

AGREEMENT OF PURCHASE AND SALE made this 9th day of July, 2021 (the "Effective Date"),

BETWEEN:

THE CORPORATION OF THE TOWN OF ORANGEVILLE

(the "Vendor")

-and-

ALIGROUP PROPERTIES INC.

(the "Purchaser")

WHEREAS the Vendor is the owner of lands known as the Spur Line located in the Town of Orangeville, Ontario, and more particularly described in Schedule "A" attached hereto (the "Property")

AND WHEREAS the Vendor has agreed to sell, transfer, assign, set over and convey the Property to the Purchaser and the Purchaser has agreed to purchase and acquire the Property from the Vendor on the terms and conditions contained in this Agreement;

FOR GOOD AND VALUABLE CONSIDERATION (the receipt and sufficiency of which are hereby acknowledged), the parties hereto hereby agree as follows:

1. PURCHASE AND SALE

The Vendor shall sell to the Purchaser and the Purchaser shall purchase from the Vendor the Property for the Purchase Price, exclusive of HST. The Transaction shall be completed on the Closing Date in the manner herein provided.

2. PURCHASE PRICE AND PAYMENT

- (a) The purchase price for the Property shall be FOUR HUNDRED THOUSAND (CAN\$400,000) CANADIAN DOLLARS (the "**Purchase Price**").
- (b) The Purchaser agrees to deliver to the Vendor within two (2) Business Days following the Effective Date, a deposit in the sum of TWENTY-FIVE THOUSAND DOLLARS (CAN\$25,000.00) CANADIAN DOLLARS (the "**Deposit**") by certified cheque, bank draft or wire transfer of immediately available funds, payable to the Vendor's lawyer in trust, to be held in an interest bearing trust account, pending completion or other termination of this Agreement which will be credited against the Purchase Price upon Closing.
- (c) The Purchaser agrees to pay the balance of the Purchase Price by delivery of a certified cheque, bank draft or wire transfer of immediately available funds to the Vendor or as the Vendor may direct in writing on the completion of the transaction

of purchase and sale provided in this Agreement (the "**Closing**") or in accordance with the DRA as hereafter defined, subject to the usual adjustments.

- (d) The usual adjustments (herein referred to as the "**Adjustments**") will include all realty taxes, local improvement rates and charges and other adjustments established by the usual practice in the Town of Orangeville for the purchase and sale of vacant land. In addition, the Adjustments will include the other matters expressly provided for in this Agreement, which are stated to be the subject of adjustment. Adjustments will be made as of the Closing Date as hereinafter defined.
- (e) Except as provided herein, interest on the Deposit shall be paid to the Purchaser as soon as possible after Closing.

3. **CLOSING DATE**

This Agreement will be completed on or before 5:00 p.m. on the 11th day of August, 2021 or such other date as the parties may mutually agree in writing or as may be set pursuant to section 4.3 below (the "**Closing Date**").

4. **CONDITIONS**

4.1 **Condition for Benefit of both Purchaser and Vendor**

This Agreement is conditional from the Effective Date until 10 am on August 10th, 2021 (the "**Council Conditional Period**"), upon:

- (a) passing of a municipal by-law approving execution of this Agreement of Purchase and Sale by the Vendor's municipal council on or before August 9th, 2021 and the expiry of the requisite public notice period without objection or appeal, all in compliance with the Vendor's Land Sale and Purchase Policy By-Law No. 83-2008, September 8, 2008 (the "**Approval Condition**").

The Approval Condition is in favour of both the Purchaser and the Vendor and cannot be waived if unfulfilled. The Vendor shall act in good faith to satisfy that portion of the Approval Condition relating to the passage of a municipal by-law approving execution of this Agreement of Purchase and Sale by the Vendor's municipal council on or before August 9, 2021. Subject to the Purchaser's right of extension, as set out below, if the Approval Condition is not satisfied on or before the expiry of the Council Conditional Period, then this Agreement will be deemed to be terminated and the Deposit together with accrued interest thereon will be returned to the Purchaser without deduction.

4.2 **Conditions for Benefit of Purchaser**

This Agreement is conditional from the Effective Date until 5:00 pm on July 28th, 2021 (the "**Zoning Conditional Period**"), upon:

- (a) the Purchaser being satisfied, acting reasonably, with respect to all matters concerning the zoning and the present and intended future use of the Property as a snack food manufacturing plant.

If the Purchaser is not satisfied, acting reasonably, with the foregoing condition and notifies the Vendor in writing on or before the expiry of the Zoning Conditional Period that it is not satisfied, then this Agreement will be deemed to be terminated and the Deposit together with accrued interest thereon will be returned to the Purchaser without deduction. Failing notification in writing as aforesaid, the condition as aforesaid shall be deemed to be satisfied and the Agreement shall be a firm and binding agreement of purchase and sale for the purchase of the Property in accordance with the terms hereof. The foregoing condition is inserted for the sole benefit of the Purchaser and may be waived in writing by the Purchaser, at any time or times prior to the expiry of the Zoning Conditional Period.

4.3 Extension of Council Conditional Period by Purchaser

In the event that the Approval Condition is not satisfied by 10 am on August 10th, 2021, the Purchaser shall have the option, in its complete discretion, to extend the Council Conditional Period for a maximum period of thirty (30) days, in which case the Closing Date shall be deemed to be two Business Days following the expiry of such extended Council Conditional Period, and the Requisition Date shall be deemed to be one Business Day after such expiry.

5. REPRESENTATIONS AND WARRANTIES; COVENANT

5.1 Vendor Representations

The Vendor represents and warrants to and in favour of the Purchaser that, to the best of its knowledge and belief after reasonable inquiry, as at the Effective Date and at Closing:

- (a) the Vendor is duly incorporated and possesses full authority and power to own and convey the Property to the Purchaser;
- (b) the Vendor is the sole legal and beneficial owner of the Property free and clear of all encumbrances save the Permitted Encumbrances;
- (c) no person is entitled to claim a lien under the *Construction Act* against the Property or any part thereof;
- (d) there are no realty taxes relating to the Property owing to the Vendor or others;
- (e) there are no leases, licenses or other rights of occupancy relating to the Property;
- (d) there is no claim or litigation pending or threatened against the Vendor which could affect the right of the Purchaser to own and occupy the Property or the ability of the Vendor to perform its obligations hereunder;

- (e) neither the Property, nor any part thereof, has been expropriated nor has the Vendor received any notice of any proposed expropriation;
- (f) as at the date of Closing, no objection or appeal has been received by the Vendor with respect to the Vendor's by-law approving the sale contemplated herein.
- (g) the Vendor is not aware of the presence of Hazardous Substances on, at, in, under, above or migrating to or from the Property;
- (h) the Vendor is not aware of the presence of waste materials or any other condition on or under the Property that may result in any contravention of any applicable legislation or that may result in any liability to the Purchaser to clean, remove or rectify such wastes, materials or other conditions under applicable legislation

5.2 Survival

The representations and warranties contained in section 5.1 shall not merge on Closing but shall survive Closing for a period of one (1) year thereafter.

5.3 Vendor Covenant

The Vendor covenants that it will provide on Closing vacant possession of the Property to the Purchaser.

6. AS IS, WHERE IS

The Purchaser agrees to purchase the Property in its current condition on Closing on an "as-is, where is" basis and further agrees that the Vendor shall not be obligated to perform any work in respect of the Property in order to bring the Property, or any part of the Property into compliance with any applicable standards of any relevant Governmental Authority. The Purchaser also agrees not to make any claim against the Vendor in respect of any such work that may be required in order to bring the Property or any part thereof into compliance. The Vendor makes no representations or warranties of any kind, either expressed or implied, as to the condition of the soil, the subsoil, the ground and surface water or any other environmental matters, the condition of the Property or the condition of structures, if any, or any other matters respecting the Property whatsoever, including the use to which it may be put and its zoning. In entering into this Agreement, the Purchaser has relied and will continue to rely entirely and solely upon its own inspections and investigations with respect to the Property, including the physical and environmental condition of the Property and the condition of the soil, surface water and ground water on or under the Property. On Closing, the Purchaser shall release the Vendor from and against all claims, whether known or unknown, which it may now or hereafter have against the Seller and its servants, agents, employees, or those for whom the Vendor is responsible at law relating to the Property, including, without limitation, claims brought by any tenant, licensee or lessee of the Property, the environmental condition of the Property and the presence of Hazardous Substances, whenever or however arising or discovered, on, at, in, under, above or migrating to or from the Property (the "**Release**"). For clarity, the Release is not intended to release the Vendor

from any breach of this Agreement. This covenant shall not merge but shall survive the Closing Date. On Closing, the Purchaser shall deliver such Release to the Vendor.

7. RESIDENCY

The Vendor warrants that it is not now and will not on Closing be a non-resident of Canada. The Vendor shall provide the Purchaser, on Closing, with a certificate of an officer on behalf of the Vendor that it is not now and at Closing will not be a non-resident of Canada under the *Income Tax Act* (Canada).

8. HST

On Closing, the Purchaser shall deliver to the Vendor a certificate confirming that the Purchaser is registered pursuant to the *Excise Tax Act* (Canada), as amended from time to time (the "Act"), for the purposes of paying and receiving HST in Canada, that such registration has not been amended or terminated and that the Purchaser is purchasing the Property on its own behalf and not on behalf of any other party, together with a copy of the Purchaser's HST registration confirmation and registration number under the Act. If the Purchaser shall fail to provide any of the foregoing before Closing or if the Purchaser is not registered as a registrant under the Act, then the Purchaser shall pay to the Vendor the HST required to be paid pursuant to the Act with respect to the Transaction. The Purchaser agrees to be liable for, to self assess and to remit to the appropriate governmental authority the HST which is payable in connection with the transfer of the Property, all in accordance with the Act. The Purchaser shall indemnify and save harmless the Vendor from and against all HST, penalties, interest and other amounts which may be payable by or assessed against the Vendor under the Act as a result of or in connection with the Vendor's failure to collect and remit HST in respect of the Transaction. The Purchaser shall tender on Closing a certificate and indemnity reflecting this Section 8 (the "Purchaser's HST Certificate").

9. TITLE SEARCH/RISK OF LOSS

The Purchaser is to be allowed until 5 pm on August 10th 2021 ("Requisition Date") to investigate the title to the Property at the Purchaser's expense and if within that time the Purchaser furnishes to the Vendor in writing any valid objection to title which the Vendor is unable or unwilling to remove, and which the Purchaser will not waive, this Agreement will be terminated and the Deposit returned to the Purchaser with accrued interest thereon without deduction. Save as to any valid objection so made by such day and except for any valid objection going to the root of the title or arising after the aforesaid date, the Purchaser shall be conclusively deemed to have accepted the Vendor's title to the Property.

The Purchaser shall not call for the production of any title deed, abstract, survey or evidence of title to the Property except such as are in the possession or control of the Vendor. In the event that a discharge of any mortgage or charge held by a chartered bank, trust company, credit union or insurance company which is not to be assumed by the Purchaser on Closing is not available in registrable form on Closing, the Purchaser agrees to accept the Vendor's solicitors'

personal undertaking that upon receipt of a discharge of such charge/mortgage in registrable form or such other documents as may be required to complete an electronic registration, to register same on title to the Property provided that on or before Closing, the Vendor shall provide to the Purchaser a mortgage statement prepared by the mortgagee addressed to the Purchaser setting out the balance required to obtain the discharge, together with a direction executed by the Vendor directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on Closing.

On Closing, the Vendor will deliver to the Purchaser, or to whomsoever it may direct, good and marketable title to the Lands free and clear of all liens, taxes, charges, restrictions, leases, licenses, security interests and encumbrances unless caused by the Purchaser and save and except the following:

- (a) any registered restrictions or covenants that run with the Property provided that on or before Closing the Vendor provides the Purchaser with evidence that same have been complied with;
- (b) any registered municipal agreements and registered agreements with publicly regulated utilities provided that on or before Closing the Vendor provides the Purchaser with evidence that same 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 utility or telephone services to the Property or adjacent properties;
- (d) any easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines, or other services which do not materially affect the use of the Property;

All of the above being hereinafter referred to as the "**Permitted Encumbrances.**"

The Property shall be and remain at the Vendor's risk until Closing.

10. **TRANSFER**

The Transfer, save for the Land Transfer Tax affidavit, is to be prepared in registrable form at the expense of the Vendor. The Vendor covenants that the Transfer to be delivered on completion shall contain the statements contemplated by Section 50(22) of the *Planning Act*, R.S.O. 1990, c. 13.

11. **PLANNING ACT PROVISIONS**

This Agreement is also subject to the express condition that the provisions of the *Planning Act*, R.S.O. 1990, c. 13, as amended, apply to this transaction. The Vendor covenants and agrees to proceed diligently at its own expense to obtain any necessary consent by Closing.

12. CLOSING

12.1 Electronic Registration

The Vendor and Purchaser agree to cause their respective solicitors to enter into a document registration agreement (the "DRA") to govern the electronic submission of the transfer/deed of the Property to the applicable Land Registry Office. The DRA shall establish the procedures and timing for completing all registrations electronically and provide for all Closing Documents and closing funds to be held in escrow pending the submission of the transfer/deed to the Land Registry Office and their acceptance by virtue of each registration document being assigned a registration number. The DRA shall also provide that if there is a problem with the Teraview electronic registration system which does not allow the parties to electronically register all registration documents on Closing, then the Closing Date shall be deemed to be extended until the next day when the said system is accessible and operating for the Land Registry Office applicable to the Property. The Vendor's Solicitors shall prepare and deliver to the Purchaser's Solicitors a draft DRA not less than two (2) Business Days before Closing.

12.2 Vendor's Closing Deliveries

On Closing, the Vendor shall deliver to the Purchaser the following:

- (a) the Transfer in accordance with section 10 above;
- (b) the certificate of an officer as to residency in accordance with section 7 above;
- (c) ~~written proof of payment of realty taxes and local improvement rates to the date of Closing;~~
- (d) the Statement of Adjustments;
- (e) discharges and/or releases of all encumbrances, liens, taxes and charges on the Property;
- (f) the Vendor's Undertaking to Re-adjust;
- (g) a bring down certificate with respect to its Representations and Warranties;
- (h) the DRA; and
- (i) vacant possession of the Property.

12.3 Purchaser's Closing Deliveries

On Closing, the Purchaser shall deliver to the Vendor the following:

- (a) a certified cheque, bank draft or wire transfer of immediately available funds, payable to the Vendor or as it may direct as required by Section 2 above;

- (b) the Purchaser's Undertaking to Re-adjust;
- (c) the Purchaser's HST Certificate; and
- (d) a written title direction if title is to be registered to a party other than the Purchaser; and
- (e) the DRA.

12.4 Tender

Any tender of documents or money hereunder may be made upon the Vendor or Purchaser or upon the solicitor acting for the party on whom tender is desired, and it is sufficient that a cheque certified by a chartered bank or a bank draft be tendered instead of cash.

13. TIME OF THE ESSENCE AND ENTIRE AGREEMENT

This Agreement will constitute a binding agreement of purchase and sale, and time in all respects will be and time will continue to be of the essence of this Agreement. This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements, memoranda and negotiations between the parties. It is agreed that there is no representation, warranty, collateral agreement or condition affecting this Agreement or the Property other than as expressed herein in writing. This Agreement may not be amended or modified except by instrument in writing executed by each of the parties.

14. NOTICE

All notices, approvals, waivers and other documents permitted or required or contemplated by this Agreement (a "Notice") will be in writing and will be given by facsimile, email or by delivery courier, addressed, if to the:

Vendor: **THE CORPORATION OF THE
TOWN OF ORANGEVILLE**

ATTN: ED BRENNAN
ebrennan@orangeville.ca

With a copy to: John Hart
Ritchie Ketcheson Hart & Biggart LLP
206-1 Eva Rd
Etobicoke, Ontario
M9C 4Z5
jhart@ritchieketcheson.com

Purchaser: **ALIGROUP PROPERTIES INC.**

ATTN: AHMED AL-ALI
ahmed@aligroupproperties.com

Fax: 905-564-1638

With a copy to: Anne H. Stevens
Barrister & Solicitor
400 Walmer Road, Suite 806
Toronto, Ontario
M5P 2X7

Email: astevens7841@rogers.com
Fax: 416-921-9680

Any Notice to be given or delivered to the Vendor pursuant to this Agreement will be sufficient if delivered personally or by facsimile or email to the Vendor with a copy to its solicitor and any Notice to be given or delivered to the Purchaser will be sufficient if delivered personally or by facsimile or by email to the Purchaser with a copy to its solicitors. Any Notice given or delivered as required will be deemed to have been received on the date of delivery, if delivered personally or on the date sent by facsimile or email if sent on a Business Day. Any Notice may be given or delivered by the parties or their respective solicitors on their behalf.

15. RELATIONSHIP OF THE PARTIES

Nothing herein shall be construed so as to make the Purchaser a partner of the Vendor or an owner of the Property for the purpose of the *Construction Act*, as amended.

16. SUCCESSORS AND ASSIGNS

This Agreement shall enure to the benefit of and be binding upon the parties hereto, their respective heirs, executors, administrators and other legal representatives and to the extent permitted hereunder, their respective successors and assigns.

17. HEADINGS

The headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

18. APPLICABLE LAW

This Agreement shall be interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable thereto.

19. FURTHER ASSURANCES

Except as provided herein, each of the parties shall, at the cost and expense of the other party, execute and deliver all such further documents and do such further acts and things as the other party may reasonably request from time to time to give full effect to this Agreement.

20. NON MERGER

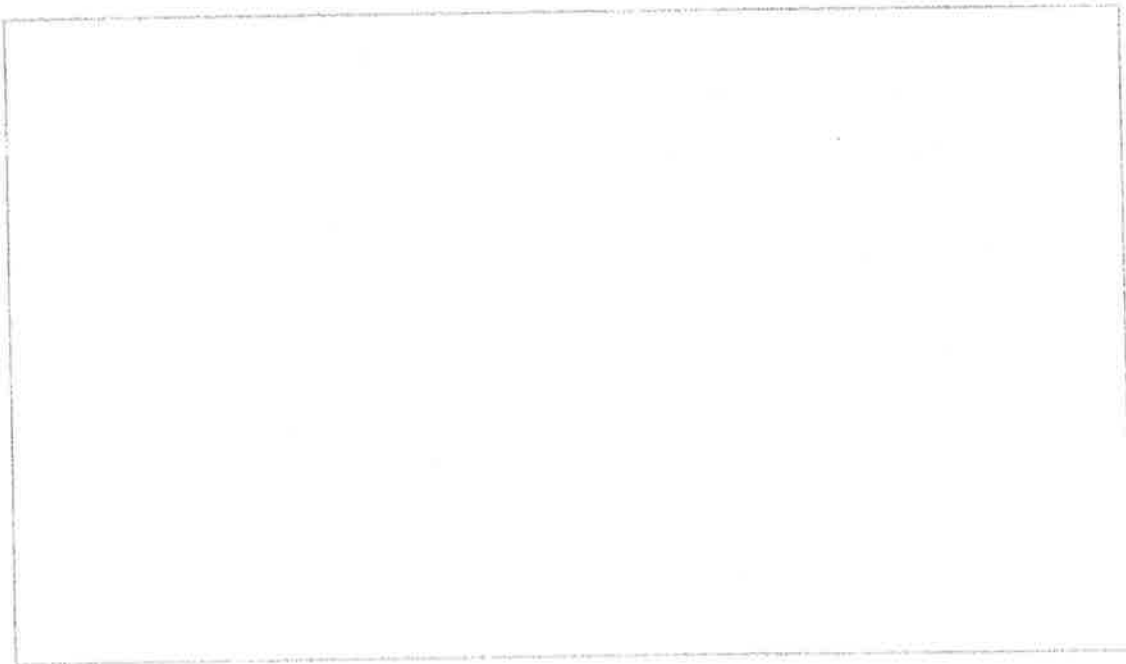
None of the provisions of this Agreement shall merge in the transfer of the Property or any other document delivered on the Closing Date and the provisions of this Agreement shall survive the Closing Date and shall continue in full force and effect for a period of one year following the Closing Date, except as otherwise set out in this Agreement with respect to any particular section or sections thereof.

21. COMMISSION

The Purchaser and the Vendor each represent and agree that they have not entered into any agreement or incurred any obligation which might result in an obligation for either party to pay a sales or brokerage commission or finder's fee for this transaction.

22. BUSINESS DAY

Business Day means any day other than a Saturday, Sunday or statutory holiday in the Province of Ontario.



IN WITNESS WHEREOF the Purchaser has executed this Agreement by its authorized signing officers this 9th day of July, 2021.

ALIGROUP PROPERTIES INC.

Per: _____

Name: Ahmed Al-Ali

Title: President

Per: _____

Name: _____

Title: _____

IN WITNESS WHEREOF the Vendor has executed this Agreement by its authorized signing officers this 13th day of July, 2021.

THE CORPORATION OF THE TOWN OF ORANGEVILLE

Per: _____

Name: Ray Osmond

Title: Acting CAO

Per: _____

Name: Karen Handry

Title: Clerk

We have authority to bind
the Corporation

SCHEDULE "A"

Legal description of the Property

PART LOTS 2 & 3 CONCESSION C EAST GARAFRAXA, AKA SPUR LINE, PARTS 3 & 4
7R2408, PART 4 7R4182 EXCEPT PART 1 7R6551; TOWN OF ORANGEVILLE

PIN: 34003-2727 (LT)