

Agreement of Purchase and Sale Commercial

Form 500

for use in the Province of Ontario

This Agreement of Purchase and Sale dated this 21st day of December, 2022

BUYER: Daniel Kelley
(Full legal names of all Buyers), agrees to purchase from

SELLER: The Corporation of the Township of Huron-Kinloss
(Full legal names of all Sellers), the following

REAL PROPERTY:

Address See Schedule "A"

fronting on the _____ side of _____

in the Township of Huron-Kinloss

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

and legally described as See Schedule "A"

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

PURCHASE PRICE: Dollars (CDN\$) 80,000.00
Eighty Thousand Dollars

DEPOSIT: Buyer submits Upon Acceptance
(Herewith/Upon Acceptance/as otherwise described in this Agreement)
One Thousand Dollars (CDN\$) 1,000.00

by negotiable cheque payable to The Corporation of the Township of Huron-Kinloss "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, D, & E attached hereto form(s) part of this Agreement.

1. IRREVOCABILITY: This offer shall be irrevocable by Daniel Kelley until 5:00 on the 6th day of January, 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 9 day of February, 2023. Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

INITIALS OF BUYER(S):

DK

INITIALS OF SELLERS(S):

MRW

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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 counteroffer, 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. **CHATELS INCLUDED:** _____

Nil.

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:** _____

Nil.

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:

Nil.

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


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

INITIALS OF BUYER(S):

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INITIALS OF SELLERS(S):

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8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the 2 day of February, 2023, (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there

are no outstanding work orders or deficiency notices affecting the property, that its present use (M1 - Light Industrial) 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.

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):

DK

INITIALS OF SELLER(S):

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

DK

INITIALS OF SELLERS(S):

MRW

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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:

Paul Blough
 (Witness)

 (Witness)

[Signature]
 (Buyer/Authorized Signing Officer) (Seal) Dec 21/22 (Date)

 (Buyer/Authorized Signing Officer) (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)

 (Witness)

[Signature]
 (Seller/Authorized Signing Officer) (Seal) Jan. 2. 2023. (Date)
[Signature]
 (Seller/Authorized Signing Officer) (Seal) January 2, 2023 (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 _____ this _____ day of _____, 20_____.
 (a.m. / p.m.)

 (Signature of Seller or Buyer)

INFORMATION ON BROKERAGE(S)	
Listing Brokerage _____ (Salesperson/Broker/Broker of Record Name)	_____ (Tel. No.)
Co-op/Buyer Brokerage _____ (Salesperson/Broker/Broker of Record Name)	_____ (Tel. No.)

ACKNOWLEDGEMENT

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

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

(Seller) _____ (Date) _____
 (Seller) _____ (Date) _____
 Address for Service _____
 _____ (Tel. No.)
 Seller's Lawyer **Miller Thomson LLP; Attn: Amanda Brennan**
 Address **295 Hagey Boulevard, Suite 300, Waterloo, ON N2L 6R5**
 Email **abrennan@millerthomson.com**
519 593.2435 **519 743.2540**
 (Tel. No.) (Fax No.)

(Buyer) _____ (Date) _____
 (Buyer) _____ (Date) _____
 Address for Service _____
 _____ (Tel. No.)
 Buyer's Lawyer **Ottewill Lynn Frook Mullen P.C.; Attn: Tyler Frook**
 Address **831 Queen Street, Kincardine, ON, N2Z 2Y2**
 Email **tfrook@olflmlaw.ca**
226 396.6699 **226 396.5010**
 (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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Schedule A

Agreement of Purchase and Sale - Commercial

Form 500

for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between

BUYER: Daniel Kelley, and

SELLER: The Corporation of the Township of Huron-Kinloss

for the purchase and sale of See Schedule "A"

dated the _____ day of _____, 20____

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 shall deliver to the Seller on the Completion Date:

- 1. a statutory declaration that the Buyer is a registrant within the meaning of Part IX of the Excise Tax Act of Canada (the "Act") and that the Buyer's registration is in full force and effect;**
- 2. the Buyer is registered under the Act, together with a copy of the Buyer's Excise Tax Act of Canada registration; and**
- 3. an undertaking by the Buyer to remit any tax eligible under the Act in respect of this transaction and to indemnify the Seller against all losses, costs and damages resulting from the Buyer's failure to do so.**

The Seller represents and warrants that as of the Completion Date the Property is zoned as M1 (Light Industrial) under bylaw 2018-98 for the Township of Huron-Kinloss. This representation and warranty shall survive and not merge on completion of this transaction.

The Seller warrants that all costs associated with installation of municipal services, all impost fees, and public utilities charges, and all lot levies have been paid and that any outstanding costs or charges, fees, or levies will be paid by the Seller on or before the Completion Date. For clarity, the Seller shall ensure that hydro, natural gas, water and sewer are available at the lot line and the Seller shall be solely responsible for any costs associated with connecting/hooks up to the water and sewer. This representation and warranty shall survive and not merge on the completion of this transaction.

The Seller represents and warrants to the best of the Seller's knowledge and belief that during the period of their ownership of the Property, that all environmental laws and regulations have been complied with, no hazardous conditions, underground fuel oil tanks, or substances exist on the land, other than those specifically set out herein, and that there exists no pending or outstanding Conservation and Parks Orders relating to the Property. This representation and warranty shall survive and not merge on the completion of this transaction.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):

DK

INITIALS OF SELLER(S):

MRW



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The Seller represents and warrants to the best of their knowledge and belief that as of the Completion Date there is no known damage to the Property by flooding or erosion. This representation and warranty shall survive and not merge on completion of this transaction.

The Property shall be conveyed to the Buyer subject to a 5 metre easement reserved in favour of the Seller for drainage and municipal services as shown as part of Part 11 on Reference Plan 3R-10651 attached hereto as Schedule "B", on term and conditions substantially the same as the draft Easement Agreement attached hereto as Schedule "C". The Seller shall prepare at its costs a surveyed reference plan for the aforesaid easement to be deposited on title to the Property prior to the Completion Date.

The conveyance of the Property shall be subject to a right of conveyance/option to purchase in favour of the Seller. The Buyer and the Seller shall enter into a right of conveyance/option to purchase agreement, on terms and conditions substantially the same as those contained in the agreement attached hereto as Schedule "D". Such agreement shall be registered by the Seller at its expense against title to the Property on the Completion Date to secure this obligation provided that upon expiry of the option to purchase, the Seller shall take whatever steps are necessary, at its expense, to remove the agreement from title to the Property. This clause shall survive and not merge on completion of this transaction.

The legal description for the Property is PART OF LOT 14 CON 7 HURON; HURON-KINLOSS. For clarity, the Property is identified in yellow on the sketch, attached herewith as Schedule "E". The Seller shall prepare at its costs a surveyed reference plan for the Property to be deposited on title to the Property prior to the Completion Date.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):

DK

INITIALS OF SELLER(S):

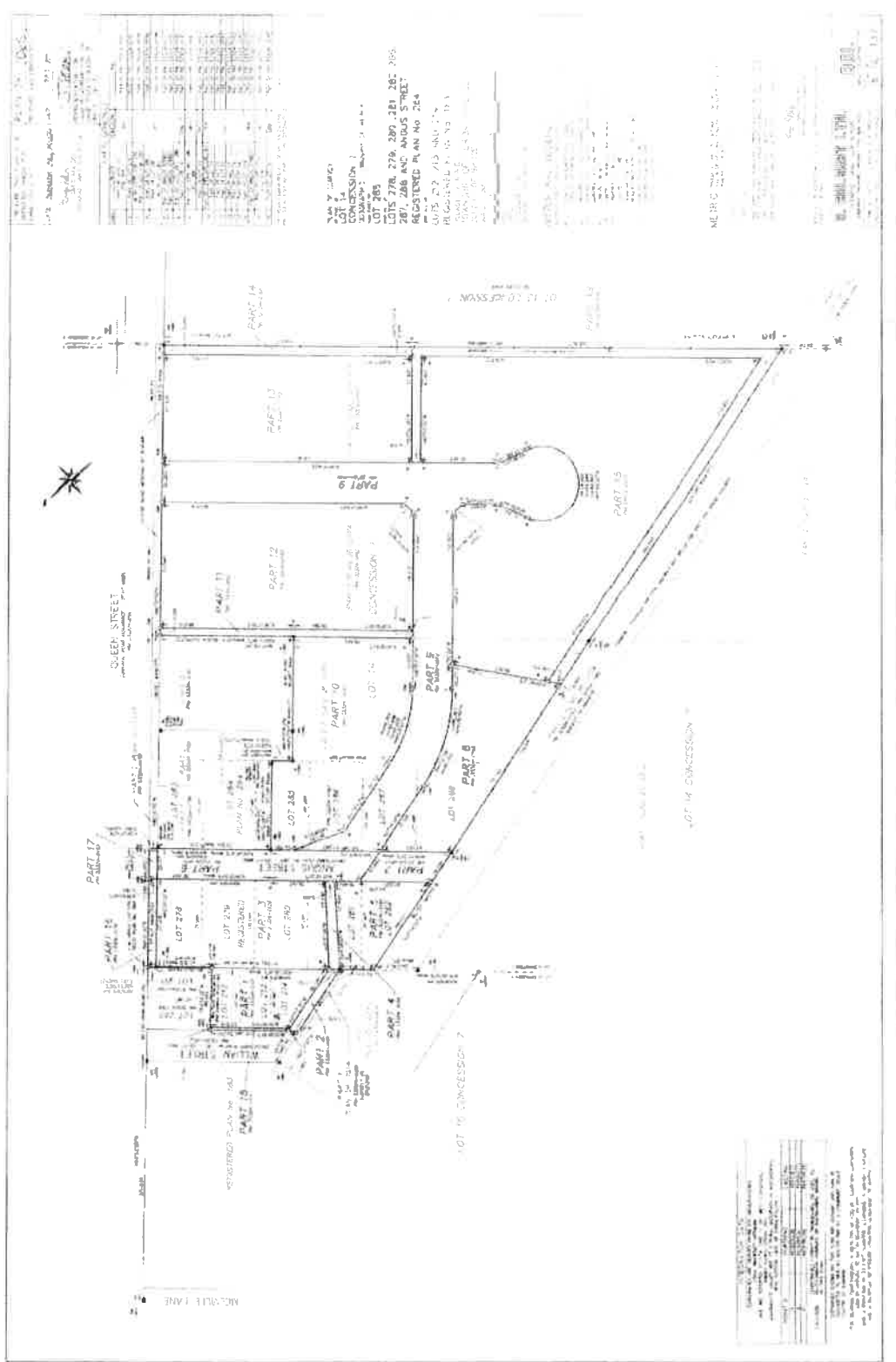
MRW/gm



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SCHEDULE "B"



SCHEDULE "C"

EASEMENT AGREEMENT dated as of February 9, 2023 (the "Agreement")

BETWEEN

DANIEL KELLEY

Hereinafter called the "Grantor", of the FIRST PART,

-and-

THE CORPORATION OF THE TOWNSHIP OF HURON-KINLOSS

Hereinafter called the "Grantee", of the SECOND PART.

WHEREAS the Grantor is or will be the registered owner of part of the lands described as ●, designated as ● on 3R-●; Township of Huron; being part of PIN: 33324-0162 (LT); (the "Property");

AND WHEREAS the Grantee desires to secure rights to enter and pass upon, over and through, as well as, occupy a section of the Property for the purpose of constructing, installing, and maintaining municipal services, including drainage and related appurtenances.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the sum of One (\$1.00 CAD) Canadian Dollar paid by the Grantee to the Grantor and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged together with the premises, covenants and agreements hereinafter contained, the parties hereto agree as follows:

1. The Grantor hereby agrees to convey to the Grantee an exclusive permanent easement under, over and through ● on Reference Plan 3R-● ("Easement Lands"), attached hereto as Schedule "A", for the purpose of constructing, installing and maintaining municipal services, including drainage and related appurtenances ("Easement").
2. Without limiting the generality of the foregoing, the Grantor hereby gives the Grantee and its agents permission to enter on the Easement Lands to construct, install, operate, maintain, repair and replace the Grantee's municipal services within the Easement Lands.
3. The Grantor agrees that as of the date of this Agreement the Grantee will register the Easement on title to the Property, and attach as a schedule thereto the terms and condition of the Easement contained in Schedule "B" to this Agreement.
4. The Grantor agrees to obtain from each chargee of the Property with priority over this Agreement a registered postponement of such chargee's rights to the Grantee's rights under this Agreement.
5. The Easement Lands shall at all times during the term of this Agreement be maintained, repaired and managed by the Grantee at its sole effort and expense in accordance with the standard of care and norms applicable to an operator of municipal services.
6. The Grantee covenants and agrees that, upon completion of any work undertaken in connection with the Easement granted hereunder, the Grantee shall restore the area of lands upon which it has performed work to substantially the same condition as that in which the lands were found prior to the commencement of the work.
7. The Grantee shall at all times during the term of this Agreement occupy and use the Easement Lands in a legal and law abiding manner and shall comply with all applicable laws, by-laws, and regulations.
8. The Grantee shall at all times ensure that it has in effect sufficient insurance coverage, including third party liability coverage, for any of the uses which the Grantee shall make of the Easement Lands in accordance with this Agreement.
9. The Grantee agrees to indemnify and save the Grantor harmless from and against all demands, costs, claims, actions, suits, damages and/or losses suffered or incurred by the Grantor which arise from the Grantee's negligence or willful misconduct in the Grantee's use or occupancy of the Easement Lands. The foregoing indemnity shall not extend to circumstances caused by the negligence or willful misconduct of the Grantor or those for whom the Grantor is responsible at law.
10. The Grantor for itself and its successors and assigns, covenants with the Grantee, its successors and assigns, to keep the lands described herein free for itself and clear of any trees, buildings, structures or obstructions, unless specifically agreed to by the Grantee, and to use the lands described herein only in a manner and for purposes not inconsistent with the exercise of the rights created by this indenture. The Grantor shall not deposit on or remove any fill from the lands described herein and not to do or suffer to be done anything which might injure any of the works of the Grantee thereon or thereunder and, if any works and appurtenances thereon or thereunder sustain damage, loss or injury as a result of the

Grantor, its employees, agents or invitees, then the Grantor shall be liable therefor and shall pay to the Grantee all reasonable costs required to repair, and, if repairs are not practical, all costs required to replace any works and appurtenances thereto.

11. Any notice or other communication with respect to this Agreement shall be effectively given if delivered to:

Email for delivery of notices to the Grantor: dan@dankelleycabinetry.com

Grantor's Lawyer: tfrook@olmlaw.ca

Email for delivery of notices to Grantee: mrwalden@huronkinloss.com

Grantee's Lawyer: abrennan@millerthomson.com

12. Any amendments to this Agreement shall only be made in writing with the consent of the parties hereto. No waiver of any breach under this Agreement or of any available remedy shall be effective unless stated in writing and signed by the party granting such waiver.
13. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and both parties hereby irrevocably attorn to the exclusive jurisdiction of the courts of the Province of Ontario.
14. If any provision of this Agreement is held to be invalid, illegal or unenforceable under present or future laws, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect. Upon the determination that any term or other provision is invalid, illegal, or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible.
15. This Agreement shall enure to the benefit of and be binding upon the parties hereto together with each of their respective successors and permitted assigns.
16. This Agreement may be executed in counterparts, each of which so executed shall be deemed to be an original and such counterparts together shall be one and the same instrument. The parties hereto agree that this Agreement may be transmitted by fax or such similar device and that the reproduction of signatures by fax or such similar device will be treated as binding as if original and each party undertakes to provide to the other party hereto a copy of the Agreement bearing original signatures forthwith upon demand.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF the parties hereto have hereunto set their hands the date first above

Witness: _____

Name: Daniel Kelley _____

**THE CORPORATION OF THE TOWNSHIP OF
HURON-KINLOSS**

Per: _____
Don Murray
Mayor

Per: _____
Mary Rose Walden
Chief Administrative Officer
We have authority to bind the Corporation

SCHEDULE "A"

[NTD: to be Inserted]

SCHEDULE "B"

TERMS AND PROVISIONS OF THE EASEMENT

1. The Grantor grants, conveys and confirms unto the Grantee, its successors and assigns, in perpetuity, the free, uninterrupted and undisturbed right and easement to enter upon the lands herein described at any time for the purposes of constructing, installing and maintaining municipal services, including drainage and related appurtenances, in, under, over and upon the said lands, and with the further and continuing right to the said Grantee, its successors and assigns, and its servants, agents, and workers to enter upon the said lands at any time to construct, repair, correct, operate, replace and maintain at all time in good condition and repair the said services and for every such purpose the Grantee shall have access to the said lands at all times by its agents, servants, employees and workmen.
2. The Grantee covenants and agrees that, upon completion of any work undertaken hereunder, the Grantee shall restore the area of lands upon which it has performed work to substantially the same condition as that in which the lands were found prior to the commencement of the work.
3. The Grantor covenants with the Grantee to keep the lands herein described free and clear of any trees, buildings (including building projections such as window sills, chimney breasts, cornices, eaves and other architectural features), swimming pools, structures or obstructions as may be necessary for the use, operation, repair, replacement or maintenance of the easement and to use the lands herein described only in a manner and for purposes not inconsistent with the exercise of the rights created by this indenture and, without limiting the generality of the foregoing, only as a field, yard, lawn, garden, flowerbed, roadway, driveway or parking area and the Grantor agrees to not do or suffer to be done anything which might injure any of the works of the Grantee thereon or thereunder. Notwithstanding the foregoing, the Grantee agrees that existing trees, if any, on the easement lands may remain, and a tree shall only be removed by the Grantee in the event it interferes with the Grantee's rights pursuant to this easement. In the event the Grantee is required to remove a tree from the easement lands, it shall replace the tree with one of similar species. Any such replacement tree shall be planted approximately in the same location as the tree that was removed unless this would interfere with the municipal services, in which case the tree shall be planted at another location within the easement lands as mutually agreed upon by the Grantor and Grantee.
4. The Grantee, by the acceptance and registration of the within Easement, agrees to be bound by the terms and provisions contained herein.
5. The burden and benefit of this Agreement shall run with the lands herein described and shall extend to and be binding upon and ensure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.

THIS IS AN EASEMENT IN GROSS.

SCHEDULE "D"

OPTION TO PURCHASE AGREEMENT

THIS AGREEMENT dated as of the 9th day of February, 2023 ("**Agreement**").

BETWEEN:

THE CORPORATION OF THE TOWNSHIP OF HURON-KINLOSS
(hereinafter the "**Township**")

- and -

DANIEL KELLEY
(hereinafter "**Kelley**")

WHEREAS the Township transferred or will transfer to Kelley part of the real property legally described as ●, designated as ● on 3R-●; Township of Huron; being part of PIN: 33324-0162 (LT) (the "**Property**") pursuant to the terms of an Agreement of Purchase and Sale dated ●, 2022 (the "**APS**");

AND WHEREAS the APS states that the Township and Kelley shall enter into an agreement on completion of the transfer of the Property setting out certain rights of the Township to repurchase the Property;

NOW THEREFORE in consideration of the payment of Two (\$2.00 CAD) Canadian Dollars paid by each party hereto to the other, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

Right to Purchase

1. Kelley hereby grants to the Township the irrevocable and exclusive option to purchase the Property (the "**Purchase Option**") on the terms and provisions as set out in this Agreement in the event that Kelley does not develop the Property within two (2) years of the date of this Agreement.
2. Development of the Property shall mean the substantial completion of the main building of the Property (the "**Main Building**"). Both parties hereto are to act reasonably in determining the substantial completion of the Main Building, but for greater certainty, the Main Building will be identified in the future Site Plan for the Property.
3. If the Township chooses to exercise the Purchase Option, the purchase price for the Property shall be Sixty Four Thousand (\$64,000.00 CAD) Canadian Dollars.
4. The Purchase Option granted pursuant to this Agreement is exercisable by notice in writing from the Township to Kelley (the "**Purchase Notice**"). Subject to any extension referred to in paragraph 5 of this Agreement, the Township may exercise the Purchase Option during the time period commencing February, 9 2025 (the "**Purchase Option Commencement Date**") and expiring February 9, 2027 ("**Option Period**"). In the event the Purchase Option is not exercised by the Township during the Option Period, it shall become null and void.
5. Notwithstanding the foregoing, in the event that it has been determined by the parties hereto acting reasonably, that the Development of the Property has been delayed by the Township, or unforeseen circumstances such as natural disasters, fire, pandemics, armed conflicts, labour shortages or material shortages, Kelley shall have the right to

extend the Purchase Option Commencement Date for two (2) successive periods of one (1) year, by providing written notice to the Township thirty (30) days' prior to the then current Purchase Option Commencement Date.

Conditions of Transfer

6. In the event the Township exercises the Purchase Option, the resulting transfer of the Property shall be completed no later than thirty (30) days after the delivery of the Purchase Notice.
7. At the time of the transfer of the Property from Kelley to the Township, Kelley shall ensure that title to the Property shall be free from all encumbrances and the Property will be vacant.
8. As of the date of this Agreement, the Township, at their expense, shall have the right to register against title to the Property a Notice of Option to Purchase (the "Notice"). The Notice shall remain on title to the Property until such time as the Township, at their expense, directs the applicable land registry office to remove the Notice. Subject to the Township exercising the Purchase Option or any extensions referred to in paragraph 5 of this Agreement, the Township, at their expense, shall forthwith take steps to remove the Notice as of the first business day after February 9, 2027.
9. In the event it is required by Kelley's lender, and if requested by Kelley, the Township shall, at its expense, postpone its interest in this Agreement behind any mortgage/security registration that is registered on title to the Property.
10. Any notice which may be required to be given or made pursuant to any provision of this Agreement shall be given or made in writing and shall be served personally or by email or mailed by prepaid registered mail, in the case of:

(a) Kelley at:

13 Kuehner Street, Tiverton, Ontario, N0G 2T0

Attention: Daniel Kelley

Email: dan@dankelleycabinetry.com

(b) The Township at:

The Corporation of the Township of Huron Kinloss

21 Queen Street

Ripley, ON N0G 2R0

Attention: Mary Rose Walden, CAO

Email: mrwalden@huronkinloss.com

or to such other address or email address as either party may from time to time advise the other party by notice in writing. The date of receipt of any such notice, demand or request shall be deemed to be the date of delivery of such notice, demand or request if served personally or by email, or if mailed as aforesaid, the third (3rd) day of business following the date of such mailing.

11. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns.

11. This Agreement may be executed in counterparts, each of which so executed shall be deemed to be an original and such counterparts together shall be one and the same instrument. The parties hereto agree that this Agreement may be transmitted by facsimile, email or such similar device and that the reproduction of signatures by facsimile, email or such similar device will be treated as binding as if original and each party undertakes to provide to the other party hereto with a copy of the Agreement bearing original signatures forthwith upon demand.
12. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF the parties hereto have signed this Agreement as of the date first above written.

Witness.

Name: Daniel Kelley

**THE CORPORATION OF THE TOWNSHIP
OF HURON-KINLOSS**

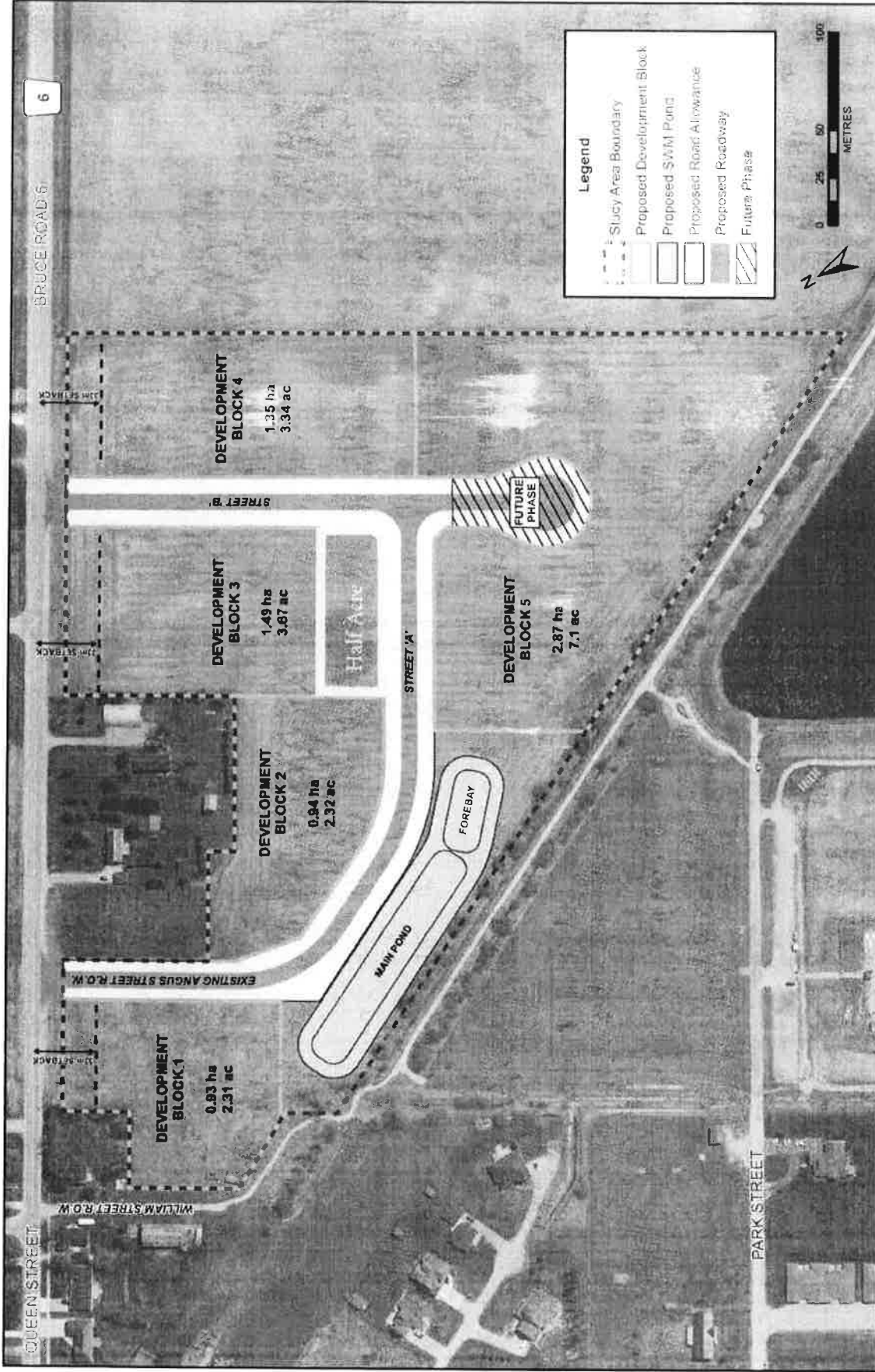
Per: _____

Deputy Mayor
Don Murray

Per: _____

Mary Rose Walden
Chief Administrative Officer
We have authority to bind the Corporation

SCHEDULE "E"



	TOWNSHIP OF HURON-KINLOSS RIPLEY LIGHT INDUSTRIAL PARK GENERAL ROADWAY AND DEVELOPMENT BLOCK LAYOUT	
	DATE JUNE 08, 2021	PROJECT No. 19044
	SCALE AS SHOWN	FIGURE No.

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