

## OFFER TO PURCHASE/AGREEMENT OF PURCHASE AND SALE

**BUYER,** ..... Revco Carpet Centre Ltd. .... (the "Buyer") agrees to purchase from

**SELLER,** ... The Corporation of the Town of Fort Frances (herein sometimes referred to as the "Seller", or the "Town"), the following .....

**REAL PROPERTY** (the "property"), Part of Block A, Plan SM-211; McIrvine; designated as Parts 1 and 2, Plan 48R-4623; Fort Frances; subject to easement in favour of Bell Canada as in RD14202 (Part of PIN 56019-0998), containing 0.9637101 acres .....

**PURCHASE PRICE** (the "Purchase Price"): ..Three Thousand, Three Hundred Seventy Two Dollars and Ninety Nine Cents Cdn (\$3,372.99 Cdn) .....

### DEPOSIT:

Buyer submits (upon acceptance.) .... One Thousand ..... Cdn Dollars (\$Cdn \$1,000.00) by negotiable cheque payable to the solicitor for the Seller to be held in trust without interest pending completion or other termination of this agreement of purchase and sale (the "Agreement") and to be credited toward the Purchase Price on completion. Buyer agrees to pay the balance of the Purchase Price to the Seller on closing, subject to increase or decrease by virtue of adjustments (if any).

1. **IRREVOCABILITY:** This Offer shall be irrevocable by the Buyer until 4:00 p.m. on the 18<sup>th</sup> day of June, 2021, 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 on or before 4:30 p.m. on or before the 7th day of July, 2021 (in this Agreement sometimes referred to as the "Completion Date" or the "Closing Date"). Upon completion, vacant possession of the property shall be given to the Buyer.
3. **FIXTURES EXCLUDED:** None.
4. **CHATELS INCLUDED:** None.
5. **RENTAL ITEMS:** The following equipment is rented and not included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable: None. No rentals.
6. **FACSIMILE/EMAIL:** This Agreement may be accepted and/or amended by facsimile or scanned electronic transmission, and any amendments and/or signatures and/or initials, and/or otherwise done by or via facsimile or scanned email transmission shall be good and valid as if original.
7. **HST:** The Purchase Price does not include Harmonized Sales Tax ("HST") and, if this transaction is subject to HST, then applicable HST shall be in addition to the Purchase Price, and HST shall be collected and remitted in accordance with the applicable legislation, provided that no HST will be collected if Buyer is an HST registrant and agrees to self-

access for any such exigible amount and provides the Seller, on or before the Completion Date, with an undertaking and indemnity to this effect in form and substance reasonably satisfactory to Seller.

Any HST on chattels, if applicable, is not included in the Purchase Price.

8. **TITLE SEARCH:** Buyer shall be allowed until June 28, 2021 (Requisition Date) to examine the title to the property at its own expense to satisfy itself that there are no outstanding work orders or deficiency notices affecting the property, that its present use may be lawfully continued, and that the building(s) thereon, if any, 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 provided for in this Agreement.
10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telephone services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services which do not materially affect the present 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 (if any) 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 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 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, SO. 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 form of which is as recommended from time to time by the Law Society of Upper Canada. Unless otherwise agreed to by the lawyers, such exchange of the Requisite Deliveries will occur in the applicable Land Titles Office or such other location agreeable to both lawyers.

12. **DOCUMENTS:** 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.
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.
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 its expense to obtain any necessary consent by completion.
16. **DOCUMENT PREPARATION:** The Transfer/Deed shall be prepared in registrable form at the expense of Buyer. Seller and Buyer covenant 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:** 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 or a statutory declaration that Seller is not then a non-resident of Canada.
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.

Further, it is understood and agreed by and between Seller and Buyer that Buyer shall pay and be responsible for the Seller's costs and expenses and any and all HST thereon with respect of or relating to this Agreement, the preparation of this Agreement, the transaction of purchase and sale contemplated in and by this Agreement, and any and all documentation and otherwise in respect thereof or in relation thereto [and which shall include, without limitation, any and all Seller's legal fees and disbursements (herein sometimes referred to as "Legal Costs") and all HST thereon] in any way respecting or related to, or resulting from, this Agreement. Legal Costs to the Completion Date shall be included as an amount to the required credit of the Seller on the statement of adjustments.

19. **TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or their respective lawyers who may be specifically authorized in that regard.
20. **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 may be tendered by bank draft or cheque certified by a Chartered Bank, Trust Company or Credit Union.
21. **AS IS, SERVICES, DEVELOPMENT:** The Buyer hereby acknowledges, understands, and agrees that:
  - (a) the property is unserviced vacant land, and that Buyer is purchasing the property on an "as is" basis, without representation or warranty of any kind whatsoever from the Seller or otherwise as to fitness, condition, or otherwise (and whether environmental or otherwise);
  - (b) any development of the property will require a building permit and such other permits required by law or authority having jurisdiction;
  - (c) Buyer acknowledges and agrees that the Property is within an area of the Town that is subject to site plan control, and, further, that development of the Property will, except and subject to the decision by the Town to the contrary, be subject to a site plan control agreement or a development agreement, all as may be required and satisfactory to the Town; and
  - (d) the property is currently not serviced, and the costs associated with installation of any and all services and facilities and things associated therewith or required therefor (herein any and all services and facilities and things associated therewith or required therefor are collectively sometimes referred to as the "Services and Infrastructure", which Services and Infrastructure shall include, but not be limited to, the provision and installation of sewer, water, hydro, such culvert(s) as required by the Seller, and any other infrastructure and things necessary or desirable therefor) are and shall be at the sole cost, expense, and responsibility of the Buyer.
22. **SURVEY AND RELATED COSTS:** Buyer shall pay and be responsible for all costs associated with the transfer of the property, including, without limitation, the cost of any surveys and reference plans and/or any similar and/or related documentation and things which may be necessary therefor.
23. **TRANSFER:** Neither this Agreement nor any interest therein nor any rights under it shall be assigned or otherwise transferred in whole or in part without the prior consent in writing

of the Seller, which consent may be unreasonably withheld.

**24. DEVELOPMENT GUARANTEE:**

- (a) The Buyer shall, on or before the Completion Date, pay to the Seller, in addition to the Purchase Price, the sum of \$10,000.00 per acre (the "\$10,000.00 Sum"), which \$10,000.00 Sum is to be returned to the Buyer without interest within 30 days of the Buyer having completed all of the following at Buyer's sole cost and expense:
  - (i) the Buyer having completed, in accordance with all authorities having jurisdiction, the construction of an office/storage building (the "Building") in and on the property having a value of at least \$40,000.00; and
  - (ii) the Buyer having designed, constructed, and installed the Services and Infrastructure in accordance with the requirements of all authorities having jurisdiction, good engineering practice, in a good and workmanlike manner, and in such location as required by Seller, so that the property and Building are fully serviced; and
  - (iii) while municipal services (water and sewer) are available subject to proper application being made, all costs associated with bringing services to the property, installation, and otherwise are the sole responsibility of the Buyer. Council has agreed that the warehouse does not require services unless it becomes accessible by the public in the future.
- (b) The Seller need not pay the \$10,000.00 Sum to the Buyer and the Buyer shall in any event not be entitled to the return of, or to receive, the \$10,000.00 Sum (or any other payment or monies) from the Seller if the Buyer fails to complete the Building and Services and Infrastructure in accordance with and as required by paragraph 24(a) of this Agreement, by on or before 2 years from the date of completion, in accordance with the Sale of Towns Lands policy.
- (c) Notwithstanding anything contained in this Agreement, forthwith upon the Services and Infrastructure having been constructed and completed in accordance with and as required by and pursuant to paragraph 23(a) of this Agreement:
  - (i) all Services and Infrastructure shall, without any compensation, payment, and/or otherwise being required to be paid and/or transferred and/or otherwise from the Seller to the Buyer, be and be deemed to be the property of the Seller; and
  - (ii) the Buyer shall have no right, claim, ownership, and/or otherwise in or to any such Services and Infrastructure and/or any part thereof

except for such part of the Services and Infrastructure within (internal to) the boundaries of the property being purchased hereunder.

**25. SEVERABLE AND SEPARATE:**

- (a) Every provision of this Agreement is intended to be severable. If any term or provision of it is unenforceable, illegal and/or invalid for any reason, the unenforceability, illegality and/or invalidity shall not affect the validity of the

remainder of this Agreement.

- (b) If any provision of any statute of any jurisdiction invalidates or voids this Agreement or any amendments to it, it is the intention of the parties that each provision of this Agreement or any amendments to it shall be construed as a separate contract under ordinary contract law and enforceable as such.
26. **COUNTERPARTS:** This Agreement may be executed in any number of counterparts and all of these counterparts shall for all purposes constitute one agreement, binding on the parties, notwithstanding that all parties are not signatory to the same counterpart.
27. **SURVIVAL:** It is covenanted and agreed by and between the Buyer and Seller that this Agreement and the terms, conditions, covenants, agreements, and provisions herein contained and/or contained in any documents to be delivered by either of the parties on closing, and the warranties and representations contained herein and/or contained in any documents to be delivered on closing, shall not merge in the closing of the purchase and sale transaction hereby provided for, nor in the conveyance of ownership of the property by the Seller, but shall, notwithstanding the closing and/or any investigation by the Buyer, remain in full force and effect subsequent to the closing date.
28. **AGREEMENT IN WRITING:** 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.
29. **SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

Dated at Fort Frances, Ontario this \_\_\_\_\_ day of June, 2021.

IN WITNESS whereof the Buyer has hereunto set its hand and seal.

Revco Carpet Centre Ltd.

per \_\_\_\_\_ \* Date \_\_\_\_\_  
Title

per \_\_\_\_\_ \* Date \_\_\_\_\_  
Title

I/we have authority to bind the Corporation

The undersigned Seller agrees to the above Offer.

Dated at Fort Frances, Ontario, this            day of June, 2021.

IN WITNESS whereof the Seller has hereunto set its hand and seal.

The Corporation of the Town of Fort Frances

per \_\_\_\_\_ \* Date \_\_\_\_\_  
June Caul, Mayor

per \_\_\_\_\_ \* Date \_\_\_\_\_  
Elizabeth Slomke, Clerk

I/we have the authority to bind the Corporation