) sont affichés exactement tels qu'ils sont enregistrés dans le Registre des entreprises de l'Ontario. Lorsque la PRE ne figure pas sur un document, les renseignements n'ont pas été enregistrés dans le Registre des entreprises de l'Ontario.

Copie certifiée conforme du dossier du ministère des Services au public et aux entreprises.
V. Quintanilla W.
Directeur ou registrateur
Ce rapport présente les renseignements les plus récents déposés à compter du 27 juin 1992 à l'égard des sociétés, et le 1er avril 1994, à l'égard des dépôts en vertu de la Loi sur les noms commerciaux et de la Loi sur les sociétés en commandite et enregistrés dans les dossiers électroniques tenus par le Ministère à la date et à l'heure auxquelles le rapport est généré, sauf si le rapport est généré pour une date antérieure. Si ce rapport est produit pour une date antérieure, le rapport contient les renseignements les plus récents déposés et enregistrés dans les dossiers électroniques tenus par le Ministère jusqu'à la date « en date du » indiquée sur le rapport. Des renseignements historiques supplémentaires peuvent exister au format papier ou microfiche.

Ontario

Ministry of Public and
Business Service Delivery

Profile Report

LERRATO INC. as of July 16, 2024

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	LERRATO INC.
Ontario Corporation Number (OCN)	2297025
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	August 29, 2011
Registered or Head Office Address	9 Ridgevale Dr., Markham, Ontario, L6B1A8, Canada

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Active Director(s)

Minimum Number of Directors	2
Maximum Number of Directors	2

Name	HITESH JHAVERI
Address for Service	9 Ridgevale Dr, Markham, Ontario, L6B 1A8, Canada
Resident Canadian	Yes
Date Began	August 29, 2011

Name	NIKETA JHAVERI
Address for Service	9 Ridgevale Dr., Markham, Ontario, L6B1A8, Canada
Resident Canadian	Yes
Date Began	March 11, 2022

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.
V. Quintanilla W.
Director/Registrar
This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Active Officer(s)

Name	HITESH JHAVERI
Position	President
Address for Service	9 Ridgevale Dr, Markham, Ontario, L6B 1A8, Canada
Date Began	August 29, 2011

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.
V. Quintanilla W.
Director/Registrar
This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Corporate Name History

Name	LERRATO INC.
Effective Date	August 29, 2011

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Active Business Names

This corporation does not have any active business names registered under the Business Names Act in Ontario.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.
V. Quintanilla W.
Director/Registrar
This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Expired or Cancelled Business Names

This corporation does not have any expired or cancelled business names registered under the Business Names Act in Ontario.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.
V. Quintanilla W.
Director/Registrar
This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Document List

Filing Name	Effective Date
CIA - Notice of Change PAF: Hitesh JHAVERI	March 11, 2022
Annual Return - 2019 PAF: HITESH JHAVERI - DIRECTOR	January 03, 2021
Annual Return - 2018 PAF: HITESH JHIVERI - DIRECTOR	October 18, 2020
CIA - Notice of Change PAF: HITESH JHAVERI - DIRECTOR	December 17, 2019
Annual Return - 2017 PAF: HITESH JHAVERI - DIRECTOR	March 17, 2019
Annual Return - 2016 PAF: HITESH JHAVERI - DIRECTOR	February 25, 2018
Annual Return - 2015 PAF: HITESH JHAVERI - DIRECTOR	March 22, 2017
CIA - Notice of Change PAF: HITESH JHAVERI - DIRECTOR	July 28, 2016
CIA - Notice of Change PAF: HITESH JHAVERI - DIRECTOR	July 28, 2016
Annual Return - 2014 PAF: HITESH JHAVERI - DIRECTOR	December 12, 2015
Annual Return - 2013 PAF: HITESH JHAVERI - DIRECTOR	March 07, 2015
CIA - Notice of Change PAF: HITESH JHAVERI - DIRECTOR	December 16, 2013
Annual Return - 2012 PAF: HITESH JHAVERI - DIRECTOR	May 25, 2013

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.
V. Quintanilla W.
Director/Registrar
This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Annual Return - 2011 PAF: HITESH JHAVERI - DIRECTOR	May 25, 2013
CIA - Initial Return PAF: HITASH JHAVERI - DIRECTOR	September 26, 2011
BCA - Articles of Incorporation	August 29, 2011

All “PAF” (person authorizing filing) information is displayed exactly as recorded in the Ontario Business Registry. Where PAF is not shown against a document, the information has not been recorded in the Ontario Business Registry.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.
V. Quintanilla W.
Director/Registrar
This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the “as of” date indicated on the report. Additional historical information may exist in paper or microfiche format.

Ontario

Ministère des Services au public et aux entreprises

Rapport de profil

LERRATO INC. en date du 16 juillet 2024

Loi	Loi sur les sociétés par actions
Type	Société par actions de l'Ontario
Dénomination	LERRATO INC.
Numéro de société de l'Ontario	2297025
Autorité législative responsable	Canada - Ontario
Statut	Active
Date de constitution	29 août 2011
Adresse légale ou du siège social	9 Ridgevale Dr., Markham, Ontario, L6B1A8, Canada

Copie certifiée conforme du dossier du ministère des Services au public et aux entreprises.

V. Quintanilla W.

Directeur ou registrateur

Ce rapport présente les renseignements les plus récents déposés à compter du 27 juin 1992 à l'égard des sociétés, et le 1er avril 1994, à l'égard des dépôts en vertu de la Loi sur les noms commerciaux et de la Loi sur les sociétés en commandite et enregistrés dans les dossiers électroniques tenus par le Ministère à la date et à l'heure auxquelles le rapport est généré, sauf si le rapport est généré pour une date antérieure. Si ce rapport est produit pour une date antérieure, le rapport contient les renseignements les plus récents déposés et enregistrés dans les dossiers électroniques tenus par le Ministère jusqu'à la date « en date du » indiquée sur le rapport. Des renseignements historiques supplémentaires peuvent exister au format papier ou microfiche.

Administrateurs en fonction

Nombre minimal d'administrateurs	2
Nombre maximal d'administrateurs	2

Dénomination	HITESH JHAVERI
Adresse aux fins de signification	9 Ridgevale Dr, Markham, Ontario, L6B 1A8, Canada
Résident canadien	Oui
Date d'entrée en fonction	29 août 2011

Dénomination	NIKETA JHAVERI
Adresse aux fins de signification	9 Ridgevale Dr., Markham, Ontario, L6B1A8, Canada
Résident canadien	Oui
Date d'entrée en fonction	11 mars 2022

Copie certifiée conforme du dossier du ministère des Services au public et aux entreprises.
V. Quintanilla W.
Directeur ou registrateur
Ce rapport présente les renseignements les plus récents déposés à compter du 27 juin 1992 à l'égard des sociétés, et le 1er avril 1994, à l'égard des dépôts en vertu de la Loi sur les noms commerciaux et de la Loi sur les sociétés en commandite et enregistrés dans les dossiers électroniques tenus par le Ministère à la date et à l'heure auxquelles le rapport est généré, sauf si le rapport est généré pour une date antérieure. Si ce rapport est produit pour une date antérieure, le rapport contient les renseignements les plus récents déposés et enregistrés dans les dossiers électroniques tenus par le Ministère jusqu'à la date « en date du » indiquée sur le rapport. Des renseignements historiques supplémentaires peuvent exister au format papier ou microfiche.

Dirigeants en fonction

Dénomination	HITESH JHAVERI
Poste	Président de la société
Adresse aux fins de signification	9 Ridgevale Dr, Markham, Ontario, L6B 1A8, Canada
Date d'entrée en fonction	29 août 2011

Copie certifiée conforme du dossier du ministère des Services au public et aux entreprises.
V. Quintanilla W.
Directeur ou registrateur
Ce rapport présente les renseignements les plus récents déposés à compter du 27 juin 1992 à l'égard des sociétés, et le 1er avril 1994, à l'égard des dépôts en vertu de la Loi sur les noms commerciaux et de la Loi sur les sociétés en commandite et enregistrés dans les dossiers électroniques tenus par le Ministère à la date et à l'heure auxquelles le rapport est généré, sauf si le rapport est généré pour une date antérieure. Si ce rapport est produit pour une date antérieure, le rapport contient les renseignements les plus récents déposés et enregistrés dans les dossiers électroniques tenus par le Ministère jusqu'à la date « en date du » indiquée sur le rapport. Des renseignements historiques supplémentaires peuvent exister au format papier ou microfiche.

Historique des dénominations sociales

Nom	LERRATO INC.
Date d'entrée en vigueur	29 août 2011

Copie certifiée conforme du dossier du ministère des Services au public et aux entreprises.
V. Quintanilla W.
Directeur ou registrateur
Ce rapport présente les renseignements les plus récents déposés à compter du 27 juin 1992 à l'égard des sociétés, et le 1er avril 1994, à l'égard des dépôts en vertu de la Loi sur les noms commerciaux et de la Loi sur les sociétés en commandite et enregistrés dans les dossiers électroniques tenus par le Ministère à la date et à l'heure auxquelles le rapport est généré, sauf si le rapport est généré pour une date antérieure. Si ce rapport est produit pour une date antérieure, le rapport contient les renseignements les plus récents déposés et enregistrés dans les dossiers électroniques tenus par le Ministère jusqu'à la date « en date du » indiquée sur le rapport. Des renseignements historiques supplémentaires peuvent exister au format papier ou microfiche.

Noms commerciaux en vigueur

Cette personne morale n'a aucun nom commercial actif enregistré en vertu de la Loi sur les noms commerciaux de l'Ontario.

Copie certifiée conforme du dossier du ministère des Services au public et aux entreprises.

Directeur ou registrateur

Ce rapport présente les renseignements les plus récents déposés à compter du 27 juin 1992 à l'égard des sociétés, et le 1er avril 1994, à l'égard des dépôts en vertu de la Loi sur les noms commerciaux et de la Loi sur les sociétés en commandite et enregistrés dans les dossiers électroniques tenus par le Ministère à la date et à l'heure auxquelles le rapport est généré, sauf si le rapport est généré pour une date antérieure. Si ce rapport est produit pour une date antérieure, le rapport contient les renseignements les plus récents déposés et enregistrés dans les dossiers électroniques tenus par le Ministère jusqu'à la date « en date du » indiquée sur le rapport. Des renseignements historiques supplémentaires peuvent exister au format papier ou microfiche.

Noms commerciaux expirés ou révoqués

Les noms commerciaux actifs enregistrés de cette personne morale en vertu de la Loi sur les noms commerciaux de l'Ontario sont expirés ou annulés.

Copie certifiée conforme du dossier du ministère des Services au public et aux entreprises.

Directeur ou registrateur

Ce rapport présente les renseignements les plus récents déposés à compter du 27 juin 1992 à l'égard des sociétés, et le 1er avril 1994, à l'égard des dépôts en vertu de la Loi sur les noms commerciaux et de la Loi sur les sociétés en commandite et enregistrés dans les dossiers électroniques tenus par le Ministère à la date et à l'heure auxquelles le rapport est généré, sauf si le rapport est généré pour une date antérieure. Si ce rapport est produit pour une date antérieure, le rapport contient les renseignements les plus récents déposés et enregistrés dans les dossiers électroniques tenus par le Ministère jusqu'à la date « en date du » indiquée sur le rapport. Des renseignements historiques supplémentaires peuvent exister au format papier ou microfiche.

Liste de documents

Nom du dépôt	Date d'entrée en vigueur
CIA - Avis de modification PRE: Hitesh JHAVERI	11 mars 2022
Rapport annuel - 2019 PRE: HITESH JHAVERI - DIRECTOR	03 janvier 2021
Rapport annuel - 2018 PRE: HITESH JHIVERI - DIRECTOR	18 octobre 2020
CIA - Avis de modification PRE: HITESH JHAVERI - DIRECTOR	17 décembre 2019
Rapport annuel - 2017 PRE: HITESH JHAVERI - DIRECTOR	17 mars 2019
Rapport annuel - 2016 PRE: HITESH JHAVERI - DIRECTOR	25 février 2018
Rapport annuel - 2015 PRE: HITESH JHAVERI - DIRECTOR	22 mars 2017
CIA - Avis de modification PRE: HITESH JHAVERI - DIRECTOR	28 juillet 2016
CIA - Avis de modification PRE: HITESH JHAVERI - DIRECTOR	28 juillet 2016
Rapport annuel - 2014 PRE: HITESH JHAVERI - DIRECTOR	12 décembre 2015
Rapport annuel - 2013 PRE: HITESH JHAVERI - DIRECTOR	07 mars 2015
CIA - Avis de modification PRE: HITESH JHAVERI - DIRECTOR	16 décembre 2013
Rapport annuel - 2012 PRE: HITESH JHAVERI - DIRECTOR	25 mai 2013

Copie certifiée conforme du dossier du ministère des Services au public et aux entreprises.
V. Quintanilla W.
Directeur ou registrateur
Ce rapport présente les renseignements les plus récents déposés à compter du 27 juin 1992 à l'égard des sociétés, et le 1er avril 1994, à l'égard des dépôts en vertu de la Loi sur les noms commerciaux et de la Loi sur les sociétés en commandite et enregistrés dans les dossiers électroniques tenus par le Ministère à la date et à l'heure auxquelles le rapport est généré, sauf si le rapport est généré pour une date antérieure. Si ce rapport est produit pour une date antérieure, le rapport contient les renseignements les plus récents déposés et enregistrés dans les dossiers électroniques tenus par le Ministère jusqu'à la date « en date du » indiquée sur le rapport. Des renseignements historiques supplémentaires peuvent exister au format papier ou microfiche.

Rapport annuel - 2011 PRE: HITESH JHAVERI - DIRECTOR	25 mai 2013
CIA - Rapport initial PRE: HITASH JHAVERI - DIRECTOR	26 septembre 2011
BCA - Statuts constitutifs	29 août 2011

Tous les renseignements de la « PRE » (personne autorisant le dépôt) sont affichés exactement tels qu'ils sont enregistrés dans le Registre des entreprises de l'Ontario. Lorsque la PRE ne figure pas sur un document, les renseignements n'ont pas été enregistrés dans le Registre des entreprises de l'Ontario.

Copie certifiée conforme du dossier du ministère des Services au public et aux entreprises.
V. Quintanilla W.
Directeur ou registrateur
Ce rapport présente les renseignements les plus récents déposés à compter du 27 juin 1992 à l'égard des sociétés, et le 1er avril 1994, à l'égard des dépôts en vertu de la Loi sur les noms commerciaux et de la Loi sur les sociétés en commandite et enregistrés dans les dossiers électroniques tenus par le Ministère à la date et à l'heure auxquelles le rapport est généré, sauf si le rapport est généré pour une date antérieure. Si ce rapport est produit pour une date antérieure, le rapport contient les renseignements les plus récents déposés et enregistrés dans les dossiers électroniques tenus par le Ministère jusqu'à la date « en date du » indiquée sur le rapport. Des renseignements historiques supplémentaires peuvent exister au format papier ou microfiche.

This is Exhibit “B” referred to in the Affidavit of Andrew Stern sworn by Andrew Stern at the City of Toronto, in the Province of Ontario, before me on December 16, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)
DILLON GOHIL (LSO# 89738M)

SUPERIOR COURT OF JUSTICE

COUNSEL SLIP/ ENDORSEMENT FORM

COURT FILE NO.: CV-24-00724076-00CL **DATE:** OCTOBER 21, 2024

NO. ON LIST: 3

TITLE OF PROCEEDING: **FOREMOST MORTGAGE HOLDING CORPORATION v. BARAKAA DEVELOPER INC. et al**

BEFORE: **JUSTICE W.D. BLACK**

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party, Crown:

Name of Person Appearing	Name of Party	Contact Info
Jeff Larry		jeff.larry@paliareroland.com
Ryan Shah Andrew		ryan.shah@paliareroland.com andrew@foremost-financial.com

For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info
Danish Afroz		dafroz@chaitons.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Bobby Kofman	KSV Receiver	
Meg Ostling	KSV	mostling@ksvadvisory.com
Peter Smiley		psmiley@byldlaw.com
Edmond Lamek		

ENDORSEMENT OF JUSTICE W.D. BLACK:

[1] This was an application by Foremost Mortgage Holding Corporation (the "Lender") for an order appointing KSV Restructuring Inc. ("KSV") as receiver and manager over various enumerated properties and assets (collectively the "Receivership Property") owned by Barakaa Developer Inc. ("Barakaa"),

Lerrato Inc. ("Lerrato"), and 214549 Ontario Inc. ("214" and, together with Barakaa and Lerrato, the "Borrowers").

[2] In 2022 the Lender granted mortgages in favour of real property owned by the Borrowers, in connection with loans of $4,133,000 to Barakaa, $3,155,000 to Lerrato and $6,185,000 to 214.

[3] The Borrowers have defaulted under the terms of these mortgages in various ways, including failing to repay the Loans (as defined in the materials) on maturity, permitting outstanding realty taxes to accrue on title to the secured properties, and permitting encumbrances to be registered on title to the secured properties without the Lender's consent and/or permitting encumbrances to fall into default.

[4] In these circumstances, and given these defaults, the Lender seeks the appointment of KSV as receiver, as the Lender is explicitly permitted to do under the terms of its security.

[5] All of the Loans have matured and are due and payable immediately.

[6] The current balances owing are:

(a) On the Barakaa Loan, $3,045,577.15;

(b) On the Lerrato Loan, $3,469,760.10; and

(c) On the 214 Loan, $6.83 million.

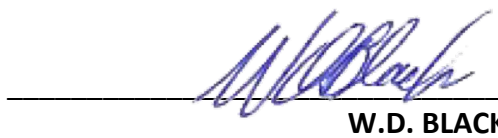
[7] In addition, as noted, significant realty tax arrears have accrued on the secured properties, and the Borrowers have permitted the registration of purported additional encumbrances, including disputed (and allegedly fraudulent) charges by Sanjive Joshi (the "Disputed Joshi Mortgages").

[8] In my view, it is just and convenient that KSV be appointed as receiver here. The Loans are in default, there are outstanding realty taxes accruing, and there are various charges registered by various subsequent secured creditors.

[9] The Borrowers are prevented from selling the secured properties as a result of the Disputed Joshi Mortgages, and I am persuaded that the appointment of a neutral officer of the court will bring order to the circumstances, facilitate the sale of the secured properties as appropriate, and will serve to curtail the litigation ongoing relative to the various charges at issue.

[10] Moreover, no party has suggested any alternative to the appointment of a receiver to facilitate repayment to the Lender and the Borrower's other creditors, and no party is opposing the relief sought today.

[11] In all of the circumstances I am granting the order sought by the Lender, a signed copy of which is attached.



W.D. BLACK J.

DATE: OCTOBER 21, 2024

This is Exhibit “C” referred to in the Affidavit of Andrew Stern sworn by Andrew Stern at the City of Toronto, in the Province of Ontario, before me on December 16, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

DILLON GOHIL (LSO# 89738M)

Court File No. CV-24-00724076-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE	)	MONDAY, THE 21ST DAY
	)	
JUSTICE W.D. BLACK	)	OF OCTOBER, 2024

FOREMOST MORTGAGE HOLDING CORPORATION

Applicant

- and -

BARAKAA DEVELOPER INC., LERRATO INC., and **2145499 ONTARIO INC.**

Respondents

ORDER
(Appointing Receiver)

THIS MOTION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing KSV Restructuring Inc. as receiver and manager (in such capacities, the "Receiver") without security, of the lands and premises described in Appendix “A” hereto (the “Madison Properties”), owned by Barakaa Developer Inc. (“Barakaa”), the lands and premises described in Appendix “B” hereto (the “Porte Properties”), owned by Lerrato Inc. (“Lerrato”) and the property, assets and undertakings of 2145499 Ontario Inc. (“**214**” and, with Lerrato and Barakaa, the “**Debtors**”), the owner of the lands and premises described in Appendix “C” hereto (the “**Doric Property**” and, together with the Madison Properties and the Porte Properties, the “**Real Property**”), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Andrew Stern sworn October 11, 2024 and the Exhibits thereto, and on hearing the submissions of counsel for the Applicant and the other parties listed on the counsel slip, no one else appearing although duly served as appears from the lawyer's certificate of service of Ryan Shah dated October 15, 2024 and on reading the consent of KSV Restructuring Inc. to act as the Receiver,

SERVICE

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

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, KSV Restructuring Inc. is hereby appointed Receiver, without security, of:

(a) the Madison Properties, including all proceeds thereof;

(b) the Porte Properties, including all proceeds thereof;

(c) Lerrato's interest in the $184,973 presently being held by the Town of Ajax as cash collateral in respect of Lerrato's obligations pursuant to a development agreement between Lerrato and the Town of Ajax dated August 21, 2018;

(d) all of the properties, assets and undertakings of 214 acquired for, or used in relation to a business carried on by 214, including all proceeds thereof (collectively, the "Property").

RECEIVER'S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

(a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

(b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

(c) In the case of Barakaa and Lerrato, and only in respect of the Madison Properties and the Porte Properties, respectively, as the case may be, to manage, operate, and carry on the business of the Barakaa and Lerrato, 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 Barakaa and Lerrato in respect of the Madison Properties and the Porte Properties, respectively;

(d) In the case of 214, to manage, operate, and carry on the business of 214, 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 214;

(e) 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 Receiver's powers and duties, including without limitation those conferred by this Order;

(f) In the case of Barakaa and Lerrato, and only in respect of the Madison Properties and the Porte Properties, respectively, as the case may be:

(i) to receive and collect all monies and accounts now owed or hereafter owing to Barakaa or Lerrato in relation to the Madison Properties and the Porte Properties, respectively, and to exercise all remedies of Barakaa or Lerrato in collecting such monies, including, without limitation, to enforce any security held by Barakaa or Lerrato in respect of the Madison Properties and Porte Properties, respectively;

(ii) to settle, extend or compromise any indebtedness owing to Barakaa or Lerrato in respect of the Madison Properties and the Porte Properties, respectively;

(iii) 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 Madison Properties or the Porte

Properties, respectively, 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;

(g) In the case of 214;

(i) to receive and collect all monies and accounts now owed or hereafter owing to 214 and to exercise all remedies of 214 in collecting such monies, including, without limitation, to enforce any security held by 214;

(ii) to settle, extend or compromise any indebtedness owing to 214;

(iii) 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 214, 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;

(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 Debtors, for any purpose pursuant to this Order;

(i) 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;

(j) 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 $250,000, provided that the aggregate consideration for all such transactions does not exceed $500,000; and

(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario Personal Property Security Act or section 31 of the Ontario Mortgages Act, as the case may be, shall not be required,

(k) 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;

(l) 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;

(m) to register a copy of this Order and any other Orders in respect of the Real Property against title to any of the Real Property;

(n) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority with respect to the Property and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;

(o) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;

(p) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have in respect of the Property; and

(q) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtors, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their 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 Debtors in relation to the Property, 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 DEBTORS OR THE PROPERTY

8. THIS COURT ORDERS that no Proceeding against or in respect of the Debtors in relation to the Property 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 Debtors in relation to the Property 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 Debtors in relation to the Property, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

10. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors in relation to the Property, 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 Debtors 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 Debtors 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 Debtors' 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 Debtors 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 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 Debtors shall remain the employees of the Debtors. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

14. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, 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, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program*

Act. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

17. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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 standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

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 $250,000 or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver’s Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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.

SERVICE AND NOTICE

24. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol.

25. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

26. 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.

27. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.

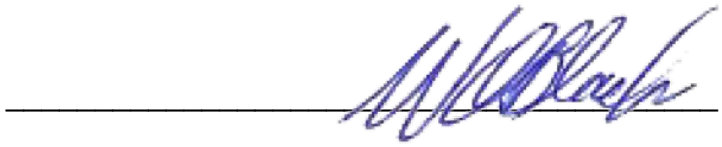
28. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, 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.

29. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

30. 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 Debtors' estate with such priority and at such time as this Court may determine.

31. 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.



APPENDIX “A”

PIN 03206-4245

Lot 741 and Part Lots 740 and 742, Plan 133, part 2, Plan 65R38228; Town of Richmond Hill

PIN 03206-4246

Lot 743 and Part Lot 742, Plan 133, Part 1, Plan 65R38228; Town of Richmond Hill

APPENDIX “B”

PIN 26454-0553

PT LT 6 CON 1, PT 1 40R30173, PICKERING; S/T EASEMENT AS IN P131742; TOWN OF AJAX

PIN 26454-0554

PT LT 6 CON 1, PT 2 40R30173, PICKERING; S/T EASEMENT AS IN P131742; TOWN OF AJAX

PIN 26454-0555

PT LT 6 CON 1 PT 3 40R30173, PICKERING; S/T EASEMENT AS IN P13742; TOWN OF AJAX

PIN 26454-0556

PT LT 6 CON 1 PT 4 40R30173, PICKERING; S/T EASEMENT AS IN P13742; TOWN OF AJAX

PIN 26454-0557

PT LT 6 CON 1 PT 5 40R30173, PICKERING; S/T EASEMENT AS IN P13742; TOWN OF AJAX

PIN 26454-0558

PT LT 6 CON 1 PT 6 40R30173, PICKERING; S/T EASEMENT AS IN P13742; TOWN OF AJAX

APPENDIX “C”

PIN 26452-0789

PART LOTS 108, 109, 110 AND 111 PLAN 377, PARTS 1 AND 2 PLAN 40R30571; SUBJECT TO AN EASEMENT OVER PART LOT 108 PLAN 377 PART 2 PLAN 40R30571 IN FAVOUR OF THE CORPORATION OF THE TOWN OF AJAX AS IN DR309514; SUBJECT TO AN EASEMENT IN FAVOUR OF ENBRIDGE GAS INC. AS IN DR2203728; TOWN OF AJAX

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT $_____

1. THIS IS TO CERTIFY that KSV Restructuring Inc., the receiver (the "Receiver") of, among other things, the assets and undertakings of 2145499 Ontario Inc. and the real property having the legal description set out in Appendices “A” and “B” to Order of Justice Black dated October 21, 2024 (the "Order") made in an application having Court file number CV-24-00724076-00CL, including all proceeds thereof (collectively, the “Property”), has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of $_____, being part of the total principal sum of $_____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the

right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 202__.

KSV Restructuring Inc., solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: _____

Name:

Title:

FOREMOST MORTGAGE HOLDING CORPORATION
Applicant

-and-

BARAKAA DEVELOPER INC. et al.

Respondent

Court File No. CV-24-00724076-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

ORDER
(Appointing Receiver)

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Lawyers for the Applicant

This is Exhibit “D” referred to in the Affidavit of Andrew Stern sworn by Andrew Stern at the City of Toronto, in the Province of Ontario, before me on December 16, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

DILLON GOHIL (LSO# 89738M)

Fourth Report to Court of KSV Restructuring Inc. as Receiver and Manager of 2145499 Ontario Inc. and certain properties of Barakaa Developer Inc., and Lerrato Inc.

August 7, 2025

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COURT FILE NUMBER: CV-24-00724076-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

FOREMOST MORTGAGE HOLDING CORPORATION

APPLICANT

- AND -

BARAKAA DEVELOPER INC., LERRATO INC., AND 2145499 ONTARIO INC.

RESPONDENT

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

FOURTH REPORT OF
KSV RESTRUCTURING INC.
AS RECEIVER AND MANAGER

AUGUST 7, 2025

1.0 Introduction

1. Pursuant to an order of the Ontario Superior Court of Justice (the "**Court**") made on October 21, 2024 (the "**Receivership Order**"), KSV Restructuring Inc. ("**KSV**") was appointed receiver and manager (the "**Receiver**") without security, of the real properties listed in Appendix "A" of the Receivership Order (the "**Barakaa Properties**") owned by Barakaa Developer Inc. ("**Barakaa**"), the real properties listed in Appendix "B" of the Receivership Order (the "**Lerrato Properties**") owned by Lerrato Inc. (**"Lerrato"**), and the property, assets and undertaking owned by 2145499 Ontario Inc. (**"214"**, and together with the Barakaa Properties and the Lerrato Properties, (the "**Receivership Assets**"). A copy of the Receivership Order is attached as **Appendix "A"**.

2. The application to appoint KSV as Receiver was made by Foremost Mortgage Holding Corporation ("**Foremost**"), a secured creditor of Barakaa, Lerrato and 214 (collectively, the "**Debtors**"). Foremost has mortgages on each of the Receivership Assets registered prior to all other mortgages registered on title to the Receivership Assets.

3. Foremost has funded these proceedings pursuant to the Receiver's Borrowing Charge, as defined in the Receivership Order. In addition to its outstanding mortgages discussed below, Foremost is presently owed approximately $619,000 under the Receiver's Borrowing Charge. The Receiver's Borrowing Charge ranks senior to all other security interests registered against the Receivership Assets, except for the Receiver's Charge, in respect of the Receiver's fees and expenses, including costs of its legal counsel.[1]

4. Pursuant to an order of the Court made on March 24, 2025, the Receiver completed the sale of a home built by Barakaa located at 25 Madison Avenue, Richmond Hill ("**25 Madison**").

5. Following a motion heard on June 13, 2025, the Receiver completed sales of the following three homes built by Lerrato (the "**Completed Porte Sales**"):

   a) a sale pursuant to an Approval and Vesting Order (the "**371 Porte AVO**") between the Receiver, as vendor, and Sara Qadeer and Talha Azim Butt, as purchasers (the "**371 Porte Purchasers**"), vesting the 371 Porte Purchased Assets (as defined in the 371 Porte AVO) in the 371 Porte Purchasers free and clear of any and all liens, charges, security interests, encumbrances (with the exception of the Permitted Encumbrances);

   b) a sale pursuant to an Approval and Vesting Order (the "**373 Porte AVO**") between the Receiver, as vendor, and Zeba Qadeer and Raja Abdul Qadeer, as purchasers (the "**373 Porte Purchasers**"), vesting the 373 Porte Purchased Assets (as defined in the 373 Porte AVO) in the 373 Porte Purchasers free and clear of any and all liens, charges, security interests, encumbrances (with the exception of the Permitted Encumbrances);

   c) a sale pursuant to an Approval and Vesting Order (the "**375 Porte AVO**") between the Receiver, as vendor, and Umair Qadeer, as purchaser (the "**375 Porte Purchaser**"), vesting the 375 Porte Purchased Assets (as defined in the 375 Porte AVO) in the 375 Porte Purchaser free and clear of any and all liens, charges, security interests, encumbrances (with the exception of the Permitted Encumbrances); and

   d) an Ancillary Order, among other things:

      i. authorizing the Receiver to make one or more distributions to Foremost from the proceeds of the Completed Porte Sales, net of amounts the Receiver determines, in consultation with Foremost, shall be held back to fund the costs of these proceedings; and

      ii. approving the Receiver's Third Report to Court dated May 30, 2025 (the "**Third Report**") and the Receiver's activities described therein.

6. Each of the Completed Porte Sales closed within a few days of the issuance of the AVOs referenced above.

[1] To the extent applicable, the Receiver will allocate amounts borrowed under the Receiver's Borrowing Charge, when and if recoveries are available to do so.

7. The real properties that remain subject to the Receivership Order are:

   a) 23 Madison Avenue, Richmond Hill ("**23 Madison**");

   b) 369 Porte Road, Ajax ("**369 Porte**") and 377 Porte Road, Ajax ("**377 Porte**", and with 369 Porte, the "**Remaining Porte Properties**"); and

   c) the condominium development owned by 214.

8. This report (the "**Fourth Report**") deals with 23 Madison and the Remaining Porte Properties (collectively, the "**Remaining Residential Properties**") and is filed by KSV in its capacity as Receiver.

1.1 Purposes of this Fourth Report

1. The purposes of this Fourth Report are to:

   a) provide background information about these proceedings;

   b) recommend that the Court issue an Order or Orders (the "**Disclaimer Order**"), among other things:

      i. authorizing and approving the disclaimer by the Receiver of the agreements of purchase and sale dated August 12, 2022 and May 23, 2024 (together, the "**369 Porte APS**")[2] between Lerrato, as vendor, and Muhammed Jehanzeb Agha (the "**369 Porte Purchaser**"), as purchaser, pursuant to which the 369 Porte Purchaser agreed to purchase the land and building known municipally as 369 Porte Road, Ajax, Ontario ("**369 Porte**"), and the chattels listed in the 369 Porte APS;

      ii. authorizing and approving the disclaimer by the Receiver of the agreements of purchase and sale dated August 12, 2022 and May 14, 2024 (together, the "**377 Porte APS**")[3] between Lerrato, as vendor, and Rohitkumar M. Patel and Arvindaben R. Patel (the "**377 Porte Purchasers**"), as purchasers, pursuant to which the 377 Porte Purchasers agreed to purchase the land and building known municipally as 377 Porte Road, Ajax, Ontario ("**377 Porte**"), and the chattels listed in the 377 Porte APS;

      iii. authorizing and approving the disclaimer by the Receiver of the agreement of purchase and sale dated October 29, 2023 (the "**23 Madison APS**") between Barakaa, as seller, and Mohammed Alsharafi and Fatima Jeddi (the "**23 Madison Purchasers**"), as purchasers, pursuant to which the 23 Madison Purchasers agreed to purchase the land and building known municipally as 23 Madison Avenue, Richmond Hill, Ontario ("**23 Madison**"), and the chattels listed in the 23 Madison APS, as amended by: (i) an Amendment dated January 9, 2024 extending the closing date to February 9, 2024, and (ii) a Second Amendment dated February 9, 2024 pursuant to which, *inter alia*, the 23 Madison Purchasers agreed to pay additional deposits to Barakaa in the aggregate amount of $500,000 by February 16,

[2] Copies attached as Appendix "H" hereto.

[3] Copies attached as Appendix "I" hereto.

2024, and Barakaa agreed to give possession of 23 Madison on February 17, 2024 to the 23 Madison Purchasers[4];

iv. authorizing and approving the disclaimer by the Receiver of the License to Occupy dated January 1, 2024 between Lerrato and the 369 Porte Purchaser in respect of the occupation of 369 Porte by the 369 Porte Purchaser pending closing of the sale of 369 Porte (the "**369 Porte License**")[5];

v. authorizing and approving the disclaimer by the Receiver of any and all occupancy licenses or agreements between Lerrato and the 377 Purchasers in respect of the occupation of 377 Porte by the 377 Porte Purchasers pending closing of the sale of 377 Porte;

vi. ordering that the Receiver is entitled to vacant possession of the Remaining Residential Properties and requiring the 369 Porte Purchaser, 377 Porte Purchasers and 23 Madison Purchasers, or any other occupants of 369 Porte, 377 Porte and 23 Madison to vacate those properties by no later than 4:00pm on the date that is 30 days after the issuance of the Disclaimer Order (the "**Vacancy Date**"), or the next business day if the Vacancy Date is a weekend or holiday; and

vii. ordering that if the 369 Porte Purchaser, 377 Porte Purchasers and 23 Madison Purchasers or any other occupants of 369 Porte, 377 Porte and 23 Madison refuse to vacate the applicable residence by or before 4:00pm on the Vacancy Date, then, at the request of the Receiver, the Ontario Provincial Police and/or Sheriff of the Counties of Durham for 369 Porte and 377 Porte or Markham/Vaughan for 23 Madison, as applicable, are authorized and directed to accompany and assist the Receiver in taking vacant possession of the applicable residence.

1.2 Currency

1. All currency references in this Report are in Canadian dollars.

1.3 Restrictions

1. In preparing this Fourth Report, the Receiver has relied upon discussions with, and information provided by, *inter alia*:

   a) representatives of the principals of the Debtors (the "**Principals**"), including Hitesh Jhaveri, and their legal counsel, Chaitons LLP;

   b) representatives of Foremost;

   c) the 369 Porte Purchaser, 377 Porte Purchasers and 23 Madison Purchasers and their legal counsel;

[4] Copies attached as Appendix "J" hereto.

[5] Copies attached within Appendix "H" hereto.

d) representatives of BIP Management Inc. ("**BIP**"), a mortgagee on the Barakaa Properties and the Lerrato Properties; and

e) the Foremost receivership application materials (collectively, the "**Information**").

2. The Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the information in a manner that complies with Canadian Auditing Standards ("**CAS**") pursuant to the Chartered Professional Accountants of Canada Handbook. Accordingly, the Receiver expresses no opinion or other form of assurance contemplated under the CAS in respect of the Information. Any party (other than the Court) wishing to place reliance on the Information is required to perform its own diligence.

2.0 Background

1. Lerrato and Barakaa are real estate development companies controlled by Mr. Jhaveri and his wife, Niketa Wadia.

2.1 Lerrato

1. The Lerrato Properties consist of six parcels of land on Porte Road in Ajax, Ontario, five of which are fully constructed residential freehold townhomes, and the sixth is a three metre by three metre rear lot catch basin abutting the rear corner of the 369 Porte Road property ("**Porte Part 6**").

2. Pursuant to a development agreement between Lerrato and the Town of Ajax dated August 21, 2018 (the "**Development Agreement**"), registered on title to the Lerrato Properties, Lerrato agreed to grant an easement over Porte Part 6 (the "**Porte Easement**") to the Town of Ajax. On May 26, 2025, the Receiver granted the Porte Easement to the Town of Ajax in accordance with the Development Agreement, which was thereupon registered on title to Porte Part 6.

3. The municipal addresses of the five residential Lerrato Properties are 369 Porte Road, 371 Porte Road, 373 Porte Road, 375 Porte Road and 377 Porte Road.

4. As of the date of the Receivership Order, all five Lerrato Properties' residences were subject to agreements of purchase and sale with Lerrato (each a "**Lerrato APS**" and collectively the "**Lerrato APSs**"), which did not close prior to these receivership proceedings. As more fully discussed in the Third Report (see **Appendix "B"**, without attachments), the Receiver recommended that the Court approve the sale of 371 Porte, 373 Porte and 375 Porte to the individuals who entered into agreements of purchase and sale with Lerrato, as such agreements were amended by the Receiver, with the agreement of each purchaser. As noted above, those transactions have been completed.

5. Each Lerrato purchaser paid one or more deposits to Lerrato, and in some cases, made payments to other Jhaveri-related entities or persons. Mr Jhaveri has confirmed that none of the Lerrato purchaser deposits were held in trust pending closing. In each case (other than 369 Porte), the aggregate amounts of the deposits exceeded a market deposit (369 Porte paid a market deposit). A summary of the purchase price

in the Lerrato APSs and the deposits[6] claimed to have been paid by each Lerrato property purchaser is provided below.

($)	369	371	373	375	377
Purchase Price	1,300,000	950,000	925,000	950,000	1,300,000
Claimed Deposits	(150,000)	(355,000)	(505,000)	(205,000)	(679,949)
Other adjustments	31,135	24,405	24,400	24,405	31,135
Closing balance	1,181,135	619,405	444,400	769,405	651,186

6. The table below summarizes the amounts owing under the mortgages registered on title to the Lerrato Properties as of the date of the Receivership Order, before interest, fees and other costs, which continue to accrue.

Secured Party	**($000)**
Foremost	3,155
BIP	700
Joshi Parties (as defined below) (on 377 Porte Road and the Porte Easement only)	5,000
Total	**8,855**

7. The Completed Porte Sales generated proceeds of $2.75 million, of which $2 million was distributed to Foremost. Of this amount, approximately $129,000 was used to repay advances by Foremost under Receiver's Certificates specifically for Lerrato, and the balance, approximately $1.871 million was used to partially repay Foremost's mortgages on the Lerrato Properties. Accordingly, as of the date of this Fourth Report, the Lerrato debt owing to Foremost is approximately $1.28 million, before interest, fees and other costs.

8. The mortgages registered on title to the Lerrato Properties (excluding the Joshi Parties' mortgages) are registered on title to each of the Lerrato Properties.

9. The mortgages in favour of Sanjive Joshi, Xpert Credit Control Solutions Inc. and Xpert law Inc. (collectively, the "**Joshi Parties**") were ordered to be vacated pursuant to a decision of Mr. Justice Koehnen dated March 27, 2025, a copy of which is attached as **Appendix "C"**.

10. The Receiver has been advised by Mr. Jhaveri that none of the deposits received from the respective Lerrato purchasers were used by Mr. Jhaveri or Lerrato to pay down the Foremost mortgage or BIP mortgage registered against the Lerrato Properties.

11. A summary of the issues impairing the sale of the Receivership Assets, including the Lerrato Properties, was provided in the Receiver's First Report and as such, those details are not repeated herein. A copy of the First Report is provided in **Appendix "D"**, without attachments.

[6] As discussed below, the Receiver notes that significant portions of the "deposits" paid by the 377 Porte Purchasers were: (i) paid to the Principals or other entities; and/or (ii) paid long before the date of the 377 Porte APS.

12. One of the primary reasons for the commencement of these receivership proceedings was the Debtors' inability to convey clean title to purchasers of the Receivership Assets due to the registration of the Joshi Parties' mortgages against those assets. It was originally contemplated that the receivership proceedings would provide a forum to complete the sale of the Receivership Assets free and clear of encumbrances by way of approval and vesting orders.

13. Since the date of the Receivership Order, the Receiver has identified several additional reasons why it is necessary to complete the sale of the Receivership Properties through a court-approved transaction, including, importantly, that the net proceeds of sale from the Remaining Residential Properties under their existing APSs would not be sufficient to repay in full the mortgages on those properties due to the above-market "deposits" paid by each purchaser (other than in respect of 369 Porte, which paid a market deposit).

14. In respect of 369 Porte, the 369 Porte Purchaser has paid a market deposit, and the Receiver would be prepared to complete a sale transaction based on the existing financial terms, but the 369 Porte Purchaser cannot close because the 369 Porte Purchaser has not been able to secure financing.

2.2 Barakaa

1. Barakaa is a real estate development corporation, which is also controlled by Mr. Jhaveri and his wife.

2. Among other real property owned by Barakaa, Barakaa built three homes in Richmond Hill, Ontario: 19 Madison Avenue ("**19 Madison**"), 23 Madison Avenue, and 25 Madison Avenue (collectively, the "**Madison Properties**").

3. On or around June 24, 2022, Foremost Financial Corporation ("**FFC**"), an affiliate of Foremost, and Barakaa entered into a credit agreement pursuant to which FFC advanced $4,133,000 to Barakaa. The FFC loan was subsequently assigned to Foremost. The loan was secured by, *inter alia*, mortgages registered on title to the Madison Properties (the "**Foremost Madison Mortgage**").

4. In addition to the Foremost Madison Mortgage, the Madison Properties are subject to a mortgage in favour of BIP in the initial principal amount of $1,500,000, and a mortgage in favour of 1417199 Ontario Limited ("**141 Ontario**") in the initial principal amount of $750,000, which is postponed to BIP, and ranks after the Foremost Mortgage.

5. Prior to these receivership proceedings, in January 2024, Foremost, BIP and 141 Ontario each agreed to discharge their mortgages over 19 Madison in connection with the sale of that property by Barakaa, that resulted in the following payments on account of their respective mortgage indebtedness at the time: a) $1,421,191 to Foremost; b) $353,917 to BIP; and c) $353,287 to 141 Ontario.

6. In addition to the Madison Properties, Barakaa owns five other properties in Ontario which are not subject to these receivership proceedings or the Foremost, BIP or 141 Ontario Mortgages referenced above.

7. The table below summarizes the amounts owing under the mortgages registered on title to the Madison Properties as of the date of the Receivership Order. The amounts in the table are net of the proceeds that each mortgagee received from the sale of 19 Madison, but before interest, fees and costs that have continued to accrue since the date of the Receivership Order.

Secured Party	($000)
Foremost	2,753
BIP	1,150
141 Ontario	400
Joshi Parties	5,000
Total	**9,303**

8. The net proceeds from the sale of 25 Madison (approximately $1.33 million) have been distributed to Foremost, such that Barakaa's indebtedness now owing to Foremost is approximately $1.4 million[7], again, before interest, fees and costs which continue to accrue.

3.0 369 Porte, 377 Porte and 23 Madison

1. Since the outset of these proceedings, the Receiver has communicated extensively with the Remaining Porte Purchasers to close their respective transactions. In respect of 377 Porte Purchasers and 23 Madison Purchasers, the Receiver has engaged with the purchasers and their counsel to try to close on the basis of market deposits, and in the case of 369 Porte, on its agreed terms (as its issue is securing financing, not an excessive deposit). As more fully discussed below, the Receiver has been unsuccessful.

2. In order to maximize the realizable values of 369 Porte, 377 Porte and 23 Madison, the Receiver is now seeking relief from the Court to terminate the 369 Porte APS, 377 Porte APS and the 23 Madison APS (and any related occupancy agreements) so that it can obtain vacant possession of the properties. This will allow the Receiver to oversee the restoration of the properties to a presentable condition and re-market them for sale as soon as possible.

3.1 369 Porte

1. Notwithstanding the Receiver's extensive efforts since the outset of these receivership proceedings, the 369 Porte Purchaser has failed to engage in meaningful discussions with the Receiver to close the sale of this property. The Receiver understands that the 369 Porte Purchaser has not been able to secure financing to close its transaction. The Receiver provided the 369 Porte Purchaser several months to do so, and the Receiver has been advised repeatedly by the 369 Porte Purchaser that he was attempting to arrange financing. As of the date of this Fourth Report, the 369 Porte Purchaser has not confirmed that he has secured financing to close, and accordingly, the Receiver is now seeking an order from the Court to disclaim the 369

[7] This amount is net of the repayment of the portion of the Receiver's Borrowing Charge allocated to Barakaa and repaid from the proceeds of sale of 25 Madison.

Porte APS. Copies of certain of the correspondence between the Receiver and the 369 Porte Purchaser and their counsel are provided in **Appendix "E"**.

3.2 377 Porte

1. The 377 Porte APS reflects a $75,000 deposit amount. The 377 Porte APS appears to supersede and replace an Agreement of Purchase and Sale dated August 12, 2022 (the "**2022 APS**"), which reflected two deposits in the amounts of $50,000. Based on its discussions with Mr. Jhaveri, and information provided by the 377 Porte Purchasers' counsel, the Receiver understands that the 377 Porte Purchasers made 38 separate payments[8] totalling $679,949 to Mr. Jhaveri or related parties, including a deposit of $150,000 to Lerrato, all of which appears to have been spent by Mr. Jhaveri or related parties. The Receiver advised the 377 Porte Purchasers that it is prepared to close the sale of 377 Porte on terms similar to those of the Completed Porte Sales, i.e., with a credit for a market deposit (in this case the suggested amount is $150,000).

2. The 377 Porte Purchasers take the position that all amounts they paid to Lerrato (or Mr. Jhaveri or related parties (see footnote 4)) should be netted against and applied as a deposit against the purchase price ($1.3 million) in the 377 Porte APS. To date, this is the only basis on which the 377 Porte Purchasers have advised the Receiver they are prepared to purchase 377 Porte. Closing on this basis would result in net proceeds of approximately $620,000 (before standard closing adjustments), which is less than the value that: (i) could be realized for the property if remarketed for sale, based on an appraisal dated July 18, 2025 obtained by the Receiver; and (ii) the amount that was realized from the sales of the Completed Porte Sales (range from $925,000 to $950,000).

3. The 377 Porte payment history (much of which pre-dates the 2022 APS), and the number of transactions between the 377 Porte Purchasers and Mr. Jhaveri and related parties, suggests a non-arm's length relationship between these parties. Evidence provided by Mr. Jhaveri also indicates that many of the amounts paid by the 377 Porte Purchasers were not intended to be deposits in respect of the 377 Porte APS. A copy of this correspondence, including the 377 Porte Purchasers' summary of payments, is provided in **Appendix "F"**. To the extent that the 377 Porte Purchasers believe they have a claim against Lerrato, they can pursue that entity, which is not, itself, subject to any insolvency proceedings.

4. Foremost has advised the Receiver that it is not prepared to consent to a sale of 377 Porte that gives full credit to the amounts ($679,949) paid by the 377 Porte Purchasers as doing so would not recognize the market value of the property.

3.3 23 Madison

1. 23 Madison was built by Barakaa and is subject to the 23 Madison APS. The 23 Madison Purchasers have paid: (i) initial deposits totalling $150,000 which the Receiver understands are being held in trust with ReMax Crossroads Realty Inc. ("**ReMax**"), a brokerage associated with the principal of 141 Ontario, the third mortgagee; and (ii) deposits of $200,000 made on February 13, 2024 and $300,000 on February 16, 2024 (the "**Subsequent Deposits**"), paid directly to Lerrato, following

[8] These payments were made between April 30, 2019 and September 17, 2024 to the following parties: Lerrato (19 payments), Mr. Jhaveri (5), Osmi Homes (10), 214 Ontario (2), and OM Sai Marble Inc.

which Lerrato granted the 23 Madison Purchasers possession of 23 Madison pending closing. These Subsequent Deposit amounts appear to have been expended by Mr. Jhaveri/Lerrato for purposes other than repaying Foremost, as senior mortgagee, or any other mortgagee of 23 Madison.

2. If the 23 Madison Purchasers were to receive full credit for the Subsequent Deposit amounts they paid ($500,000), the net proceeds of sale available for distribution to Foremost would be approximately $1.6 million, which is both less than an appraisal of 23 Madison obtained by the Receiver in November 2024, and than the proceeds of sale of 25 Madison by the Receiver completed in April 2025 (approximately $1.9 million, after payment of HST and real estate commissions).

3. Notwithstanding several months of discussions with the 23 Madison Purchasers, the Receiver has been unable to reach an agreement with the 23 Madison Purchasers on acceptable terms. The Receiver's letter to the 23 Madison Purchasers, and certain of the email exchanges between the Receiver (and its counsel) and the 23 Madison Purchasers' counsel are provided in **Appendix "G"**.

4. Similar to 377 Porte, the 23 Madison Purchasers can pursue Barakaa for the $500,000 excess "deposits" as Barakaa, itself, is not subject to these receivership proceedings.

3.4 Recommendation

1. The Receiver recommends that the Court issue an Order or Orders authorizing and approving, among other things, the disclaimer by the Receiver of the 369 Porte APS, 377 Porte APS and 23 Madison APS for the following reasons:

   a) the Receiver provided the 369 Porte Purchaser many months to arrange financing to close its purchase of 369 Porte. It does not appear that the 369 Porte Purchaser will be able to do so;

   b) in respect of 377 Porte and 23 Madison,

      i. the Receiver has tried unsuccessfully for several months to negotiate transactions with each purchaser consistent with the terms of the Completed Porte Sales;

      ii. if the Receiver closed on the terms proposed by the 377 Porte Purchasers and the 23 Madison Purchasers, the net proceeds from those sales would be less than what could be realized by the Receiver if it resold the property; and

      iii. the 377 Porte Purchasers and 23 Madison Purchasers can seek to recover "deposits" paid to Lerrato and Barakaa for which credit is not being provided, as those entities are not subject to receivership proceedings.

2. The Receiver also recommends that vacant possession of each home be made available to the Receiver within 30 days of the Disclaimer Order as that should provide each party sufficient time to make alternative living arrangements. If vacant possession is not provided within 30 days of the Disclaimer Order, the Receiver may require the assistance of the Ontario Provincial Police and/or Sheriff of the Counties of Durham; and

3. Foremost is supportive of the Receiver's recommendations and is prejudiced by further cost and delay if these matters are not resolved on a timely basis.

4.0 Conclusion

1. The Receiver remains prepared to close with the 369 Porte Purchaser on the financial terms of the 369 Porte APS. The Receiver is also prepared to close with 377 Porte Purchasers and the 23 Madison Purchasers on terms consistent with the Completed Porte Sales, i.e., giving credit for deposits consistent with market. However, if these terms are not acceptable to the respective buyers, the Receiver respectfully recommends that this Honourable Court make an Order or Orders granting the relief sought in this Fourth Report.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

KSV RESTRUCTURING INC.,
SOLELY IN ITS CAPACITY AS RECEIVER AND MANAGER OF 2145499 ONTARIO INC. AND CERTAIN PROPERTIES OF BARAKAA DEVELOPER INC. AND LERRATO INC.,
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY

Appendix “A”

Court File No. CV-24-00724076-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE	)	MONDAY, THE 21ST DAY
	)	
JUSTICE W.D. BLACK	)	OF OCTOBER, 2024

FOREMOST MORTGAGE HOLDING CORPORATION

Applicant

- and -

BARAKAA DEVELOPER INC., LERRATO INC., and **2145499 ONTARIO INC.**

Respondents

ORDER
(Appointing Receiver)

THIS MOTION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing KSV Restructuring Inc. as receiver and manager (in such capacities, the "Receiver") without security, of the lands and premises described in Appendix “A” hereto (the “Madison Properties”), owned by Barakaa Developer Inc. (“Barakaa”), the lands and premises described in Appendix “B” hereto (the “Porte Properties”), owned by Lerrato Inc. (“Lerrato”) and the property, assets and undertakings of 2145499 Ontario Inc. (“**214**” and, with Lerrato and Barakaa, the “**Debtors**”), the owner of the lands and premises described in Appendix “C” hereto (the “**Doric Property**” and, together with the Madison Properties and the Porte Properties, the “**Real Property**”), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Andrew Stern sworn October 11, 2024 and the Exhibits thereto, and on hearing the submissions of counsel for the Applicant and the other parties listed on the counsel slip, no one else appearing although duly served as appears from the lawyer's certificate of service of Ryan Shah dated October 15, 2024 and on reading the consent of KSV Restructuring Inc. to act as the Receiver,

SERVICE

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

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, KSV Restructuring Inc. is hereby appointed Receiver, without security, of:

(a) the Madison Properties, including all proceeds thereof;

(b) the Porte Properties, including all proceeds thereof;

(c) Lerrato's interest in the $184,973 presently being held by the Town of Ajax as cash collateral in respect of Lerrato's obligations pursuant to a development agreement between Lerrato and the Town of Ajax dated August 21, 2018;

(d) all of the properties, assets and undertakings of 214 acquired for, or used in relation to a business carried on by 214, including all proceeds thereof (collectively, the "Property").

RECEIVER'S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

(a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

(b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

(c) In the case of Barakaa and Lerrato, and only in respect of the Madison Properties and the Porte Properties, respectively, as the case may be, to manage, operate, and carry on the business of the Barakaa and Lerrato, 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 Barakaa and Lerrato in respect of the Madison Properties and the Porte Properties, respectively;

(d) In the case of 214, to manage, operate, and carry on the business of 214, 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 214;

(e) 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 Receiver's powers and duties, including without limitation those conferred by this Order;

(f) In the case of Barakaa and Lerrato, and only in respect of the Madison Properties and the Porte Properties, respectively, as the case may be:

(i) to receive and collect all monies and accounts now owed or hereafter owing to Barakaa or Lerrato in relation to the Madison Properties and the Porte Properties, respectively, and to exercise all remedies of Barakaa or Lerrato in collecting such monies, including, without limitation, to enforce any security held by Barakaa or Lerrato in respect of the Madison Properties and Porte Properties, respectively;

(ii) to settle, extend or compromise any indebtedness owing to Barakaa or Lerrato in respect of the Madison Properties and the Porte Properties, respectively;

(iii) 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 Madison Properties or the Porte

Properties, respectively, 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;

(g) In the case of 214;

(i) to receive and collect all monies and accounts now owed or hereafter owing to 214 and to exercise all remedies of 214 in collecting such monies, including, without limitation, to enforce any security held by 214;

(ii) to settle, extend or compromise any indebtedness owing to 214;

(iii) 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 214, 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;

(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 Debtors, for any purpose pursuant to this Order;

(i) 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;

(j) 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 $250,000, provided that the aggregate consideration for all such transactions does not exceed $500,000; and

(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario Personal Property Security Act or section 31 of the Ontario Mortgages Act, as the case may be, shall not be required,

(k) 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;

(l) 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;

(m) to register a copy of this Order and any other Orders in respect of the Real Property against title to any of the Real Property;

(n) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority with respect to the Property and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;

(o) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;

(p) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have in respect of the Property; and

(q) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtors, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their 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 Debtors in relation to the Property, 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 DEBTORS OR THE PROPERTY

8. THIS COURT ORDERS that no Proceeding against or in respect of the Debtors in relation to the Property 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 Debtors in relation to the Property 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 Debtors in relation to the Property, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

10. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors in relation to the Property, 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 Debtors 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 Debtors 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 Debtors' 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 Debtors 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 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 Debtors shall remain the employees of the Debtors. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

14. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, 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, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program*

Act. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

17. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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 standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

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 $250,000 or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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.

SERVICE AND NOTICE

24. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol.

25. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

26. 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.

27. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.

28. 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.

29. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

30. 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 Debtors' estate with such priority and at such time as this Court may determine.

31. 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.



APPENDIX “A”

PIN 03206-4245

Lot 741 and Part Lots 740 and 742, Plan 133, part 2, Plan 65R38228; Town of Richmond Hill

PIN 03206-4246

Lot 743 and Part Lot 742, Plan 133, Part 1, Plan 65R38228; Town of Richmond Hill

APPENDIX “B”

PIN 26454-0553

PT LT 6 CON 1, PT 1 40R30173, PICKERING; S/T EASEMENT AS IN P131742; TOWN OF AJAX

PIN 26454-0554

PT LT 6 CON 1, PT 2 40R30173, PICKERING; S/T EASEMENT AS IN P131742; TOWN OF AJAX

PIN 26454-0555

PT LT 6 CON 1 PT 3 40R30173, PICKERING; S/T EASEMENT AS IN P13742; TOWN OF AJAX

PIN 26454-0556

PT LT 6 CON 1 PT 4 40R30173, PICKERING; S/T EASEMENT AS IN P13742; TOWN OF AJAX

PIN 26454-0557

PT LT 6 CON 1 PT 5 40R30173, PICKERING; S/T EASEMENT AS IN P13742; TOWN OF AJAX

PIN 26454-0558

PT LT 6 CON 1 PT 6 40R30173, PICKERING; S/T EASEMENT AS IN P13742; TOWN OF AJAX

APPENDIX “C”

PIN 26452-0789

PART LOTS 108, 109, 110 AND 111 PLAN 377, PARTS 1 AND 2 PLAN 40R30571; SUBJECT TO AN EASEMENT OVER PART LOT 108 PLAN 377 PART 2 PLAN 40R30571 IN FAVOUR OF THE CORPORATION OF THE TOWN OF AJAX AS IN DR309514; SUBJECT TO AN EASEMENT IN FAVOUR OF ENBRIDGE GAS INC. AS IN DR2203728; TOWN OF AJAX

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT $_____

1. THIS IS TO CERTIFY that KSV Restructuring Inc., the receiver (the "Receiver") of, among other things, the assets and undertakings of 2145499 Ontario Inc. and the real property having the legal description set out in Appendices “A” and “B” to Order of Justice Black dated October 21, 2024 (the "Order") made in an application having Court file number CV-24-00724076-00CL, including all proceeds thereof (collectively, the “Property”), has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of $_____, being part of the total principal sum of $_____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the

right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 202__.

KSV Restructuring Inc., solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: _____
Name:
Title:

FOREMOST MORTGAGE HOLDING CORPORATION
Applicant

-and-

BARAKAA DEVELOPER INC. et al.

Respondent

Court File No. CV-24-00724076-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

ORDER
(Appointing Receiver)

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Lawyers for the Applicant

Appendix “B”

May 29, 2025

Third Report to Court of KSV Restructuring Inc. as Receiver and Manager of 2145499 Ontario Inc. and certain properties of Barakaa Developer Inc., and Lerrato Inc.

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COURT FILE NUMBER: CV-24-00724076-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

FOREMOST MORTGAGE HOLDING CORPORATION

APPLICANT

- AND -

BARAKAA DEVELOPER INC., LERRATO INC., AND 2145499 ONTARIO INC.

RESPONDENT

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

THIRD REPORT OF
KSV RESTRUCTURING INC.
AS RECEIVER AND MANAGER

MAY 29, 2025

1.0 Introduction

1. Pursuant to an order of the Ontario Superior Court of Justice (the "**Court**") made on October 21, 2024 (the "**Receivership Order**"), KSV Restructuring Inc. ("**KSV**") was appointed receiver and manager (the "**Receiver**") without security, of the real properties listed in Appendix "A" of the Receivership Order (the "**Barakaa Properties**") owned by Barakaa Developer Inc. (**"Barakaa"**), the real properties listed in Appendix "B" of the Receivership Order (the "**Lerrato Properties**") owned by Lerrato Inc. (**"Lerrato"**), and the property, assets and undertaking owned by 2145499 Ontario Inc. (**"214"**, and together with the Barakaa Properties and the Lerrato Properties, (the "**Receivership Assets**"). A copy of the Receivership Order is attached as **Appendix "A"**.

2. The application to appoint KSV as Receiver was made by Foremost Mortgage Holding Corporation ("**Foremost**"), a secured creditor of Barakaa, Lerrato and 214 (collectively, the "**Debtors**"). Foremost has mortgages on each of the Receivership Assets registered prior to all other mortgages registered on title to the Receivership Assets.

3. Foremost has funded these proceedings under the Receiver's Borrowing Charge (as defined in the Receivership Order). Total advances by Foremost under the Receiver's Borrowing Charge as of the date of this report (the "**Third Report**") were $831,000.

4. Pursuant to an order of the Court made on March 24, 2025, the Receiver closed the sale of a home built by Barakaa located at 25 Madison Avenue, Richmond Hill ("**25 Madison**"). On April 4, 2025, the Receiver made a distribution from the sale proceeds to Foremost of $1,410,000, of which $83,627 was a repayment of funding made by Foremost under the Receiver's Borrowing Charge.

5. The principal purpose of the receivership is to sell the Receivership Assets.

6. This Third Report is filed by KSV in its capacity as Receiver.

1.1 Purposes of this Third Report

1. The purposes of this Third Report are to:

   a) provide background information about these proceedings;

   b) summarize the following proposed sale transactions (the "**Transactions**"):

      i. the transaction (the "**371 Porte Transaction**") contemplated by the Amending Agreement dated May 21, 2025 between the Receiver, as vendor, and Sara Qadeer and Talha Azim Butt, as purchasers (the "**371 Porte Purchasers**"), amending the Agreement of Purchase and Sale dated May 9, 2024 between Lerrato Inc. as vendor and the 371 Porte Purchasers as purchasers (together, the "**371 Porte Sale Agreement**"), pursuant to which the 371 Porte Purchasers have agreed to purchase, and the Receiver has agreed to sell, the land and building known municipally as 371 Porte Road, Ajax, Ontario and the chattels listed in the Sale Agreement (collectively, the "**371 Porte Purchased Assets**");

      ii. the transaction (the "**373 Porte Transaction**") contemplated by the Amending Agreement dated May 20, 2025 between the Receiver, as vendor, and Zeba Qadeer and Raja Abdul Qadeer, as purchasers (the "**373 Porte Purchasers**"), amending the Agreement of Purchase and Sale dated May 6, 2024 between Lerrato Inc. as vendor and the 373 Porte Purchasers as purchasers (together, the "**373 Porte Sale Agreement**"), pursuant to which the 373 Porte Purchasers have agreed to purchase, and the Receiver has agreed to sell, the land and building known municipally as 373 Porte Road, Ajax, Ontario and the chattels listed in the Sale Agreement (collectively, the "**373 Porte Purchased Assets**"); and

      iii. the transaction (the "**375 Porte Transaction**") contemplated by the Amending Agreement dated May 20, 2025 between the Receiver, as vendor, and Umair Qadeer, as purchaser (the "**375 Porte Purchaser**"), amending the Agreement of Purchase and Sale dated May 9, 2024 between Lerrato Inc. as vendor and the 375 Porte Purchaser as purchaser (together, the "**375 Porte Sale Agreement**"), pursuant to which the 375 Porte Purchaser has agreed to purchase, and the Receiver has agreed to sell, the land and building known municipally as 375 Porte Road, Ajax, Ontario and the chattels listed in the Sale Agreement (collectively, the "**375 Porte Purchased Assets**");

   c) detail and seek approval of the Receiver's activities since the date of the Receivership Order;

d) recommend that the Court issue:

i. an Approval and Vesting Order substantially in the form attached at Tab 4 of the Motion Record (the "**371 Porte AVO**") approving the 371 Porte Transaction, authorizing the Receiver to complete the 371 Porte Transaction, and vesting the 371 Porte Purchased Assets in the 371 Porte Purchasers free and clear of any and all liens, charges, security interests, encumbrances (with the exception of any Permitted Encumbrances as set out in the 371 Porte Sale Agreement), estates, rights and claims upon delivery by the Receiver of a certificate in the form attached as Schedule "A" to the 371 Porte AVO;

ii. an Approval and Vesting Order substantially in the form attached at Tab 5 of the Motion Record (the "**373 Porte AVO**") approving the 373 Porte Transaction, authorizing the Receiver to complete the 373 Porte Transaction, and vesting the 373 Porte Purchased Assets in the 373 Porte Purchasers free and clear of any and all liens, charges, security interests, encumbrances (with the exception of any Permitted Encumbrances as set out in the 373 Porte Sale Agreement), estates, rights and claims upon delivery by the Receiver of a certificate in the form attached as Schedule "A" to the 373 Porte AVO;

iii. an Approval and Vesting Order substantially in the form attached at Tab 6 of the Motion Record (the "**375 Porte AVO**") approving the 375 Porte Transaction, authorizing the Receiver to complete the 375 Porte Transaction, and vesting the 375 Porte Purchased Assets in the 375 Porte Purchaser free and clear of any and all liens, charges, security interests, encumbrances (with the exception of any Permitted Encumbrances as set out in the 375 Porte Sale Agreement), estates, rights and claims upon delivery by the Receiver of a certificate in the form attached as Schedule "A" to the 375 Porte AVO; and

iv. an order authorizing the Receiver to make one or more distributions to Foremost from the proceeds of sale of the Transactions, net of such amounts the Receiver determines, in consultation with Foremost, shall be held back on account of professional fees and the Receiver's Borrowing Charge (as defined in the Receivership Order, as amended by the Order of Justice Kimmel dated February 3, 2025), and approving this Third Report and the Receiver's activities described herein.

1.2 Currency

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

1.3 Restrictions

1. In preparing this Report, the Receiver has relied upon discussions with, and information provided by, *inter alia*:

a) representatives of the principals of the Debtors (the "**Principals**"), including Hitesh Jhaveri, and their legal counsel, Chaitons LLP;

b) Foremost, and its legal counsel, Paliare Roland Rosenberg Rothstein LLP ("**Paliare**");

c) legal counsel to the 371 Porte Purchasers, the 373 Porte Purchasers and the 375 Porte Purchaser (together the "**Porte Purchasers**");

d) the purchasers of 369 Porte Road, 377 Porte Road and 23 Madison Avenue (the "**369 Porte Purchaser**", "**377 Porte Purchasers**" and "**23 Madison Purchaser**", respectively);

e) representatives of the Town of Ajax;

f) representatives of BIP Management Inc. ("**BIP**"), the second mortgagee on the Lerrato Properties; and

g) the Foremost receivership application materials (collectively, the "**Information**").

2. The Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the information in a manner that complies with Canadian Auditing Standards ("**CAS**") pursuant to the Chartered Professional Accountants of Canada Handbook. Accordingly, the Receiver expresses no opinion or other form of assurance contemplated under the CAS in respect of the Information. Any party (other than the Court) wishing to place reliance on the Information is required to perform its own diligence.

2.0 Background

2.1 Lerrato

1. Lerrato is a real estate development company controlled by Mr. Jhaveri and his wife, Niketa Wadia.

2. The Lerrato Properties consist of six parcels of land on Porte Road in Ajax, Ontario, five of which are fully constructed residential freehold townhomes, and the sixth being a three metre by three metre rear lot catch basin abutting the rear corner of the 369 Porte Road property ("**Porte Part 6**").

3. Pursuant to a development agreement between Lerrato and the Town of Ajax dated August 21, 2018 (the "**Development Agreement**"), registered on title to the Lerrato Properties, Lerrato had agreed to grant an easement over Porte Part 6 (the "**Porte Easement**") to the Town of Ajax. On May 26, 2025, the Receiver granted the Porte Easement to the Town of Ajax in accordance with the Development Agreement, which was thereupon registered on title to Porte Part 6.

4. The five residential Lerrato Properties have following municipal addresses: 369 Porte Road, 371 Porte Road, 373 Porte Road, 375 Porte Road and 377 Porte Road. 369 Porte Road and 377 Porte Road are not the subject matter of this motion.

5. All five Lerrato Properties' residences are subject to agreements of purchase and sale with Lerrato (each a "**Lerrato APS**" and collectively the "**Lerrato APSs**") which have not closed. Each prospective purchaser entered into an occupancy license with Lerrato prior to the receivership proceedings, allowing them to occupy their residences prior to closing and each is presently occupying its residence. Each prospective purchaser paid one or more deposits to Lerrato or in some cases other Jhaveri entities

or persons. A summary of the purchase price and the deposits[1] (the "**Deposits**") paid by the prospective purchasers is provided below.

($)	**369**	**371**	**373**	**375**	**377**
Purchase Price	1,300,000	950,000	925,000	950,000	1,300,000
Total Deposits	(150,000)	(355,000)	(505,000)	(205,000)	(679,949)
Other adjustments	31,135	24,405	24,400	24,405	31,135
Closing balance	1,181,135	619,405	444,400	769,405	651,186

6. The table below summarizes the amounts owing under the mortgages registered on title to the Lerrato Properties as of the date of the Receivership Order. Interest and costs have continued to accrue. The Receiver's Charge and Receiver's Borrowings Charge amounts also continue to accrue in priority to the mortgages.

Secured Party	**($000)**
Foremost	3,155
BIP	700
Joshi Parties (as defined below) (on 377 Porte Road and the Porte Easement only)	5,000
Total	**8,855**

7. The mortgages registered on title to the Lerrato Properties (excluding the Joshi Parties' mortgages) are against each of the Lerrato Properties. The mortgages in favour of the Sanjive Joshi, Xpert Credit Control Solutions Inc. and Xpert law Inc. (collectively, the "**Joshi Parties**") were ordered to be vacated pursuant to a decision of Mr. Justice Koehnen dated March 27, 2025, a copy of which is attached as **Appendix "B"**.

8. The Receiver has been advised by Mr. Jhaveri that none of the Deposits are being held in trust by Lerrato or any other party. None of the Deposit amounts were used by Mr. Jhaveri or Lerrato to pay down the Foremost mortgage or the BIP mortgage registered against the Lerrato Properties.

9. A summary of the issues impairing the sale of the Receivership Assets was provided in the Receiver's First Report and as such, those details are not repeated herein. A copy of the First Report is provided in **Appendix "C"**, without attachments.

10. One of the primary reasons for the commencement of these receivership proceedings was the Debtors' inability to convey clean title to purchasers of the Receivership Assets due to the registration of the Joshi Parties' mortgages against various Receivership Assets. It was contemplated that the receivership proceedings would provide a forum to complete the sale of the Receivership Assets free and clear of encumbrances by way of approval and vesting orders. Since the date of the Receivership Order, the Receiver has identified additional reasons why it is necessary to complete the sale of the Lerrato Properties through a court-approved transaction, including that the proceeds of sale will not be sufficient to repay in full the Foremost mortgage.

[1] The Receiver notes that a significant portion of the "Deposits" paid by the 377 Porte Purchaser was paid to the Principals or related entities long before the date of the 377 Porte APS.

2.2 369 Porte, 377 Porte and 23 Madison

1. Since filing the Receiver's second report (the "**Second Report**"), the Receiver has continued discussions with each of the purchasers of the Lerrato Properties, including with the 369 Porte Purchaser and the 377 Porte Purchasers, with a view to attempting to close sale transactions on terms acceptable to the Receiver, Foremost and BIP.

2. The Receiver understands that the 369 Porte Purchaser has, to date, been unable to secure financing for the proposed purchase of 369 Porte and may be unable to complete a purchase transaction. The 377 Purchasers have not yet confirmed that they are prepared to close on terms acceptable to the Receiver, given the $679,949 Deposits they paid to Lerrato, Mr. Jhaveri and other related entities/persons. Accordingly, if an agreement is not reached with the 369 Porte Purchaser and the 377 Porte Purchasers in the near term, the Receiver intends to seek an order in the near term authorizing it to disclaim their APSs and occupancy licenses, obtain vacant possession of each property and to re-market each property for sale.

3. The situation with a property located at 23 Madison, a Barakaa property, is similar to the 369 and 377 Porte Property situations. 23 Madison was built by Barakaa and is subject to an agreement of purchase and sale where the 23 Madison Purchaser has paid several deposits (totaling $650,000) that were not applied against the Foremost or BIP mortgage debts and only $150,000 of which is held in trust pending closing. The Receiver has not been able to come to an agreement with the 23 Madison Purchaser as to the terms of a transaction, and accordingly, the Receiver also intends to seek the Court's approval to disclaim the 23 Madison Purchaser's APS and occupancy license, obtain vacant possession of the home and to re-market it for sale.

3.0 The Transactions

1. The Receiver has negotiated transactions for the Porte Purchaser properties. In each case, Porte Purchaser has agreed to receive credit of $175,000 in respect of their Deposits. The Receiver has determined that completing the Porte Purchaser Properties' transactions on this basis is appropriate and reasonable in the circumstances for the following reasons:

    a) the Receiver is satisfied that the value of the Transactions, net of the agreed Deposit amount, is consistent with the value of the Porte Purchaser properties, based on appraisals recently obtained by the Receiver;

    b) the time, professional fees, interest and risks associated with remarketing the properties could be significant, without any certainty that a higher purchase price could be achieved;

    c) the properties have been lived in by the Porte Purchasers, and proceeding with the Transactions avoids the time and cost associated with repairing any damage to the Porte Purchaser properties before remarketing them;

    d) closing the Transactions avoids the need to incur real estate broker commissions;

    e) in the Receiver's view, it is equitable in the circumstances to recognize a commercially reasonable portion of each Porte Purchaser's Deposit despite them not being held in trust pending closing; and

    f) Foremost consents to the amount of the Deposit credit.

3.1 Porte Purchasers' APSs and Amending Agreements

1. The Receiver and the Porte Purchasers have each agreed to close their respective transactions pursuant to the terms of the APSs between each Porte Purchaser and Lerrato, each as amended pursuant to an amending agreement (each an "**Amending Agreement**" and collectively the "**Amending Agreements**"). Copies of the Porte Purchasers' APSs and their respective Amending Agreements are provided in **Appendices "D", "E", and "F"**. The key terms of these transactions are provided below.

	371 Porte	373 Porte	375 Porte
Vendor	Receiver		
Purchaser	Sara Qadeer and Talha Azim Butt	Zeba Qadeer and Raja Abdul Qadeer	Umair Qadeer
Purchased Assets	All right, title and interest of Lerrato in and to the respective property and the chattels therein as set out in the APSs.		
Purchase Price	$950,000	$925,000	$950,000
Deposits	$175,000	$175,000	$175,000
Excluded Liabilities	The Purchaser shall assume, fulfill, perform and be responsible for all liabilities and obligations of any kind relating to the Purchased Assets in respect of the period from and after closing, and any tax readjustments or errors pre or post closing.		
Representations and Warranties	Consistent with the standard terms of an insolvency transaction, i.e., on an "as is, where is" basis, with limited representations and warranties.		
Closing Date	Ten days after Court approval or next business day if a Holiday.		

3.2 Transactions Recommendation

1. The Receiver recommends the Court approve the Transactions for the following reasons:

   a) in the Receiver's view, it is unlikely that remarketing the properties would result in materially superior transactions, particularly after considering the fees and costs of the Receiver and its legal counsel, costs to repair each home and realtor commissions;

   b) the Transactions are unconditional other than Court approval;

   c) each of the Porte Purchasers has been occupying their respective property for an extended period and has been waiting to complete their Transactions;

   d) the reasons in paragraph 3.0.1; and

   e) Foremost consents to each of the Transactions.

4.0 Distribution

1. Foremost is the principal secured creditor of Lerrato and has a first-in-time mortgage registered on title to the Lerrato Properties.

2. Based on an opinion dated March 11, 2025 from DLA Piper (Canada) LLP ("**DLA**") confirming the validity and enforceability of the Foremost Mortgage, and subject to Court approval, the Receiver is seeking the Court's approval to make distributions to Foremost up to the amount of Foremost's debt on the Lerrato Properties from the sale proceeds following closing of the Transactions, subject to retaining a holdback in respect of the professional fees and costs of these proceedings secured by the Receiver's Charge and the Receiver's Borrowing Charge.

3. As shown in the table below, the combined proceeds of the Transactions will not be sufficient to repay, in full, Lerrato's debt owing to Foremost. As such, there will be no distributions from the Transactions to subordinate ranking mortgagees or other creditors.

	($000)
Total sale prices	2,825
HST, net of assigned rebate	(261)
Net sale proceeds	2,564
Adjustments[2]	186
Net proceeds available for distribution	2,750
Foremost mortgage and costs[3]	4,107
Foremost shortfall, before Receiver's Borrowing Charge	**(1,357)**

5.0 Receiver's Activities

1. In addition to dealing with the matters addressed above in this Third Report, the Receiver's activities since its appointment have included:

   General

   a) corresponding with Foremost regarding, among other things, the status of the Receivership Assets, the proposed realization plan with respect to each of the Receivership Assets and the Transactions;

   b) responding to questions from mortgagees regarding the status of these proceedings;

   c) familiarizing itself with each of the Receivership Assets, including corresponding with certain of the Debtors' consultants;

   d) corresponding with the Principals to obtain information concerning the Receivership Assets;

[2] Adjustments are calculated based on a closing date of May 31, 2025 and will be updated at the actual closing date.

[3] The Foremost debt is based on a payout statement dated February 28, 2025, plus per diem interest since that date to May 31, 2025.

e) corresponding extensively with Paliare and DLA regarding all aspects of these proceedings, including the Transactions;

f) corresponding with the Debtors' insurance brokers to confirm and renew coverage;

g) corresponding with the Principals regarding operational issues, such as tenant, utility, maintenance and safety issues;

h) corresponding with CRA regarding the Debtor's HST accounts;

i) retaining a third-party contractor to address repair and maintenance issues for the Receivership Assets;

j) reviewing DLA's security opinion dated March 11, 2025;

k) corresponding with the Debtor's utility companies to continue such services during the receivership;

l) preparing the First, Second and this Third Report to Court;

Lerrato

a) corresponding with the purchasers of the Lerrato Properties and their legal counsel;

b) obtaining appraisals for the Lerrato Properties;

c) corresponding with the Town of Ajax regarding securities;

d) negotiating the Transactions;

e) dealing with the mortgagees regarding the sale of the Lerrato Properties;

f) corresponding with the Principals regarding safety, maintenance and development issues;

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a) dealing with security issues;

b) coordinating the installation of heaters during the winter months and dealing with repair and upkeep issues;

c) corresponding with Elexicon Energy Inc. regarding the installation of an electrical transformer for the development;

d) corresponding with various consultants and advisors retained to assist to complete the 214 project and to sell the real property, including;

i. Slavens & Associates Real Estate, the real estate broker;

ii. Keyser Mason Ball LLP ("**KMB**"), a real estate law firm;

iii. Groundswell Urban Planners Inc., the planner;

iv. NIA Architects Inc., the architect;

v. Jain Infrastructure Consultants Ltd., the civil engineer; and

vi. J.D. Barnes Limited, the surveyor;

e) working with KMB to complete the disclosure statement required to register the condominium;

f) corresponding with Mint Asset Management Ltd. to prepare a condominium corporation budget;

g) conducting and arranging site visits with the consultants and convening status meeting with same;

h) corresponding with the Town of Ajax regarding the status of the development;

i) corresponding with the Principals regarding safety, maintenance and development issues;

Barakaa

a) corresponding with ReMAX Crossroads Realty Inc. regarding the listing and sale of 25 Madison;

b) dealing with maintenance issues at 25 Madison, including snow removal;

c) engaging in multiple negotiations for the sale of the 25 Madison property;

d) conducting a sale process and closing the sale of 25 Madison;

e) making a distribution to Foremost from the sale proceeds of 25 Madison;

f) corresponding with the 23 Madison Purchaser and its legal counsel; and

g) negotiating with the 23 Madison Purchaser's counsel regarding a transaction for that property.

6.0 Conclusion

1. Based on the foregoing, the Receiver respectfully recommends that this Honourable Court make the orders granting the relief requested in this Third Report.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

KSV RESTRUCTURING INC.,
SOLELY IN ITS CAPACITY AS RECEIVER AND MANAGER OF 2145499 ONTARIO INC. AND CERTAIN PROPERTIES OF BARAKAA DEVELOPER INC. AND LERRATO INC.,
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY

Appendix “C”

Court File No. CV-23-00710241-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE	)	THURSDAY, THE 27th
	)	
JUSTICE KOEHNEN	)	DAY OF MARCH, 2025

B E T W E E N:

SANJIVE JOSHI and XPERT CREDIT CONTROL SOLUTIONS INC.

Plaintiffs

- and -

OSMI HOMES INC., HITESH RAJENDRA JHAVERI, LERRATO INC., OSMI9 LTD, BARAKAA DEVELOPER INC., INUKA DEVELOPER INC., 2145499 ONTARIO INC. and NIKETA JHAVERI

Defendants

ORDER

THIS MOTION, made by the Defendants, Osmi Homes Inc., Hitesh Rajendra Jhaveri, Lerrato Inc., Osmi9 Ltd., Barakaa Developer Inc., Inuka Developer Inc., 2145499 Ontario Inc. and Niketa Jhaveri (collectively, the "**Defendants**") to determine what amount, if any, the Defendants owe to the Plaintiffs under six Promissory Notes described in Schedule "A" hereto and an order striking out the mortgages described in Schedule "C" herein (individually a "**Mortgage**" and collectively, the "**Mortgages**"), a cross-motion brought by the Plaintiffs, Sanjive Joshi and Xpert Credit Control Solutions Inc. (collectively the "**Plaintiffs**") for a determination of whether they are entitled to a registered mortgage, an equitable mortgage, or alternatively leave to register certificates of pending litigation against the properties described Schedule "B" herein (individually, a "**Property**" and collectively, the "**Properties**") as well as the properties owned by

the Defendants and other non-parties listed in Schedule "D" herein (the "**Additional Properties")**, was heard on January 23, 2025 virtually, at 330 University Avenue, Toronto, Ontario.

ON READING the Motion Records of the Defendants dated December 21, 2023, January 8, 2024, December 20, 2024 and January 14, 2025, the Motion Records of the Plaintiffs dated January 3, 2024, December 19, 2024 and January 10, 2024, and the Motion Records of the non-parties, Bay 20 Inc. and Akkina Developers Inc., and BIP Management Corporation, dated January 10, 2025 (the "**Non-Parties**", and collectively with the Plaintiffs and Defendants, the "**Parties**"), the transcripts from cross-examinations of the Parties, and on hearing submissions by counsel for the Parties, judgment being reserved to this day,

1. **THIS COURT ORDERS AND DECLARES** that the Promissory Notes described in Schedule "A" are void and there is no indebtedness owed by the Defendants or the Non-Parties to the Plaintiffs under the Promissory Notes.

2. **THIS COURT ORDERS AND DECLARES** that the Mortgages described in Schedule "C" registered against the Properties described in Schedule "B" are void and are struck out.

3. **THIS COURT ORDERS** that upon the registration of an Application to Register this Order in the applicable Land Registry Office for each of the Properties, the Land Titles Registrar for such Land Registry Office is hereby directed to delete and expunge from title to the applicable Property described in Schedule "B" the applicable Mortgage referred to in Schedule "C" attached hereto.

4. **THIS COURT ORDERS** that upon deletion of the applicable Mortgage against the applicable Property, the Land Registrar is further directed to delete and expunge this Order from title to the applicable Property.

5. **THIS COURT ORDERS** that the Plaintiffs' motion for a declaration that the Plaintiffs hold equitable interests, mortgages or equitable mortgages in or against the Properties and the Additional Properties is dismissed.

6. **THIS COURT ORDERS** that the Plaintiffs' motion for leave to issue and register certificates of pending litigation against title to the Properties and the Additional Properties is dismissed.

7. **THIS COURT ORDERS** that this Order is effective from today's date and is enforceable prior to its entry or filing.

8. **THIS COURT ORDERS** that any party seeking costs arising out of these reasons will have three weeks to deliver written submissions. The responding party to such cost submissions will have two weeks to deliver its answer on costs. There will be a further one week for reply costs submissions.



SCHEDULE "A"

Promissory Note #	Date	Lender	Borrower	Amount
1	June 11, 2020	Sanjive Joshi and Xpert Credit Control Solutions Inc.	Hitesh Jhaveri, Osmi Homes, Lerrato	$ 400,000
2	July 31, 2020	Sanjive Joshi and Xpert Credit Control Solutions Inc.	Hitesh Jhaveri, Osmi Homes, Lerrato	$ 400,000
3	August 25, 2020	Sanjive Joshi and Xpert Credit Control Solutions Inc.	Hitesh Jhaveri, Osmi Homes	$ 300,000
4	August 4, 2021	Sanjive Joshi and Xpert Credit Control Solutions Inc.	Hitesh Jhaveri, Osmi Homes	$ 400,000
5	September 13, 2021	Sanjive Joshi and Xpert Credit Control Solutions Inc.	Hitesh Jhaveri, Osmi Homes, Lerrato, Barakaa	$1,000,000
6	June 8, 2023	Sanjive Joshi and Xpert Credit Control Solutions Inc.	Hitesh Jhaveri, Osmi Homes, Lerrato	$ 100,000

SCHEDULE "B"

PIN: 03206-4245 (LT)

Interest/Estate	Fee Simple
	LT CONVERSION QUALIFIED
Description:	LOT 741 AND PART LOTS 740 AND 742, PLAN 133, PART 2, PLAN 65R38228
Address:	23 Madison Avenue, Richmond Hill, Ontario

PIN: 03206-4246 (LT)

Interest/Estate	Fee Simple
	LT CONVERSION QUALIFIED
Description:	LOT 743 AND PART LOT 742, PLAN 133, PART 1, PLAN 65R38228
Address:	25 Madison Avenue, Richmond Hill, Ontario

PIN: 26575-0039 (LT)

Interest/Estate	Fee Simple
	LT CONVERSION QUALIFIED
Description:	PT LT 100 PL H50053 WHITBY; PT LT 101 PL H50053 WHITBY AS IN D177705; WHITBY
Address:	82 Bagot Street, Whitby, ON

PIN: 26486-0010 (LT)

Interest/Estate	Fee Simple
	LT CONVERSION QUALIFIED
Description:	PT LT 11 BLK 1 PL H50035 WHITBY; PT LT 12 BLK 1 PL H50035 WHITBY PT 1, 40R7004; WHITBY
Address:	1717 Brock St Street, Whitby, ON

PIN: 26452-0789 (LT)

Interest/Estate	Fee Simple
	LT ABSOLUTE PLUS
	Description: PART LOTS 108, 109, 110 AND 111 PLAN 377, PARTS 1 AND 2 PLAN 40R30571; SUBJECT TO AN EASEMENT OVER PART LOT 108 PLAN 377 PART 2 PLAN 40R30571 IN FAVOUR OF THE CORPORATION OF THE TOWN OF AJAX AS IN DR309514; SUBJECT TO AN EASEMENT IN FAVOUR OF ENBRIDGE GAS INC. AS IN DR2203728; TOWN OF AJAX
Address:	10 Doric Street, Ajax, Ontario

PIN: 26573-0227 (LT)

Interest/Estate	Fee Simple
	LT CONVERSION QUALIFIED
Description:	PT BLK A, PL 601 AS IN D378110 SAVE AND EXCEPT PART 1 ON DR808229 ;; TOWN OF WHITBY
Address:	1 Ferguson Avenue, Whitby, Ontario

PIN: 26468-0065 (LT)

Interest/Estate	Fee Simple
	ABSOLUTE
Description:	PCL P-1 SEC M1114; BLK P PL M1114 ; AJAX
Address:	837 Finley Avenue, Ajax, Ontario

PIN: 58750-0552 (LT)

Interest/Estate	Fee Simple
	LT ABSOLUTE PLUS
Description:	BLOCK 17, PLAN 51M1118; CITY OF BARRIE
Address:	133 Franks' Way, Barrie, Ontario

PIN: 26454-0557 (LT)

Interest/Estate	Fee Simple
	LT ABSOLUTE PUS
Description:	PT LT 6 CON 1, PT 5 40R30173 PICKERING; S/T EASEMENT AS IN PI31742; TOWN OF AJAX
Address:	367 Porte Road, Ajax, Ontario

PIN 02937-0020 (LT)

Interest/Estate	Fee Simple
	LT CONVERSION QUALIFIED
Description:	LT 34 PL 6230 MARKHAM ; MARKHAM
Address:	9 Ridgevale Drive, Markham, Ontario

SCHEDULE "C"

PIN	Land Registry Office No.	Registration No.	Registration Date	Instrument Type
03206 – 4245 (LT) and 03206 - 4246 (LT)	65	YR3610007	October 19, 2023	Charge/Mortgage
26575 – 0039 (LT)	40	DR2272796	October 19, 2023	Charge/Mortgage
26486 – 0010 (LT)	40	DR2255795	August 17, 2023	Charge/Mortgage
26452 – 0789 (LT)	40	DR2255792	August 17, 2023	Charge/Mortgage
26573 – 0227 (LT)	40	DR2255793	August 17, 2023	Charge/Mortgage
26468 – 0065 (LT)	40	DR2255794	August 17, 2023	Charge/Mortgage
58750-0552 (LT)	51	SC2001926	August 17, 2023	Charge/Mortgage
26454 – 0557 (LT)	40	DR2272795	October 19, 2023	Charge/Mortgage
02937-0020 (LT)	65	YR3587324	August 17, 2023	Charge/Mortgage

SCHEDULE "D"

PIN: 26385-0113 (LT)

Interest/Estate	Fee Simple
	LT CONVERSION QUALIFIED
Description:	PT LT 35, CON 4 (PICKERING), PT 11 40R19603, T/W ROW OVER PT 1 40R19603 AS IN LT948413, S/T EASE OVER PT 11 40R19603 AS IN LT1021538, REGIONAL MUNICIPALITY OF DURHAM.
Address:	2825 York Durham Line, Pickering, Ontario

PIN: 26645-0194 (LT)

Interest/Estate	Fee Simple
	LT CONVERSION QUALIFIED
Description:	PT LT 23 PL 150 BOWMANVILLE AS IN N57467; S/T & T/W N57467; CLARINGTON
Address:	151 Cedar Crest Beach Road, Clarington, Ontario

PIN: 73349-0422 (LT)

Interest/Estate	Fee Simple
	LT CONVERSION QUALIFIED
Description:	PCL 23947 SEC SWS SRO; LT 25 PL M463 BALFOUR; LT 26 PL M463 BALFOUR; LT 27 PL M463 BALFOUR; LT 28 PL M463 BALFOUR; LT 29 PL M463 BALFOUR; LT 30 PL M463 BALFOUR EXCEPT PT 1 53R16388; T/W PT 1 53R16388 AS IN LT876520; GREATER SUDBURY,
Address:	214 David Street, Chelmsford, Ontario

PIN: 02132-0052 (LT)

Interest/Estate	Fee Simple
	LT CONVERSION QUALIFIED
Description:	LTS 20, 21 & 22, PLAN 28SA CITY OF SUDBURY
Address:	38 Pearl Street, Sudbury, Ontario

PIN: 26453-0001 (LT)

Interest/Estate	Fee Simple
	LT CONVERSION QUALIFIED
Description:	PT LT 134 PL 377 AS IN D442047 ; TOWN OF AJAX
Address:	45 Harwood Avenue South, Ajax Ontario

PIN: 14144-0332 (LT)

Interest/Estate	Fee Simple
	LT CONVERSION QUALIFIED
Description:	PT LT 8, CON 2 EAST OF HURONTARIO ST CHINGUACOUSY , PARTS 1 & 2, 43R40230; CITY OF BRAMPTON, with PIN 14144-0798, and also legally described as PCL E-32, SEC M161 ; FIRSTLY ; BLK F, PL M161 , EXCEPT PTS 2 TO 9, 43R9987; CITY OF BRAMPTON
Address:	66 Bramhall Circle, Brampton, Ontario

PIN: 21012-0014 (LT)

Interest/Estate	Fee Simple
	LT CONVERSION QUALIFIED
Description:	PCL 9-4-18 SEC M10; PT LT 9 E/S WAYLAND AV BLK 18 PL M10 TORONTO; PT LT 11 E/S WAYLAND AV BLK 18 PL M10 TORONTO PT 5, 66R15806; TORONTO , CITY OF TORONTO
Address:	49 Wayland Avenue, Toronto, Ontario

PIN: 28055-0505 (LT)

Interest/Estate	Fee Simple
	ABSOLUTE
Description:	BLOCK 70, PLAN 45M220, PETERBOROUGH.
Address:	245 Spillsbury Drive, Peterborough, Ontario

PIN: 26537-0261 (LT)

Interest/Estate	Fee Simple
	LT CONVERSION QUALIFIED
Description:	PART LOTS 355 AND 356 PLAN H50030 WHITBY PART 2, 40R31747; TOWN OF WHITBY
Address:	160 Hillcrest Drive, Whitby, Ontario

PIN: 26537-0262 (LT)

Interest/Estate	Fee Simple
	LT CONVERSION QUALIFIED
Description:	PART LOT 355 PLAN H50030 WHITBY PART 1, 40R31747; TOWN OF WHITBY
Address:	160 Hillcrest Drive, Whitby, Ontario

SANJIVE JOSHI ET AL.
Plaintiffs

-and-

OSMI HOMES INC ET AL.
Defendants

Court file No. CV-23-00710241-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
TORONTO

ORDER

CHAITONS LLP
5000 Yonge Street, 10th Floor
Toronto, Ontario M2N 7E9

Harvey Chaiton
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Tel: (416) 218-1129
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Email: Dmarr@chaitons.com

Lawyers for the Defendants (Plaintiff by Counterclaim)

Appendix “D”

January 20, 2025

First Report to Court of KSV Restructuring Inc. as Receiver and Manager of 2145499 Ontario Inc. and certain properties of Barakaa Developer Inc., and Lerrato Inc.

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Interim Statement of Receipts and Disbursements ..... B

COURT FILE NUMBER: CV-24-00724076-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

FOREMOST MORTGAGE HOLDING CORPORATION

APPLICANT

- AND -

BARAKAA DEVELOPER INC., LERRATO INC., AND 2145499 ONTARIO INC.

RESPONDENT

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

FIRST REPORT OF
KSV RESTRUCTURING INC.
AS RECEIVER AND MANAGER

JANUARY 20, 2025

1.0 Introduction

1. Pursuant to an order of the Ontario Superior Court of Justice (the "**Court**") made on October 21, 2024 (the "**Receivership Order**"), KSV Restructuring Inc. ("**KSV**") was appointed receiver and manager (the "**Receiver**") without security, of the real properties listed in Appendix "A" of the Receivership Order (the "**Barakaa Properties**") owned by Barakaa Developer Inc. (**"Barakaa"**), the real properties listed in Appendix "B" of the Receivership Order (the "**Lerrato Properties**") owned by Lerrato Inc. (**"Lerrato"**), and the property, assets and undertaking owned by 2145499 Ontario Inc. (**"214"**, and together with the Barakaa Properties and the Lerrato Properties, (the "**Receivership Assets**"). A copy of the Receivership Order is attached as **Appendix "A"**.

2. The application to appoint KSV as Receiver was made by Foremost Mortgage Holding Corporation ("**Foremost**"), a secured creditor of Barakaa, Lerrato and 214 (collectively, the "**Debtors**") which has, *inter alia*, mortgages on each of the Receivership Assets, each of which was registered prior to the other mortgages registered on title to the Receivership Assets.

3. The principal purpose of the receivership is to sell the Receivership Assets. For reasons summarized in this report (the "**Report**"), the Receiver has not yet been able to sell any of the Receivership Assets.

1.1 Purposes of this Report

1. The purposes of this Report are to:

   a) summarize the Receiver's activities since the date that the Receivership Order was issued;

   b) summarize issues affecting a timely sale of the Receivership Assets; and

   c) provide the Receiver's rationale for recommending that the Court issue an order (i) increasing the amount of the Receiver's borrowing authority and Receiver's Borrowing Charge (as defined in the Receivership Order) from $250,000 to $1.2 million and (ii) recognizing the Second Advance (as defined in paragraph 3.2 below) as being secured by the Receiver's Borrowing Charge from the date that the Second Advance was made, being December 13, 2024.

1.2 Currency

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

1.3 Restrictions

1. In preparing this Report, the Receiver has relied upon discussions with, and information provided by, *inter alia*:

   a) representatives of the principals of the Debtors (the "**Principals**"), including Hitesh Jhaveri, and their legal counsel, Chaitons LLP;

   b) Keyser Mason Ball, LLP ("**KMB**"), legal counsel retained by the Principals prior to the receivership to assist with 214's project located at 10 Doric Street, Ajax, which is referred to herein as the Doric Development (the "**Doric Development**");

   c) Foremost, and its legal counsel, Paliare Roland Rosenberg Rothstein LLP ("**Paliare**");

   d) purchasers of homes being developed by Lerrato having municipal addresses of 369 Porte and 377 Porte Road, Ajax;

   e) Gardiner Roberts LLP ("**Gardiner Roberts**"), legal counsel to purchasers of three homes also being developed by Lerrato, being 371, 373 and 375 Porte Road (the "**GR Clients**");

f) representatives of BIP Management Inc. ("**BIP**"), Tripta Dhingra and 1417999 Ontario Ltd. (collectively, the "**Subsequent Mortgagees**[1]"); and

g) the receivership application materials,

(collectively, the "**Information**").

2. The Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that complies with Canadian Auditing Standards ("**CAS**") pursuant to the Chartered Professional Accountants of Canada Handbook. Accordingly, the Receiver expresses no opinion or other form of assurance contemplated under the CAS in respect of the Information. Any party (other than the Court) wishing to place reliance on the Information is required to perform its own diligence.

2.0 Receivership Assets

1. **The Barakaa Properties** are comprised of two fully constructed homes having the municipal addresses of 23 Madison Avenue, Richmond Hill ("**23 Madison**") and 25 Madison Avenue, Richmond Hill ("**25 Madison**"). The status of each is as follows:

   a) Barakaa entered into an agreement of purchase and sale for 23 Madison dated October 23, 2023 and an Amendment to the Agreement of Purchase and Sale dated February 9, 2024 (the "**23 Madison APS Amendment**"). Pursuant to the 23 Madison APS Amendment, the purchaser paid a $500,000 deposit (in addition to an earlier deposit of $150,000, which is being held in trust), following which Barakaa permitted the purchaser to immediately occupy the home without being required to pay occupancy fees or property taxes. 23 Madison is registered with Ontario New Home Warranties and Protection Plan ("**Tarion**"); and

   b) 25 Madison has been listed for sale by ReMAX Crossroads Realty since July 17, 2024. The Receiver has been advised that the property was previously subject to an agreement of purchase and sale, however, the purchaser refused to close. 25 Madison does not have Tarion warranty protection. In an email to the Receiver dated December 16, 2024, Torys LLP, counsel to Tarion, advised "*there is no pathway for 25 Madison Avenue, Richmond Hill, Ontario, to be enrolled in the Ontario New Home Warranties and Protection Plan*".

2. **The Lerrato Properties** are comprised of six parcels of land, five of which are fully constructed residential freehold townhomes. Pursuant to a development agreement between Lerrato and the Town of Ajax dated August 21, 2018, the parties agreed to convey the sixth parcel, which is an easement (the "**Porte Easement**"), to the Town of Ajax.

[1] There is another Subsequent Mortgagee, Galidan Inc., associated with BIP, but the Receiver has not corresponded with this party.

3. The Lerrato Properties (excluding the Porte Easement) have the following municipal addresses: 369 Porte Road, 371 Porte Road, 373 Porte Road, 375 Porte Road and 377 Porte Road (the "**Porte Properties**"). All five homes are subject to agreements of purchase and sale which have not closed. Each purchaser has paid one or more deposits and is presently occupying their residence. The GR Clients occupy units 371, 373 and 375 Porte Road (the "**GR Client Properties**").

4. The purchasers of the Porte Properties entered into agreements allowing them to occupy their residences prior to closing. Of these, (i) Gardiner Roberts advises that each of its clients has paid a "licence fee" of $2,500 per month from the effective dates of their occupancy agreements[2] to and including December 2024; and (ii) the purchasers of 369 Porte and 377 Porte each entered into occupancy agreements for their units, but neither has paid occupancy fees. The Receiver has requested the occupancy agreements for 369 Porte and 377 Porte from Mr. Jhaveri, but he has not provided them.[3] None of the purchasers of the Porte Properties is paying property taxes. The Receiver has been advised that this is because, in each instance, Mr. Jhaveri has not delivered on various commitments.

5. **The Doric Development** is a substantially completed but vacant 10-unit townhouse condominium project. One unit has been contracted for sale; the purchaser of that unit paid a deposit of $100,000 but the transaction has not closed. The Receiver understands that the agreement of purchase and sale for this unit did not comply with the *Condominium Act*. Based on discussions with the purchaser, it is unclear if the purchaser is prepared to complete the purchase.

6. The Doric Development condominiums cannot be occupied prior to finalizing a Draft Plan of Condominium (the "**Condo Plan**") and connecting the development to the power grid. The Receiver has been dealing with the power grid issue, which requires execution of a contract (the "**Elexicon Contract**") with Elexicon Energy Inc. ("**Elexicon**"). Elexicon's work includes dealing with zoning issues and sourcing and installing an electrical transformer. This work is expected to take several months to complete.

7. The tables below summarize the secured charges on the Receivership Assets, including mortgages registered on title by Sanjive Joshi, Xpert Credit Control Solutions Inc. and Xpert law Inc. (collectively, the "**Joshi Parties**"). It is the Receiver's understanding that the Respondents challenge the mortgages registered by the Joshi Parties against the Receivership Assets (and other non-receivership properties) and there is ongoing litigation in respect of this dispute. The amounts shown in the tables below are before interest, professional fees, property tax payments made by Foremost and other costs which continue to accrue.

Barakaa

Secured Party	**($000)**
Foremost	4,133
1417199 Ontario Limited	750
BIP	1,500
Joshi Parties	5,000
Total	**11,383**

[2] Being November 5, 2023 for 373 Porte and August 1, 2024 for 371 Porte and 375 Porte.

[3] The Receiver has encountered significant difficulty receiving information from Mr. Jhaveri. To the extent he has provided information, it has often been untimely and/or unreliable.

Lerrato

Secured Party	($000)
Foremost	3,155
BIP	700
Joshi Parties (377 Porte Road and the Porte Easement only)	5,000
Total	**8,855**

214

Secured Party	($000)
Foremost	6,185
Tripta Dhingra	1,500
BIP	2,000
BIP and Galidan Inc.	1,000
Joshi Parties	5,000
Total	**15,685**

8. A summary of the deposits paid by the purchasers of the Receivership Assets is provided below (the "**Deposits**"). The Receiver understands that none of the Deposits are being held in trust, except for $150,000 of the $650,000 paid by the purchaser of 23 Madison.

Property	($000)
23 Madison[4]	650
369 Porte Road	150
371 Porte Road	355
373 Porte Road	505
375 Porte Road	205
377 Porte Road	150
10 Doric Street, Unit J	100
Total	**2,115**

9. A summary of the issues impairing the sale of the Receivership Assets is provided below.

   a) The Receiver understands that one of the primary reasons for the commencement of these receivership proceedings was the inability of the developers of the Receivership Assets to convey clean title to the purchasers of each of the Receivership Assets, including because of the Joshi Parties' mortgages. It was contemplated that the receivership proceedings would provide a forum through which Court approval of the sale of the Receivership Assets subject to Joshi Parties' mortgages could be sold pursuant to approval and vesting orders. It is the Receiver's understanding that the Joshi Parties are not prepared to discharge their mortgages to permit sales of the relevant Receivership Assets to be completed.

[4] As noted, $150,000 of this amount is held in trust.

b) The Deposits were used by Mr. Jhaveri to pay down certain Subsequent Mortgagees and/or to fund costs related to the Receivership Assets and other projects being developed by the Principals. In the case of 23 Madison and the Porte Properties, the remaining purchase price for the Receivership Assets will not be sufficient to pay, in full, some or all of the mortgagees on the Receivership Assets.

c) The purchasers of 369 Porte and 377 Porte have both expressed an intention to close; however, neither has provided a definitive answer in this regard. It should also be noted that neither purchaser responds to the Receiver on a timely basis (weeks can pass before the Receiver receives a reply, if at all). At this time, the Receiver is prepared to consider closing these sales as the remaining purchase price (net of their deposits), approximates the values in appraisals recently obtained by the Receiver (after considering professional costs, selling costs and other factors, such as the cost to ready the homes for sale given that they are presently occupied). If the purchasers do not commit to closing in the near term, the Receiver expects to seek an order permitting it to terminate the purchase agreements, obtain vacant possession, and market these properties for sale.[5]

d) Based on appraisals recently sourced by the Receiver, each of the GR Clients' Properties (net of market rate deposits) are worth more than the balance of the purchase price (net of deposits) owing under their respective agreements of purchase and sale. For sufficient value of the GR Clients' Properties to be realized, either the GR Clients will have to increase the amount of cash they pay on closing, or each property will be required to be re-marketed for sale, with each GR Clients required to vacate their home. The Receiver has made a proposal to the GR Clients to resolve this situation. The GR Clients did not accept that proposal and the Receiver expects that the GR Clients will contest a motion to sell their properties. The Receiver has advised Gardiner Roberts that it intends to bring a motion to terminate the APSs and obtain vacant possession for the GR Clients' Properties so they can be re-marketed, if an agreement cannot be reached.

e) Since the commencement of these proceedings, three parties submitted offers for 25 Madison, but none have gone firm. The Receiver intends to continue to list 25 Madison for sale.

f) Similar to the GR Clients' Properties, the remaining purchase price (net of the $500,000 second deposit paid) for 23 Madison, appears to be less than the market value of the property. Accordingly, as with the other properties discussed in this Report, the Receiver is considering a motion to terminate the agreement of purchase and sale for 23 Madison and obtain vacant possession so it can be re-marketed.

[5] As this Report was being finalized, the purchaser of 377 Porte advised the Purchaser that it would like to close.

g) The Receiver cannot close sales of the Doric condominiums until the condominium disclosure statement is completed, the condominium is registered and all construction is completed, the most significant of which is the work being performed by Elexicon. The Receiver does not expect to be able to close sales until late 2025 at the earliest; however, the Receiver is working to list the units for sale in the next few months.

3.0 Funding

1. Pursuant to the Receivership Order, the Receiver's Borrowing Charge is $250,000.

2. On November 12, 2024, Foremost funded $30,000 to cover receivership costs that required immediate funding. On December 13, 2024, Foremost funded an additional $801,000 (the "**Second Advance**") to prevent further delays advancing the work to be performed by Elexicon, including $433,000[6] for an electrical transformer, and the balance for other critical expenditures, such as utility and consulting costs. Foremost funded the Second Advance on the basis that the Receiver would seek approval in early 2025 confirming that the Second Advance would be covered by an increase in the Borrowing Charge. As the Second Advance was made on December 13, 2024, it was not possible to bring a motion before the holidays to approve the Second Advance.

3. Foremost has advanced $831,000 since the commencement of these proceedings. The amounts advanced under the Second Advance are properly considered receivership borrowings, and in the opinion of the Receiver, should be subject to the Receiver's Borrowing Charge. If time had permitted prior to the holidays, the Receiver would have sought approval of this funding in advance of receiving it from Foremost. The amounts funded were necessary to advance these proceedings and will in due course facilitate the sales of the Receivership Assets.

4. To avoid additional motions in the near term to increase the Borrowing Charge, the Receiver is recommending that the Court (i) increase the Receiver's borrowing authority and Receiver's Borrowing Charge to $1.2 million and (ii) approve the funding from Foremost as being covered by, and having the benefit of, the Receiver's Borrowing Charge from December 13, 2024.

5. A copy of the Receiver's statement of receipts and disbursements from the date of the Receivership Order to January 19, 2025 is provided in **Appendix "B"**.

[6] At the time the Receiver requested the Second Advance, it was believed that that Elexicon would require this amount to be paid immediately. The Receiver is still holding these funds.

4.0 Recommendation

1. For the reasons provided herein, the Receiver recommends that the Court approve an increase in the Receiver's borrowing authority and Receiver's Borrowing Charge from $250,000 to $1.2 million and that the Second Advance be subject to the Receiver's Borrowing Charge from December 13, 2024.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

KSV RESTRUCTURING INC.,
SOLELY IN ITS CAPACITY AS RECEIVER AND MANAGER OF 2145499 ONTARIO INC. AND CERTAIN PROPERTIES OF BARAKAA DEVELOPER INC. AND LERRATO INC.,
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY

Appendix “E”

DLA Piper (Canada) LLP
Bay Adelaide - West Tower
Suite 5100 - 333 Bay Street
Toronto, ON M5H 2R2
www.dlapiper.com

Edmond Lamek
edmond.lamek@dlapiper.com
T 416.365.3444
C 416.579.1871

March 7, 2025

BY EMAIL AND REGULAR MAIL

Muhammad Jehanzeb Agha
369 Porte Rd
Ajax, Ontario
L1S 0B9

Dear Sir:

Re: In the Matter of the Receivership of 369 Porte Road, ON

DLA Piper (Canada) LLP ("**DLA**") is counsel to KSV Restructuring Inc. in its capacity as Court appointed receiver (the "**Receiver**") of, among other properties, the real property owned by Lerrato Inc. ("**Lerrato**") known municipally as 369 Porte Road, Ajax, Ontario (the "**Property**"). A copy of the order appointing KSV as Receiver over the Property and other properties, can be obtained from KSV's case website at: https://www.ksvadvisory.com/experience/case/barakaa (the "**Receivership Order**").

I am writing further to Meg Ostling's email to you of February 11, 2025 enclosing a draft Statement of Adjustments ("**SoA**") which you requested by email on February 6, 2025. At that time, you advised that you needed the draft SoA to provide to your mortgage broker to start working on arranging financing for you to close the purchase of the Property. The Receiver has not heard from you in the three weeks since the SoA was delivered to you. The Receiver has been more than patient with you since the commencement of these proceedings, and you have had several months to confirm that you would close your purchase of the Property. This obviously gives the Receiver serious concern that you will not be able to close the proposed Property purchase.

The Receiver and DLA are in the process of finalizing arrangements with each of the buyers of 371, 373, 375 and 377 Porte for the Receiver to bring a motion to seek the required Court approval of their purchase transactions, and obtain vesting orders, vesting the properties in the purchasers on closing, free and clear of mortgages and encumbrances.

It is the Receiver's position that unless the Receiver can use that same court hearing to seek the approval of your fully financed purchase transaction of the Property, the Receiver will instead use that court hearing to seek the Court's authority to terminate your APS and re-sell the Property to another purchaser that has the financial resources to close a transaction. The relief sought by the Receiver will include an order for vacant possession of the Property so that it can be readied for re-marketing and sale.

The Receiver requires that you provide it with written confirmation of financing on the letterhead of a credible residential mortgage lender, by no later than Friday March 14, 2025, as well as confirmation that you are

prepared to close your purchase and the outside date for closing. Failing confirmation of these terms, the Receiver will be seeking the Court's authorization to terminate the APS and an order for vacant possession of the Property.

We recommend that you discuss this letter with legal counsel immediately.

Sincerely,

DLA Piper (Canada) LLP
Per:



Edmond Lamek

CC Bobby Kofman, KSV Restructuring Inc.
Meg Ostling, KSV Restructuring Inc.
Andrew Stern, Foremost Mortgage Holding Corporation
Jeff Larry, Paliare Rolland LLP
Boris Piesok, BIP Management Corporation

Ben Luder

From: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
Sent: July 31, 2025 8:28 AM
To: Ben Luder; Bobby Kofman
Subject: FW: [EXTERNAL] Agha p/f Lerrato Inc.; 369 Porte Rd, Ajax; Our File No. MUHAMMADAGHAP

Importance: High

From: Catherine Wilson <wilson58@rogers.com>
Sent: Wednesday, July 30, 2025 11:24 AM
To: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>; Born, Jonathan <jonathan.born@ca.dlapiper.com>
Cc: Cerelli, Julianne <julianne.cerelli@ca.dlapiper.com>; 'Bobby Kofman' <bkofman@ksvadvisory.com>
Subject: RE: [EXTERNAL] Agha p/f Lerrato Inc.; 369 Porte Rd, Ajax; Our File No. MUHAMMADAGHAP
Importance: High

Hello and good morning

I spoke to him last night. He is supposed to get back to me.

I will reach out one more time and see what is happening.

Catherine Wilson
Law Clerk to John Michael Whelton
Whelton Law Professional Corporation
c/o 3398 St. Clair Avenue East,
Scarborough, Ontario, M1L 1W5

o-416-265-0328
f-416-519-8565

From: Lamek, Edmond [mailto:edmond.lamek@ca.dlapiper.com]
Sent: Tuesday, July 29, 2025 3:40 PM
To: Catherine Wilson <wilson58@rogers.com>; Born, Jonathan <jonathan.born@ca.dlapiper.com>
Cc: Cerelli, Julianne <julianne.cerelli@ca.dlapiper.com>; Bobby Kofman (bkofman@ksvadvisory.com) <bkofman@ksvadvisory.com>
Subject: RE: [EXTERNAL] Agha p/f Lerrato Inc.; 369 Porte Rd, Ajax; Our File No. MUHAMMADAGHAP

Hello Catherine – do you have any instructions?
We need to hear back from your client one way or another.
Thanks, Edmond.

Edmond Lamek
Partner

T +1 416.365.3444
E edmond.lamek@ca.dlapiper.com

From: Catherine Wilson <wilson58@rogers.com>
Sent: Tuesday, July 15, 2025 2:29 PM
To: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>; Born, Jonathan <jonathan.born@ca.dlapiper.com>
Cc: Cerelli, Julianne <julianne.cerelli@ca.dlapiper.com>
Subject: RE: [EXTERNAL] Agha p/f Lerrato Inc.; 369 Porte Rd, Ajax; Our File No. MUHAMMADAGHAP
Importance: High

Hi

Thanks for the email.

I will try to reach out to him.

I have been unable to make contact.

If I do make contact I will let him know and advise you that I was able to tell him.

Catherine Wilson
Law Clerk to John Michael Whelton
Whelton Law Professional Corporation
c/o 3398 St. Clair Avenue East,
Scarborough, Ontario, M1L 1W5

o-416-265-0328
f-416-519-8565

From: Lamek, Edmond [mailto:edmond.lamek@ca.dlapiper.com]
Sent: Tuesday, July 15, 2025 2:00 PM
To: Catherine Wilson <wilson58@rogers.com>; Born, Jonathan <jonathan.born@ca.dlapiper.com>
Cc: Cerelli, Julianne <julianne.cerelli@ca.dlapiper.com>
Subject: RE: [EXTERNAL] Agha p/f Lerrato Inc.; 369 Porte Rd, Ajax; Our File No. MUHAMMADAGHAP

Hi Catherine - we are about to schedule our APS Disclaimer and vacant possession motion. Will likely be in September.
If your client would like to have input into the scheduling, there will be a 9:30am chambers appointment to set the motion schedule on July 28.
We will be serving you with the motion materials shortly.
Thanks, Edmond.

Edmond Lamek
Partner

T +1 416.365.3444
E edmond.lamek@ca.dlapiper.com

From: Catherine Wilson <wilson58@rogers.com>
Sent: Tuesday, June 17, 2025 2:38 PM
To: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>; Born, Jonathan <jonathan.born@ca.dlapiper.com>
Cc: Cerelli, Julianne <julianne.cerelli@ca.dlapiper.com>
Subject: RE: [EXTERNAL] Agha p/f Lerrato Inc.; 369 Porte Rd, Ajax; Our File No. MUHAMMADAGHAP
Importance: High

I have reached out but I do not have a response as yet.

From: Lamek, Edmond [mailto:edmond.lamek@ca.dlapiper.com]
Sent: Tuesday, June 17, 2025 1:18 PM
To: Catherine Wilson <wilson58@rogers.com>; Born, Jonathan <jonathan.born@ca.dlapiper.com>
Cc: Cerelli, Julianne <julianne.cerelli@ca.dlapiper.com>
Subject: RE: [EXTERNAL] Agha p/f Lerrato Inc.; 369 Porte Rd, Ajax; Our File No. MUHAMMADAGHAP

Catherine, is there any update on this?

If your client does not have the financial ability to close the purchase transaction, are they willing to voluntarily vacate the premises and agree to the termination of the Agreement of Purchase and Sale on a consensual basis?

Thanks, Edmond.

Edmond Lamek
Partner

T +1 416.365.3444
E edmond.lamek@ca.dlapiper.com

From: Catherine Wilson <wilson58@rogers.com>
Sent: Monday, May 26, 2025 2:27 PM
To: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>; Born, Jonathan <jonathan.born@ca.dlapiper.com>
Cc: Cerelli, Julianne <julianne.cerelli@ca.dlapiper.com>
Subject: RE: [EXTERNAL] Agha p/f Lerrato Inc.; 369 Porte Rd, Ajax; Our File No. MUHAMMADAGHAP
Importance: High

Hello and good afternoon

I am writing today to advise our office has not been instructed by any lender. The broker that I know is not pursuing the financing end at this time.

Our client wishes to close this transaction. Our client will be able to close as soon as there is a mortgage in place.

As mentioned earlier in our conversation over the phone we did have a mortgage in place in July of last year. Mortgage funds had to be returned to the bank and the loan was cancelled due to issues with the builder and finalizing the closing date.

I thank you for your time today and I will advise you if there is any change.

Catherine Wilson
Law Clerk to John Michael Whelton

Whelton Law Professional Corporation
c/o 3398 St. Clair Avenue East,
Scarborough, Ontario, M1L 1W5

o-416-265-0328
f-416-519-8565

From: Lamek, Edmond [mailto:edmond.lamek@ca.dlapiper.com]
Sent: Tuesday, May 20, 2025 3:11 PM
To: Born, Jonathan <jonathan.born@ca.dlapiper.com>; Catherine Wilson <wilson58@rogers.com>
Cc: Cerelli, Julianne <julianne.cerelli@ca.dlapiper.com>
Subject: RE: [EXTERNAL] Agha p/f Lerrato Inc.; 369 Porte Rd, Ajax; Our File No. MUHAMMADAGHAP

Catherine, we have a sale approval motion tentatively scheduled for June 13 for certain properties, with a closing within ten days thereafter.
We also have an upcoming APS termination and vacant possession order motion for certain other properties.
We would prefer to include your clients' property and transaction in the former motion, failing which we will be forced to include it in the latter.

Edmond Lamek
Partner

T +1 416.365.3444
E edmond.lamek@ca.dlapiper.com

From: Born, Jonathan <jonathan.born@ca.dlapiper.com>
Sent: Tuesday, May 20, 2025 2:37 PM
To: Catherine Wilson <wilson58@rogers.com>
Cc: Cerelli, Julianne <julianne.cerelli@ca.dlapiper.com>; Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
Subject: RE: [EXTERNAL] Agha p/f Lerrato Inc.; 369 Porte Rd, Ajax; Our File No. MUHAMMADAGHAP

Hi Catherine,

I called but could not leave a voicemail as your mailbox is full.

Please advise if you have any instructions.

Thank you,

Jon

Jonathan Born
Partner

T +1 416.862.3370
E jonathan.born@ca.dlapiper.com

From: Catherine Wilson <wilson58@rogers.com>
Sent: Tuesday, March 25, 2025 1:27 PM
To: Born, Jonathan <jonathan.born@ca.dlapiper.com>
Cc: Cerelli, Julianne <julianne.cerelli@ca.dlapiper.com>; Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
Subject: RE: [EXTERNAL] Agha p/f Lerrato Inc.; 369 Porte Rd, Ajax; Our File No. MUHAMMADAGHAP
Importance: High

Ok thank you for the update. I will advise our client.

Catherine Wilson
Law Clerk to John Michael Whelton
Whelton Law Professional Corporation
c/o 3398 St. Clair Avenue East,
Scarborough, Ontario, M1L 1W5

o-416-265-0328
f-416-519-8565

From: Born, Jonathan [mailto:jonathan.born@ca.dlapiper.com]
Sent: Tuesday, March 25, 2025 11:28 AM
To: wilson58@rogers.com
Cc: Cerelli, Julianne <julianne.cerelli@ca.dlapiper.com>; Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
Subject: FW: [EXTERNAL] Agha p/f Lerrato Inc.; 369 Porte Rd, Ajax; Our File No. MUHAMMADAGHAP

Hi Catherine,

Further to our call from last week, we are the lawyers for KSV Restructuring Inc. in its capacity as Court Appointed Receiver of the five Lerrato Porte Road Properties.

I enclose a copy of the Court's Receivership Order appointing KSV as Receiver.

Under paragraph 3(j)(ii) of the Receivership Order, the Receiver requires the Court's approval to complete the proposed transaction with your clients, and will obtain a Vesting Order from the Court vesting title to the property in your clients free and clear of all mortgages and encumbrances on closing.

In that regard, we will need to enter into a corresponding amendment to the Lerrato Agreement of Purchase and Sale to reflect the foregoing and the nature of the transaction in the context of the receivership.

Edmond Lamek (cc'd) is coordinating the receivership matters. I am working on the real estate matters with Julianne Cerelli (cc'd).

We will be in touch with additional information on timing in due course, and understand that KSV is working on an updated Statement of Adjustments.

Thank you,

Jon

From: Catherine Wilson <wilson58@rogers.com>
Sent: Thursday, March 20, 2025 7:28 AM
To: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
Subject: [EXTERNAL] Agha p/f Lerrato Inc.; 369 Porte Rd, Ajax; Our File No. MUHAMMADAGHAP
Importance: High

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Good morning

Our office has been retained to assist with this closing. It was set to close last year however there were some difficulties which I understand now your office has remedied and will be the acting solicitor for this property closing.

We had everything in place to close last year but had to return our mortgage funds. We have since been waiting for information as to whether or not this was going to proceed.

Our client forwarded your letter to our office and we are now reaching out.

We do need a closing date and adjustments in order to resurrect the prior funding or to proceed with new funding.

I am writing this morning to open our conversation into this matter.

I appreciate your patience and look forward to working together to complete this matter ASAP.

Thank you.

Catherine Wilson
Law Clerk to John Michael Whelton
Whelton Law Professional Corporation
c/o 3398 St. Clair Avenue East,
Scarborough, Ontario, M1L 1W5

o-416-265-0328
f-416-519-8565

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Appendix “F”

Ben Luder

From: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
Sent: July 31, 2025 8:34 AM
To: Ben Luder; Bobby Kofman
Subject: FW: [EXTERNAL] Re: 377 Porte Road Ajax
Attachments: Summary of Deposit Payments March 25, 2025.pdf

From: Allan Mohammed <allanmohammed@gmail.com>
Sent: Tuesday, March 25, 2025 4:41 PM
To: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
Cc: Born, Jonathan <jonathan.born@ca.dlapiper.com>
Subject: Re: [EXTERNAL] Re: 377 Porte Road Ajax

Hi Edmond,

Thank you for your email.

As discussed during our phone conversation last week, we received records from our client reflecting deposits paid towards the purchase of the property, which we have now reviewed and organized. Attached is a detailed summary of the amounts paid, including supporting documents which have been characterized as exhibits for ease of reference.

During the phone call and in your email, you indicated that the purchasers would only be credited with $150,000 in deposit payments. Your email references the Agreement of Purchase and Sale as the basis for this position. Please let me know which provision of the Agreement of Purchase and Sale you are relying on regarding the deposit payments.

The attached records reflect significantly larger deposits paid by the purchasers.

Kindly provide the Statement of Adjustments at your earliest convenience.

We hope that this matter can be resolved amicably and expeditiously.

Allan

Sincerely yours,

Allan Mohammed

Rohoman & Mohammed LLP
Barristers | Solicitors
885 Progress Avenue
Suite LPH5
Toronto, Ontario
M1H 3G3
T: 416.878.6168
F: 647.288.2100
www.rohomanmohammed.com

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On Mon, Mar 24, 2025 at 7:45 PM Lamek, Edmond <edmond.lamek@ca.dlapiper.com> wrote:

> Hi Allan – just following up – did you get instructions to proceed on the basis of the deposits reflected in the purchase agreement?
>
> We need to move forward one way or another.
>
> Thanks, Edmond.
>
> **Edmond Lamek**
> Partner
>
> **T** 416.365.3444
> **M** 416.579.1871
> **E** edmond.lamek@dlapiper.com
>
> 
>
> **From:** Allan Mohammed <allanmohammed@gmail.com>
> **Sent:** Monday, March 17, 2025 9:59 AM
> **To:** Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
> **Cc:** Born, Jonathan <jonathan.born@ca.dlapiper.com>
> **Subject:** Re: [EXTERNAL] Re: 377 Porte Road Ajax

Good morning,

Thank you for your email. How is noon today?

Allan

On Sat, Mar 15, 2025 at 5:03 PM Lamek, Edmond <edmond.lamek@ca.dlapiper.com> wrote:

> HI Allan – can we try to connect on Monday?
>
> All the other Port buyers are moving forward and so we would like to get them all court approved all at once, thanks, Edmond.
>
> Apart from a call at 3:30 my day is flexible.
>
> Jonathan?
>
> **Edmond Lamek**
> Partner
>
> **T** 416.365.3444
> **M** 416.579.1871
> **E** edmond.lamek@dlapiper.com
>
> 
>
> **From:** Allan Mohammed <allanmohammed@gmail.com>
> **Sent:** Friday, March 07, 2025 3:35 PM
> **To:** Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
> **Cc:** Born, Jonathan <jonathan.born@ca.dlapiper.com>; Meg Ostling <mostling@ksvadvisory.com>; Bobby Kofman (bkofman@ksvadvisory.com) <bkofman@ksvadvisory.com>
> **Subject:** [EXTERNAL] Re: 377 Porte Road Ajax

DLA Piper (Canada) LLP ALERT: This is an external email. Do not click links or open attachments unless you recognize the sender's email address and know the content is safe.

Hi Edmond,

Hope all is well.

Just quickly following up on this.

I will be out of the office on Monday, March 10th, but will be available in the afternoon on March 11th or on March 12th if you'd like to schedule a brief call.

Among other items, our clients would like to know your client's approximate timeline for completing the transaction, taking into account the necessity of obtaining approval from the court.

Allan

Sincerely yours,

Allan Mohammed

Rohoman & Mohammed LLP

Barristers | Solicitors

885 Progress Avenue

Suite LPH5

Toronto, Ontario

M1H 3G3

T: 416.878.6168

F: 647.288.2100

www.rohomanmohammed.com

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On Wed, Mar 5, 2025 at 10:32 AM Allan Mohammed <allanmohammed@gmail.com> wrote:

> Hi Edmond,
>
> Thank you for your email.
>
> We can schedule a quick call for today. Here are some possible times: noon, 1 p.m. or 2 p.m.
>
> Please let me know if any of these times work for you.
>
> Allan
>
> Sincerely yours,

Allan Mohammed

Rohoman & Mohammed LLP

Barristers | Solicitors

885 Progress Avenue

Suite LPH5

Toronto, Ontario

M1H 3G3

T: 416.878.6168

F: 647.288.2100

www.rohomanmohammed.com

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On Tue, Mar 4, 2025 at 5:00 PM Lamek, Edmond <edmond.lamek@ca.dlapiper.com> wrote:

> Hello Allan –
>
> We are the lawyers for KSV Restructuring Inc. in its capacity as Court Appointed Receiver of the five Lerrato Porte Road Properties.
>
> I enclose a copy of the Court's Receivership Order appointing KSV as Receiver.
>
> Under paragraph 3(j)(ii) of the Receivership Order, the Receiver requires the Court's approval to complete the proposed transaction with your clients,
>
> and will obtain a Vesting Order from the Court vesting title to the property in your clients free and clear of all mortgages and encumbrances on closing.

In that regard, we will need to enter into a corresponding amendment to the Lerrato Agreement of Purchase and Sale to reflect the foregoing and the nature of the transaction in the context of the receivership.

Jonathan Born of my office is the Real Estate Lawyer involved, and perhaps the three of us could speak tomorrow to agree on a path forward.

KSV is working on an updated Statement of Adjustments which we will have to you shortly.

Thanks, Edmond.

Edmond Lamek
Partner

T 416.365.3444
C 416 579 1871
edmond.lamek@dlapiper.com



DLA Piper (Canada) LLP
Suite 6000, 1 First Canadian Place
PO Box 367, 100 King St W
Toronto ON M5X 1E2
Canada
www.dlapiper.com

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Summary of Deposits by Rohitkumar Patel and Arvindaben Patel re 377 Porte Road, Ajax

Date	Payable To	Method of Payment	Source Account	Cheque Number	Amount	Exhibit	Notes
April 30, 2019	Hitesh Zaveri	Cheque	Manulife Financial	5	50,000.00	A	
June 10, 2020	Osmi Home	Cheque	TD Canada Trust	233	5,000.00	B	
June 10, 2020	Lerrato Inc.	Cheque	TD Canada Trust	234	5,000.00	B	
June 10, 2020	Osmi Home	Cheque	Royal Bank of Canada	26	20,000.00	C	
June 16, 2020	Osmi Home	Cheque	Royal Bank of Canada	28	15,000.00	D	
July 2, 2020	OM Sai Marble Inc.	Cheque	Royal Bank of Canada	30	10,000.00	E	
July 2, 2020	2145499 Ont Inc.	Cheque	Royal Bank of Canada	29	10,000.00	F	
July 29, 2020	Lerrato Inc.	Cheque	Royal Bank of Canada	32	10,000.00	G	
July 29, 2020	2145499 Ontario Inc.	Cheque	Royal Bank of Canada	31	10,000.00	H	
September 30, 2020	Lerrato Inc.	Cheque	Royal Bank of Canada	27	10,000.00	I	
November 20, 2020	Lerrato Inc.	Cheque	TD Canada Trust	129	10,000.00	J	
November 20, 2020	Osmi Home	Cheque	Royal Bank of Canada	35	20,000.00	K	
June 17, 2021	Osmi Home	Cheque	TD Canada Trust	236	8,000.00	L	
June 17, 2021	Osmi Home	Cheque	TD Canada Trust	235	9,000.00	L	
June 17, 2021	Osmi Home	Cheque	Royal Bank of Canada	34	8,000.00	M	
June 15, 2022	Lerrato Inc.	Cheque	Manulife Financial	20	25,000.00	N	
June 15, 2022	Lerrato Inc.	Cheque	TD Canada Trust	240	25,000.00	0	
July 12, 2022	Lerrato Inc.	Cheque	Manulife Financial	21	75,000.00	P	
August 15, 2022	Lerrato Inc.	Cheque	TD Canada Trust	241	50,000.00	Q	
September 14, 2022	Hitesh Zaveri	Cash		N/a	1,200.00		
September 15, 2022	Hitesh Zaveri	Cash		N/a	1,200.00		
November 11, 2022	Lerrato Inc.	Cheque	TD Canada Trust	242	15,000.00	R	
January 10, 2023	Lerrato Inc.	Cheque	Manulife Financial	23	9,000.00	S	
January 10, 2023	Lerrato Inc.	Cheque	TD Canada Trust	243	9,000.00	T	
January 10, 2023	Lerrato Inc.	Cheque	Royal Bank of Canada	38	7,000.00	U	
March 15, 2023	Osmi Home	Cheque	Manulife Financial	24	16,000.00	V	
June 21, 2023	Lerrato Inc.	Cheque	Manulife Financial	100	25,000.00	W	
June 23, 2023	Lerrato Inc.	Cheque	Manulife Financial	75	25,000.00	W	
July 8, 2023	Hitesh Zaveri	Cash		N/a	600.00		
October 6, 2023	Lerrato Inc.	Cheque	Manulife Financial	76	40,000.00	X	
October 6, 2023	Osmi Home	Cheque	Manulife Financial	77	15,000.00	X	
January 22, 2024	Osmi Home	Cheque	Royal Bank of Canada	39	30,000.00	Y	
March 26, 2024	Lerrato Inc.	Cheque	Manulife Financial	78	30,000.00	AC	
April 29, 2024	Lerrato Inc.	Cheque	Royal Bank of Canada	37	10,000.00	Z	
May 14, 2024	Lerrato Inc.	Cheque	Manulife Financial	81	11,000.00	AA	
May 16, 2024	Hitesh Zaveri	Cash		N/a	9,000.00		
September 7, 2024	Lerrato Inc.	Cheque	Manulife Financial	101	50,000.00	AB	
September 17, 2024		Cash		N/a	949.00		Installation Charge
					679,949.00		

Appendix “G”

Ben Luder

From: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
Sent: July 31, 2025 8:39 AM
To: Ben Luder; Bobby Kofman
Subject: FW: [EXTERNAL] In the Matter of the Receivership of 23 Madison Hill Avenue, Richmond Hill, Ontario [PVC-ACTIVE.FID896002]

From: Sarah Rustomji <srustomji@pallettvalo.com>
Sent: Monday, June 23, 2025 8:26 PM
To: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
Cc: Angelina Sych <asych@pallettvalo.com>; Monty Dhaliwal <mdhaliwal@pallettvalo.com>; Born, Jonathan <jonathan.born@ca.dlapiper.com>; Bobby Kofman (bkofman@ksvadvisory.com) <bkofman@ksvadvisory.com>
Subject: RE: [EXTERNAL] In the Matter of the Receivership of 23 Madison Hill Avenue, Richmond Hill, Ontario [PVC-ACTIVE.FID896002]

Hello Edmond,

Following up to the email below, on our call in April we requested an accounting regarding the shortfall of the mortgage. Could you please provide us with same?

Thanks,

Sarah Rustomji | H.B.A., J.D.
Pallett Valo LLP | Lawyer
77 City Centre Drive, West Tower, Suite 300
Mississauga, ON L5B 1M5
Direct Dial/Fax: 289.805.3384
Email: srustomji@pallettvalo.com
www.pallettvalo.com | Bio | vCard



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From: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
Sent: June 23, 2025 5:28 PM
To: Sarah Rustomji <srustomji@pallettvalo.com>
Cc: Angelina Sych <asych@pallettvalo.com>; Monty Dhaliwal <mdhaliwal@pallettvalo.com>; Born, Jonathan <jonathan.born@ca.dlapiper.com>; Bobby Kofman (bkofman@ksvadvisory.com) <bkofman@ksvadvisory.com>

Subject: Re: [EXTERNAL] In the Matter of the Receivership of 23 Madison Hill Avenue, Richmond Hill, Ontario [PVC-ACTIVE.FID896002]

Hi Sarah. Nothing has been scheduled yet. We will consult with you regarding dates etc. But this will not be a protracted process.

From: Sarah Rustomji <srustomji@pallettvalo.com>
Sent: Monday, June 23, 2025 5:14:05 PM
To: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
Cc: Angelina Sych <asych@pallettvalo.com>; Monty Dhaliwal <mdhaliwal@pallettvalo.com>; Born, Jonathan <jonathan.born@ca.dlapiper.com>; Bobby Kofman (bkofman@ksvadvisory.com) <bkofman@ksvadvisory.com>
Subject: RE: [EXTERNAL] In the Matter of the Receivership of 23 Madison Hill Avenue, Richmond Hill, Ontario [PVC-ACTIVE.FID896002]

Hello Edmond,

I will get back to you regarding my client's instructions on your offer below.

Your email suggests that there may be a motion or case conference to schedule a motion regarding the property. If so, please provide the details so our offices may attend. If nothing has been scheduled, as previously mentioned, please ensure to include our offices in any court attendances scheduled in respect of 23 Madison.

Sincerely,

Sarah Rustomji | H.B.A., J.D.
Pallett Valo LLP | Lawyer
77 City Centre Drive, West Tower, Suite 300
Mississauga, ON L5B 1M5
Direct Dial/Fax: 289.805.3384
Email: srustomji@pallettvalo.com
www.pallettvalo.com | Bio | vCard

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From: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
Sent: June 23, 2025 10:01 AM
To: Sarah Rustomji <srustomji@pallettvalo.com>
Cc: Angelina Sych <asych@pallettvalo.com>; Monty Dhaliwal <mdhaliwal@pallettvalo.com>; Born, Jonathan <jonathan.born@ca.dlapiper.com>; Bobby Kofman (bkofman@ksvadvisory.com) <bkofman@ksvadvisory.com>
Subject: RE: [EXTERNAL] In the Matter of the Receivership of 23 Madison Hill Avenue, Richmond Hill, Ontario [PVC-ACTIVE.FID896002]

Hi Sarah -

I frankly cannot recall if I got back to you on this. If not, I apologize.

As I recall your clients proposed a $100,000 reduction in the proposed deposit credit from $650,000 to $550,000.
We have canvassed that offer with the stakeholders and it is not acceptable.

The Receiver remains prepared to close in the near future on the basis set out in my letter to your clients dated February 28, 2025 (copy attached), failing which the Receiver will include the 23 Madison Agreement of Purchase and Sale in its upcoming APS disclaimer and vacant possession motion, so the property can be remarketed.

I look forward to hearing from you.

Thanks, Edmond.

Edmond Lamek
Partner

T +1 416.365.3444
E edmond.lamek@ca.dlapiper.com

From: Sarah Rustomji <srustomji@pallettvalo.com>
Sent: Thursday, May 08, 2025 11:09 AM
To: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
Cc: Angelina Sych <asych@pallettvalo.com>; Monty Dhaliwal <mdhaliwal@pallettvalo.com>; Born, Jonathan <jonathan.born@ca.dlapiper.com>; Bobby Kofman (bkofman@ksvadvisory.com) <bkofman@ksvadvisory.com>
Subject: RE: [EXTERNAL] In the Matter of the Receivership of 23 Madison Hill Avenue, Richmond Hill, Ontario [PVC-ACTIVE.FID896002]

Hello Edmond,

I am following up to our conversation from April 28, 2025. Do you have any instructions.

Sincerely,

Sarah Rustomji | H.B.A., J.D.
Pallett Valo LLP | Lawyer
77 City Centre Drive, West Tower, Suite 300
Mississauga, ON L5B 1M5
Direct Dial/Fax: 289.805.3384
Email: srustomji@pallettvalo.com
www.pallettvalo.com | Bio | vCard



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From: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
Sent: April 24, 2025 4:52 PM
To: Sarah Rustomji <srustomji@pallettvalo.com>
Cc: Angelina Sych <asych@pallettvalo.com>; Monty Dhaliwal <mdhaliwal@pallettvalo.com>; Born, Jonathan

<jonathan.born@ca.dlapiper.com>; Bobby Kofman (bkofman@ksvadvisory.com) <bkofman@ksvadvisory.com>
Subject: RE: [EXTERNAL] In the Matter of the Receivership of 23 Madison Hill Avenue, Richmond Hill, Ontario [PVC-ACTIVE.FID896002]

Hi, yes I can make Monday at 10 work.

Edmond Lamek
Partner

T 416.365.3444
M 416.579.1871
E edmond.lamek@dlapiper.com

From: Sarah Rustomji <srustomji@pallettvalo.com>
Sent: Thursday, April 24, 2025 3:23 PM
To: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
Cc: Angelina Sych <asych@pallettvalo.com>; Monty Dhaliwal <mdhaliwal@pallettvalo.com>; Born, Jonathan <jonathan.born@ca.dlapiper.com>; Bobby Kofman (bkofman@ksvadvisory.com) <bkofman@ksvadvisory.com>
Subject: RE: [EXTERNAL] In the Matter of the Receivership of 23 Madison Hill Avenue, Richmond Hill, Ontario [PVC-ACTIVE.FID896002]

Would Monday at 10:0 am work?

Sarah Rustomji | H.B.A., J.D.
Pallett Valo LLP | Lawyer
77 City Centre Drive, West Tower, Suite 300
Mississauga, ON L5B 1M5
Direct Dial/Fax: 289.805.3384
Email: srustomji@pallettvalo.com
www.pallettvalo.com | Bio | vCard

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From: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
Sent: April 24, 2025 1:00 PM
To: Sarah Rustomji <srustomji@pallettvalo.com>
Cc: Angelina Sych <asych@pallettvalo.com>; Monty Dhaliwal <mdhaliwal@pallettvalo.com>; Born, Jonathan <jonathan.born@ca.dlapiper.com>; Bobby Kofman (bkofman@ksvadvisory.com) <bkofman@ksvadvisory.com>
Subject: Re: [EXTERNAL] In the Matter of the Receivership of 23 Madison Hill Avenue, Richmond Hill, Ontario [PVC-ACTIVE.FID896002]

My Monday morning is clear at the moment.

From: Sarah Rustomji <srustomji@pallettvalo.com>
Sent: Thursday, April 24, 2025 12:26:30 PM
To: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
Cc: Angelina Sych <asych@pallettvalo.com>; Monty Dhaliwal <mdhaliwal@pallettvalo.com>; Born, Jonathan <jonathan.born@ca.dlapiper.com>; Bobby Kofman (bkofman@ksvadvisory.com) <bkofman@ksvadvisory.com>
Subject: RE: [EXTERNAL] In the Matter of the Receivership of 23 Madison Hill Avenue, Richmond Hill, Ontario [PVC-ACTIVE.FID896002]

Hello Edmond,

Do you have time for a call on Monday or Tuesday for a call? Tuesday I am in court in the morning but will be available in the afternoon.

Sincerely,

Sarah Rustomji | H.B.A., J.D.
Pallett Valo LLP | Lawyer
77 City Centre Drive, West Tower, Suite 300
Mississauga, ON L5B 1M5
Direct Dial/Fax: 289.805.3384
Email: srustomji@pallettvalo.com
www.pallettvalo.com | Bio | vCard

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Lawyers

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From: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
Sent: April 23, 2025 3:02 PM
To: Sarah Rustomji <srustomji@pallettvalo.com>
Cc: Angelina Sych <asych@pallettvalo.com>; Monty Dhaliwal <mdhaliwal@pallettvalo.com>; Born, Jonathan <jonathan.born@ca.dlapiper.com>; Bobby Kofman (bkofman@ksvadvisory.com) <bkofman@ksvadvisory.com>
Subject: RE: [EXTERNAL] In the Matter of the Receivership of 23 Madison Hill Avenue, Richmond Hill, Ontario [PVC-ACTIVE.FID896002]

Okay great thanks.

Edmond Lamek
Partner

T 416.365.3444
M 416.579.1871
E edmond.lamek@dlapiper.com

DLA PIPER

From: Sarah Rustomji <srustomji@pallettvalo.com>
Sent: Wednesday, April 23, 2025 2:57 PM
To: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>

Cc: Angelina Sych <asych@pallettvalo.com>; Monty Dhaliwal <mdhaliwal@pallettvalo.com>; Born, Jonathan <jonathan.born@ca.dlapiper.com>
Subject: RE: [EXTERNAL] In the Matter of the Receivership of 23 Madison Hill Avenue, Richmond Hill, Ontario [PVC-ACTIVE.FID896002]

Hi Edmond,

I am hoping to have instructions early next week.

Sincerely,

Sarah Rustomji | H.B.A., J.D.
Pallett Valo LLP | Lawyer
77 City Centre Drive, West Tower, Suite 300
Mississauga, ON L5B 1M5
Direct Dial/Fax: 289.805.3384
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From: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
Sent: April 23, 2025 7:43 AM
To: Sarah Rustomji <srustomji@pallettvalo.com>
Cc: Angelina Sych <asych@pallettvalo.com>; Monty Dhaliwal <mdhaliwal@pallettvalo.com>; Born, Jonathan <jonathan.born@ca.dlapiper.com>
Subject: Re: [EXTERNAL] In the Matter of the Receivership of 23 Madison Hill Avenue, Richmond Hill, Ontario [PVC-ACTIVE.FID896002]

Hi Sarah. Do you have any instructions?
Thanks. Edmond.

From: Sarah Rustomji <srustomji@pallettvalo.com>
Sent: Tuesday, April 15, 2025 7:49:45 PM
To: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
Cc: Angelina Sych <asych@pallettvalo.com>; Monty Dhaliwal <mdhaliwal@pallettvalo.com>; Born, Jonathan <jonathan.born@ca.dlapiper.com>
Subject: RE: [EXTERNAL] In the Matter of the Receivership of 23 Madison Hill Avenue, Richmond Hill, Ontario [PVC-ACTIVE.FID896002]

Hello Edmond,

Thank you for the email below. I will speak with my client and get back to you shortly and then perhaps we can have a call to discuss.

Sincerely,

Sarah Rustomji | H.B.A., J.D.
Pallett Valo LLP | Lawyer
77 City Centre Drive, West Tower, Suite 300
Mississauga, ON L5B 1M5
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From: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
Sent: April 15, 2025 6:18 PM
To: Sarah Rustomji <srustomji@pallettvalo.com>
Cc: Angelina Sych <asych@pallettvalo.com>; Monty Dhaliwal <mdhaliwal@pallettvalo.com>; Bobby Kofman (bkofman@ksvadvisory.com) <bkofman@ksvadvisory.com>; Meg Ostling <mostling@ksvadvisory.com>; Born, Jonathan <jonathan.born@ca.dlapiper.com>
Subject: RE: [EXTERNAL] In the Matter of the Receivership of 23 Madison Hill Avenue, Richmond Hill, Ontario [PVC-ACTIVE.FID896002]

Hi Sarah, thanks for your letter.

Simply put, the law is abundantly clear that the Receiver is not bound by the APS or Amendment entered into by Barakaa and the Courts of Ontario have routinely granted Court appointed Receivers with the authority to terminate APS's and remarket the subject properties in circumstances where the existing agreement does not maximize that value of the property for the debtor company's creditors, and mortgagees in particular. I refer you to the linked decision of Chief Justice Morawetz: *Firm Capital Mortgage Fund Inc. v. 2012241 Ontario Ltd.*, 2012 ONSC 4816 (CanLII), <https://canlii.ca/t/fsk46> .

I would point out that by the time your clients entered into the February 9, 2024 APS Amendment (which was after the January 15, 2024 title requisition date in the APS), each of the Foremost $4,133,000 mortgage, the $750,000 1417199 mortgage and the $1,500,000 BIP Management Corporation mortgage were registered on title to 23 Madison, granting each of the mortgagees an interest in the 23 Madison property ranking in priority to any interest your client alleges it obtained by virtue of the APS Amendment and associated deposits. Again, simply put, the mortgagees are not bound by the APS Amendment, and absent the receivership would not be required to lift their mortgages to facilitate closing if they do not receive sufficient proceeds on closing from the transaction. The receivership is an enforcement proceeding by Foremost as first mortgagee and it does not put the mortgagees in any worse position than they would have been in without it. Why your clients would hand $500,000 to Hitesh Jhaveri in advance of the protection and certainty of a transaction closing (which per the APS Amendment was supposed to be only 18 days later) is a matter of their making, and cannot compromise the interest of the mortgagees, each of whom are *bona fide* lenders of value to Barakaa with valid mortgages over the 23 Madison property.

I am happy to discuss this with you, but I suggest that before we do, you get instructions from your clients as to what cash amount they would be prepared to pay on closing of a transaction to purchase the 23 Madison property from the Receiver, recognizing the $150,000 deposit being held in trust by the RE Agent. The Receiver will consult with the mortgagees as to whether such an offer is acceptable to them. If it is not, the Receiver will proceed with its APS termination and possession motion.

Thanks, Edmond.

Edmond Lamek
Partner

T 416.365.3444
M 416.579.1871
E edmond.lamek@dlapiper.com

DLA PIPER

From: Sarah Rustomji <srustomji@pallettvalo.com>
Sent: Friday, April 11, 2025 2:35 PM
To: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
Cc: Angelina Sych <asych@pallettvalo.com>; Monty Dhaliwal <mdhaliwal@pallettvalo.com>
Subject: RE: [EXTERNAL] In the Matter of the Receivership of 23 Madison Hill Avenue, Richmond Hill, Ontario [PVC-ACTIVE.FID896002]

Good afternoon Edmond,

Please find attached our letter of today's date.

Once you have reviewed it, perhaps we can schedule a call to discuss.

Sincerely,

Sarah Rustomji | H.B.A., J.D.
Pallett Valo LLP | Lawyer
77 City Centre Drive, West Tower, Suite 300
Mississauga, ON L5B 1M5
Direct Dial/Fax: 289.805.3384
Email: srustomji@pallettvalo.com
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From: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
Sent: March 25, 2025 4:40 PM
To: Sarah Rustomji <srustomji@pallettvalo.com>
Cc: Angelina Sych <asych@pallettvalo.com>; Monty Dhaliwal <mdhaliwal@pallettvalo.com>
Subject: RE: [EXTERNAL] In the Matter of the Receivership of 23 Madison Hill Avenue, Richmond Hill, Ontario [PVC-ACTIVE.FID896002]

Thanks Sarah – we will try to keep the Receiver at bay, but if you get instructions earlier than the 11th please share them with us, even if directionally.
Thanks, Edmond

Edmond Lamek
Partner

T 416.365.3444
M 416.579.1871
E edmond.lamek@dlapiper.com

DLA PIPER

From: Sarah Rustomji <srustomji@pallettvalo.com>
Sent: Tuesday, March 25, 2025 3:40 PM
To: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
Cc: Angelina Sych <asych@pallettvalo.com>; Monty Dhaliwal <mdhaliwal@pallettvalo.com>
Subject: RE: [EXTERNAL] In the Matter of the Receivership of 23 Madison Hill Avenue, Richmond Hill, Ontario [PVC-ACTIVE.FID896002]

Hello Edmond,

Thanks for speaking with me today. Further to our conversation, I confirm that our offices will provide you with a response to the receiver's proposal by April 11, 2025.

As discussed, I will be out of the country next week and if, for any reason, the receiver intends to schedule a case conference or motion regarding this matter, please contact my colleague, Monty Dhaliwal (copied on this email) in my absence.

Sincerely,

Sarah Rustomji | H.B.A., J.D.
Pallett Valo LLP | Lawyer
77 City Centre Drive, West Tower, Suite 300
Mississauga, ON L5B 1M5
Direct Dial/Fax: 289.805.3384
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From: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
Sent: March 24, 2025 11:05 PM
To: Sarah Rustomji <srustomji@pallettvalo.com>
Cc: Angelina Sych <asych@pallettvalo.com>
Subject: Re: [EXTERNAL] In the Matter of the Receivership of 23 Madison Hill Avenue, Richmond Hill, Ontario [PVC-ACTIVE.FID896002]

Simply put, the receive is not bound by the existing APS. It can terminate it and remarket the home. The existing APS is not market in that the outsized deposits were not used by Mr Jhaveri to reduce the mortgages but to spend on unknown things. If the deposits were credited against the purchase price there are insufficient remaining cash proceeds on closing to pay out the mortgages. The mortgagees are similarly not bound by the APS which specifically states it is subordinate to the mortgages.

From: Sarah Rustomji <srustomji@pallettvalo.com>
Sent: Monday, March 24, 2025 10:56:00 PM
To: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
Cc: Angelina Sych <asych@pallettvalo.com>
Subject: RE: [EXTERNAL] In the Matter of the Receivership of 23 Madison Hill Avenue, Richmond Hill, Ontario [PVC-ACTIVE.FID896002]

Edmond,

Your email has not provided a response to my inquiry below. On what basis, i.e. legal or otherwise, is the receiver taking the position that my clients are not entitled to a credit towards the purchase of the property in the amount of $675,000.00?

I trust you will notify my offices of any such motion.

Sincerely,

Sarah Rustomji | H.B.A., J.D.
Pallett Valo LLP | Lawyer
77 City Centre Drive, West Tower, Suite 300
Mississauga, ON L5B 1M5
Direct Dial/Fax: 289.805.3384
Email: srustomji@pallettvalo.com
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From: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
Sent: March 24, 2025 10:51 PM
To: Sarah Rustomji <srustomji@pallettvalo.com>
Cc: Angelina Sych <asych@pallettvalo.com>
Subject: Re: [EXTERNAL] In the Matter of the Receivership of 23 Madison Hill Avenue, Richmond Hill, Ontario [PVC-ACTIVE.FID896002]

We will be bringing motions regarding all Porte properties in the near future. To either approve transactions acceptable to the receiver or terminate the Lerrato APS's and seek vacant possession to remarket the units. It is up to your clients whether they wish to do a deal with the receiver that is acceptable to the Mortgagees, or vacate the premises.

From: Sarah Rustomji <srustomji@pallettvalo.com>
Sent: Monday, March 24, 2025 10:46:02 PM
To: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
Cc: Angelina Sych <asych@pallettvalo.com>
Subject: RE: [EXTERNAL] In the Matter of the Receivership of 23 Madison Hill Avenue, Richmond Hill, Ontario [PVC-ACTIVE.FID896002]

Hello Edmond,

Is there a hearing or upcoming attendance? If so, please advise of the urgency of the matter.

Given that your client is asking our client to forego an bona fide payment it made towards it the house of a significant amount, i.e. $500,000.00, providing my clients with time to obtain legal advice on the matter seems reasonable. Also, could you please advise of the receiver's rational and the basis upon which it takes the position that my client is not entitled to a credit of $675,000.00 towards the purchase of the house as your letter is unclear on this point.

I am happy to have a call to discuss.

Sincerely,

Sarah Rustomji | H.B.A., J.D.
Pallett Valo LLP | Lawyer
77 City Centre Drive, West Tower, Suite 300
Mississauga, ON L5B 1M5
Direct Dial/Fax: 289.805.3384
Email: srustomji@pallettvalo.com
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From: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
Sent: March 24, 2025 10:41 PM
To: Sarah Rustomji <srustomji@pallettvalo.com>
Cc: Angelina Sych <asych@pallettvalo.com>
Subject: Re: [EXTERNAL] In the Matter of the Receivership of 23 Madison Hill Avenue, Richmond Hill, Ontario [PVC-ACTIVE.FID896002]

It has already been three weeks. I cannot wait another three weeks for a response.

From: Sarah Rustomji <srustomji@pallettvalo.com>
Sent: Monday, March 24, 2025 10:37:00 PM
To: Lamek, Edmond <edmond.lamek@ca.dlapiper.com>
Cc: Angelina Sych <asych@pallettvalo.com>

Subject: [EXTERNAL] In the Matter of the Receivership of 23 Madison Hill Avenue, Richmond Hill, Ontario [PVC-ACTIVE.FID896002]

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Good evening Edmond,

We have been retained by Mohammed Alsharafi and Fatima Jeddi in relation to the above-noted matter. We are in the process of investigating the matter and will be in a position to provide a response to your letter, dated February 28, 2025, by April 11, 2025.

Sincerely,

Sarah Rustomji | H.B.A., J.D.
Pallett Valo LLP | Lawyer
77 City Centre Drive, West Tower, Suite 300
Mississauga, ON L5B 1M5
Direct Dial/Fax: 289.805.3384
Email: srustomji@pallettvalo.com
www.pallettvalo.com | Bio | vCard



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DLA Piper (Canada) LLP
Bay Adelaide - West Tower
Suite 5100 - 333 Bay Street
Toronto, ON M5H 2R2
www.dlapiper.com

Edmond Lamek
edmond.lamek@dlapiper.com
T 416.365.3444
C 416.579.1871

February 28, 2025

BY COURIER

Mohammed Alsharafi and Fatima Jeddi (Alawi)
23 Madison Avenue
Richmond Hill, Ontario
L4E 2Z7

Dear Mohammed and Fatima:

Re: In the Matter of the Receivership of 23 Madison Avenue, Richmond Hill, ON

DLA Piper (Canada) LLP ("**DLA**") is counsel to KSV Restructuring Inc. in its capacity as Court appointed receiver (the "**Receiver**") of, among other properties, the real property owned by Barakaa Developer Inc. ("**Barakaa**") known municipally as 23 Madison Avenue, Richmond Hill, Ontario (the "**Property**"). A copy of the order appointing KSV as Receiver over the Property and other properties, can be obtained from KSV's case website at: https://www.ksvadvisory.com/experience/case/barakaa (the "**Receivership Order**").

The Receiver has been provided with a copy of the Agreement of Purchase and Sale dated August 29, 2023 (the "**APS**") between yourselves as buyers and Barakaa as seller of the Property, for a purchase price of $2,588,000, subject prescribed adjustments set out in section 18 of the APS ("**Adjustments**"). The APS provided for aggregate deposits of $175,000 (the "**Initial Deposits**"), to be paid to RE/MAX Crossroads Realty Inc. to be held in trust pending closing of the sale of the Property. The Receiver has also been provided with a copy of the Amendment to Agreement of Purchase and Sale dated February 9, 2024 (the "**Amendment**") wherein the outside completion date under the APS was moved from February 9, 2024 to February 27, 2024, you agreed to pay additional deposits totalling $500,000 directly to Barakaa (the "**Additional Deposits**"), and Barakaa provided you with possession of the Property as of February 17, 2024. We understand that you continue to reside in the Property today, rent free.

We have reviewed the circumstances surrounding the Additional Deposits with the first and second ranking mortgagees on the Property (and 25 Madison Avenue), namely Foremost Mortgage Holding Corporation ("**Foremost**") and BIP Management Corporation ("**BIP**") and have confirmed that no proceeds of the Additional Deposits received by Barakaa from you were paid in reduction of either the Foremost first mortgage on the Property or the BIP second mortgage on the Property. Further, neither Foremost nor BIP were aware that you and Barakaa had agreed to the payments of the Additional Deposits, or the Amendment to the APS, that purports to adjust the Purchase Price on closing by the amount of the Additional Deposits.

It is self-evident that as a result of your payments of the Additional Deposits to Barakaa, the proceeds of sale available to discharge the three mortgages (the third being in favour of 1417199 Ontario Inc., an entity

associated with Hans Dingra of Re/Max Crossroads) on the Property (collectively, the "**Mortgages**") at closing are reduced by the $500,000 Additional Deposit amount that you paid, with the result being that there are no longer sufficient funds remaining from the closing of the APS as amended by the Amendment to discharge the Mortgages (after application of the expected closing proceeds of 25 Madison, all of which including its deposit amount, net of realtor commissions and HST, will go to reduce the Mortgages).

Accordingly, both Foremost and BIP have advised the Receiver that they will oppose the sale of the Property to you based on the APS and Amendment and Additional Deposits, since doing so leaves a material shortfall to one or more Mortgagees.

In circumstances where an APS entered into by a debtor company in receivership is, or has become uneconomical, the Courts of Ontario have regularly given receivers the powers to terminate purchase agreements and re-sell properties in order to maximize realizations for the benefit of the debtor company's secured creditors in accordance with their priorities. This power includes obtaining an order for vacant possession of the Property so that it can be readied for re-marketing and sale.

While the Receiver understands that the termination of the APS and being ordered out of the Property would create some financial adversity to you, the circumstances set out in this letter have arisen solely as a result of you deciding (for whatever reason) to pay substantial Additional Deposit amounts to Barakaa, which had the direct and foreseeable effect of diverting monies that would have been available to pay-out the Mortgagees on closing of the Property.

Following its discussions with Foremost and BIP, the Receiver is prepared to recommend the approval of the sale of the Property to you based on (only) the Initial Deposit amounts of $175,000, leaving proceeds required on closing of $2,413,000 (subject to Adjustments). You will have to deal with Barakaa and Mr. Jhaveri with respect to any claims you may have to recover the Additional Deposit amounts. If this arrangement is acceptable to you, we can proceed with a further APS amendment that will also reflect the requirement for Court approval of the sale transaction as required by the Receivership Order and the revised deposit arrangement.

We look forward to hearing from you as soon as possible and by no later than March 10, 2025. In the event that a consensual solution cannot be found to this issue in the very near future, the Receiver intends to seek the Court's authorization to terminate the APS and Amendment for the Property and obtain an order for vacant possession of the Property.

We encourage you to discuss this matter with your legal counsel immediately and that you respond to us promptly and in any event no later than March 10, 2025.

Sincerely,

DLA Piper (Canada) LLP
Per:

Edmond Lamek

CC Bobby Kofman, KSV Restructuring Inc.
Meg Ostling, KSV Restructuring Inc.
Andrew Stern, Foremost Mortgage Holding Corporation
Jeff Larry, Paliare Rolland LLP
Boris Piesok, BIP Management Corporation
Hans Dhingra, 1417199 Ontario Inc.

PALLETT VALO LLP
Lawyers

77 City Centre Drive, West Tower, Suite 300, Mississauga, Ontario L5B 1M5
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Sarah Rustomji
E-mail: srustomji@pallettvalo.com
Direct Dial: 289.805.3384

BY EMAIL

April 11, 2025

DLA Piper (Canada) LLP
Attention: Edmond Lamek
5100-333 Bay Street
Toronto, ON M5H 2R2

Dear Mr. Lamek:

Re: Agreement of Purchase and Sale (the "APS") between Mohammed Al-Sharafi ("Mohammed") and Fatima Jeddi ("Fatima"), and Barakaa Developer Inc. ("Barakaa") for 23 Madison Avenue, Richmond Hill, Ontario (the "Property"), in the matter of the Receivership of Barakaa Developer Inc. and Lerrato Inc.
Our File No.: 93223

We write in response to your letter dated February 28, 2025, wherein you advised that the Receiver was prepared to approve the sale of the Property to my clients, Fatima and Mohammed (collectively, the "**Purchasers**"), on the condition that the purchase price only be credited in the amount of the initial deposit of $150,000.00 (the "**Initial Deposit**") provided by the Purchasers. The Receiver takes the position that the Purchasers are not entitled to a credit in the amount of $500,000.00 for the additional deposit it provided to Barakaa towards the purchase of the Property of that same amount (the "**Additional Deposit**").

As you know, on October 29, 2023, the Purchasers and Barakaa entered into the APS for the purchase of the Property and provided the Initial Deposit pursuant to the APS. Several months later, on February 9, 2024, Barakaa (who had authority to enter into the agreement) and the Purchasers agreed to amend the terms of the APS to include, amongst other things, the following (the "**Amendment**"):

- The Purchasers would provide the Additional Deposit to Barakaa;
- The Additional Deposit would be credited towards the purchase price of the Property; and,
- Barakaa shall provide possession of the Property to the Purchasers on February 17, 2024.

The Purchasers agreed to provide the Additional Deposit for the purpose of reducing the amount they would need to borrow via mortgage to close the transaction.

The Purchasers provided the Additional Deposit to Barakaa in accordance with the Amendment. The fact that the Additional Deposit was not paid into a trust account is an issue the creditors may address with Barakaa, but not at the cost of the Purchasers. The Purchasers are innocent parties who are entitled to rely upon the agreements entered into with Barakaa in the normal course and at arm's length.

Following receipt of the Additional Deposit and in accordance with the Amendment, the Purchasers took possession of the Property on February 17, 2024. In permitting this, Barakaa performed its obligations under the Amendment. They continue to reside at the Property and have made financial investments and improvements to same.

The Purchasers are *bona fide* purchasers for value and acquired an equitable interest in the Property prior to the Receivership. In the circumstances, it is the Purchasers' position that the Receiver is bound to perform the APS and the Amendment. Should the Receiver move to disclaim the APS and the Amendment, seek vacant possession of the Property and list the Property for sale, we have instructions to oppose such relief.

In the event that the Receiver disagrees with the Purchasers' position, we ask that you confirm same. Subject to that, a case conference will be necessary for the purposes of seeking directions in respect of the Purchasers' anticipated motion seeking an order that the Receiver honour the terms of the APS and Amendment, including crediting the Additional Deposit towards the purchase price of the Property, and close the transaction with the Purchasers.

Sincerely,

PALLETT VALO LLP



Per: Sarah Rustomji
SR

Appendix “H”

OREA Ontario Real Estate Association

Agreement of Purchase and Sale

Form 100
for use in the Province of Ontario

This Agreement of Purchase and Sale dated this 12th day of August 20 22

BUYER: Muhammad Jehanzeb Agha, agrees to purchase from
(Full legal names of all Buyers)

SELLER: Lerrato Inc., the following
(Full legal names of all Sellers)

REAL PROPERTY:

Address 367 Porte Road 1 Ajax ON

fronting on the East side of Porte Road

in the Town of Ajax

and having a frontage of 20 Feet more or less by a depth of 200 Feet more or less

and legally described as

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

PURCHASE PRICE: Dollars (CDN$) 1,300,000.00

One Million Three Hundred Thousand Dollars

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

Fifty Thousand Dollars (CDN$) 50,000.00

by negotiable cheque payable to Lerrato Inc. "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 B, and C **attached hereto form(s) part of this Agreement.**

1. **IRREVOCABILITY:** This offer shall be irrevocable by Buyer (Seller/Buyer) until 11.59 (a.m./p.m.) on the 12 day of October 20 22, 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 10th day of January 20 24. 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 SELLER(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.: ..... (For delivery of Documents to Seller)

FAX No.: ..... (For delivery of Documents to Buyer)

Email Address: ..... (For delivery of Documents to Seller)

Email Address: ..... (For delivery of Documents to Buyer)

4. **CHATTELS INCLUDED:**.....

.....

.....

.....

.....

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:**.....

.....

.....

.....

.....

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:

.....

.....

.....

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

..... included in ..... the Purchase Price. If the sale of the property is not subject to HST, Seller agrees to certify on or before
(included in/in addition to)

closing, that the sale of the property is not subject to HST. Any HST on chattels, if applicable, is not included in the Purchase Price.

INITIALS OF BUYER(S): 

INITIALS OF SELLER(S): 

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8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the 12th day of August, 20.23, (Requisition Date) to examine the title to the property at Buyer's 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 Buyer that there are no outstanding work orders or deficiency notices affecting the property, and that its present use (Single Family Residential) 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 telecommunication services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telecommunication 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 Ontario. Unless otherwise agreed to by the lawyers, such exchange of Requisite Deliveries shall occur by the delivery of the Requisite Deliveries of each party to the office of the lawyer for the other party 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. **The Buyer acknowledges having the opportunity to include a requirement for a property inspection report in this Agreement and agrees that except as may be specifically provided for in this Agreement, the Buyer will not be obtaining a property inspection or property inspection report regarding the property.**

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 Seller's 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. **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.

20. **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.

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.

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 SELLER(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:

(Witness) Muhammad Jehanzeb Agha (Buyer) (Seal) 12-04-2022 (Date)

(Witness) (Buyer) (Seal) (Date)

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:

(Witness) Lerrato Inc. (Seller) (Seal) 12-04-2022 (Date)

(Witness) (Seller) (Seal) (Date)

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) (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at ..... (a.m./p.m.) this ..... day of ....., 20.....

(Signature of Seller or Buyer)

INFORMATION ON BROKERAGE(S)

Listing Brokerage ..... (Tel.No.)

(Salesperson/Broker/Broker of Record Name)

Co-op/Buyer Brokerage ..... (Tel.No.)

(Salesperson/Broker/Broker of Record 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.

(Seller) Lerrato Inc. (Date) 12-04-2022

(Seller) (Date)

Address for Service .....

..... (Tel. No.)

Seller's Lawyer .....

Address .....

Email .....

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

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.

(Buyer) Muhammad Jehanzeb Agha (Date) 12-04-2022

(Buyer) (Date)

Address for Service .....

..... (Tel. No.)

Buyer's Lawyer .....

Address .....

Email .....

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

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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OREA Ontario Real Estate Association

Form 100
for use in the Province of Ontario

Schedule A
Agreement of Purchase and Sale

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

BUYER: Muhammad Jehanzeb Agha, and

SELLER: Lerrato Inc.

for the purchase and sale of 367 Porte Road 1 Ajax

ON dated the 12th day of August, 2022

Buyer agrees to pay the balance as follows:

The Buyer agrees to pay a further sum of $50,000.00 to Lerrato Inc, by negotiable cheque, upon the start of construction to be held in trust pending completion or other termination of this Agreement. This amount is to be credited towards the purchase price on completion of this transaction.

The Buyer agrees to pay the balance of the purchase price, subject to adjustments, 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.

The Seller agrees to register the property under Tarion Warranty on or before the final closing of this property and provide all certificates and warranties to the buyer on this date.

The Seller agrees that all permits and works orders will be closed and completed on or before the final closing date of this transaction.

The Vendor warrants that all interior and exterior finishes will be as per Schedule C attached hereto including finished basement, if any changes are required by the builder then the builders agree to inform the buyer as soon as possible.

The Seller agrees to provide the Buyer with an existing survey of the subject property completed by an Ontario Land Surveyor and acceptable to the lending institution showing the current location of all existing structures, lot lines, improvements, easements, rights of way and encroachments affecting the said property upon final closing.

The Vendor agrees that this property comes with a complete finished basement with one storage room and a piece bathroom if permitted by the city.

The Vendor agrees that all development charges, levies, and connection fees will be included in the purchase price that are not included in schedule C.

The Seller agrees to add to add the Tarion addendum to this agreement of Purchase and Sale upon registration with Tarion.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S): **INITIALS OF SELLER(S):**

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Part Lot 6, Concession 1, being part 1, Plan 40R30173, Pickering; S/T Easement as in PI31742; Town of Ajax [PIN 26454-0553 (LT)]

Townhouse No. 1 at 369 Porte Road, Ajax, Ontario, as shown on the attached Site Plan

AGREEMENT OF PURCHASE AND SALE
(the "**Agreement**")

1. The undersigned **MUHAMMAD JEHANZEB AGHA** (collectively, the "**Purchaser**"), hereby agrees with **LERRATO INC.** (the "**Vendor**") to purchase all and singular the lands and premises in the Town of Ajax, in Durham Region (the "**Municipality**"), presently forming and comprising a portion of those lands described above and as generally described on the site plan attached as Schedule "C" (the "**Real Property**") and on which has been or is to be constructed a dwelling townhome as hereinafter provided (the "**Dwelling**") at the purchase price inclusive of HST of **One Milllon Three Hundred Thousand** DOLLARS ($ **1,300,000.00**) of lawful money of Canada (the "**Purchase Price**"), payable as follows:

(a) by cheque with this offer in the amount of Ten Thousand ($ 10000.00) Dollars;

(b) by cheque with this offer in the amount of _____ ($_____) Dollars dated _____ (____) days from the date of acceptance of this offer;

(c) by cheque with this offer in the amount of _____ ($_____) Dollars dated _____ (____) days from the date of acceptance of this offer;

to the Vendor or as it may otherwise direct, as deposits (collectively, the "**Deposit**") and covenants, promises and agrees to pay the balance of the Purchase Price by wire transfer from the trust account of the Purchaser's solicitor to the Vendor's solicitors in Trust or as they otherwise direct, on the Closing (as defined in the Tarion Addendum), subject to the adjustments hereinafter set forth.

2. This transaction of purchase and sale is to be completed on the First Tentative Closing Date (as defined in the Statement Of Critical Dates being a part of the Tarion Addendum as hereinafter defined) or such extended or accelerated date established in accordance with the terms of this Agreement including, without limitation, the Tarion Addendum (the "**Closing Date**" or "**Date of Closing**").

3. The following Schedules of this Agreement attached shall form a part of this Agreement. The form of Acknowledgement attached shall form part of this Agreement and shall be executed by the Purchaser and delivered to the Vendor on the Closing Date. The Purchaser acknowledges that he has read all Sections and Schedules of this Agreement and the form of Acknowledgement.

Schedule "A" – Additional Terms
Schedule "B" – Additional Information
Schedule "C" – Site Plan
Schedule "D" – Floor Plan
Schedule "E" – Warning Clauses and Notice
Provisions Schedule "F" – Feature List

Schedule "Z" – Tarion Warranty Corporation ("**Tarion**") Statement Of Critical Dates and Addendum to Agreement of Purchase and Sale (collectively, the "**Tarion Addendum**") and such other Schedules annexed hereto and specified as Schedule(s) "_____".

4. The Purchaser's address for delivery of any notices pursuant to this Agreement is the address as set out in the Tarion Addendum.

DATED, SIGNED, SEALED AND DELIVERED this 24th day of October, 2023.

SIGNED, SEALED AND DELIVERED in the presence of

MUHAMMAD JEHANZEB AGHA **JULY 28, 1979**
PURCHASER: D.O.B. S.I.N.

PURCHASER: D.O.B. S.I.N.

WITNESS: (as to all Purchaser's signatures, if more than one Purchaser)

Address: 37 IRENEMOUNT CRES, MARKHAM, ON L3S 3C4

Telephone: 647-202-7926 Facsimile: _____

Email Address: ~~magha@aspirees.ca~~ mjagha79@gmail.com

The Vendor hereby accepts the within offer and agrees to complete this transaction in accordance with the terms hereof.

DATED, SIGNED, SEALED AND DELIVERED this 23rd day of MAY, 2024.

LERRATO INC.

Per: _____
[Authorized Signing Officer]

Additional Information

Purchaser's Solicitor: _____ E-mail: mjagha79@gmail.com

Telephone: _____ Facsimile: _____

Vendor's Solicitors: **LOROY LLP**
1300 Hurontario Street
Mississauga, Ontario, L5G 3H3
Attention: **Muhammad Atique Malik**

Telephone No.: (647) 726-1949

SCHEDULE "A"

ADDITIONAL TERMS

DWELLING MATTERS, SITING, MATERIALS CHANGES, ETC

5. The Vendor agrees that it will erect on the Real Property the Dwelling in accordance with plans and specifications (the **"Plans"**) already examined by the Purchaser and in accordance with Schedule "C" and Schedule "D". The Purchaser acknowledges and agrees that the Vendor may from time to time, in its sole discretion, or as requested or required by the Vendor's architect or any design consultants or by any governmental authority, change, alter, vary or modify the Plans, the siting of the Dwelling and/or the grading of the Real Property without notice thereof to the Purchaser. The Purchaser agrees to accept such changes, alterations, variations or modifications and, without limiting the generality of the foregoing, variations to the lot/block number, municipal address, location, area and frontage or depth of the Real Property without any abatement of the Purchase Price or claim for compensation whatsoever. The Purchaser also acknowledges and agrees that architectural control of exterior elevations, driveway construction, boulevard tree planting, landscaping, corner lot fencing (including the location of such corner lot fencing), exterior colour schemes, or any other material external to the Dwelling designed to enhance the aesthetics of the community as a whole, may be imposed by the Municipality and/or the developer. In the event the Vendor is required, in compliance with such architectural control requirements to construct an exterior elevation for the Dwelling other than as specified in this Agreement or amend the driveway construction or location, boulevard tree planting or landscaping plan for the Dwelling and/or Real Property, as the case may be, (all of which is hereinafter referred to as the **"Amended Exterior Plans"**), the Purchaser hereby irrevocably authorizes the Vendor to complete the Dwelling and/or Real Property, as the case may be, in accordance with the Amended Exterior Plans, and the Purchaser hereby irrevocably agrees to accept such Amended Exterior Plans in lieu of the plans for same specified in this Agreement without any abatement of the Purchase Price or claim for compensation whatsoever. The Vendor shall have the right, in its sole discretion, to construct the Dwelling either as shown on the Plans or to construct such Dwelling on a reverse mirror image plan, including reversal of the garage siting and reversal of the interior floor plan layout. Construction of a reverse mirror image plan is hereby irrevocably accepted by the Purchaser without any right of abatement of the Purchase Price or claim for compensation whatsoever. Further, in the event the Vendor determines, in its sole discretion, to construct the Dwelling at a grade level different than as depicted in the Plans, necessitating a step or series of steps to the front door, side door, rear door, or any door from the garage to the interior of the Dwelling or any elimination of the side door or door from the house to the garage or garage to outside, if any, the Purchaser hereby agrees to accept such change(s) without any abatement of the Purchase Price or claim for compensation whatsoever. The Vendor shall further have the right to substitute other material for that provided for in the Plans, in the sole discretion of the Vendor, for any cause which it may deem reasonable without notice thereof to the Purchaser, provided that such material is, in the sole judgment of the Vendor, of substantially equal or better quality than the material in the Plans and the Purchaser shall accept same without any abatement of the Purchase Price or claim for compensation whatsoever. The provisions of this Section may be pleaded by the Vendor as an estoppel in any action brought by the Purchaser or his successors in title or assigns against the Vendor.

6. The Purchaser acknowledges and agrees that as the Dwelling being purchased herein is a townhouse dwelling, the subject lot/block of which the Real Property forms a part will not necessarily be divided equally but may instead be divided in unequal proportions. The Purchaser agrees to accept any such unequal division of the lot/block without any abatement of the Purchase Price or claim for compensation whatsoever.

FEATURES AND FINISHES

7. The Purchaser acknowledges that he has purchased the Dwelling on the basis of the Plans and not from a model. The Purchaser acknowledges that the model home(s), if any, are for display purposes only, and that some or all of the features contained therein may not be included in the Dwelling unless the same is specifically provided for in a Schedule forming part of this Agreement. Any item identified as optional or an upgrade in the sales or marketing material(s) is not included in the Dwelling but may be purchased at additional cost under a separate Schedule to this Agreement or by separate agreement. The Purchaser's attention is drawn to Schedule "B" which forms part of this Agreement and which sets out therein the items which will be included in the Dwelling as standard features. The Purchaser hereby acknowledges that the Dwelling will only include those standard features and, accordingly, if the Purchaser requires any clarification or explanation as to items, features or finishes as referred to in Schedule "B" or anywhere else in this Agreement, or with respect to any matters whatsoever which the Purchaser has discussed with the Vendor's sales representative(s), such clarifications or explanations must be made in writing and included in this Agreement, failing which the Purchaser shall be estopped from making a claim for any such clarifications, explanations, items, features, finishes or representations, other than as set out in writing in this Agreement. The Purchaser hereby acknowledges that there are no representations, warranties, guarantees, collateral agreements or conditions whatsoever affecting this Agreement, the Dwelling or the Real Property or supported hereby other than as is expressed in writing, in this Agreement.

8. The Purchaser specifically acknowledges that in the manufacture and/or production of items, variances may occur from the Vendor's samples and also such items shown as samples may not be subsequently available. The Purchaser hereby agrees to accept any such resulting variations whether as to supplier, brand name, colour and/or otherwise without any abatelement of the Purchase Price or claim for compensation whatsoever.

SUBSTANTIAL COMPLETION OF THE DWELLING/OCCUPANCY

9. In the event that the Dwelling is substantially completed and ready for occupancy by the Closing Date, the sale shall be completed on such date without any holdback whatsoever of any part of the Purchase Price and the Vendor shall complete any outstanding items of construction required by this Agreement within a reasonable time thereafter and during normal business hours, having regard to weather conditions and the availability of labour and materials. If there is a detached garage as part of the Real Property, substantial completion of the Dwelling shall not include completion of the said garage and the Purchaser shall complete the within transaction notwithstanding that the construction of the garage is not completed or even started. For the purpose of this Agreement, the Dwelling shall be deemed to be substantially complete when the interior work has been substantially finished to permit occupancy, notwithstanding that there remains grading or landscaping or other outside work to be completed. The Vendor shall provide evidence that occupancy is permitted in accordance with and only to the extent required by the Tarion Addendum.

TARION WARRANTY CORPORATION

10. (a) The Vendor covenants that on completion of this transaction a warranty certificate for the Dwelling will be requested from Tarion. Such warranty shall contain the only warranties covering the Dwelling. The Purchaser acknowledges and agrees that any warranties of or liabilities for workmanship or materials, in respect of any aspect of the construction of the Dwelling, whether implied by this Agreement or at law or in equity or by any statute or otherwise, shall be limited to only those warranties deemed to be given by the Vendor under the *Ontario New Homes Warranties Plan Act*, as may be amended (the **"ONHWPA"**) and shall extend only for the time period and in respect of those items as stated in the ONHWPA, it being understood and agreed that there is no representation, warranty, guarantee, collateral agreement, or condition in any way affecting this Agreement, the Dwelling and/or the Real Property other than as expressed herein.

(b) The Purchaser or the Purchaser's designate as hereinafter provided agrees to meet the Vendor's representative at the date and time designated by the Vendor, prior to the Closing Date, to conduct a pre-delivery inspection of the Dwelling (the **"PDI"**) and to list all items remaining incomplete at the time of such inspection together with all mutually agreed deficiencies with respect to the Dwelling on the Tarion Certificate of Completion and Possession (the **"CCP"**) and the PDI form, in the forms prescribed from time to time by, and required to be completed pursuant to the provisions of the ONHWPA. The said CCP and PDI forms shall be executed by both the Purchaser or the Purchaser's designate and the Vendor's representative at the PDI and shall constitute the Vendor's only undertaking with respect to incomplete or deficient work and the Purchaser shall not require any further undertaking of the Vendor to complete any outstanding items. In the event that the Vendor performs any additional work to the Dwelling in its discretion, the Vendor shall not be deemed to have waived the provision of this paragraph or otherwise enlarged its obligations hereunder.

(c) The Purchaser shall be entitled to send a designate to conduct the PDI in the Purchaser's place or attend with their designate, provided the Purchaser first provides to the Vendor a written authority appointing such designate for PDI prior to the PDI. If the Purchaser appoints a designate, the Purchaser acknowledges and agrees that the Purchaser shall be bound by all of the documentation executed by the designate to the same degree and with the force and effect as if executed by the Purchaser directly.

(d) In the event the Purchaser and/or the Purchaser's designate fails to attend the PDI or fails to execute the CCP and PDI forms at the conclusion of the PDI, the Vendor may declare the Purchaser to be in default under this Agreement and may exercise any or all of its remedies set forth in this Agreement and/or at law. Alternatively, the Vendor may, at its option complete the within transaction but not provide the keys to the Dwelling to the Purchaser until the CCP and PDI forms have been executed by the Purchaser and/or its designate or complete the within transaction and complete the CCP and PDI forms on behalf of the Purchaser and/or the Purchaser's designate and the Purchaser hereby irrevocably appoints the Vendor the Purchaser's attorney and/or agent and/or designate to complete the CCP and PDI forms on the Purchaser's behalf and the Purchaser shall be bound as if the Purchaser or the Purchaser's designate had executed the CCP and PDI forms.

(e) The Purchaser acknowledges that the Homeowner Information Package as defined in Tarion Bulletin 42 (the **"HIP"**) is available from Tarion and that the Vendor further agrees to provide the HIP to the Purchaser or the Purchaser's designate, at or before the PDI. The Purchaser, or the Purchaser's designate agrees to execute and provide to the Vendor the Confirmation of Receipt of the HIP forthwith upon receipt of the HIP.

(f) In the event the Purchaser and/or the Purchaser's designate fails to execute the Confirmation of Receipt of the HIP forthwith upon receipt thereof, the Vendor may declare the Purchaser to be in default under this Agreement and may exercise any or all of its remedies set forth in this Agreement and/or at law.

(g) The Purchaser agrees with the Vendor that the Vendor and/or its representatives shall have the right to enter the Dwelling and the Real Property after completion of the purchase in order to complete any of the items listed on the CCP and PDI forms, provided that if the Purchaser fails or refuses to permit the Vendor and/or its representatives such entry, the Vendor's obligations hereunder shall terminate and be at an end. Any such entry shall be deemed not to be a trespass.

(h) The Purchaser acknowledges that the area of the Dwelling, as may be represented or referred to by the Vendor or any sales representative, or which appears in any sales or marketing material(s) is approximate only and is measured in accordance with Builder Bulletin No. 22 published by Tarion. Actual useable floor space may (therefore) vary from any stated or represented floor area or gross floor area, and the extent of the actual or useable living area within the confines of the Dwelling may vary from any represented square footage or floor area measurement(s) made by or on behalf of the Vendor. Accordingly, the Purchaser hereby confirms and agrees that all details and dimensions of the Dwelling purchased hereunder are approximate only, and that there shall be no adjustment of the Purchase Price or claim for compensation whatsoever, whether based upon the ultimate square footage of the Dwelling, or the actual or useable living space within the confines of the Dwelling or otherwise. The Purchaser further acknowledges that where ceiling bulkheads or telecommunication devices are installed within the Dwelling and/or where dropped ceilings are required, then the ceiling height of the Dwelling may be less than that represented, and the Purchaser shall correspondingly be obliged to accept the same without any abatement or claim for compensation whatsoever.

(i) The completion of the foregoing inspection and the preparation and endorsement of the Certificate are conditions of the Vendor's obligation to complete this transaction. Failure by the Purchaser to attend at the appointed time for the inspection and to complete the Certificate shall be deemed to be default by the Purchaser under this Agreement. The Vendor, at its sole, absolute, subjective and unfettered option, may thereupon either re-schedule the inspection subject to an administrative fee of $250.00 plus Applicable Taxes payable to the Vendor or terminate the transaction in accordance with the provisions set out herein, or may elect to complete the Certificate on behalf of the Purchaser. The Purchaser hereby irrevocably nominates, constitutes and appoints the Vendor or any of its authorized signing officers to be and act as his lawful attorney in the Purchaser's name, place and stead for this purpose.

11. The Purchaser covenants and agrees that he will exhaust all the remedies available to him with Tarion with respect to any claim relating to defects in workmanship or materials or with respect to any other claim arising under the ONHWPA or in respect of the Tarion Addendum, prior to pursuing any other means of redress with regard to such claims. In the event the Purchaser does not comply with the provisions of this Section, or takes any unwarranted or unreasonable actions with respect to such claims, the Purchaser shall be held liable for any damages sustained by the Vendor as a result thereof.

TITLE AND CONVEYANCING MATTERS

12. The Purchaser agrees to accept title to the Real Property subject to the following items and the Purchaser covenants and agrees to adhere to the terms and conditions as set out therein. The Purchaser agrees to satisfy himself as to compliance with any of the following items and the Vendor shall not be obligated on the Closing Date or thereafter to obtain any compliance, releases or discharges with respect to any of the following items:

(a) any agreement, subdivision agreement, site plan agreement, development agreement, financial agreement or other agreement entered into with any municipal authority or other governmental authority or with any public or private utility commission or railway company, including any restrictions, covenants, obligations or liabilities contained therein (collectively the **"Subdivision Agreements"**);

(b) any building or other restrictions and covenants that may be registered against the title of the Real Property and the Purchaser agrees, if required by the Vendor, to sign the transfer/deed of land containing such restrictions and covenants to extract the same from any subsequent Purchasers;

(c) a right in the nature of an easement or license for the Vendor and/or the developer and their respective successors and assigns and their servants and agents to enter upon the Real Property (without such act being a trespass) at any time prior to the complete acceptance of the subdivision of which the Real Property forms a part (the **"Development"**) by the Municipality or thereafter for completion or correction of grading and surface drainage and in order to permit the Vendor and/or the developer to carry out the obligations, if any, under the Subdivision Agreements or as imposed by any governmental authority or bonding company to effect any corrective measures with respect to the Subdivision Agreements applicable to the Real Property and the transfer/deed of land may contain a clause to this effect;

(d) such easements or rights-of-way, licenses or leases, permanent or temporary, as exist or may subsequently be granted in favour of the Municipality, any railway company, any applicable regional municipality, the developer or any public or private utility, including, but not limited to, any telephone supplier, any hydro supplier and any gas supplier for hydro, fuel, telephone, television, cable, sewers, water, municipal or other services or utilities; and, further, the Purchaser covenants and agrees to assume, accept and permit any such easements, rights-of-way, licenses or leases and if such easements, rights-of-way, licenses or leases have not been determined when the Purchaser receives his conveyance, such conveyance may contain a covenant by the Purchaser for himself, and his heirs, executors, administrators, successors and assigns, to grant any additional easements, rights-of-way, licenses or leases as may be required by the Vendor, developer, any municipal or other governmental authority or utility or railway company and the Purchaser further covenants and agrees to execute all documents without charge which may be required to convey or confirm any such easement, right-of-way, license or lease and shall exact a similar covenant in any agreement entered into between the Purchaser and any subsequent Purchaser from him;

(e) such easements as may be required by the Vendor and/or adjoining owners for maintenance or encroachment purposes and

the encroachments permitted thereby;

(f) any other agreements, covenants, or other instruments as herein expressly provided; and

(g) any minor breaches of any of the foregoing that have been remedied or are in the process of being remedied.

13. Title to the Real Property shall on the Closing Date be good and free from all encumbrances, except as provided for in this Agreement. The title is to be examined by the Purchaser at his own expense and he is not to call for the production of any deeds or abstracts of title, surveys, proof of evidence of title or to have furnished any copies thereof, other than those in the Vendor's possession or as provided for in this Agreement. The Purchaser is to be allowed until thirty (30) days prior to the Closing Date to examine the title at his own expense and if within that time he shall furnish the Vendor in writing with any valid objections to the title which the Vendor shall be unwilling or unable to remove and which the Purchaser will not waive, this Agreement shall, notwithstanding any intermediate acts or negotiations, be null and void and the monies paid to the Vendor to that date on account of the Deposit shall be returned as provided for herein and the Vendor shall not be liable for any damages or costs whatsoever, including, without limiting the generality of the foregoing, loss of bargain, relocation costs, loss of income, professional fees and disbursements and any amount paid to third parties on account of decoration, construction or fixturing costs. Save as to any valid objections so made within such time, the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Real Property.

14. The Purchaser acknowledges that the Real Property is or will be encumbered by mortgages and/or encumbrances which the Purchaser is not to assume and that the Vendor will not be obligated to obtain and register a discharge of such mortgages and/or encumbrances insofar as they affect the Real Property until a reasonable time after the Closing (as defined in the Tarion Addendum) and the Purchaser shall accept the undertaking of the Vendor's solicitors to obtain and register as soon as reasonably possible after Closing a discharge of such mortgages and/or encumbrances except as provided for herein and further agrees not to refuse to complete this transaction on the grounds that such mortgages and/or encumbrances have not been discharged.

15. The transfer/deed of land shall be prepared at the Vendor's expense and may contain any or all of the provisions set forth in this Agreement and shall be executed by the Purchaser, if required by the Vendor, and the Purchaser shall execute and deliver on the Closing Date a covenant, undertaking or agreement incorporating all or any of the terms contained herein or as may be required by the Vendor. The Purchaser undertakes and agrees to register the transfer/deed of land at his own expense at the time of Closing. Each party is to pay the cost of registration and taxes on its own documents. The Purchaser shall deliver to the Vendor, on or before the Closing Date, as required by the Vendor the Acknowledgement in the form attached to this Agreement, if any, duly completed and executed. The Purchaser agrees to advise the Vendor or its solicitors no less than thirty (30) days prior to the Closing Date of the manner in which title is to be taken by the Purchaser, including, the date(s) of birth and marital status and the Purchaser shall be required to close the transaction in the manner so advised unless the Vendor otherwise consents in writing, which consent may be arbitrarily withheld, failing which title to the Real Property shall be engrossed in the name of the Purchaser as noted on this Agreement and the Purchaser shall be estopped from requiring any further changes to the manner in which the transfer/deed of land is engrossed.

16. The Purchaser hereby acknowledges the full priority of any mortgage or construction financing arranged by the Vendor and/or secured by the Real Property over his interest as Purchaser for the full amount of the said mortgage or construction financing, notwithstanding any law or statute to the contrary and agrees to execute all acknowledgements or postponements required to give full effect thereto. 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 easement, license or other agreement concerning the Real Property. The Purchaser further agrees to consent to and execute all documentation as may be required by the Vendor in this regard 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 this paragraph. The Purchaser hereby consents to the Vendor and its designated or proposed lenders obtaining a consumer's report containing credit and/or personal information for the purposes of this transaction. The Purchaser further agrees to deliver to the Vendor, from time to time, within ten (10) days of written demand from the Vendor, all necessary financial and personal information required by the Vendor in order to evidence the Purchaser's ability to pay the balance of the Purchase Price on the Closing Date, including without limitation, written confirmation of the Purchaser's income, copy of mortgage approval letter and evidence of the source of the payments required to be made by the Purchaser in accordance with this Agreement. Without limiting the generality of the foregoing and notwithstanding any other provision in this Agreement to the contrary, within ten (10) days of written demand from the Vendor, the Purchaser agrees to produce evidence of a satisfactory mortgage approval signed by a lending institution or other mortgagee acceptable to the Vendor confirming that the said lending institution or acceptable mortgagee will be advancing funds to the Purchaser sufficient to pay the balance due on the Closing Date. If the Purchaser fails to provide the mortgage approval as aforesaid, then the Purchaser shall be deemed to be in default under this Agreement. The Vendor may, in its sole discretion, elect to accept in the place of such mortgage commitment, other evidence satisfactory to the Vendor that the Purchaser will have sufficient funds to pay the balance due on the Closing Date.

17. In the event that the Municipality does at some point in time provide a release of any of the Subdivision Agreements, the Vendor may either provide such release to the Purchaser for registration of such release by the Purchaser at the Purchaser's expense or register the release, if any, in which event the Purchaser shall pay the Vendor the cost of registration of such release forthwith upon request although the Vendor may, at its option, add such cost to the statement of adjustments as a credit to the Vendor. The foregoing provision does not in any way whatsoever require the Vendor to request any such release or impose an obligation on the Vendor to take any steps to obtain any such release.

18. The Purchaser acknowledges that the transfer/deed of land to the Real Property to be given on the Closing Date may emanate from the registered owner of the Real Property and not from the Vendor herein, and the Purchaser agrees to accept same and to accept such owner's title covenants in lieu of the Vendor's, in the event the Vendor is not the registered owner of the Real Property on Closing. In that event, the Purchaser agrees to execute an acknowledgement on the closing confirming that: (i) the registered owner is providing title directly to the Purchaser at the direction of the Vendor; (ii) the registered owner is not the builder or Vendor and has no liability to the Purchaser as such; (iii) the registered owner is not responsible for any matters related to the development of the subject lands; and (iv) the Purchaser releases and forever discharges the registered owner from any manner of claim, costs, damages or other losses in any way related to the development of the subject lands.

PLANNING ACT

19. This Agreement shall be conditional upon compliance with the subdivision control provision of the *Planning Act* (Ontario), as may be amended, which compliance shall be obtained by the Vendor, at its sole expense, on or before Closing.

INSURANCE

20. The Purchaser shall place his own insurance on the Real Property for Closing.

ADJUSTMENTS

21. On the Closing Date, the Purchaser shall pay to the Vendor, as an adjustment on the statement of adjustments (plus HST), in addition to any other monies required to be paid as set out in this Agreement, the following:

(a) an amount equal to the Tarion enrolment fee and the Home Construction Regulatory Authority paid by the Vendor for the Real Property;

(b) any amounts which remain unpaid and owing to the Vendor on account of upgrades and/or extras and/or changes ordered by the Purchaser;

(c) the Vendor's proportionate amount of the realty taxes (including local improvement charges) which shall be apportioned and allowed to the Closing Date. Realty taxes (including local improvement charges) shall be estimated by the Vendor for the calendar year in which the transaction is completed as well as for the following calendar year, and shall be adjusted as if such sum has been paid by the Vendor, notwithstanding that same may not have been levied or paid by the Closing Date, subject, however, to readjustment when the actual amount of such taxes are ascertained. The Purchaser acknowledges and agrees that the Purchaser shall be solely responsible for any supplementary or omit assessments for realty taxes for period from and after the Closing Date;

(d) the costs of any utility check meter, water meter, hydro meter or gas meter installed in or about the Dwelling, the installation of any such meters, the connection charges for any such meters and/or sewers and the installation and energization charges, as the case may be, of hydro, water and gas services provided to the Dwelling, provided that adjustments pursuant to this subparagraph shall not exceed Five Hundred ($500.00) Dollars plus HST per meter or service. A certificate of the Vendor or statutory declaration of an officer of the Vendor specifying the said costs shall be final and binding on the Purchaser;

(e) all amounts chargeable and billable to the Purchaser for water, hydro, gas, cable T.V. and any other services arising as a result of the Purchaser's failure to make his own contractual arrangements with the relevant public or private utility authorities and suppliers on the Closing Date and for which the Vendor is subsequently charged, it being the express intent of the parties that it shall be the sole responsibility of the Purchaser to notify all relevant utility authorities and make the necessary contractual arrangements to ensure service to the Dwelling;

(f) the charges imposed upon the Vendor or its solicitors by the Law Society of Ontario upon registration of a transfer/deed of land or charge/mortgage of land or any other instrument;

(g) the sum of Three Hundred ($300.00) Dollars plus HST as a contribution towards the cost of fees payable by the Vendor to its lenders, including but not limited to the obtaining of (partial) discharges of mortgages not intended to be assumed by the Purchaser;

(h) any tax, whether categorized as multi-stage sales tax, a business transfer tax, a modified retail sales tax, a value-added tax, or any other type of tax whatsoever that may be levied or charged in the future by any governmental authorities, including, but without limiting the generality of the foregoing the municipal, federal, or provincial governments or any of their agencies, on or with respect to any sale, transfer, lease or disposition of property or any provision of goods or services made in the course of a taxable activity and the Purchaser shall be solely responsible for paying and/or reimbursing the Vendor for such tax, whether or not the legislation imposing such tax places the primary responsibility for payment thereof onto the Vendor, and the Vendor shall be allowed to charge the Purchaser as an adjustment on the Closing Date with the estimated amount of any such tax, notwithstanding that such tax may not have been formally or finally levied and payable with such tax adjustment being subject to readjustment, if necessary, when the actual final assessment or levy is available or determinable;

(i) the sum of Two Thousand ($2,000.00) Dollars plus HST as a contribution towards the costs of boulevard tree planting in the vicinity of the Real Property. The Purchaser acknowledges that there may not be a tree planted in front of the Real Property;

(j) the sum of Three Hundred Fifty ($350.00) Dollars plus HST as a contribution towards the costs of internet delivery of documentation to the Purchaser's solicitor and of electronic registration of documentation;

(k) the sum of Two Hundred ($400.00) Dollars plus HST as a contribution towards the costs of preparation of a survey for the Dwelling;

(l) the amount of any development charge(s) assessed against the Real Property (or attributable to the Real Property as determined by the Vendor), pursuant to the *Development Charges Act, 1997*, as amended from time to time;

(m) the amount of any education development charge(s) assessed against the Real Property (or attributable to the Real Property as determined by the Vendor) pursuant to the *Education Act*, as amended from time to time;

(n) the amount of any charge pursuant to a section 37 Agreement pursuant to the *Planning Act*, or any parks levy and/or any public art levy or similar contributions or charges assessed against the Real Property (or attributable to the Real Property as determined by the Vendor) which has been paid or are payable to the Municipality or any other relevant governmental authority or agency thereof with respect to or in connection with the Development, including the obtaining of any approvals for the Development;

(o) the cost with respect to the Vendor completing the final coat of asphalt on the driveway, provided that adjustments pursuant to this subparagraph shall not exceed Two Thousand ($2,000.00) Dollars plus HST; and,

(p) any other additional or further adjustments agreed to in writing between the Vendor and Purchaser subsequent to the execution of this Agreement.

(q) the following shall be paid to the Vendor on the Closing, plus Applicable Taxes eligible thereon: any increase between the development charges and education development charges assessed against or attributable to the Property (pursuant to the Development Charges Act, the Education Act or any successor or replacement legislation) on the date of execution of this Agreement by the Purchaser (if same are paid or could be paid on such date) and the amount actually paid for said development charges and education development charges, together with any interest (if any) on such development charges and education development charges as well as any other or new levies, charges, payments, contributions, fees or assessments, including without limitation, any parks levies, cash-in-lieu of parkland dedication payments, new development charges, new education development charges, public art contributions, impost charges, and/or community benefit charges or payments (or the fair value of any non-cash in-kind contributions assessed against or attributable to the Property by the Municipality, a regional municipality, a transit authority, a public or separate school board or any other authority having jurisdiction under the Development Charges Act, the Education Act, the Planning Act (as amended by the More Homes, More Choice Act, 2019) and any other existing or new legislation, bylaw and/or policy of a similar nature. If the amounts owing under this subsection are assessed against, charged or imposed against the subject project (or portion thereof) as a whole and not against the Property separately, then the Vendor shall be entitled to a reimbursement for the foregoing, equally among all of the dwellings within the subject project or in such other manner as the Vendor may elect, acting reasonably;

(r) All proper readjustments shall be made after Closing, if necessary, forthwith upon written request. The Vendor may register a Notice of Vendor's Lien or a Charge, in the Vendor's usual form, for unpaid purchase monies or adjustments or claims herein provided together with the interest thereon as provided for herein, and the Purchaser covenants and agrees to forthwith pay all costs in relation to said Notice of Vendor's Lien or Charge including, without limitation, the Vendor's solicitor's legal fees and disbursements and the cost to register said Notice of Vendor's Lien or Charge on title to the Unit. The Vendor will upon request deliver to the Purchaser (for registration at the Purchaser's expense) a release of the Notice of Vendor's Lien or a Discharge of the Charge after such unpaid purchase monies or adjustments or claims herein provided, as applicable, together with the interest thereon as provided for herein have been received by the Vendor and upon payment of a fee of $250.00 plus Applicable Taxes. The Purchaser hereby irrevocably consents and authorizes the Vendor and the Vendor's solicitors to register the aforementioned Notice of Vendor's Lien or Charge on title to the Unit, without liability on the part of the Vendor or the Vendor's solicitors with respect to such registration;

(s) The amounts (if any), plus Applicable Taxes, paid by the Vendor to the Municipality and/or other governmental authority or other person (including a private waste contractor) with respect to recycling containers/bins, recycling programs, food/kitchen waste

collection containers/bins, and/or food/kitchen waste collection programs such charges to be absolutely determined by statutory declaration sworn on the part of the Vendor shall be reimbursed to the Vendor on the Closing;

(t) any costs incurred by the Vendor for the internet delivery of documentation to the Purchaser's solicitor;

(u) any amounts which may, in the Vendor's discretion, remain unpaid and owing to the Vendor on account of any extras, upgrades or changes for the Property ordered by the Purchaser;

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

(w) Appliances purchased by the Purchaser from the Vendor (or which may be included in the Purchase Price) may not include installation charges which may be charged by the Vendor on the Closing Date as an adjustment at the Vendor's sole, absolute, subjective and unfettered discretion.

(x) The Purchaser acknowledges that grading and sodding and landscape plantings (if any) shall be done between June and October (weather permitting and subject to availability of supplies) of any year as per the Vendor's scheduling program. The Purchaser agrees that the Purchaser shall be solely responsible for watering and general maintenance of sod and landscape plantings (if any) from the Occupancy Date or from the date that sod is laid (or landscape plantings are planted), whichever shall be the later, and the Vendor shall have no obligation in that regard. In the event the Vendor is, for any reason, required to replace laid sod (or other landscape plantings, if any), the Vendor shall not be obligated to do so until payment has been made therefor by the Purchaser and if so replaced, the Purchaser agrees to reimburse the Vendor for the costs and expenses of same as determined by the Vendor. Further, the Purchaser acknowledges that the order of closing of the Property and/or the order of completion or closing of other lots sold by the Vendor is not indicative of the order of sodding (or landscaping planting) of the Property and said other lots. If the Vendor is required by the Subdivider, developer or any governmental authority to replace any laid sod or landscape plantings, etc. as a result of the Purchaser's default under this subsection, the Purchaser shall promptly pay the Vendor for same and the Vendor shall not be obliged to replace same until payment has been made therefore in full to the Vendor by the Purchaser. The Vendor shall not be required to supply the Purchaser with evidence of payment for the replacement of same. The aforementioned obligations of the Purchaser shall survive the closing of the herein transaction.

(y) In the event that the Purchaser (or a person representing or acting on behalf of the Purchaser) enters upon the Property prior to the Purchaser having completed their obligations under this Agreement on the Occupancy Date without the consent in writing of the Vendor and carries out changes or additions to the Dwelling (the "Unlawful Works"), the Purchaser will forthwith pay to the Vendor the amount incurred by it in order to correct any damages caused by the installation or existence of the Unlawful Works including, without limiting the generality of the foregoing, time lost by the resulting delays and interest on monies invested. In addition to the foregoing, if the Unlawful Works shall be determined by any inspector having jurisdiction in that regard as not complying with the statutes, by-laws or regulations applying thereto, the Purchaser shall forthwith carry out any required work to remedy any such non-compliance and failing which, the Vendor, at its option may carry out such work at the expense of the Purchaser which he shall pay to the Vendor forthwith upon written request for payment for same. Should the Vendor, in its sole, absolute, subjective and unfettered discretion, allow the Purchaser to close the purchase of the transaction described herein despite the performance of the Unlawful Works, the Purchaser acknowledges and agrees that the unlawful works shall not be covered under the Warranty Act's warranties and that anything constructed by the Vendor which is not accessible due to the Unlawful Works shall not be covered under the Warranty Act's warranties.

(z) In the event the Purchaser requests an extension to the Firm Closing Date or Delayed Closing Date, as the case may be, the Purchaser shall pay the Vendor's solicitor's fees and disbursement (plus Applicable Taxes and disbursements) with respect to such requests and any extensions.

(aa) In the event that the Purchaser shall desire to select colours or materials from other than the Vendor's samples, the Purchaser must negotiate such colours or materials directly with the Vendor or the Vendor's subtrade or supplier as directed by the Vendor and attend to payment of any additional cost as a result of such choice to the Vendor or the Vendor's subtrade or supplier directly, as directed by the Vendor.

(bb) The Purchaser hereby acknowledges that complete engineering data in respect of the Municipally approved final grading of the Property may not, as yet, be complete and accordingly, it may not be possible to construct a Dwelling with a walk-out basement, look-out or rear deck where so indicated in this Agreement, or vice versa. In the event this Agreement calls for a walk-out basement, look-out or rear deck and such is not possible or reasonable in the Vendor's opinion or in the event this Agreement does not call for a walk-out basement, look-out or rear deck and such is required, pursuant to final approved grading and engineering plans, the Purchaser shall accept a credit in the Purchase Price, or, pay the additional cost involved in constructing such walk-out basement, look-out or rear deck, as the case may be (such costs shall be absolutely determined by the Vendor).

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

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

22. If any of the adjustments to be made on the Closing Date cannot be accurately determined at the time of Closing, then the Vendor may estimate the adjustment to be made and the Closing shall take place in accordance with this estimate. There shall be a later and final adjustment when all the items to be adjusted can be accurately determined.

23. The Purchaser acknowledges and agrees that the hot water heater/tank is not included in the Purchase Price and is intended to be non-owned and that it shall remain chattel property and shall not be or become a fixture and/or part of the Dwelling. The Purchaser may be informed of the terms and conditions governing the rental of the hot water heater/tank prior to Closing, and agrees, if required, to execute on, before or after Closing as the Vendor determines a rental document or other contract as required by any relevant municipal authority, public or private utility, sub-metering company or third party company with respect to the said hot water heater/tank, failing which, at the Vendor's sole option, the Vendor shall be entitled to execute the hot water heater/tank's supplier's, sub-metering or other such company's standard rental document or other contract on behalf of the Purchaser as his attorney or agent.

24. In the event any cheque given by the Purchaser is returned after being presented for payment to the financial institution on which it is drawn, by reason of there not being sufficient funds in the account on which said cheque is drawn, the Purchaser shall pay the Vendor for each such returned cheque the sum of Five Hundred ($500.00) plus HST as liquidated damages and not as a penalty which payment shall, at the Vendor's option, be made as an adjustment on the Closing Date in favour of the Vendor or be delivered to the Vendor together with the replacement cheque.

HARMONIZED OR SINGE SALES TAX

25. (a) It is acknowledged and agreed by the parties hereto that the Purchase Price already includes a component equivalent to both the federal portion and the provincial portion of the harmonized goods and services tax or single sales tax exigible with respect to this purchase and sale transaction less the Rebate as defined below (the "**HST**"), and that the Vendor shall remit the HST to Canada Revenue Agency ("**CRA**") on behalf of the Purchaser forthwith following the completion of this transaction. The

Purchaser hereby warrants and represents to the Vendor that with respect to this transaction, the Purchaser qualifies for the federal and provincial new housing rebates applicable pursuant to the *Excise Tax Act* (Canada) ("**ETA**"), as may be amended, (collectively, the "**Rebate**") and further warrants and represents that the Purchaser is a natural person who is acquiring the Real Property with the intention of being the sole beneficial owner thereof on the Closing Date (and not as the agent or trustee for or on behalf of any other party or parties), and covenants that upon the Closing Date the Purchaser or one or more of the Purchaser's relations (as such term is defined in the *Excise Tax Act*) shall personally occupy the Dwelling as his primary place of residence, for such period of time as shall be required by the *Excise Tax Act*, and any other applicable legislation, in order to entitle the Purchaser to the Rebate (and the ultimate assignment thereof to and in favour of the Vendor) in respect of the Purchaser's acquisition of the Real Property. The Purchaser further warrants and represents that he has not claimed (and hereby covenants that the Purchaser shall not hereafter claim), for the Purchaser's own account, any part of the Rebate in connection with the Purchaser's acquisition of the Real Property, save as may be otherwise hereinafter expressly provided or contemplated. The Purchaser hereby irrevocably assigns to the Vendor all of the Purchaser's rights, interests and entitlements to the Rebate (and concomitantly releases all of the Purchaser's claims or interests in and to the Rebate, to and in favour of the Vendor), and hereby irrevocably authorizes and directs CRA to pay or credit the Rebate directly to the Vendor. In addition, the Purchaser shall execute and deliver to the Vendor, forthwith upon the Vendor's or Vendor's solicitors request for same (and in any event on or before the Closing Date), all requisite documents and assurances that the Vendor or the Vendor's solicitors may reasonably require in order to confirm the Purchaser's entitlement to the Rebate and/or to enable the Vendor to obtain the benefit of the Rebate (by way of assignment or otherwise), including without limitation, the GST/HST New Housing Rebate Application for Houses Purchased from a Builder or other similar form as prescribed from time to time (the "**Rebate Form**"). The Purchaser covenants and agrees to indemnify and save the Vendor harmless from and against any loss, cost, damage and/or liability (including an amount equivalent to the Rebate, plus penalties and interest thereon) which the Vendor may suffer, incur or be charged with, as a result of the Purchaser's failure to qualify for the Rebate, or as a result of the Purchaser having qualified initially but being subsequently disentitled to the Rebate, or as a result of the inability to assign the benefit of the Rebate to the Vendor (or the ineffectiveness of the documents purporting to assign the benefit of the Rebate to the Vendor). As security for the payment of such amount, the Purchaser does hereby charge and pledge his interest in the Real Property with the intention of creating a lien or charge against same. It is further understood and agreed by the parties hereto that:

(i) if the Purchaser does not qualify for the Rebate, or fails to deliver to the Vendor or the Vendor's solicitors forthwith upon the Vendor's or the Vendor's solicitors request for same (and in any event on or before the Closing Date) the Rebate Form duly executed by the Purchaser, together with all other requisite documents and assurances that the Vendor or the Vendor's solicitors may reasonably require from the Purchaser or the Purchaser's solicitor in order to confirm the Purchaser's eligibility for the Rebate and/or to ensure that the Vendor ultimately acquires (or is otherwise assigned) the benefit of the Rebate; or

(ii) if the Vendor believes, for whatever reason, that the Purchaser does not qualify for the Rebate, regardless of any documentation provided by or on behalf of the Purchaser (including any statutory declaration sworn by the Purchaser) to the contrary, and the Vendor's belief or position on this matter is communicated to the Purchaser or the Purchaser's solicitor on or before the Closing Date;

then notwithstanding anything hereinbefore or hereinafter provided to the contrary, the Purchaser shall be obliged to pay to the Vendor (or to whomsoever the Vendor may in writing direct), by certified cheque delivered on the Closing Date, an amount equivalent to the Rebate, in addition to the Purchase Price and in those circumstances where the Purchaser maintains that he is eligible for the Rebate despite the Vendor's belief to the contrary, the Purchaser shall (after payment of the amount equivalent to the Rebate as aforesaid) be fully entitled to pursue the procurement of the Rebate directly from CRA. It is further understood and agreed that in the event that the Purchaser intends to rent out the Dwelling before or after the Closing Date, the Purchaser shall not be entitled to the Rebate, but may nevertheless be entitled to pursue, on his own after the Closing Date, the federal and provincial new rental housing rebates directly with CRA, pursuant to Section 256.2 of the *Excise Tax Act*, as may be amended, and other applicable legislation to be enacted relating to the provincial new rental housing rebate.

(b) The Vendor will not collect HST if the Purchaser is a corporation (i.e. not an individual) and provides to the Vendor the following: (i) a warranty in the Vendor's standard form that the Purchaser is registered under the ETA, together with a copy of the Purchaser's ETA registration, (ii) a warranty in the Vendor's standard form that the Purchaser shall self-assess and remit the GST/HST payable and file the prescribed form and shall indemnify the Vendor in respect of any GST/HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction.

(c) Notwithstanding any other provision herein contained in this Agreement, the Purchaser acknowledges and agrees that the Purchase Price does not include any HST exigible with respect to any of the adjustments payable by the Purchaser pursuant to this Agreement, or any extras, upgrades or changes purchased, ordered or chosen by the Purchaser from the Vendor which are not specifically set forth in this Agreement, and the Purchaser covenants and agrees to pay such HST to the Vendor in accordance with the Excise Tax Act. In addition, and without limiting the generality of the foregoing, in the event that the Purchase Price is increased by the addition of extras, changes, upgrades or adjustments and as a result of such increase, the quantum of the Rebate that would otherwise be available is reduced or extinguished (the quantum of such reduction being hereinafter referred to as the "**Reduction**"), then the Purchaser shall pay to the Vendor on the Closing Date the amount of (as determined by the Vendor in its sole and absolute discretion) the Reduction.

26. **EXTRAS/UPGRADES**

The Purchaser covenants and agrees that he shall pay to the Vendor in advance for all extras, upgrades or changes ordered by the Purchaser at the time such order is made and the Purchaser further acknowledges and agrees that such payment is non-refundable in the event that this transaction is not completed as a result of the Purchaser's default under any of the terms of this Agreement. Notwithstanding anything herein contained to the contrary, the Purchaser acknowledges and agrees that if, upon Closing, any of the extras, upgrades or changes ordered by the Purchaser remain incomplete in whole or in part or if the Vendor shall, in its sole discretion, determine that it will not provide extras, upgrades or changes or cannot complete the extras, upgrades or changes, then there shall be refunded to the Purchaser upon the Closing Date that portion of the amount paid by the Purchaser in connection with such extras, upgrades or changes allocated to those extras, upgrades or changes which remain incomplete in whole or in part as aforesaid, as determined by the Vendor. In the event such extras, upgrades or changes were included at no charge whether or not included as part of this Agreement then the Vendor's cost of completing such incomplete items will be refunded as determined by the Vendor in its sole discretion. The Purchaser further acknowledges and agrees that the amount so paid to the Purchaser (or for which, in the alternative, the Purchaser receives credit in the statement of adjustments) shall be accepted by the Purchaser as full and final settlement of any claim by the Purchaser with respect to the extras, upgrades or changes which remain incomplete as aforesaid. The Purchaser further acknowledges that the Vendor's liability with respect to such incomplete extras, upgrades or changes shall be limited to the return of the amounts referred to aforesaid and, thereafter, there shall be no further liability upon the Vendor in connection with such incomplete extras, upgrades or changes and upon such payment being made or credit being given, the Vendor shall be deemed to have been released from any and all obligations, claims or demands whatsoever with respect to such incomplete extras, upgrades or changes.

27. **NOTICE AND WARNING CLAUSES**

The Purchaser acknowledges that the Subdivision Agreements and any and/or future development agreements between the Vendor and the Municipality or any other applicable party may require the Vendor to provide the Purchaser with certain notices or warnings including, without limiting the generality of the foregoing, notices or warnings regarding the use of the Real Property, environmental issues, noise levels from adjacent roadways or otherwise, maintenance of municipal fencing, school transportation and related educational issues, and the status of services and works in the Development. The Purchaser acknowledges and agrees that the Vendor may be unable, at this time, to provide the Purchaser with all such notices and warnings. On or before Closing, the Purchaser shall forthwith execute upon request an acknowledgment or amendment to this Agreement containing the required notices and warning clauses. The Purchaser acknowledges and agrees that the Vendor may be unable to sell the Real Property to the Purchaser unless the Purchaser executes such acknowledgments or amendments as aforesaid. In the event that the Purchaser fails to execute such acknowledgments or amendments

forthwith upon being requested to do so, the Vendor shall be entitled, at its sole option, to terminate this Agreement and upon such termination, all monies paid to the Vendor hereunder shall be forfeited to the Vendor and this Agreement shall be at an end, and the Purchaser shall not have any further rights hereunder. Alternatively, at the sole discretion of the Vendor, after all required notices and warnings are available, a copy thereof may be sent to the Purchaser as a notice in the manner set out in this Agreement and such transmittal shall constitute acknowledgment of receipt of a copy thereof and the Purchaser irrevocably designates the Vendor as its attorney and/or agent to execute and deliver on his behalf to the Municipality or any other applicable party any required acknowledgments with respect thereto. Without limiting the generality of the foregoing, the Purchaser acknowledges being advised of the notices as set out in Schedule "E".

INSURANCE/RISK

28. All buildings and equipment comprising the Dwelling and the Real Property shall be and remain at the risk of the Vendor until Closing and pending completion of the sale, the Vendor will hold all insurance policies and the proceeds thereof for the Vendor's benefit alone. In the event of damage to the Dwelling, the Vendor may either in its sole discretion (a) repair the damage, finish the Dwelling and complete the sale and, if necessary, delay the Closing Date in the manner permitted in the Tarion Addendum; or (b) terminate this Agreement and return to the Purchaser all deposit monies paid by the Purchaser to the Vendor payable under law if the damage to the Dwelling has frustrated this Agreement at law.

PURCHASER COVENANTS AND AGREEMENTS

29. Notwithstanding the closing of this transaction, the Purchaser hereby authorizes and shall not obstruct or interfere in any way with the Vendor, the developer, the Municipality, the regional municipality, the public and/or private utilities, the telephone and/or cable company or persons authorized by any of them, free access to the Real Property and the Dwelling at all reasonable hours in order to make inspections and to do such work or repairs, including, but not restricted to, correction of sodding and/or grading, installation of catch basins, installation, repair, construction or reconstruction and/or maintenance of any of the municipal services, public and/or private utilities and other services, including sewers and water mains; and for any of the purposes aforesaid or related thereto, such entry on the Real Property and Dwelling by any such persons shall not be deemed to be committing trespass and the Purchaser does hereby give leave and licence to any of such persons for the purposes aforesaid and free access for any such persons shall continue for such period of time as may be set out in the Subdivision Agreements or any other agreements affecting the Real Property or as may be required by the Vendor or the developer and/or any municipal or governmental authority, regulatory body or public or private utility. The Purchaser further covenants to comply with and not to breach any of the Subdivision Agreements or any other such agreements.

30. The Purchaser undertakes and covenants that he will not, at any time either before or after the Closing Date, without the prior written authority of the Vendor and the developer (which may be unreasonably or arbitrarily withheld) interfere with or alter the drainage ditch, obstruct the natural flow of water or obstruct the drainage as designed and engineered by the developer, erect fences, porches, patios, planting, paving, swimming pool, clothes lines or obstructions of any kind, remove top soil or subsoil, cut down living trees or do anything which may change or alter the grading or obstruct the drainage of the Real Property or surrounding lots or lands in any way and if he does, the Vendor or its servants, successors, agents and assigns may enter thereon and correct such grading or remove or relocate such obstructions at the Purchaser's expense and be paid, forthwith upon demand, the cost thereof. The Purchaser shall adhere to the overall drainage patterns of the Development, including such easements as may exist or may be required for the purpose of water drainage upon the Real Property to and from adjoining lands, and the Purchaser agrees to grant such easements as may be required from time to time by the Vendor or developer for drainage. The foregoing covenant may, at the option of the Vendor, be included in any transfer of title to the Purchaser and shall run with the land. The Purchaser agrees that he shall be solely responsible for watering and general maintenance of sod from the Closing Date or from the date that sod is laid, whichever shall be later, and the Vendor shall have no obligation in that regard whatsoever. If the Vendor is required by the developer or any governmental authority to replace any laid sod as a result of the Purchaser's default under this Section, the Purchaser shall promptly pay the Vendor for same and the Vendor shall not be obliged to do so until payment has been made therefore in full to the Vendor by the Purchaser.

31. The Vendor hereby notifies the Purchaser and the Purchaser acknowledges that the developer has agreed to provide and pay for paved roads, sidewalks, curbs, street lighting, sanitary and storm sewers, street signs and other services as required by the Subdivision Agreements and that such is the responsibility of the developer and not the Vendor. In the event that title to the Real Property is transferred directly from the developer or another party (the **"Party"**) rather than the Vendor, the Purchaser covenants and agrees to execute and deliver on the Closing Date an acknowledgement and release in a form satisfactory to the Vendor and/or developer and/or the Party releasing the developer or the Party, as the case may be, from any and all matters in respect of the within transaction and acknowledging that the developer or the Party, as the case may be, has no liability, obligation or responsibility to the Purchaser.

32. The Purchaser agrees that until all lots or blocks in the Development are sold, the Vendor shall have the exclusive right to maintain model homes, signs, sales staff and marketing material(s) in the Development and to show prospective Purchasers through the Development and through any unsold homes and the Purchaser agrees not to display any sign on the Real Property offering the Real Property for sale or rent until after the Closing Date. In the event that the Purchaser displays any such sign on the Real Property, the Vendor shall have the absolute right to enter on the Real Property and remove such sign without such act being a trespass.

33. The Purchaser agrees that in the event that there is any water leakage into the basement or any other damage of any kind or nature whatsoever which the Vendor shall be required at law or by Tarion to repair, the Vendor shall not be liable for any consequential damage caused by the water or otherwise nor for any damage to any improvements, fixtures, furnishings or personal property of the Purchaser, but shall be responsible only for the repair of such damage or leakage in accordance with the terms hereof. Further, the Purchaser waives his right to any claim against the Vendor for damage to the Dwelling due to shrinkage, warpage, twisting or settlement or any secondary or consequential damage resulting therefrom. Further, the Vendor shall not be liable for any secondary or consequential damages whatsoever which may result from any defect in materials, design or workmanship related to the Dwelling. The Purchaser further acknowledges that the Vendor is not responsible for the repair of any exterior work resulting from settlement, including driveways, walkways, patio stones or sodded areas or for any damage to interior household improvements or decor caused by material shrinkage, twisting or warpage. The Purchaser agrees that this Section may be pleaded by the Vendor in estoppel of any claims by the Purchaser pursuant to this Section.

34. The Purchaser agrees that prior to the Closing Date he will not in any circumstances enter onto the Real Property without the express written authority of the Vendor and accompanied by a representative of the Vendor and any entry other than as aforesaid shall be deemed to be a trespass and the Vendor shall be entitled to exercise any rights that it may have pursuant to this Agreement or at law as a result of same. In addition, the Purchaser agrees that he will not in any circumstances, either personally or by his agent, servant or authorized representative, perform or have performed any work of any nature or kind whatsoever on the Dwelling or the Real Property prior to the conveyance of the Real Property to the Purchaser and in the event of a breach of this covenant, the Vendor shall be entitled, at its sole option, to deem such breach as an event of default by the Purchaser under this Agreement or to take whatever steps are necessary to remove, correct or remedy any such work, and in such event, at the Vendor's sole option, the costs and expenses thereof plus a fifteen percent (15%) administration fee shall be paid to the Vendor by the Purchaser forthwith upon demand by the Vendor or added to the Purchase Price as an adjustment on the Closing Date. In the event the Vendor completes the sale of the Real Property to the Purchaser all warranties related to any items and/or matters the Purchase affected by his actions shall be voided.

35. The Purchaser acknowledges that due to the nature and extent of construction work which will be required to be undertaken by the Vendor on the Real Property in connection with the excavation, erection, and construction of the Dwelling, one or more trees may be removed from the Real Property and others may or will suffer damage or destruction both before and after Closing, as a result of the removal, interference or the destruction of roots, contact with the trunk by equipment or machinery or otherwise. The Purchaser hereby acknowledges, covenants, and agrees that the Vendor shall not be responsible or liable in any manner, whatsoever, for any loss or destruction to trees or for any loss or destruction to the property of the Purchaser howsoever caused nor shall the Vendor be responsible or liable for the removal of any trees or parts thereof, from the Real Property, at any time, whatsoever. It is understood and agreed that the Vendor has made no representation, warranty, guarantee, collateral agreement or condition whatsoever, regarding the preservation, removal, condition or health of trees on the Real Property.

36. The Purchaser agrees that he will not, for a period of at least two (2) years from the Closing Date, plant any trees, shrubs, vines, hedges or other such landscaping on the Real Property that will interfere with, alter or change the grading or obstruct the drainage of the Real Property or surrounding lots or lands without the express written consent of the Vendor which consent may be unreasonably or arbitrarily withheld. The Vendor shall have the right during such period to enter on the Real Property, without notice to the Purchaser, and to remove, without any liability, whatsoever, any such trees, shrubs, vines, hedges or other landscaping planted on the Real Property in contravention of this Section without such act being a trespass.

37. The Purchaser covenants and agrees to provide all requisite information and materials including proof respecting income and source of funds as the Vendor may require to determine the Purchaser's credit worthiness. The Purchaser acknowledges that it may be necessary for the Vendor to obtain credit or other information in order to satisfy itself as to the Purchaser's credit worthiness and authorizes the

Vendor and the Vendor's designated or proposed construction lender(s) from time to time to obtain any consumer reports or other information it may require and any consumer reporting agency or credit bureau is hereby authorized to release such information as the Vendor may request.

NON-REGISTRATION AND NO ASSIGNMENT AND NO OBJECTION

38. The Purchaser covenants and agrees that he will at no time register or attempt to register this Agreement on title to the Real Property by way of caution, deposit, assignment or in any way whatsoever, and it is expressly agreed by all parties hereto that any such registration or attempt by the Purchaser or anyone acting for or through him shall constitute an event of default under this Agreement. In the event that this Agreement, a caution, a deposit, an assignment or any other instrument whatsoever is registered against or dealing with the title in contravention of this provision, then the Purchaser hereby appoints the Vendor his true and lawful attorney and/or agent for the purposes of removing the instrument from title, including the giving of any discharge, lifting or release of any caution, deposit or the assignment of any rights pursuant to this Agreement. The Purchaser hereby irrevocably consents to a court order removing any such notice of this Agreement, caution, deposit or any other documents or instruments whatsoever from title to the Real Property. The Purchaser shall bear all costs incurred by the Vendor in the exercise of any of its rights pursuant to this provision. The Purchaser acknowledges that notwithstanding any rule of law to the contrary that by executing this Agreement he has not acquired any equitable or legal interest in the Dwelling or the Real Property.

39. The Purchaser covenants and agrees that he will in no way, directly or indirectly, list for sale or lease, advertise for sale or lease, rent, convey, transfer, sell or lease, nor in any way assign his interest under this Agreement or the Purchaser's rights and interests hereunder or in the Real Property, nor directly or indirectly permit any third party to list or advertise the Real Property for sale or lease at any time prior to the Closing Date without the prior written consent of the Vendor which consent may be unreasonably or arbitrarily withheld. The Purchaser acknowledges and agrees that once a breach of the preceding covenant and agreement occurs such breach shall be a default hereunder and, at the Vendor's sole option, be deemed incapable of rectification and accordingly the Purchaser acknowledges and agrees that in the event of such breach the Vendor shall have the unilateral right and option of taking whatever steps are available to the Vendor in the event of the Purchaser's default. The Purchaser shall be entitled to direct that title to the Poll be taken in the name of his or her spouse, or a member of his or her immediate family only (being limited to parents, siblings or children over the age of eighteen (18) years), and shall not be permitted to direct title to any other third parties without the prior written consent of the Vendor, which consent may be unreasonably or arbitrarily withheld.

40. The Purchaser covenants and agrees that he shall not directly nor indirectly object to nor oppose any official plan amendment(s), rezoning application(s), severance application(s), minor variance application(s) and/or site plan application(s), nor any other applications ancillary thereto relating to the development of the Real Property, or any neighboring or adjacent lands. The Purchaser further acknowledges and agrees that this covenant may be pleaded as an estoppel or bar to any opposition or objection raised by the Purchaser thereto.

ELECTRONIC REGISTRATION AND TENDER

41. The parties waive personal tender and agree that tender in the absence of any other mutually acceptable arrangement and subject to the provisions of this Agreement shall be validly made by the Vendor upon the Purchaser by a representative of the Vendor (which shall include the Vendor's solicitor) attending or being available at the offices of the Vendor's solicitors at 3:30 p.m. on the Closing Date and remain there until 4:30 p.m. of the same date and being ready, willing and able to complete the subject transaction. In the event the Purchaser or his solicitor fails to appear or appears and fails to close the subject transaction such attendance by the Vendor's representative shall be deemed satisfactory evidence that the Vendor was ready, willing and able to complete the sale at such time. Payment shall be tendered by wired funds.

42. Notwithstanding anything contained herein to the contrary, in the event the Purchaser or his Solicitor advise the Vendor or its Solicitors, on or before the Closing Date that the Purchaser is unable or unwilling to complete the purchase, the Vendor is relieved of any obligation to make any formal tender upon the Purchaser or his Solicitor and may exercise forthwith any and all of its right and remedies provided for in this Agreement and at law.

43. Given that the electronic registration system (the **"Teraview Electronic Registration System"** or **"TERS"**) is operative in the applicable Land Titles Office in which the Real Property is registered, the following provisions shall prevail:

(a) the Purchaser shall be obliged to retain a solicitor, who is both an authorized TERS user and in good standing with the Law Society of Upper Canada, to represent the Purchaser in connection with the completion of this transaction. The Purchaser shall authorize such solicitor to, at the option of the Vendor's solicitor, either execute an escrow closing agreement with the Vendor's solicitor on the standard form recommended by the Law Society of Ontario (the **"Document Registration Agreement"**) establishing the procedures and timing for completing this transaction or to otherwise agree to be bound by the procedures set forth in the Document Registration Agreement. If the Vendor's solicitor provides written notice to the Purchaser's solicitor that it accepts and agrees to be bound by the terms of the form of Document Registration Agreement prepared by the Law Society of Ontario and adopted by the Joint LSO – CBAO Committee on Electronic Registration of Title Documents, as may be amended from time to time, the Vendor's solicitor and the Purchaser's solicitor shall be deemed to have executed such form which shall be the Document Registration Agreement defined in this paragraph and referred to in this Agreement;

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

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

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

(c) the Purchaser expressly acknowledges and agrees that he will not be entitled to receive the transfer/deed of land to the Real Property for registration until the balance of funds due on the Closing Date, in accordance with the statement of adjustments, are either remitted by wired funds or by electronic funds transfer to the Vendor's solicitor (or in such other manner as the latter may direct) prior to the release of the transfer/deed of land for registration;

(d) each of the parties agrees that the delivery of any documents not intended for registration on title to the Real Property may be delivered to the other party hereto by telefax transmission (or by a similar system reproducing the original) or by electronic transmission of electronically signed documents through the Internet provided that all documents so transmitted have been duly and properly executed by the appropriate parties/signatories thereto which may be by electronic signature. The party transmitting any such document shall also deliver the original of same [unless the document is an electronically signed

document pursuant to the *Electronic Commerce Act of Ontario*, as may be amended] to the recipient party by overnight courier sent the day after Closing, if same has been so requested by the recipient party; and

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

(i) delivered all closing documents to the Purchaser's solicitor in accordance with the provisions of the Document Registration Agreement and keys are also delivered to the Purchaser's solicitor or made available for the Purchaser to pick up at the Vendor's sales office, customer service office or construction site office;

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

(iii) has completed all steps required by TERS in order to complete this transaction that can be performed or undertaken by the Vendor's solicitor without the cooperation or participation of the Purchaser's solicitor and specifically, when the Transfer of the Real Property is created on the TERS system and messaged to the Purchaser's solicitor under the TERS system;

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

DEFAULT AND REMEDIES

44. (a) The Purchaser shall be deemed to be in default under this Agreement in each and every one of the following events, namely:

(i) upon the non-payment of all or any portion of the Purchase Price, or any other amount due hereunder;

(ii) upon a breach of, or failure in the performance or observance of any covenant, term, agreement, restriction, stipulation or provision of this Agreement to be performed and/or observed by the Purchaser; and

(iii) upon any lien, execution or encumbrance arising from any action or default whatsoever of the Purchaser being charged against or affecting the Real Property.

(b) A certificate of the Vendor or an officer of the Vendor that default has been made and the date of default and that notice, if required, of such default has been given to the Purchaser, shall be conclusive evidence of the facts therein stated. If such default continues for five (5) days after written notice thereof has been given to the Purchaser or the Purchaser's solicitor by the Vendor or its solicitors (other than any default by the Purchaser on the Closing Date, for which no notice or period to remedy shall be given or required), then in addition to any other rights or remedies which the Vendor may have, the Vendor, at its option, shall have the rights and remedies as set out below.

(c) In the event of a default by the Purchaser, then, in addition to any other rights or remedies which the Vendor may have, the Vendor, at its sole option, shall have the right to terminate this Agreement and preserve any rights the Vendor may have against the Purchaser and in such event, all monies paid hereunder (including the deposit monies paid or agreed to be paid by the Purchaser pursuant to this Agreement which sums shall be accelerated on demand of the Vendor), together with any interest earned thereon and monies paid or payable for extras or upgrades or changes ordered by the Purchaser, whether or not installed in the Dwelling, shall be forfeited to the Vendor. The Purchaser agrees that the forfeiture of the aforesaid monies shall not be a penalty and it shall not be necessary for the Vendor to prove it suffered any damages in order for the Vendor to be able to retain the aforesaid monies. The Vendor shall in such event still be entitled to claim damages from the Purchaser in addition to any monies forfeited to the Vendor. In the event the Vendor's solicitors are holding any of the deposit monies in trust pursuant to this Agreement, then in the event of a default, the Vendor's solicitors shall pay to the Vendor the said deposit monies together with any interest accrued thereon, provided the Vendor has delivered to its solicitors a certificate of the Vendor or an officer of the Vendor, certifying that the Purchaser has committed a default pursuant to this Agreement that has not been remedied and that the Vendor has terminated this Agreement and that the Vendor is therefore entitled to the said deposit monies and accrued interest, if any. Thereupon the Purchaser hereby releases the Vendor's solicitors from any obligation to hold the said deposit monies, if any, and interest, if any, in trust, and shall not make any claim whatsoever against the said solicitors and the Purchaser hereby irrevocably authorizes and directs the said solicitors to deliver the said deposit monies, if any, and accrued interest, if any, to the Vendor.

(d) It is understood and agreed that the rights contained in this Section on the part of the Vendor are in addition to any other rights (whether of a more onerous nature or not) which the Vendor may have at law, in equity or under any other provisions of this Agreement, and the Vendor expressly has the right to exercise all or any one or more of the rights contained in this Agreement, or at law or in equity, without exercising at such time, the remainder of such right or rights and without prejudice to the subsequent right of the Vendor to exercise any remaining right or rights at law, in equity or in this Agreement. In the event the Purchaser fails to make payment of any amount as and when required pursuant to the terms of this Agreement, the payment amount shall bear interest at a rate equal to eight per cent (8%) above the prime rate of the Vendor's bank, calculated from the due date to the date of payment. Prime rate for any day means the prime lending rate of interest expressed as a rate per annum (computed on a year of 365 days) which the Vendor's bank establishes from time to time as the reference rate of interest in order to determine interest rates it will charge for demand loans made in Canada in Canadian dollars as the same is in effect from time to time. In the event of any other default under this Agreement by the Purchaser the Vendor shall have the right, at its sole option, but not the obligation, to take whatever steps are necessary to correct and/or remedy such default and the Purchaser shall pay forthwith to the Vendor upon demand the costs and expenses of the Vendor in doing so plus a fifteen percent (15%) administration fee. In the event the Purchaser fails to pay any of the foregoing amounts to the Vendor after demand the Vendor shall have the right, at its option, to add any of such outstanding amounts to the Purchase Price as an adjustment on the Closing Date. In addition, in the event that the Purchaser delays the Closing Date, the Vendor shall have the right to charge Two Hundred Dollars ($200.00) plus HST per day as liquidated damages for each day of the delay, plus a legal/administrative fee of Five Hundred Dollars ($500.00) plus HST per delay towards the administration of a delayed occupancy or closing, as applicable, and to amend and/or create documentation.

45. The Purchaser covenants and agrees to pay to the Vendor all amounts to correct and remedy all damage caused by the Purchaser or those for whom he is in law responsible to any services installed within the Development, which services shall, without limitation, include survey stakes, landscaping, trees, curbs, curb cuts, streets, roads, sidewalks, street signs, street lighting, sanitary and storm sewers and any underground services installed by or on behalf of any public or private utilities. The amounts so paid by the Vendor shall form and constitute a Vendor's lien against the Real Property which Vendor's lien may be enforced in the same manner as a mortgage/charge thereon.

46. The Purchaser hereby agrees to indemnify and save harmless the Vendor, its servants and agents, successors and assigns, from all actions, causes of action, claims and demands whatsoever for, upon or by reason of any damage, loss or injury to a person or property of the Purchaser or any of his friends, relatives, workmen, agents or anyone else for whom at law the Purchaser is responsible who have entered on the Real Property or any part of the Development whether with or without the authorization, express or implied, of the Vendor.

47. No waiver by the Vendor of any breach of covenant or default in the performance of any obligation hereunder or any failure by the Vendor to enforce its rights herein shall constitute any further waiver of the Vendor's rights herein, it being the express intent of the parties that

any waiver or forbearance in enforcing its rights by the Vendor shall apply solely to that particular breach or failure.

48. Notwithstanding anything contained in this Agreement it is understood and agreed by the parties hereto that in the event that construction of the Dwelling is not completed on or before the Closing Date for any reason or in the event the Vendor cannot complete the subject transaction on the Closing Date, other than as a result of the Purchaser's default, the Vendor shall not be responsible or liable to the Purchaser in any way for any damages or costs whatsoever including without limitation loss of bargain, relocation costs, loss of income, professional fees and disbursements and any amount paid to third parties on account of decoration, construction or fixturing costs other than those costs set out in the Tarion Addendum.

CAUSE OF ACTION/VENDOR ASSIGNMENT

49. (a) The Purchaser acknowledges and agrees that notwithstanding any rights which he might otherwise have at law or in equity arising out of this Agreement, the Purchaser shall not assert any of such rights, nor have any claim or cause of action whatsoever as a result of any matter or thing arising under or in connection with this Agreement (whether based or founded in contract law, tort law or in equity, and whether for innocent misrepresentation, negligent misrepresentation, breach of contract, breach of fiduciary duty, breach of constructive trust or otherwise), against any person, firm, corporation or other legal entity, other than the person, firm, corporation or legal entity specifically named or defined as the Vendor herein, even though the Vendor may be (or may ultimately be found or adjudged to be) a nominee or agent of another person, firm, corporation or other legal entity, or a trustee for and on behalf of another person, firm, corporation or other legal entity, and this acknowledgment and agreement may be pleaded as an estoppel and bar against the Purchaser in any action, suit, application or proceeding brought by or on behalf of the Purchaser to assert any of such rights, claims or causes of action against any such third parties.

(b) At any time prior to the Closing Date, the Vendor shall be permitted to assign this Agreement (and its rights, benefits and interests hereunder) to any person, firm, partnership or corporation and upon any such assignee assuming all obligations under this Agreement and notifying the Purchaser or the Purchaser's solicitor of such assignment, the Vendor named herein shall be automatically released from all obligations and liabilities to the Purchaser arising from this Agreement, and said assignee shall be deemed for all purposes to be the Vendor herein as if it had been an original party to this Agreement, in the place and instead of the Vendor.

NOTICE

50. Any notice required to be delivered under the provisions of the Tarion Addendum shall be delivered in the manner required therein.

51. Any other 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, facsimile transmission or electronic mail to the attention of the Purchaser or the Purchaser's solicitor to their respective addresses set out in this Agreement and to the Vendor or the Vendor's solicitors to their respective addresses set out in this Agreement or in all cases 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, facsimile transmission or electronic mail and upon the third day following posting excluding Saturdays, Sundays and statutory holidays. In the event of a mail stoppage or slow down, all notices shall be delivered, sent by facsimile transmission or sent by electronic mail. This Agreement or any amendments or addendum thereto may, at the Vendor's option, be properly delivered, if delivered by facsimile transmission or if a copy of same is computer scanned and forwarded by electronic mail to the other party.

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

52. The Purchaser hereby consents to the Vendor's collection, use and disclosure of the Purchaser's personal information for the purpose of enabling the Vendor to proceed with the Purchaser's purchase of the Real Property, completion of this transaction, and for post-closing and after-sales customer care purposes. Such personal information includes the Purchaser's name, home address, e-mail address, telefax/telephone number, age, date of birth, marital status, residency status, social insurance number (only with respect to subparagraph (b) below), financial information, desired Dwelling design(s) and colour/finish selections. In particular but without limiting the foregoing, the Vendor may disclose such personal information to:

(a) any relevant governmental authorities or agencies, including without limitation, the Land Titles Office (in which the Real Property is registered), the Ministry of Finance for the Province of Ontario (i.e. with respect to Land Transfer Tax), and the CRA (i.e. with respect to HST);

(b) the CRA, to whose attention the T-5 interest income tax information return and/or the NR4 non-resident withholding tax information return is submitted (where applicable), which will contain or refer to the Purchaser's social insurance number or business registration number (as the case may be), as required by Regulation 201(1)(b)(ii) of the *Income Tax Act (Canada)*, as may be amended;

(c) any companies or legal entities that are associated with, related to or affiliated with the Vendor (or with the Vendor's parent/holding company, if applicable) and are developing one or more other developments, projects or communities that may be of to the Purchaser or members of the Purchaser's family, for the limited purposes of marketing, advertising and/or selling various products and/or services to the Purchaser and/or members of the Purchaser's family;

(d) any financial institution(s) providing (or wishing to provide) mortgage financing, banking and/or other financial or related services to the Purchaser and/or members of the Purchaser's family with respect to the Real Property, including without limitation, the Vendor's construction lender(s), the person and/or firm monitoring the project of which the Real Property forms a part (the **"Project"**) and its costs, the Vendor's designated construction lender(s), Tarion and/or any warranty bond provider and/or deposit insurer, required in connection with the development and/or construction financing of the Project and/or the Real Property and/or the financing of the Purchaser's acquisition of the Property from the Vendor;

(e) any insurance companies of the Vendor providing (or wishing to provide) insurance coverage with respect to the Project and/or the Real Property (or any portion thereof) and any title insurance companies providing (or wishing to provide) title insurance to the Purchaser or the Purchaser's mortgage lender(s) in connection with the completion of this transaction;

(f) any trades/suppliers or sub-trades/suppliers, who have been retained by or on behalf of the Vendor (or who are otherwise dealing with the Vendor) to facilitate the completion and finishing of the Dwelling and the Real Property and the installation of any extras or upgrades ordered or requested by the Purchaser;

(g) one or more providers of cable television, telephone, telecommunication, security alarm systems, hydro-electricity, water/chilled water/hot water, gas, furnace and/or other similar or related services to the Real Property (or any portion thereof) (collectively, the **"Utilities"**) unless the Purchaser gives the Vendor prior notice in writing not to disclose the Purchaser's personal information to one or more of the Utilities;

(h) one or more third party data processing companies which handle or process marketing campaigns on behalf of the Vendor or other companies that are associated with, related to or affiliated with the Vendor, and who may send (by e-mail or other means) promotional literature/brochures about new developments, projects or communities and/or related services to the Purchaser and/or members of the Purchaser's family unless the Purchaser gives the Vendor prior notice in writing not to disclose the Purchaser's personal information to one or more of the aforementioned third party data processing companies;

(i) the Vendor's solicitors, to facilitate the closing of this transaction, including the closing by electronic means via the TERS, and which may (in turn) involve the disclosure of such personal information to an internet application service provider for distribution

of documentation; and

(j) any person, where the Purchaser further consents to such disclosure or disclosures required by law.

Any questions or concerns of the Purchaser with respect to the collection, use or disclosure of his personal information may be delivered to the Vendor at the address set out in the Tarion Addendum to the attention of the Privacy Officer.

KEYS

53. The Purchaser agrees that keys may be released to the Purchaser at the Vendor's sales office, customer service office or construction site office upon completion of this transaction, unless otherwise determined by the Vendor. The Vendor's or its solicitors' advice that keys are available for release to the Purchaser constitutes a valid delivery of keys to the Purchaser.

ONE-TIME UNILATERAL RIGHT TO EXTEND CLOSING

54. The Vendor shall have a one-time unilateral right to extend the Closing Date for one (1) Business Day (as defined in the Tarion Addendum) to avoid the necessity of tender where the Purchaser is not ready to close on the Closing Date and delayed closing compensation will not be payable for such period.

CONSTRUCTION ACT

55. The Purchaser covenants and agrees that he is a "home Purchaser" within the meaning of the *Construction Act* of Ontario, as may be amended, and will not claim any lien holdback on the Closing Date.

GENERAL

56. This offer, when accepted, shall constitute a binding agreement of purchase and sale. Time shall in all respects be of the essence of this Agreement. All of the Purchaser's and Vendor's covenants and obligations contained in this Agreement shall survive Closing of this transaction. It is agreed that there is no representation, warranty, guarantee, collateral agreement or condition affecting this Agreement or the Dwelling or the Real Property, except as set forth herein in writing, and this Agreement shall not be amended except in writing. The Purchaser releases and absolves the Vendor of any obligation to perform or comply with any promises or representations as may have been made by any sales representative or in any sales or marketing material(s), unless the same has been reduced to writing herein.

57. This offer and acceptance is to be read with all changes (including gender and number) required by the context, and shall be construed in accordance with the laws of the Province of Ontario.

58. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.

59. The parties agree that the signatures and/or initials on this Agreement or its acceptance, rejection or modification can be transmitted by fax transmission or, at the Vendor's option, by email (wherein a copy is scanned and forwarded by email to the other party) and that communication by such means will be legal and binding on all parties hereto.

60. In the event there are any matters provided for in this Agreement which are or may be the Vendor's responsibility pursuant to a municipal, regional or other governmental authority requirement and which the Municipality and/or Region and/or any other governmental authority no longer requires the Vendor to perform, complete, construct or install then such matter(s) shall be deleted from this Agreement and the Vendor shall have no responsibility or obligation in respect thereof.

61. The Purchaser agrees to comply with the terms of any direction regarding funds provided by the Vendor or its solicitors in respect of the balance due on the Closing and to deliver on the Closing wired funds for the balance due on Closing as directed by the Vendor or its solicitors.

62. The headings of this Agreement form no part hereof and are inserted for convenience of reference only.

63. If any provision of this Agreement or the application to any circumstances shall be held to be invalid or unenforceable, then the remaining provisions of this Agreement or the application thereof to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

64. The Purchaser and the Vendor acknowledge that this Agreement shall be deemed to be a contract under seal.

65. The Purchaser agrees as follows:

(a) if any documents 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 must be registered in the Land Titles Office where the Real Property is registered, and a notarial copy thereof (together with a statutory declaration sworn by the Purchaser's solicitor unequivocally confirming, without any qualification whatsoever, that the said power of attorney has not been revoked) shall be delivered to the Vendor and the Vendor's solicitors along with such documents; and

(b) where the Purchaser is a corporation, or where the Purchaser is buying in trust for another person or corporation for a disclosed or undisclosed beneficiary or principal (including, without limitation, a corporation to be incorporated), the execution of this Agreement by the principal or principals of such corporation, or by the person named as the Purchaser in trust as the case may be, shall be deemed and construed to constitute the personal indemnity of such person or persons so signing with respect to the obligations of the Purchaser herein and shall be fully liable to the Vendor for the Purchaser's obligations under this Agreement and the Purchaser may not plead such agency, trust relationship or any other relationships as a defence to such liability.

ADDITIONAL PROVISIONS

66. Any trees, fencing, retaining walls or noise barriers or other items of a similar nature erected by the Vendor or the Municipality on the Real Property shall be maintained by the owner of the Real Property, without any modification or alteration whatsoever and in good order and tidy appearance and any landscaping provided by the Vendor in connection therewith shall be maintained by the Purchaser in good order and condition.

67. In the event that a sump pump is installed for purposes of draining the weeping tiles of a dwelling, the Purchaser acknowledges and agrees that the repair and maintenance of such sump pump (and related components) will be the sole responsibility of such Potl owner.

SCHEDULE "B"

ADDITIONAL INFORMATION

EACH NEW HOME IS PROTECTED BY FOUR LEVELS OF GUARANTEES

- One Year Tarion Warranty coverage guarantees that home is constructed in a workman-like manner and free from defects in material.*
- Two Year Tarion Warranty coverage on electrical, plumbing, heat delivery & distribution system.*
- Seven Year Tarion Warranty coverage on major structural components of your new Home.*
- The individual guarantees provided by the quality brand-name suppliers of the many components that go into new home. We carefully select component suppliers for roofing, hardware, electrical components, heating, cooling and mechanical systems, plumbing and other key elements and the warranties provided by these reputable brand name suppliers are all passed on to the Purchaser.

* See the Tarion Warranty Corporation website (Formerly the Ontario new Home Warranty program) for full warranty details.

** Variations from Builder's samples may occur in materials and finishes due to normal production processes. We reserve the right to substitute materials of equal or better quality without notice subject to availability at time of construction. E & O. E.

OPTIONAL UPGRADES AND CUSTOMIZING

- Lerrato Inc. offers a wide selection of upgrades to suit your special needs wherever possible. Please speak with the sales representative to discuss customizing your home.

Available upgrades will be quoted by the builder at the time of purchase. These upgrades may include the following features:

1- ½ HP garage door opener including the remote control and exterior keypad
2- AC unit
3- Water hose bib to front of the dwelling
4- Hardwood flooring in the bedrooms
5- Choice of carpet or laminate in the basement
6- Granite counter tops
7- Porcelain or marble tiles for the bathrooms and kitchen area
8- Wrought Iron railing
9- LED potlights

ORAL REPRESENTATIONS DO NOT FORM A PART OF NOR CAN THEY AMEND THIS AGREEMENT.

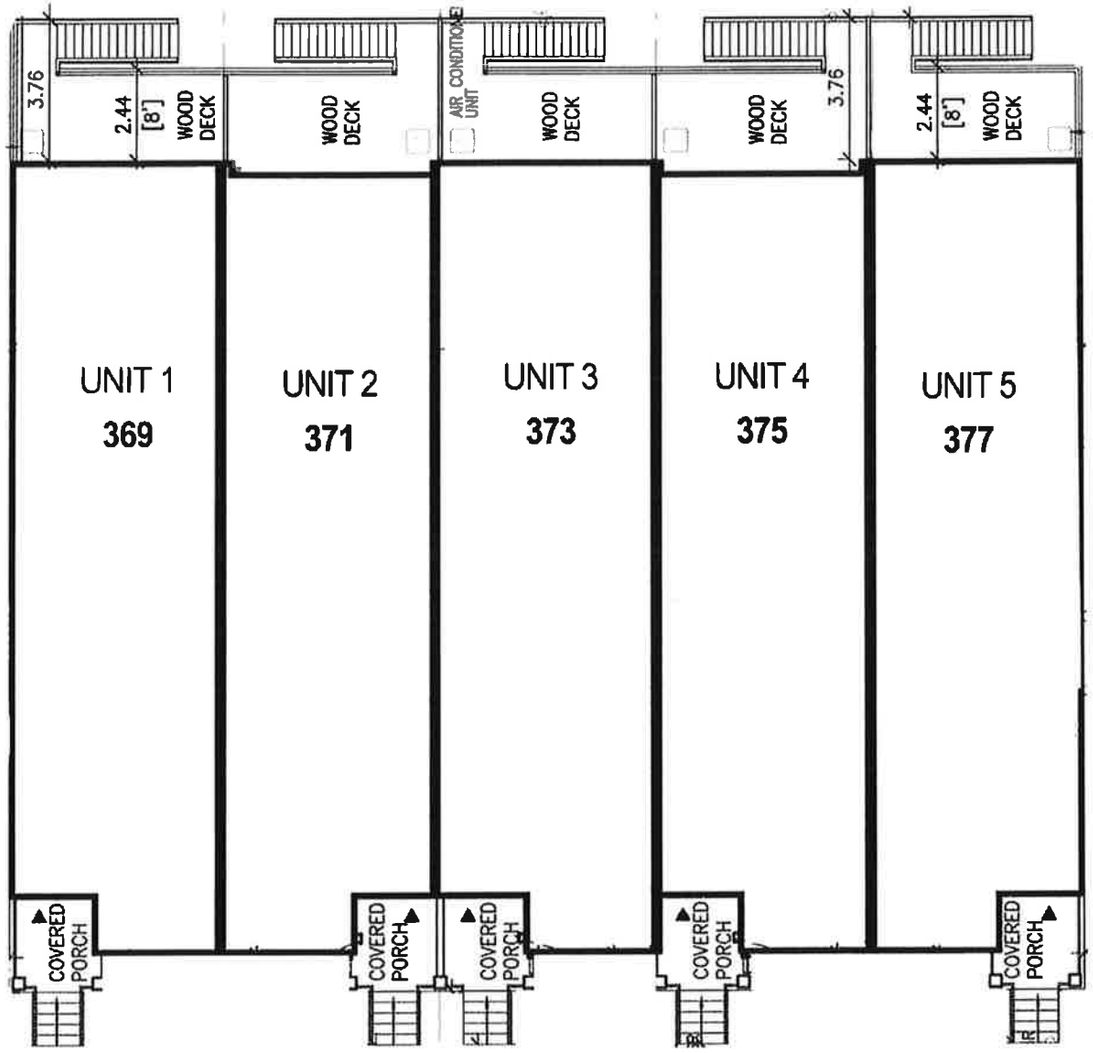
N.B. Subject to the Agreement of which this Schedule forms part, the Vendor shall have the right to substitute other products and materials provided that the substituted products and materials are of a quality equal to, or better than, the products and materials so listed or so provided.

1. Marble and wood are subject to natural variations in colour and grain. Ceramic tile and broadloom are subject to pattern, shade and colour variations.
2. The Purchaser acknowledges that there shall be no reduction in the price or credit for any standard feature which is omitted at the Purchaser's request.
3. All dimensions, if any, are approximate.
4. All specifications, dimensions and materials are subject to change without notice.
5. Pursuant to this Agreement or this Schedule or pursuant to a supplementary agreement or purchase order the Purchaser may have requested the Vendor to construct an additional feature within the Dwelling which is in the nature of an optional extra (such as, by way of example only, a fireplace); if, as a result of building, construction or site conditions within the Dwelling or the Building, the Vendor is not able to construct such extra, then the Vendor may, by written notice to the Purchaser, terminate the Vendor's obligation to construct the extra. In such event, the Vendor shall refund to the Purchaser the monies, if any, paid by the Purchaser to the Vendor in respect of such extra, without interest and in all other respects this Agreement shall continue in full force and effect.
6. Brand name appliances that are not readily available at the time of purchase by the Vendor may be substituted at the Vendor's sole and absolute discretion, provided that such appliances are of equal quality to or better than the appliances set out herein.

E&OE.

SCHEDULE "D"

SITE PLAN



Note: Actual usable floor space may vary from the stated floor area

PORTE ROAD

(FORMERLY PICKERING BEACH ROAD, RENAMED BY -LAW No. 109-2002 AS IN DR207525)

(ROAD ALLOWANCE BETWEEN LOTS 6 AND 7)

PIN 26454-0001(LT)

150

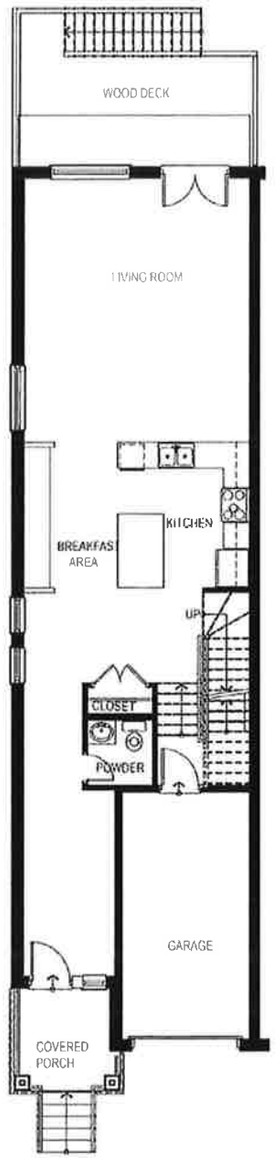
369 Porte Rd

151

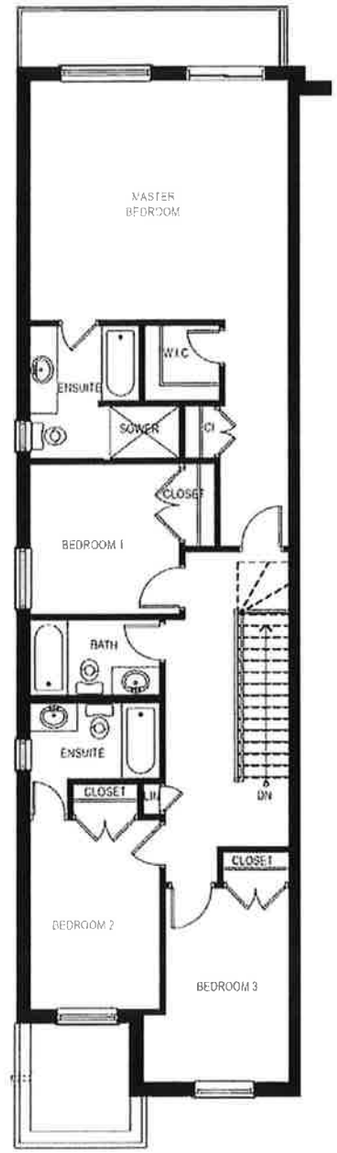
SCHEDULE "D"
FLOOR PLAN



BASEMENT



FIRST FLOOR



SECOND FLOOR

Note: Actual usable floor space may vary from the stated floor area

SCHEDULE "E"

WARNING CLAUSES AND NOTICE PROVISIONS

1. The Purchaser acknowledges that it is anticipated by the Vendor that in connection with the Vendor's application to the appropriate governmental authorities for site plan approval certain requirements may be imposed upon the Vendor by various governmental authorities. These requirements (the "**Requirements**") usually relate to warning provisions to be given to Purchasers in connection with environmental or other concerns (such as warnings relating to noise levels, the proximity of the buildings to major streets and similar matters). Accordingly, the Purchaser covenants and agrees that: (1) on the Closing Date, the Purchaser shall execute any and all documents required by the Vendor acknowledging, inter alia, that the Purchaser is aware of the Requirements.

2. The Purchaser specifically acknowledges and agrees that the Development will be developed in accordance with any requirements that may be imposed, from time to time, by any of the governmental authorities. The Purchaser further acknowledges that the proximity of the Development to major arterial roads as well as to public transit services and buses, may result in noise and/or vibration transmissions to the Real Property, and may cause noise exposure levels affecting the Real Property to exceed the noise criteria established by the governmental authorities, and that despite the inclusion of noise control features, noise levels from the aforementioned sources may continue to be of concern, occasionally interfering with some activities of the residential dwelling occupants. The Purchaser nevertheless agrees to complete this transaction in accordance with the terms hereof, notwithstanding the existence of such potential noise concerns, and the Purchaser further acknowledges and agrees that a noise-warning clause similar to the preceding sentence (subject to amendment by any wording or text recommended by the Vendor's noise consultants or by any of the governmental authorities) may be registered on title to the Potl on the Closing Date, if, in fact, same is required by any of the governmental authorities.

3. The Purchaser is advised that the Vendor's marketing material and site drawings and renderings ("**Marketing Material**") which they may have reviewed prior to the execution of this Agreement remains conceptual and that final building plans are subject to the final review and approval of any applicable governmental authority and the Vendor's design consultants and engineers, and accordingly such Marketing Material does not form part of this Agreement or the Vendor's obligations hereunder.

4. The hot water heater/tank within the Dwelling may be rented/leased and the Purchaser agrees on or before the Closing Date to enter into a lease agreement with such company selected by the Vendor for the lease of same, to execute such documents and other assurances as are required to give effect to same and to be responsible for the costs related thereto.

5. The Purchaser is advised that despite the inclusion of noise control features in this development area and within dwellings, noise levels from increasing road traffic may continue to be of concern occasionally interfering with some activities of the dwelling occupants, as the noise exposure level may exceed the noise criteria of the Municipality and the Ministry of the Environment.

6. The Purchaser is specifically advised that the Dwelling will be fitted with ducting sized to accommodate a central air conditioning unit. The installation of central air conditioning by the homeowner will allow windows and exterior doors to be kept closed, thereby achieving indoor sound levels within the limits recommended by the Ministry of Environment. (Note: care should be taken to ensure that the condenser unit is located in an area that is not sensitive to noise. The sound rating of central air conditioning units must not exceed the sound emission standards established by the Ministry of Environment).

7. The Purchaser is advised that noise, traffic, light and/or odour levels from nearby office, commercial and/or retail businesses, as well as fire hall, schools and hospital, may be of concern and occasionally interfere with some activities of the Dwelling occupants. The Purchaser is advised that sound levels may exceed the Municipality's and the Ministry of Environment's noise criteria.

SCHEDULE "F"

FEATURES LIST

CUSTOM QUALITY CONSTRUCTION AND EXTERIOR:

1. Brick, stone, and stucco exterior.
2. Comes with 1 garage parking with roll up garage door with window giving natural light inside.
3. Energy conserving insulation.
4. Exterior walls and ceiling to meet or surpass the Ontario Building Code requirements.
5. Poured concrete walls treated and wrapped to ensure waterproof structure.
6. Fully graded lots as per municipal grade plan.

SPECTACULAR INTERIOR FEATURES:

1. Architectural finishes include modern, flat profile 4" baseboards with matching casings.
2. Series Classique door throughout including all closet doors with quality hardware from vendor's standard samples.
3. Latex paint on walls and semi-gloss white on doors and trim as per vendor's standard samples.
4. Full back fence included.
5. High efficiency hot water tank rental unit installed.

EXTERIOR FINISHES:

1. Low maintenance aluminum soffits, fascia, eavestroughs, and downspouts, as per elevation.
2. Self-sealing 25-year manufacturer's limited warranty roof shingles from Vendor's predetermined colour samples.
3. Drainage system which includes; damp proofing spray, drainage membrane and drain tile.
4. Poured concrete garage floor with reinforced grade beams.
5. Two exterior hose bibs (taps), one at rear elevation and one in garage.

INTERIOR KITCHEN FEATURES:

1. Flat – panel laminate cabinetry with modern finishes.
2. Custom soft – close drawers.
3. Double – basin under mount, stainless steel kitchen sink with single lever faucet.
4. Electrical outlets at counter level for small appliances.
5. Quartz countertop.

BATHROOM FEATURES:

1. Contemporary chrome single lever vanity faucet.
2. Hand – set tile flooring.
3. Mirrors in all bathrooms over vanity.
4. Energy efficient water-saving shower heads and dual flush toilets throughout.
5. Tub enclosures tiled to the ceiling height.
6. Exhaust fans provided in all bathrooms.
7. Dedicated G.F.I. outlet provided at pedestal or vanity counter level.
8. Privacy locks on all bathroom doors.

LAUNDRY FEATURES:

1. Hot and cold water supply provided with a separate drain for clothes washing appliance, as per plan.
2. Heavy – duty electrical outlet for clothes dryer and a dedicated (110 volt) electrical outlet for washer.
3. Exterior venting provided for clothes dryer.

INTERIOR TRIM FEATURES:

1. Classique interior doors as per plan.
2. Colonial style trim throughout from Vendor's included samples.
3. Elegant natural finished oak staircase, handrail, and pickets on all finished areas stairs.

BEDROOM FEATURES:

1. All bedrooms have ceiling lights with wall controls.
2. Master retreat with ensuite and walk-in closet.
3. Generous closets with space saving wire shelving.

FLOORING FEATURES:

1. Engineered hardwood floors throughout entries, kitchen and principal living areas and laminate flooring in basement and second floor.
2. Tongue & groove OSB Subflooring throughout. All sheathing joints to be sanded smooth and screwed down to floor joists.

PAINTING FEATURES:

1. Choice of one paint colour from Vendor's included samples for all interior walls.
2. All interior doors and trim to be painted white.

ELECTRIAL FEATURES:

1. 200-amp electrical service with copper wiring circuit breaker panel.
2. Rough-in for Cable TV in all Bedrooms and in the Living Room or Family Room (where applicable).
3. Doorbell included.
4. Quality carbon monoxide and smoke detectors as per Ontario Building Code (where applicable).
5. White switches and receptacles throughout.
6. Rough-in for the dishwasher.
7. Recessed light fixture in the Master ensuite shower stall (as per plan where applicable).
8. Water pressure balancing valves in all showers.

HEATING FEATURES:

1. High-efficiency forced-air gas furnace.
2. Ductwork sized for future air-conditioning.
3. High efficiency rental hot water heater.
4. Heat Recovery Ventilation Unit.

ROOFTOP FEATURES:

1. East-facing balcony with glass railing.
2. Flat roofing system & terrace.
3. Roof shingles with manufacturer's warranty.

HOME ENERGY SAVINGS AND COMFORT FEATURES:

1. 2" * 6' exterior wall with a minimum of R-22 insulation.
2. R-60 blown-in place arctic insulation.
3. R-31 batt insulation in non-attic / roof spaces.
4. R-20 basement wall wrap insulation to 6" above concrete slab.
5. R-31 foam insulation to all rooms above garages and exposed floor areas.
6. Vinyl Casement windows with Low-E coating and an Argon gas filled window Cavity.
7. Basement vinyl sliding windows with Low-E coating and an Argon gas filled window cavity.
8. All visibly exposed supply ducts in basement are taped to provide increased furnace efficiency and air flow throughout the home.
9. Programmable thermostat.
10. ERV or HRV – Energy Recovery Ventilator.

GENERAL:

1. Where the Purchaser is given a choice of materials or colours, the Purchaser agrees to confirm such choices to the vendor within14 days of being requested to do so, otherwise failing which the vendor will make such choices on behalf of the Purchaser and the Purchaser agrees to accept the same.
2. The Vendor reserves the right to substitute materials of equal or better quality and the purchaser agrees to accept the same.
3. The Purchaser acknowledges that it is at the Vendor's discretion door swings may be different than those indicated on brochures and agrees to accept swings as adjusted at the Vendor's discretion.
4. The number of steps at the front porch may vary from shown according to grading conditions and municipal requirements.
5. Variation in uniformity and colour from Vendor's sample may occur in the finished material (Purchaser agrees to accept the same).
6. Actual usable floor space and square footage may vary from the stated floor area.

All Bathroom counter tops to be installed in Quartz, Marble, or Granite from the Vendor samples.

Freehold Form
(May 23, 2024)

Property 369 Porte Road

Statement of Critical Dates

Delayed Closing Warranty

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

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

VENDOR LERRATO INC.
Full Name(s)

PURCHASER MUHAMMAD JEHANZEB AGHA
Full Name(s)

1. Critical Dates

The **First Tentative Closing Date**, which is the date that the Vendor anticipates the home will be completed and ready to move in, is: the 23 day of MAY, 2024.

A **Second Tentative Closing Date** can subsequently be set by the Vendor by giving proper written notice at least 90 days before the First Tentative Closing Date. The Second Tentative Closing Date can be up to 120 days after the First Tentative Closing Date, and so could be as late as: the 20 day of JUNE, 2024.

The Vendor must set a **Firm Closing Date** by giving proper written notice at least 90 days before the Second Tentative Closing Date. The Firm Closing Date can be up to 120 days after the Second Tentative Closing Date, and so could be as late as: the ___ day of _____, 20___.

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

The Vendor can set a Delayed Closing Date that is up to 365 days after the earlier of the Second Tentative Closing Date and the Firm Closing Date: This **Outside Closing Date** could be as late as: the ___ day of _____, 20___.

2. Notice Period for a Delay of Closing

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

Notice of a delay beyond the First Tentative Closing Date must be given no later than: the ___ day of _____, 20___.
(i.e., at least **90 days** before the First Tentative Closing Date), or else the First Tentative Closing Date automatically becomes the Firm Closing Date.

Notice of a second delay in Closing must be given no later than: the ___ day of _____, 20___.
(i.e., at least **90 days** before the Second Tentative Closing Date), or else the Second Tentative Closing Date becomes the Firm Closing Date.

3. Purchaser's Termination Period

If the purchase of the home is not completed by the Outside Closing Date, then the Purchaser can terminate the transaction during a period of **30 days** thereafter (the **"Purchaser's Termination Period"**), which period, unless extended by mutual agreement, will end on: the ___ day of _____, 20___.

If the Purchaser terminates the transaction during the Purchaser's Termination Period, then the Purchaser is entitled to delayed closing compensation and to a full refund of all monies paid plus interest (*see sections 7, 10 and 11 of the Addendum*).

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

Acknowledged this ___ day of _____, 20___.

VENDOR: _____

PURCHASER: _____

Addendum to Agreement of Purchase and Sale
Delayed Closing Warranty

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

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

The Vendor shall complete all blanks set out below.

VENDOR LERRATO INC.
Full Name(s)

B61168	9 RIDGEVALE DR		
HCRA Licence Number	Address		
647-855-2525	MARKHAM	ON	L6B 1A8
Phone	City	Province	Postal Code
	hiteshhitesh2004@yahoo.com		
Fax	Email*		

PURCHASER MUHAMMAD JEHANZEB AGHA
Full Name(s)

37 IRENEMOUNT CRESCENT	MARKHAM	ON	L3S 3C4
Address	City	Province	Postal Code
Phone			
Fax	Email*		

PROPERTY DESCRIPTION

369 PORTE ROAD
Municipal Address

AJAX	ON	L1S 0B9
City	Province	Postal Code

PT LT 6 CON 1, PT 1, 40R30173, PICKERING, SUBJECT TO EASEMENT AS IN PI31742;
Short Legal Description
TOWN OF AJAX

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

INFORMATION REGARDING THE PROPERTY

The Vendor confirms that:

(a) The Property is within a plan of subdivision or a proposed plan of subdivision. O Yes ● No
If yes, the plan of subdivision is registered. O Yes ● No
If the plan of subdivision is not registered, approval of the draft plan of subdivision has been given. O Yes ● No

(b) The Vendor has received confirmation from the relevant government authorities that there is sufficient:
(i) water capacity; and (ii) sewage capacity to service the Property. O Yes ● No

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

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

(c) A building permit has been issued for the Property. ● Yes O No
(d) Commencement of Construction: ● has occurred; or O is expected to occur by the ____day of _____, 20__.

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

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

SETTING AND CHANGING CRITICAL DATES

1. Setting Tentative Closing Dates and the Firm Closing Date

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

2. Changing the Firm Closing Date – Three Ways

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

3. Changing the Firm Closing Date – By Setting a Delayed Closing Date

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

4. Changing Critical Dates – By Mutual Agreement

(a) This Addendum sets out a framework for setting, extending and/or accelerating Critical dates, which cannot be altered contractually except as set out in this section 4. Any amendment not in accordance with this section is voidable at the option of the Purchaser.
(b) The Vendor and Purchaser may at any time, after signing the Purchase Agreement, mutually agree in writing to accelerate or extend any of the Critical Dates. Any amendment which accelerates or extends any of the Critical Dates must include the following provisions:

  (i) the Purchaser and Vendor agree that the amendment is entirely voluntary – the Purchaser has no obligation to sign the amendment and each understands that this purchase transaction will still be valid if the Purchaser does not sign this amendment;
  (ii) the amendment includes a revised Statement of Critical Dates which replaces the previous Statement of Critical Dates;
  (iii) the Purchaser acknowledges that the amendment may affect delayed closing compensation payable; and

(iv) if the change involves extending either the Firm Closing Date or the Delayed Closing Date, then the amending agreement shall:

i. disclose to the Purchaser that the signing of the amendment may result in the loss of delayed closing compensation as described in section 7;
ii. unless there is an express waiver of compensation, describe in reasonable detail the cash amount, goods, services, or other consideration which the Purchaser accepts as compensation; and
iii. contain a statement by the Purchaser that the Purchaser waives compensation or accepts the compensation referred to in clause ii above, in either case, in full satisfaction of any delayed closing compensation payable by the Vendor for the period up to the new Firm Closing Date or Delayed Closing Date.

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

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

(d) The Vendor and Purchaser may agree in the Purchase Agreement to any unilateral extension or acceleration rights that are for the benefit of the Purchaser.

5. Extending Dates – Due to Unavoidable Delay

(a) If Unavoidable Delay occurs, the Vendor may extend Critical Dates by no more than the length of the Unavoidable Delay Period, without the approval of the Purchaser and without the requirement to pay delayed closing compensation in connection with the Unavoidable Delay, provided the requirements of this section are met.

(b) If the Vendor wishes to extend Critical Dates on account of Unavoidable Delay, the Vendor shall provide written notice to the Purchaser setting out a brief description of the Unavoidable Delay, and an estimate of the duration of the delay. Once the Vendor knows or ought reasonably to know that an Unavoidable Delay has commenced, the Vendor shall provide written notice to the Purchaser by the earlier of: 20 days thereafter; and the next Critical Date.

(c) As soon as reasonably possible, and no later than 20 days after the Vendor knows or ought reasonably to know that an Unavoidable Delay has concluded, the Vendor shall provide written notice to the Purchaser setting out a brief description of the Unavoidable Delay, identifying the date of its conclusion, and setting new Critical Dates. The new Critical Dates are calculated by adding to the then next Critical Date the number of days of the Unavoidable Delay Period (the other Critical Dates changing accordingly), provided that the Firm Closing Date or Delayed Closing Date, as the case may be, must be at least 10 days after the day of giving notice unless the parties agree otherwise. Either the Vendor or the Purchaser may request in writing an earlier Firm Closing Date or Delayed Closing Date, and the other party's consent to the earlier date shall not be unreasonably withheld.

(d) If the Vendor fails to give written notice of the conclusion of the Unavoidable Delay in the manner required by paragraph (c) above, then the notice is ineffective, the existing Critical Dates are unchanged, and any delayed closing compensation payable under section 7 is payable from the existing Firm Closing Date.

(e) Any notice setting new Critical Dates given by the Vendor under this section shall include an updated revised Statement of Critical Dates.

EARLY TERMINATION CONDITIONS

6. Early Termination Conditions

(a) The Vendor and Purchaser may include conditions in the Purchase Agreement that, if not satisfied, give rise to early termination of the Purchase Agreement, but only in the limited way described in this section.

(b) The Vendor is not permitted to include any conditions in the Purchase Agreement other than: the types of Early Termination Conditions listed in Schedule A; and/or the conditions referred to in paragraphs (j), (k) and (l) below. Any other condition included in a Purchase Agreement for the benefit of the Vendor that is not expressly permitted under Schedule A or paragraphs (j), (k) and (l) below is deemed null and void and is not enforceable by the Vendor, but does not affect the validity of the balance of the Purchase Agreement.

(c) The Vendor confirms that this Purchase Agreement is subject to Early Termination Conditions that, if not satisfied (or waived, if applicable), may result in the termination of the Purchase Agreement. O Yes O No

(d) If the answer in (c) above is "Yes", then the Early Termination Conditions are as follows. The obligation of each of the Purchaser and Vendor to complete this purchase and sale transaction is subject to satisfaction (or waiver, if applicable) of the following conditions and any such conditions set out in an appendix headed "Early Termination Conditions":

Condition #1 (if applicable)
Description of the Early Termination Condition:

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

The date by which Condition #1 is to be satisfied is the _____day of_____, 20 _____.

Condition #2 (if applicable)
Description of the Early Termination Condition:

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

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

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

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

(e) There are no Early Termination Conditions applicable to this Purchase Agreement other than those identified in subparagraph (d) above and any appendix listing additional Early Termination Conditions.
(f) The Vendor agrees to take all commercially reasonable steps within its power to satisfy the Early Termination Conditions identified in subparagraph (d) above.
(g) For conditions under paragraph 1(a) of Schedule A the following applies:

(i) conditions in paragraph 1(a) of Schedule A may not be waived by either party;
(ii) the Vendor shall provide written notice not later than five (5) Business Days after the date specified for satisfaction of a condition that: (A) the condition has been satisfied; or (B) the condition has not been satisfied (together with reasonable details and backup materials) and that as a result the Purchase Agreement is terminated; and
(iii) if notice is not provided as required by subparagraph (ii) above then the condition is deemed not satisfied and the Purchase Agreement is terminated.

(h) For conditions under paragraph 1(b) of Schedule A the following applies:

(i) conditions in paragraph 1(b) of Schedule A may be waived by the Vendor;
(ii) the Vendor shall provide written notice on or before the date specified for satisfaction of the condition that: (A) the condition has been satisfied or waived; or (B) the condition has not been satisfied nor waived, and that as a result the Purchase Agreement is terminated; and
(iii) if notice is not provided as required by subparagraph (ii) above then the condition is deemed satisfied or waived and the Purchase Agreement will continue to be binding on both parties.

(i) If a Purchase Agreement or proposed Purchase Agreement contains Early Termination Conditions, the Purchaser has three (3) Business Days after the day of receipt of a true and complete copy of the Purchase Agreement or proposed Purchase Agreement to review the nature of the conditions (preferably with legal counsel). If the Purchaser is not satisfied, in the Purchaser's sole discretion, with the Early Termination Conditions, the Purchaser may revoke the Purchaser's offer as set out in the proposed Purchase Agreement, or terminate the Purchase Agreement, as the case may be, by giving written notice to the Vendor within those three Business Days.
(j) The Purchase Agreement may be conditional until Closing (transfer to the Purchaser of title to the home), upon compliance with the subdivision control provisions (section 50) of the *Planning Act*, which compliance shall be obtained by the Vendor at its sole expense, on or before Closing.
(k) The Purchaser is cautioned that there may be other conditions in the Purchase Agreement that allow the Vendor to terminate the Purchase Agreement due to the fault of the Purchaser.
(l) The Purchase Agreement may include any condition that is for the sole benefit of the Purchaser and that is agreed to by the Vendor (e.g., the sale of an existing dwelling, Purchaser financing or a basement walkout). The Purchase Agreement may specify that the Purchaser has a right to terminate the Purchase Agreement if any such condition is not met, and may set out the terms on which termination by the Purchaser may be effected.

MAKING A COMPENSATION CLAIM

7. Delayed Closing Compensation

(a) The Vendor warrants to the Purchaser that, if Closing is delayed beyond the Firm Closing Date (other than by mutual agreement or as a result of Unavoidable Delay as permitted under sections 4 and 5), then the Vendor shall compensate the Purchaser up to a total amount of $7,500, which amount includes: (i) payment to the Purchaser of a set amount of $150 a day for living expenses for each day of delay until the date of Closing; or the date of termination of the Purchase Agreement, as applicable under paragraph (b) below; and (ii) any other expenses (supported by receipts) incurred by the Purchaser due to the delay.

(b) Delayed closing compensation is payable only if: (i) Closing occurs; or (ii) the Purchase Agreement is terminated or deemed to have been terminated under paragraph 10(b) of this Addendum. Delayed closing compensation is payable only if the Purchaser's claim is made to Tarion in writing within one (1) year after Closing, or after termination of the Purchase Agreement, as the case may be, and otherwise in accordance with this Addendum. Compensation claims are subject to any further conditions set out in the ONHWP Act.

(c) If the Vendor gives written notice of a Delayed Closing Date to the Purchaser less than 10 days before the Firm Closing Date, contrary to the requirements of paragraph 3(c), then delayed closing compensation is payable from the date that is 10 days before the Firm Closing Date.

(d) Living expenses are direct living costs such as for accommodation and meals. Receipts are not required in support of a claim for living expenses, as a set daily amount of $150 per day is payable. The Purchaser must provide receipts in support of any claim for other delayed closing compensation, such as for moving and storage costs. Submission of false receipts disentitles the Purchaser to any delayed closing compensation in connection with a claim.

(e) If delayed closing compensation is payable, the Purchaser may make a claim to the Vendor for that compensation after Closing or after termination of the Purchase Agreement, as the case may be, and shall include all receipts (apart from living expenses) which evidence any part of the Purchaser's claim. The Vendor shall assess the Purchaser's claim by determining the amount of delayed closing compensation payable based on the rules set out in section 7 and the receipts provided by the Purchaser, and the Vendor shall promptly provide that assessment information to the Purchaser. The Purchaser and the Vendor shall use reasonable efforts to settle the claim and when the claim is settled, the Vendor shall prepare an acknowledgement signed by both parties which:

  (i) includes the Vendor's assessment of the delayed closing compensation payable;
  (ii) describes in reasonable detail the cash amount, goods, services, or other consideration which the Purchaser accepts as compensation (the "Compensation"), if any; and
  (iii) contains a statement by the Purchaser that the Purchaser accepts the Compensation in full satisfaction of any delay compensation payable by the Vendor.

(f) If the Vendor and Purchaser cannot agree as contemplated in paragraph 7(e), then to make a claim to Tarion the Purchaser must file a claim with Tarion in writing within one (1) year after Closing. A claim may also be made and the same rules apply if the sale transaction is terminated under paragraph 10(b), in which case, the deadline for a claim is one (1) year after termination.

8. Adjustments to Purchase Price

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

MISCELLANEOUS

9. Ontario Building Code – Conditions of Closing

(a) On or before Closing, the Vendor shall deliver to the Purchaser:
  (i) an Occupancy Permit (as defined in paragraph (d)) for the home; or
  (ii) if an Occupancy Permit is not required under the Building Code, a signed written confirmation by the Vendor that all conditions of occupancy under the Building Code have been fulfilled and occupancy is permitted under the Building Code.

(b) Notwithstanding the requirements of paragraph (a), to the extent that the Purchaser and the Vendor agree that the Purchaser shall be responsible for one or more prerequisites to obtaining permission for occupancy under the Building Code, (the "Purchaser Occupancy Obligations"):

(i) the Purchaser shall not be entitled to delayed closing compensation if the reason for the delay is that the Purchaser Occupancy Obligations have not been completed;
(ii) the Vendor shall deliver to the Purchaser, upon fulfilling all prerequisites to obtaining permission for occupancy under the Building Code (other than the Purchaser Occupancy Obligations), a signed written confirmation that the Vendor has fulfilled such prerequisites; and
(iii) if the Purchaser and Vendor have agreed that such prerequisites (other than the Purchaser Occupancy Obligations) are to be fulfilled prior to Closing, then the Vendor shall provide the signed written confirmation required by subparagraph (ii) on or before the date of Closing.

(c) If the Vendor cannot satisfy the requirements of paragraph (a) or subparagraph (b)(ii), the Vendor shall set a Delayed Closing Date (or new Delayed Closing Date) on a date that the Vendor reasonably expects to have satisfied the requirements of paragraph (a) or subparagraph (b)(ii), as the case may be. In setting the Delayed Closing Date (or new Delayed Closing Date), the Vendor shall comply with the requirements of section 3, and delayed closing compensation shall be payable in accordance with section 7. Despite the foregoing, delayed closing compensation shall not be payable for a delay under this paragraph (c) if the inability to satisfy the requirements of subparagraph (b)(ii) above is because the Purchaser has failed to satisfy the Purchaser Occupancy Obligations.

(d) For the purposes of this section, an "Occupancy Permit" means any written or electronic document, however styled, whether final, provisional or temporary, provided by the chief building official (as defined in the *Building Code Act*) or a person designated by the chief building official, that evidences that permission to occupy the home under the Building Code has been granted.

10. Termination of the Purchase Agreement

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

(b) If for any reason (other than breach of contract by the Purchaser) Closing has not occurred by the Outside Closing Date, then the Purchaser has 30 days to terminate the Purchase Agreement by written notice to the Vendor. If the Purchaser does not provide written notice of termination within such 30-day period then the Purchase Agreement shall continue to be binding on both parties and the Delayed Closing Date shall be the date set under paragraph 3(c), regardless of whether such date is beyond the Outside Closing Date.

(c) If: calendar dates for the applicable Critical Dates are not inserted in the Statement of Critical Dates; or if any date for Closing is expressed in the Purchase Agreement or in any other document to be subject to change depending upon the happening of an event (other than as permitted in this Addendum), then the Purchaser may terminate the Purchase Agreement by written notice to the Vendor.

(d) The Purchase Agreement may be terminated in accordance with the provisions of section 6.

(e) Nothing in this Addendum derogates from any right of termination that either the Purchaser or the Vendor may have at law or in equity on the basis of, for example, frustration of contract or fundamental breach of contract.

(f) Except as permitted in this section, the Purchase Agreement may not be terminated by reason of the Vendor's delay in Closing alone.

11. Refund of Monies Paid on Termination

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

(b) The rate of interest payable on the Purchaser's monies is 2% less than the minimum rate at which the Bank of Canada makes short-term advances to members of Canada Payments Association, as of the date of termination of the Purchase Agreement.

(c) Notwithstanding paragraphs (a) and (b) above, if either party initiates legal proceedings to contest termination of the Purchase Agreement or the refund of monies paid by the Purchaser, and obtains a legal determination, such amounts and interest shall be payable as determined in those proceedings.

12. Definitions

"Business Day" means any day other than: Saturday; Sunday; New Year's Day; Family Day; Good Friday; Easter Monday; Victoria Day; Canada Day; Civic Holiday; Labour Day; Thanksgiving Day; Remembrance Day; Christmas Day; Boxing Day; and any special holiday proclaimed by the Governor General or the Lieutenant Governor; and where New Year's Day, Canada Day or Remembrance Day falls on a Saturday or Sunday, the following Monday is not a Business Day, and where Christmas Day falls on a Saturday or Sunday, the following Monday and Tuesday are not Business Days; and where Christmas Day falls on a Friday, the following Monday is not a Business Day.
"Closing" means the completion of the sale of the home including transfer of title to the home to the Purchaser, and **"Close"** has a corresponding meaning.
"Commencement of Construction" means the commencement of construction of foundation components or elements (such as footings, rafts or piles) for the home.

"Critical Dates" means the First Tentative Closing Date, the Second Tentative Closing Date, the Firm Closing Date, the Delayed Closing Date, the Outside Closing Date and the last day of the Purchaser's Termination Period.
"Delayed Closing Date" means the date, set in accordance with section 3, on which the Vendor agrees to Close, in the event the Vendor cannot Close on the Firm Closing Date.
"Early Termination Conditions" means the types of conditions listed in Schedule A.
"Firm Closing Date" means the firm date on which the Vendor agrees to Close as set in accordance with this Addendum.
"First Tentative Closing Date" means the date on which the Vendor, at the time of signing the Purchase Agreement, anticipates that it will be able to close, as set out in the Statement of Critical Dates.
"Outside Closing Date" means the date which is 365 days after the earlier of the Firm Closing Date; or Second Tentative Closing Date; or such other date as may be mutually agreed upon in accordance with section 4.
"Property" or "home" means the home including lands being acquired by the Purchaser from the Vendor.
"Purchaser's Termination Period" means the 30-day period during which the Purchaser may terminate the Purchase Agreement for delay, in accordance with paragraph 10(b).
"Second Tentative Closing Date" has the meaning given to it in paragraph 1(c).
"Statement of Critical Dates" means the Statement of Critical Dates attached to and forming part of this Addendum (in form to be determined by Tarion from time to time), and, if applicable, as amended in accordance with this Addendum.
"The ONHWP Act" means the *Ontario New Home Warranties Plan Act* including regulations, as amended from time to time.
"Unavoidable Delay" means an event which delays Closing which is a strike, fire, explosion, flood, act of God, civil insurrection, act of war, act of terrorism or pandemic, plus any period of delay directly caused by the event, which are beyond the reasonable control of the Vendor and are not caused or contributed to by the fault of the Vendor.
"Unavoidable Delay Period" means the number of days between the Purchaser's receipt of written notice of the commencement of the Unavoidable Delay, as required by paragraph 5(b), and the date on which the Unavoidable Delay concludes.

13. Addendum Prevails

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

14. Time Periods, and How Notice Must Be Sent

(a) Any written notice required under this Addendum may be given personally or sent by email, fax, courier or registered mail to the Purchaser or the Vendor at the address/contact numbers identified on page 2 or replacement address/contact numbers as provided in paragraph (c) below. Notices may also be sent to the solicitor for each party if necessary contact information is provided, but notices in all events must be sent to the Purchaser and Vendor, as applicable. If email addresses are set out on page 2 of this Addendum, then the parties agree that notices may be sent by email to such addresses, subject to paragraph (c) below.
(b) Written notice given by one of the means identified in paragraph (a) is deemed to be given and received: on the date of delivery or transmission, if given personally or sent by email or fax (or the next Business Day if the date of delivery or transmission is not a Business Day); on the second Business Day following the date of sending by courier; or on the fifth Business Day following the date of sending, if sent by registered mail. If a postal stoppage or interruption occurs, notices shall not be sent by registered mail, and any notice sent by registered mail within 5 Business Days prior to the commencement of the postal stoppage or interruption must be re-sent by another means in order to be effective. For purposes of this section 14, Business Day includes Remembrance Day, if it falls on a day other than Saturday or Sunday, and Easter Monday.
(c) If either party wishes to receive written notice under this Addendum at an address/contact number other than those identified on page 2 of this Addendum, then the party shall send written notice of the change of address, fax number, or email address to the other party in accordance with paragraph (b) above.
(d) Time periods within which or following which any act is to be done shall be calculated by excluding the day of delivery or transmission and including the day on which the period ends.
(e) Time periods shall be calculated using calendar days including Business Days but subject to paragraphs (f), (g) and (h) below.
(f) Where the time for making a claim under this Addendum expires on a day that is not a Business Day, the claim may be made on the next Business Day.
(g) Prior notice periods that begin on a day that is not a Business Day shall begin on the next earlier Business Day, except that notices may be sent and/or received on Remembrance Day, if it falls on a day other than Saturday or Sunday, or Easter Monday.
(h) Every Critical Date must occur on a Business Day. If the Vendor sets a Critical Date that occurs on a date other than a Business Day, the Critical Date is deemed to be the next Business Day.
(i) Words in the singular include the plural and words in the plural include the singular.
(j) Gender-specific terms include both sexes and include corporations.

15. Disputes Regarding Termination

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

For more information please visit www.tarion.com

SCHEDULE A

Types of Permitted Early Termination Conditions

1. The Vendor of a home is permitted to make the Purchase Agreement conditional as follows:

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

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

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

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

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

2. The following definitions apply in this Schedule:

"Approval" means an approval, consent or permission (in final form not subject to appeal) from an Approving Authority and may include completion of necessary agreements (i.e., site plan agreement) to allow lawful access to and use and Closing of the property for its intended residential purpose.
"Approving Authority" means a government (federal, provincial or municipal), governmental agency, Crown corporation, or quasi-governmental authority (a privately operated organization exercising authority delegated by legislation or a government).
"Freehold Project" means the construction or proposed construction of three or more freehold homes (including the Purchaser's home) by the same Vendor in a single location, either at the same time or consecutively, as a single coordinated undertaking.

3. Each condition must:

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

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

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

SCHEDULE B

Adjustments to Purchase Price or Balance Due on Closing

PART I Stipulated Amounts/Adjustments

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

	DESCRIPTION	SECTION	AMOUNT
1.	Contribution to banking fees, including partial discharges	21(g)	$300 plus HST
2.	Contribution to costs of tree planting	21(i)	$2,000.00 plus HST
3.	Contribution to costs of internet delivery of documentation and electronic registration	21(j)	$350 plus HST
4.	Contribution to costs of survey preparation	21(k)	$400 plus HST
5.	Unaccepted cheque/ N.S.F Administrative fee per Occurrence	24	$500 plus HST
6.	Fees and liquidated damages for Purchasers Delaying Occupancy	44(d)	$200 plus HST per day and $500 plus HST per delay
7.	Wire Transfer or direct deposit fee	21(dd)	$150 plus HST
8.	Release of vendor's Lien	21(r)	$100 plus HST
9.	Project aesthetic enhancement	5	$5000 plus HST
10.	Capped development charges	21(l)	$18000 plus HST
11.	Vendor's Solicitor's Legal Fees and Disbursements RE: Letter or other form of notice relating to any default by Purchaser per Occurrence (if applicable)	21(r)	$500 plus HST
12.	Tarion enrolment fee	21(a)	$1955 plus HST
13.	Home Regulatory Authority fee	21(a)	$145 plus HST
14.	Charges Re: electricity, water, and gas meters	21(d)	$1245 plus HST
15.	Re-schedule inspection (if applicable)	10(i)	$250 plus HST
16.	Fail to inform Vendor of change of Purchaser's Information	21(cc)	$250 plus HST

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

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

	DESCRIPTION	SECTION
1.	Tarion enrolment fee	21(a)
2.	Home Regulatory Authority fee	21(a)
3.	Unpaid amounts, including upgrades, extras and/or changes	21(b)
4.	Realty Taxes, fuel, water rates, & assessment rates	21(c)
5.	Utility check meter, water meter, hydro meter or gas meter, connection, installation, energization, etc. charges (not to exceed Five Hundred ($500.00) Dollars plus HST per meter or service)	21(d)
6.	Costs relating to Purchaser's failure to make required contractual arrangements	21(e)
7.	Law Society of Ontario charge imposed on Vendor or its solicitors	21(f)
8.	Any new taxes or increases to existing taxes	21(h)
9.	Development charge(s)	21(l)
10.	Education development charge(s)	21(m)
11.	Charges pursuant to section 37, parks, public art or other charges/levies	23(n)
12.	Completing the final coat of asphalt on the driveway (not to exceed Two Thousand ($2,000.00) Dollars + HST) (if applicable)	21(o)
13.	Any other additional or further adjustments agreed to in writing between the Vendor and Purchaser subsequent to the execution of this Agreement.	21(p)
14.	Utility supplier(s) deposit(s)/ Hot water heater and tank rental	23
15.	HST on adjustments, extras, upgrades, changes / Payment of HST rebate	25
16.	Cost of extras, upgrades, changes	28
17.	Costs to remedy correct, remove, or remedy unauthorized work, plus administration fee	34
18.	Removing unauthorized title registrations	38
19.	Interest and liquidated damages, plus administration fee	44(d)
20.	New levies, charges, payments, contributions, fees, assessments etc.	21(q)
21.	Vendor's lien or charge fees	21(r)
22.	Charges for recycling containers/bins, recycling programs, food/kitchen waste collection containers/bins, and/or food/kitchen waste collection programs	21(s)
23.	Internet delivery of documentation to the purchaser's solicitor	21(t)
24.	Amounts which may, in the vendor's discretion, remain unpaid and owing to the vendor on account of any extras, upgrades or changes for the property ordered by the purchaser	21(u)
25.	Fail to provide information/ change of solicitor (if applicable)	21(v)
26.	Appliance installation charges (if applicable)	21(w)
27.	Cost for replacement of laid sod / landscape plantings (if applicable)	21(x)
28.	Costs to correct damages caused by unlawful works (if applicable)	21(y)
29.	Vendor's legal fees and disbursements re: extensions (if applicable)	21(z)
30.	Cost for colours and materials from other than vendor's samples	21(aa)
31.	EFTs fees and charges (if applicable)	24
32.	Cost or credit Re walk-out Basement, Look-out or Rear Deck	21(bb)

APPENDIX TO ADDENDUM
TO AGREEMENT OF PURCHASE AND SALE

EARLY TERMINATION CONDITIONS

The Early Termination Conditions referred to in paragraph 2(c)(ii) of the Tarion Addendum are as follows:

CONDITIONS PERMITTED IN PARAGRAPH 1 (a) OF SCHEDULE "A" TO THE TARION ADDENDUM

None.

CONDITIONS PERMITTED IN PARAGRAPH 1 (b) OF SCHEDULE "A" TO THE TARION ADDENDUM

1. **Description of Early Termination Condition:**

None.

THIS LICENSE TO OCCUPY is dated as of January 1, 2024 (the "**Effective Date**"). **BETWEEN:**

LERRATO INC.
(the "**Seller**")

- and –

MUHAMMAD JEHANZEB AGHA
(the "**Licensee**")

WHEREAS:

(A) Muhammad Jehanzeb Agha, one of Licensees, agreed to purchase from Seller the property municipally known as 369 Porte Road, Ajax, Ontario (previously known as 367 Porte Road, Unit 1, Ajax, Ontario) (the "**Property**") pursuant to an agreement of purchase and sale (the "**Purchase Agreement**") dated October 24, 2023. The closing of the transaction (the "**Purchase**") has been delayed.

(B) As a result of the delay, Seller agreed to grant to Licensee a license (the "**License**") of the Property, upon the terms set out in this agreement.

(C) Seller clarifies that the Licensee is fully aware of Occupancy Permit has not granted for the 369 Porte Road, Ajax, Ontario. Upon the urgent request, Seller is giving this facility on human grounds.

(D) Seller will have access to inspect the property as and when Seller and the City Requires.

FOR VALUABLE CONSIDERATION, Seller and Licensee agree as follows:

1. The recitals are true.

2. Licensee represents and warrant that none of them occupied the Property, or any part of the Property, as Licensee immediately prior to the Effective Date, and there were no existing tenancy agreements relating to any part of the Property immediately prior to, and as of, the Effective Date.

3. Seller grants to Licensee the License for a period (the 'Period') commencing on the Effective Date and continuing until the closing date (the 'Closing Date') of the Purchase. No rent or license fee is payable by Licensee as the occupation is granted solely due to the delay in closing.

4. The License is personal to Licensee. None of them may, alone or together, (i) assign, transfer or otherwise dispose of, (ii) encumber, or (iii) grant any rights in, the License or any part of the

Property or any rights under the License, without the prior written consent of Seller, which consent may be unreasonably or arbitrarily withheld or delayed. No other person or entity other than Licensee' immediate family may occupy all or any part of the Property during the Period or any permitted extension thereof.

5. For the entire Period, the Licensee shall not make any alterations to the Property but shall maintain and keep the Property, including the backyard and front yard, in good condition. This includes regular upkeep of all fixtures, appliances, and systems (e.g., HVAC, plumbing, and electrical) in working order, as well as landscaping, lawn care, and snow removal for the backyard and front yard. These responsibilities are subject to any warranties provided by the Seller under the Purchase Agreement. The Licensee shall promptly notify the Seller of any major repairs required.

6. For the entire Period, Licensee shall only use the Property for residential purposes and shall promptly pay (i) all realty taxes applicable for the Property to Seller as and when reasonably required by Seller, and (ii) all gas and other utility charges for the Property to Seller, within 7 days after written demand by Seller.

7. For the entire Period, Licensee shall maintain insurance in a form and to the extent reasonably required by a prudent licensee in similar circumstances, as reasonably determined by Seller. That insurance shall include, without limitation, public liability, and property insurance. The seller shall be named as an additional insured on that policy. Licensee shall provide Seller with a certificate of insurance for the required insurance prior to the commencement of the Period.

8. Licensee agree that Seller shall not be liable or responsible in any way for any injury or death to any person or for any loss or damage to any property at any time on or about the Property or any property owned by or being the responsibility of Licensee on or about the Property, no matter how the same shall be caused and whether or not resulting from the negligence of Seller or any other person. Licensee jointly and severally indemnify Seller against any and all liabilities, claims, damages, losses and expenses, including all reasonable legal fees and disbursements on a full indemnity basis, arising from: (i) any breach by Licensee of any of the provisions of this Lease; (ii) any act or omission of any person on the Property or any use or occupancy of or any things in the Property; (iii) any act or omission of Licensee on the Property or elsewhere on or about the Property; or (iv) any injury or death of persons, or any loss or damage to property of Licensee on the Property or elsewhere on or about the Property.

9. A waiver of any one or more of the terms or conditions herein contained shall not be deemed to be a waiver of any of the other terms and conditions of this other than those specifically waived and in no event shall any waiver be deemed to be a continuing waiver.

10. Time shall be of the essence.

11. This agreement shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

12. This agreement shall endure to the benefit of, and be binding upon, the parties hereto and their respective heirs, beneficiaries, personal representatives, successors and permitted assigns, or successors and permitted assigns, as applicable.

13. This agreement is subject to compliance with the *Planning Act* (Ontario).

IN WITNESS WHEREOF, the parties have executed this agreement as of the Effective Date.

LERRATO INC.

Per: _____
Hitesh Jhaveri, President

I have authority to bind the corporation.

SIGNED, SEALED and DELIVERED)
in the presence of)

_____)
Witness)

_____)
Muhammad Jehanzeb Agha)

Appendix “I”

OREA Ontario Real Estate Association

Agreement of Purchase and Sale

Form 100
for use in the Province of Ontario

This Agreement of Purchase and Sale dated this 12th day of August 20 22

BUYER: Rohitkumar Patel and Arvindaben Patel, agrees to purchase from
(Full legal names of all Buyers)

SELLER: Lerrato Inc., the following
(Full legal names of all Sellers)

REAL PROPERTY:

Address 367 Porte Road 5 Ajax ON

fronting on the East side of Porte Road

in the Town of Ajax

and having a frontage of 20 Feet more or less by a depth of 200 Feet more or less

and legally described as

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

PURCHASE PRICE: Dollars (CDN$) 1,300,000.00

One Million Three Hundred Thousand Dollars

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

Fifty Thousand Dollars (CDN$) 50,000.00

by negotiable cheque payable to Lerrato Inc. "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 B, and C **attached hereto form(s) part of this Agreement.**

1. **IRREVOCABILITY:** This offer shall be irrevocable by Buyer (Seller/Buyer) until 11.59 (a.m./p.m.) on the 12 day of October 20 22, 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 10th day of January 20 24. Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

INITIALS OF BUYER(S): EP AD **INITIALS OF SELLER(S):** JM

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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.: ..... (For delivery of Documents to Seller) FAX No.: ..... (For delivery of Documents to Buyer)

Email Address: ..... (For delivery of Documents to Seller) Email Address: ..... (For delivery of Documents to Buyer)

4. **CHATTELS INCLUDED:**.....

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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:**.....

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.....

.....

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:

.....

.....

.....

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

.....included in..... the Purchase Price. If the sale of the property is not subject to HST, Seller agrees to certify on or before
(included in/in addition to)

closing, that the sale of the property is not subject to HST. Any HST on chattels, if applicable, is not included in the Purchase Price.

INITIALS OF BUYER(S): SP HD **INITIALS OF SELLER(S):** JM

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8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the 12th day of August, 20 23, (Requisition Date) to examine the title to the property at Buyer's 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 Buyer that there are no outstanding work orders or deficiency notices affecting the property, and that its present use (Single Family Residential) 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 telecommunication services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telecommunication 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 Ontario. Unless otherwise agreed to by the lawyers, such exchange of Requisite Deliveries shall occur by the delivery of the Requisite Deliveries of each party to the office of the lawyer for the other party 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. **The Buyer acknowledges having the opportunity to include a requirement for a property inspection report in this Agreement and agrees that except as may be specifically provided for in this Agreement, the Buyer will not be obtaining a property inspection or property inspection report regarding the property.**

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 Seller's 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. **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.

20. **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.

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.

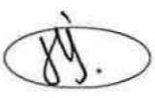
24. **LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice.

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 SELLER(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:

(Witness) Rohitkumar Patel Empatel (Buyer) (Seal) 12-08-2022 (Date)

(Witness) Arvindaben Patel A. R. Patel (Buyer) (Seal) 12-08-2022 (Date)

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:

(Witness) Lerrato Inc. (Seller) (Seal) 12-08-2022 (Date)

(Witness) (Seller) (Seal) (Date)

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) (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at ..... (a.m./p.m.) this ..... day of ....., 20.....

(Signature of Seller or Buyer)

INFORMATION ON BROKERAGE(S)

Listing Brokerage ..... (Tel.No.)

(Salesperson/Broker/Broker of Record Name)

Co-op/Buyer Brokerage ..... (Tel.No.)

(Salesperson/Broker/Broker of Record 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.

(Seller) Lerrato Inc. 12-08-2022 (Date)

(Seller) (Date)

Address for Service .....

..... (Tel. No.)

Seller's Lawyer .....

Address .....

Email .....

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

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.

(Buyer) Rohitkumar Patel Empatel 1208-2022 (Date)

(Buyer) Arvindaben Patel A. R. Patel 12-08-2022 (Date)

Address for Service .....

..... (Tel. No.)

Buyer's Lawyer .....

Address .....

Email .....

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

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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OREA Ontario Real Estate Association

Form 100
for use in the Province of Ontario

Schedule A
Agreement of Purchase and Sale

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

BUYER: Rohitkumar Patel and Arvindaben Patel, and

SELLER: Lerrato Inc.

for the purchase and sale of 367 Porte Road 5 Ajax

ON dated the 12th day of August, 20 22

Buyer agrees to pay the balance as follows:

The Buyer agrees to pay a further sum of $50,000.00 to Lerrato Inc, by negotiable cheque, upon the start of construction to be held in trust pending completion or other termination of this Agreement. This amount is to be credited towards the purchase price on completion of this transaction.

The Buyer agrees to pay the balance of the purchase price, subject to adjustments, 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.

The Seller agrees to register the property under Tarion Warranty on or before the final closing of this property and provide all certificates and warranties to the buyer on this date.

The Seller agrees that all permits and works orders will be closed and completed on or before the final closing date of this transaction.

The Vendor warrants that all interior and exterior finishes will be as per Schedule C attached hereto including finished basement, if any changes are required by the builder then the builders agree to inform the buyer as soon as possible.

The Seller agrees to provide the Buyer with an existing survey of the subject property completed by an Ontario Land Surveyor and acceptable to the lending institution showing the current location of all existing structures, lot lines, improvements, easements, rights of way and encroachments affecting the said property upon final closing.

The Vendor agrees that this property comes with a complete finished basement with one storage room and a piece bathroom if permitted by the city.

The Vendor agrees that all development charges, levies, and connection fees will be included in the purchase price that are not included in schedule C.

The Seller agrees to add to add the Tarion addendum to this agreement of Purchase and Sale upon registration with Tarion.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S): 

INITIALS OF SELLER(S): 

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Part Lot 6, Concession 1, being part 5, Plan 40R30173, Pickering; S/T Easement as in PI31742; Town of Ajax [PIN 26454-0553 (LT)]

Townhouse No. 5 at 377 Porte Road, Ajax, Ontario, as shown on the attached Site Plan

AGREEMENT OF PURCHASE AND SALE
(the "**Agreement**")

1. The undersigned **ROHITKUMAR M. PATEL AND ARVINDABEN R. PATEL** (collectively, the "**Purchaser**"), hereby agrees with **LERRATO INC.** (the "**Vendor**") to purchase all and singular the lands and premises in the Town of Ajax, in Durham Region (the "**Municipality**"), presently forming and comprising a portion of those lands described above and as generally described on the site plan attached as Schedule "C" (the "**Real Property**") and on which has been or is to be constructed a dwelling townhome as hereinafter provided (the "**Dwelling**") at the purchase price inclusive of HST of **One Million Three Hundred Thousand** DOLLARS ($ **1,300,000.00**) of lawful money of Canada (the "**Purchase Price**"), payable as follows:

(a) by cheque with this offer in the amount of Seventy Five Thousand ($ 75 000.00) Dollars;

(b) by cheque with this offer in the amount of _____ ($_____) Dollars dated _____ (____) days from the date of acceptance of this offer;

(c) by cheque with this offer in the amount of _____ ($_____) Dollars dated _____ (____) days from the date of acceptance of this offer;

to the Vendor or as it may otherwise direct, as deposits (collectively, the "**Deposit**") and covenants, promises and agrees to pay the balance of the Purchase Price by wire transfer from the trust account of the Purchaser's solicitor to the Vendor's solicitors In Trust or as they otherwise direct, on the Closing (as defined in the Tarion Addendum), subject to the adjustments hereinafter set forth.

2. This transaction of purchase and sale is to be completed on the First Tentative Closing Date (as defined in the Statement Of Critical Dates being a part of the Tarion Addendum as hereinafter defined) or such extended or accelerated date established in accordance with the terms of this Agreement including, without limitation, the Tarion Addendum (the "**Closing Date**" or "**Date of Closing**").

3. The following Schedules of this Agreement attached shall form a part of this Agreement. The form of Acknowledgement attached shall form part of this Agreement and shall be executed by the Purchaser and delivered to the Vendor on the Closing Date. The Purchaser acknowledges that he has read all Sections and Schedules of this Agreement and the form of Acknowledgement.

Schedule "A" – Additional Terms
Schedule "B" – Additional Information
Schedule "C" – Site Plan
Schedule "D" – Floor Plan
Schedule "E" – Warning Clauses and Notice Provisions
Schedule "F" – Feature List

Schedule "Z" – Tarion Warranty Corporation ("**Tarion**") Statement Of Critical Dates and Addendum to Agreement of Purchase and Sale (collectively, the "**Tarion Addendum**") and such other Schedules annexed hereto and specified as Schedule(s) "_____".

4. The Purchaser's address for delivery of any notices pursuant to this Agreement is the address as set out in the Tarion Addendum.

DATED, SIGNED, SEALED AND DELIVERED this 12th day of August, 2022

SIGNED, SEALED AND DELIVERED in the presence of

WITNESS:
(as to all Purchaser's signatures, if more than one Purchaser)

ROHITKUMAR M. PATEL	**OCOTBER 26, 1954**	
PURCHASER:	D.O.B.	S.I.N.
ARVINDABEN R. PATEL	**MAY 14, 1959**	
PURCHASER:	D.O.B.	S.I.N.

Address: **29 ROSEBANK DR UNIT 703, SCARBOROUGH, ON M1B 5Y7**

Telephone: 647 784 0957 Facsimile: _____

Email Address: Shreyshil@msn.com

The Vendor hereby accepts the within offer and agrees to complete this transaction in accordance with the terms hereof.

DATED, SIGNED, SEALED AND DELIVERED this 14th day of MAY, 2024.

LERRATO INC.

Per: _____
[Authorized Signing Officer]

Additional Information

Purchaser's Solicitor: _____ E-mail: Shreyshil@msn.com

Telephone: 647 784 0957 Facsimile: _____

Vendor's Solicitors: **LOROY LLP**
1300 Hurontario Street
Mississauga, Ontario, L5G 3H3
Attention: **Muhammad Atique Malik**

Telephone No.: (647) 726-1949

SCHEDULE "A"

ADDITIONAL TERMS

DWELLING MATTERS, SITING, MATERIALS CHANGES, ETC

5. The Vendor agrees that it will erect on the Real Property the Dwelling in accordance with plans and specifications (the **"Plans"**) already examined by the Purchaser and in accordance with Schedule "C" and Schedule "D". The Purchaser acknowledges and agrees that the Vendor may from time to time, in its sole discretion, or as requested or required by the Vendor's architect or any design consultants or by any governmental authority, change, alter, vary or modify the Plans, the siting of the Dwelling and/or the grading of the Real Property without notice thereof to the Purchaser. The Purchaser agrees to accept such changes, alterations, variations or modifications and, without limiting the generality of the foregoing, variations to the lot/block number, municipal address, location, area and frontage or depth of the Real Property without any abatement of the Purchase Price or claim for compensation whatsoever. The Purchaser also acknowledges and agrees that architectural control of exterior elevations, driveway construction, boulevard tree planting, landscaping, corner lot fencing (including the location of such corner lot fencing), exterior colour schemes, or any other material external to the Dwelling designed to enhance the aesthetics of the community as a whole, may be imposed by the Municipality and/or the developer. In the event the Vendor is required, in compliance with such architectural control requirements to construct an exterior elevation for the Dwelling other than as specified in this Agreement or amend the driveway construction or location, boulevard tree planting or landscaping plan for the Dwelling and/or Real Property, as the case may be, (all of which is hereinafter referred to as the **"Amended Exterior Plans"**), the Purchaser hereby irrevocably authorizes the Vendor to complete the Dwelling and/or Real Property, as the case may be, in accordance with the Amended Exterior Plans, and the Purchaser hereby irrevocably agrees to accept such Amended Exterior Plans in lieu of the plans for same specified in this Agreement without any abatement of the Purchase Price or claim for compensation whatsoever. The Vendor shall have the right, in its sole discretion, to construct the Dwelling either as shown on the Plans or to construct such Dwelling on a reverse mirror image plan, including reversal of the garage siting and reversal of the interior floor plan layout. Construction of a reverse mirror image plan is hereby irrevocably accepted by the Purchaser without any right of abatement of the Purchase Price or claim for compensation whatsoever. Further, in the event the Vendor determines, in its sole discretion, to construct the Dwelling at a grade level different than as depicted in the Plans, necessitating a step or series of steps to the front door, side door, rear door, or any door from the garage to the interior of the Dwelling or any elimination of the side door or door from the house to the garage or garage to outside, if any, the Purchaser hereby agrees to accept such change(s) without any abatement of the Purchase Price or claim for compensation whatsoever. The Vendor shall further have the right to substitute other material for that provided for in the Plans, in the sole discretion of the Vendor, for any cause which it may deem reasonable without notice thereof to the Purchaser, provided that such material is, in the sole judgment of the Vendor, of substantially equal or better quality than the material in the Plans and the Purchaser shall accept same without any abatement of the Purchase Price or claim for compensation whatsoever. The provisions of this Section may be pleaded by the Vendor as an estoppel in any action brought by the Purchaser or his successors in title or assigns against the Vendor.

6. The Purchaser acknowledges and agrees that as the Dwelling being purchased herein is a townhouse dwelling, the subject lot/block of which the Real Property forms a part will not necessarily be divided equally but may instead be divided in unequal proportions. The Purchaser agrees to accept any such unequal division of the lot/block without any abatement of the Purchase Price or claim for compensation whatsoever.

FEATURES AND FINISHES

7. The Purchaser acknowledges that he has purchased the Dwelling on the basis of the Plans and not from a model. The Purchaser acknowledges that the model home(s), if any, are for display purposes only, and that some or all of the features contained therein may not be included in the Dwelling unless the same is specifically provided for in a Schedule forming part of this Agreement. Any item identified as optional or an upgrade in the sales or marketing material(s) is not included in the Dwelling but may be purchased at additional cost under a separate Schedule to this Agreement or by separate agreement. The Purchaser's attention is drawn to Schedule "B" which forms part of this Agreement and which sets out therein the items which will be included in the Dwelling as standard features. The Purchaser hereby acknowledges that the Dwelling will only include those standard features and, accordingly, if the Purchaser requires any clarification or explanation as to items, features or finishes as referred to in Schedule "B" or anywhere else in this Agreement, or with respect to any matters whatsoever which the Purchaser has discussed with the Vendor's sales representative(s), such clarifications or explanations must be made in writing and included in this Agreement, failing which the Purchaser shall be estopped from making a claim for any such clarifications, explanations, items, features, finishes or representations, other than as set out in writing in this Agreement. The Purchaser hereby acknowledges that there are no representations, warranties, guarantees, collateral agreements or conditions whatsoever affecting this Agreement, the Dwelling or the Real Property or supported hereby other than as is expressed in writing, in this Agreement.

8. The Purchaser specifically acknowledges that in the manufacture and/or production of items, variances may occur from the Vendor's samples and also such items shown as samples may not be subsequently available. The Purchaser hereby agrees to accept any such resulting variations whether as to supplier, brand name, colour and/or otherwise without any abatelement of the Purchase Price or claim for compensation whatsoever.

SUBSTANTIAL COMPLETION OF THE DWELLING/OCCUPANCY

9. In the event that the Dwelling is substantially completed and ready for occupancy by the Closing Date, the sale shall be completed on such date without any holdback whatsoever of any part of the Purchase Price and the Vendor shall complete any outstanding items of construction required by this Agreement within a reasonable time thereafter and during normal business hours, having regard to weather conditions and the availability of labour and materials. If there is a detached garage as part of the Real Property, substantial completion of the Dwelling shall not include completion of the said garage and the Purchaser shall complete the within transaction notwithstanding that the construction of the garage is not completed or even started. For the purpose of this Agreement, the Dwelling shall be deemed to be substantially complete when the interior work has been substantially finished to permit occupancy, notwithstanding that there remains grading or landscaping or other outside work to be completed. The Vendor shall provide evidence that occupancy is permitted in accordance with and only to the extent required by the Tarion Addendum.

TARION WARRANTY CORPORATION

10. (a) The Vendor covenants that on completion of this transaction a warranty certificate for the Dwelling will be requested from Tarion. Such warranty shall contain the only warranties covering the Dwelling. The Purchaser acknowledges and agrees that any warranties of or liabilities for workmanship or materials, in respect of any aspect of the construction of the Dwelling, whether implied by this Agreement or at law or in equity or by any statute or otherwise, shall be limited to only those warranties deemed to be given by the Vendor under the *Ontario New Homes Warranties Plan Act*, as may be amended (the **"ONHWPA"**) and shall extend only for the time period and in respect of those items as stated in the ONHWPA, it being understood and agreed that there is no representation, warranty, guarantee, collateral agreement, or condition in any way affecting this Agreement, the Dwelling and/or the Real Property other than as expressed herein.

(b) The Purchaser or the Purchaser's designate as hereinafter provided agrees to meet the Vendor's representative at the date and time designated by the Vendor, prior to the Closing Date, to conduct a pre-delivery inspection of the Dwelling (the **"PDI"**) and to list all items remaining incomplete at the time of such inspection together with all mutually agreed deficiencies with respect to the Dwelling on the Tarion Certificate of Completion and Possession (the **"CCP"**) and the PDI form, in the forms prescribed from time to time by, and required to be completed pursuant to the provisions of the ONHWPA. The said CCP and PDI forms shall be executed by both the Purchaser or the Purchaser's designate and the Vendor's representative at the PDI and shall constitute the Vendor's only undertaking with respect to incomplete or deficient work and the Purchaser shall not require any further undertaking of the Vendor to complete any outstanding items. In the event that the Vendor performs any additional work to the Dwelling in its discretion, the Vendor shall not be deemed to have waived the provision of this paragraph or otherwise enlarged its obligations hereunder.

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(c) The Purchaser shall be entitled to send a designate to conduct the PDI in the Purchaser's place or attend with their designate, provided the Purchaser first provides to the Vendor a written authority appointing such designate for PDI prior to the PDI. If the Purchaser appoints a designate, the Purchaser acknowledges and agrees that the Purchaser shall be bound by all of the documentation executed by the designate to the same degree and with the force and effect as if executed by the Purchaser directly.

(d) In the event the Purchaser and/or the Purchaser's designate fails to attend the PDI or fails to execute the CCP and PDI forms at the conclusion of the PDI, the Vendor may declare the Purchaser to be in default under this Agreement and may exercise any or all of its remedies set forth in this Agreement and/or at law. Alternatively, the Vendor may, at its option complete the within transaction but not provide the keys to the Dwelling to the Purchaser until the CCP and PDI forms have been executed by the Purchaser and/or its designate or complete the within transaction and complete the CCP and PDI forms on behalf of the Purchaser and/or the Purchaser's designate and the Purchaser hereby irrevocably appoints the Vendor the Purchaser's attorney and/or agent and/or designate to complete the CCP and PDI forms on the Purchaser's behalf and the Purchaser shall be bound as if the Purchaser or the Purchaser's designate had executed the CCP and PDI forms.

(e) The Purchaser acknowledges that the Homeowner Information Package as defined in Tarion Bulletin 42 (the **"HIP"**) is available from Tarion and that the Vendor further agrees to provide the HIP to the Purchaser or the Purchaser's designate, at or before the PDI. The Purchaser, or the Purchaser's designate agrees to execute and provide to the Vendor the Confirmation of Receipt of the HIP forthwith upon receipt of the HIP.

(f) In the event the Purchaser and/or the Purchaser's designate fails to execute the Confirmation of Receipt of the HIP forthwith upon receipt thereof, the Vendor may declare the Purchaser to be in default under this Agreement and may exercise any or all of its remedies set forth in this Agreement and/or at law.

(g) The Purchaser agrees with the Vendor that the Vendor and/or its representatives shall have the right to enter the Dwelling and the Real Property after completion of the purchase in order to complete any of the items listed on the CCP and PDI forms, provided that if the Purchaser fails or refuses to permit the Vendor and/or its representatives such entry, the Vendor's obligations hereunder shall terminate and be at an end. Any such entry shall be deemed not to be a trespass.

(h) The Purchaser acknowledges that the area of the Dwelling, as may be represented or referred to by the Vendor or any sales representative, or which appears in any sales or marketing material(s) is approximate only and is measured in accordance with Builder Bulletin No. 22 published by Tarion. Actual useable floor space may (therefore) vary from any stated or represented floor area or gross floor area, and the extent of the actual or useable living area within the confines of the Dwelling may vary from any represented square footage or floor area measurement(s) made by or on behalf of the Vendor. Accordingly, the Purchaser hereby confirms and agrees that all details and dimensions of the Dwelling purchased hereunder are approximate only, and that there shall be no adjustment of the Purchase Price or claim for compensation whatsoever, whether based upon the ultimate square footage of the Dwelling, or the actual or useable living space within the confines of the Dwelling or otherwise. The Purchaser further acknowledges that where ceiling bulkheads or telecommunication devices are installed within the Dwelling and/or where dropped ceilings are required, then the ceiling height of the Dwelling may be less than that represented, and the Purchaser shall correspondingly be obliged to accept the same without any abatement or claim for compensation whatsoever.

(i) The completion of the foregoing inspection and the preparation and endorsement of the Certificate are conditions of the Vendor's obligation to complete this transaction. Failure by the Purchaser to attend at the appointed time for the inspection and to complete the Certificate shall be deemed to be default by the Purchaser under this Agreement. The Vendor, at its sole, absolute, subjective and unfettered option, may thereupon either re-schedule the inspection subject to an administrative fee of $250.00 plus Applicable Taxes payable to the Vendor or terminate the transaction in accordance with the provisions set out herein, or may elect to complete the Certificate on behalf of the Purchaser. The Purchaser hereby irrevocably nominates, constitutes and appoints the Vendor or any of its authorized signing officers to be and act as his lawful attorney in the Purchaser's name, place and stead for this purpose.

11. The Purchaser covenants and agrees that he will exhaust all the remedies available to him with Tarion with respect to any claim relating to defects in workmanship or materials or with respect to any other claim arising under the ONHWPA or in respect of the Tarion Addendum, prior to pursuing any other means of redress with regard to such claims. In the event the Purchaser does not comply with the provisions of this Section, or takes any unwarranted or unreasonable actions with respect to such claims, the Purchaser shall be held liable for any damages sustained by the Vendor as a result thereof.

TITLE AND CONVEYANCING MATTERS

12. The Purchaser agrees to accept title to the Real Property subject to the following items and the Purchaser covenants and agrees to adhere to the terms and conditions as set out therein. The Purchaser agrees to satisfy himself as to compliance with any of the following items and the Vendor shall not be obligated on the Closing Date or thereafter to obtain any compliance, releases or discharges with respect to any of the following items:

(a) any agreement, subdivision agreement, site plan agreement, development agreement, financial agreement or other agreement entered into with any municipal authority or other governmental authority or with any public or private utility commission or railway company, including any restrictions, covenants, obligations or liabilities contained therein (collectively the **"Subdivision Agreements"**);

(b) any building or other restrictions and covenants that may be registered against the title of the Real Property and the Purchaser agrees, if required by the Vendor, to sign the transfer/deed of land containing such restrictions and covenants to extract the same from any subsequent Purchasers;

(c) a right in the nature of an easement or license for the Vendor and/or the developer and their respective successors and assigns and their servants and agents to enter upon the Real Property (without such act being a trespass) at any time prior to the complete acceptance of the subdivision of which the Real Property forms a part (the **"Development"**) by the Municipality or thereafter for completion or correction of grading and surface drainage and in order to permit the Vendor and/or the developer to carry out the obligations, if any, under the Subdivision Agreements or as imposed by any governmental authority or bonding company to effect any corrective measures with respect to the Subdivision Agreements applicable to the Real Property and the transfer/deed of land may contain a clause to this effect;

(d) such easements or rights-of-way, licenses or leases, permanent or temporary, as exist or may subsequently be granted in favour of the Municipality, any railway company, any applicable regional municipality, the developer or any public or private utility, including, but not limited to, any telephone supplier, any hydro supplier and any gas supplier for hydro, fuel, telephone, television, cable, sewers, water, municipal or other services or utilities; and, further, the Purchaser covenants and agrees to assume, accept and permit any such easements, rights-of-way, licenses or leases and if such easements, rights-of-way, licenses or leases have not been determined when the Purchaser receives his conveyance, such conveyance may contain a covenant by the Purchaser for himself, and his heirs, executors, administrators, successors and assigns, to grant any additional easements, rights-of-way, licenses or leases as may be required by the Vendor, developer, any municipal or other governmental authority or utility or railway company and the Purchaser further covenants and agrees to execute all documents without charge which may be required to convey or confirm any such easement, right-of-way, license or lease and shall exact a similar covenant in any agreement entered into between the Purchaser and any subsequent Purchaser from him;

(e) such easements as may be required by the Vendor and/or adjoining owners for maintenance or encroachment purposes and

the encroachments permitted thereby;

(f) any other agreements, covenants, or other instruments as herein expressly provided; and

(g) any minor breaches of any of the foregoing that have been remedied or are in the process of being remedied.

13. Title to the Real Property shall on the Closing Date be good and free from all encumbrances, except as provided for in this Agreement. The title is to be examined by the Purchaser at his own expense and he is not to call for the production of any deeds or abstracts of title, surveys, proof of evidence of title or to have furnished any copies thereof, other than those in the Vendor's possession or as provided for in this Agreement. The Purchaser is to be allowed until thirty (30) days prior to the Closing Date to examine the title at his own expense and if within that time he shall furnish the Vendor in writing with any valid objections to the title which the Vendor shall be unwilling or unable to remove and which the Purchaser will not waive, this Agreement shall, notwithstanding any intermediate acts or negotiations, be null and void and the monies paid to the Vendor to that date on account of the Deposit shall be returned as provided for herein and the Vendor shall not be liable for any damages or costs whatsoever, including, without limiting the generality of the foregoing, loss of bargain, relocation costs, loss of income, professional fees and disbursements and any amount paid to third parties on account of decoration, construction or fixturing costs. Save as to any valid objections so made within such time, the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Real Property.

14. The Purchaser acknowledges that the Real Property is or will be encumbered by mortgages and/or encumbrances which the Purchaser is not to assume and that the Vendor will not be obligated to obtain and register a discharge of such mortgages and/or encumbrances insofar as they affect the Real Property until a reasonable time after the Closing (as defined in the Tarion Addendum) and the Purchaser shall accept the undertaking of the Vendor's solicitors to obtain and register as soon as reasonably possible after Closing a discharge of such mortgages and/or encumbrances except as provided for herein and further agrees not to refuse to complete this transaction on the grounds that such mortgages and/or encumbrances have not been discharged.

15. The transfer/deed of land shall be prepared at the Vendor's expense and may contain any or all of the provisions set forth in this Agreement and shall be executed by the Purchaser, if required by the Vendor, and the Purchaser shall execute and deliver on the Closing Date a covenant, undertaking or agreement incorporating all or any of the terms contained herein or as may be required by the Vendor. The Purchaser undertakes and agrees to register the transfer/deed of land at his own expense at the time of Closing. Each party is to pay the cost of registration and taxes on its own documents. The Purchaser shall deliver to the Vendor, on or before the Closing Date, as required by the Vendor the Acknowledgement in the form attached to this Agreement, if any, duly completed and executed. The Purchaser agrees to advise the Vendor or its solicitors no less than thirty (30) days prior to the Closing Date of the manner in which title is to be taken by the Purchaser, including, the date(s) of birth and marital status and the Purchaser shall be required to close the transaction in the manner so advised unless the Vendor otherwise consents in writing, which consent may be arbitrarily withheld, failing which title to the Real Property shall be engrossed in the name of the Purchaser as noted on this Agreement and the Purchaser shall be estopped from requiring any further changes to the manner in which the transfer/deed of land is engrossed.

16. The Purchaser hereby acknowledges the full priority of any mortgage or construction financing arranged by the Vendor and/or secured by the Real Property over his interest as Purchaser for the full amount of the said mortgage or construction financing, notwithstanding any law or statute to the contrary and agrees to execute all acknowledgements or postponements required to give full effect thereto. 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 easement, license or other agreement concerning the Real Property. The Purchaser further agrees to consent to and execute all documentation as may be required by the Vendor in this regard 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 this paragraph. The Purchaser hereby consents to the Vendor and its designated or proposed lenders obtaining a consumer's report containing credit and/or personal information for the purposes of this transaction. The Purchaser further agrees to deliver to the Vendor, from time to time, within ten (10) days of written demand from the Vendor, all necessary financial and personal information required by the Vendor in order to evidence the Purchaser's ability to pay the balance of the Purchase Price on the Closing Date, including without limitation, written confirmation of the Purchaser's income, copy of mortgage approval letter and evidence of the source of the payments required to be made by the Purchaser in accordance with this Agreement. Without limiting the generality of the foregoing and notwithstanding any other provision in this Agreement to the contrary, within ten (10) days of written demand from the Vendor, the Purchaser agrees to produce evidence of a satisfactory mortgage approval signed by a lending institution or other mortgagee acceptable to the Vendor confirming that the said lending institution or acceptable mortgagee will be advancing funds to the Purchaser sufficient to pay the balance due on the Closing Date. If the Purchaser fails to provide the mortgage approval as aforesaid, then the Purchaser shall be deemed to be in default under this Agreement. The Vendor may, in its sole discretion, elect to accept in the place of such mortgage commitment, other evidence satisfactory to the Vendor that the Purchaser will have sufficient funds to pay the balance due on the Closing Date.

17. In the event that the Municipality does at some point in time provide a release of any of the Subdivision Agreements, the Vendor may either provide such release to the Purchaser for registration of such release by the Purchaser at the Purchaser's expense or register the release, if any, in which event the Purchaser shall pay the Vendor the cost of registration of such release forthwith upon request although the Vendor may, at its option, add such cost to the statement of adjustments as a credit to the Vendor. The foregoing provision does not in any way whatsoever require the Vendor to request any such release or impose an obligation on the Vendor to take any steps to obtain any such release.

18. The Purchaser acknowledges that the transfer/deed of land to the Real Property to be given on the Closing Date may emanate from the registered owner of the Real Property and not from the Vendor herein, and the Purchaser agrees to accept same and to accept such owner's title covenants in lieu of the Vendor's, in the event the Vendor is not the registered owner of the Real Property on Closing. In that event, the Purchaser agrees to execute an acknowledgement on the closing confirming that: (i) the registered owner is providing title directly to the Purchaser at the direction of the Vendor; (ii) the registered owner is not the builder or Vendor and has no liability to the Purchaser as such; (iii) the registered owner is not responsible for any matters related to the development of the subject lands; and (iv) the Purchaser releases and forever discharges the registered owner from any manner of claim, costs, damages or other losses in any way related to the development of the subject lands.

PLANNING ACT

19. This Agreement shall be conditional upon compliance with the subdivision control provision of the *Planning Act* (Ontario), as may be amended, which compliance shall be obtained by the Vendor, at its sole expense, on or before Closing.

INSURANCE

20. The Purchaser shall place his own insurance on the Real Property for Closing.

ADJUSTMENTS

21. On the Closing Date, the Purchaser shall pay to the Vendor, as an adjustment on the statement of adjustments (plus HST), in addition to any other monies required to be paid as set out in this Agreement, the following:

(a) an amount equal to the Tarion enrolment fee and the Home Construction Regulatory Authority paid by the Vendor for the Real Property;

(b) any amounts which remain unpaid and owing to the Vendor on account of upgrades and/or extras and/or changes ordered by the Purchaser;

(c) the Vendor's proportionate amount of the realty taxes (including local improvement charges) which shall be apportioned and allowed to the Closing Date. Realty taxes (including local improvement charges) shall be estimated by the Vendor for the calendar year in which the transaction is completed as well as for the following calendar year, and shall be adjusted as if such sum has been paid by the Vendor, notwithstanding that same may not have been levied or paid by the Closing Date, subject, however, to readjustment when the actual amount of such taxes are ascertained. The Purchaser acknowledges and agrees that the Purchaser shall be solely responsible for any supplementary or omit assessments for realty taxes for period from and after the Closing Date;

(d) the costs of any utility check meter, water meter, hydro meter or gas meter installed in or about the Dwelling, the installation of any such meters, the connection charges for any such meters and/or sewers and the installation and energization charges, as the case may be, of hydro, water and gas services provided to the Dwelling, provided that adjustments pursuant to this subparagraph shall not exceed Five Hundred ($500.00) Dollars plus HST per meter or service. A certificate of the Vendor or statutory declaration of an officer of the Vendor specifying the said costs shall be final and binding on the Purchaser;

(e) all amounts chargeable and billable to the Purchaser for water, hydro, gas, cable T.V. and any other services arising as a result of the Purchaser's failure to make his own contractual arrangements with the relevant public or private utility authorities and suppliers on the Closing Date and for which the Vendor is subsequently charged, it being the express intent of the parties that it shall be the sole responsibility of the Purchaser to notify all relevant utility authorities and make the necessary contractual arrangements to ensure service to the Dwelling;

(f) the charges imposed upon the Vendor or its solicitors by the Law Society of Ontario upon registration of a transfer/deed of land or charge/mortgage of land or any other instrument;

(g) the sum of Three Hundred ($300.00) Dollars plus HST as a contribution towards the cost of fees payable by the Vendor to its lenders, including but not limited to the obtaining of (partial) discharges of mortgages not intended to be assumed by the Purchaser;

(h) any tax, whether categorized as multi-stage sales tax, a business transfer tax, a modified retail sales tax, a value-added tax, or any other type of tax whatsoever that may be levied or charged in the future by any governmental authorities, including, but without limiting the generality of the foregoing the municipal, federal, or provincial governments or any of their agencies, on or with respect to any sale, transfer, lease or disposition of property or any provision of goods or services made in the course of a taxable activity and the Purchaser shall be solely responsible for paying and/or reimbursing the Vendor for such tax, whether or not the legislation imposing such tax places the primary responsibility for payment thereof onto the Vendor, and the Vendor shall be allowed to charge the Purchaser as an adjustment on the Closing Date with the estimated amount of any such tax, notwithstanding that such tax may not have been formally or finally levied and payable with such tax adjustment being subject to readjustment, if necessary, when the actual final assessment or levy is available or determinable;

(i) the sum of Two Thousand ($2,000.00) Dollars plus HST as a contribution towards the costs of boulevard tree planting in the vicinity of the Real Property. The Purchaser acknowledges that there may not be a tree planted in front of the Real Property;

(j) the sum of Three Hundred Fifty ($350.00) Dollars plus HST as a contribution towards the costs of internet delivery of documentation to the Purchaser's solicitor and of electronic registration of documentation;

(k) the sum of Two Hundred ($400.00) Dollars plus HST as a contribution towards the costs of preparation of a survey for the Dwelling;

(l) the amount of any development charge(s) assessed against the Real Property (or attributable to the Real Property as determined by the Vendor), pursuant to the *Development Charges Act, 1997*, as amended from time to time;

(m) the amount of any education development charge(s) assessed against the Real Property (or attributable to the Real Property as determined by the Vendor) pursuant to the *Education Act*, as amended from time to time;

(n) the amount of any charge pursuant to a section 37 Agreement pursuant to the *Planning Act*, or any parks levy and/or any public art levy or similar contributions or charges assessed against the Real Property (or attributable to the Real Property as determined by the Vendor) which has been paid or are payable to the Municipality or any other relevant governmental authority or agency thereof with respect to or in connection with the Development, including the obtaining of any approvals for the Development;

(o) the cost with respect to the Vendor completing the final coat of asphalt on the driveway, provided that adjustments pursuant to this subparagraph shall not exceed Two Thousand ($2,000.00) Dollars plus HST; and,

(p) any other additional or further adjustments agreed to in writing between the Vendor and Purchaser subsequent to the execution of this Agreement.

(q) the following shall be paid to the Vendor on the Closing, plus Applicable Taxes eligible thereon: any increase between the development charges and education development charges assessed against or attributable to the Property (pursuant to the Development Charges Act, the Education Act or any successor or replacement legislation) on the date of execution of this Agreement by the Purchaser (if same are paid or could be paid on such date) and the amount actually paid for said development charges and education development charges, together with any interest (if any) on such development charges and education development charges as well as any other or new levies, charges, payments, contributions, fees or assessments, including without limitation, any parks levies, cash-in-lieu of parkland dedication payments, new development charges, new education development charges, public art contributions, impost charges, and/or community benefit charges or payments (or the fair value of any non-cash in-kind contributions assessed against or attributable to the Property by the Municipality, a regional municipality, a transit authority, a public or separate school board or any other authority having jurisdiction under the Development Charges Act, the Education Act, the Planning Act (as amended by the More Homes, More Choice Act, 2019) and any other existing or new legislation, bylaw and/or policy of a similar nature. If the amounts owing under this subsection are assessed against, charged or imposed against the subject project (or portion thereof) as a whole and not against the Property separately, then the Vendor shall be entitled to a reimbursement for the foregoing, equally among all of the dwellings within the subject project or in such other manner as the Vendor may elect, acting reasonably;

(r) All proper readjustments shall be made after Closing, if necessary, forthwith upon written request. The Vendor may register a Notice of Vendor's Lien or a Charge, in the Vendor's usual form, for unpaid purchase monies or adjustments or claims herein provided together with the interest thereon as provided for herein, and the Purchaser covenants and agrees to forthwith pay all costs in relation to said Notice of Vendor's Lien or Charge including, without limitation, the Vendor's solicitor's legal fees and disbursements and the cost to register said Notice of Vendor's Lien or Charge on title to the Unit. The Vendor will upon request deliver to the Purchaser (for registration at the Purchaser's expense) a release of the Notice of Vendor's Lien or a Discharge of the Charge after such unpaid purchase monies or adjustments or claims herein provided, as applicable, together with the interest thereon as provided for herein have been received by the Vendor and upon payment of a fee of $250.00 plus Applicable Taxes. The Purchaser hereby irrevocably consents and authorizes the Vendor and the Vendor's solicitors to register the aforementioned Notice of Vendor's Lien or Charge on title to the Unit, without liability on the part of the Vendor or the Vendor's solicitors with respect to such registration;

(s) The amounts (if any), plus Applicable Taxes, paid by the Vendor to the Municipality and/or other governmental authority or other person (including a private waste contractor) with respect to recycling containers/bins, recycling programs, food/kitchen waste

collection containers/bins, and/or food/kitchen waste collection programs such charges to be absolutely determined by statutory declaration sworn on the part of the Vendor shall be reimbursed to the Vendor on the Closing;

(t) any costs incurred by the Vendor for the internet delivery of documentation to the Purchaser's solicitor;

(u) any amounts which may, in the Vendor's discretion, remain unpaid and owing to the Vendor on account of any extras, upgrades or changes for the Property ordered by the Purchaser;

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

(w) Appliances purchased by the Purchaser from the Vendor (or which may be included in the Purchase Price) may not include installation charges which may be charged by the Vendor on the Closing Date as an adjustment at the Vendor's sole, absolute, subjective and unfettered discretion.

(x) The Purchaser acknowledges that grading and sodding and landscape plantings (if any) shall be done between June and October (weather permitting and subject to availability of supplies) of any year as per the Vendor's scheduling program. The Purchaser agrees that the Purchaser shall be solely responsible for watering and general maintenance of sod and landscape plantings (if any) from the Occupancy Date or from the date that sod is laid (or landscape plantings are planted), whichever shall be the later, and the Vendor shall have no obligation in that regard. In the event the Vendor is, for any reason, required to replace laid sod (or other landscape plantings, if any), the Vendor shall not be obligated to do so until payment has been made therefor by the Purchaser and if so replaced, the Purchaser agrees to reimburse the Vendor for the costs and expenses of same as determined by the Vendor. Further, the Purchaser acknowledges that the order of closing of the Property and/or the order of completion or closing of other lots sold by the Vendor is not indicative of the order of sodding (or landscaping planting) of the Property and said other lots. If the Vendor is required by the Subdivider, developer or any governmental authority to replace any laid sod or landscape plantings, etc. as a result of the Purchaser's default under this subsection, the Purchaser shall promptly pay the Vendor for same and the Vendor shall not be obliged to replace same until payment has been made therefore in full to the Vendor by the Purchaser. The Vendor shall not be required to supply the Purchaser with evidence of payment for the replacement of same. The aforementioned obligations of the Purchaser shall survive the closing of the herein transaction.

(y) In the event that the Purchaser (or a person representing or acting on behalf of the Purchaser) enters upon the Property prior to the Purchaser having completed their obligations under this Agreement on the Occupancy Date without the consent in writing of the Vendor and carries out changes or additions to the Dwelling (the "Unlawful Works"), the Purchaser will forthwith pay to the Vendor the amount incurred by it in order to correct any damages caused by the installation or existence of the Unlawful Works including, without limiting the generality of the foregoing, time lost by the resulting delays and interest on monies invested. In addition to the foregoing, if the Unlawful Works shall be determined by any inspector having jurisdiction in that regard as not complying with the statutes, by-laws or regulations applying thereto, the Purchaser shall forthwith carry out any required work to remedy any such non-compliance and failing which, the Vendor, at its option may carry out such work at the expense of the Purchaser which he shall pay to the Vendor forthwith upon written request for payment for same. Should the Vendor, in its sole, absolute, subjective and unfettered discretion, allow the Purchaser to close the purchase of the transaction described herein despite the performance of the Unlawful Works, the Purchaser acknowledges and agrees that the unlawful works shall not be covered under the Warranty Act's warranties and that anything constructed by the Vendor which is not accessible due to the Unlawful Works shall not be covered under the Warranty Act's warranties.

(z) In the event the Purchaser requests an extension to the Firm Closing Date or Delayed Closing Date, as the case may be, the Purchaser shall pay the Vendor's solicitor's fees and disbursement (plus Applicable Taxes and disbursements) with respect to such requests and any extensions.

(aa) In the event that the Purchaser shall desire to select colours or materials from other than the Vendor's samples, the Purchaser must negotiate such colours or materials directly with the Vendor or the Vendor's subtrade or supplier as directed by the Vendor and attend to payment of any additional cost as a result of such choice to the Vendor or the Vendor's subtrade or supplier directly, as directed by the Vendor.

(bb) The Purchaser hereby acknowledges that complete engineering data in respect of the Municipally approved final grading of the Property may not, as yet, be complete and accordingly, it may not be possible to construct a Dwelling with a walk-out basement, look-out or rear deck where so indicated in this Agreement, or vice versa. In the event this Agreement calls for a walk-out basement, look-out or rear deck and such is not possible or reasonable in the Vendor's opinion or in the event this Agreement does not call for a walk-out basement, look-out or rear deck and such is required, pursuant to final approved grading and engineering plans, the Purchaser shall accept a credit in the Purchase Price, or, pay the additional cost involved in constructing such walk-out basement, look-out or rear deck, as the case may be (such costs shall be absolutely determined by the Vendor).

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

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

22. If any of the adjustments to be made on the Closing Date cannot be accurately determined at the time of Closing, then the Vendor may estimate the adjustment to be made and the Closing shall take place in accordance with this estimate. There shall be a later and final adjustment when all the items to be adjusted can be accurately determined.

23. The Purchaser acknowledges and agrees that the hot water heater/tank is not included in the Purchase Price and is intended to be non-owned and that it shall remain chattel property and shall not be or become a fixture and/or part of the Dwelling. The Purchaser may be informed of the terms and conditions governing the rental of the hot water heater/tank prior to Closing, and agrees, if required, to execute on, before or after Closing as the Vendor determines a rental document or other contract as required by any relevant municipal authority, public or private utility, sub-metering company or third party company with respect to the said hot water heater/tank, failing which, at the Vendor's sole option, the Vendor shall be entitled to execute the hot water heater/tank's supplier's, sub-metering or other such company's standard rental document or other contract on behalf of the Purchaser as his attorney or agent.

24. In the event any cheque given by the Purchaser is returned after being presented for payment to the financial institution on which it is drawn, by reason of there not being sufficient funds in the account on which said cheque is drawn, the Purchaser shall pay the Vendor for each such returned cheque the sum of Five Hundred ($500.00) plus HST as liquidated damages and not as a penalty which payment shall, at the Vendor's option, be made as an adjustment on the Closing Date in favour of the Vendor or be delivered to the Vendor together with the replacement cheque.

HARMONIZED OR SINGE SALES TAX

25. (a) It is acknowledged and agreed by the parties hereto that the Purchase Price already includes a component equivalent to both the federal portion and the provincial portion of the harmonized goods and services tax or single sales tax exigible with respect to this purchase and sale transaction less the Rebate as defined below (the **"HST"**), and that the Vendor shall remit the HST to Canada Revenue Agency (**"CRA"**) on behalf of the Purchaser forthwith following the completion of this transaction. The

Purchaser hereby warrants and represents to the Vendor that with respect to this transaction, the Purchaser qualifies for the federal and provincial new housing rebates applicable pursuant to the *Excise Tax Act* (Canada) ("**ETA**"), as may be amended, (collectively, the "**Rebate**") and further warrants and represents that the Purchaser is a natural person who is acquiring the Real Property with the intention of being the sole beneficial owner thereof on the Closing Date (and not as the agent or trustee for or on behalf of any other party or parties), and covenants that upon the Closing Date the Purchaser or one or more of the Purchaser's relations (as such term is defined in the *Excise Tax Act*) shall personally occupy the Dwelling as his primary place of residence, for such period of time as shall be required by the *Excise Tax Act*, and any other applicable legislation, in order to entitle the Purchaser to the Rebate (and the ultimate assignment thereof to and in favour of the Vendor) in respect of the Purchaser's acquisition of the Real Property. The Purchaser further warrants and represents that he has not claimed (and hereby covenants that the Purchaser shall not hereafter claim), for the Purchaser's own account, any part of the Rebate in connection with the Purchaser's acquisition of the Real Property, save as may be otherwise hereinafter expressly provided or contemplated. The Purchaser hereby irrevocably assigns to the Vendor all of the Purchaser's rights, interests and entitlements to the Rebate (and concomitantly releases all of the Purchaser's claims or interests in and to the Rebate, to and in favour of the Vendor), and hereby irrevocably authorizes and directs CRA to pay or credit the Rebate directly to the Vendor. In addition, the Purchaser shall execute and deliver to the Vendor, forthwith upon the Vendor's or Vendor's solicitors request for same (and in any event on or before the Closing Date), all requisite documents and assurances that the Vendor or the Vendor's solicitors may reasonably require in order to confirm the Purchaser's entitlement to the Rebate and/or to enable the Vendor to obtain the benefit of the Rebate (by way of assignment or otherwise), including without limitation, the GST/HST New Housing Rebate Application for Houses Purchased from a Builder or other similar form as prescribed from time to time (the "**Rebate Form**"). The Purchaser covenants and agrees to indemnify and save the Vendor harmless from and against any loss, cost, damage and/or liability (including an amount equivalent to the Rebate, plus penalties and interest thereon) which the Vendor may suffer, incur or be charged with, as a result of the Purchaser's failure to qualify for the Rebate, or as a result of the Purchaser having qualified initially but being subsequently disentitled to the Rebate, or as a result of the inability to assign the benefit of the Rebate to the Vendor (or the ineffectiveness of the documents purporting to assign the benefit of the Rebate to the Vendor). As security for the payment of such amount, the Purchaser does hereby charge and pledge his interest in the Real Property with the intention of creating a lien or charge against same. It is further understood and agreed by the parties hereto that:

(i) if the Purchaser does not qualify for the Rebate, or fails to deliver to the Vendor or the Vendor's solicitors forthwith upon the Vendor's or the Vendor's solicitors request for same (and in any event on or before the Closing Date) the Rebate Form duly executed by the Purchaser, together with all other requisite documents and assurances that the Vendor or the Vendor's solicitors may reasonably require from the Purchaser or the Purchaser's solicitor in order to confirm the Purchaser's eligibility for the Rebate and/or to ensure that the Vendor ultimately acquires (or is otherwise assigned) the benefit of the Rebate; or

(ii) if the Vendor believes, for whatever reason, that the Purchaser does not qualify for the Rebate, regardless of any documentation provided by or on behalf of the Purchaser (including any statutory declaration sworn by the Purchaser) to the contrary, and the Vendor's belief or position on this matter is communicated to the Purchaser or the Purchaser's solicitor on or before the Closing Date;

then notwithstanding anything hereinbefore or hereinafter provided to the contrary, the Purchaser shall be obliged to pay to the Vendor (or to whomsoever the Vendor may in writing direct), by certified cheque delivered on the Closing Date, an amount equivalent to the Rebate, in addition to the Purchase Price and in those circumstances where the Purchaser maintains that he is eligible for the Rebate despite the Vendor's belief to the contrary, the Purchaser shall (after payment of the amount equivalent to the Rebate as aforesaid) be fully entitled to pursue the procurement of the Rebate directly from CRA. It is further understood and agreed that in the event that the Purchaser intends to rent out the Dwelling before or after the Closing Date, the Purchaser shall not be entitled to the Rebate, but may nevertheless be entitled to pursue, on his own after the Closing Date, the federal and provincial new rental housing rebates directly with CRA, pursuant to Section 256.2 of the *Excise Tax Act,* as may be amended, and other applicable legislation to be enacted relating to the provincial new rental housing rebate.

(b) The Vendor will not collect HST if the Purchaser is a corporation (i.e. not an individual) and provides to the Vendor the following: (i) a warranty in the Vendor's standard form that the Purchaser is registered under the ETA, together with a copy of the Purchaser's ETA registration, (ii) a warranty in the Vendor's standard form that the Purchaser shall self-assess and remit the GST/HST payable and file the prescribed form and shall indemnify the Vendor in respect of any GST/HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction.

(c) Notwithstanding any other provision herein contained in this Agreement, the Purchaser acknowledges and agrees that the Purchase Price does not include any HST exigible with respect to any of the adjustments payable by the Purchaser pursuant to this Agreement, or any extras, upgrades or changes purchased, ordered or chosen by the Purchaser from the Vendor which are not specifically set forth in this Agreement, and the Purchaser covenants and agrees to pay such HST to the Vendor in accordance with the Excise Tax Act. In addition, and without limiting the generality of the foregoing, in the event that the Purchase Price is increased by the addition of extras, changes, upgrades or adjustments and as a result of such increase, the quantum of the Rebate that would otherwise be available is reduced or extinguished (the quantum of such reduction being hereinafter referred to as the "**Reduction**"), then the Purchaser shall pay to the Vendor on the Closing Date the amount of (as determined by the Vendor in its sole and absolute discretion) the Reduction.

26. **EXTRAS/UPGRADES**

The Purchaser covenants and agrees that he shall pay to the Vendor in advance for all extras, upgrades or changes ordered by the Purchaser at the time such order is made and the Purchaser further acknowledges and agrees that such payment is non-refundable in the event that this transaction is not completed as a result of the Purchaser's default under any of the terms of this Agreement. Notwithstanding anything herein contained to the contrary, the Purchaser acknowledges and agrees that if, upon Closing, any of the extras, upgrades or changes ordered by the Purchaser remain incomplete in whole or in part or if the Vendor shall, in its sole discretion, determine that it will not provide extras, upgrades or changes or cannot complete the extras, upgrades or changes, then there shall be refunded to the Purchaser upon the Closing Date that portion of the amount paid by the Purchaser in connection with such extras, upgrades or changes allocated to those extras, upgrades or changes which remain incomplete in whole or in part as aforesaid, as determined by the Vendor. In the event such extras, upgrades or changes were included at no charge whether or not included as part of this Agreement then the Vendor's cost of completing such incomplete items will be refunded as determined by the Vendor in its sole discretion. The Purchaser further acknowledges and agrees that the amount so paid to the Purchaser (or for which, in the alternative, the Purchaser receives credit in the statement of adjustments) shall be accepted by the Purchaser as full and final settlement of any claim by the Purchaser with respect to the extras, upgrades or changes which remain incomplete as aforesaid. The Purchaser further acknowledges that the Vendor's liability with respect to such incomplete extras, upgrades or changes shall be limited to the return of the amounts referred to aforesaid and, thereafter, there shall be no further liability upon the Vendor in connection with such incomplete extras, upgrades or changes and upon such payment being made or credit being given, the Vendor shall be deemed to have been released from any and all obligations, claims or demands whatsoever with respect to such incomplete extras, upgrades or changes.

27. **NOTICE AND WARNING CLAUSES**

The Purchaser acknowledges that the Subdivision Agreements and any and/or future development agreements between the Vendor and the Municipality or any other applicable party may require the Vendor to provide the Purchaser with certain notices or warnings including, without limiting the generality of the foregoing, notices or warnings regarding the use of the Real Property, environmental issues, noise levels from adjacent roadways or otherwise, maintenance of municipal fencing, school transportation and related educational issues, and the status of services and works in the Development. The Purchaser acknowledges and agrees that the Vendor may be unable, at this time, to provide the Purchaser with all such notices and warnings. On or before Closing, the Purchaser shall forthwith execute upon request an acknowledgment or amendment to this Agreement containing the required notices and warning clauses. The Purchaser acknowledges and agrees that the Vendor may be unable to sell the Real Property to the Purchaser unless the Purchaser executes such acknowledgments or amendments as aforesaid. In the event that the Purchaser fails to execute such acknowledgments or amendments

forthwith upon being requested to do so, the Vendor shall be entitled, at its sole option, to terminate this Agreement and upon such termination, all monies paid to the Vendor hereunder shall be forfeited to the Vendor and this Agreement shall be at an end, and the Purchaser shall not have any further rights hereunder. Alternatively, at the sole discretion of the Vendor, after all required notices and warnings are available, a copy thereof may be sent to the Purchaser as a notice in the manner set out in this Agreement and such transmittal shall constitute acknowledgment of receipt of a copy thereof and the Purchaser irrevocably designates the Vendor as its attorney and/or agent to execute and deliver on his behalf to the Municipality or any other applicable party any required acknowledgments with respect thereto. Without limiting the generality of the foregoing, the Purchaser acknowledges being advised of the notices as set out in Schedule "E".

INSURANCE/RISK

28. All buildings and equipment comprising the Dwelling and the Real Property shall be and remain at the risk of the Vendor until Closing and pending completion of the sale, the Vendor will hold all insurance policies and the proceeds thereof for the Vendor's benefit alone. In the event of damage to the Dwelling, the Vendor may either in its sole discretion (a) repair the damage, finish the Dwelling and complete the sale and, if necessary, delay the Closing Date in the manner permitted in the Tarion Addendum; or (b) terminate this Agreement and return to the Purchaser all deposit monies paid by the Purchaser to the Vendor payable under law if the damage to the Dwelling has frustrated this Agreement at law.

PURCHASER COVENANTS AND AGREEMENTS

29. Notwithstanding the closing of this transaction, the Purchaser hereby authorizes and shall not obstruct or interfere in any way with the Vendor, the developer, the Municipality, the regional municipality, the public and/or private utilities, the telephone and/or cable company or persons authorized by any of them, free access to the Real Property and the Dwelling at all reasonable hours in order to make inspections and to do such work or repairs, including, but not restricted to, correction of sodding and/or grading, installation of catch basins, installation, repair, construction or reconstruction and/or maintenance of any of the municipal services, public and/or private utilities and other services, including sewers and water mains; and for any of the purposes aforesaid or related thereto, such entry on the Real Property and Dwelling by any such persons shall not be deemed to be committing trespass and the Purchaser does hereby give leave and licence to any of such persons for the purposes aforesaid and free access for any such persons shall continue for such period of time as may be set out in the Subdivision Agreements or any other agreements affecting the Real Property or as may be required by the Vendor or the developer and/or any municipal or governmental authority, regulatory body or public or private utility. The Purchaser further covenants to comply with and not to breach any of the Subdivision Agreements or any other such agreements.

30. The Purchaser undertakes and covenants that he will not, at any time either before or after the Closing Date, without the prior written authority of the Vendor and the developer (which may be unreasonably or arbitrarily withheld) interfere with or alter the drainage ditch, obstruct the natural flow of water or obstruct the drainage as designed and engineered by the developer, erect fences, porches, patios, planting, paving, swimming pool, clothes lines or obstructions of any kind, remove top soil or subsoil, cut down living trees or do anything which may change or alter the grading or obstruct the drainage of the Real Property or surrounding lots or lands in any way and if he does, the Vendor or its servants, successors, agents and assigns may enter thereon and correct such grading or remove or relocate such obstructions at the Purchaser's expense and be paid, forthwith upon demand, the cost thereof. The Purchaser shall adhere to the overall drainage patterns of the Development, including such easements as may exist or may be required for the purpose of water drainage upon the Real Property to and from adjoining lands, and the Purchaser agrees to grant such easements as may be required from time to time by the Vendor or developer for drainage. The foregoing covenant may, at the option of the Vendor, be included in any transfer of title to the Purchaser and shall run with the land. The Purchaser agrees that he shall be solely responsible for watering and general maintenance of sod from the Closing Date or from the date that sod is laid, whichever shall be later, and the Vendor shall have no obligation in that regard whatsoever. If the Vendor is required by the developer or any governmental authority to replace any laid sod as a result of the Purchaser's default under this Section, the Purchaser shall promptly pay the Vendor for same and the Vendor shall not be obliged to do so until payment has been made therefore in full to the Vendor by the Purchaser.

31. The Vendor hereby notifies the Purchaser and the Purchaser acknowledges that the developer has agreed to provide and pay for paved roads, sidewalks, curbs, street lighting, sanitary and storm sewers, street signs and other services as required by the Subdivision Agreements and that such is the responsibility of the developer and not the Vendor. In the event that title to the Real Property is transferred directly from the developer or another party (the **"Party"**) rather than the Vendor, the Purchaser covenants and agrees to execute and deliver on the Closing Date an acknowledgement and release in a form satisfactory to the Vendor and/or developer and/or the Party releasing the developer or the Party, as the case may be, from any and all matters in respect of the within transaction and acknowledging that the developer or the Party, as the case may be, has no liability, obligation or responsibility to the Purchaser.

32. The Purchaser agrees that until all lots or blocks in the Development are sold, the Vendor shall have the exclusive right to maintain model homes, signs, sales staff and marketing material(s) in the Development and to show prospective Purchasers through the Development and through any unsold homes and the Purchaser agrees not to display any sign on the Real Property offering the Real Property for sale or rent until after the Closing Date. In the event that the Purchaser displays any such sign on the Real Property, the Vendor shall have the absolute right to enter on the Real Property and remove such sign without such act being a trespass.

33. The Purchaser agrees that in the event that there is any water leakage into the basement or any other damage of any kind or nature whatsoever which the Vendor shall be required at law or by Tarion to repair, the Vendor shall not be liable for any consequential damage caused by the water or otherwise nor for any damage to any improvements, fixtures, furnishings or personal property of the Purchaser, but shall be responsible only for the repair of such damage or leakage in accordance with the terms hereof. Further, the Purchaser waives his right to any claim against the Vendor for damage to the Dwelling due to shrinkage, warpage, twisting or settlement or any secondary or consequential damage resulting therefrom. Further, the Vendor shall not be liable for any secondary or consequential damages whatsoever which may result from any defect in materials, design or workmanship related to the Dwelling. The Purchaser further acknowledges that the Vendor is not responsible for the repair of any exterior work resulting from settlement, including driveways, walkways, patio stones or sodded areas or for any damage to interior household improvements or decor caused by material shrinkage, twisting or warpage. The Purchaser agrees that this Section may be pleaded by the Vendor in estoppel of any claims by the Purchaser pursuant to this Section.

34. The Purchaser agrees that prior to the Closing Date he will not in any circumstances enter onto the Real Property without the express written authority of the Vendor and accompanied by a representative of the Vendor and any entry other than as aforesaid shall be deemed to be a trespass and the Vendor shall be entitled to exercise any rights that it may have pursuant to this Agreement or at law as a result of same. In addition, the Purchaser agrees that he will not in any circumstances, either personally or by his agent, servant or authorized representative, perform or have performed any work of any nature or kind whatsoever on the Dwelling or the Real Property prior to the conveyance of the Real Property to the Purchaser and in the event of a breach of this covenant, the Vendor shall be entitled, at its sole option, to deem such breach as an event of default by the Purchaser under this Agreement or to take whatever steps are necessary to remove, correct or remedy any such work, and in such event, at the Vendor's sole option, the costs and expenses thereof plus a fifteen percent (15%) administration fee shall be paid to the Vendor by the Purchaser forthwith upon demand by the Vendor or added to the Purchase Price as an adjustment on the Closing Date. In the event the Vendor completes the sale of the Real Property to the Purchaser all warranties related to any items and/or matters the Purchase affected by his actions shall be voided.

35. The Purchaser acknowledges that due to the nature and extent of construction work which will be required to be undertaken by the Vendor on the Real Property in connection with the excavation, erection, and construction of the Dwelling, one or more trees may be removed from the Real Property and others may or will suffer damage or destruction both before and after Closing, as a result of the removal, interference or the destruction of roots, contact with the trunk by equipment or machinery or otherwise. The Purchaser hereby acknowledges, covenants, and agrees that the Vendor shall not be responsible or liable in any manner, whatsoever, for any loss or destruction to trees or for any loss or destruction to the property of the Purchaser howsoever caused nor shall the Vendor be responsible or liable for the removal of any trees or parts thereof, from the Real Property, at any time, whatsoever. It is understood and agreed that the Vendor has made no representation, warranty, guarantee, collateral agreement or condition whatsoever, regarding the preservation, removal, condition or health of trees on the Real Property.

36. The Purchaser agrees that he will not, for a period of at least two (2) years from the Closing Date, plant any trees, shrubs, vines, hedges or other such landscaping on the Real Property that will interfere with, alter or change the grading or obstruct the drainage of the Real Property or surrounding lots or lands without the express written consent of the Vendor which consent may be unreasonably or arbitrarily withheld. The Vendor shall have the right during such period to enter on the Real Property, without notice to the Purchaser, and to remove, without any liability, whatsoever, any such trees, shrubs, vines, hedges or other landscaping planted on the Real Property in contravention of this Section without such act being a trespass.

37. The Purchaser covenants and agrees to provide all requisite information and materials including proof respecting income and source of funds as the Vendor may require to determine the Purchaser's credit worthiness. The Purchaser acknowledges that it may be necessary for the Vendor to obtain credit or other information in order to satisfy itself as to the Purchaser's credit worthiness and authorizes the

Vendor and the Vendor's designated or proposed construction lender(s) from time to time to obtain any consumer reports or other information it may require and any consumer reporting agency or credit bureau is hereby authorized to release such information as the Vendor may request.

NON-REGISTRATION AND NO ASSIGNMENT AND NO OBJECTION

38. The Purchaser covenants and agrees that he will at no time register or attempt to register this Agreement on title to the Real Property by way of caution, deposit, assignment or in any way whatsoever, and it is expressly agreed by all parties hereto that any such registration or attempt by the Purchaser or anyone acting for or through him shall constitute an event of default under this Agreement. In the event that this Agreement, a caution, a deposit, an assignment or any other instrument whatsoever is registered against or dealing with the title in contravention of this provision, then the Purchaser hereby appoints the Vendor his true and lawful attorney and/or agent for the purposes of removing the instrument from title, including the giving of any discharge, lifting or release of any caution, deposit or the assignment of any rights pursuant to this Agreement. The Purchaser hereby irrevocably consents to a court order removing any such notice of this Agreement, caution, deposit or any other documents or instruments whatsoever from title to the Real Property. The Purchaser shall bear all costs incurred by the Vendor in the exercise of any of its rights pursuant to this provision. The Purchaser acknowledges that notwithstanding any rule of law to the contrary that by executing this Agreement he has not acquired any equitable or legal interest in the Dwelling or the Real Property.

39. The Purchaser covenants and agrees that he will in no way, directly or indirectly, list for sale or lease, advertise for sale or lease, rent, convey, transfer, sell or lease, nor in any way assign his interest under this Agreement or the Purchaser's rights and interests hereunder or in the Real Property, nor directly or indirectly permit any third party to list or advertise the Real Property for sale or lease at any time prior to the Closing Date without the prior written consent of the Vendor which consent may be unreasonably or arbitrarily withheld. The Purchaser acknowledges and agrees that once a breach of the preceding covenant and agreement occurs such breach shall be a default hereunder and, at the Vendor's sole option, be deemed incapable of rectification and accordingly the Purchaser acknowledges and agrees that in the event of such breach the Vendor shall have the unilateral right and option of taking whatever steps are available to the Vendor in the event of the Purchaser's default. The Purchaser shall be entitled to direct that title to the Poll be taken in the name of his or her spouse, or a member of his or her immediate family only (being limited to parents, siblings or children over the age of eighteen (18) years), and shall not be permitted to direct title to any other third parties without the prior written consent of the Vendor, which consent may be unreasonably or arbitrarily withheld.

40. The Purchaser covenants and agrees that he shall not directly nor indirectly object to nor oppose any official plan amendment(s), rezoning application(s), severance application(s), minor variance application(s) and/or site plan application(s), nor any other applications ancillary thereto relating to the development of the Real Property, or any neighboring or adjacent lands. The Purchaser further acknowledges and agrees that this covenant may be pleaded as an estoppel or bar to any opposition or objection raised by the Purchaser thereto.

ELECTRONIC REGISTRATION AND TENDER

41. The parties waive personal tender and agree that tender in the absence of any other mutually acceptable arrangement and subject to the provisions of this Agreement shall be validly made by the Vendor upon the Purchaser by a representative of the Vendor (which shall include the Vendor's solicitor) attending or being available at the offices of the Vendor's solicitors at 3:30 p.m. on the Closing Date and remain there until 4:30 p.m. of the same date and being ready, willing and able to complete the subject transaction. In the event the Purchaser or his solicitor fails to appear or appears and fails to close the subject transaction such attendance by the Vendor's representative shall be deemed satisfactory evidence that the Vendor was ready, willing and able to complete the sale at such time. Payment shall be tendered by wired funds.

42. Notwithstanding anything contained herein to the contrary, in the event the Purchaser or his Solicitor advise the Vendor or its Solicitors, on or before the Closing Date that the Purchaser is unable or unwilling to complete the purchase, the Vendor is relieved of any obligation to make any formal tender upon the Purchaser or his Solicitor and may exercise forthwith any and all of its right and remedies provided for in this Agreement and at law.

43. Given that the electronic registration system (the **"Teraview Electronic Registration System"** or **"TERS"**) is operative in the applicable Land Titles Office in which the Real Property is registered, the following provisions shall prevail:

(a) the Purchaser shall be obliged to retain a solicitor, who is both an authorized TERS user and in good standing with the Law Society of Upper Canada, to represent the Purchaser in connection with the completion of this transaction. The Purchaser shall authorize such solicitor to, at the option of the Vendor's solicitor, either execute an escrow closing agreement with the Vendor's solicitor on the standard form recommended by the Law Society of Ontario (the **"Document Registration Agreement"**) establishing the procedures and timing for completing this transaction or to otherwise agree to be bound by the procedures set forth in the Document Registration Agreement. If the Vendor's solicitor provides written notice to the Purchaser's solicitor that it accepts and agrees to be bound by the terms of the form of Document Registration Agreement prepared by the Law Society of Ontario and adopted by the Joint LSO – CBAO Committee on Electronic Registration of Title Documents, as may be amended from time to time, the Vendor's solicitor and the Purchaser's solicitor shall be deemed to have executed such form which shall be the Document Registration Agreement defined in this paragraph and referred to in this Agreement;

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

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

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

(c) the Purchaser expressly acknowledges and agrees that he will not be entitled to receive the transfer/deed of land to the Real Property for registration until the balance of funds due on the Closing Date, in accordance with the statement of adjustments, are either remitted by wired funds or by electronic funds transfer to the Vendor's solicitor (or in such other manner as the latter may direct) prior to the release of the transfer/deed of land for registration;

(d) each of the parties agrees that the delivery of any documents not intended for registration on title to the Real Property may be delivered to the other party hereto by telefax transmission (or by a similar system reproducing the original) or by electronic transmission of electronically signed documents through the Internet provided that all documents so transmitted have been duly and properly executed by the appropriate parties/signatories thereto which may be by electronic signature. The party transmitting any such document shall also deliver the original of same [unless the document is an electronically signed

document pursuant to the *Electronic Commerce Act of Ontario*, as may be amended] to the recipient party by overnight courier sent the day after Closing, if same has been so requested by the recipient party; and

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

(i) delivered all closing documents to the Purchaser's solicitor in accordance with the provisions of the Document Registration Agreement and keys are also delivered to the Purchaser's solicitor or made available for the Purchaser to pick up at the Vendor's sales office, customer service office or construction site office;

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

(iii) has completed all steps required by TERS in order to complete this transaction that can be performed or undertaken by the Vendor's solicitor without the cooperation or participation of the Purchaser's solicitor and specifically, when the Transfer of the Real Property is created on the TERS system and messaged to the Purchaser's solicitor under the TERS system;

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

DEFAULT AND REMEDIES

44. (a) The Purchaser shall be deemed to be in default under this Agreement in each and every one of the following events, namely:

(i) upon the non-payment of all or any portion of the Purchase Price, or any other amount due hereunder;

(ii) upon a breach of, or failure in the performance or observance of any covenant, term, agreement, restriction, stipulation or provision of this Agreement to be performed and/or observed by the Purchaser; and

(iii) upon any lien, execution or encumbrance arising from any action or default whatsoever of the Purchaser being charged against or affecting the Real Property.

(b) A certificate of the Vendor or an officer of the Vendor that default has been made and the date of default and that notice, if required, of such default has been given to the Purchaser, shall be conclusive evidence of the facts therein stated. If such default continues for five (5) days after written notice thereof has been given to the Purchaser or the Purchaser's solicitor by the Vendor or its solicitors (other than any default by the Purchaser on the Closing Date, for which no notice or period to remedy shall be given or required), then in addition to any other rights or remedies which the Vendor may have, the Vendor, at its option, shall have the rights and remedies as set out below.

(c) In the event of a default by the Purchaser, then, in addition to any other rights or remedies which the Vendor may have, the Vendor, at its sole option, shall have the right to terminate this Agreement and preserve any rights the Vendor may have against the Purchaser and in such event, all monies paid hereunder (including the deposit monies paid or agreed to be paid by the Purchaser pursuant to this Agreement which sums shall be accelerated on demand of the Vendor), together with any interest earned thereon and monies paid or payable for extras or upgrades or changes ordered by the Purchaser, whether or not installed in the Dwelling, shall be forfeited to the Vendor. The Purchaser agrees that the forfeiture of the aforesaid monies shall not be a penalty and it shall not be necessary for the Vendor to prove it suffered any damages in order for the Vendor to be able to retain the aforesaid monies. The Vendor shall in such event still be entitled to claim damages from the Purchaser in addition to any monies forfeited to the Vendor. In the event the Vendor's solicitors are holding any of the deposit monies in trust pursuant to this Agreement, then in the event of a default, the Vendor's solicitors shall pay to the Vendor the said deposit monies together with any interest accrued thereon, provided the Vendor has delivered to its solicitors a certificate of the Vendor or an officer of the Vendor, certifying that the Purchaser has committed a default pursuant to this Agreement that has not been remedied and that the Vendor has terminated this Agreement and that the Vendor is therefore entitled to the said deposit monies and accrued interest, if any. Thereupon the Purchaser hereby releases the Vendor's solicitors from any obligation to hold the said deposit monies, if any, and interest, if any, in trust, and shall not make any claim whatsoever against the said solicitors and the Purchaser hereby irrevocably authorizes and directs the said solicitors to deliver the said deposit monies, if any, and accrued interest, if any, to the Vendor.

(d) It is understood and agreed that the rights contained in this Section on the part of the Vendor are in addition to any other rights (whether of a more onerous nature or not) which the Vendor may have at law, in equity or under any other provisions of this Agreement, and the Vendor expressly has the right to exercise all or any one or more of the rights contained in this Agreement, or at law or in equity, without exercising at such time, the remainder of such right or rights and without prejudice to the subsequent right of the Vendor to exercise any remaining right or rights at law, in equity or in this Agreement. In the event the Purchaser fails to make payment of any amount as and when required pursuant to the terms of this Agreement, the payment amount shall bear interest at a rate equal to eight per cent (8%) above the prime rate of the Vendor's bank, calculated from the due date to the date of payment. Prime rate for any day means the prime lending rate of interest expressed as a rate per annum (computed on a year of 365 days) which the Vendor's bank establishes from time to time as the reference rate of interest in order to determine interest rates it will charge for demand loans made in Canada in Canadian dollars as the same is in effect from time to time. In the event of any other default under this Agreement by the Purchaser the Vendor shall have the right, at its sole option, but not the obligation, to take whatever steps are necessary to correct and/or remedy such default and the Purchaser shall pay forthwith to the Vendor upon demand the costs and expenses of the Vendor in doing so plus a fifteen percent (15%) administration fee. In the event the Purchaser fails to pay any of the foregoing amounts to the Vendor after demand the Vendor shall have the right, at its option, to add any of such outstanding amounts to the Purchase Price as an adjustment on the Closing Date. In addition, in the event that the Purchaser delays the Closing Date, the Vendor shall have the right to charge Two Hundred Dollars ($200.00) plus HST per day as liquidated damages for each day of the delay, plus a legal/administrative fee of Five Hundred Dollars ($500.00) plus HST per delay towards the administration of a delayed occupancy or closing, as applicable, and to amend and/or create documentation.

45. The Purchaser covenants and agrees to pay to the Vendor all amounts to correct and remedy all damage caused by the Purchaser or those for whom he is in law responsible to any services installed within the Development, which services shall, without limitation, include survey stakes, landscaping, trees, curbs, curb cuts, streets, roads, sidewalks, street signs, street lighting, sanitary and storm sewers and any underground services installed by or on behalf of any public or private utilities. The amounts so paid by the Vendor shall form and constitute a Vendor's lien against the Real Property which Vendor's lien may be enforced in the same manner as a mortgage/charge thereon.

46. The Purchaser hereby agrees to indemnify and save harmless the Vendor, its servants and agents, successors and assigns, from all actions, causes of action, claims and demands whatsoever for, upon or by reason of any damage, loss or injury to a person or property of the Purchaser or any of his friends, relatives, workmen, agents or anyone else for whom at law the Purchaser is responsible who have entered on the Real Property or any part of the Development whether with or without the authorization, express or implied, of the Vendor.

47. No waiver by the Vendor of any breach of covenant or default in the performance of any obligation hereunder or any failure by the Vendor to enforce its rights herein shall constitute any further waiver of the Vendor's rights herein, it being the express intent of the parties that

any waiver or forbearance in enforcing its rights by the Vendor shall apply solely to that particular breach or failure.

48. Notwithstanding anything contained in this Agreement it is understood and agreed by the parties hereto that in the event that construction of the Dwelling is not completed on or before the Closing Date for any reason or in the event the Vendor cannot complete the subject transaction on the Closing Date, other than as a result of the Purchaser's default, the Vendor shall not be responsible or liable to the Purchaser in any way for any damages or costs whatsoever including without limitation loss of bargain, relocation costs, loss of income, professional fees and disbursements and any amount paid to third parties on account of decoration, construction or fixturing costs other than those costs set out in the Tarion Addendum.

CAUSE OF ACTION/VENDOR ASSIGNMENT

49. (a) The Purchaser acknowledges and agrees that notwithstanding any rights which he might otherwise have at law or in equity arising out of this Agreement, the Purchaser shall not assert any of such rights, nor have any claim or cause of action whatsoever as a result of any matter or thing arising under or in connection with this Agreement (whether based or founded in contract law, tort law or in equity, and whether for innocent misrepresentation, negligent misrepresentation, breach of contract, breach of fiduciary duty, breach of constructive trust or otherwise), against any person, firm, corporation or other legal entity, other than the person, firm, corporation or legal entity specifically named or defined as the Vendor herein, even though the Vendor may be (or may ultimately be found or adjudged to be) a nominee or agent of another person, firm, corporation or other legal entity, or a trustee for and on behalf of another person, firm, corporation or other legal entity, and this acknowledgment and agreement may be pleaded as an estoppel and bar against the Purchaser in any action, suit, application or proceeding brought by or on behalf of the Purchaser to assert any of such rights, claims or causes of action against any such third parties.

(b) At any time prior to the Closing Date, the Vendor shall be permitted to assign this Agreement (and its rights, benefits and interests hereunder) to any person, firm, partnership or corporation and upon any such assignee assuming all obligations under this Agreement and notifying the Purchaser or the Purchaser's solicitor of such assignment, the Vendor named herein shall be automatically released from all obligations and liabilities to the Purchaser arising from this Agreement, and said assignee shall be deemed for all purposes to be the Vendor herein as if it had been an original party to this Agreement, in the place and instead of the Vendor.

NOTICE

50. Any notice required to be delivered under the provisions of the Tarion Addendum shall be delivered in the manner required therein.

51. Any other 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, facsimile transmission or electronic mail to the attention of the Purchaser or the Purchaser's solicitor to their respective addresses set out in this Agreement and to the Vendor or the Vendor's solicitors to their respective addresses set out in this Agreement or in all cases 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, facsimile transmission or electronic mail and upon the third day following posting excluding Saturdays, Sundays and statutory holidays. In the event of a mail stoppage or slow down, all notices shall be delivered, sent by facsimile transmission or sent by electronic mail. This Agreement or any amendments or addendum thereto may, at the Vendor's option, be properly delivered, if delivered by facsimile transmission or if a copy of same is computer scanned and forwarded by electronic mail to the other party.

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

52. The Purchaser hereby consents to the Vendor's collection, use and disclosure of the Purchaser's personal information for the purpose of enabling the Vendor to proceed with the Purchaser's purchase of the Real Property, completion of this transaction, and for post-closing and after-sales customer care purposes. Such personal information includes the Purchaser's name, home address, e-mail address, telefax/telephone number, age, date of birth, marital status, residency status, social insurance number (only with respect to subparagraph (b) below), financial information, desired Dwelling design(s) and colour/finish selections. In particular but without limiting the foregoing, the Vendor may disclose such personal information to:

(a) any relevant governmental authorities or agencies, including without limitation, the Land Titles Office (in which the Real Property is registered), the Ministry of Finance for the Province of Ontario (i.e. with respect to Land Transfer Tax), and the CRA (i.e. with respect to HST);

(b) the CRA, to whose attention the T-5 interest income tax information return and/or the NR4 non-resident withholding tax information return is submitted (where applicable), which will contain or refer to the Purchaser's social insurance number or business registration number (as the case may be), as required by Regulation 201(1)(b)(ii) of the *Income Tax Act (Canada)*, as may be amended;

(c) any companies or legal entities that are associated with, related to or affiliated with the Vendor (or with the Vendor's parent/holding company, if applicable) and are developing one or more other developments, projects or communities that may be of to the Purchaser or members of the Purchaser's family, for the limited purposes of marketing, advertising and/or selling various products and/or services to the Purchaser and/or members of the Purchaser's family;

(d) any financial institution(s) providing (or wishing to provide) mortgage financing, banking and/or other financial or related services to the Purchaser and/or members of the Purchaser's family with respect to the Real Property, including without limitation, the Vendor's construction lender(s), the person and/or firm monitoring the project of which the Real Property forms a part (the **"Project"**) and its costs, the Vendor's designated construction lender(s), Tarion and/or any warranty bond provider and/or deposit insurer, required in connection with the development and/or construction financing of the Project and/or the Real Property and/or the financing of the Purchaser's acquisition of the Property from the Vendor;

(e) any insurance companies of the Vendor providing (or wishing to provide) insurance coverage with respect to the Project and/or the Real Property (or any portion thereof) and any title insurance companies providing (or wishing to provide) title insurance to the Purchaser or the Purchaser's mortgage lender(s) in connection with the completion of this transaction;

(f) any trades/suppliers or sub-trades/suppliers, who have been retained by or on behalf of the Vendor (or who are otherwise dealing with the Vendor) to facilitate the completion and finishing of the Dwelling and the Real Property and the installation of any extras or upgrades ordered or requested by the Purchaser;

(g) one or more providers of cable television, telephone, telecommunication, security alarm systems, hydro-electricity, water/chilled water/hot water, gas, furnace and/or other similar or related services to the Real Property (or any portion thereof) (collectively, the "**Utilities**") unless the Purchaser gives the Vendor prior notice in writing not to disclose the Purchaser's personal information to one or more of the Utilities;

(h) one or more third party data processing companies which handle or process marketing campaigns on behalf of the Vendor or other companies that are associated with, related to or affiliated with the Vendor, and who may send (by e-mail or other means) promotional literature/brochures about new developments, projects or communities and/or related services to the Purchaser and/or members of the Purchaser's family unless the Purchaser gives the Vendor prior notice in writing not to disclose the Purchaser's personal information to one or more of the aforementioned third party data processing companies;

(i) the Vendor's solicitors, to facilitate the closing of this transaction, including the closing by electronic means via the TERS, and which may (in turn) involve the disclosure of such personal information to an internet application service provider for distribution

of documentation; and

(j) any person, where the Purchaser further consents to such disclosure or disclosures required by law.

Any questions or concerns of the Purchaser with respect to the collection, use or disclosure of his personal information may be delivered to the Vendor at the address set out in the Tarion Addendum to the attention of the Privacy Officer.

KEYS

53. The Purchaser agrees that keys may be released to the Purchaser at the Vendor's sales office, customer service office or construction site office upon completion of this transaction, unless otherwise determined by the Vendor. The Vendor's or its solicitors' advice that keys are available for release to the Purchaser constitutes a valid delivery of keys to the Purchaser.

ONE-TIME UNILATERAL RIGHT TO EXTEND CLOSING

54. The Vendor shall have a one-time unilateral right to extend the Closing Date for one (1) Business Day (as defined in the Tarion Addendum) to avoid the necessity of tender where the Purchaser is not ready to close on the Closing Date and delayed closing compensation will not be payable for such period.

CONSTRUCTION ACT

55. The Purchaser covenants and agrees that he is a "home Purchaser" within the meaning of the *Construction Act* of Ontario, as may be amended, and will not claim any lien holdback on the Closing Date.

GENERAL

56. This offer, when accepted, shall constitute a binding agreement of purchase and sale. Time shall in all respects be of the essence of this Agreement. All of the Purchaser's and Vendor's covenants and obligations contained in this Agreement shall survive Closing of this transaction. It is agreed that there is no representation, warranty, guarantee, collateral agreement or condition affecting this Agreement or the Dwelling or the Real Property, except as set forth herein in writing, and this Agreement shall not be amended except in writing. The Purchaser releases and absolves the Vendor of any obligation to perform or comply with any promises or representations as may have been made by any sales representative or in any sales or marketing material(s), unless the same has been reduced to writing herein.

57. This offer and acceptance is to be read with all changes (including gender and number) required by the context, and shall be construed in accordance with the laws of the Province of Ontario.

58. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.

59. The parties agree that the signatures and/or initials on this Agreement or its acceptance, rejection or modification can be transmitted by fax transmission or, at the Vendor's option, by email (wherein a copy is scanned and forwarded by email to the other party) and that communication by such means will be legal and binding on all parties hereto.

60. In the event there are any matters provided for in this Agreement which are or may be the Vendor's responsibility pursuant to a municipal, regional or other governmental authority requirement and which the Municipality and/or Region and/or any other governmental authority no longer requires the Vendor to perform, complete, construct or install then such matter(s) shall be deleted from this Agreement and the Vendor shall have no responsibility or obligation in respect thereof.

61. The Purchaser agrees to comply with the terms of any direction regarding funds provided by the Vendor or its solicitors in respect of the balance due on the Closing and to deliver on the Closing wired funds for the balance due on Closing as directed by the Vendor or its solicitors.

62. The headings of this Agreement form no part hereof and are inserted for convenience of reference only.

63. If any provision of this Agreement or the application to any circumstances shall be held to be invalid or unenforceable, then the remaining provisions of this Agreement or the application thereof to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

64. The Purchaser and the Vendor acknowledge that this Agreement shall be deemed to be a contract under seal.

65. The Purchaser agrees as follows:

(a) if any documents 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 must be registered in the Land Titles Office where the Real Property is registered, and a notarial copy thereof (together with a statutory declaration sworn by the Purchaser's solicitor unequivocally confirming, without any qualification whatsoever, that the said power of attorney has not been revoked) shall be delivered to the Vendor and the Vendor's solicitors along with such documents; and

(b) where the Purchaser is a corporation, or where the Purchaser is buying in trust for another person or corporation for a disclosed or undisclosed beneficiary or principal (including, without limitation, a corporation to be incorporated), the execution of this Agreement by the principal or principals of such corporation, or by the person named as the Purchaser in trust as the case may be, shall be deemed and construed to constitute the personal indemnity of such person or persons so signing with respect to the obligations of the Purchaser herein and shall be fully liable to the Vendor for the Purchaser's obligations under this Agreement and the Purchaser may not plead such agency, trust relationship or any other relationships as a defence to such liability.

ADDITIONAL PROVISIONS

66. Any trees, fencing, retaining walls or noise barriers or other items of a similar nature erected by the Vendor or the Municipality on the Real Property shall be maintained by the owner of the Real Property, without any modification or alteration whatsoever and in good order and tidy appearance and any landscaping provided by the Vendor in connection therewith shall be maintained by the Purchaser in good order and condition.

67. In the event that a sump pump is installed for purposes of draining the weeping tiles of a dwelling, the Purchaser acknowledges and agrees that the repair and maintenance of such sump pump (and related components) will be the sole responsibility of such Potl owner.

R M P

H. R. P.

SCHEDULE "B"

ADDITIONAL INFORMATION

EACH NEW HOME IS PROTECTED BY FOUR LEVELS OF GUARANTEES

- One Year Tarion Warranty coverage guarantees that home is constructed in a workman-like manner and free from defects in material.*
- Two Year Tarion Warranty coverage on electrical, plumbing, heat delivery & distribution system.*
- Seven Year Tarion Warranty coverage on major structural components of your new Home.*
- The individual guarantees provided by the quality brand-name suppliers of the many components that go into new home. We carefully select component suppliers for roofing, hardware, electrical components, heating, cooling and mechanical systems, plumbing and other key elements and the warranties provided by these reputable brand name suppliers are all passed on to the Purchaser.

* See the Tarion Warranty Corporation website (Formerly the Ontario new Home Warranty program) for full warranty details.

** Variations from Builder's samples may occur in materials and finishes due to normal production processes. We reserve the right to substitute materials of equal or better quality without notice subject to availability at time of construction. E & O. E.

OPTIONAL UPGRADES AND CUSTOMIZING

- Lerrato Inc. offers a wide selection of upgrades to suit your special needs wherever possible. Please speak with the sales representative to discuss customizing your home.

Available upgrades will be quoted by the builder at the time of purchase. These upgrades may include the following features:

1- ½ HP garage door opener including the remote control and exterior keypad
2- AC unit
3- Water hose bib to front of the dwelling
4- Hardwood flooring in the bedrooms
5- Choice of carpet or laminate in the basement
6- Granite counter tops
7- Porcelain or marble tiles for the bathrooms and kitchen area
8- Wrought Iron railing
9- LED potlights

ORAL REPRESENTATIONS DO NOT FORM A PART OF NOR CAN THEY AMEND THIS AGREEMENT.

N.B. Subject to the Agreement of which this Schedule forms part, the Vendor shall have the right to substitute other products and materials provided that the substituted products and materials are of a quality equal to, or better than, the products and materials so listed or so provided.

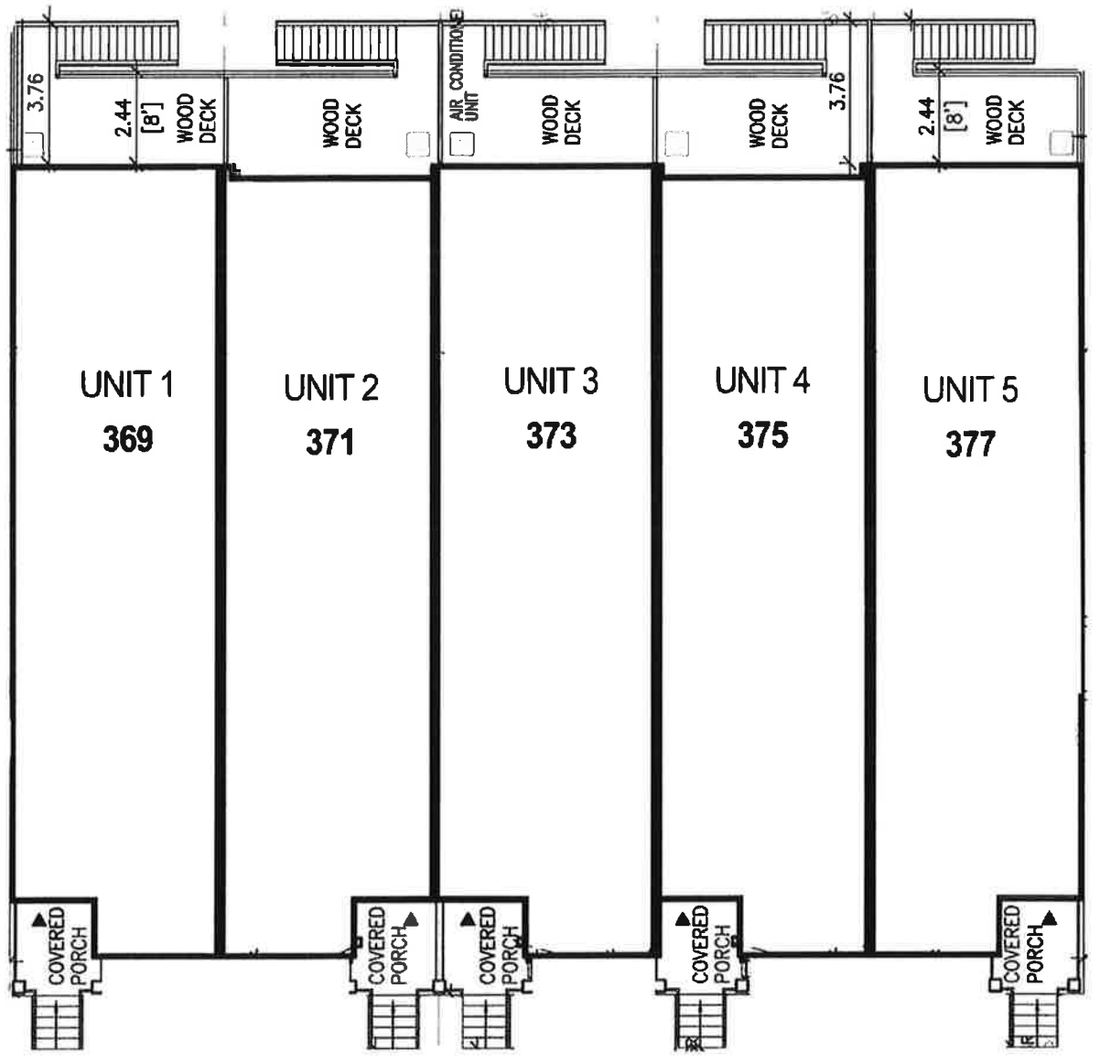
1. Marble and wood are subject to natural variations in colour and grain. Ceramic tile and broadloom are subject to pattern, shade and colour variations.
2. The Purchaser acknowledges that there shall be no reduction in the price or credit for any standard feature which is omitted at the Purchaser's request.
3. All dimensions, if any, are approximate.
4. All specifications, dimensions and materials are subject to change without notice.
5. Pursuant to this Agreement or this Schedule or pursuant to a supplementary agreement or purchase order the Purchaser may have requested the Vendor to construct an additional feature within the Dwelling which is in the nature of an optional extra (such as, by way of example only, a fireplace); if, as a result of building, construction or site conditions within the Dwelling or the Building, the Vendor is not able to construct such extra, then the Vendor may, by written notice to the Purchaser, terminate the Vendor's obligation to construct the extra. In such event, the Vendor shall refund to the Purchaser the monies, if any, paid by the Purchaser to the Vendor in respect of such extra, without interest and in all other respects this Agreement shall continue in full force and effect.
6. Brand name appliances that are not readily available at the time of purchase by the Vendor may be substituted at the Vendor's sole and absolute discretion, provided that such appliances are of equal quality to or better than the appliances set out herein.

E&OE.

R M P
A.B.P.

SCHEDULE ~~"A"~~ "C"

SITE PLAN



PORTE ROAD

(FORMERLY PICKERING BEACH ROAD, RENAMED BY -LAW No. 109-2002 AS IN DR207525)

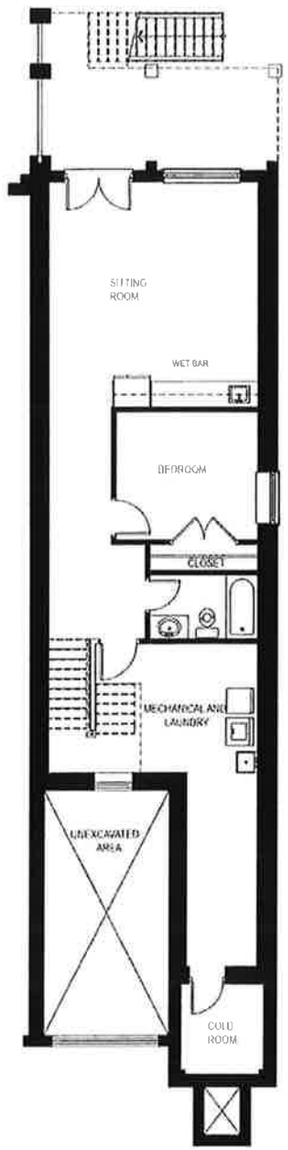
(ROAD ALLOWANCE BETWEEN LOTS 6 AND 7)

PIN 26454-0001(LT)

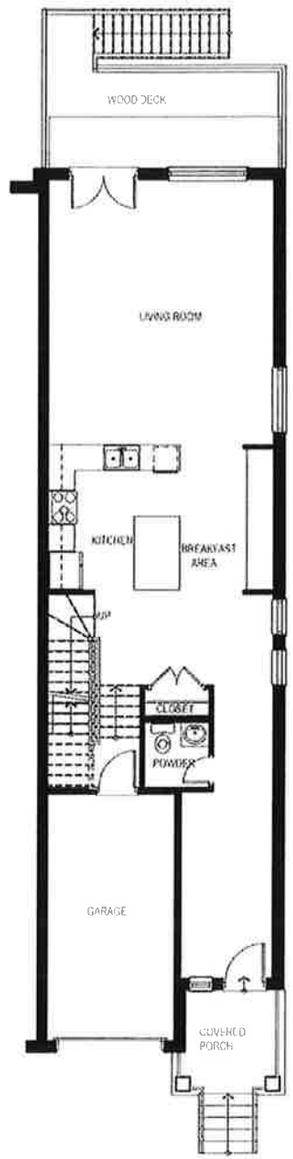
Note: Actual usable floor space may vary from the stated floor area

377 Porte Rd

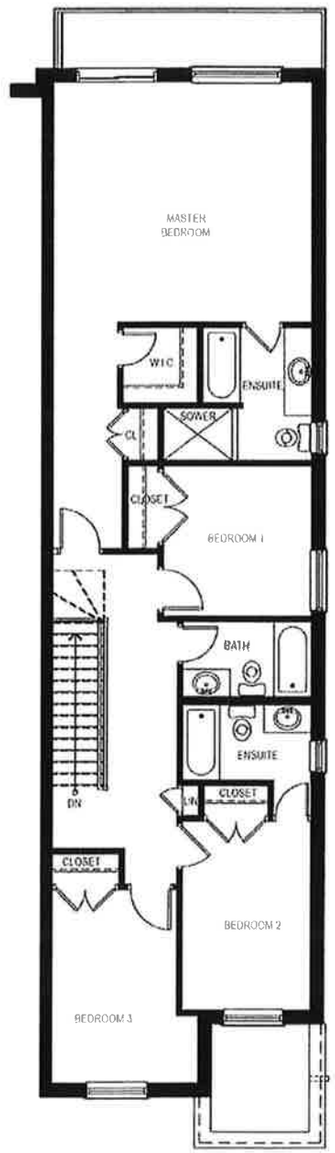
SCHEDULE "D"
FLOOR PLAN



BASEMENT



FIRST FLOOR



SECOND FLOOR

Note: Actual usable floor space may vary from the stated floor area

SCHEDULE "E"

WARNING CLAUSES AND NOTICE PROVISIONS

1. The Purchaser acknowledges that it is anticipated by the Vendor that in connection with the Vendor's application to the appropriate governmental authorities for site plan approval certain requirements may be imposed upon the Vendor by various governmental authorities. These requirements (the "**Requirements**") usually relate to warning provisions to be given to Purchasers in connection with environmental or other concerns (such as warnings relating to noise levels, the proximity of the buildings to major streets and similar matters). Accordingly, the Purchaser covenants and agrees that: (1) on the Closing Date, the Purchaser shall execute any and all documents required by the Vendor acknowledging, inter alia, that the Purchaser is aware of the Requirements.

2. The Purchaser specifically acknowledges and agrees that the Development will be developed in accordance with any requirements that may be imposed, from time to time, by any of the governmental authorities. The Purchaser further acknowledges that the proximity of the Development to major arterial roads as well as to public transit services and buses, may result in noise and/or vibration transmissions to the Real Property, and may cause noise exposure levels affecting the Real Property to exceed the noise criteria established by the governmental authorities, and that despite the inclusion of noise control features, noise levels from the aforementioned sources may continue to be of concern, occasionally interfering with some activities of the residential dwelling occupants. The Purchaser nevertheless agrees to complete this transaction in accordance with the terms hereof, notwithstanding the existence of such potential noise concerns, and the Purchaser further acknowledges and agrees that a noise-warning clause similar to the preceding sentence (subject to amendment by any wording or text recommended by the Vendor's noise consultants or by any of the governmental authorities) may be registered on title to the Potl on the Closing Date, if, in fact, same is required by any of the governmental authorities.

3. The Purchaser is advised that the Vendor's marketing material and site drawings and renderings ("**Marketing Material**") which they may have reviewed prior to the execution of this Agreement remains conceptual and that final building plans are subject to the final review and approval of any applicable governmental authority and the Vendor's design consultants and engineers, and accordingly such Marketing Material does not form part of this Agreement or the Vendor's obligations hereunder.

4. The hot water heater/tank within the Dwelling may be rented/leased and the Purchaser agrees on or before the Closing Date to enter into a lease agreement with such company selected by the Vendor for the lease of same, to execute such documents and other assurances as are required to give effect to same and to be responsible for the costs related thereto.

5. The Purchaser is advised that despite the inclusion of noise control features in this development area and within dwellings, noise levels from increasing road traffic may continue to be of concern occasionally interfering with some activities of the dwelling occupants, as the noise exposure level may exceed the noise criteria of the Municipality and the Ministry of the Environment.

6. The Purchaser is specifically advised that the Dwelling will be fitted with ducting sized to accommodate a central air conditioning unit. The installation of central air conditioning by the homeowner will allow windows and exterior doors to be kept closed, thereby achieving indoor sound levels within the limits recommended by the Ministry of Environment. (Note: care should be taken to ensure that the condenser unit is located in an area that is not sensitive to noise. The sound rating of central air conditioning units must not exceed the sound emission standards established by the Ministry of Environment).

7. The Purchaser is advised that noise, traffic, light and/or odour levels from nearby office, commercial and/or retail businesses, as well as fire hall, schools and hospital, may be of concern and occasionally interfere with some activities of the Dwelling occupants. The Purchaser is advised that sound levels may exceed the Municipality's and the Ministry of Environment's noise criteria.

A.P.P.

SCHEDULE "F"

FEATURES LIST

CUSTOM QUALITY CONSTRUCTION AND EXTERIOR:

1. Brick, stone, and stucco exterior.
2. Comes with 1 garage parking with roll up garage door with window giving natural light inside.
3. Energy conserving insulation.
4. Exterior walls and ceiling to meet or surpass the Ontario Building Code requirements.
5. Poured concrete walls treated and wrapped to ensure waterproof structure.
6. Fully graded lots as per municipal grade plan.

SPECTACULAR INTERIOR FEATURES:

1. Architectural finishes include modern, flat profile 4" baseboards with matching casings.
2. Series Classique door throughout including all closet doors with quality hardware from vendor's standard samples.
3. Latex paint on walls and semi-gloss white on doors and trim as per vendor's standard samples.
4. Full back fence included.
5. High efficiency hot water tank rental unit installed.

EXTERIOR FINISHES:

1. Low maintenance aluminum soffits, fascia, eavestroughs, and downspouts, as per elevation.
2. Self-sealing 25-year manufacturer's limited warranty roof shingles from Vendor's predetermined colour samples.
3. Drainage system which includes; damp proofing spray, drainage membrane and drain tile.
4. Poured concrete garage floor with reinforced grade beams.
5. Two exterior hose bibs (taps), one at rear elevation and one in garage.

INTERIOR KITCHEN FEATURES:

1. Flat – panel laminate cabinetry with modern finishes.
2. Custom soft – close drawers.
3. Double – basin under mount, stainless steel kitchen sink with single lever faucet.
4. Electrical outlets at counter level for small appliances.
5. Quartz countertop.

BATHROOM FEATURES:

1. Contemporary chrome single lever vanity faucet.
2. Hand – set tile flooring.
3. Mirrors in all bathrooms over vanity.
4. Energy efficient water-saving shower heads and dual flush toilets throughout.
5. Tub enclosures tiled to the ceiling height.
6. Exhaust fans provided in all bathrooms.
7. Dedicated G.F.I. outlet provided at pedestal or vanity counter level.
8. Privacy locks on all bathroom doors.

LAUNDRY FEATURES:

1. Hot and cold water supply provided with a separate drain for clothes washing appliance, as per plan.
2. Heavy – duty electrical outlet for clothes dryer and a dedicated (110 volt) electrical outlet for washer.
3. Exterior venting provided for clothes dryer.

INTERIOR TRIM FEATURES:

1. Classique interior doors as per plan.
2. Colonial style trim throughout from Vendor's included samples.
3. Elegant natural finished oak staircase, handrail, and pickets on all finished areas stairs.

BEDROOM FEATURES:

1. All bedrooms have ceiling lights with wall controls.
2. Master retreat with ensuite and walk-in closet.
3. Generous closets with space saving wire shelving.

FLOORING FEATURES:

1. Engineered hardwood floors throughout entries, kitchen and principal living areas and laminate flooring in basement and second floor.
2. Tongue & groove OSB Subflooring throughout. All sheathing joints to be sanded smooth and screwed down to floor joists.

PAINTING FEATURES:

1. Choice of one paint colour from Vendor's included samples for all interior walls.
2. All interior doors and trim to be painted white.

ELECTRIAL FEATURES:

1. 200-amp electrical service with copper wiring circuit breaker panel.
2. Rough-in for Cable TV in all Bedrooms and in the Living Room or Family Room (where applicable).
3. Doorbell included.
4. Quality carbon monoxide and smoke detectors as per Ontario Building Code (where applicable).
5. White switches and receptacles throughout.
6. Rough-in for the dishwasher.
7. Recessed light fixture in the Master ensuite shower stall (as per plan where applicable).
8. Water pressure balancing valves in all showers.

HEATING FEATURES:

1. High-efficiency forced-air gas furnace.
2. Ductwork sized for future air-conditioning.
3. High efficiency rental hot water heater.
4. Heat Recovery Ventilation Unit.

ROOFTOP FEATURES:

1. East-facing balcony with glass railing.
2. Flat roofing system & terrace.
3. Roof shingles with manufacturer's warranty.

HOME ENERGY SAVINGS AND COMFORT FEATURES:

1. 2" * 6' exterior wall with a minimum of R-22 insulation.
2. R-60 blown-in place arctic insulation.
3. R-31 batt insulation in non-attic / roof spaces.
4. R-20 basement wall wrap insulation to 6" above concrete slab.
5. R-31 foam insulation to all rooms above garages and exposed floor areas.
6. Vinyl Casement windows with Low-E coating and an Argon gas filled window Cavity.
7. Basement vinyl sliding windows with Low-E coating and an Argon gas filled window cavity.
8. All visibly exposed supply ducts in basement are taped to provide increased furnace efficiency and air flow throughout the home.
9. Programmable thermostat.
10. ERV or HRV – Energy Recovery Ventilator.

GENERAL:

1. Where the Purchaser is given a choice of materials or colours, the Purchaser agrees to confirm such choices to the vendor within14 days of being requested to do so, otherwise failing which the vendor will make such choices on behalf of the Purchaser and the Purchaser agrees to accept the same.
2. The Vendor reserves the right to substitute materials of equal or better quality and the purchaser agrees to accept the same.
3. The Purchaser acknowledges that it is at the Vendor's discretion door swings may be different than those indicated on brochures and agrees to accept swings as adjusted at the Vendor's discretion.
4. The number of steps at the front porch may vary from shown according to grading conditions and municipal requirements.
5. Variation in uniformity and colour from Vendor's sample may occur in the finished material (Purchaser agrees to accept the same).
6. Actual usable floor space and square footage may vary from the stated floor area.

All Bathroom counter tops to be installed in Quartz, Marble, or Granite from the Vendor samples.

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Freehold Form
(May 14, 2024)

Property 377 Porte Road

Statement of Critical Dates

Delayed Closing Warranty

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

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

VENDOR LERRATO INC.
Full Name(s)

PURCHASER ROHITKUMAR M. PATEL AND ARVINDABEN R. PATEL
Full Name(s)

1. Critical Dates

The **First Tentative Closing Date**, which is the date that the Vendor anticipates the home will be completed and ready to move in, is: the 14 day of MAY, 20 24.

A **Second Tentative Closing Date** can subsequently be set by the Vendor by giving proper written notice at least 90 days before the First Tentative Closing Date. The Second Tentative Closing Date can be up to 120 days after the First Tentative Closing Date, and so could be as late as: the 12 day of JUNE, 20 24.

The Vendor must set a **Firm Closing Date** by giving proper written notice at least 90 days before the Second Tentative Closing Date. The Firm Closing Date can be up to 120 days after the Second Tentative Closing Date, and so could be as late as: the ___ day of _____, 20___.

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

The Vendor can set a Delayed Closing Date that is up to 365 days after the earlier of the Second Tentative Closing Date and the Firm Closing Date: This **Outside Closing Date** could be as late as: the ___ day of _____, 20___.

2. Notice Period for a Delay of Closing

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

Notice of a delay beyond the First Tentative Closing Date must be given no later than: the ___ day of _____, 20___.
(i.e., at least **90 days** before the First Tentative Closing Date), or else the First Tentative Closing Date automatically becomes the Firm Closing Date.

Notice of a second delay in Closing must be given no later than: the ___ day of _____, 20___.
(i.e., at least **90 days** before the Second Tentative Closing Date), or else the Second Tentative Closing Date becomes the Firm Closing Date.

3. Purchaser's Termination Period

If the purchase of the home is not completed by the Outside Closing Date, then the Purchaser can terminate the transaction during a period of **30 days** thereafter (the **"Purchaser's Termination Period"**), which period, unless extended by mutual agreement, will end on: the ___ day of _____, 20___.

If the Purchaser terminates the transaction during the Purchaser's Termination Period, then the Purchaser is entitled to delayed closing compensation and to a full refund of all monies paid plus interest (*see sections 7, 10 and 11 of the Addendum*).

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

Acknowledged this 14 day of MAY, 20 24

VENDOR: _____

PURCHASER: _____

Freehold Form
(May 14, 2024)

Addendum to Agreement of Purchase and Sale
Delayed Closing Warranty

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

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

The Vendor shall complete all blanks set out below.

VENDOR LERRATO INC.
Full Name(s)

B61168	9 RIDGEVALE DR		
HCRA Licence Number	Address		
647-855-2525	MARKHAM	ON	L6B 1A8
Phone	City	Province	Postal Code
	hiteshhitesh2004@yahoo.com		
Fax	Email*		

PURCHASER ROHITKUMAR M. PATEL AND ARVINDABEN R. PATEL
Full Name(s)

29 ROSEBANK DR UN703	SCARBOROUGH	ON	M1B 5Y7
Address	City	Province	Postal Code
Phone 647 784 0957			
Fax	Email* Shrishil@msn.com		

PROPERTY DESCRIPTION

377 PORTE ROAD
Municipal Address

AJAX	ON	L1S 0B9
City	Province	Postal Code

PT LT 6 CON 1, PT 5, 40R30173, PICKERING, SUBJECT TO EASEMENT AS IN PI31742;
Short Legal Description
TOWN OF AJAX

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

INFORMATION REGARDING THE PROPERTY

The Vendor confirms that:

(a) The Property is within a plan of subdivision or a proposed plan of subdivision. O Yes ● No
If yes, the plan of subdivision is registered. O Yes ● No
If the plan of subdivision is not registered, approval of the draft plan of subdivision has been given. O Yes ● No

(b) The Vendor has received confirmation from the relevant government authorities that there is sufficient:
(i) water capacity; and (ii) sewage capacity to service the Property. O Yes ● No

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

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

(c) A building permit has been issued for the Property. ● Yes ONo
(d) Commencement of Construction: ● has occurred; or O is expected to occur by the ____day of _____, 20__.

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

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

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SETTING AND CHANGING CRITICAL DATES

1. Setting Tentative Closing Dates and the Firm Closing Date

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

2. Changing the Firm Closing Date – Three Ways

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

3. Changing the Firm Closing Date – By Setting a Delayed Closing Date

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

4. Changing Critical Dates – By Mutual Agreement

(a) This Addendum sets out a framework for setting, extending and/or accelerating Critical dates, which cannot be altered contractually except as set out in this section 4. Any amendment not in accordance with this section is voidable at the option of the Purchaser.
(b) The Vendor and Purchaser may at any time, after signing the Purchase Agreement, mutually agree in writing to accelerate or extend any of the Critical Dates. Any amendment which accelerates or extends any of the Critical Dates must include the following provisions:

  (i) the Purchaser and Vendor agree that the amendment is entirely voluntary – the Purchaser has no obligation to sign the amendment and each understands that this purchase transaction will still be valid if the Purchaser does not sign this amendment;
  (ii) the amendment includes a revised Statement of Critical Dates which replaces the previous Statement of Critical Dates;
  (iii) the Purchaser acknowledges that the amendment may affect delayed closing compensation payable; and

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(iv) if the change involves extending either the Firm Closing Date or the Delayed Closing Date, then the amending agreement shall:

i. disclose to the Purchaser that the signing of the amendment may result in the loss of delayed closing compensation as described in section 7;
ii. unless there is an express waiver of compensation, describe in reasonable detail the cash amount, goods, services, or other consideration which the Purchaser accepts as compensation; and
iii. contain a statement by the Purchaser that the Purchaser waives compensation or accepts the compensation referred to in clause ii above, in either case, in full satisfaction of any delayed closing compensation payable by the Vendor for the period up to the new Firm Closing Date or Delayed Closing Date.

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

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

(d) The Vendor and Purchaser may agree in the Purchase Agreement to any unilateral extension or acceleration rights that are for the benefit of the Purchaser.

5. Extending Dates – Due to Unavoidable Delay

(a) If Unavoidable Delay occurs, the Vendor may extend Critical Dates by no more than the length of the Unavoidable Delay Period, without the approval of the Purchaser and without the requirement to pay delayed closing compensation in connection with the Unavoidable Delay, provided the requirements of this section are met.

(b) If the Vendor wishes to extend Critical Dates on account of Unavoidable Delay, the Vendor shall provide written notice to the Purchaser setting out a brief description of the Unavoidable Delay, and an estimate of the duration of the delay. Once the Vendor knows or ought reasonably to know that an Unavoidable Delay has commenced, the Vendor shall provide written notice to the Purchaser by the earlier of: 20 days thereafter; and the next Critical Date.

(c) As soon as reasonably possible, and no later than 20 days after the Vendor knows or ought reasonably to know that an Unavoidable Delay has concluded, the Vendor shall provide written notice to the Purchaser setting out a brief description of the Unavoidable Delay, identifying the date of its conclusion, and setting new Critical Dates. The new Critical Dates are calculated by adding to the then next Critical Date the number of days of the Unavoidable Delay Period (the other Critical Dates changing accordingly), provided that the Firm Closing Date or Delayed Closing Date, as the case may be, must be at least 10 days after the day of giving notice unless the parties agree otherwise. Either the Vendor or the Purchaser may request in writing an earlier Firm Closing Date or Delayed Closing Date, and the other party's consent to the earlier date shall not be unreasonably withheld.

(d) If the Vendor fails to give written notice of the conclusion of the Unavoidable Delay in the manner required by paragraph (c) above, then the notice is ineffective, the existing Critical Dates are unchanged, and any delayed closing compensation payable under section 7 is payable from the existing Firm Closing Date.

(e) Any notice setting new Critical Dates given by the Vendor under this section shall include an updated revised Statement of Critical Dates.

EARLY TERMINATION CONDITIONS

6. Early Termination Conditions

(a) The Vendor and Purchaser may include conditions in the Purchase Agreement that, if not satisfied, give rise to early termination of the Purchase Agreement, but only in the limited way described in this section.

(b) The Vendor is not permitted to include any conditions in the Purchase Agreement other than: the types of Early Termination Conditions listed in Schedule A; and/or the conditions referred to in paragraphs (j), (k) and (l) below. Any other condition included in a Purchase Agreement for the benefit of the Vendor that is not expressly permitted under Schedule A or paragraphs (j), (k) and (l) below is deemed null and void and is not enforceable by the Vendor, but does not affect the validity of the balance of the Purchase Agreement.

(c) The Vendor confirms that this Purchase Agreement is subject to Early Termination Conditions that, if not satisfied (or waived, if applicable), may result in the termination of the Purchase Agreement. O Yes O No

(d) If the answer in (c) above is "Yes", then the Early Termination Conditions are as follows. The obligation of each of the Purchaser and Vendor to complete this purchase and sale transaction is subject to satisfaction (or waiver, if applicable) of the following conditions and any such conditions set out in an appendix headed "Early Termination Conditions":

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Condition #1 (if applicable)
Description of the Early Termination Condition:

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

The date by which Condition #1 is to be satisfied is the _____day of_____, 20 _____.

Condition #2 (if applicable)
Description of the Early Termination Condition:

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

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

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

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

(e) There are no Early Termination Conditions applicable to this Purchase Agreement other than those identified in subparagraph (d) above and any appendix listing additional Early Termination Conditions.
(f) The Vendor agrees to take all commercially reasonable steps within its power to satisfy the Early Termination Conditions identified in subparagraph (d) above.
(g) For conditions under paragraph 1(a) of Schedule A the following applies:

(i) conditions in paragraph 1(a) of Schedule A may not be waived by either party;
(ii) the Vendor shall provide written notice not later than five (5) Business Days after the date specified for satisfaction of a condition that: (A) the condition has been satisfied; or (B) the condition has not been satisfied (together with reasonable details and backup materials) and that as a result the Purchase Agreement is terminated; and
(iii) if notice is not provided as required by subparagraph (ii) above then the condition is deemed not satisfied and the Purchase Agreement is terminated.

(h) For conditions under paragraph 1(b) of Schedule A the following applies:

(i) conditions in paragraph 1(b) of Schedule A may be waived by the Vendor;
(ii) the Vendor shall provide written notice on or before the date specified for satisfaction of the condition that: (A) the condition has been satisfied or waived; or (B) the condition has not been satisfied nor waived, and that as a result the Purchase Agreement is terminated; and
(iii) if notice is not provided as required by subparagraph (ii) above then the condition is deemed satisfied or waived and the Purchase Agreement will continue to be binding on both parties.

(i) If a Purchase Agreement or proposed Purchase Agreement contains Early Termination Conditions, the Purchaser has three (3) Business Days after the day of receipt of a true and complete copy of the Purchase Agreement or proposed Purchase Agreement to review the nature of the conditions (preferably with legal counsel). If the Purchaser is not satisfied, in the Purchaser's sole discretion, with the Early Termination Conditions, the Purchaser may revoke the Purchaser's offer as set out in the proposed Purchase Agreement, or terminate the Purchase Agreement, as the case may be, by giving written notice to the Vendor within those three Business Days.
(j) The Purchase Agreement may be conditional until Closing (transfer to the Purchaser of title to the home), upon compliance with the subdivision control provisions (section 50) of the *Planning Act*, which compliance shall be obtained by the Vendor at its sole expense, on or before Closing.
(k) The Purchaser is cautioned that there may be other conditions in the Purchase Agreement that allow the Vendor to terminate the Purchase Agreement due to the fault of the Purchaser.
(l) The Purchase Agreement may include any condition that is for the sole benefit of the Purchaser and that is agreed to by the Vendor (e.g., the sale of an existing dwelling, Purchaser financing or a basement walkout). The Purchase Agreement may specify that the Purchaser has a right to terminate the Purchase Agreement if any such condition is not met, and may set out the terms on which termination by the Purchaser may be effected.

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MAKING A COMPENSATION CLAIM

7. Delayed Closing Compensation

(a) The Vendor warrants to the Purchaser that, if Closing is delayed beyond the Firm Closing Date (other than by mutual agreement or as a result of Unavoidable Delay as permitted under sections 4 and 5), then the Vendor shall compensate the Purchaser up to a total amount of $7,500, which amount includes: (i) payment to the Purchaser of a set amount of $150 a day for living expenses for each day of delay until the date of Closing; or the date of termination of the Purchase Agreement, as applicable under paragraph (b) below; and (ii) any other expenses (supported by receipts) incurred by the Purchaser due to the delay.

(b) Delayed closing compensation is payable only if: (i) Closing occurs; or (ii) the Purchase Agreement is terminated or deemed to have been terminated under paragraph 10(b) of this Addendum. Delayed closing compensation is payable only if the Purchaser's claim is made to Tarion in writing within one (1) year after Closing, or after termination of the Purchase Agreement, as the case may be, and otherwise in accordance with this Addendum. Compensation claims are subject to any further conditions set out in the ONHWP Act.

(c) If the Vendor gives written notice of a Delayed Closing Date to the Purchaser less than 10 days before the Firm Closing Date, contrary to the requirements of paragraph 3(c), then delayed closing compensation is payable from the date that is 10 days before the Firm Closing Date.

(d) Living expenses are direct living costs such as for accommodation and meals. Receipts are not required in support of a claim for living expenses, as a set daily amount of $150 per day is payable. The Purchaser must provide receipts in support of any claim for other delayed closing compensation, such as for moving and storage costs. Submission of false receipts disentitles the Purchaser to any delayed closing compensation in connection with a claim.

(e) If delayed closing compensation is payable, the Purchaser may make a claim to the Vendor for that compensation after Closing or after termination of the Purchase Agreement, as the case may be, and shall include all receipts (apart from living expenses) which evidence any part of the Purchaser's claim. The Vendor shall assess the Purchaser's claim by determining the amount of delayed closing compensation payable based on the rules set out in section 7 and the receipts provided by the Purchaser, and the Vendor shall promptly provide that assessment information to the Purchaser. The Purchaser and the Vendor shall use reasonable efforts to settle the claim and when the claim is settled, the Vendor shall prepare an acknowledgement signed by both parties which:

  (i) includes the Vendor's assessment of the delayed closing compensation payable;
  (ii) describes in reasonable detail the cash amount, goods, services, or other consideration which the Purchaser accepts as compensation (the "Compensation"), if any; and
  (iii) contains a statement by the Purchaser that the Purchaser accepts the Compensation in full satisfaction of any delay compensation payable by the Vendor.

(f) If the Vendor and Purchaser cannot agree as contemplated in paragraph 7(e), then to make a claim to Tarion the Purchaser must file a claim with Tarion in writing within one (1) year after Closing. A claim may also be made and the same rules apply if the sale transaction is terminated under paragraph 10(b), in which case, the deadline for a claim is one (1) year after termination.

8. Adjustments to Purchase Price

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

MISCELLANEOUS

9. Ontario Building Code – Conditions of Closing

(a) On or before Closing, the Vendor shall deliver to the Purchaser:
  (i) an Occupancy Permit (as defined in paragraph (d)) for the home; or
  (ii) if an Occupancy Permit is not required under the Building Code, a signed written confirmation by the Vendor that all conditions of occupancy under the Building Code have been fulfilled and occupancy is permitted under the Building Code.

(b) Notwithstanding the requirements of paragraph (a), to the extent that the Purchaser and the Vendor agree that the Purchaser shall be responsible for one or more prerequisites to obtaining permission for occupancy under the Building Code, (the "Purchaser Occupancy Obligations"):

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(i) the Purchaser shall not be entitled to delayed closing compensation if the reason for the delay is that the Purchaser Occupancy Obligations have not been completed;
(ii) the Vendor shall deliver to the Purchaser, upon fulfilling all prerequisites to obtaining permission for occupancy under the Building Code (other than the Purchaser Occupancy Obligations), a signed written confirmation that the Vendor has fulfilled such prerequisites; and
(iii) if the Purchaser and Vendor have agreed that such prerequisites (other than the Purchaser Occupancy Obligations) are to be fulfilled prior to Closing, then the Vendor shall provide the signed written confirmation required by subparagraph (ii) on or before the date of Closing.

(c) If the Vendor cannot satisfy the requirements of paragraph (a) or subparagraph (b)(ii), the Vendor shall set a Delayed Closing Date (or new Delayed Closing Date) on a date that the Vendor reasonably expects to have satisfied the requirements of paragraph (a) or subparagraph (b)(ii), as the case may be. In setting the Delayed Closing Date (or new Delayed Closing Date), the Vendor shall comply with the requirements of section 3, and delayed closing compensation shall be payable in accordance with section 7. Despite the foregoing, delayed closing compensation shall not be payable for a delay under this paragraph (c) if the inability to satisfy the requirements of subparagraph (b)(ii) above is because the Purchaser has failed to satisfy the Purchaser Occupancy Obligations.

(d) For the purposes of this section, an "Occupancy Permit" means any written or electronic document, however styled, whether final, provisional or temporary, provided by the chief building official (as defined in the *Building Code Act*) or a person designated by the chief building official, that evidences that permission to occupy the home under the Building Code has been granted.

10. Termination of the Purchase Agreement

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

(b) If for any reason (other than breach of contract by the Purchaser) Closing has not occurred by the Outside Closing Date, then the Purchaser has 30 days to terminate the Purchase Agreement by written notice to the Vendor. If the Purchaser does not provide written notice of termination within such 30-day period then the Purchase Agreement shall continue to be binding on both parties and the Delayed Closing Date shall be the date set under paragraph 3(c), regardless of whether such date is beyond the Outside Closing Date.

(c) If: calendar dates for the applicable Critical Dates are not inserted in the Statement of Critical Dates; or if any date for Closing is expressed in the Purchase Agreement or in any other document to be subject to change depending upon the happening of an event (other than as permitted in this Addendum), then the Purchaser may terminate the Purchase Agreement by written notice to the Vendor.

(d) The Purchase Agreement may be terminated in accordance with the provisions of section 6.

(e) Nothing in this Addendum derogates from any right of termination that either the Purchaser or the Vendor may have at law or in equity on the basis of, for example, frustration of contract or fundamental breach of contract.

(f) Except as permitted in this section, the Purchase Agreement may not be terminated by reason of the Vendor's delay in Closing alone.

11. Refund of Monies Paid on Termination

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

(b) The rate of interest payable on the Purchaser's monies is 2% less than the minimum rate at which the Bank of Canada makes short-term advances to members of Canada Payments Association, as of the date of termination of the Purchase Agreement.

(c) Notwithstanding paragraphs (a) and (b) above, if either party initiates legal proceedings to contest termination of the Purchase Agreement or the refund of monies paid by the Purchaser, and obtains a legal determination, such amounts and interest shall be payable as determined in those proceedings.

12. Definitions

"Business Day" means any day other than: Saturday; Sunday; New Year's Day; Family Day; Good Friday; Easter Monday; Victoria Day; Canada Day; Civic Holiday; Labour Day; Thanksgiving Day; Remembrance Day; Christmas Day; Boxing Day; and any special holiday proclaimed by the Governor General or the Lieutenant Governor; and where New Year's Day, Canada Day or Remembrance Day falls on a Saturday or Sunday, the following Monday is not a Business Day, and where Christmas Day falls on a Saturday or Sunday, the following Monday and Tuesday are not Business Days; and where Christmas Day falls on a Friday, the following Monday is not a Business Day.
"Closing" means the completion of the sale of the home including transfer of title to the home to the Purchaser, and **"Close"** has a corresponding meaning.
"Commencement of Construction" means the commencement of construction of foundation components or elements (such as footings, rafts or piles) for the home.

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"Critical Dates" means the First Tentative Closing Date, the Second Tentative Closing Date, the Firm Closing Date, the Delayed Closing Date, the Outside Closing Date and the last day of the Purchaser's Termination Period.
"Delayed Closing Date" means the date, set in accordance with section 3, on which the Vendor agrees to Close, in the event the Vendor cannot Close on the Firm Closing Date.
"Early Termination Conditions" means the types of conditions listed in Schedule A.
"Firm Closing Date" means the firm date on which the Vendor agrees to Close as set in accordance with this Addendum.
"First Tentative Closing Date" means the date on which the Vendor, at the time of signing the Purchase Agreement, anticipates that it will be able to close, as set out in the Statement of Critical Dates.
"Outside Closing Date" means the date which is 365 days after the earlier of the Firm Closing Date; or Second Tentative Closing Date; or such other date as may be mutually agreed upon in accordance with section 4.
"Property" or "home" means the home including lands being acquired by the Purchaser from the Vendor.
"Purchaser's Termination Period" means the 30-day period during which the Purchaser may terminate the Purchase Agreement for delay, in accordance with paragraph 10(b).
"Second Tentative Closing Date" has the meaning given to it in paragraph 1(c).
"Statement of Critical Dates" means the Statement of Critical Dates attached to and forming part of this Addendum (in form to be determined by Tarion from time to time), and, if applicable, as amended in accordance with this Addendum.
"The ONHWP Act" means the *Ontario New Home Warranties Plan Act* including regulations, as amended from time to time.
"Unavoidable Delay" means an event which delays Closing which is a strike, fire, explosion, flood, act of God, civil insurrection, act of war, act of terrorism or pandemic, plus any period of delay directly caused by the event, which are beyond the reasonable control of the Vendor and are not caused or contributed to by the fault of the Vendor.
"Unavoidable Delay Period" means the number of days between the Purchaser's receipt of written notice of the commencement of the Unavoidable Delay, as required by paragraph 5(b), and the date on which the Unavoidable Delay concludes.

13. Addendum Prevails

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

14. Time Periods, and How Notice Must Be Sent

(a) Any written notice required under this Addendum may be given personally or sent by email, fax, courier or registered mail to the Purchaser or the Vendor at the address/contact numbers identified on page 2 or replacement address/contact numbers as provided in paragraph (c) below. Notices may also be sent to the solicitor for each party if necessary contact information is provided, but notices in all events must be sent to the Purchaser and Vendor, as applicable. If email addresses are set out on page 2 of this Addendum, then the parties agree that notices may be sent by email to such addresses, subject to paragraph (c) below.
(b) Written notice given by one of the means identified in paragraph (a) is deemed to be given and received: on the date of delivery or transmission, if given personally or sent by email or fax (or the next Business Day if the date of delivery or transmission is not a Business Day); on the second Business Day following the date of sending by courier; or on the fifth Business Day following the date of sending, if sent by registered mail. If a postal stoppage or interruption occurs, notices shall not be sent by registered mail, and any notice sent by registered mail within 5 Business Days prior to the commencement of the postal stoppage or interruption must be re-sent by another means in order to be effective. For purposes of this section 14, Business Day includes Remembrance Day, if it falls on a day other than Saturday or Sunday, and Easter Monday.
(c) If either party wishes to receive written notice under this Addendum at an address/contact number other than those identified on page 2 of this Addendum, then the party shall send written notice of the change of address, fax number, or email address to the other party in accordance with paragraph (b) above.
(d) Time periods within which or following which any act is to be done shall be calculated by excluding the day of delivery or transmission and including the day on which the period ends.
(e) Time periods shall be calculated using calendar days including Business Days but subject to paragraphs (f), (g) and (h) below.
(f) Where the time for making a claim under this Addendum expires on a day that is not a Business Day, the claim may be made on the next Business Day.
(g) Prior notice periods that begin on a day that is not a Business Day shall begin on the next earlier Business Day, except that notices may be sent and/or received on Remembrance Day, if it falls on a day other than Saturday or Sunday, or Easter Monday.
(h) Every Critical Date must occur on a Business Day. If the Vendor sets a Critical Date that occurs on a date other than a Business Day, the Critical Date is deemed to be the next Business Day.
(i) Words in the singular include the plural and words in the plural include the singular.
(j) Gender-specific terms include both sexes and include corporations.

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15. Disputes Regarding Termination

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

For more information please visit www.tarion.com

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SCHEDULE A

Types of Permitted Early Termination Conditions

1. The Vendor of a home is permitted to make the Purchase Agreement conditional as follows:

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

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

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

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

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

2. The following definitions apply in this Schedule:

"Approval" means an approval, consent or permission (in final form not subject to appeal) from an Approving Authority and may include completion of necessary agreements (i.e., site plan agreement) to allow lawful access to and use and Closing of the property for its intended residential purpose.
"Approving Authority" means a government (federal, provincial or municipal), governmental agency, Crown corporation, or quasi-governmental authority (a privately operated organization exercising authority delegated by legislation or a government).
"Freehold Project" means the construction or proposed construction of three or more freehold homes (including the Purchaser's home) by the same Vendor in a single location, either at the same time or consecutively, as a single coordinated undertaking.

3. Each condition must:

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

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

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

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SCHEDULE B

Adjustments to Purchase Price or Balance Due on Closing

PART I Stipulated Amounts/Adjustments

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

	DESCRIPTION	SECTION	AMOUNT
1.	Contribution to banking fees, including partial discharges	21(g)	$300 plus HST
2.	Contribution to costs of tree planting	21(i)	$2,000.00 plus HST
3.	Contribution to costs of internet delivery of documentation and electronic registration	21(j)	$350 plus HST
4.	Contribution to costs of survey preparation	21(k)	$400 plus HST
5.	Unaccepted cheque/ N.S.F Administrative fee per Occurrence	24	$500 plus HST
6.	Fees and liquidated damages for Purchasers Delaying Occupancy	44(d)	$200 plus HST per day and $500 plus HST per delay
7.	Wire Transfer or direct deposit fee	21(dd)	$150 plus HST
8.	Release of vendor's Lien	21(r)	$100 plus HST
9.	Project aesthetic enhancement	5	$5000 plus HST
10.	Capped development charges	21(l)	$18000 plus HST
11.	Vendor's Solicitor's Legal Fees and Disbursements RE: Letter or other form of notice relating to any default by Purchaser per Occurrence (if applicable)	21(r)	$500 plus HST
12.	Tarion enrolment fee	21(a)	$1955 plus HST
13.	Home Regulatory Authority fee	21(a)	$145 plus HST
14.	Charges Re: electricity, water, and gas meters	21(d)	$1245 plus HST
15.	Re-schedule inspection (if applicable)	10(i)	$250 plus HST
16.	Fail to inform Vendor of change of Purchaser's Information	21(cc)	$250 plus HST

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

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

	DESCRIPTION	SECTION
1.	Tarion enrolment fee	21(a)
2.	Home Regulatory Authority fee	21(a)
3.	Unpaid amounts, including upgrades, extras and/or changes	21(b)
4.	Realty Taxes, fuel, water rates, & assessment rates	21(c)
5.	Utility check meter, water meter, hydro meter or gas meter, connection, installation, energization, etc. charges (not to exceed Five Hundred ($500.00) Dollars plus HST per meter or service)	21(d)
6.	Costs relating to Purchaser's failure to make required contractual arrangements	21(e)
7.	Law Society of Ontario charge imposed on Vendor or its solicitors	21(f)
8.	Any new taxes or increases to existing taxes	21(h)
9.	Development charge(s)	21(l)
10.	Education development charge(s)	21(m)
11.	Charges pursuant to section 37, parks, public art or other charges/levies	23(n)
12.	Completing the final coat of asphalt on the driveway (not to exceed Two Thousand ($2,000.00) Dollars + HST) (if applicable)	21(o)
13.	Any other additional or further adjustments agreed to in writing between the Vendor and Purchaser subsequent to the execution of this Agreement.	21(p)
14.	Utility supplier(s) deposit(s)/ Hot water heater and tank rental	23
15.	HST on adjustments, extras, upgrades, changes / Payment of HST rebate	25
16.	Cost of extras, upgrades, changes	28
17.	Costs to remedy correct, remove, or remedy unauthorized work, plus administration fee	34
18.	Removing unauthorized title registrations	38
19.	Interest and liquidated damages, plus administration fee	44(d)
20.	New levies, charges, payments, contributions, fees, assessments etc.	21(q)
21.	Vendor's lien or charge fees	21(r)
22.	Charges for recycling containers/bins, recycling programs, food/kitchen waste collection containers/bins, and/or food/kitchen waste collection programs	21(s)
23.	Internet delivery of documentation to the purchaser's solicitor	21(t)
24.	Amounts which may, in the vendor's discretion, remain unpaid and owing to the vendor on account of any extras, upgrades or changes for the property ordered by the purchaser	21(u)
25.	Fail to provide information/ change of solicitor (if applicable)	21(v)
26.	Appliance installation charges (if applicable)	21(w)
27.	Cost for replacement of laid sod / landscape plantings (if applicable)	21(x)
28.	Costs to correct damages caused by unlawful works (if applicable)	21(y)
29.	Vendor's legal fees and disbursements re: extensions (if applicable)	21(z)
30.	Cost for colours and materials from other than vendor's samples	21(aa)
31.	EFTs fees and charges (if applicable)	24
32.	Cost or credit Re walk-out Basement, Look-out or Rear Deck	21(bb)

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APPENDIX TO ADDENDUM
TO AGREEMENT OF PURCHASE AND SALE

EARLY TERMINATION CONDITIONS

The Early Termination Conditions referred to in paragraph 2(c)(ii) of the Tarion Addendum are as follows:

CONDITIONS PERMITTED IN PARAGRAPH 1 (a) OF SCHEDULE "A" TO THE TARION ADDENDUM

None.

CONDITIONS PERMITTED IN PARAGRAPH 1 (b) OF SCHEDULE "A" TO THE TARION ADDENDUM

1. **Description of Early Termination Condition:**

None.

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Appendix “J”

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OREA Ontario Real Estate Association Agreement of Purchase and Sale

Form 100

for use in the Province of Ontario

This Agreement of Purchase and Sale dated this 29 day of October 2023

BUYER: MOHAMMED ALSHARAFI FATIMA JEDDI, agrees to purchase from
(Full legal names of all Buyers)

SELLER: BARAKAA DEVELOPER INC, the following
(Full legal names of all Sellers)

REAL PROPERTY:

Address 23 MADISON AVE RICHMOND HILL ONT

fronting on the South side of MADISON AVE

in the City of RICHMOND HILL

and having a frontage of 44.1 Feet more or less by a depth of 100.1 FEET more or less

and legally described as
LOT 741 AND PART LOTS 740 AND 742, PLAN 133, PART 2, PLAN 65R38228

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

PURCHASE PRICE: Dollars (CDN$) 2,588,000.00

Two Million Five Hundred Eighty-Eight Thousand Dollars

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

One Hundred Thousand Dollars (CDN$) 100,000.00

by negotiable cheque payable to REMAX CROSSROADS REALTY INC, BROKERAGE "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 B & C **attached hereto form(s) part of this Agreement.**

1. **IRREVOCABILITY:** This offer shall be irrevocable by Buyer (Seller/Buyer) until 1:00 (a.m./p.m.) on the 30 day of October 2023, 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 25 day of January 2024. Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

INITIALS OF BUYER(S): MA FA **INITIALS OF SELLER(S):** DS

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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.: 905-305-0506 (For delivery of Documents to Seller)

FAX No.: ..... (For delivery of Documents to Buyer)

Email Address: dhingrahans@gmail.com (For delivery of Documents to Seller)

Email Address: sejeddi@mortgagealliance.com (For delivery of Documents to Buyer)

4. CHATTELS INCLUDED:
as per detailed FEATURE Sheet and APPLIANCES List attached. (Schedule "C")

MA FA

DS Hy

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: .....

.....

.....

.....

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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:
Hot Water Tank

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 included in ..... the Purchase Price. If the sale of the property is not subject to HST, Seller agrees to certify on or before (included in/in addition to)
closing, that the sale of the property is not subject to HST. Any HST on chattels, if applicable, is not included in the Purchase Price.

INITIALS OF BUYER(S): MA FA

INITIALS OF SELLER(S): DS Hy

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8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the 15 day of January, 2024, (Requisition Date) to examine the title to the property at Buyer's 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 Buyer that there are no outstanding work orders or deficiency notices affecting the property, and that its present use (Single family Residence) 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 telecommunication services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telecommunication 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 Ontario. Unless otherwise agreed to by the lawyers, such exchange of Requisite Deliveries shall occur by the delivery of the Requisite Deliveries of each party to the office of the lawyer for the other party 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. **The Buyer acknowledges having the opportunity to include a requirement for a property inspection report in this Agreement and agrees that except as may be specifically provided for in this Agreement, the Buyer will not be obtaining a property inspection or property inspection report regarding the property.**

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): MA FA **INITIALS OF SELLER(S):** DS HJ

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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 Seller's 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. **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.

20. **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.

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 Lynx high value payment system as set out and prescribed by the *Canadian Payments Act (R.S.C., 1985, c. C-21),* as amended from time to time.

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 urea formaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains urea formaldehyde. 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.

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. **ELECTRONIC SIGNATURES:** The parties hereto consent and agree to the use of electronic signatures pursuant to the *Electronic Commerce Act, 2000,* S.O. 2000, c17 as amended from time to time with respect to this Agreement and any other documents respecting this transaction.

28. **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): MA FA

INITIALS OF SELLER(S): DS HJ

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29. 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:

(Witness)	Mohammed Alsharafi (Buyer) MOHAMMAD ALSHARAFI	(Seal)	10/29/2023 (Date)
(Witness)	Fatima Alawi (Buyer) FATIMA ALAWI	(Seal)	10/29/2023 (Date)

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:

(Witness)	DocuSigned by: Hitesh Jhaveri C4F5C3BEEF937425... (Seller) BARAKAA DEVELOPER INC	(Seal)	10/29/2023 | 3:58 PM PDT (Date)
(Witness)	(Seller)	(Seal)	(Date)

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)	(Seal)	(Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at ..... (a.m./p.m.) this 10/29/2023 | 3:58 PM PDT day of ....., 20.....

DocuSigned by: Hitesh Jhaveri C4F5C3BEEF937425...
(Signature of Seller or Buyer)

INFORMATION ON BROKERAGE(S)

Listing Brokerage RE/MAX CROSSROADS REALTY INC., BROKERAGE 905-305-0505 (Tel.No.)

HANS DHINGRA HANS DHINGRA
(Salesperson/Broker/Broker of Record Name)

Co-op/Buyer Brokerage RE/MAX REAL ESTATE CENTRE INC, Brokerage (Tel.No.)

SEAN JEDDI
(Salesperson/Broker/Broker of Record 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.

DocuSigned by: Hitesh Jhaveri C4F5C3BEEF937425...

(Seller) BARAKAA DEVELOPER INC	(Date) 10/29/2023 | 3:58 PM PDT		
(Seller)	(Date)		

Address for Service .....

..... (Tel. No.)

Seller's Lawyer .....

Address .....

Email .....

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

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.

(Buyer) MOHAMMAD ALSHARAFI	(Date) 10/29/2023		
(Buyer) FATIMA ALAWI	(Date) 10/29/2023		

Address for Service .....

..... (Tel. No.)

Buyer's Lawyer .....

Address .....

Email .....

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

COMMISSION TRUST AGREEMENT

FOR OFFICE USE ONLY

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: Sean Jeddi 10/29/23

(Authorized to bind the Listing Brokerage) SEAN JEDDI

(Authorized to bind the Co-operating Brokerage) HANS DHINGRA

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DocuSigned by: Sean Jeddi HANS DHINGRA 470C098E7817411...
10/29/2023 | 6:56 PM EDT

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OREA Ontario Real Estate Association

Form 100
for use in the Province of Ontario

Schedule A
Agreement of Purchase and Sale

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

BUYER: MOHAMMED ALSHARAFI & FATIMA JEDDI, and

SELLER: BARAKAA DEVELOPER INC

for the purchase and sale of 23 MADISON AVE RICHMOND HILL ONT dated the 29 day of October, 2023

Buyer agrees to pay the balance as follows:

The Buyer agrees to pay the balance of the purchase price, subject to adjustments, 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.

The Buyer agrees to pay a further sum of $50,000 (Fifty Thousand Dollars), to the Listing Broker on or before November 30th, 2023 by negotiable cheque as an additional deposit to be held in trust pending completion or other termination of this Agreement. This amount is to be credited towards the purchase price on completion of this transaction.

Sellers agree to discharge any mortgage or liens or other encumbrances registered against the property on or before closing at his own expense either from the proceeds of the sale or by solicitors undertaking.

The Seller agrees to provide, at the Seller's own expense, the occupancy permit, Floor plan, survey of the property and all the warranties documents of the appliances, on the completion date.

The Buyer and the Seller acknowledge and agree that the HST payable in connection with the purchase and sale transaction contemplated by this Agreement of Purchase and Sale is included in the purchase price subject to the provisions hereinafter set out. The Buyer agrees to sign at the time of closing HST Form I-90, for the builder to claim the builder HST portion for which the builder is entitled to claim from CRA.

The Buyer shall have the right to enter the property THREE (3) further times prior to the completion, at a mutually agreed upon time. The Seller agrees to provide access to the property for the purpose of this visit.

The Seller agrees to leave the home in a clean and broom swept condition, and remove all personal belongings, debris, garbage, prior to completion of this transaction.

The Seller or Seller's representative will do the FINAL walk thru with the Buyer at least TWO WEEKS prior to the closing.

The Parties to this Agreement acknowledge that the Province of Ontario is currently implementing "Current Value Assessment" ("CVA"). Any information made available by the Seller, or any Broker or Salesperson in connection with assessment or property tax information predates CVA. There shall be no obligation of, or claim made against any party hereunder, or any Broker or Salesperson referred to herein, arising out of, or in any way related to assessment or property tax information in connection with the property. The Buyer and Seller acknowledge that the property taxes have not been finally assessed and adjustments, if any, will be done thru the lawyers.

The Buyer acknowledges that the property shown to them was 19 Madison Ave. and further agrees that the property they are buying is 23 Madison Ave. The seller agrees that the finishings and features will be similar to the 19 Madison Ave. (Except for minor changes in the colours).

This form must be initialled by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S): MA FA

INITIALS OF SELLER(S): DS HJ

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OREA Ontario Real Estate Association

Form 100
for use in the Province of Ontario

Schedule A
Agreement of Purchase and Sale

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

BUYER: MOHAMMED ALSHARAFI & FATIMA JEDDI, and

SELLER: BARAKAA DEVELOPER INC

for the purchase and sale of 23 MADISON AVE RICHMOND HILL ONT dated the 29 day of October, 2023

Buyer agrees to pay the balance as follows:

The Seller agrees to provide the Buyer with a Home warranty for ONE (1) year commencing from the Completion Date, which will coverage shall include:

1. That the home is constructed in a workman-like manner and free from defects in material;
2. The home is protected against unauthorized substitutions
3. The home is fit for habitation per occupancy permit issued by City of Richmond Hill.
4. That Ontario building code has been followed.
5. Warrants against water penetration through the basement or foundation walls;
6. Warrants against defects materials that affect windows, doors and caulking and defects in work that results in water penetration into the building envelope;
7. Coverage of defects in work or materials in the electrical, plumbing and heating delivery and distribution systems;
8. Coverage of defects in work or materials that result in the detachment, displacement or deterioration of exterior cladding (such as brickwork, aluminum or vinyl sliding);

The Seller agrees to repair in a workmanlike and professional manner any deficiencies noted above to the Buyer's satisfaction within the ONE year of warranty period.

THIS OFFER IS CONDITIONAL upon the Buyer arranging, at the Buyer's own expense, satisfactory financing and home insurance. Unless the Buyer gives notice in writing delivered to the Seller personally or in accordance with any other provisions for the delivery of notice in this Agreement of Purchase and Sale or any Schedule thereto not later than 6 p.m. on the 5th business day following acceptance of this agreement (excluding Saturdays, Sundays and statutory holidays) 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 benefit of the Buyer and may be waived at the Buyer's sole option by notice in writing to the Seller as aforesaid within the time period stated herein. The seller agrees to provide access to the property in the event an inspection and/or an appraisal is required for the fulfillment of this condition.

The Seller represents and warrants that during the time the Seller has owned the property, the use of the property and the buildings and structures thereon has not been for the growth or manufacture of any illegal substances, and that to the best of the Seller's knowledge and belief, the use of the property and the buildings and structures thereon has never been for the growth or manufacture of illegal substances. This warranty shall survive and not merge on the completion of this transaction.

The Seller represents and warrants, that the said home and its builder will both be registered under the Ontario New Home Warranty Plan. The parties agree that this representation and warranty shall form an integral part of this Agreement and survive the completion of this transaction. Documents attesting these registrations will be provided on the completion date.

THE BUYER WILL BE ALLOWED TO MOVE UP OR MORE FORWARD THE COMPLETION DATE BY UP TO 15 DAYS WITH ADVANCE WRITTEN NOTICE TO THE SELLER ON OR BEFORE DECEMBER 20TH, 2023. BOTH PARTIES TO SIGN AN AMENDMENT CONFIRMING THE NEW COMPLETION DATE. THERE WILL BE NO EXTRA CHARGE OR ADJUSTMENT EITHER WAY FOR THIS CHANGE IN THE COMPLETION DATE.

This form must be initialled by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S): MA FA

INITIALS OF SELLER(S): DS HJ

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OREA Ontario Real Estate Association

Amendment to Agreement of Purchase and Sale

Form 120
for use in the Province of Ontario

BETWEEN:
BUYER: MOHAMMED ALSHARAFI & FATIMA ALAWI
AND
SELLER: BARAKAA DEVELOPER INC (I have the authority to bind the corporation

RE: Agreement of Purchase and Sale between the Seller and Buyer, dated the 29 day of October, 2023,

concerning the property known as 23 MADISON AVE

RICHMOND HILL ONT as more particularly described in the aforementioned Agreement.

The Buyer and Seller herein agree to the following amendment(s) to the aforementioned Agreement:

Delete

THE BUYER WILL BE ALLOWED TO MOVE UP OR MORE FORWARD THE COMPLETION DATE BY UP TO 15 DAYS WITH ADVANCE
WRITTEN NOTICE TO THE SELLER ON OR BEFORE DECEMBER 20TH, 2023. BOTH PARTIES TO SIGN AN AMENDMENT CONFIRMING THE NEW COMPLETION DATE. THERE WILL BE NO EXTRA CHARGE OR ADJUSTMENT EITHER WAY FOR THIS
CHANGE IN THE COMPLETION DATE.

COMPLETION DATE: This Agreement shall be completed by no later than 6:00 p.m. on the 25th day of January, 2024. Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

INSERT:

COMPLETION DATE: This Agreement shall be completed by no later than 6:00 p.m. on the 9th day of February, 2024. Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

INITIALS OF BUYER(S): FA MA

INITIALS OF SELLER(S): DS

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IRREVOCABILITY: This Offer to Amend the Agreement shall be irrevocable by Buyer (Seller/Buyer) until 11:00 PM on the 09 day of January, 2024, after which time, if not accepted, this Offer to Amend the Agreement shall be null and void.

For the purposes of this Amendment to Agreement, "Buyer" includes purchaser and "Seller" includes vendor.
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 solicitors who are hereby expressly appointed in this regard.

All other Terms and Conditions in the aforementioned Agreement to remain the same.

SIGNED, SEALED AND DELIVERED in the presence of:

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

(Witness)	Authentisign: Mohammed Alsharafi (Buyer/Seller)	(Seal)	01/09/24 (Date)
(Witness)	Authentisign: Fatima Alawi (Buyer/Seller)	(Seal)	01/09/24 (Date)

I, the Undersigned, agree to the above Offer to Amend the Agreement.

SIGNED, SEALED AND DELIVERED in the presence of:

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

(Witness)	DocuSigned by: Hitesh Jhaveri (Buyer/Seller)	(Seal)	1/9/2024 | 12:43 PM PST (Date)
(Witness)	(Buyer/Seller)	(Seal)	(Date)

The undersigned spouse of the Seller hereby consents to the amendment(s) hereinbefore set out.

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

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at (a.m./p.m.) this day of, 20 1/9/2024 | 12:43 PM PST

DocuSigned by: Hitesh Jhaveri (Signature of Seller or Buyer)

ACKNOWLEDGEMENT

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

Hitesh Jhaveri 1/9/2024 | 12:43 PM PST
(Seller) BARAKAA DEVELOPER INC (Date)

(Seller) (I have the authority to bind the corporation) (Date)

Address for Service

(Tel. No.)

Seller's Lawyer

Address

Email

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

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

Mohammed Alsharafi 01/09/2024
(Buyer) MOHAMMAD ALSHARAFI (Date)

Fatima Alawi 01/09/2024
(Buyer) FATIMA ALAWI (Date)

Address for Service

(Tel. No.)

Buyer's Lawyer

Address

Email

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

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OREA Ontario Real Estate Association

Amendment to Agreement of Purchase and Sale

Form 120
for use in the Province of Ontario

BETWEEN:
BUYER: MOHAMMED ALSHARAFI & FATIMA ALAWI
AND
SELLER: BARAKAA DEVELOPER INC

RE: Agreement of Purchase and Sale between the Seller and Buyer, dated the 29 day of October, 2023,

concerning the property known as 23 MADISON AVE

RICHMOND HILL ONT as more particularly described in the aforementioned Agreement.

The Buyer and Seller herein agree to the following amendment(s) to the aforementioned Agreement:

Delete

COMPLETION DATE: This Agreement shall be completed by no later than 6:00 p.m. on the 9th day of February, 2024. Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

INSERT:

COMPLETION DATE: This Agreement shall be completed by no later than 6:00 p.m. on the 27th day of February, 2024. Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

The Buyer agrees to give further deposits of $500,000 (Five hundred thousand dollars) as follows by Bank Draft or Certified check in the name of the Seller, "BARAKAA DEVELOPER INC.". This amount will be adjusted towards the purchase price.

1. $200,000(Two hundred thousand dollars) will be given before 5:00 pm on February 13th, 2024.

2. $300,000(Three hundred thousand dollars)will be given before 5:00 om on February 16th, 2024.

The Seller will give the possession of the property to the Buyers on February 17th, 2024 once the above deposits are received and confirmed.

The Buyer agrees to obtain Full Comprehensive and Liability insurance of the house and provide the proof thereof before the possession is handed over.

The Buyer agrees to transfer all the Utilities to their names on or before February 17th, 2024 and provide proof thereof before the possession is handed over.

For this Extension there will be no charge but if any further extension is needed there will be per diem charge and this amount will be decided if extension is needed. The buyer will make all efforts to close on February 27th, 2024.

All other terms and conditions to remain the same.

INITIALS OF BUYER(S): MA FA

INITIALS OF SELLER(S): DS HJ

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IRREVOCABILITY: This Offer to Amend the Agreement shall be irrevocable by Buyer (Seller/Buyer) until 5:00 (a.m./p.m.)

on the 09 day of February, 2024, after which time, if not accepted, this Offer to Amend the Agreement shall be null and void.

For the purposes of this Amendment to Agreement, "Buyer" includes purchaser and "Seller" includes vendor.
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 solicitors who are hereby expressly appointed in this regard.

All other Terms and Conditions in the aforementioned Agreement to remain the same.

SIGNED, SEALED AND DELIVERED in the presence of:

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

(Witness)	Mohammed Alsharafi (Buyer/Seller)	02/09/24	(Seal)	(Date)
(Witness)	Fatima Alawi (Buyer/Seller)	02/09/24	(Seal)	(Date)

I, the Undersigned, agree to the above Offer to Amend the Agreement.

SIGNED, SEALED AND DELIVERED in the presence of:

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

(Witness)	Hitesh Jhaveri (Buyer/Seller) C4FC3BEFF937425...	Feb 09, 2024	(Seal)	(Date)
(Witness)	(Buyer/Seller)		(Seal)	(Date)

The undersigned spouse of the Seller hereby consents to the amendment(s) hereinbefore set out.

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

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at ..... (a.m./p.m.) this Feb 09, 2024 day of ....., 20.....

Hitesh Jhaveri C4FC3BEFF937425... (Signature of Seller or Buyer)

ACKNOWLEDGEMENT

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

Hitesh Jhaveri C4FC3BEFF937425...

(Seller) BARAKAA DEVELOPER INC. (Date) Feb 09, 2024

I have the authority to bind the corporation

(Seller) (Date)

Address for Service .....

(Tel. No.)

Seller's Lawyer .....

Address .....

Email .....

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

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

Mohammed Alsharafi

(Buyer) MOHAMMAD ALSHARAFI (Date) 02/09/2024

Fatima Alawi

(Buyer) FATIMA ALAWI (Date) 02/09/2024

Address for Service .....

(Tel. No.)

Buyer's Lawyer .....

Address .....

Email .....

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

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This is Exhibit “E” referred to in the Affidavit of Andrew Stern sworn by Andrew Stern at the City of Toronto, in the Province of Ontario, before me on December 15, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)
DILLON GOHIL (LSO# 89738M)

November 24, 2025

Fifth Report to Court of KSV Restructuring Inc. as Receiver and Manager of 2145499 Ontario Inc. and certain properties of Barakaa Developer Inc., and Lerrato Inc.

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Appraised Values vs. Purchase Price 1

COURT FILE NUMBER: CV-24-00724076-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

FOREMOST MORTGAGE HOLDING CORPORATION

APPLICANT

- AND -

BARAKAA DEVELOPER INC., LERRATO INC., AND 2145499 ONTARIO INC.

RESPONDENT

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

FIFTH REPORT OF
KSV RESTRUCTURING INC.
AS RECEIVER AND MANAGER

NOVEMBER 24, 2025

1.0 Introduction

1. Pursuant to an order of the Ontario Superior Court of Justice (the "**Court**") made on October 21, 2024 (the "**Receivership Order**"), KSV Restructuring Inc. ("**KSV**") was appointed receiver and manager (the "**Receiver**") without security, of the real properties listed in Appendix "A" of the Receivership Order (the "**Barakaa Properties**") owned by Barakaa Developer Inc. (**"Barakaa"**), the real properties listed in Appendix "B" of the Receivership Order (the "**Lerrato Properties**") owned by Lerrato Inc. (**"Lerrato"**), and the property, assets and undertaking owned by 2145499 Ontario Inc. (**"214"**, and together with the Barakaa Properties and the Lerrato Properties, (the "**Receivership Assets**"). A copy of the Receivership Order is attached as **Appendix "A"**.

2. The application to appoint KSV as Receiver was made by Foremost Mortgage Holding Corporation ("**Foremost**"), a secured creditor of Barakaa, Lerrato and 214 (collectively, the "**Debtors**"). Foremost has mortgages on each of the Receivership Assets registered prior to all other mortgages registered on title to the Receivership Assets.

3. Foremost has funded these proceedings pursuant to the Receiver's Borrowing Charge, as defined in the Receivership Order. In addition to its outstanding mortgages discussed below, Foremost is presently owed approximately $1.43 million under the Receiver's Borrowing Charge. The Receiver's Borrowing Charge ranks senior to all other security interests registered against the Receivership Assets, except for the Receiver's Charge, in respect of the Receiver's fees and expenses, including costs of its legal counsel.[1]

4. Pursuant to an order of the Court made on March 24, 2025, the Receiver completed the sale of a home built by Barakaa located at 25 Madison Avenue, Richmond Hill ("**25 Madison**").

5. Following a motion heard on June 13, 2025, the Court issued: (i) Approval and Vesting Orders which authorized the Receiver to complete the sales of three homes built by Lerrato located at 371 Porte, 373 Porte and 375 Porte Road, Ajax (the "**Completed Porte Sales**"); and (ii) an Ancillary Order which, among other things, authorized the Receiver to make one or more distributions to Foremost from the proceeds of the Completed Porte Sales and approved the Receiver's Third Report to Court dated May 30, 2025 (the "**Third Report**") and the Receiver's activities described therein. Each of the Completed Porte Sales closed within a few days of the issuance of the AVOs referenced above.

6. Following motions heard on October 7, 2025 and October 10, 2025 (the "**Disclaimer Motions**"), the Court issued Orders which, among other things:

   i. authorized and approved the disclaimer by the Receiver of the agreements of purchase and sale dated August 12, 2022 and May 23, 2024 (together, the "**369 Porte APS**") between Lerrato, as vendor, and Muhammed Jehanzeb Agha (the "**369 Porte Purchaser**"), as purchaser, pursuant to which the 369 Porte Purchaser agreed to purchase the land and building known municipally as 369 Porte Road, Ajax, Ontario ("**369 Porte**"), and the chattels listed in the 369 Porte APS. (Only Part 1);

   ii. authorized and approved the disclaimer by the Receiver of the agreements of purchase and sale dated August 12, 2022 and May 14, 2024 (together, the "**377 Porte APS**") between Lerrato, as vendor, and Rohitkumar M. Patel and Arvindaben R. Patel (the "**377 Porte Purchasers**"), as purchasers, pursuant to which the 377 Porte Purchasers agreed to purchase the land and building known municipally as 377 Porte Road, Ajax, Ontario ("**377 Porte**"), and the chattels listed in the 377 Porte APS;

   iii. authorized and approved the disclaimer by the Receiver of the agreement of purchase and sale dated October 29, 2023 (the "**23 Madison APS**") between Barakaa, as seller, and Mohammed Alsharafi and Fatima Jeddi (the "**23 Madison Purchasers**"), as purchasers, pursuant to which the 23 Madison Purchasers agreed to purchase the land and building known municipally as 23 Madison Avenue, Richmond Hill, Ontario ("**23 Madison**"), and the chattels listed in the 23 Madison APS, as amended by: (i) an Amendment dated January 9, 2024 extending the closing date to February 9, 2024, and (ii) a Second Amendment dated February 9, 2024 pursuant to which, *inter alia*, the 23 Madison Purchasers agreed to pay additional deposits to Barakaa in the aggregate amount of $500,000 by February

[1] To the extent applicable, the Receiver will allocate amounts borrowed under the Receiver's Borrowing Charge, when and if recoveries are available to do so.

16, 2024, and Barakaa agreed to give possession of 23 Madison on February 17, 2024 to the 23 Madison Purchasers; and

iv. ordered that the Receiver is entitled to vacant possession of 369 Porte, 377 Porte and 23 Madison (the "**Remaining Residential Properties**") and requiring the 369 Porte Purchaser, 377 Porte Purchasers and 23 Madison Purchasers, or any other occupants of 369 Porte, 377 Porte and 23 Madison, to vacate those properties by no later than 4:00 pm on the date that is:

a) for 369 Porte, 45 days after the issuance of a notice by the Receiver (the "**Notice of Disclaimer and Vacant Possession**"); and

b) for 377 Porte and 23 Madison, 30 days after the issuance of the Notice of Disclaimer and Vacant Possession.

7. The Receiver delivered Notices of Disclaimer and Vacant Possession to the 369 Porte Purchaser and the 377 Porte Purchaser on October 9 and October 28, 2025, respectively. The Receiver delivered a notice of disclaimer (but not vacant possession) to the 23 Madison Purchasers on October 10, 2025.

8. Following the Disclaimer Motions, the Receiver negotiated alternative transactions with each of the 23 Madison Purchasers, the 377 Porte Purchasers and the 369 Porte Purchaser. This report (the "**Fifth Report**") deals with those transactions, as detailed below.

1.1 Purposes of this Fifth Report

1. The purposes of this Fifth Report are to:

a) provide background information about these proceedings;

b) summarize the following recommended transactions (the "**Transactions**"):

i. the sale (the "**369 Porte Transaction**") contemplated by the Agreement of Purchase and Sale dated November 21, 2025, between the Receiver, as vendor, and the 369 Porte Purchaser, as purchaser (the "**369 Porte Sale Agreement**"), pursuant to which the 369 Porte Purchaser has agreed to purchase, and the Receiver has agreed to sell, the land and building known municipally as 369 Porte Road, Ajax, Ontario and the chattels listed in the 369 Porte Sale Agreement, which include both Part 1 and Part 6 on Reference Plan No. 40R30173 (collectively, the "**369 Porte Purchased Assets**");

ii. the sale (the "**377 Porte Transaction**") contemplated by the Amending Agreement dated November 24, 2025 between the Receiver, as vendor, the 377 Porte Purchasers, amending the Agreement of Purchase and Sale dated August 12, 2022 and May 14, 2024 between Lerrato, as vendor, and the 377 Porte Purchasers, as purchasers (together, the "**377 Porte Sale Agreement**"), pursuant to which the 377 Porte Purchasers have agreed to purchase, and the Receiver has agreed to sell, the land and building known municipally as 377 Porte Road, Ajax, Ontario and the chattels listed in the 377 Porte Sale Agreement (collectively, the "**377 Porte Purchased Assets**"); and

iii. the transaction (the "**23 Madison Transaction**") contemplated by the Agreement of Purchase and Sale dated November 20, 2025 between the Receiver, as vendor, the 23 Madison Purchasers, as purchasers, amending the Agreement of Purchase and Sale dated October 29, 2023 between Barakaa, as vendor, and the 23 Madison Purchasers, as purchasers (together, the "**23 Madison Sale Agreement**"), pursuant to which the 23 Madison Purchasers have agreed to purchase, and the Receiver has agreed to sell, the land and building known municipally as 23 Madison Avenue, Richmond Hill, Ontario and the chattels listed in the Sale Agreement (collectively, the "**23 Madison Purchased Assets**"); and

c) recommend that the Court issue:

i. an Approval and Vesting Order substantially in the form attached at Tab 5 of the Motion Record (the "**369 Porte AVO**") approving the 369 Porte Transaction, authorizing the Receiver to complete the 369 Porte Transaction, and vesting the 369 Porte Purchased Assets in the 369 Porte Purchaser free and clear of any and all liens, charges, security interests, encumbrances (with the exception of any Permitted Encumbrances as set out in the 369 Porte Sale Agreement), estates, rights and claims upon delivery by the Receiver of a certificate in the form attached as Schedule "A" to the 369 Porte AVO;

ii. an Approval and Vesting Order substantially in the form attached at Tab 6 of the Motion Record (the "**377 Porte AVO**") approving the 377 Porte Transaction, authorizing the Receiver to complete the 377 Porte Transaction, and vesting the 377 Porte Purchased Assets in the 377 Porte Purchasers free and clear of any and all liens, charges, security interests, encumbrances (with the exception of any Permitted Encumbrances as set out in the 377 Porte Sale Agreement), estates, rights and claims upon delivery by the Receiver of a certificate in the form attached as Schedule "A" to the 377 Porte AVO;

iii. an Approval and Vesting Order substantially in the form attached at Tab 7of the Motion Record (the "**23 Madison AVO**") approving the 23 Madison Transaction, authorizing the Receiver to complete the 23 Madison Transaction, and vesting the 23 Madison Purchased Assets in the 23 Madison Purchasers free and clear of any and all liens, charges, security interests, encumbrances (with the exception of any Permitted Encumbrances as set out in the 23 Madison Sale Agreement), estates, rights and claims upon delivery by the Receiver of a certificate in the form attached as Schedule "A" to the 23 Madison AVO; and

iv. an Order substantially in the form attached at Tab 4 of the Motion Record: (a) authorizing the Receiver to make one or more distributions to Foremost from the proceeds of sale of the Transactions, net of such amounts the Receiver determines, in consultation with Foremost, shall be held back on account of professional fees and the Receiver's Borrowing Charge (as defined in the Receivership Order, as amended by the Orders of Justice Kimmel dated February 3, 2025 and Justice Myers dated October 10, 2025, (b) sealing the Appraised Values (as defined below) at **Confidential Appendix "1"**, and (c) approving this Fifth Report and the Receiver's activities described herein.

1.2 Currency

1. All currency references in this Report are in Canadian dollars.

1.3 Restrictions

1. In preparing this Fifth Report, the Receiver has relied upon discussions with, and information provided by, *inter alia*:

   a) representatives of the principals of the Debtors (the "**Principals**"), including Hitesh Jhaveri, and their legal counsel, Chaitons LLP;

   b) representatives of Foremost, and its legal counsel, Paliare Roland Rosenberg Rothstein LLP ("**Paliare**"); and

   c) the 369 Porte Purchaser, 377 Porte Purchasers and 23 Madison Purchasers and their legal counsel.

2. The Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the information in a manner that complies with Canadian Auditing Standards ("**CAS**") pursuant to the Chartered Professional Accountants of Canada Handbook. Accordingly, the Receiver expresses no opinion or other form of assurance contemplated under the CAS in respect of the Information. Any party (other than the Court) wishing to place reliance on the Information is required to perform its own diligence.

2.0 Background

1. Lerrato and Barakaa are real estate development companies controlled by Mr. Jhaveri and his wife, Niketa Wadia.

2.1 Lerrato

1. The Lerrato Properties consist of six parcels of land on Porte Road in Ajax, Ontario, five of which are fully constructed residential freehold townhomes, and the sixth is a three metre by three metre rear lot catch basin abutting the rear corner of the 369 Porte Road property ("**Porte Part 6**"), which is being included in the Receiver's sale to the 369 Porte Purchaser.

2. Pursuant to a development agreement between Lerrato and the Town of Ajax dated August 21, 2018 (the "**Development Agreement**"), registered on title to the Lerrato Properties, Lerrato agreed to grant an easement over Porte Part 6 (the "**Porte Easement**") to the Town of Ajax. On May 26, 2025, the Receiver granted the Porte Easement to the Town of Ajax in accordance with the Development Agreement, which was thereupon registered on title to Porte Part 6.

3. The municipal addresses of the five residential Lerrato Properties are 369 Porte Road, 371 Porte Road, 373 Porte Road, 375 Porte Road and 377 Porte Road.

4. As of the date of the Receivership Order, all five Lerrato Properties' residences were subject to agreements of purchase and sale with Lerrato (each a "**Lerrato APS**" and collectively the "**Lerrato APSs**"), which did not close prior to these receivership proceedings. As noted above, the Receiver closed the Completed Porte Sales in June 2025.

5. Each purchaser of a Lerrato property paid one or more deposits to Lerrato, and in some cases, made payments to other Jhaveri-related entities or persons. Mr Jhaveri has confirmed that none of the Lerrato purchaser deposits were held in trust pending closing. The aggregate amounts of the deposits paid by the Lerrato purchasers exceeded a market deposit, except for the deposit paid by 369 Porte Purchaser, who paid a market deposit. A summary of the purchase price in the Lerrato APSs and the deposits[2] claimed to have been paid by each Lerrato property purchaser is provided below.

($)	**369**	**371**	**373**	**375**	**377**
Purchase Price	1,300,000	950,000	925,000	950,000	1,300,000
Claimed Deposits	(150,000)	(355,000)	(505,000)	(205,000)	(679,949[3])
Other adjustments	31,135	24,405	24,400	24,405	31,135
Remaining balance	1,181,135	619,405	444,400	769,405	651,186

6. The table below summarizes the amounts owing under the mortgages registered on title to the Lerrato Properties as of the date of the Receivership Order, before interest, fees and other costs, which continue to accrue.

Secured Party	**($000)**
Foremost	3,155
BIP Management Inc. ("**BIP**")	700
Joshi Parties (as defined below) (on 377 Porte Road and the Porte Easement only)	5,000
Total	**8,855**

7. The Completed Porte Sales generated proceeds of $2.75 million, of which $2 million was distributed to Foremost. Of this amount, approximately $129,000, was used to repay Lerrato-specific advances by Foremost under Receiver's Certificates, and the balance, approximately $1.871 million, was used to partially repay Foremost's mortgages on the Lerrato Properties. Accordingly, as of the date of this Fifth Report, the Lerrato debt owing to Foremost is approximately $1.28 million, before interest, fees and other costs.

8. The mortgages registered on title to the Lerrato Properties (excluding the Joshi Parties' mortgages) are registered on title to each of the Lerrato Properties.

9. The mortgages in favour of the Sanjive Joshi, Xpert Credit Control Solutions Inc. and Xpert law Inc. (collectively, the "**Joshi Parties**") were ordered to be vacated pursuant to a decision of Mr. Justice Koehnen dated March 27, 2025, a copy of which is attached as **Appendix "B"**.

10. The Receiver has been advised by Mr. Jhaveri that none of the deposits received from the respective Lerrato purchasers were used by Mr. Jhaveri or Lerrato to pay down the Foremost mortgage, BIP mortgage or Joshi Parties' mortgages registered against the Lerrato Properties.

[2] The Receiver notes that significant portions of the "deposits" paid by the 377 Porte Purchaser were: (i) paid to the Principals or other entities; and/or (ii) paid long before the date of the 377 Porte APS.

[3] This amount is disputed by Mr. Jhaveri who has advised the Receiver that only $150,000 of the $679,949 were deposits in respect of 377 Porte, and other amounts were either for upgrades in addition to the purchase price, or unrelated to 377 Porte, given the various dealings between the 377 Porte Purchasers and Mr. Javeri and his companies.

11. As set out in the First Report dated January 20, 2025 (see **Appendix "C**"), one of the primary reasons for the commencement of these receivership proceedings was the Debtors' inability to convey clean title to purchasers of the Receivership Assets due to the registration of the Joshi Parties' mortgages against those assets. It was originally contemplated that the receivership proceedings would provide a forum to complete the sale of the Receivership Assets free and clear of encumbrances by way of approval and vesting orders. However, since the commencement of these proceedings numerous other issues have come to the Receiver's attention concerning the mismanagement and poor state of construction of the Receivership Assets that have prevented their salability, including, in the case of the Remaining Residential Properties, the use by Mr. Jhaveri of the purchaser deposits for purposes other than paying down the mortgages registered on title to the Receivership Assets. This resulted in disputes with the purchasers of the Remaining Residential Properties as to amounts required to close their respective transactions, which was further complicated by the fact that each of the purchasers of the Remaining Residential Properties was permitted to occupy their property in advance of closing.

2.2 Barakaa

1. Barakaa is a real estate development corporation, which is also controlled by Mr. Jhaveri and his wife.

2. Among other real property owned by Barakaa, Barakaa built three homes in Richmond Hill, Ontario: 19 Madison Avenue ("**19 Madison**"), 23 Madison Avenue, and 25 Madison Avenue (collectively, the "**Madison Properties**").

3. On or around June 24, 2022, Foremost Financial Corporation ("**FFC**"), an affiliate of Foremost, and Barakaa entered into a credit agreement pursuant to which FFC advanced $4,133,000 to Barakaa. The FFC loan was subsequently assigned to Foremost. The loan was secured by, *inter alia*, mortgages registered on title to the Madison Properties (the "**Foremost Madison Mortgage**").

4. In addition to the Foremost Madison Mortgage, the Madison Properties are subject to a mortgage in favour of BIP in the initial principal amount of $1,500,000, and a mortgage in favour of 1417199 Ontario Limited ("**141 Ontario**") in the initial principal amount of $750,000, which is postponed to BIP, and ranks after the Foremost Mortgage.

5. Prior to these receivership proceedings, in January 2024, Foremost, BIP and 141 Ontario each agreed to discharge their mortgages over 19 Madison in connection with the sale of that property by Barakaa, resulting in the following payments on account of their respective mortgage indebtedness at the time: a) $1,421,191 to Foremost; b) $353,917 to BIP; and c) $353,287 to 141 Ontario.

6. In addition to the Madison Properties, Barakaa owns five other properties in Ontario which are not subject to these receivership proceedings or the Foremost, BIP or 141 Ontario Mortgages referenced above.

7. The table below summarizes the amounts owing under the mortgages registered on title to the Madison Properties as of the date of the Receivership Order. The amounts in the table are net of the proceeds that each mortgagee received from the sale of 19 Madison, but before interest, fees and costs that have continued to accrue since the date of the Receivership Order.

Secured Party	**($000)**
Foremost	2,753
BIP	1,150
141 Ontario	400
Joshi Parties	5,000
Total	**9,303**

8. On April 1, 2025, the Receiver completed the sale of 25 Madison. The net proceeds from the sale of 25 Madison (approximately $1.33 million) have been distributed to Foremost [4], such that Barakaa's indebtedness now owing to Foremost under its mortgage is approximately $1.4 million, again, before interest, fees and costs which continue to accrue, and subordinate to the amounts secured by the Receiver's Borrowing Charge.

3.0 The Transactions

1. Following the Disclaimer Motions, the Receiver negotiated transactions for the Remaining Residential Properties, each of which is summarized below.

3.1 369 and 377 Porte

1. The Receiver has agreed with the 369 Porte Purchaser and the 377 Porte Purchasers to sale transaction terms set out in the 369 Porte Sale Agreement and the 377 Porte Sale Agreement, respectively. A copy of the 369 Porte Sale Agreement executed by the Receiver is attached as **Appendix "D"** and a copy of the fully executed 377 Porte Sale Agreement is provided in **Appendix "E"**. As of the date of this Fifth Report, the Receiver was awaiting the signature of the 369 Porte Purchaser on the 369 Porte Sale Agreement, but the Receiver understands that it has agreed to the terms of the 369 Porte Sale Agreement. The Receiver will provide the Court with a copy of the signed 369 Porte Sale Agreement on the return of the motion. The key terms of these transactions are provided below.

	369 Porte	377 Porte
Vendor	Receiver	
Purchaser	Muhammed Jehanzeb Agha	Rohitkumar M. Patel and Arvindaben R. Patel
Purchased Assets	All right, title and interest of Lerrato in and to the respective property and the chattels therein as set out in the 369 Porte Sale Agreement and the 377 Porte Sale Agreement, as applicable.	
Purchase Price	$1,025,000	$925,000
Deposit Credit	-	-

[4] A material portion of these proceeds was used to repay borrowing secured by the Receiver's Borrowing Charge allocated to Barakaa.

Non-Refundable Deposit	$75,000, which has been paid to the Receiver	-
Excluded Liabilities	The Purchaser shall assume, fulfill, perform and be responsible for all liabilities and obligations of any kind relating to the Purchased Assets in respect of the period from and after closing. The 369 Porte Purchaser has agreed to the payment/adjustment of $3,336.56 to the Receiver in reimbursement of Foremost's payment of that amount on account of 2024 property taxes on 369 Porte. The 369 Porte Purchaser will assume and be responsible for the unpaid balance of 2024 property taxes, all 2025 property taxes in respect of 369 Porte Part 1, and the 2025 property taxes for Part 6 (and all associated penalties and interest on each of the assumed property tax amounts). The 377 Porte Purchasers have agreed to assume the liability and obligation for payment of property taxes (and associated interest and penalties) on 377 Porte from January 1, 2025 onward.	
Representations and Warranties	Consistent with the standard terms of an insolvency transaction, i.e., on an "as is, where is" basis, with limited representations and warranties.	
Closing Date	By January 30, 2026. If the 369 Porte Purchaser is unable to close the transaction by the Closing Date, the Notice of Disclaimer will take immediate effect and the 369 Porte Purchaser will be required to vacate the 369 Porte dwelling by no later than January 30, 2026.	Ten days after Court approval or next business day if a Holiday.

3.2 23 Madison

1. Similarly, the Receiver has agreed with the 23 Madison Purchasers to the terms of a 23 Madison sale transaction as reflected in the terms of the 23 Madison Sale Agreement, a copy of which is provided as **Appendix "F"**. The key terms of this transaction are provided below.

	23 Madison
Vendor	Receiver
Purchaser	Mohammed Alsharafi and Fatima Jeddi
Purchased Assets	All right, title and interest of Barakaa in and to the respective property and the chattels therein as set out in the APS.
Purchase Price	$2,241,500
Deposit Credit	-
Non-Refundable Deposit	-

Excluded Liabilities	The Purchaser shall assume, fulfill, perform and be responsible for all liabilities and obligations of any kind relating to the Purchased Assets in respect of the period from and after closing, and any tax readjustments or errors pre or post closing.
Representations and Warranties	Consistent with the standard terms of an insolvency transaction, i.e., on an "as is, where is" basis, with limited representations and warranties.
Closing Date	December 18, 2025 or such other date as may be agreed to by the parties.

3.3 Recommendation

1. The Receiver recommends that the Court approve the Transactions for the following reasons:

    a) in the Receiver's view, it is unlikely that remarketing the properties would result in materially superior transactions, particularly after considering the fees and costs of the Receiver and its legal counsel to remarket the properties, costs to repair each home into saleable condition (as each is presently occupied by the respective purchaser), the current state of the residential market and realtor commissions;

    b) the Receiver is satisfied that the value of the Transactions is consistent with the value of the Remaining Residential Properties, based on appraisals recently obtained by the Receiver (the "**Appraised Values**"), which are provided in Confidential Appendix "1". The Receiver's rationale for seeking an order sealing this information is provided in Section 3.4 below;

    c) the Remaining Residential Properties have been lived in by their respective purchasers, and proceeding with the Transactions avoids the purchasers vacating their respective properties pursuant to the Notices of Disclaimer and Vacant Possession issued by the Receiver;

    d) the Transactions are unconditional other than Court approval; and

    e) Foremost consents to each of the Transactions.

3.4 Sealing

1. The Receiver recommends that Confidential Appendix "1" be sealed until the later of a further order of the Court or closing of the Transactions. The only sealed information relates to the appraised values of the Remaining Residential Properties.

2. The Receiver believes making the appraised values publicly available prior to closing the Transactions may negatively impact any future sale process for the Remaining Residential Properties if the Transactions are not approved by the Court, or if one or more of them do not close.

3. The Receiver is of the view that the sealing of Confidential Appendix "1" is consistent with the decision in *Sherman Estate v. Donovan*, 2021 SCC 25. Accordingly, the Receiver believes the proposed sealing of the Confidential Appendix is appropriate in the circumstances.

4.0 Distribution

1. Foremost holds the senior mortgages registered on title to the Remaining Residential Properties.

2. Based on an opinion dated March 11, 2025 from the Receiver's counsel, DLA Piper (Canada) LLP ("**DLA**"), confirming the validity and enforceability of the Foremost Mortgages over the Lerrato and Barakaa properties, the Receiver is seeking the Court's approval to make distributions to Foremost up to the amount of Foremost's mortgage debts on the Remaining Residential Properties from the sale proceeds following closing of the Transactions, subject to retaining a holdback in respect of the professional fees and costs of these proceedings secured by the Receiver's Charge and the Receiver's Borrowing Charge.

3. As discussed above, Foremost is currently owed approximately $1.43 million under the Receiver's Borrowing Charge. A portion of the amounts distributed to Foremost will be in respect of advances under the Receiver's Certificates. The Receiver will report to Court in this regard in due course.

5.0 Receiver's Activities

1. In addition to the activities described in this Fifth Report, since the date of the Third Report, the Receiver's activities have included:

   General

   a) Corresponding with the Principals and their legal counsel regarding an HST refund payable to Lerrato that was diverted to other entities owned by the Principals;

   b) corresponding with Foremost, Paliare and DLA regarding, among other things, all aspects of the receivership and the sale of the Receivership Assets;

   c) negotiating the Transactions;

   d) responding to questions from mortgagees regarding these proceedings;

   e) corresponding with the Principals to obtain information concerning the Receivership Assets;

   f) arranging to secure and maintain the Receivership Assets, including insuring same;

   g) filing quarterly HST returns with Canada Revenue Agency;

   h) preparing the Receiver's Fourth Report to Court dated August 7, 2025, the Supplement to the Fourth Report dated October 8, 2025 and this Fifth Report;

   Lerrato

   a) corresponding with the purchasers of the Remaining Porte Properties and their legal counsel regarding the Transactions;

   b) obtaining appraisals for the Remaining Porte Properties;

Barakaa

a) corresponding with the 23 Madison Purchasers and their legal counsel regarding the Transactions;

b) obtaining an appraisal for 23 Madison;

c) corresponding with RE/MAX Crossroads Realty Inc., Brokerage, the listing agent for 23 Madison, regarding the return of the deposit held in trust under the 23 Madison APS to the 23 Madison Purchasers;

214[5]

a) engaging with a construction manager to complete the development;

b) corresponding with Elexicon Energy Inc. regarding the installation of an electrical transformer for the development;

c) corresponding with various consultants and advisors retained to assist to complete the 214 project and to sell the real property, including;

i. Slavens & Associates Real Estate, the real estate broker;

ii. Keyser Mason Ball LLP ("**KMB**"), a real estate law firm;

iii. Groundswell Urban Planners Inc. ("**Groundswell**"), the planner;

iv. NIA Architects Inc., the architect;

v. Jain Infrastructure Consultants Ltd., the civil engineer; and

vi. J.D. Barnes Limited, the surveyor;

d) working with KMB and Groundswell to complete the draft condominium plan required to register the condominium;

e) corresponding with the Town of Ajax regarding the status of the development;

f) dealing with remediation of the site due to the state of the workmanship on the Doric development;

g) corresponding with Tarion Warranty Corporation;

h) corresponding with the Home Construction Regulatory Authority ("**HCRA**") regarding the status of the development; and

i) renewing 214's HCRA license.

[5] This is a 10-unit condominium located in Ajax, Ontario that is under construction.

6.0 Conclusion

1. Based on the foregoing, the Receiver respectfully recommends that this Honourable Court make the Orders granting the relief requested in this Fifth Report.

* * *

All of which is respectfully submitted,



KSV RESTRUCTURING INC.,
SOLELY IN ITS CAPACITY AS RECEIVER AND MANAGER OF 2145499 ONTARIO INC. AND CERTAIN PROPERTIES OF BARAKAA DEVELOPER INC. AND LERRATO INC.,
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY

This is Exhibit “F” referred to in the Affidavit of Andrew Stern sworn by Andrew Stern at the City of Toronto, in the Province of Ontario, before me on December 16, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)
DILLON GOHIL (LSO# 89738M)

FOREMOST
FINANCIAL

December 11, 2025

RE: Information Statement: First Mortgage on 19 Madison Avenue and 23 Madison Avenue and 25 Madison Avenue, Richmond Hill, Ontario

NOTE: 19 Madison Avenue has been partially discharged.

The amount due as at December 11, 2025 is calculated as follows:
Interest being The Greater of 7.50% or RBC Prime plus 4.30%

Principal	$2,753,000.00	
Taxes outstanding paid added to Principal	$9,875.78	
Principal paydown from funds received on April 4, 2025	-$1,738,288.00	$1,024,587.78
Total Interest owing from December 1, 2023 to November 30, 2025		$592,463.43
Interest due from December 1, 2025 to December 11, 2025		$4,264.14
Receivership Certificates ("RC"), RC interest, Legal Expenses*		$243,296.00
TOTAL DUE TO : FOREMOST FINANCIAL CORPORATION IN TRUST		**$1,864,611.35**

Additional Charges Not Added on this statement.

Per diem after 1:00pm ET on December 11, 2025 is $387.65

If you have any questions, please do not hesitate to contact the undersigned.

Yours truly
FOREMOST FINANCIAL CORPORATION

Verified by:_____
Pauline Cygelfarb, Broker
VP - Business Administration
Ext. 400

Mary Moncada
Director, Mortgage Administration
Telephone (416) 488-5300, Ext. 234
e&oe

*Prorated on Principal balance - Not final calculation

This is Exhibit “G” referred to in the Affidavit of Andrew Stern sworn by Andrew Stern at the City of Toronto, in the Province of Ontario, before me on December 16, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)
DILLON GOHIL (LSO# 89738M)

FOREMOST
FINANCIAL

December 11, 2025

RE: Information Statement: First Mortgage on 367 Porte Road , Ajax Ontario

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The amount due as at December 11, 2025 is calculated as follows:

Interest being @ The Greater of 8.00% or RBC Bank Prime plus 4.30%

Principal	$3,155,000.00
Principal Added to pay tax arrears	$89,100.01
Principal Paydown - August 1, 2025	-$1,871,466.00
Total Interest owing up to November 30, 2025	$724,967.40
Interest due from December 1, 2025 to December 11, 2025	$5,531.35
Receivership Certificates ("RC"), RC interest, Legal Expenses*	$325,942.57

TOTAL DUE TO : FOREMOST FINANCIAL CORPORATION IN TRUST **$2,429,075.33 ***
PLUS amounts to be determined

***Additional charges NOT included in this statement.**

Per diem after 1:00pm ET on December 11, 2025 is $502.85

If you have any questions, please do not hesitate to contact the undersigned.

Yours truly
FOREMOST FINANCIAL CORPORATION

Verified by:_____

Mary Moncada
Director, Mortgage Administration
Telephone (416) 488-5300, Ext. 308
e&oe

Pauline Cygelfarb, Broker
VP-Mortgage Administration
Ext. 400

*Prorated on Principal balance - Not final calculation

This is Exhibit “H” referred to in the Affidavit of Andrew Stern sworn by Andrew Stern at the City of Toronto, in the Province of Ontario, before me on December 16, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)
DILLON GOHIL (LSO# 89738M)

GENERAL SECURITY AGREEMENT (ONTARIO)

1. Parties to this Security Agreement

Name of Lender and Address (the "Secured Party"):

Foremost Mortgage Holding Corporation
26 Lesmill Road, Unit 1A,Toronto, Ontario, M3B 2T5

Legal Name of Borrower (the "Debtor"):

Barakaa Developer Inc.

Address of Borrower/Debtor:

9 Ridgevale Drive, Markham, Ontario, L6B 1A8

Location of Collateral (if different from Debtor's address):

19 Madison Avenue, Richmond Hill, Ontario, L4E 2Z7, 23 Madison Avenue, Richmond Hill, Ontario, L4E 2Z7 and 25 Madison Avenue, Richmond Hill, Ontario, L4E 2Z7

2. Creation of Security Interest

(1) For value received and as a general and continuing collateral security for the payment of Indebtedness as set out in the Mortgage between the parties of the same date on the property located at **19 Madison Avenue, Richmond Hill, Ontario, L4E 2Z7, 23 Madison Avenue, Richmond Hill, Ontario, L4E 2Z7 and 25 Madison Avenue, Richmond Hill, Ontario, L4E 2Z7**, which was registered in the amount of **$4,133,000.00** including any ultimate unpaid balance thereof, owed to the Secured Party and to secure the performance of the obligations under this security agreement or any Related Documents, the Debtor hereby grant to the Secured Party a security interest in all the Debtor's personal property as defined in the *Personal Property Security Act*, R.S.O. 1990, c. P.10 (the "PPSA"), in all of the assets of the Debtor and further in addition all assets that relate to the property located at **19 Madison Avenue, Richmond Hill, Ontario, L4E 2Z7, 23 Madison Avenue, Richmond Hill, Ontario, L4E 2Z7 and 25 Madison Avenue, Richmond Hill, Ontario, L4E 2Z7**, and in the undertaking of the Debtor, which shall constitute Collateral, whether now owned or hereafter acquired directly or indirectly by the Debtor, whether now existing or hereafter arising.

(2) Without limiting the foregoing, but for greater certainty, Collateral includes all of the following as the Collateral relates to the property located at **19 Madison Avenue, Richmond Hill, Ontario, L4E 2Z7, 23 Madison Avenue, Richmond Hill, Ontario, L4E 2Z7 and 25 Madison Avenue, Richmond Hill, Ontario, L4E 2Z7**:

all Collateral of the Debtor at the location of the Collateral or any other location related to either the **Construction of three homes** being all goods now or hereafter used or intended to be used for the **Construction of three homes** located at **19 Madison Avenue, Richmond Hill, Ontario, L4E 2Z7, 23 Madison Avenue, Richmond Hill, Ontario, L4E 2Z7 and 25 Madison Avenue, Richmond Hill, Ontario, L4E 2Z7** of the Debtor (the location of the Collateral being the "Property") and which may be inventory, fixtures or chattels and including but not limited to (saunas, hot tubs, fridges, bathroom fixtures, stoves, dishwashers, dryers, cook tops, barbeques, water heaters, furnaces, air conditioners, kitchen cabinetry, washroom cabinetry and all other cabinetry), all appliances or equipment and other tangible personal property used in connection with the dwelling,

all intangibles, accounts, chattel paper, securities, instruments, documents of title, money and proceeds thereof, and all physical and electronic records and documents evidencing such items, all building permits, all architectural drawings and documents and any other documents owned by the Debtor and used in connection with the construction of the building on the Property, which shall constitute Collateral, whether now owned or hereafter acquired directly or indirectly by the Debtor, whether now existing or hereafter arising in connection with the dwelling including but not limited to any deposit given to any person on behalf of the Debtor or to the Debtor such as a deposit for a real estate agreement of purchase and sale;

all rights and remedies including the right to collect all instalments due and the right, either on the Secured Party's own behalf or in the name of the Debtor, to take all such proceedings, legal or otherwise, as the Debtor might have taken.

all debts, demands and choses in action which are now due, owing or accruing due or which may hereafter become due, owing or accruing due to the Debtor and all claims of whatsoever nature or kind which the Debtor now has or may hereafter have, including claims against the Crown and claims under insurance policies; also all contracts, securities, bills, notes, lien notes, judgments, chattel mortgages, mortgages, and all other rights and benefits which now are or may hereafter be vested in the Debtor in respect of or as security for any of the said debts, demands, choses in action and claims; and also all books, accounts, invoices, letters, papers and documents in any way evidencing or relating to any of the said debts, demands, choses in action and claims.

all chattel paper now or hereafter owned by the Debtor; all warehouse receipts, bills of lading and other documents of title, whether negotiable or non-negotiable, now or hereafter owned by the Debtor; with respect to the personal property described in subparagraphs above, all books accounts, invoices, letters, papers, documents and other records in any form evidencing or relating thereto and all contracts, securities, instruments and other rights and benefits in respect thereof;

all goodwill, patents, trade marks, copyrights and other industrial property (including architectural drawings and documentation) and all other intangibles now or hereafter owned by the Debtor including all rights in the architectural drawings and documents and any other designs relating to the construction of the building on the Property; with respect to the personal property described in subparagraphs as above, all substitutions and replacements thereof, increases, additions and accessions thereto and any interest of the Debtor therein; and with respect to the personal property described in subparagraphs as above inclusive of personal property in any form or fixtures derived directly or indirectly from any dealing with such property or that indemnifies or compensates for such property destroyed or damaged.

with respect to the personal property described in above paragraphs inclusive in this subsection (2), all substitutions and replacements thereof, increases, additions and accessions thereto and any interest of the Debtor therein; and

with respect to the personal property described in above paragraphs inclusive in this subsection (2), personal property in any form or fixtures derived directly or indirectly from any dealing with such property or that indemnifies or compensates for such property destroyed or damaged

(3) In this paragraph, the words "goods", "inventory", "equipment", "chattel paper", "document of title", "instrument", "securities", "intangible" and "accessions" shall have the same meanings as their defined meanings in the PPSA including all amendments thereto. In this Agreement, any reference to the word "Collateral" shall, unless the context otherwise refer to "Collateral or any part thereof". In this Agreement, the word "Collateral" shall include the proceeds thereof.

(4) This security interest shall not apply to, and Collateral shall not include, the last day of the term of any lease or agreement therefor but upon the enforcement of the security interest the Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term. The Debtor shall have the right to lease other additional equipment in the ordinary course of business to replace existing equipment which is leased or to add new equipment so long as the equipment save for the last day of the term of the lease shall form part of the Collateral.

3. Definitions

(1) All phrases which are defined in the PPSA and not otherwise defined in this security agreement shall have the meaning ascribed by the PPSA, provided always that the term "goods" shall never include "consumer goods" of the Debtor as that term is defined in the PPSA.

(2) "Indebtedness" shall mean all liabilities of every kind and description of the Debtor to the Secured Party, whether now or hereafter owed or any future advance under the Mortgage, whether direct, indirect, contingent, and whether the Debtor be bound alone or with others and whether as principal or guarantor.

(3) "Related Documents" shall mean the promissory notes, loan agreements, account agreements, guaranties, trust deeds, mortgages, other security agreements or any other documents executed in connection with this security agreement or Indebtedness or related to its operation or administration, whether already existing or executed now or later and specifically relating to the mortgage of even date, registered against the property municipally known as **19 Madison Avenue, Richmond Hill, Ontario, L4E 2Z7, 23 Madison Avenue, Richmond Hill, Ontario, L4E 2Z7 and 25 Madison Avenue, Richmond Hill, Ontario, L4E 2Z7.**

4. Rights and Obligations of Debtor

4.1 **Title.** The Debtor warrants and covenants that it holds title or has rights in the Collateral sufficient for a security interest to attach to the Collateral and that there are no existing encumbrances on this Collateral.

4.2 **Possession and use of Collateral.** Subject to paragraph 6.2, until default or unless otherwise agreed with the Secured Party, the Debtor may deal with Collateral in the ordinary course of the Debtor's business in any manner consistent with the provisions of this security agreement. Except for inventory sold or accounts collected in the ordinary course of the Debtor's business the Debtor shall not sell or otherwise transfer the Collateral. All proceeds of the Collateral, whether or not arising in the ordinary course of the Debtor's business, will be received by the Debtor as trustee for the Secured Party and will be immediately paid to the Secured Party pursuant to the fiduciary obligation as trustee. The Debtor shall not encumber or permit the Collateral to be encumbered without the prior written consent of the Secured Party, other than by this security agreement.

4.3 **Removal of Collateral.** The Collateral (or to the extent the Collateral consists of intangible property such as accounts, the records concerning the Collateral) is located at the address shown above. Except in the ordinary course of the Debtor's business, the Debtor shall not remove the Collateral from its location without the prior written consent of the Secured Party, which shall not be unreasonably withheld.

4.4 **Securities as Collateral.** Where Collateral includes securities, the Secured Party may require the Debtor to transfer such securities into the Secured Party's name so that the Secured Party may appear of record as the sole owner of the securities. Until default, the Debtor may retain by way of proxy the voting and dividend rights attached to any such securities and the Secured Party will facilitate exercise of those dividend and voting rights.

4.5 **Preservation of rights and Collateral.** The Debtor shall defend its own and the Secured Party's rights in the Collateral against the claims and demands of all persons. The Debtor shall maintain the Collateral in a condition and state of repair that preserves the value of the Collateral, reasonable wear and tear excluded. The Debtor will not commit or permit damage to or destruction of the Collateral and will effect repair if it occurs. The Debtor shall procure and maintain policies of fire and other casualty insurance covering the Collateral on the basis and in at least the amount described above on terms satisfactory to the Secured Party and with loss payable to the Secured Party and Debtor jointly.

4.6 **Material changes in information.** The Debtor shall notify the Secured Party promptly of:

(a) any material change in the information contained in this agreement (including the schedules hereto) relating to the Debtor, the Debtor's business or Collateral, including any address change or establishment of an additional place of business;

(b) the details of any change in name of the Debtor;

(c) the details of any significant acquisition of Collateral;

(d) the details of any claims or litigation affecting the Debtor or Collateral;

(e) any loss of or damage to Collateral;

(f) any default by any account Debtor in its obligations with respect to Collateral.

4.7 **Debtors' conduct.** The Debtor will conduct its business and affairs in a proper and efficient manner, in accordance with applicable law and keep records in accordance with generally accepted accounting procedures. The Debtor shall pay all charges, such as taxes, assessments, claims, liens and encumbrances relating to the Collateral or the Debtor business and affairs when the same become due. The Debtor will deliver to the Secured Party promptly such information concerning Collateral, the Debtor and the Debtor business and affairs as the Secured Party may reasonably request.

4.8 **Protest.** The Debtor waive protest of any instrument constituting Collateral at any time held by the Secured Party on which the Debtor are in any way liable and, subject to the notice requirements of the PPSA, notice of any other action taken by the Secured Party.

4.9 **Joint and several liability.** If more than one Debtor executes this security

agreement the obligations of such Debtor hereunder shall be joint and several.

5. Events of Default

The Debtor shall be in default under this security agreement or Related Documents upon occurrence of any of the following:

(a) Non-payment when due, whether by acceleration or otherwise, of Indebtedness.

(b) Failure to comply within seven days after written notice from the Secured Party demanding compliance with any provision contained in this security agreement or Related Documents and if compliance is not practically possible, failure to take steps that will produce compliance as soon as is reasonably practical.

(c) Any warranty, representation or statement made or furnished to the Secured Party by or on behalf of the Debtor prove in any material respect to have been false when made or furnished.

(d) Bankruptcy or insolvency of the Debtor; the filing against the Debtor of a petition in bankruptcy; the making of an authorized assignment for the benefit of creditors by the Debtor; the appointment of a receiver, trustee, monitor, or liquidator for the Debtor or for any assets of the Debtor; or the institution by or against the Debtor of any type of insolvency proceeding or creditor rearrangement.

(e) Death or declaration of incompetency of the Debtor (if the Debtor is an individual) or cessation of the Debtor viability as a going business concern (if the Debtor are not an individual), which includes the cessation or threat by the Debtor to cease to carry on in the normal course of the Debtor business or any material part thereof.

(f) On the occurrence of such other events where the Secured Party considers in good faith and on commercially reasonable grounds that the Collateral is in jeopardy or that the Secured Party's position is insecure.

6. Secured Party Rights and Obligations

6.1 **General rights.** In addition to the rights granted herein, the Secured Party may enforce any other rights and remedies it may have at law or in equity, and specifically shall have all rights and remedies of a Secured Party under the PPSA. All rights and remedies of the Secured Party are cumulative and one or more of these rights may be exercised independently or in combination from time to time, including marshalling.

6.2 **Collection of debts forming part of Collateral.** The Secured Party may direct account debtor of the Debtor to make all payments owing to the Debtor on Collateral subject to the security interest directly to the Secured Party, by notifying such account debtor of the Secured Party's interest, either before or after default.

6.3 **Inspection of Collateral and right of access.** The Secured Party shall have the right at any time to confirm the existence and state of the Collateral in any manner the Secured Party may consider appropriate and the Debtor agree to furnish all assistance as the Secured Party may reasonably request in connection therewith. The Debtor grants to the Secured Party or its agents access to all places where Collateral may be located and to all premises occupied by the Debtor for the purposes of inspection or obtaining possession.

6.4 **Receivers and others.** The Secured Party may appoint by instrument executed by the Secured Party and removal or replacement from time to time of any such receiver or by application to a court of competent jurisdiction a receiver or other person to act on its behalf before or after default or in any insolvency or like proceeding (receiver includes a receiver-manager). The appointee has all the powers of the Secured Party under this security agreement. In addition, on instructions from the Secured Party, the receiver shall be entitled to carry on the business of the Debtor with all the powers that the Debtor would have to operate its business for such time as the receiver determines it advisable and in the best interest of the Secured Party including the right to sale the business and to complete the **Construction of three homes** located at **19 Madison Avenue, Richmond Hill, Ontario, L4E 2Z7, 23 Madison Avenue, Richmond Hill, Ontario, L4E 2Z7 and 25 Madison Avenue, Richmond Hill, Ontario, L4E 2Z7**. Any receiver appointed by instrument in writing shall have power to:

(a) take possession of, collect and get in all or any part of the Premises at **19**

Madison Avenue, Richmond Hill, Ontario, L4E 2Z7, 23 Madison Avenue, Richmond Hill, Ontario, L4E 2Z7 and 25 Madison Avenue, Richmond Hill, Ontario, L4E 2Z7 and the business and the Collateral and, for that purpose, to take proceedings in the name of the Debtor or otherwise and to make any arrangement or compromise;

(b) carry on or concur in carrying on all or any part of the business of the Debtor;

(c) borrow or raise money on all or any part of the Property or the Collateral in priority to the Charges registered as cross collateral and this Security Agreement or otherwise for such purposes as may be approved by the Secured Party; and

(d) sell or concur in selling all or any part of the Property or the business or the Collaterals with the appropriate notice and in such manner as may seem advisable to the receiver, and to effect such sale by conveying in the name and on behalf of the Debtor or otherwise.

The receiver shall be vested with such other discretions and powers as are granted in the instrument of appointment and any supplement thereto. The receiver shall, insofar as responsibility for its acts is concerned, be deemed to be the agent of the Debtor and not of the Secured Party, and the Debtor shall be solely responsible for his acts or defaults and for his remuneration. The Secured Party is not liable for any act or omission by a receiver whether appointed by the Secured Party or selected by a court.

6.5 **Acceleration.** The Secured Party may declare all or any part of Indebtedness which is not by its terms payable on demand to be immediately due and payable on the occurrence of any default.

6.6 **Possession and disposition of Collateral.** The Secured Party may take possession or constructive possession of, collect, demand, sue on, enforce, recover and receive Collateral and give binding receipts and discharges therefor. The Secured Party in possession may use Collateral as it sees fit, subject to the duty of reasonable care contained in the PPSA providing that any income from Collateral is applied to the Debtor account. Upon default, the Secured Party may also sell, lease or otherwise dispose of Collateral in any commercially reasonable manner.

6.7 **Costs.** The Debtor agree to pay all charges, including solicitors', auditors', receivers' or like persons' costs and remuneration or other expenses reasonably incurred by the Secured Party or other party appointed by the Secured Party in operating the Debtor accounts and in preparing or enforcing this security agreement. Such sums shall constitute a future advance increasing the Indebtedness hereunder.

6.8 **Deficiencies.** The failure of the Secured Party to receive full payment or satisfaction of Indebtedness through its rights and remedies herein provided shall not in any way release the Debtor from the obligation to satisfy any deficiency, including any costs of realization.

6.9 **Waivers.**

(1) No variation, amendment (except for any schedules which may be added hereto pursuant to the provisions of this agreement) or waiver of any provision of this security agreement shall be effective unless made by written agreement executed by the parties to this security agreement.

(2) No delay or omission by the Secured Party in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver of that right or remedy and no single or partial exercise of any right or remedy shall preclude any other exercise of cumulative rights and remedies.

(3) The Secured Party may remedy any default or perform any duty of the Debtor hereunder or with respect to any Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by the Debtor.

6.10 **Notice of Intention to Realise.** Prior to realisation, there is an obligation on the Secured Party to deliver a notice of intention to realise to the Debtor under s.244 of the *Bankruptcy and Insolvency Act*. Any events which trigger default, including those within paragraph 5(d), shall be deferred as required by that legislation. Valid service of this notice will occur upon sending of the notice to the address herein or as changed by the Debtor through paragraph 4.6. Pursuant to the PPSA where applicable, the Secured Party shall also give notice in writing in the appropriate time period to (a) the Debtor; (b) every person who is known by the Secured Party, before the date

that the notice is served on the Debtor, to be the owner of the collateral or an obligator who may owe payment or performance of the obligation secured; (c) every person who has a security interest who has a security interest in the collateral and whose interest (i) was perfected by possession, the continuance of which was prevented by the Secured Party who has taken possession of the collateral, or (ii) is perfected by registration before the date the notice is served on the Debtor; and (d) every person with an interest in the collateral who has delivered a written notice to the Secured Party of the interest in the collateral before the date that the notice is served on the Debtor.

This notice shall include the content stipulated by s. 63(5) of the PPSA.

7. Subordination

No action by the Secured Party shall constitute a subordination of its security interest to any other interest in the Collateral unless such subordination is effected by an agreement in writing, titled "Subordination Agreement", signed by the Secured Party.

8. Successor Interests

This security agreement shall enure to the benefit of and be binding on the parties hereto and their respective heirs, executors, administrators, successors and assigns.

9. Applicable Law

This security agreement and Related Documents shall be governed by the laws of the Province of Ontario.

10. Termination

This security agreement shall remain in full force and effect until the Indebtedness has been paid and written notice of discharge by the Secured Party is received by the Debtor.

11. Acknowledgments of Debtor

The Debtor hereby acknowledges receipt of a copy of this security agreement.

IN WITNESS WHEREOF the Debtor have executed this security agreement this 21 day of May, 2022.

WITNESS

Barakaa Developer Inc.

Hitesh Jhaveri -ASO

Niketa Wadia - ASO
We have the authority to bind the corporation

This is Exhibit “I” referred to in the Affidavit of Andrew Stern sworn by Andrew Stern at the City of Toronto, in the Province of Ontario, before me on December 16, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

DILLON GOHIL (LSO# 89738M)

GENERAL SECURITY AGREEMENT (ONTARIO)

1. Parties to this Security Agreement

Name of Lender and Address (the "Secured Party"):

Foremost Mortgage Holding Corporation
26 Lesmill Road, Unit 1A,Toronto, Ontario, M3B 2T5

Legal Name of Borrower (the "Debtor"):

Lerrato Inc.

Address of Borrower/Debtor:

9 Ridgevale Drive, Markham, Ontario, L6B 1A8

Location of Collateral (if different from Debtor's address):

367 Porte Road, Ajax, Ontario, L1S 7S8

2. Creation of Security Interest

(1) For value received and as a general and continuing collateral security for the payment of Indebtedness as set out in the Mortgage between the parties of the same date on the property located at **367 Porte Road, Ajax, Ontario, L1S 7S8**, which was registered in the amount of **$3,155,000.00** including any ultimate unpaid balance thereof, owed to the Secured Party and to secure the performance of the obligations under this security agreement or any Related Documents, the Debtor hereby grant to the Secured Party a security interest in all the Debtor's personal property as defined in the *Personal Property Security Act*, R.S.O. 1990, c. P.10 (the "PPSA"), in all of the assets of the Debtor and further in addition all assets that relate to the property located at **367 Porte Road, Ajax, Ontario, L1S 7S8**, and in the undertaking of the Debtor, which shall constitute Collateral, whether now owned or hereafter acquired directly or indirectly by the Debtor, whether now existing or hereafter arising.

(2) Without limiting the foregoing, but for greater certainty, Collateral includes all of the following as the Collateral relates to the property located at **367 Porte Road, Ajax, Ontario, L1S 7S8**:

all Collateral of the Debtor at the location of the Collateral or any other location related to either the **Construction of five freehold townhomes totalling 9,999 sq. ft.** being all goods now or hereafter used or intended to be used for the **Construction of five freehold townhomes totalling 9,999 sq. ft.** located at **367 Porte Road, Ajax, Ontario, L1S 7S8** of the Debtor (the location of the Collateral being the "Property") and which may be inventory, fixtures or chattels and including but not limited to (saunas, hot tubs, fridges, bathroom fixtures, stoves, dishwashers, dryers, cook tops, barbeques, water heaters, furnaces, air conditioners, kitchen cabinetry, washroom cabinetry and all other cabinetry), all appliances or equipment and other tangible personal property used in connection with the dwelling,

all intangibles, accounts, chattel paper, securities, instruments, documents of title, money and proceeds thereof, and all physical and electronic records and documents evidencing such items, all building permits, all architectural drawings and documents and any other documents owned by the Debtor and used in connection with the construction of the building on the Property, which shall constitute Collateral, whether now owned or hereafter acquired directly or indirectly by the Debtor, whether now existing or hereafter arising in connection with the dwelling including but not limited to any deposit given to any person on behalf of the Debtor or to the Debtor such as a deposit for a real estate agreement of purchase and sale;

all rights and remedies including the right to collect all instalments due and the right, either on the Secured Party's own behalf or in the name of the Debtor, to take all such proceedings, legal or otherwise, as the Debtor might have taken.

all debts, demands and choses in action which are now due, owing or accruing due or which may hereafter become due, owing or accruing due to the Debtor and all claims of whatsoever nature or kind which the Debtor now has or may hereafter have, including claims against the Crown and claims under insurance policies; also all contracts, securities, bills, notes, lien notes, judgments, chattel mortgages, mortgages, and all other rights and benefits which now are or

may hereafter be vested in the Debtor in respect of or as security for any of the said debts, demands, choses in action and claims; and also all books, accounts, invoices, letters, papers and documents in any way evidencing or relating to any of the said debts, demands, choses in action and claims.

all chattel paper now or hereafter owned by the Debtor; all warehouse receipts, bills of lading and other documents of title, whether negotiable or non-negotiable, now or hereafter owned by the Debtor; with respect to the personal property described in subparagraphs above, all books accounts, invoices, letters, papers, documents and other records in any form evidencing or relating thereto and all contracts, securities, instruments and other rights and benefits in respect thereof;

all goodwill, patents, trade marks, copyrights and other industrial property (including architectural drawings and documentation) and all other intangibles now or hereafter owned by the Debtor including all rights in the architectural drawings and documents and any other designs relating to the construction of the building on the Property; with respect to the personal property described in subparagraphs as above, all substitutions and replacements thereof, increases, additions and accessions thereto and any interest of the Debtor therein; and with respect to the personal property described in subparagraphs as above inclusive of personal property in any form or fixtures derived directly or indirectly from any dealing with such property or that indemnifies or compensates for such property destroyed or damaged.

with respect to the personal property described in above paragraphs inclusive in this subsection (2), all substitutions and replacements thereof, increases, additions and accessions thereto and any interest of the Debtor therein; and

with respect to the personal property described in above paragraphs inclusive in this subsection (2), personal property in any form or fixtures derived directly or indirectly from any dealing with such property or that indemnifies or compensates for such property destroyed or damaged

(3) In this paragraph, the words "goods", "inventory", "equipment", "chattel paper", "document of title", "instrument", "securities", "intangible" and "accessions" shall have the same meanings as their defined meanings in the PPSA including all amendments thereto. In this Agreement, any reference to the word "Collateral" shall, unless the context otherwise refer to "Collateral or any part thereof". In this Agreement, the word "Collateral" shall include the proceeds thereof.

(4) This security interest shall not apply to, and Collateral shall not include, the last day of the term of any lease or agreement therefor but upon the enforcement of the security interest the Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term. The Debtor shall have the right to lease other additional equipment in the ordinary course of business to replace existing equipment which is leased or to add new equipment so long as the equipment save for the last day of the term of the lease shall form part of the Collateral.

3. Definitions

(1) All phrases which are defined in the PPSA and not otherwise defined in this security agreement shall have the meaning ascribed by the PPSA, provided always that the term "goods" shall never include "consumer goods" of the Debtor as that term is defined in the PPSA.

(2) "Indebtedness" shall mean all liabilities of every kind and description of the Debtor to the Secured Party, whether now or hereafter owed or any future advance under the Mortgage, whether direct, indirect, contingent, and whether the Debtor be bound alone or with others and whether as principal or guarantor.

(3) "Related Documents" shall mean the promissory notes, loan agreements, account agreements, guaranties, trust deeds, mortgages, other security agreements or any other documents executed in connection with this security agreement or Indebtedness or related to its operation or administration, whether already existing or executed now or later and specifically relating to the mortgage of even date, registered against the property municipally known as **367 Porte Road, Ajax, Ontario, L1S 7S8.**

4. Rights and Obligations of Debtor

4.1 **Title.** The Debtor warrants and covenants that it holds title or has rights in the Collateral sufficient for a security interest to attach to the Collateral and that there are no existing encumbrances on this Collateral.

4.2 **Possession and use of Collateral.** Subject to paragraph 6.2, until default or unless otherwise agreed with the Secured Party, the Debtor may deal with Collateral in the ordinary course of the Debtor's business in any manner consistent with the provisions of this security agreement. Except for inventory sold or accounts collected in the ordinary course of the Debtor's business the Debtor shall not sell or otherwise transfer the Collateral. All proceeds of the Collateral, whether or not arising in the ordinary course of the Debtor's business, will be received by the Debtor as trustee for the Secured Party and will be immediately paid to the Secured Party pursuant to the fiduciary obligation as trustee. The Debtor shall not encumber or permit the Collateral to be encumbered without the prior written consent of the Secured Party, other than by this security agreement.

4.3 **Removal of Collateral.** The Collateral (or to the extent the Collateral consists of intangible property such as accounts, the records concerning the Collateral) is located at the address shown above. Except in the ordinary course of the Debtor's business, the Debtor shall not remove the Collateral from its location without the prior written consent of the Secured Party, which shall not be unreasonably withheld.

4.4 **Securities as Collateral.** Where Collateral includes securities, the Secured Party may require the Debtor to transfer such securities into the Secured Party's name so that the Secured Party may appear of record as the sole owner of the securities. Until default, the Debtor may retain by way of proxy the voting and dividend rights attached to any such securities and the Secured Party will facilitate exercise of those dividend and voting rights.

4.5 **Preservation of rights and Collateral.** The Debtor shall defend its own and the Secured Party's rights in the Collateral against the claims and demands of all persons. The Debtor shall maintain the Collateral in a condition and state of repair that preserves the value of the Collateral, reasonable wear and tear excluded. The Debtor will not commit or permit damage to or destruction of the Collateral and will effect repair if it occurs. The Debtor shall procure and maintain policies of fire and other casualty insurance covering the Collateral on the basis and in at least the amount described above on terms satisfactory to the Secured Party and with loss payable to the Secured Party and Debtor jointly.

4.6 **Material changes in information.** The Debtor shall notify the Secured Party promptly of:

(a) any material change in the information contained in this agreement (including the schedules hereto) relating to the Debtor, the Debtor's business or Collateral, including any address change or establishment of an additional place of business;

(b) the details of any change in name of the Debtor;

(c) the details of any significant acquisition of Collateral;

(d) the details of any claims or litigation affecting the Debtor or Collateral;

(e) any loss of or damage to Collateral;

(f) any default by any account Debtor in its obligations with respect to Collateral.

4.7 **Debtors' conduct.** The Debtor will conduct its business and affairs in a proper and efficient manner, in accordance with applicable law and keep records in accordance with generally accepted accounting procedures. The Debtor shall pay all charges, such as taxes, assessments, claims, liens and encumbrances relating to the Collateral or the Debtor business and affairs when the same become due. The Debtor will deliver to the Secured Party promptly such information concerning Collateral, the Debtor and the Debtor business and affairs as the Secured Party may reasonably request.

4.8 **Protest.** The Debtor waive protest of any instrument constituting Collateral at any time held by the Secured Party on which the Debtor are in any way liable and, subject to the notice requirements of the PPSA, notice of any other action taken by the Secured Party.

4.9 **Joint and several liability.** If more than one Debtor executes this security agreement the obligations of such Debtor hereunder shall be joint and several.

5. Events of Default

The Debtor shall be in default under this security agreement or Related Documents upon occurrence of any of the following:

(a) Non-payment when due, whether by acceleration or otherwise, of Indebtedness.

(b) Failure to comply within seven days after written notice from the Secured Party demanding compliance with any provision contained in this security agreement or Related Documents and if compliance is not practically possible, failure to take steps that will produce compliance as soon as is reasonably practical.

(c) Any warranty, representation or statement made or furnished to the Secured Party by or on behalf of the Debtor prove in any material respect to have been false when made or furnished.

(d) Bankruptcy or insolvency of the Debtor; the filing against the Debtor of a petition in bankruptcy; the making of an authorized assignment for the benefit of creditors by the Debtor; the appointment of a receiver, trustee, monitor, or liquidator for the Debtor or for any assets of the Debtor; or the institution by or against the Debtor of any type of insolvency proceeding or creditor rearrangement.

(e) Death or declaration of incompetency of the Debtor (if the Debtor is an individual) or cessation of the Debtor viability as a going business concern (if the Debtor are not an individual), which includes the cessation or threat by the Debtor to cease to carry on in the normal course of the Debtor business or any material part thereof.

(f) On the occurrence of such other events where the Secured Party considers in good faith and on commercially reasonable grounds that the Collateral is in jeopardy or that the Secured Party's position is insecure.

6. Secured Party Rights and Obligations

6.1 **General rights.** In addition to the rights granted herein, the Secured Party may enforce any other rights and remedies it may have at law or in equity, and specifically shall have all rights and remedies of a Secured Party under the PPSA. All rights and remedies of the Secured Party are cumulative and one or more of these rights may be exercised independently or in combination from time to time, including marshalling.

6.2 **Collection of debts forming part of Collateral.** The Secured Party may direct account debtor of the Debtor to make all payments owing to the Debtor on Collateral subject to the security interest directly to the Secured Party, by notifying such account debtor of the Secured Party's interest, either before or after default.

6.3 **Inspection of Collateral and right of access.** The Secured Party shall have the right at any time to confirm the existence and state of the Collateral in any manner the Secured Party may consider appropriate and the Debtor agree to furnish all assistance as the Secured Party may reasonably request in connection therewith. The Debtor grants to the Secured Party or its agents access to all places where Collateral may be located and to all premises occupied by the Debtor for the purposes of inspection or obtaining possession.

6.4 **Receivers and others.** The Secured Party may appoint by instrument executed by the Secured Party and removal or replacement from time to time of any such receiver or by application to a court of competent jurisdiction a receiver or other person to act on its behalf before or after default or in any insolvency or like proceeding (receiver includes a receiver-manager). The appointee has all the powers of the Secured Party under this security agreement. In addition, on instructions from the Secured Party, the receiver shall be entitled to carry on the business of the Debtor with all the powers that the Debtor would have to operate its business for such time as the receiver determines it advisable and in the best interest of the Secured Party including the right to sale the business and to complete the **Construction of five freehold townhomes totalling 9,999 sq. ft.** located at **367 Porte Road, Ajax, Ontario, L1S 7S8**. Any receiver appointed by instrument in writing shall have power to:

(a) take possession of, collect and get in all or any part of the Premises at **367 Porte Road, Ajax, Ontario, L1S 7S8** and the business and the Collateral and, for that purpose, to take proceedings in the name of the Debtor or otherwise and to make any arrangement or compromise;

(b) carry on or concur in carrying on all or any part of the business of the Debtor;

(c) borrow or raise money on all or any part of the Property or the Collateral in priority to the Charges registered as cross collateral and this Security Agreement

or otherwise for such purposes as may be approved by the Secured Party; and

(d) sell or concur in selling all or any part of the Property or the business or the Collaterals with the appropriate notice and in such manner as may seem advisable to the receiver, and to effect such sale by conveying in the name and on behalf of the Debtor or otherwise.

The receiver shall be vested with such other discretions and powers as are granted in the instrument of appointment and any supplement thereto. The receiver shall, insofar as responsibility for its acts is concerned, be deemed to be the agent of the Debtor and not of the Secured Party, and the Debtor shall be solely responsible for his acts or defaults and for his remuneration. The Secured Party is not liable for any act or omission by a receiver whether appointed by the Secured Party or selected by a court.

6.5 **Acceleration.** The Secured Party may declare all or any part of Indebtedness which is not by its terms payable on demand to be immediately due and payable on the occurrence of any default.

6.6 **Possession and disposition of Collateral.** The Secured Party may take possession or constructive possession of, collect, demand, sue on, enforce, recover and receive Collateral and give binding receipts and discharges therefor. The Secured Party in possession may use Collateral as it sees fit, subject to the duty of reasonable care contained in the PPSA providing that any income from Collateral is applied to the Debtor account. Upon default, the Secured Party may also sell, lease or otherwise dispose of Collateral in any commercially reasonable manner.

6.7 **Costs.** The Debtor agree to pay all charges, including solicitors', auditors', receivers' or like persons' costs and remuneration or other expenses reasonably incurred by the Secured Party or other party appointed by the Secured Party in operating the Debtor accounts and in preparing or enforcing this security agreement. Such sums shall constitute a future advance increasing the Indebtedness hereunder.

6.8 **Deficiencies.** The failure of the Secured Party to receive full payment or satisfaction of Indebtedness through its rights and remedies herein provided shall not in any way release the Debtor from the obligation to satisfy any deficiency, including any costs of realization.

6.9 **Waivers.**

(1) No variation, amendment (except for any schedules which may be added hereto pursuant to the provisions of this agreement) or waiver of any provision of this security agreement shall be effective unless made by written agreement executed by the parties to this security agreement.

(2) No delay or omission by the Secured Party in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver of that right or remedy and no single or partial exercise of any right or remedy shall preclude any other exercise of cumulative rights and remedies.

(3) The Secured Party may remedy any default or perform any duty of the Debtor hereunder or with respect to any Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by the Debtor.

6.10 **Notice of Intention to Realise.** Prior to realisation, there is an obligation on the Secured Party to deliver a notice of intention to realise to the Debtor under s.244 of the *Bankruptcy and Insolvency Act*. Any events which trigger default, including those within paragraph 5(d), shall be deferred as required by that legislation. Valid service of this notice will occur upon sending of the notice to the address herein or as changed by the Debtor through paragraph 4.6. Pursuant to the PPSA where applicable, the Secured Party shall also give notice in writing in the appropriate time period to (a) the Debtor; (b) every person who is known by the Secured Party, before the date that the notice is served on the Debtor, to be the owner of the collateral or an obligator who may owe payment or performance of the obligation secured; (c) every person who has a security interest who has a security interest in the collateral and whose interest (i) was perfected by possession, the continuance of which was prevented by the Secured Party who has taken possession of the collateral, or (ii) is perfected by registration before the date the notice is served on the Debtor; and (d) every person with an interest in the collateral who has delivered a written notice to the Secured Party of the interest in the collateral before the date that the notice is served on the Debtor.

This notice shall include the content stipulated by s. 63(5) of the PPSA.

7. Subordination

No action by the Secured Party shall constitute a subordination of its security interest to any other interest in the Collateral unless such subordination is effected by an agreement in writing, titled "Subordination Agreement", signed by the Secured Party.

8. Successor Interests

This security agreement shall enure to the benefit of and be binding on the parties hereto and their respective heirs, executors, administrators, successors and assigns.

9. Applicable Law

This security agreement and Related Documents shall be governed by the laws of the Province of Ontario.

10. Termination

This security agreement shall remain in full force and effect until the Indebtedness has been paid and written notice of discharge by the Secured Party is received by the Debtor.

11. Acknowledgments of Debtor

The Debtor hereby acknowledges receipt of a copy of this security agreement.

IN WITNESS WHEREOF the Debtor have executed this security agreement this 15 day of June, 2022.

WITNESS

Lerrato Inc.

Hitesh Jhaveri - ASO

Niketa Jhaveri - ASO

We have the authority to bind the corporation

This is Exhibit “J” referred to in the Affidavit of Andrew Stern sworn by Andrew Stern at the City of Toronto, in the Province of Ontario, before me on December 16, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

DILLON GOHIL (LSO# 89738M)

PPSA Search conducted December 12, 2025

Ontario

- Web Page ID: **WEnqResult**
- System Date: **12DEC2025**
- Last Modified: September 21, 2025

Note: All pages have been returned.

Type of Search	Business Debtor						
Search Conducted On	BARAKAA DEVELOPER INC.						
File Currency	11DEC 2025						
	File Number	**Family**	**of Families**	**Page**	**of Pages**	**Expiry Date**	**Status**
	513452322	1	5	1	8	13FEB 2027	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	**Caution Filing**	**Page of**	**Total Pages**	**Motor Vehicle Schedule**	**Registration Number**	**Registered Under**	**Registration Period**
513452322		001	1		20250213 1441 1793 5784	P PPSA	2

Individual Debtor	**Date of Birth**	**First Given Name**	**Initial**	**Surname**
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**
	BARAKAA DEVELOPER INC.			1956513
	Address		**City**	**Province** / **Postal Code**
	9 RIDGEVALE DRIVE		MARKHAM	ON / L6B1A8

Individual Debtor	**Date of Birth**	**First Given Name**	**Initial**	**Surname**
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**
	Address		**City**	**Province** / **Postal Code**

Secured Party	**Secured Party / Lien Claimant**			
	2333550 ONTARIO INC			
	Address		**City**	**Province** / **Postal Code**
	73 MISSION RIDGE TRAIL		BRAMPTON	ON / L6P3H9

Collateral Classification	**Consumer Goods**	**Inventory**	**Equipment**	**Accounts**	**Other**	**Motor Vehicle Included**	**Amount**	**Date of Maturity or**	**No Fixed Maturity Date**
	X						95000	24NOV2024	

Motor Vehicle Description	**Year**	**Make**	**Model**	**V.I.N.**
	2020	ROLLS ROYCE	WRAITH	SCAXZ0C06LU201227

General Collateral Description	**General Collateral Description**

Registering Agent	**Registering Agent**			
	2333550 ONTARIO INC			
	Address	**City**	**Province**	**Postal Code**
	73 MISSION RIDGE TRAIL	BRAMPTON	ON	L6P3H9
Type of Search	Business Debtor			
Search Conducted On	BARAKAA DEVELOPER INC.			
File Currency	11DEC 2025			

	File Number	**Family**	**of Families**	**Page**	**of Pages**	**Expiry Date**	**Status**
	759314205	2	5	2	8	14JAN 2030	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	**Caution Filing**	**Page of**	**Total Pages**	**Motor Vehicle Schedule**	**Registration Number**	**Registered Under**	**Registration Period**
759314205		01	001		20200114 1937 1531 6463	P PPSA	5

Individual Debtor	**Date of Birth**	**First Given Name**	**Initial**	**Surname**	
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**	
	BARAKAA DEVELOPER INC.				
	Address		**City**	**Province**	**Postal Code**
	9 RIDGEVALE DR		MARKHAM	ON	L6B 1A8

Individual Debtor	**Date of Birth**	**First Given Name**	**Initial**	**Surname**	
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**	
	Address		**City**	**Province**	**Postal Code**

Secured Party	**Secured Party / Lien Claimant**				
	ROYAL BANK OF CANADA				
	Address		**City**	**Province**	**Postal Code**
	36 YORK MILLS ROAD, 4TH FLOOR		TORONTO	ON	M2P 0A4

Collateral Classification	**Consumer Goods**	**Inventory**	**Equipment**	**Accounts**	**Other**	**Motor Vehicle Included**	**Amount**	**Date of Maturity or**	**No Fixed Maturity Date**
		X	X	X	X	X			

Motor Vehicle Description	**Year**	**Make**	**Model**	**V.I.N.**

General Collateral Description	**General Collateral Description**

Registering Agent	**Registering Agent**				
	CANADIAN SECURITIES REGISTRATION SYSTEMS				
	Address		**City**	**Province**	**Postal Code**
	4126 NORLAND AVENUE		BURNABY	BC	V5G 3S8

Type of Search	Business Debtor				
Search Conducted On	BARAKAA DEVELOPER INC.				
File Currency	11DEC 2025				
	File Number	**Family**	**of Families**	**Page**	**of Pages**
	759314205	2	5	3	8

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	Caution Filing	**Page of**	**Total Pages**	**Motor Vehicle Schedule Attached**	**Registration Number**	**Registered Under**
		001	1		20241220 0825 4085 7896	

Record Referenced	**File Number**	**Page Amended**	**No Specific Page Amended**	**Change Required**	**Renewal Years**	**Correct Period**
	759314205			B RENEWAL	5	

Reference Debtor/ Transferor	**First Given Name**	**Initial**	**Surname**
	Business Debtor Name		
	BARAKAA DEVELOPER INC.		

Other Change	**Other Change**
Reason / Description	**Reason / Description**

Debtor/ Transferee	Date of Birth	First Given Name	Initial	Surname	
	Business Debtor Name			Ontario Corporation Number	
	Address		City	Province	Postal Code

Assignor Name	Assignor Name
Secured Party	Secured party, lien claimant, assignee

	Address	City	Province	Postal Code

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date

Motor Vehicle Description	Year	Make	Model	V.I.N.

General Collateral Description	General Collateral Description

Registering Agent	Registering Agent or Secured Party/ Lien Claimant			
	D + H LIMITED PARTNERSHIP			
	Address	City	Province	Postal Code
	2 ROBERT SPECK PARKWAY, 15TH FLOOR	MISSISSAUGA	ON	L4Z 1H8

Type of Search	Business Debtor
Search Conducted On	BARAKAA DEVELOPER INC.
File Currency	11DEC 2025

	File Number	Family	of Families	Page	of Pages	Expiry Date	Status
	759314214	3	5	4	8	14JAN 2030	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
759314214		01	001		20200114 1937 1531 6464	P PPSA	5

Individual Debtor	Date of Birth	First Given Name	Initial	Surname	
Business Debtor	Business Debtor Name			Ontario Corporation Number	
	BARAKAA DEVELOPER INC.				
	Address		City	Province	Postal Code
	9 RIDGEVALE DR		MARKHAM	ON	L6B 1A8

Individual Debtor	Date of Birth	First Given Name	Initial	Surname	
Business Debtor	Business Debtor Name			Ontario Corporation Number	
	Address		City	Province	Postal Code

Secured Party	Secured Party / Lien Claimant			
	ROYAL BANK OF CANADA			
	Address	City	Province	Postal Code
	36 YORK MILLS ROAD, 4TH FLOOR	TORONTO	ON	M2P 0A4

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date

				X	X				

Motor Vehicle Description	Year	Make	Model	V.I.N.

General Collateral Description	General Collateral Description

Registering Agent	Registering Agent			
	CANADIAN SECURITIES REGISTRATION SYSTEMS			
	Address	**City**	**Province**	**Postal Code**
	4126 NORLAND AVENUE	BURNABY	BC	V5G 3S8

Type of Search	Business Debtor
Search Conducted On	BARAKAA DEVELOPER INC.
File Currency	11DEC 2025

	File Number	Family	of Families	Page	of Pages
	759314214	3	5	5	8

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under
		001	1		20241220 0826 1532 0006	

Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
	759314214			B RENEWAL	5	

Reference Debtor/ Transferor	First Given Name	Initial	Surname
	Business Debtor Name		
	BARAKAA DEVELOPER INC.		

Other Change	Other Change

Reason / Description	Reason / Description

Debtor/ Transferee	Date of Birth	First Given Name	Initial	Surname	
	Business Debtor Name				**Ontario Corporation Number**
	Address		**City**	**Province**	**Postal Code**

Assignor Name	Assignor Name
Secured Party	**Secured party, lien claimant, assignee**

	Address	City	Province	Postal Code

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date

Motor Vehicle Description	Year	Make	Model	V.I.N.

General Collateral Description	General Collateral Description

Registering Agent	Registering Agent or Secured Party/ Lien Claimant			
	D + H LIMITED PARTNERSHIP			
	Address	**City**	**Province**	**Postal Code**
	2 ROBERT SPECK PARKWAY, 15TH FLOOR	MISSISSAUGA	ON	L4Z 1H8

Type of Search	Business Debtor
Search Conducted On	BARAKAA DEVELOPER INC.
File Currency	11DEC 2025

	File Number	Family	of Families	Page	of Pages	Expiry Date	Status
	771173721	4	5	6	8	01APR 2026	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
771173721		01	001		20210401 1938 1531 4578	P PPSA	5

Individual Debtor	Date of Birth	First Given Name	Initial	Surname
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**
	BARAKAA DEVELOPER INC.			
	Address		**City**	**Province** / **Postal Code**
	9 RIDGEVALE DRIVE		MARKHAM	ON / L6B 1A8

Individual Debtor	Date of Birth	First Given Name	Initial	Surname
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**
	Address		**City**	**Province** / **Postal Code**

Secured Party	Secured Party / Lien Claimant			
	ROYAL BANK OF CANADA			
	Address		**City**	**Province** / **Postal Code**
	36 YORK MILLS ROAD, 4TH FLOOR		TORONTO	ON / M2P 0A4

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
				X	X				

Motor Vehicle Description	Year	Make	Model	V.I.N.

General Collateral Description	General Collateral Description

Registering Agent	Registering Agent			
	CANADIAN SECURITIES REGISTRATION SYSTEMS			
	Address		**City**	**Province** / **Postal Code**
	4126 NORLAND AVENUE		BURNABY	BC / V5G 3S8

Type of Search	Business Debtor
Search Conducted On	BARAKAA DEVELOPER INC.
File Currency	11DEC 2025

	File Number	Family	of Families	Page	of Pages	Expiry Date	Status
	785816433	5	5	7	8	06NOV 2025	D DISCHARGED

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
785816433		001	1		20220815 1818 1532 3239	P PPSA	07

Individual Debtor	**Date of Birth**	**First Given Name**	**Initial**	**Surname**	
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**	
	BARAKAA DEVELOPER INC				
	Address		**City**	**Province**	**Postal Code**
	9 RIDGEVALE DRIVE		MARKHAM	ON	L6B1A8

Individual Debtor	**Date of Birth**	**First Given Name**	**Initial**	**Surname**	
	21SEP1965	HITESH		JHAVERI	
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**	
	Address		**City**	**Province**	**Postal Code**
	9 RIDGEVALE DRIVE		MARKHAM	ON	L6B1A8

Secured Party	**Secured Party / Lien Claimant**			
	ROYAL BANK OF CANADA			
	Address	**City**	**Province**	**Postal Code**
	10 YORK MILLS ROAD 3RD FLOOR	TORONTO	ON	M2P 0A2

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
	X					X	424406.17	15FEB2029	

Motor Vehicle Description	**Year**	**Make**	**Model**	**V.I.N.**
	2020	ROLLS-ROYCE	WRAITH	SCAXZ0C06LU201227

General Collateral Description	**General Collateral Description**

Registering Agent	**Registering Agent**			
	D + H LIMITED PARTNERSHIP			
	Address	**City**	**Province**	**Postal Code**
	2 ROBERT SPECK PARKWAY, 15TH FLOOR	MISSISSAUGA	ON	L4Z 1H8

Type of Search	Business Debtor
Search Conducted On	BARAKAA DEVELOPER INC.
File Currency	11DEC 2025

	File Number	Family	of Families	Page	of Pages
	785816433	5	5	8	8

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under
		001	1		20251106 1430 1465 7198	

Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
	785816433			C DISCHRG		

Reference Debtor/ Transferor	**First Given Name**	**Initial**	**Surname**
	Business Debtor Name		
	BARAKAA DEVELOPER INC		

Other Change	**Other Change**

Reason / Description	Reason / Description

Debtor/ Transferee	Date of Birth	First Given Name	Initial	Surname

	Business Debtor Name	Ontario Corporation Number

	Address	City	Province	Postal Code

Assignor Name	Assignor Name

Secured Party	Secured party, lien claimant, assignee

	Address	City	Province	Postal Code

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date

Motor Vehicle Description	Year	Make	Model	V.I.N.

General Collateral Description	General Collateral Description

Registering Agent	Registering Agent or Secured Party/ Lien Claimant
	ESC CORPORATE SERVICES LTD.

	Address	City	Province	Postal Code
	445 KING STREET WEST, SUITE 400	TORONTO	ON	M5V 1K4

LAST PAGE

Note: All pages have been returned.

PPSA Search conducted June 21, 2024

Ontario

- Web Page ID: **WEnqResult**
- System Date: **21JUN2024**
- Last Modified: June 16, 2024

Note: All pages have been returned.

Type of Search	Business Debtor						
Search Conducted On	BARAKAA DEVELOPER INC.						
File Currency	20JUN 2024						
	File Number	**Family**	**of Families**	**Page**	**of Pages**	**Expiry Date**	**Status**
	759314205	1	5	1	8	14JAN 2025	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	**Caution Filing**	**Page of**	**Total Pages**	**Motor Vehicle Schedule**	**Registration Number**	**Registered Under**	**Registration Period**
759314205		01	001		20200114 1937 1531 6463	P PPSA	5

Individual Debtor	**Date of Birth**	**First Given Name**	**Initial**	**Surname**
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**
	BARAKAA DEVELOPER INC.			
	Address		**City**	**Province** / **Postal Code**
	9 RIDGEVALE DR		MARKHAM	ON / L6B 1A8

Individual Debtor	**Date of Birth**	**First Given Name**	**Initial**	**Surname**
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**
	Address		**City**	**Province** / **Postal Code**

Secured Party	**Secured Party / Lien Claimant**			
	ROYAL BANK OF CANADA			
	Address	**City**	**Province**	**Postal Code**
	36 YORK MILLS ROAD, 4TH FLOOR	TORONTO	ON	M2P 0A4

Collateral Classification	**Consumer Goods**	**Inventory**	**Equipment**	**Accounts**	**Other**	**Motor Vehicle Included**	**Amount**	**Date of Maturity or**	**No Fixed Maturity Date**
		X	X	X	X	X			

Motor Vehicle Description	**Year**	**Make**	**Model**	**V.I.N.**

General Collateral Description

Registering Agent	**Registering Agent**				
	CANADIAN SECURITIES REGISTRATION SYSTEMS				
	Address	**City**	**Province**	**Postal Code**	
	4126 NORLAND AVENUE	BURNABY	BC	V5G 3S8	

Type of Search	Business Debtor						
Search Conducted On	BARAKAA DEVELOPER INC.						
File Currency	20JUN 2024						
	File Number	**Family**	**of Families**	**Page**	**of Pages**	**Expiry Date**	**Status**
	759314214	2	5	2	8	14JAN 2025	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	**Caution Filing**	**Page of**	**Total Pages**	**Motor Vehicle Schedule**	**Registration Number**	**Registered Under**	**Registration Period**
759314214		01	001		20200114 1937 1531 6464	P PPSA	5

Individual Debtor	**Date of Birth**	**First Given Name**	**Initial**	**Surname**	
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**	
	BARAKAA DEVELOPER INC.				
	Address		**City**	**Province**	**Postal Code**
	9 RIDGEVALE DR		MARKHAM	ON	L6B 1A8

Individual Debtor	**Date of Birth**	**First Given Name**	**Initial**	**Surname**	
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**	
	Address		**City**	**Province**	**Postal Code**

Secured Party	**Secured Party / Lien Claimant**				
	ROYAL BANK OF CANADA				
	Address		**City**	**Province**	**Postal Code**
	36 YORK MILLS ROAD, 4TH FLOOR		TORONTO	ON	M2P 0A4

Collateral Classification	**Consumer Goods**	**Inventory**	**Equipment**	**Accounts**	**Other**	**Motor Vehicle Included**	**Amount**	**Date of Maturity or**	**No Fixed Maturity Date**
				X	X				

Motor Vehicle Description	**Year**	**Make**	**Model**	**V.I.N.**

General Collateral Description	**General Collateral Description**

Registering Agent	**Registering Agent**						
	CANADIAN SECURITIES REGISTRATION SYSTEMS						
	Address				**City**	**Province**	**Postal Code**
	4126 NORLAND AVENUE				BURNABY	BC	V5G 3S8
Type of Search	Business Debtor						
Search Conducted On	BARAKAA DEVELOPER INC.						
File Currency	20JUN 2024						
	File Number	**Family**	**of Families**	**Page**	**of Pages**	**Expiry Date**	**Status**
	771173721	3	5	3	8	01APR 2026	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	**Caution Filing**	**Page of**	**Total Pages**	**Motor Vehicle Schedule**	**Registration Number**	**Registered Under**	**Registration Period**
771173721		01	001		20210401 1938 1531 4578	P PPSA	5

Individual Debtor	**Date of Birth**	**First Given Name**	**Initial**	**Surname**	
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**	
	BARAKAA DEVELOPER INC.				
	Address		**City**	**Province**	**Postal Code**
	9 RIDGEVALE DRIVE		MARKHAM	ON	L6B 1A8

Individual Debtor	**Date of Birth**	**First Given Name**	**Initial**	**Surname**	
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**	
	Address		**City**	**Province**	**Postal Code**

Secured Party	**Secured Party / Lien Claimant**				
	ROYAL BANK OF CANADA				

	Address	City	Province	Postal Code
	36 YORK MILLS ROAD, 4TH FLOOR	TORONTO	ON	M2P 0A4

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
				X	X				

Motor Vehicle Description	Year	Make	Model	V.I.N.

General Collateral Description	General Collateral Description

Registering Agent	Registering Agent			
	CANADIAN SECURITIES REGISTRATION SYSTEMS			
	Address	**City**	**Province**	**Postal Code**
	4126 NORLAND AVENUE	BURNABY	BC	V5G 3S8

Type of Search	Business Debtor
Search Conducted On	BARAKAA DEVELOPER INC.
File Currency	20JUN 2024

	File Number	Family	of Families	Page	of Pages	Expiry Date	Status
	784350738	4	5	4	8	27JUN 2026	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
784350738		001	3		20220627 1156 5064 6803	P PPSA	02

Individual Debtor	Date of Birth	First Given Name	Initial	Surname

Business Debtor	Business Debtor Name	Ontario Corporation Number
	BARAKAA DEVELOPER INC.	

	Address	City	Province	Postal Code
	9 RIDGEVALE DRIVE	MARKHAM	ON	L6B 1A8

Individual Debtor	Date of Birth	First Given Name	Initial	Surname

Business Debtor	Business Debtor Name	Ontario Corporation Number

	Address	City	Province	Postal Code

Secured Party	Secured Party / Lien Claimant			
	FOREMOST MORTGAGE HOLDING CORPORATION			
	Address	**City**	**Province**	**Postal Code**
	26 LESMILL ROAD, SUITE 1A	TORONTO	ON	M5B 2T5

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X				

Motor Vehicle Description	Year	Make	Model	V.I.N.

General Collateral Description	General Collateral Description
	PURCHASE MONEY SECURITY INTEREST IN CONNECTION WITH THE CONSTRUCTION
	OF HOUSES AT 19, 23 AND 25 MADISON AVENUE, RICHMOND HILL INCLUDING
	BUT NOT LIMITED TO ALL FIXTURES, CHATTELS AND IMPROVEMENTS, WHETHER

Registering Agent	Registering Agent

	HARVEY MANDEL						
	Address					**City**	**Province**	**Postal Code**
	55 QUEEN STREET EAST, SUITE 203					TORONTO	ON	M5C 1R6
Type of Search	Business Debtor							
Search Conducted On	BARAKAA DEVELOPER INC.							
File Currency	20JUN 2024							
	File Number	**Family**	**of Families**	**Page**	**of Pages**	**Expiry Date**	**Status**	
	784350738	4	5	5	8	27JUN 2026		

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	**Caution Filing**	**Page of**	**Total Pages**	**Motor Vehicle Schedule**	**Registration Number**	**Registered Under**	**Registration Period**
784350738		002	3		20220627 1156 5064 6803		

Individual Debtor	**Date of Birth**	**First Given Name**		**Initial**	**Surname**
Business Debtor	**Business Debtor Name**				**Ontario Corporation Number**
	Address			**City**	**Province**	**Postal Code**

Individual Debtor	**Date of Birth**	**First Given Name**		**Initial**	**Surname**
Business Debtor	**Business Debtor Name**				**Ontario Corporation Number**
	Address			**City**	**Province**	**Postal Code**

Secured Party	**Secured Party / Lien Claimant**				
	Address			**City**	**Province**	**Postal Code**

Collateral Classification	**Consumer Goods**	**Inventory**	**Equipment**	**Accounts**	**Other**	**Motor Vehicle Included**	**Amount**	**Date of Maturity or**	**No Fixed Maturity Date**

Motor Vehicle Description	**Year**	**Make**	**Model**	**V.I.N.**

General Collateral Description	**General Collateral Description**
	ON SITE OR OFF SITE AND WHETHER IN EXISTENCE NOW OR IN THE FUTURE,
	ALL DEPOSITS FOR THE FIXTURES, CHATTELS AND IMPROVEMENTS, ALL
	CONSTRUCTION AND SUPPLY CONTRACTS, ALL ARCHITECTURAL DRAWINGS,

Registering Agent	**Registering Agent**			
	Address	**City**	**Province**	**Postal Code**

Type of Search	Business Debtor						
Search Conducted On	BARAKAA DEVELOPER INC.						
File Currency	20JUN 2024						
	File Number	**Family**	**of Families**	**Page**	**of Pages**	**Expiry Date**	**Status**
	784350738	4	5	6	8	27JUN 2026	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	**Caution Filing**	**Page of**	**Total Pages**	**Motor Vehicle Schedule**	**Registration Number**	**Registered Under**	**Registration Period**
784350738		003	3		20220627 1156 5064 6803		

Individual Debtor	**Date of Birth**	**First Given Name**		**Initial**	**Surname**
Business Debtor	**Business Debtor Name**				**Ontario Corporation Number**

	Address	City	Province	Postal Code

	Date of Birth	First Given Name	Initial	Surname
Individual Debtor				

	Business Debtor Name	Ontario Corporation Number
Business Debtor		

	Address	City	Province	Postal Code

	Secured Party / Lien Claimant
Secured Party	

	Address	City	Province	Postal Code

	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Collateral Classification									

	Year	Make	Model	V.I.N.
Motor Vehicle Description				

	General Collateral Description
General Collateral Description	SPECIFICATIONS AND PLANS, ALL MUNICIPAL AND OTHER PERMITS AND
	APPROVALS, ALL SECURITY DEPOSITS GIVEN TO ANY MUNICIPALITY OR OTHER
	GOVERNMENT AGENCY AND THE DEPOSIT ON THE SALE OF ANY HOUSE

	Registering Agent
Registering Agent	

	Address	City	Province	Postal Code

Type of Search	Business Debtor
Search Conducted On	BARAKAA DEVELOPER INC.
File Currency	20JUN 2024

	File Number	Family	of Families	Page	of Pages
	784350738	4	5	7	8

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under
		001	1		20240620 1029 9015 0291	

	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
Record Referenced	784350738			B RENEWAL	02	

	First Given Name	Initial	Surname
Reference Debtor/ Transferor			

	Business Debtor Name
	BARAKAA DEVELOPER INC.

	Other Change
Other Change	

	Reason / Description
Reason / Description	

	Date of Birth	First Given Name	Initial	Surname
Debtor/ Transferee				

	Business Debtor Name	Ontario Corporation Number

	Address	**City**	**Province**	**Postal Code**

Assignor Name	**Assignor Name**
Secured Party	**Secured party, lien claimant, assignee**

	Address	**City**	**Province**	**Postal Code**

Collateral Classification	**Consumer Goods**	**Inventory**	**Equipment**	**Accounts**	**Other**	**Motor Vehicle Included**	**Amount**	**Date of Maturity or**	**No Fixed Maturity Date**

Motor Vehicle Description	**Year**	**Make**	**Model**	**V.I.N.**

General Collateral Description	**General Collateral Description**

Registering Agent	**Registering Agent or Secured Party/ Lien Claimant**			
	HARVEY MANDEL			
	Address	**City**	**Province**	**Postal Code**
	55 QUEEN STREET EAST, SUITE 203	TORONTO	ON	M5C 1R6

Type of Search	Business Debtor						
Search Conducted On	BARAKAA DEVELOPER INC.						
File Currency	20JUN 2024						
	File Number	**Family**	**of Families**	**Page**	**of Pages**	**Expiry Date**	**Status**
	785816433	5	5	8	8	15AUG 2029	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	**Caution Filing**	**Page of**	**Total Pages**	**Motor Vehicle Schedule**	**Registration Number**	**Registered Under**	**Registration Period**
785816433		001	1		20220815 1818 1532 3239	P PPSA	07

Individual Debtor	**Date of Birth**	**First Given Name**	**Initial**	**Surname**	
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**	
	BARAKAA DEVELOPER INC				
	Address		**City**	**Province**	**Postal Code**
	9 RIDGEVALE DRIVE		MARKHAM	ON	L6B1A8

Individual Debtor	**Date of Birth**	**First Given Name**	**Initial**	**Surname**	
	21SEP1965	HITESH		JHAVERI	
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**	
	Address		**City**	**Province**	**Postal Code**
	9 RIDGEVALE DRIVE		MARKHAM	ON	L6B1A8

Secured Party	**Secured Party / Lien Claimant**			
	ROYAL BANK OF CANADA			
	Address	**City**	**Province**	**Postal Code**
	10 YORK MILLS ROAD 3RD FLOOR	TORONTO	ON	M2P 0A2

Collateral Classification	**Consumer Goods**	**Inventory**	**Equipment**	**Accounts**	**Other**	**Motor Vehicle Included**	**Amount**	**Date of Maturity or**	**No Fixed Maturity Date**
	X					X	424406.17	15FEB2029	

Motor Vehicle Description	**Year**	**Make**	**Model**	**V.I.N.**
	2020	ROLLS-ROYCE	WRAITH	SCAXZ0C06LU201227

General Collateral Description	**General Collateral Description**			
Registering Agent	**Registering Agent**			
	D + H LIMITED PARTNERSHIP			
	Address	**City**	**Province**	**Postal Code**
	2 ROBERT SPECK PARKWAY, 15TH FLOOR	MISSISSAUGA	ON	L4Z 1H8

LAST PAGE

Note: All pages have been returned.

This is Exhibit “K” referred to in the Affidavit of Andrew Stern sworn by Andrew Stern at the City of Toronto, in the Province of Ontario, before me on December 16, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)
DILLON GOHIL (LSO# 89738M)

PPSA Search conducted December 12, 2025

Ontario

- Web Page ID: **WEnqResult**
- System Date: **12DEC2025**
- Last Modified: September 21, 2025

Note: All pages have been returned.

Type of Search	Business Debtor						
Search Conducted On	LERRATO INC.						
File Currency	11DEC 2025						
	File Number	**Family**	**of Families**	**Page**	**of Pages**	**Expiry Date**	**Status**
	759314187	1	4	1	9	14JAN 2030	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	**Caution Filing**	**Page of**	**Total Pages**	**Motor Vehicle Schedule**	**Registration Number**	**Registered Under**	**Registration Period**
759314187		01	001		20200114 1937 1531 6461	P PPSA	5

Individual Debtor	**Date of Birth**	**First Given Name**	**Initial**	**Surname**
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**
	LERRATO INC.			
	Address		**City**	**Province** **Postal Code**
	9 RIDGEVALE DR		MARKHAM	ON L6B 1A8

Individual Debtor	**Date of Birth**	**First Given Name**	**Initial**	**Surname**
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**
	Address		**City**	**Province** **Postal Code**

Secured Party	**Secured Party / Lien Claimant**								
	ROYAL BANK OF CANADA								
	Address					**City**		**Province**	**Postal Code**
	36 YORK MILLS ROAD, 4TH FLOOR					TORONTO		ON	M2P 0A4
Collateral Classification	**Consumer Goods**	**Inventory**	**Equipment**	**Accounts**	**Other**	**Motor Vehicle Included**	**Amount**	**Date of Maturity or**	**No Fixed Maturity Date**
		X	X	X	X	X			

Motor Vehicle Description	**Year**	**Make**	**Model**	**V.I.N.**

General Collateral Description

Registering Agent	**Registering Agent**				
	CANADIAN SECURITIES REGISTRATION SYSTEMS				
	Address			**City**	**Province** **Postal Code**
	4126 NORLAND AVENUE			BURNABY	BC V5G 3S8

Type of Search	Business Debtor				
Search Conducted On	LERRATO INC.				
File Currency	11DEC 2025				
	File Number	**Family**	**of Families**	**Page**	**of Pages**
	759314187	1	4	2	9

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	Caution Filing	**Page of**	**Total Pages**	**Motor Vehicle Schedule Attached**	**Registration Number**	**Registered Under**
		001	1		20241220 0825 1532 9992	

Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
	759314187			B RENEWAL	5	

Reference Debtor/ Transferor	First Given Name	Initial	Surname
	Business Debtor Name		
	LERRATO INC.		

Other Change	Other Change

Reason / Description	Reason / Description

Debtor/ Transferee	Date of Birth	First Given Name	Initial	Surname
	Business Debtor Name			**Ontario Corporation Number**
	Address	**City**	**Province**	**Postal Code**

Assignor Name	Assignor Name

Secured Party	Secured party, lien claimant, assignee			
	Address	**City**	**Province**	**Postal Code**

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date

Motor Vehicle Description	Year	Make	Model	V.I.N.

General Collateral Description	General Collateral Description

Registering Agent	Registering Agent or Secured Party/ Lien Claimant			
	D + H LIMITED PARTNERSHIP			
	Address	**City**	**Province**	**Postal Code**
	2 ROBERT SPECK PARKWAY, 15TH FLOOR	MISSISSAUGA	ON	L4Z 1H8

Type of Search	Business Debtor
Search Conducted On	LERRATO INC.
File Currency	11DEC 2025

	File Number	Family	of Families	Page	of Pages	Expiry Date	Status
	759314196	2	4	3	9	14JAN 2030	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
759314196		01	001		20200114 1937 1531 6462	P PPSA	5

Individual Debtor	Date of Birth	First Given Name	Initial	Surname
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**
	LERRATO INC.			

	Address	City	Province	Postal Code
	9 RIDGEVALE DR	MARKHAM	ON	L6B 1A8

	Date of Birth	First Given Name	Initial	Surname
Individual Debtor				

	Business Debtor Name	Ontario Corporation Number
Business Debtor		

	Address	City	Province	Postal Code

	Secured Party / Lien Claimant
Secured Party	ROYAL BANK OF CANADA

	Address	City	Province	Postal Code
	36 YORK MILLS ROAD, 4TH FLOOR	TORONTO	ON	M2P 0A4

	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Collateral Classification				X	X				

	Year	Make	Model	V.I.N.
Motor Vehicle Description				

	General Collateral Description
General Collateral Description	

	Registering Agent
Registering Agent	CANADIAN SECURITIES REGISTRATION SYSTEMS

	Address	City	Province	Postal Code
	4126 NORLAND AVENUE	BURNABY	BC	V5G 3S8

Type of Search	Business Debtor
Search Conducted On	LERRATO INC.
File Currency	11DEC 2025

File Number	Family	of Families	Page	of Pages
759314196	2	4	4	9

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under
	001	1		20241220 0825 1532 9988	

	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
Record Referenced	759314196			B RENEWAL	5	

	First Given Name	Initial	Surname
Reference Debtor/ Transferor			

	Business Debtor Name
	LERRATO INC.

	Other Change
Other Change	

	Reason / Description
Reason / Description	

	Date of Birth	First Given Name	Initial	Surname
Debtor/ Transferee				

	Business Debtor Name	Ontario Corporation Number

	Address	**City**	**Province**	**Postal Code**

Assignor Name	**Assignor Name**								
Secured Party	**Secured party, lien claimant, assignee**								
	Address				**City**			**Province**	**Postal Code**

Collateral Classification	**Consumer Goods**	**Inventory**	**Equipment**	**Accounts**	**Other**	**Motor Vehicle Included**	**Amount**	**Date of Maturity or**	**No Fixed Maturity Date**

Motor Vehicle Description	**Year**	**Make**	**Model**	**V.I.N.**

General Collateral Description	**General Collateral Description**

Registering Agent	**Registering Agent or Secured Party/ Lien Claimant**			
	D + H LIMITED PARTNERSHIP			
	Address	**City**	**Province**	**Postal Code**
	2 ROBERT SPECK PARKWAY, 15TH FLOOR	MISSISSAUGA	ON	L4Z 1H8

Type of Search	Business Debtor						
Search Conducted On	LERRATO INC.						
File Currency	11DEC 2025						
	File Number	**Family**	**of Families**	**Page**	**of Pages**	**Expiry Date**	**Status**
	784619712	3	4	5	9	05JUL 2026	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	**Caution Filing**	**Page of**	**Total Pages**	**Motor Vehicle Schedule**	**Registration Number**	**Registered Under**	**Registration Period**
784619712		001	3		20220705 1546 5064 2238	P PPSA	02

Individual Debtor	**Date of Birth**	**First Given Name**	**Initial**	**Surname**	
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**	
	LERRATO INC.				
	Address		**City**	**Province**	**Postal Code**
	9 RIDGEVALE DRIVE		MARKHAM	ON	L6B 1A8

Individual Debtor	**Date of Birth**	**First Given Name**	**Initial**	**Surname**	
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**	
	Address		**City**	**Province**	**Postal Code**

Secured Party	**Secured Party / Lien Claimant**								
	FOREMOST MORTGAGE HOLDING CORPORATION								
	Address					**City**		**Province**	**Postal Code**
	26 LESMILL ROAD, SUITE 1A					TORONTO		ON	M5B 2T5

Collateral Classification	**Consumer Goods**	**Inventory**	**Equipment**	**Accounts**	**Other**	**Motor Vehicle Included**	**Amount**	**Date of Maturity or**	**No Fixed Maturity Date**
		X	X	X	X				

Motor Vehicle Description	**Year**	**Make**	**Model**	**V.I.N.**

General Collateral Description	**General Collateral Description**
	PURCHASE MONEY SECURITY INTEREST IN CONNECTION WITH THE CONSTRUCTION
	OF FIVE HOUSES AT 367 PORTE ROAD, AJAX INCLUDING BUT NOT LIMITED TO
	ALL FIXTURES, CHATTELS AND IMPROVEMENTS, WHETHER ON SITE OR OFF SITE

Registering Agent	**Registering Agent**			
	HARVEY MANDEL			
	Address	**City**	**Province**	**Postal Code**
	55 QUEEN STREET EAST, SUITE 203	TORONTO	ON	M5C 1R6

Type of Search	Business Debtor
Search Conducted On	LERRATO INC.
File Currency	11DEC 2025

File Number	**Family**	**of Families**	**Page**	**of Pages**	**Expiry Date**	**Status**
784619712	3	4	6	9	05JUL 2026	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	**Caution Filing**	**Page of**	**Total Pages**	**Motor Vehicle Schedule**	**Registration Number**	**Registered Under**	**Registration Period**
784619712		002	3		20220705 1546 5064 2238		

Individual Debtor	**Date of Birth**	**First Given Name**	**Initial**	**Surname**
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**
	Address	**City**	**Province**	**Postal Code**

Individual Debtor	**Date of Birth**	**First Given Name**	**Initial**	**Surname**
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**
	Address	**City**	**Province**	**Postal Code**

Secured Party	**Secured Party / Lien Claimant**			
	Address	**City**	**Province**	**Postal Code**

Collateral Classification	**Consumer Goods**	**Inventory**	**Equipment**	**Accounts**	**Other**	**Motor Vehicle Included**	**Amount**	**Date of Maturity or**	**No Fixed Maturity Date**

Motor Vehicle Description	**Year**	**Make**	**Model**	**V.I.N.**

General Collateral Description	**General Collateral Description**
	AND WHETHER IN EXISTENCE NOW OR IN THE FUTURE, ALL DEPOSITS FOR THE
	FIXTURES, CHATTELS AND IMPROVEMENTS, ALL CONSTRUCTION AND SUPPLY
	CONTRACTS, ALL ARCHITECTURAL DRAWINGS, SPECIFICATIONS AND PLANS, ALL

Registering Agent	**Registering Agent**			
	Address	**City**	**Province**	**Postal Code**

Type of Search	Business Debtor
Search Conducted On	LERRATO INC.
File Currency	11DEC 2025

File Number	**Family**	**of Families**	**Page**	**of Pages**	**Expiry Date**	**Status**
784619712	3	4	7	9	05JUL 2026	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
784619712		003	3		20220705 1546 5064 2238		

Individual Debtor	**Date of Birth**	**First Given Name**	**Initial**	**Surname**	
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**	
	Address		**City**	**Province**	**Postal Code**

Individual Debtor	**Date of Birth**	**First Given Name**	**Initial**	**Surname**	
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**	
	Address		**City**	**Province**	**Postal Code**

Secured Party	**Secured Party / Lien Claimant**			
	Address	**City**	**Province**	**Postal Code**

Collateral Classification	**Consumer Goods**	**Inventory**	**Equipment**	**Accounts**	**Other**	**Motor Vehicle Included**	**Amount**	**Date of Maturity or**	**No Fixed Maturity Date**

Motor Vehicle Description	**Year**	**Make**	**Model**	**V.I.N.**

General Collateral Description	**General Collateral Description**
	MUNICIPAL AND OTHER PERMITS AND APPROVALS, ALL SECURITY DEPOSITS
	GIVEN TO ANY MUNICIPALITY OR OTHER GOVERNMENT AGENCY AND THE DEPOSIT
	ON THE SALE OF ANY HOUSE

Registering Agent	**Registering Agent**			
	Address	**City**	**Province**	**Postal Code**

Type of Search	Business Debtor				
Search Conducted On	LERRATO INC.				
File Currency	11DEC 2025				
	File Number	**Family**	**of Families**	**Page**	**of Pages**
	784619712	3	4	8	9

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under
		001	1		20240620 1037 9015 0294	

Record Referenced	**File Number**	**Page Amended**	**No Specific Page Amended**	**Change Required**	**Renewal Years**	**Correct Period**
	784619712			B RENEWAL	02	

Reference Debtor/ Transferor	**First Given Name**	**Initial**	**Surname**
	Business Debtor Name		
	LERRATO INC.		

Other Change	**Other Change**
Reason / Description	**Reason / Description**

Debtor/ Transferee	Date of Birth	First Given Name	Initial	Surname	
	Business Debtor Name			**Ontario Corporation Number**	
	Address		**City**	**Province**	**Postal Code**

Assignor Name	Assignor Name				
Secured Party	**Secured party, lien claimant, assignee**				
	Address		**City**	**Province**	**Postal Code**

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date

Motor Vehicle Description	Year	Make	Model	V.I.N.

General Collateral Description	General Collateral Description

Registering Agent	Registering Agent or Secured Party/ Lien Claimant			
	HARVEY MANDEL			
	Address	**City**	**Province**	**Postal Code**
	55 QUEEN STREET EAST, SUITE 203	TORONTO	ON	M5C 1R6

Type of Search	Business Debtor
Search Conducted On	LERRATO INC.
File Currency	11DEC 2025

	File Number	Family	of Families	Page	of Pages	Expiry Date	Status
	788271498	4	4	9	9	07NOV 2027	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
788271498		001	1		20221107 1810 1532 6721	P PPSA	05

Individual Debtor	Date of Birth	First Given Name	Initial	Surname	
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**	
	LERRATO INC				
	Address		**City**	**Province**	**Postal Code**
	9 RIDGEVALE DRIVE		MARKHAM	ON	L6B1A8

Individual Debtor	Date of Birth	First Given Name	Initial	Surname	
	13FEB1958	NIKETA	H	JHAVERI	
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**	
	Address		**City**	**Province**	**Postal Code**
	9 RIDGEVALE DRIVE		MARKHAM	ON	L6B1A8

Secured Party	Secured Party / Lien Claimant
	ROYAL BANK OF CANADA

	Address	City	Province	Postal Code
	10 YORK MILLS ROAD 3RD FLOOR	TORONTO	ON	M2P 0A2

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
	X					X	44203.62	03NOV2027	

Motor Vehicle Description	Year	Make	Model	V.I.N.
	2017	MASERATI	LEVANTE	ZN661YUSXHX233094

General Collateral Description	General Collateral Description
	THE FULL DEBTOR NAME IS - NIKETA HITESH JHAVERI

Registering Agent	Registering Agent			
	D + H LIMITED PARTNERSHIP			
	Address	**City**	**Province**	**Postal Code**
	2 ROBERT SPECK PARKWAY, 15TH FLOOR	MISSISSAUGA	ON	L4Z 1H8

LAST PAGE

Note: All pages have been returned.

PPSA Search conducted June 21, 2024

Ontario

- Web Page ID: **WEnqResult**
- System Date: **21JUN2024**
- Last Modified: June 16, 2024

Note: All pages have been returned.

Type of Search	Business Debtor						
Search Conducted On	LERRATO INC.						
File Currency	20JUN 2024						
	File Number	**Family**	**of Families**	**Page**	**of Pages**	**Expiry Date**	**Status**
	759314187	1	5	1	8	14JAN 2025	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	**Caution Filing**	**Page of**	**Total Pages**	**Motor Vehicle Schedule**	**Registration Number**	**Registered Under**	**Registration Period**
759314187		01	001		20200114 1937 1531 6461	P PPSA	5

Individual Debtor	**Date of Birth**	**First Given Name**	**Initial**	**Surname**
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**
	LERRATO INC.			
	Address		**City**	**Province** / **Postal Code**
	9 RIDGEVALE DR		MARKHAM	ON / L6B 1A8

Individual Debtor	**Date of Birth**	**First Given Name**	**Initial**	**Surname**
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**
	Address		**City**	**Province** / **Postal Code**

Secured Party	**Secured Party / Lien Claimant**			
	ROYAL BANK OF CANADA			
	Address		**City**	**Province** / **Postal Code**
	36 YORK MILLS ROAD, 4TH FLOOR		TORONTO	ON / M2P 0A4

Collateral Classification	**Consumer Goods**	**Inventory**	**Equipment**	**Accounts**	**Other**	**Motor Vehicle Included**	**Amount**	**Date of Maturity or**	**No Fixed Maturity Date**
		X	X	X	X	X			

Motor Vehicle Description	**Year**	**Make**	**Model**	**V.I.N.**

General Collateral Description

Registering Agent	**Registering Agent**						
	CANADIAN SECURITIES REGISTRATION SYSTEMS						
	Address					**City**	**Province** / **Postal Code**
	4126 NORLAND AVENUE					BURNABY	BC / V5G 3S8
Type of Search	Business Debtor						
Search Conducted On	LERRATO INC.						
File Currency	20JUN 2024						
	File Number	**Family**	**of Families**	**Page**	**of Pages**	**Expiry Date**	**Status**
	759314196	2	5	2	8	14JAN 2025	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	**Caution Filing**	**Page of**	**Total Pages**	**Motor Vehicle Schedule**	**Registration Number**	**Registered Under**	**Registration Period**
759314196		01	001		20200114 1937 1531 6462	P PPSA	5

Individual Debtor	**Date of Birth**	**First Given Name**	**Initial**	**Surname**	
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**	
	LERRATO INC.				
	Address		**City**	**Province**	**Postal Code**
	9 RIDGEVALE DR		MARKHAM	ON	L6B 1A8

Individual Debtor	**Date of Birth**	**First Given Name**	**Initial**	**Surname**	
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**	
	Address		**City**	**Province**	**Postal Code**

Secured Party	**Secured Party / Lien Claimant**				
	ROYAL BANK OF CANADA				
	Address		**City**	**Province**	**Postal Code**
	36 YORK MILLS ROAD, 4TH FLOOR		TORONTO	ON	M2P 0A4

Collateral Classification	**Consumer Goods**	**Inventory**	**Equipment**	**Accounts**	**Other**	**Motor Vehicle Included**	**Amount**	**Date of Maturity or**	**No Fixed Maturity Date**
				X	X				

Motor Vehicle Description	**Year**	**Make**	**Model**	**V.I.N.**

General Collateral Description	**General Collateral Description**

Registering Agent	**Registering Agent**						
	CANADIAN SECURITIES REGISTRATION SYSTEMS						
	Address				**City**	**Province**	**Postal Code**
	4126 NORLAND AVENUE				BURNABY	BC	V5G 3S8
Type of Search	Business Debtor						
Search Conducted On	LERRATO INC.						
File Currency	20JUN 2024						
	File Number	**Family**	**of Families**	**Page**	**of Pages**	**Expiry Date**	**Status**
	772519707	3	5	3	8	14MAY 2026	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
772519707		01	001		20210514 1442 1530 2042	P PPSA	5

Individual Debtor	**Date of Birth**	**First Given Name**	**Initial**	**Surname**	
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**	
	LERRATO INC.				
	Address		**City**	**Province**	**Postal Code**
	9 RIDGEVALE DR		MARKHAM	ON	L6B 1A8

Individual Debtor	**Date of Birth**	**First Given Name**	**Initial**	**Surname**	
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**	
	Address		**City**	**Province**	**Postal Code**

Secured Party	**Secured Party / Lien Claimant**				
	ROYAL BANK OF CANADA				

	Address	City	Province	Postal Code
	36 YORK MILLS ROAD, 4TH FLOOR	TORONTO	ON	M2P 0A4

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
				X	X				

Motor Vehicle Description	Year	Make	Model	V.I.N.

General Collateral Description	General Collateral Description

Registering Agent	Registering Agent			
	CANADIAN SECURITIES REGISTRATION SYSTEMS			
	Address	**City**	**Province**	**Postal Code**
	4126 NORLAND AVENUE	BURNABY	BC	V5G 3S8

Type of Search	Business Debtor
Search Conducted On	LERRATO INC.
File Currency	20JUN 2024

	File Number	Family	of Families	Page	of Pages	Expiry Date	Status
	784619712	4	5	4	8	05JUL 2026	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
784619712		001	3		20220705 1546 5064 2238	P PPSA	02

Individual Debtor	Date of Birth	First Given Name	Initial	Surname

Business Debtor	Business Debtor Name	Ontario Corporation Number
	LERRATO INC.	

	Address	City	Province	Postal Code
	9 RIDGEVALE DRIVE	MARKHAM	ON	L6B 1A8

Individual Debtor	Date of Birth	First Given Name	Initial	Surname

Business Debtor	Business Debtor Name	Ontario Corporation Number

	Address	City	Province	Postal Code

Secured Party	Secured Party / Lien Claimant			
	FOREMOST MORTGAGE HOLDING CORPORATION			
	Address	**City**	**Province**	**Postal Code**
	26 LESMILL ROAD, SUITE 1A	TORONTO	ON	M5B 2T5

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X				

Motor Vehicle Description	Year	Make	Model	V.I.N.

General Collateral Description	General Collateral Description
	PURCHASE MONEY SECURITY INTEREST IN CONNECTION WITH THE CONSTRUCTION
	OF FIVE HOUSES AT 367 PORTE ROAD, AJAX INCLUDING BUT NOT LIMITED TO
	ALL FIXTURES, CHATTELS AND IMPROVEMENTS, WHETHER ON SITE OR OFF SITE

Registering Agent	Registering Agent

	HARVEY MANDEL						
	Address					**City**	**Province**	**Postal Code**
	55 QUEEN STREET EAST, SUITE 203					TORONTO	ON	M5C 1R6
Type of Search	Business Debtor						
Search Conducted On	LERRATO INC.						
File Currency	20JUN 2024						
	File Number	**Family**	**of Families**	**Page**	**of Pages**	**Expiry Date**	**Status**
	784619712	4	5	5	8	05JUL 2026	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	**Caution Filing**	**Page of**	**Total Pages**	**Motor Vehicle Schedule**	**Registration Number**	**Registered Under**	**Registration Period**
784619712		002	3		20220705 1546 5064 2238		

Individual Debtor	**Date of Birth**	**First Given Name**		**Initial**	**Surname**
Business Debtor	**Business Debtor Name**				**Ontario Corporation Number**
	Address			**City**	**Province**	**Postal Code**

Individual Debtor	**Date of Birth**	**First Given Name**		**Initial**	**Surname**
Business Debtor	**Business Debtor Name**				**Ontario Corporation Number**
	Address			**City**	**Province**	**Postal Code**

Secured Party	**Secured Party / Lien Claimant**				
	Address			**City**	**Province**	**Postal Code**

Collateral Classification	**Consumer Goods**	**Inventory**	**Equipment**	**Accounts**	**Other**	**Motor Vehicle Included**	**Amount**	**Date of Maturity or**	**No Fixed Maturity Date**

Motor Vehicle Description	**Year**	**Make**	**Model**	**V.I.N.**

General Collateral Description	**General Collateral Description**
	AND WHETHER IN EXISTENCE NOW OR IN THE FUTURE, ALL DEPOSITS FOR THE
	FIXTURES, CHATTELS AND IMPROVEMENTS, ALL CONSTRUCTION AND SUPPLY
	CONTRACTS, ALL ARCHITECTURAL DRAWINGS, SPECIFICATIONS AND PLANS, ALL

Registering Agent	**Registering Agent**				
	Address			**City**	**Province**	**Postal Code**
Type of Search	Business Debtor						
Search Conducted On	LERRATO INC.						
File Currency	20JUN 2024						
	File Number	**Family**	**of Families**	**Page**	**of Pages**	**Expiry Date**	**Status**
	784619712	4	5	6	8	05JUL 2026	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	**Caution Filing**	**Page of**	**Total Pages**	**Motor Vehicle Schedule**	**Registration Number**	**Registered Under**	**Registration Period**
784619712		003	3		20220705 1546 5064 2238		

Individual Debtor	**Date of Birth**	**First Given Name**		**Initial**	**Surname**
Business Debtor	**Business Debtor Name**				**Ontario Corporation Number**

	Address	City	Province	Postal Code

	Date of Birth	First Given Name	Initial	Surname
Individual Debtor				

	Business Debtor Name	Ontario Corporation Number
Business Debtor		

	Address	City	Province	Postal Code

	Secured Party / Lien Claimant
Secured Party	

	Address	City	Province	Postal Code

	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Collateral Classification									

	Year	Make	Model	V.I.N.
Motor Vehicle Description				

	General Collateral Description
General Collateral Description	MUNICIPAL AND OTHER PERMITS AND APPROVALS, ALL SECURITY DEPOSITS
	GIVEN TO ANY MUNICIPALITY OR OTHER GOVERNMENT AGENCY AND THE DEPOSIT
	ON THE SALE OF ANY HOUSE

	Registering Agent
Registering Agent	

	Address	City	Province	Postal Code

Type of Search	Business Debtor
Search Conducted On	LERRATO INC.
File Currency	20JUN 2024

	File Number	Family	of Families	Page	of Pages
	784619712	4	5	7	8

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under
		001	1		20240620 1037 9015 0294	

	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
Record Referenced	784619712			B RENEWAL	02	

	First Given Name	Initial	Surname
Reference Debtor/ Transferor			

	Business Debtor Name
	LERRATO INC.

	Other Change
Other Change	

	Reason / Description
Reason / Description	

	Date of Birth	First Given Name	Initial	Surname
Debtor/ Transferee				

	Business Debtor Name	Ontario Corporation Number

	Address	**City**	**Province**	**Postal Code**

Assignor Name	**Assignor Name**
Secured Party	**Secured party, lien claimant, assignee**

	Address	**City**	**Province**	**Postal Code**

Collateral Classification	**Consumer Goods**	**Inventory**	**Equipment**	**Accounts**	**Other**	**Motor Vehicle Included**	**Amount**	**Date of Maturity or**	**No Fixed Maturity Date**

Motor Vehicle Description	**Year**	**Make**	**Model**	**V.I.N.**

General Collateral Description	**General Collateral Description**

Registering Agent	**Registering Agent or Secured Party/ Lien Claimant**			
	HARVEY MANDEL			
	Address	**City**	**Province**	**Postal Code**
	55 QUEEN STREET EAST, SUITE 203	TORONTO	ON	M5C 1R6

Type of Search	Business Debtor
Search Conducted On	LERRATO INC.
File Currency	20JUN 2024

	File Number	**Family**	**of Families**	**Page**	**of Pages**	**Expiry Date**	**Status**
	788271498	5	5	8	8	07NOV 2027	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	**Caution Filing**	**Page of**	**Total Pages**	**Motor Vehicle Schedule**	**Registration Number**	**Registered Under**	**Registration Period**
788271498		001	1		20221107 1810 1532 6721	P PPSA	05

Individual Debtor	**Date of Birth**	**First Given Name**	**Initial**	**Surname**
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**
	LERRATO INC			
	Address		**City**	**Province**	**Postal Code**
	9 RIDGEVALE DRIVE		MARKHAM	ON	L6B1A8

Individual Debtor	**Date of Birth**	**First Given Name**	**Initial**	**Surname**	
	13FEB1958	NIKETA	H	JHAVERI	
Business Debtor	**Business Debtor Name**			**Ontario Corporation Number**	
	Address		**City**	**Province**	**Postal Code**
	9 RIDGEVALE DRIVE		MARKHAM	ON	L6B1A8

Secured Party	**Secured Party / Lien Claimant**
	ROYAL BANK OF CANADA

	Address	**City**	**Province**	**Postal Code**
	10 YORK MILLS ROAD 3RD FLOOR	TORONTO	ON	M2P 0A2

Collateral Classification	**Consumer Goods**	**Inventory**	**Equipment**	**Accounts**	**Other**	**Motor Vehicle Included**	**Amount**	**Date of Maturity or**	**No Fixed Maturity Date**
	X					X	44203.62	03NOV2027	

Motor Vehicle Description	**Year**	**Make**	**Model**	**V.I.N.**
	2017	MASERATI	LEVANTE	ZN661YUSXHX233094

General Collateral Description	**General Collateral Description**			
	THE FULL DEBTOR NAME IS - NIKETA HITESH JHAVERI			
Registering Agent	**Registering Agent**			
	D + H LIMITED PARTNERSHIP			
	Address	**City**	**Province**	**Postal Code**
	2 ROBERT SPECK PARKWAY, 15TH FLOOR	MISSISSAUGA	ON	L4Z 1H8

LAST PAGE

Note: All pages have been returned.

This is Exhibit “L” referred to in the Affidavit of Andrew Stern sworn by Andrew Stern at the City of Toronto, in the Province of Ontario, before me on December 16, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)
DILLON GOHIL (LSO# 89738M)

From: Jeff Larry
Sent: Wednesday, September 17, 2025 5:51 PM
To: Harvey G. Chaiton <harvey@chaitons.com>
Cc: andrew@foremost-financial.com; 'Bobby Kofman' <bkofman@ksvadvisory.com>; Edmond Lamek <edmond.lamek@ca.dlapiper.com>
Subject: Lerrato - Foremost

Harvey

Foremost has appointed KSV as private receiver over Lerrato's receivables including tax refunds that Lerrato is or may become entitled to. A signed copy of the appointment is attached.

As necessary, I trust that Lerrato and its principals will co-operate with KSV.

Foremost presently intends to make a similar appointment with respect to Barakaa.

If you have any questions, let me know.

Best,

Jeffrey Larry, LL.B, MBA
Paliare Roland Rosenberg Rothstein LLP
155 Wellington Street West, 35th Floor
Toronto, ON M5V 3H1
t: 416.646.4330
f: 416.646.4301
c: 416.553.2789
e: jeff.larry@paliareroland.com

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APPOINTMENT OF RECEIVER

WHEREAS Foremost Mortgage Holding Corporation (the "Secured Creditor") made a loan (the "Loan") to Lerrato Inc. ("Lerrato") on or about July 5, 2022, which Loan was secured against Lerrato's property at 367 Porte Road, Ajax Ontario (the "Real Property");

AND WHEREAS as collateral security for the Loan, Lerrato granted a General Security Agreement (the "GSA") dated June 29, 2022 in favour of the Secured Creditor;

AND WHEREAS the GSA secured all of the assets of Lerrato including those assets related to the Real Property;

AND WHEREAS Lerrato is now in default under the Loan and the GSA provides that upon default, the Secured Creditor may appoint a receiver;

NOW THEREFORE the Secured Creditor DOES HEREBY APPOINT KSV Restructuring Inc. of 220 Bay Street, 13th Floor, Toronto, Ontario to be the receiver (in such capacity, the "Receiver") of all of the Debtors' accounts receivable of every type and howsoever arising including, among others, any and all tax refunds to which Leratto may be entitled (the "Collateral").

The Secured Creditor appoints the Receiver for the purpose of and with the power to:

1. take possession of the Collateral and take such steps as may be necessary for the preservation, protection and realization thereof; and

2. pay the Secured Creditor the net proceeds from the realization of the Collateral.

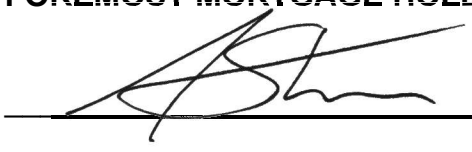
The power hereby vested in the Receiver may, from time to time, be reduced or extended in writing as determined by the Secured Creditor (and accepted by the Receiver).

THIS APPOINTMENT shall be construed in accordance with the laws of the Province of Ontario.

THIS APPPOINTMENT shall not be effective until accepted by the Receiver as hereinafter provided (which may be executed electronically and in counterparts) and may be terminated at the discretion of the Secured Creditor by notice in writing.

DATED at Toronto, Ontario, on September 17, 2025

FOREMOST MORTGAGE HOLDING CORPORATION

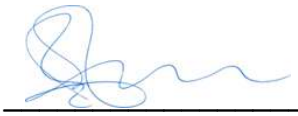


Per: Andrew Stern

ACCEPTANCE BY RECEIVER

Accepted on September 17, 2025.

KSV RESTRUCTURING INC.



_____

Per: Robert Kofman

This is Exhibit “M” referred to in the Affidavit of Andrew Stern sworn by Andrew Stern at the City of Toronto, in the Province of Ontario, before me on December 16, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)
DILLON GOHIL (LSO# 89738M)

From: Jeff Larry <Jeff.Larry@paliareroland.com>
Sent: September 19, 2025 5:28 PM
To: Harvey G. Chaiton <Harvey@chaitons.com>
Cc: bkofman@ksvadvisory.com; Lamek Edmond <edmond.lamek@ca.dlapiper.com>; Dillon Gohil <Dillon.Gohil@Paliareroland.com>; Andrew Stern <andrew@foremost-financial.com>
Subject: Barakaa - Foremost

Harvey

I am attaching the appointment of private receiver with respect to the Barakaa tax refunds.

I understand that you or your client may have questions and I think would be helpful for us to speak.

I am around this weekend or Monday.

Best,

Sent from my iPhone

The information contained in this e-mail message may be privileged, confidential and protected from disclosure. If you are not the intended recipient, any use, disclosure, dissemination, distribution or copying of any portion of this message or any attachment is strictly prohibited.

APPOINTMENT OF RECEIVER

WHEREAS Foremost Mortgage Holding Corporation (the "Secured Creditor") made a loan (the "Loan") to Barakaa Developer Inc. ("Barakaa") on or about June 24, 2022 which Loan was secured against Barakaa's property at 19 Madison Avenue, Richmond Hill, Ontario, 23 Madison Avenue, Richmond Hill, Ontario, and 25 Madison Avenue, Richmond Hill, Ontario (the "Real Property");

AND WHEREAS as collateral security for the Loan, Barakaa granted a General Security Agreement (the "GSA") dated May 21, 2022 in favour of the Secured Creditor;

AND WHEREAS the GSA secured all of the assets of Barakaa including those assets related to the Real Property;

AND WHEREAS Barakaa is now in default under the Loan and the GSA provides that upon default, the Secured Creditor may appoint a receiver;

NOW THEREFORE the Secured Creditor DOES HEREBY APPOINT KSV Restructuring Inc. of 220 Bay Street, 13th Floor, Toronto, Ontario to be the receiver (in such capacity, the "Receiver") of all of the Barakaa's accounts receivable of every type and howsoever arising including, among others, any and all tax refunds to which Barakaa may be entitled (the "Collateral").

The Secured Creditor appoints the Receiver for the purpose of and with the power to:

1. take possession of the Collateral and take such steps as may be necessary for the preservation, protection and realization thereof; and

2. pay the Secured Creditor the net proceeds from the realization of the Collateral.

The power hereby vested in the Receiver may, from time to time, be reduced or extended in writing as determined by the Secured Creditor (and accepted by the Receiver).

THIS APPOINTMENT shall be construed in accordance with the laws of the Province of Ontario.

THIS APPPOINTMENT shall not be effective until accepted by the Receiver as hereinafter provided (which may be executed electronically and in counterparts) and may be terminated at the discretion of the Secured Creditor by notice in writing.

DATED at Toronto, Ontario, on September 18, 2025

[Signature page follows]

FOREMOST MORTGAGE HOLDING CORPORATION



Per: Evan Cooperman

ACCEPTANCE BY RECEIVER

Accepted on September 19, 2025.

KSV RESTRUCTURING INC.



Per: Robert Kofman

Draft Appointment of Receiver viz. accounts receivable (Barakaa) (002)

Final Audit Report 2025-09-18

Created:	2025-09-18
By:	Andrew Stern (andrew@foremost-financial.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAABSF1Y64n5oxP4Hak09lwFwzkjVXHL3nA

"Draft Appointment of Receiver viz. accounts receivable (Baraka a) (002)" History

Document created by Andrew Stern (andrew@foremost-financial.com)
2025-09-18 - 5:44:44 PM GMT

Document emailed to Evan Cooperman (evan@foremost-financial.com) for signature
2025-09-18 - 5:44:46 PM GMT

Email viewed by Evan Cooperman (evan@foremost-financial.com)
2025-09-18 - 5:54:19 PM GMT

Document e-signed by Evan Cooperman (evan@foremost-financial.com)
Signature Date: 2025-09-18 - 5:54:39 PM GMT - Time Source: server

Agreement completed.
2025-09-18 - 5:54:39 PM GMT

Adobe Acrobat Sign

This is Exhibit “N” referred to in the Affidavit of Andrew Stern sworn by Andrew Stern at the City of Toronto, in the Province of Ontario, before me on December 16, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

DILLON GOHIL (LSO# 89738M)

From: Lamek, Edmond
Sent: Tuesday, September 23, 2025 5:46 PM
To: 'Harvey G. Chaiton' <Harvey@chaitons.com>; Bobby Kofman <bkofman@ksvadvisory.com>
Subject: RE: [EXTERNAL] RBC - Endorsement

[redacted]

We understand that despite the appointment of KSV as private receiver over the Lerrato accounts receivable and HST refunds and KSV's direction to CRA not to do so, CRA did in fact make the payment of $243,686.93 to Lerrato on September 18 and that money is now in Hitesh's possession and control. Needless to say, neither Hitesh nor Lerrato (nor anyone else other than KSV, as receiver) has a right to those funds.

[redacted]

On behalf of KSV as private receiver over, *inter alia*, the entire $243,686.93 HST refund, we hereby demand immediate payment by Hitesh and Lerrato to KSV as Receiver, of the full amount of $243,696.93 wrongfully received by Lerrato/Hitesh on September 18, 2025.

In the circumstances, without an immediate payment of he full $243,696.93 to the Receiver, Foremost has advised that they will be proceeding with an urgent Court application for the appointment of KSV as receiver **over ALL OF the property, assets and undertaking of both Lerrato and Barakaa**.

Please get immediate and substantive instructions and let's have a call Thursday, September 25 with KSV and Paliare Roland to attempt to avoid the necessity of full blown Lerrato and Barakaa receivership applications.

Thanks, Edmond.

Edmond Lamek
Partner

T +1 416.365.3444
E edmond.lamek@ca.dlapiper.com

[redacted]



[redacted]

This is Exhibit “O” referred to in the Affidavit of Andrew Stern sworn by Andrew Stern at the City of Toronto, in the Province of Ontario, before me on December 16, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

DILLON GOHIL (LSO# 89738M)

Emma Wheeler

From: Harvey G. Chaiton <Harvey@chaitons.com>
Sent: Tuesday, September 16, 2025 10:18 PM
To: Bobby Kofman
Cc: Lamek Edmond
Subject: Barakaa Developer Inc - GST/HST
Attachments: Barakaa Developer Inc.pdf

Bobby
Below is a copy of the Barakaa statement showing a credit balance of $118,496.30 which should be available shortly.

This is in addition to the $234,686.93 available in the Lerrato account.

[redacted]

Harvey G. Chaiton | Chairman
T: 416.218.1129 E: Harvey@chaitons.com
5000 Yonge St, 10th Floor, Toronto, ON, M2N 7E9
chaitons.com

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Government of Canada | Gouvernement du Canada

Français

Canada Revenue Agency
My Business Account

BARAKAA DEVELOPER IN...
766230528

< RT - 0001

GST/HST - RT0001

View and pay account balance

Help

As of September 16, 2025

Print/Save

Balance and services

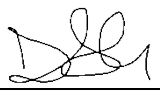
Current balance: $0.00

View account transactions | Transfer payment | View interest

Payment on filing and Interim balance

Current interim balance: $118,496.30 CR

This is Exhibit “P” referred to in the Affidavit of Andrew Stern sworn by Andrew Stern at the City of Toronto, in the Province of Ontario, before me on December 16, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)
DILLON GOHIL (LSO# 89738M)

FORM 86

NOTICE OF INTENTION TO ENFORCE SECURITY
(s. 244, Rule 124)

TO: Barakaa Developer Inc. ("Barakaa" or the "Debtor"), an insolvent person.

Take notice that:

1. Foremost Mortgage Holding Corporation, as secured creditor (the "Secured Creditor"), intends to enforce its security on the Debtor's property described below:

Debts, intangibles, accounts, chattel paper, securities, instruments, documents of title, money and proceeds thereof, and further all of the Debtor's assets and property as set out in the general security agreement executed by the Debtor in favour of the Secured Creditor.

2. The security that is to be enforced is in the form of:

(a) a general security agreement executed by Barakaa in favour of the Secured Creditor, dated May 21, 2022; and
(b) a mortgage charge granted by Barakaa in favour of the Secured Creditor, registered as instrument YR3443814, dated June 24, 2022.

3. The total amount of indebtedness secured by the security is $4,133,000 plus interest, fees and costs.

4. The Secured Creditor will not have the right to enforce the security until after the expiry of the 10-day period after this notice is sent unless the Debtor consents to an earlier enforcement.

Dated at Toronto, this 3rd day of October 2025,

FOREMOST MORTGAGE HOLDING CORPORATION by its lawyers PALIARE ROLAND ROSENBERG ROTHSTEIN LLP

Per: Dillon Gohil
Name: Dillon Gohil

FORM 86

NOTICE OF INTENTION TO ENFORCE SECURITY
(s. 244, Rule 124)

TO: Lerrato Inc. ("Lerrato" or the "Debtor") an insolvent person,

Take notice that:

1. Foremost Mortgage Holding Corporation, as secured creditor (the "Secured Creditor"), intends to enforce its security on the Debtor's property described below:

Debts, intangibles, accounts, chattel paper, securities, instruments, documents of title, money and proceeds thereof, and further all of the Debtor's assets and property as set out in the general security agreement executed by the Debtor in favour of the Secured Creditor,

2. The security that is to be enforced is in the form of:

(a) a general security agreement executed by Lerrato in favour of the Secured Creditor, dated June 29, 2022; and
(b) a mortgage charge granted by Lerrato in favour of the Secured Creditor, registered as instrument DR2150311, dated July 5, 2022.

3. The total amount of indebtedness secured by the security is $3,155,000 plus interest, fees and costs.

4. The Secured Creditor will not have the right to enforce the security until after the expiry of the 10-day period after this notice is sent unless the Debtor consents to an earlier enforcement.

Dated at Toronto, this 3rd day of October 2025,

FOREMOST MORTGAGE HOLDING CORPORATION by its lawyers PALIARE ROLAND ROSENBERG ROTHSTEIN LLP

Per: Dillon Gohil
Name: Dillon Gohil

This is Exhibit "Q" referred to in the Affidavit of Andrew Stern sworn by Andrew Stern at the City of Toronto, in the Province of Ontario, before me on December 16, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

DILLON GOHIL (LSO# 89738M)

Court File No. CV-24-00724076-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

FOREMOST MORTGAGE HOLDING CORPORATION

Applicant

- and -

BARAKAA DEVELOPER INC., LERRATO INC., and 2145499 ONTARIO INC.

Respondents

APPLICATION UNDER section 243(1) of the *Bankruptcy and Insolvency Act,* R.S.C. 1985, c. B-3, and section 101 of the *Courts of Justice Act,* R.S.O. 1990, c. C.43

CONSENT

KSV Restructuring Inc. hereby consents to the draft Amended and Restated Order attached hereto as Schedule "A".

DATED AT TORONTO, ONTARIO this 15 day of December, 2025

KSV Restructuring Inc.
Per:

Robert Kofman

SCHEDULE A

Court File No. CV-24-00724076-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE	)	~~MONDAY, THE 21ST~~
JUSTICE ~~BLACK~~ _____	)	~~DAY OF OCTOBER, 2024~~
	)	

_____

_____

FOREMOST MORTGAGE HOLDING CORPORATION

Applicant

- and -

BARAKAA DEVELOPER INC., LERRATO INC., and **2145499 ONTARIO INC.**

Respondents

AMENDED AND RESTATED ORDER
(Appointing Receiver)

THIS MOTION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing KSV Restructuring Inc. as receiver and manager (in such capacities, the "Receiver") without security, of the lands and premises described in Appendix "A" hereto (the "Madison Properties"), owned by Barakaa Developer Inc. ("Barakaa"), the lands and premises described in Appendix "B" hereto (the "Porte Properties"), owned by Lerrato Inc. ("Lerrato") and the property, assets and undertakings of 2145499 Ontario Inc. ("**214**" and, with Lerrato and Barakaa, the "**Debtors**"), the owner of the lands and premises described

in Appendix "C" hereto (the "**Doric Property**" and, together with the Madison Properties and the Porte Properties, the "**Real Property**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Andrew Stern sworn October 11, 2024 and the Exhibits thereto, and on hearing the submissions of counsel for the Applicant and the other parties listed on the counsel slip, no one else appearing although duly served as appears from the lawyer's certificate of service of Ryan Shah dated October 15, 2024 and on reading the consent of KSV Restructuring Inc. to act as the Receiver,

SERVICE

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

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, KSV Restructuring Inc. is hereby appointed Receiver, without security, of:

(a) the Madison Properties, including all proceeds thereof;

(b) the Porte Properties, including all proceeds thereof;

(c) Lerrato's interest in the $184,973 presently being held by the Town of Ajax as cash collateral in respect of Lerrato's obligations pursuant to a development agreement between Lerrato and the Town of Ajax dated August 21, 2018;

(d) all of the properties, assets and undertakings of 214 acquired for, or used in relation to a business carried on by 214, including all proceeds thereof;

(e) all of Barakaa's and Lerrato's accounts receivable, tax refunds, book debts, and cash, cash equivalents, and bank accounts, subject to an amount equal to the net proceeds of any transaction required to repay the mortgagees on any sales of real properties owned by Barakaa and Lerrato that are not Madison Properties or the Porte Properties, as the case may be;

(f) all of Barakaa's and Lerrato's personal property as defined by the *Personal Property Security Act*, R.S.O. 1990, including Barakaa's and Lerrato's books and records related to their personal property; and

(g) all of Barakaa and Lerrato's Records (as defined in paragraph 5 below) relating to (in any way) to the Madison Properties and the Porte Properties and, without limiting the generality of the foregoing, all of Barakaa and Lerrato's Records (as defined in paragraph 5 below) in respect of the construction, proceeds, financial affairs, and bank accounts regarding the Madison Properties and Porte Properties,

(collectively, 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 but for the avoidance of doubt, the Receiver shall not be obligated to manage or otherwise direct the undertaking of Barakaa or Lerrato including managing or otherwise directing the non-Madison Properties and the non-Porte Properties' projects and properties owned by Barakaa or Lerrato:

(a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

(b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

(c) except in the case of the non-Madison Properties and non-Porte Properties, to manage, operate, and carry on the business of ~~the~~ Barakaa and Lerrato, 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 Barakaa and Lerrato ~~in respect of the Madison Properties and the Porte Properties, respectively~~;

(d) In the case of 214, to manage, operate, and carry on the business of 214, 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 214;

(e) 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 Receiver's powers and duties, including without limitation those conferred by this Order;

(f) Except in the case of an amount equal to pay in full any mortgagees of the non-Porte Properties and the Madison Properties, ~~and only in respect of the Madison Properties and the Porte Properties, respectively, as the case may be:~~

(i) to receive and collect all monies and accounts now owed or hereafter owing to Barakaa or Lerrato ~~in relation to the Madison Properties and the Porte Properties, respectively,~~ and to exercise all remedies of Barakaa or Lerrato in collecting such monies, including, without limitation, to enforce any security held by Barakaa or Lerrato ~~in respect of the Madison Properties and Porte Properties, respectively~~;

(ii) to settle, extend or compromise any indebtedness owing to Barakaa or Lerrato ~~in respect of the Madison Properties and the Porte Properties, respectively~~;

(iii) 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 Madison Properties or the Porte Properties, respectively, 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;

(g) In the case of 214;

(i) to receive and collect all monies and accounts now owed or hereafter owing to 214 and to exercise all remedies of 214 in collecting such monies, including, without limitation, to enforce any security held by 214;

(ii) to settle, extend or compromise any indebtedness owing to 214;

(iii) 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 214, 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;

(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 Debtors, for any purpose pursuant to this Order;

(i) 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;

(j) 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 $250,000, provided that the aggregate consideration for all such transactions does not exceed $500,000; and

(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario Personal Property Security Act or section 31 of the Ontario Mortgages Act, as the case may be, shall not be required,

(k) 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;

(l) 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;

(m) to register a copy of this Order and any other Orders in respect of the Real Property against title to any of the Real Property;

(n) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority with respect to the Property and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;

(o) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;

(p) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have in respect of the Property; and

(q) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtors, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their 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 Debtors in relation to the Property, 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.

7. For the avoidance of doubt, and without limiting the generality of the foregoing, the Debtors shall fully cooperate with the Receiver in respect of delivering Records of Barakaa and Lerrato relating to the Property or the construction of the Property. Such cooperation shall include, but is not limited to, providing access to bank accounts and banking records in respect of the Property.

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

9. THIS COURT ORDERS that no Proceeding against or in respect of the Debtors in relation to the Property 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 Debtors in relation to the Property or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. THIS COURT ORDERS that all rights and remedies against the Debtors in relation to the Property, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtors 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 Debtors 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 Debtors' 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 Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this

Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. THIS COURT ORDERS that all employees of the Debtors shall remain the employees of the Debtors. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

15. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall

maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in

Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

17. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

18. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

19. THIS COURT ORDERS that the Receiver and its legal counsel shall pass 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.

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

FUNDING OF THE RECEIVERSHIP

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed ~~$250,000~~ $1,700,000 or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

23. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

24. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol.

26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

27. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

28. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.

29. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

30. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

31. THIS COURT ORDERS that the Applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtors' estate with such priority and at such time as this Court may determine.

32. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

_____

APPENDIX “A”

PIN 03206-4245

Lot 741 and Part Lots 740 and 742, Plan 133, part 2, Plan 65R38228; Town of Richmond Hill

PIN 03206-4246

Lot 743 and Part Lot 742, Plan 133, Part 1, Plan 65R38228; Town of Richmond Hill

APPENDIX “B”

PIN 26454-0553

PT LT 6 CON 1, PT 1 40R30173, PICKERING; S/T EASEMENT AS IN P131742; TOWN OF AJAX

PIN 26454-0554

PT LT 6 CON 1, PT 2 40R30173, PICKERING; S/T EASEMENT AS IN P131742; TOWN OF AJAX

PIN 26454-0555

PT LT 6 CON 1 PT 3 40R30173, PICKERING; S/T EASEMENT AS IN P13742; TOWN OF AJAX

PIN 26454-0556

PT LT 6 CON 1 PT 4 40R30173, PICKERING; S/T EASEMENT AS IN P13742; TOWN OF AJAX

PIN 26454-0557

PT LT 6 CON 1 PT 5 40R30173, PICKERING; S/T EASEMENT AS IN P13742; TOWN OF AJAX

PIN 26454-0558

PT LT 6 CON 1 PT 6 40R30173, PICKERING; S/T EASEMENT AS IN P13742; TOWN OF AJAX

APPENDIX “C”

PIN 26452-0789

PART LOTS 108, 109, 110 AND 111 PLAN 377, PARTS 1 AND 2 PLAN 40R30571; SUBJECT TO AN EASEMENT OVER PART LOT 108 PLAN 377 PART 2 PLAN 40R30571 IN FAVOUR OF THE CORPORATION OF THE TOWN OF AJAX AS IN DR309514; SUBJECT TO AN EASEMENT IN FAVOUR OF ENBRIDGE GAS INC. AS IN DR2203728; TOWN OF AJAX

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT $_____

1. THIS IS TO CERTIFY that KSV Restructuring Inc., the receiver (the "Receiver") of, ~~among other things, the assets and undertakings of 2145499 Ontario Inc. and the real~~ property set out in the ~~having the legal description set out in Appendices "A" and "B" to~~ Order of Justice Black dated October 21, 2024 (the "Order") made in an application having Court file number CV-24-00724076-00CL, including all proceeds thereof (collectively, the "Property"), has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of $_____, being part of the total principal sum of $_____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the

right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 202__.

KSV Restructuring Inc., solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: _____

Name:

Title:

FOREMOST MORTGAGE HOLDING CORPORATION Applicant	-and-	BARAKAA DEVELOPER INC. et al. Respondent

Court File No. CV-24-00724076-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

ORDER
(Appointing Receiver)

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Lawyers for the Applicant

FOREMOST MORTGAGE HOLDING CORPORATION
Applicant

-and-

BARAKAA DEVELOPER INC. et al.

Respondents

Court File No. CV-24-00724076-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

AFFIDAVIT OF ANDREW STERN

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Lawyers for the Applicant, Foremost Mortgage Holding Corporation

TAB 3

Court File No. CV-24-00724076-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	)	FRIDAY, THE 10TH DAY
	)	
JUSTICE MYERS	)	OF OCTOBER, 2025

FOREMOST MORTGAGE HOLDING CORPORATION

Applicant

-and-

BARAKAA DEVELOPER INC., LERRATO INC. and 2145499 ONTARIO INC.

Respondents

ORDER

THIS MOTION, made by KSV Restructuring Inc., in its capacity as court-appointed receiver and manager of certain real properties of Barakaa Developer Inc. and Lerrato Inc. and the property, assets and undertakings of 2145499 Ontario Inc. (in such capacity, the "**Receiver**") pursuant to the Order of Justice Black made October 21, 2024 (the "**Receivership Order**") was heard this day at 330 University Avenue, Toronto, Ontario via videoconference.

ON READING the Supplement to the Fourth Report of Receiver dated October 8, 2025, and on hearing the submissions of counsel for the Receiver and such other counsel listed on the counsel slip, no one else appearing although properly served as appears from the Lawyer's Certificate of Service of Edmond Lamek signed October 8, 2025, filed:

SERVICE

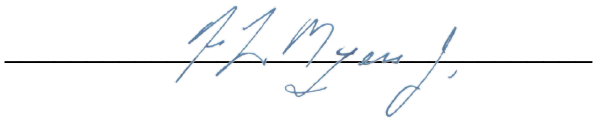
1. **THIS COURT ORDERS** that the time for service of the Supplemental Notice of Motion and the Supplemental Motion Record is hereby abridged so that this motion is properly returnable today, and hereby dispenses with further service thereof.

RECEIVER'S BORROWING CHARGE

2. **THIS COURTS ORDERS** that the Receiver's borrowing authority and Receiver's Borrowing Charge (as defined and set out in paragraph 20 of the Receivership Order, as amended by Order dated February 3, 2025), be and are hereby increased from $1,200,000 to $1,700,000.

GENERAL

3. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, or any other jurisdiction, 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.



Court File No.: CV-24-00724076-00CL

FOREMOST MORTGAGE HOLDING CORPORATION Applicant	-and-	**BARAKAA DEVELOPER INC., LERRATO INC. and 2145499 ONTARIO INC.** Respondents

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDINGS COMMENCED AT TORONTO

ORDER – October 10, 2025
(Receiver's Borrowing Authority and Charge)

DLA PIPER (CANADA) LLP
Suite 5100, Bay Adelaide – West Tower
333 Bay Street
Toronto, ON M5H 2R2

Edmond F. B. Lamek (LSO #33338U)
Tel: (416) 365-3444
Email: edmond.lamek@dlapiper.com

Lawyers for KSV Restructuring Inc., in its capacity as court-appointed receiver and manager of 2145499 Ontario Inc. and certain properties of Barakaa Developer Inc. and Lerrato Inc.

TAB 4

Court File No. CV-24-00724076-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE	)	~~MONDAY, THE 21ST~~
	)	
JUSTICE ~~BLACK~~ MYERS	)	~~DAY OF OCTOBER, 2024~~
		WEDNESDAY, THE 7TH
		DAY OF JANUARY, 2026

FOREMOST MORTGAGE HOLDING CORPORATION

Applicant

- and -

BARAKAA DEVELOPER INC., LERRATO INC., and **2145499 ONTARIO INC.**

Respondents

AMENDED AND RESTATED ORDER
(Appointing Receiver)

THIS MOTION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing KSV Restructuring Inc. as receiver and manager (in such capacities, the "Receiver") without security, of the lands and premises described in Appendix "A" hereto (the "Madison Properties"), owned by Barakaa Developer Inc. ("Barakaa"), the lands and premises described in Appendix "B" hereto (the "Porte Properties"), owned by Lerrato Inc. ("Lerrato") and the property, assets and undertakings of 2145499 Ontario Inc. ("**214**" and, with Lerrato and Barakaa, the "**Debtors**"), the owner of the lands and premises described

in Appendix "C" hereto (the "**Doric Property**" and, together with the Madison Properties and the Porte Properties, the "**Real Property**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Andrew Stern sworn October 11, 2024 and the Exhibits thereto, and on hearing the submissions of counsel for the Applicant and the other parties listed on the counsel slip, no one else appearing although duly served as appears from the lawyer's certificate of service of Ryan Shah dated October 15, 2024 and on reading the consent of KSV Restructuring Inc. to act as the Receiver,

SERVICE

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

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, KSV Restructuring Inc. is hereby appointed Receiver, without security, of:

(a) the Madison Properties, including all proceeds thereof;

(b) the Porte Properties, including all proceeds thereof;

(c) Lerrato's interest in the $184,973 presently being held by the Town of Ajax as cash collateral in respect of Lerrato's obligations pursuant to a development agreement between Lerrato and the Town of Ajax dated August 21, 2018;

(d) all of the properties, assets and undertakings of 214 acquired for, or used in relation to a business carried on by 214, including all proceeds thereof;

(e) all of Barakaa's and Lerrato's accounts receivable, tax refunds, book debts, and cash, cash equivalents, and bank accounts, subject to an amount equal to the net proceeds of any transaction required to repay the mortgagees on any sales of real properties owned by Barakaa and Lerrato that are not Madison Properties or the Porte Properties, as the case may be;

(f) all of Barakaa's and Lerrato's personal property as defined by the *Personal Property Security Act*, R.S.O. 1990, including Barakaa's and Lerrato's books and records related to their personal property; and

(g) all of Barakaa and Lerrato's Records (as defined in paragraph 5 below) relating to (in any way) to the Madison Properties and the Porte Properties and, without limiting the generality of the foregoing, all of Barakaa and Lerrato's Records (as defined in paragraph 5 below) in respect of the construction, proceeds, financial affairs, and bank accounts regarding the Madison Properties and Porte Properties,

(collectively, 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 but for the avoidance of doubt, the Receiver shall not be obligated to manage or otherwise direct the undertaking of Barakaa or Lerrato including managing or otherwise directing the non-Madison Properties and the non-Porte Properties' projects and properties owned by Barakaa or Lerrato:

(a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

(b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

(c) except in the case of the non-Madison Properties and non-Porte Properties, to manage, operate, and carry on the business of ~~the~~ Barakaa and Lerrato, 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 Barakaa and Lerrato ~~in respect of the Madison Properties and the Porte Properties, respectively~~;

(d) In the case of 214, to manage, operate, and carry on the business of 214, 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 214;

(e) 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 Receiver's powers and duties, including without limitation those conferred by this Order;

(f) Except in the case of an amount equal to pay in full any mortgagees of the non-Porte Properties and the Madison Properties, ~~and only in respect of the Madison Properties and the Porte Properties, respectively, as the case may be:~~

(i) to receive and collect all monies and accounts now owed or hereafter owing to Barakaa or Lerrato ~~in relation to the Madison Properties and the Porte Properties, respectively,~~ and to exercise all remedies of Barakaa or Lerrato in collecting such monies, including, without limitation, to enforce any security held by Barakaa or Lerrato ~~in respect of the Madison Properties and Porte Properties, respectively~~;

(ii) to settle, extend or compromise any indebtedness owing to Barakaa or Lerrato ~~in respect of the Madison Properties and the Porte Properties, respectively~~;

(iii) 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 Madison Properties or the Porte Properties, respectively, 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;

(g) In the case of 214;

(i) to receive and collect all monies and accounts now owed or hereafter owing to 214 and to exercise all remedies of 214 in collecting such monies, including, without limitation, to enforce any security held by 214;

(ii) to settle, extend or compromise any indebtedness owing to 214;

(iii) 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 214, 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;

(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 Debtors, for any purpose pursuant to this Order;

(i) 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;

(j) 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 $250,000, provided that the aggregate consideration for all such transactions does not exceed $500,000; and

(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario Personal Property Security Act or section 31 of the Ontario Mortgages Act, as the case may be, shall not be required,

(k) 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;

(l) 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;

(m) to register a copy of this Order and any other Orders in respect of the Real Property against title to any of the Real Property;

(n) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority with respect to the Property and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;

(o) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;

(p) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have in respect of the Property; and

(q) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtors, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their 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 Debtors in relation to the Property, 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.

7. For the avoidance of doubt, and without limiting the generality of the foregoing, the Debtors shall fully cooperate with the Receiver in respect of delivering Records of Barakaa and Lerrato relating to the Property or the construction of the Property. Such cooperation shall include, but is not limited to, providing access to bank accounts and banking records in respect of the Property.

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

9. THIS COURT ORDERS that no Proceeding against or in respect of the Debtors in relation to the Property 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 Debtors in relation to the Property or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. THIS COURT ORDERS that all rights and remedies against the Debtors in relation to the Property, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtors 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 Debtors 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 Debtors' 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 Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this

Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. THIS COURT ORDERS that all employees of the Debtors shall remain the employees of the Debtors. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

15. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall

maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in

Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

17. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

18. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

19. THIS COURT ORDERS that the Receiver and its legal counsel shall pass 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.

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

FUNDING OF THE RECEIVERSHIP

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed ~~$250,000~~ $1,700,000 or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

23. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

24. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol.

26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

27. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

28. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.

29. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

30. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

31. THIS COURT ORDERS that the Applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtors' estate with such priority and at such time as this Court may determine.

32. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

_____

APPENDIX “A”

PIN 03206-4245

Lot 741 and Part Lots 740 and 742, Plan 133, part 2, Plan 65R38228; Town of Richmond Hill

PIN 03206-4246

Lot 743 and Part Lot 742, Plan 133, Part 1, Plan 65R38228; Town of Richmond Hill

APPENDIX “B”

PIN 26454-0553

PT LT 6 CON 1, PT 1 40R30173, PICKERING; S/T EASEMENT AS IN P131742; TOWN OF AJAX

PIN 26454-0554

PT LT 6 CON 1, PT 2 40R30173, PICKERING; S/T EASEMENT AS IN P131742; TOWN OF AJAX

PIN 26454-0555

PT LT 6 CON 1 PT 3 40R30173, PICKERING; S/T EASEMENT AS IN P13742; TOWN OF AJAX

PIN 26454-0556

PT LT 6 CON 1 PT 4 40R30173, PICKERING; S/T EASEMENT AS IN P13742; TOWN OF AJAX

PIN 26454-0557

PT LT 6 CON 1 PT 5 40R30173, PICKERING; S/T EASEMENT AS IN P13742; TOWN OF AJAX

PIN 26454-0558

PT LT 6 CON 1 PT 6 40R30173, PICKERING; S/T EASEMENT AS IN P13742; TOWN OF AJAX

APPENDIX “C”

PIN 26452-0789

PART LOTS 108, 109, 110 AND 111 PLAN 377, PARTS 1 AND 2 PLAN 40R30571; SUBJECT TO AN EASEMENT OVER PART LOT 108 PLAN 377 PART 2 PLAN 40R30571 IN FAVOUR OF THE CORPORATION OF THE TOWN OF AJAX AS IN DR309514; SUBJECT TO AN EASEMENT IN FAVOUR OF ENBRIDGE GAS INC. AS IN DR2203728; TOWN OF AJAX

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT $_____

1. THIS IS TO CERTIFY that KSV Restructuring Inc., the receiver (the "Receiver") of, ~~among other things, the assets and undertakings of 2145499 Ontario Inc. and the real~~ property set out in the ~~having the legal description set out in Appendices "A" and "B" to~~ Order of Justice Black dated October 21, 2024 (the "Order") made in an application having Court file number CV-24-00724076-00CL, including all proceeds thereof (collectively, the "Property"), has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of $_____, being part of the total principal sum of $_____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the

right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 202__.

KSV Restructuring Inc., solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: _____

Name:

Title:

FOREMOST MORTGAGE HOLDING CORPORATION Applicant	-and-	BARAKAA DEVELOPER INC. et al. Respondent

Court File No. CV-24-00724076-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

ORDER
(Appointing Receiver)

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Lawyers for the Applicant

FOREMOST MORTGAGE HOLDING CORPORATION
Applicant

-and-

BARAKAA DEVELOPER INC. et al.

Respondent

Court File No. CV-24-00724076-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

MOTION RECORD

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