



MEADOW HAWK

Meadow Hawk Strathcona County OFFER to PURCHASE & AGREEMENT for SALE

TO: Meadow Hawk Communities Inc. (Seller)

1.0 OFFER TO PURCHASE:

_____, (the "Buyer"), hereby offers to purchase the property described as:

Lot: _____, **Block:** _____, **Subdivision Plan 1321236** hereinafter referred to as the "Lot" situated in the Meadow Hawk subdivision in Strathcona County in the Province of Alberta, Canada.

Civic Address – 52320 Range Road 231, SHERWOOD PARK, ALBERTA, T-----

2.0 PURCHASE PRICE:

The Purchase Price, in Canadian funds, shall be:

Land Price: \$ _____

Add GST (if Applicable @ 5%) \$ _____

TOTAL PURCHASE PRICE: \$ _____

The Total Purchase Price shall be paid:

(a) _____ (\$ _____) Dollars by way of initial deposit accompanying this offer and to be held in trust by Tim McFetridge Barrister & Solicitor

(b) _____ (\$ _____) Dollars by way of additional deposit upon removal of the Buyer's Conditions and to be held by Tim McFetridge, Barrister & Solicitor

(c) The balance, _____ (\$ _____) Dollars (applicable GST and plus or minus adjustments) by cash or equivalent shall be paid to the Seller on the Closing Date. All funds to be paid by certified cheque, bank draft or solicitor's trust cheque.

initial

- 2.1 Coincidentally with the payment by the Buyer of the balance of money due on the Closing Date, the Buyer shall pay to the Seller's solicitor the sum of \$20,000.00 to be held, in trust, in accordance with, and pursuant to, the terms of the Architectural Design Controls. The Buyer acknowledges and agrees that the "**Architectural Design Controls**" are a Related Document and shall form part of this agreement.
- 2.2 Upon removal of the Buyer's Conditions, all deposit monies shall be forwarded to the Seller's solicitor. Should the sale fail to close thereafter through no fault of the Seller, all rights of the Buyer shall be forfeited, all deposit monies shall be non refundable and shall be retained by the Seller as liquidated damages without limiting any other remedy available to the Seller.
- 2.3 The Buyer covenants and agrees that if they want to construct a home that will serve as a show home, home sales centre, home sales office or any other use which would be open to the public on a weekly scheduled basis then they shall be limited to constructing such a home on Lots 1-4 inclusive and no others. If the Buyer contravenes this clause then they shall be in breach of their obligations herein and the Seller shall have whatever remedy is available to them in law or equity.
- 2.4 Buyer's deposits, including the security deposit, shall bear no interest.
- 2.5 Financing costs including arranging, placing and registering mortgages or other instruments together with costs to register the transfer to the Lot shall be paid by the Buyer.
- 3.0 CLOSING
- 3.1 Title to the Lot shall be transferred to the Buyer in accordance with the terms and provisions herein and upon payment in full of the Purchase Price and associated security deposits.
- 3.2 The Seller has registered the Subdivision Plan prior to substantial completion of development work in order to be able to transfer the Lot title to the Buyer on or before the Closing Date. Notwithstanding that the Buyer covenants and agrees to complete this purchase on the Closing Date.
- 3.3 In the event that the sale and transfer is concluded prior to substantial completion of the development work, the Seller represents and warrants to the Buyer that the Seller shall complete any outstanding development work as quickly as practicable thereafter. The Buyer understands and acknowledges that it is aware that pursuant to the terms of the County's Development Agreement with the Seller, the County shall hold cash or equivalent security for the specific purpose of completing the development work in the event that the Seller fails to meet its obligations.
- 3.4 The Buyer acknowledges and agrees further that he understands and accepts that certain "**Permitted Encumbrances**" may be charged on the title to the Lot. These "**Permitted Encumbrances**" are encumbrances or charges of a non-financial nature registered against the title to the Lot as of the Closing Date, a Restrictive Covenant or other encumbrance

registered to enforce compliance with the Design Guidelines and Owner Covenants, and such encumbrances, liens, or charges to be registered thereafter which are made necessary by the terms of the Development and/or Servicing Agreement, Subdivision Agreement or by the conditions of Subdivision approval or to utility companies servicing the Lands, vehicular access restrictions and such encumbrances, liens or charges as may have been made or suffered by the Buyer.

- 3.5 Upon closing, the Lot shall be transferred to the Buyer free and clear of all liens, mortgages and charges save for those Permitted Encumbrances identified herein.
- 3.6 The Seller is not now nor will be sixty (60) days after the Date of Closing, a non-resident of Canada; nor is the Seller the agent or trustee for anyone with an interest in the Lot that is a non-resident of Canada within the meaning of The Income Tax Act of Canada.
- 3.7 The Seller shall maintain the Lot until the Closing Date.
- 4.0 **BUYER'S CONDITIONS:** The obligations of the Buyer to complete the Purchase shall be subject to the following conditions (the "Buyer's Conditions") being satisfied within the time periods provided:

- 4.1 The Buyer's Conditions may be waived by written notification to the Seller at any time prior to the specified condition removal date(s). If the Buyer's Conditions are not waived in this manner then this Agreement is terminated in its entirety and all deposit funds paid by the Buyer shall be returned to the Buyer and all obligations of the parties here to, one to the other, are extinguished.

5.0 **GENERAL CONDITIONS:**

- 5.1 The date of closing ("Closing Date") Shall be _____, 2013. All adjustments as are usually adjusted in a transaction of this nature shall be as at the Closing Date. In the event the Seller agrees to accept late payment, monies not paid on the Closing Date shall bear interest at TD Bank prime plus five (5%) percent per annum from the Closing Date until paid.
- 5.2 At least seven (7) days prior to the Closing Date, the Seller shall provide the Buyer with a land transfer and other documents normally required to be delivered or conveyed in a transaction of this nature.
- 5.3 Between the Date of Acceptance and the Closing Date the Lot shall remain the Seller's responsibility at the Seller's risk. Excepting the Permitted Encumbrances and applications and contracts necessary to complete the Subdivision, the Seller undertakes not to enter into any agreements, arrangements, contracts of any kind respecting the Lot during the stated period without the express written consent of the Buyer.

initial

- 5.4 Other than as specifically provided herein, the Buyer hereby agrees that he is purchasing the Lot on an “as is-where is” basis as of the Closing Date and there are no other outstanding representations, warranties, collateral agreements of any kind between the parties. The Buyer acknowledges that it shall be the sole responsibility of the Buyer to determine the suitability of the Lot for the Buyer’s construction and to obtain any required regulatory approvals for any subsequent development on the Lot. Such approvals may include, but not be limited to, development and building permits and site drainage plans.
- 5.5 Upon acceptance, this Offer to Purchase shall constitute a binding agreement of purchase and sale. Should the Buyer fail to complete his obligations hereunder, the deposit paid by the Buyer shall be absolutely forfeited to the Seller on account of liquidated damages, and not as a penalty and without limiting any other remedy available to the Seller in law or in equity.
- 5.6 Unless otherwise agreed in writing, if the Closing Date is not a Business Day, then payment of the purchase price and all related matters shall be completed by 12:00 o’clock noon on the preceding business day. Possession and adjustments shall be as of the Closing Date “Business Day” means a day when both the Land Titles Office and the Schedule “A” chartered banks are open for business.
- 5.7 This Offer to Purchase & Agreement for Sale, as well as the Related Documents constitutes the entire Agreement between the parties and shall be governed by and construed in accordance with the laws of the Province of Alberta. The covenants, representations and warranties of the parties hereto shall not merge but shall survive the Closing Date. The provisions of this Agreement may be altered or amended only when any such changes are written and signed by the parties hereto, but not otherwise.
- 5.8 The parties hereto do hereby covenant and agree to do such things and to execute such documents, agreements, assurances as may be necessary or advisable in order to carry out the terms and conditions of this Agreement in accordance with their true intent.
- 5.9 The Buyer shall not file any Caveat against the title to the subject lands with respect to this agreement
- 5.10 This Agreement shall enure to the benefit of and be binding upon the parties hereto, their respective heirs, successors and assigns.
- 5.11 In carrying out subsequent construction and development on the Lot, the Buyer shall comply with the provisions, terms and covenants as set forth in the Subdivision Plan, Architectural Design Controls, and Subdivision Lot Plan and any other Restrictive Covenants and with such other requirements that may be imposed by the relevant authorities all of which the Buyer hereby confirms it has received.
- 5.12 If required to be paid on this transaction, the GST shall be paid by the Buyer in addition to the Purchase Price.

- 5.13 Time shall be of the essence in this contract.
- 5.14 The Buyer agrees to indemnify and save harmless the Seller from all actions, causes of action, claims and demands which may arise either directly or indirectly by reason of any work undertaken by the Buyer or on behalf of the Buyer.
- 6.0 RELATED DOCUMENTS: The Buyer understands, acknowledges that the following documents have been read, reviewed and accepted by the Buyer and the Buyer further acknowledges and covenants that these documents shall form part of this agreement and upon execution be attached hereto.
 - Architectural Design Controls
 - Specific Lot Plan
 - Subdivision Plan
- 7.0 NOTICES: For the purpose of giving and receiving any Notice, the communication must be in writing and
 - (a) delivered in person to the other party or its Representative, or
 - (b) delivered (or faxed or e-mailed) to an address (or fax number or e-mail address) specified below.

As long as the Representative information is completed, the identified Representatives are authorized to send and receive any Notice on behalf of their respective client.

Note: The Representative information must be completed in full by the Buyer and the Seller at the offer stage prior to the Contract being signed in order to permit communication to the Representatives.

- 7.1 If to the Seller:
 - Tim McFetridge
 - Barrister and Solicitor
 - #1608-10025-102A Ave
 - Edmonton, AB T5J 2Z2
 - Phone: 780-421-1071
 - Fax: 780-428-7533

- 7.2 If to the Seller's Representative:
 - _____
 - _____
 - _____
 - _____

7.3 If to the Buyer: _____

7.4 If to the Buyer's Representative _____

7.5 Tenders of moneys or documents may be tendered by one party to the other party's Counsel in trust that the other party comply with its obligations hereunder.

7.6 This Offer to Purchase & Agreement for Sale shall be open for acceptance by the Seller until _____

DATED at _____, Alberta this _____ day of _____, 20____

Buyer

Co-Buyer

Date: _____, 20____

Date: _____, 20____

Witness

Witness

ACCEPTANCE

The Seller hereby accepts the foregoing Offer to Purchase & Agreement for Sale at the price and on the terms and conditions hereinbefore set forth and agrees to be bound by such terms and conditions. The Seller acknowledges that contents of this Agreement are to be kept strictly confidential.

DATED at the City of _____, in the Province of Alberta
this _____ day of _____, 20____ and executed by the Seller's authorized
representative(s):

Meadow Hawk Communities Inc.
per:

Seller