

TORONTO ISLANDS RESIDENTIAL COMMUNITY
TRUST CORPORATION

STANDARD PURCHASE AND SALE TERMS

October 12, 2005

These Standard Purchase and Sale Terms are part of Sale Offers made by the Toronto Islands Residential Community Trust Corporation (the “Trust”). Where this document refers to the “Offer” or “Sale Offer” it means any Sale Offer of which these Standard Sale Terms are a part. The Trust, the Seller and the Buyer are bound by these terms.

These Standard Purchase and Sale Terms are part of Sale Offers made by the Toronto Islands Residential Community Trust Corporation. The Seller, the Trust and the Buyer are bound by these terms and agree to perform them.

- (a) “Standard Sale Terms” means these Standard Purchase and Sale Terms, including the Appendices.
- (b) The “Trust” means the Toronto Islands Residential Community Trust Corporation.
- (c) The “Seller” means the party named as the Seller in the Sale Offer.
- (d) The “Buyer” means the party named as Buyer in the Sale Offer.
- (e) Where this document refers to the “Offer” or “Sale Offer” it means any Sale Offer of which these Standard Sale Terms are a part.
- (f) “Property” means the house and the Land Lease of the land related to it that are being sold under a Sale Offer. Sometimes “Property” means the land itself that is subject to a Land Lease and/or the house on the land.

1. **Supporting materials:** To fully understand what the Buyer is buying, the Buyer should review the *Toronto Islands Residential Community Stewardship Act*, as amended (the “Act”) and the *Regulations* adopted under the Act. In addition, the Seller and Buyer should review the following materials available from the Trust:

ADDITIONAL INFORMATION PACKAGE

- (a) These Standard Sale Terms.
- (b) The Trust’s Guide to Sales.
- (c) Summary page from the most recent appraisal of the Property.
- (d) Copy of survey of the Property (and nearby properties).
- (e) Standard form of statutory declaration of principal residence required from Buyer.
- (f) Lease requirements relating to principal residence.

IN-DEPTH BACKGROUND PACKAGE

- (g) Standard form of Trust Lease (“Standard Lease”).
- (h) *Toronto Islands Residential Community Stewardship Act* and Regulations, as amended.

- (i) Trust by-laws.
 - (j) Copy of full appraisal of the Property including Inspection Report of Carson & Dunlop, Engineers.
2. The items referred to above are available as follows:
 - **Additional Information Package:** Items (a) to (f) above are available without charge. They may be picked up during business hours at the Trust office, 102 Lakeshore Avenue, Ward's Island.
 - **In-Depth Background Package:** Items (g) to (j) may be examined at the Trust office during business hours. The entire package may be purchased for \$25.00 plus GST. Each individual item may be purchased for \$5.00 plus GST. Call the Trust Office at 416-203-6163.
3. Prior to acceptance of the Offer by the Buyer and the Seller, the Buyer may examine all items in the Additional Information Package and the In-Depth Background Package at the Trust office during business hours. An appointment is advisable. Arrangements can be made for viewing them at the Trust office and during periods for open houses, if any. After acceptance of the Offer by the Buyer and the Seller, and receipt of the Additional Deposit, a copy of all the above will be delivered to the Buyer. If the Buyer wishes copies of any of the above prior to the above time, they are available for the fee stated above. This fee is refundable to the Buyer on closing.
4. The Seller and Buyer acknowledge that when accepting the Offer, they are accepting all the foregoing. They form part of the Offer. It is the Seller's and Buyer's responsibility to be aware of and satisfied with the foregoing before accepting the Offer. The Trust may make any changes in the Standard Lease and the by-laws that it thinks appropriate.
5. **Deposits:** If the Buyer fails to provide the Additional Deposit when due in accordance with the Offer then, unless the Trust otherwise decides, the Sale Agreement will become void and the Trust will be entitled to retain the Initial Deposit as liquidated damages and not as a penalty. No agreement of purchase and sale binding on the Trust or the Seller will be created until both the Initial Deposit and the Additional Deposit are received. The Trust may revoke the Offer at any time until both the Initial Deposit and the Additional Deposit are received.
6. The Trust may in writing authorize payment of the deposits by letter of credit or alternative security. This must be authorized and the security provided prior to the time when the deposits are due.
7. Both the Initial Deposit and the Additional Deposit will be held by the Trust pending completion or other termination of the transaction and be credited towards the purchase price on completion. The deposits will not bear interest. If the transaction fails to close because of the default of the Seller or the default of the Trust, the deposits will be returned to the Buyer as the Buyer's sole remedy. If the transaction fails to close because of the default of the Buyer, the deposits will be retained by the Trust. If the deposits are retained by the Trust, as stated above, they will be the Trust's sole property, but the Trust may in its discretion authorize payment of expenses of the Seller out of the deposits.
8. **Arranging mortgage:** If the Buyer needs a mortgage to finance the purchase, the Buyer *must* arrange this prior to accepting the Offer or during the five business days after delivery by the Trust of notification of acceptance of the Offer by the Seller. The Agreement will be conditional on the Buyer arranging financing satisfactory to the Buyer during that period. If the Buyer forwards to the Trust the Additional Deposit referred to in the Offer, then the Buyer will be deemed to have arranged satisfactory financing or to have waived the condition.

9. **Inclusions:** The purchase price includes fixtures and chattels as stated in Appendix “A”.

10. **Time for closing:** The closing of the purchase will occur on the thirtieth day after delivery of the accepted Offer by the Seller. If this isn’t a business day, it will occur on the next business day.

11. **Possession:** The Seller must provide vacant possession on closing. The Property must be vacant by noon on the day of closing. The Seller will permit the Buyer to inspect at this time in order to prove that the Property is vacant.

11A. **Tenants:** **The Seller warrants that, if there is a tenant at the Property, the tenant is a monthly tenant only or has signed an agreement to terminate the tenancy that is valid under the *Tenant Protection Act*.**

The Seller warrants that any statements in the Sale Offer about tenancy arrangements are true and, if there are no specific statements, then there are no tenants at the Property.

If there is a tenant, the Buyer will have the option of closing the purchase and assuming the tenancy. The Seller will provide a warranty as to the terms of the tenancy.

If the Buyer does not wish to assume the tenancy, the Seller will take all reasonable steps to obtain vacant possession by the time for closing.

If the tenant has not signed an agreement to terminate the tenancy, then the Seller will give the tenant a notice of termination under the *Tenant Protection Act* on the basis of the Buyer requiring the property for his or her own personal use and occupation. The notice will be given by the Seller as soon as possible after the Buyer signs the Sale Offer. The date for closing will be extended to the third business day after the termination date in the notice (but not more than three months).

If the tenant has not vacated by the time of closing, the Buyer will have the option of postponing the closing for three months. In that case the Seller will promptly bring an application to the Rental Housing Tribunal to evict the Tenant and diligently pursue the application and eviction. If requested by the Seller, the Buyer will provide a declaration certifying that the Buyer in good faith requires the rental unit for his or her own personal use and otherwise participate in the Tribunal proceedings. The Seller will pay all legal and other costs in connection with the application or with obtaining possession.

If the tenant has not vacated by day of closing, or the day of closing as extended, then unless the parties otherwise agree, the Purchase Agreement will be at an end, the deposits will be returned to the Buyer without interest, neither the Trust nor the Buyer will have any liability to the other and the Buyer will be restored to his or her place on the Purchasers’ List. If the Seller has complied with this section 11A, then the Seller will have no further liability to the Buyer. The Seller will remain liable to pay all the Trust’s costs in connection with the matter. The Trust will have no obligation to take any legal action or incur any expense if the tenant does not vacate.

12. **Title examination:** The Buyer will accept the title subject to any registered restrictions, covenants, agreements or easements, which are complied with to the date of closing. The Buyer agrees to sign the standard Undertaking respecting granting easements to the City of Toronto as required by the Trust for the Property. The Buyer’s obligations are subject to the title being good and free from all encumbrances, except as set out in the Offer. The Buyer will examine the title at the Buyer’s expense and will not call for the production of any title deed, abstract of title, survey, proof or evidence of title other than those in the Trust’s or the Seller’s possession or under their control.

13. **Title requisitions:** If on or before the tenth day prior to the day of closing the Buyer furnishes the Trust and the Seller in writing with any valid objection to the title which the Trust and the Seller are unable or unwilling to remove or correct and which the Buyer will not waive, the Agreement will be null and void and the Trust and the Seller will not be liable for any costs or damages and the deposits will be returned to the Buyer without interest. The Seller will be responsible for all the Trust’s costs and expenses in connection with the Offer and the abortive sale. Except for any valid objection so made within such time or any objection going to the root of title, the Buyer will be conclusively deemed to have accepted the title of the Trust and the Seller to the Property.

14. **Mortgage discharges:** The Seller agrees to discharge at the Seller's cost and expense, on or before closing, any mortgages, charges or other encumbrances registered against the Property, except as stated in paragraph 12. If any discharge of a mortgage or security collateral to a mortgage is not available for registration on the day of closing, and the holder of the mortgage is a Canadian bank, life insurance company, trust company or credit union, the Buyer agrees to accept the Seller's undertaking to obtain and register the discharge within a reasonable time if the undertaking is accompanied by delivery of a satisfactory written discharge statement from the mortgagee and the Seller's direction to pay an appropriate portion of the balance due on closing to the mortgagee.

15. **Limited role of Trust:** The Buyer acknowledges that under the provisions of the *Act*, the Trust is an intermediary for the sale of the house by the Seller for the purpose of preserving the Purchaser List system—of which the Buyer is a beneficiary—even though title to the house, including any fixtures and chattels as stated in Appendix “A” will come from the Trust. Therefore, with respect to anything relating to the house, fixtures, chattels, possession or any other matters other than willful default by the Trust, any liability of the Trust to the Buyer will be limited entirely to any amounts that are recovered by the Trust from the Seller. The Buyer hereby releases the Trust, its directors, employees and agents from any claim beyond the above.

16. The Buyer acknowledges that the Trust has no control over the actions of the Seller in connection with the sale. Neither the Seller nor the Trust will be liable to the Buyer for any defaults by the other. The Trust's obligations under the Sale Offer are conditional on the Seller signing all documents and performing all acts necessary or desirable to permit the Trust to complete the sale as contemplated in the Sale Offer and these Terms. If the Seller does not do this, then notwithstanding any intermediate acts or negotiations, the Agreement will be null and void and the Trust will not be liable for any costs or damages and the deposits will be returned to the Buyer without interest, without prejudice to any claim of the Buyer against the Seller.

17. **Land and house accepted “as is” as against Trust:** The Buyer accepts the land and house “as is”. The Trust has no responsibility to the Buyer for the land or the house on the land.

18. The Buyer acknowledges that the Trust makes no representation or warranty and is under no obligation as to the condition of the land or house, the suitability of the land for the house existing on it or for construction of a house, compliance of the land or house with environmental or other laws, by-laws, regulations, codes, standards, agreements or requirements of any authority, or anything else. The Trust may have knowledge of breaches of the foregoing and of other problems related to the land and the house beyond what appears in the materials mentioned earlier in this document, but the Buyer expressly agrees that the Buyer does not wish to share that knowledge or see any information the Trust may have, but rather the Buyer relies exclusively on the Buyer's own knowledge and investigations.

19. The Seller warrants that to the best of the Seller's knowledge and belief the house has never been insulated with urea formaldehyde foam insulation. Other than the above the Seller makes no representation or warranty and is under no obligation as to the condition of the land or house, the suitability of the land for the house existing on it or for construction of a house, compliance of the land or house with environmental or other laws, by-laws, regulations, codes, standards, agreements or requirements of any authority, or anything else.

20. **Work orders:** The Buyer will accept the Property despite any work orders or orders to comply or deficiency notices outstanding or pending against the Property, if any work order, order to comply or deficiency notice was identified in the Offer. Despite paragraphs 17 to 19, if on or before the tenth day prior to the day of closing the Buyer furnishes the Trust and the Seller in writing with evidence of any additional work orders or orders to comply or deficiency notices, then unless the Seller does any necessary work to repair the situation before the day of closing, or the Buyer agrees to accept the Property

subject to the work orders or orders to comply or deficiency notices, or the parties otherwise agree, the Agreement will be null and void and the Trust and the Seller will not be liable to the Buyer for any costs or damages and the deposits will be returned to the Buyer without interest. In such a case the Seller will be responsible for all the Trust's costs and expenses in connection with the Offer and the abortive sale. Unless a written agreement to the contrary is signed by the parties on or before closing, then if the transaction closes, the Buyer will be conclusively deemed to have accepted the Property subject to the work orders or orders to comply or deficiency notices and will have no claim against the Seller or the Trust with respect to the work orders or orders to comply or deficiency notices.

20 A. This Paragraph applies only if the sale is under Section 17 (6) of the Act.

Standard Lease: The Buyer acknowledges that because the sale is under section 17(6) of the *Act*, the Buyer will be the party initially signing a land lease with the Trust. The lease will be in the form of the Standard Lease. The Buyer acknowledges and accepts the provisions of the Standard Lease, including without limitation the provisions indicating that the Trust has no responsibility for the house and land and the other limitations of liability of the Trust, as stated in various points in the Standard Lease, including 1.3, 6.1 and elsewhere.

21. Boundaries: The Buyer accepts the boundaries of the land as determined under the Standard Lease. The Buyer accepts the land subject to any encroachments by structures on adjacent properties. The Buyer acknowledges that the Buyer is considered a new owner under the Lease and so will not be entitled to maintain existing encroachments of structures on the Property in their present position. The following is an excerpt from paragraph 3.3 of the Standard Lease:

- The new owner will have the responsibility of removing the encroachments. However, the new owner won't have to do this if the adjacent owner permits the encroachments to stay in place. Any such permission may be revoked on reasonable notice.

Rights respecting encroachments are stated in the Standard Lease.

22. Adjustments: Adjustments to the amount of money payable on closing will be made with respect to any of the following that are applicable: the purchase price, the Trust's annual operating levy, administrative and other fees and other amounts owing to the Trust, taxes, sewer and water levies, utilities and similar items. The Seller will be responsible for taxes, sewer and water levies, occupation charges and utilities to the day of closing. The day of closing will be for the Buyer's account. Insurance will not be transferred without the consent of the Buyer. As between the Seller and a Protected Occupant or tenant, the Protected Occupant or tenant may be responsible for taxes, sewer and water levies, occupation charges and utilities, but the Seller will be responsible as against the Buyer. Subject to adjustments, the Seller will receive the entire purchase price for the house and the portion of the purchase price for the lease that is legally payable to the Seller. The remaining part of the purchase price for the lease will be remitted by the Trust to the City of Toronto.

23. Sewer and water levies: Sewer and water levies are chargeable by the City of Toronto under section 5 of the *Act*. The City set this levy \$4,850.70 as of December 31, 1996. The Buyer will accept the Property subject to the obligation to pay this levy. The levy will be adjusted on the basis of a total levy of \$4,850.70 payable over fifteen years from January 1, 1997. The Seller will pay the portion of the \$4,850.70 accruing from January 1, 1997 until the day of closing and any accrued interest thereon. This will include interest that has accrued even though it will not be charged by the City until the following year. Neither the Seller nor the Trust will be responsible for any part of the \$4,850.70 accruing prior to January 1, 1997, whether considered to be on account of interest or the principal of the levy. **If the Seller has prepaid the levy, then the Buyer will pay on closing the portion of the prepayment applicable from the day of closing until December 31, 2012.**

24. **Readjustment obligations:** The Trust will prepare a statement of the adjustments to show to the Buyer and Seller in advance. Each of the Buyer and Seller will enter into an undertaking to readjust with the Trust. The Trust may retain a holdback from the amount payable to the Seller in an amount determined by the Trust for a reasonable time after closing to cover the obligation to readjust. The obligation of the Trust to readjust with the Buyer will be limited to amounts that are recovered from the Seller. The obligation of the Trust to readjust with the Seller will be limited to amounts that are recovered from the Buyer. The Trust will have no obligation to take legal action against either the Buyer or the Seller for the benefit of the other, but may do so if it feels it appropriate in view of the amounts involved and any indemnity for the Trust's costs and expenses given by the party claiming the adjustment.

25. **Right of entry:** The Buyer and persons designated by it, such as mortgage appraisers, will have the right to enter and inspect the Property at reasonable times during business hours or in the evening, as arranged with the Seller, for a maximum of three times after acceptance of the Offer by all parties and prior to closing.

26. **Inspections authorized:** In order to fully inform the Buyer of the status of the Property, the Seller and the Trust hereby authorize and direct all municipal, provincial, federal and other authorities having jurisdiction over the Property, to conduct such inspections and provide the Buyer with such information, certificates, clearances, and statements relating thereto, as the Buyer may in writing request, all at the Buyer's own expense. The Seller and the Trust agree to sign specific authorizations under this paragraph within two (2) days of request by the Buyer.

27. **Changes to Property:** Until completion, all buildings and equipment on the Property will be and remain at the risk of the Seller. In the event of damage after the date of the appraisal referred to above and prior to completion of the transaction which is reasonably likely to cost more than \$5,000 to repair, the Buyer will have the right to elect to take the proceeds of any insurance and complete the purchase, or to terminate the Agreement, whereupon it will be entitled to the return of the deposits. In the event of lesser damage, the Seller will repair such damage prior to the day of closing or will allow the Buyer an abatement in the purchase price equal to the reasonable cost of such repair. In the case of termination, the Seller will be responsible for all the Trust's costs and expenses in connection with the Offer and the abortive sale.

28. **Documents:** The Transfer/Deed of Land and the lease will be prepared by the Trust and signed by the relevant parties. The Trust is undertaking an administrative obligation only. Any unusual expenses will be charged back to the party responsible. The Buyer and Seller each accepts responsibility for costs and charges as stated in the Guide to Sales, whether or not the transaction closes.

29. **Taxes:** The Seller and Trust will each provide on closing a statutory declaration that it is not then a non-resident of Canada under the *Income Tax Act (Canada)*. If the Seller or Trust does not do so, then it will provide the prescribed certificates under the provisions of Section 116 of the *Income Tax Act*, or the Buyer (or Trust, if applicable) will withhold from the purchase price and pay to the Minister of National Revenue amounts determined in accordance with Section 116 of the *Income Tax Act*. The Seller will provide such evidence as the Buyer's or Trust's solicitors may reasonably require to establish that there is no Goods and Services Tax payable on the purchase price for the Property under the *Excise Tax Act (Canada)*. In the event that Goods and Services Tax is payable, the purchase price will include Goods and Services Tax, which will be paid by the Seller or withheld from the balance due on closing without any cost or liability on the part of the Trust or the Buyer.

30. **Miscellaneous:** The Offer, when duly accepted by all parties with the Initial Deposit and Additional Deposit paid, (and not until then), will constitute a binding contract of purchase and sale. The "Agreement" will mean the agreement consisting of the Offer signed by the Trust and accepted by the Buyer and Seller and these Standard Sale Terms. The Agreement may not be assigned by any party. The Agreement will be binding upon the parties, their respective heirs, executors, administrators and successors.

However, any assignment or succession will be valid only to the extent permitted by the *Act*. Time will be of the essence of the Agreement. The phrase “business days” as used in the Agreement shall exclude Saturdays, Sundays, statutory holidays and days when the relevant land registration offices are not open for business and specific times shall be in accordance with the system of standard or daylight saving time in effect in Toronto. The lawyers acting for the Seller, the Trust or the Buyer, if any, are hereby authorized on behalf of their respective clients, to give or receive any monies, notices, approvals, waivers or other documentation in connection with the sale, or to agree to any variation of the provisions of the Agreement. The Trust (and their lawyer) is authorized to agree to any variation of the closing date or other time-related provisions of this Agreement without the consent of the Seller, and any such agreement is binding on the Seller. Money may be tendered by bank draft or cheque certified by a chartered bank, trust company or Province of Ontario Savings Office. The Agreement will be read with all changes of gender or number required by the context.

31. **Entire agreement:** The Agreement will constitute the entire agreement among the parties and there is no representation, warranty, collateral agreement or condition affecting the Agreement or the land or house or supported by the Agreement other than as expressed herein. Transmission of a signed copy of the Agreement by facsimile will constitute “delivery” for all purposes as if original signed copies had been delivered. The Agreement may be signed in counterpart and the counterparts together will constitute the whole. The provisions of the Agreement will survive the closing and will not merge in any document to be delivered on closing.

32. **Matrimonial home:** A spouse has an interest in a matrimonial home. For this purpose spouse is as defined in section 1 of the *Family Law Act* and excludes a “common law” spouse. The Seller warrants that acceptance of the Offer by the Seller complies with the *Family Law Act* because

- the Seller’s spouse has signed the Offer to consent to the sale or as one of the Sellers;
- the Seller is not a spouse within the meaning of section 1 of the *Family Law Act*; or
- no part of the Property is a matrimonial home within the meaning of the *Family Law Act*.

On completion the Seller will provide all required signatures under the *Family Law Act*, or deliver sufficient proof that no part of the Property is a matrimonial home within the meaning of the *Family Law Act* or otherwise comply with the provisions of the *Family Law Act*. The spouse of the Buyer will sign documents to consent under the *Family Law Act*, if requested by the Trust.

33. **Responding to Offer:** To create a binding contract of purchase and sale, the following steps must take place:

- (a) The Buyer must return the Offer as stated in paragraph 7 of the Offer, together with the Initial Deposit by the date stated in paragraph 7.
- (b) The accepted Offer will be presented to the Seller.
- (c) The Seller will have thirty days to sign the Offer from when it is delivered to the Seller by the Trust. No changes are permitted. This is called “acceptance of the Offer”. The Trust will provide the Buyer with written notice of acceptance of the Offer.
- (d) Within five business days of delivery of notice of acceptance of the Offer, the Buyer must deliver the Additional Deposit referred to in paragraph 5 of the Offer. This is called acceptance of the Offer by the Buyer. During this period the Buyer must arrange a mortgage or other financing, if the Buyer needs financing.

34. **Completing offer:** In filling in an Offer, the Buyer must insert an address and phone number where they can be reached, or designate a lawyer or other party to whom notices can be given on their behalf. **Failure to fill this in may disqualify an Offer without further notice.** These communications will be vital and the time frames will be very short.

35. **Multiple entries:** If more than one person is shown as a single entry on the Purchaser List, the following rules apply:

- (a) Each person whose name is on a single entry must sign the Offer.
- (b) If one person is away, then the Offer must be sent to them or a power of attorney **in proper legal form** must be obtained. The original power of attorney must be delivered with the Offer.
- (c) If one person no longer wishes to be part of the entry, then they must resign their position on the Purchaser's List by notice in writing delivered to the Trust. The notice must be signed by the person resigning from the list and dated and witnessed by someone who is not also on the list. This must be given to the Trust office **with** the accepted offer.

36. **Simultaneous offers:** If so stated in the Sale Offer, The Trust is offering a number of properties simultaneously to people on the Purchaser List. Additional rules governing this process are stated in Appendix "B". The party who accepts the Offer and with highest priority on the Purchaser List referred to in section 25 of the *Act* will be the party whose Offer is processed. The Offer is conditional on someone with higher priority on the Purchaser List not accepting an Offer on the Property.

37. **Irrevocable period:** The obligations of the Buyer created by signing the Offer will be irrevocable and not subject to withdrawal for a period of three months from the date of delivery of the signed Offer by the Buyer to the Trust. Even if the Offer is not processed by the Trust, the Trust may retain the Initial Deposit for a reasonable period of time in case an entry with higher priority on the Purchaser List does not comply with its obligations. The Offer made by the Trust may be revoked by it at any time until the Offer is accepted by the Seller and both the Initial Deposit and the Additional Deposit are received.

APPENDIX “A” CHATELS AND FIXTURES

The sale includes all fixtures that were at the house at the time of the most recent appraisal. There is no additional charge for fixtures. Things that were specifically mentioned in the appraisal of the house are included, whether chattels or fixtures. There is no additional charge for such things. No other chattels are included in the sale.

Chattels generally means moveable personal property that is not attached to a house and doesn't form part of the basic systems of a house. Owners can take chattels with them. Fixtures generally means things that are attached or that form part of the basic systems of a house. Fixtures must be left with the property.

The following rules deal with specific types of chattels and fixtures. They govern over any general or common law rules relating to what is a chattel and what is a fixture. This list is not exhaustive. Failure to mention anything doesn't govern whether it is a chattel or fixture. Specific mention in the appraisal governs over this list.

FLOORS

Floor coverings: Carpeting that is glued or tacked down or otherwise attached to the floor is a fixture. Loose rugs of any kind, whether they are oriental rugs, throw rugs or broadloom, are considered chattels even if they go wall to wall. Wall to wall carpeting is a fixture even if it is not attached, where it covers an unfinished floor. A plywood floor is unfinished even if it has paint, urethane or other substance on it.

WALLS AND CEILINGS

Wall paper and other attached wall coverings are fixtures, even if they are “strippable” or removable without damage.

Mirrors are fixtures if they are solidly attached rather than hung like pictures.

Drapes, venetian blinds and other blinds are not fixtures. **Drapery tracks and valances** are fixtures.

Stained glass or the like that forms part of a window or door is a fixture.

Storms and screens are fixtures even if they are removable.

SYSTEMS

The **heating system** is a fixture. This includes electric baseboard heaters, fireplaces, etc. regardless of whether or not attached. **Plug in portable heaters** are chattels.

Wood stoves are chattels, even if they are the only heating system. If the Seller removes a wood stove, then prior to closing the Seller must remove any vent pipes and close off, make watertight and properly finish any holes in the roof or walls related to a wood stove in the same way as the surrounding area of the roof or walls. Any damage to the floor must also be fixed by the Seller. The Seller doesn't have to do this if the Seller leaves the wood stove with the house.

Hot water heaters are fixtures. However, it is acceptable if the hot water heater is rented from Consumers' Gas, Toronto Hydro or other public utility. The Buyer won't have to assume any lease, chattel mortgage, conditional sales contract or similar document unless it is agreeable to the Buyer. If the Buyer doesn't want to assume the contract, then the Seller must remove the hot water heater prior to closing.

Built-in fans, humidifiers and air-conditioners are fixtures, unless they can be removed without doing any damage or leaving anything to be repaired. Therefore, **ordinary window air conditioners** are usually not fixtures.

Light fixtures: Light fixtures are fixtures. Only plug in lamps are chattels.

Electrical: Circuit breaker panels, fuse boxes, normal circuit breakers and fuses, light bulbs installed in each light fixture are fixtures and are included.

Toilets and plumbing fixtures are fixtures.

Built-in appliances, including dishwashers, built-in ovens, built-in counter top cooktops, are fixtures.

Ordinarily movable refrigerators, stoves, microwave ovens, barbecues, etc. are not fixtures

Central vacuum cleaner systems are fixtures, including the vacuum cleaner itself.

Kitchen cupboards, counters and the like are fixtures.

Built-in bookshelves are fixtures.

MISCELLANEOUS

Keys are fixtures.

Fences, permanent garden structures, hard landscaping, permanent fountains, decks, sheds, plants, trees and shrubs are fixtures. Portable pools, portable prefabricated garden sheds and the like are not fixtures. **Piped-in gas barbecues are not fixtures, but the pipes must be properly and legally capped off by the Seller.**

APPENDIX "B"Toronto Islands Residential Community
Additional Acceptance Rules

If so stated in the Sale Offer, the Trust is offering a number of properties simultaneously to people on the Purchaser List. These additional rules govern accepting the Offer:

MULTIPLE OFFERS

1. A Buyer can purchase only one Property.
2. If you are interested in purchasing one of the Properties being offered, please sign and return the Offer and indicate a preference for that Property.
3. If you are prepared to purchase more than one of the available Properties, (it could be all of them), then sign the Offer and indicate your order of preference.
4. If more than one person accepts an Offer and indicates a preference for a Property, the Offer from the person with the highest priority on the Purchaser List will be the one that is processed by the Trust.
5. Please note that, since someone ahead of you on the Purchaser List might not come up with their Additional Deposit, your Initial Deposit may be kept for several weeks, in case you should become the Buyer.

NON-ACCEPTANCE BY BUYER WITH HIGHER PRIORITY

6. If your Offer is approved with respect to a specific Property and you pay the Deposits referred to earlier, you will be entitled to purchase that Property. However, someone with higher priority on the Purchaser List might not come up with their Additional Deposit. If that happens and you had indicated a preference for that Property, you will be given an opportunity to buy that Property instead of the one originally allocated to you.
7. Since this could happen a number of times with buyers ahead of you on the Purchaser List, there will be a period of some uncertainty. The Trust will keep you advised.