

AGREEMENT OF PURCHASE AND SALE (hereinafter called the "APS")
this 15th day of April, 2016.

BETWEEN:

THE CORPORATION OF THE TOWN OF MINTO
(hereinafter called the "Purchaser")

-and-

PALMERSTON TRAIL ASSOCIATION INC.
(hereinafter called the "Vendor")

WHEREAS the Vendor is the owner, in fee simple, of the lands and premises described in Schedule "A" (the "Property");

NOW THEREFORE IN CONSIDERATION of the mutual covenants and promises in this Agreement, the parties agree as follows:

**SECTION I
GENERAL**

1. The Purchaser agrees to purchase the Property and the Vendor agrees to sell the Property according to the terms of this Agreement.
2. In consideration of the agreement referred to in the preceding paragraph, the Purchaser shall pay a total Purchase Price of Two Dollars (\$2.00) shall be paid to the Vendor on the Completion Date, by certified cheque.

**SECTION II
PURCHASE OF PROPERTY**

3. Deed
 - (a) The Vendor agrees to deed or transfer the Property to the Purchaser subject to the terms of this Agreement.
4. Completion Date
 - (a) The closing of this transaction shall take place forty-five (45) days from the date of execution of the APS, or such other date as mutually agreed upon (the "Completion Date") at which time possession of the Property in "as is, where is" condition shall be given to the Purchaser other than as provided in this APS. The Vendor acknowledges that it has the right and authority to sell the Property.

5. Council Approval

- (a) This transaction is subject to compliance with Section 270 of the *Municipal Act, 2001*, S.O. 2001, c. 25 as amended and the approval of the Council of The Corporation of the Town of Minto in its sole and absolute discretion by by-law. Council approval shall be obtained on or before the Completion Date, or this agreement will be null and void and the deposit returned without interest or deduction.

6. Documents, Reports and Information

- (a) The Vendor will produce and deliver to the Purchaser within thirty (30) days of the execution of the APS any documents, reports or information in its possession in respect to the Property. The Purchaser agrees to return all of the above documentation to the Vendor if this transaction is not completed.

**SECTION III
CONDITIONS, REPRESENTATIONS AND WARRANTIES**

7. “As Is” Condition

- (a) The Purchaser acknowledges that it is acquiring the Property in an “as is” condition and that it must satisfy itself within thirty (30) days of the execution of the APS regarding the condition of the Property including, but not limited to, all existing physical conditions of this Property, environmental conditions, fitness for any purpose, suitability for construction, soil bearing capacity for any building proposed, and the availability of municipal services and utilities necessary for the Purchaser’s proposed use of the Property. The Purchaser acknowledges that the Vendor shall not be responsible for any physical deficiencies of this Property or for any past, present or future environmental liabilities and hereby waives any claims against the Vendor in respect of any environmental liabilities on this Property. The Purchaser agrees to sign a release and indemnity in favour of the Vendor on or before closing with respect to matters set out in the preceding sentence. If the Purchaser is for any reason whatsoever dissatisfied with the Property, it shall deliver written notice to that effect to the Vendor by no later than the time specified herein, and this Agreement shall be terminated and the deposit shall be returned to the Purchaser without interest or deduction. If the Vendor is notified that the condition of the Property is not satisfactory, then the Purchaser shall, prior to receiving its deposit monies back and prior to being entitled to a full release from the Vendor with respect to this Agreement, restore the Property to its original condition as it existed prior to such testing or inspection by the Purchaser, at the Purchaser’s sole expense. If the Purchaser fails to deliver written notice to the Vendor within the time specified herein regarding this condition, this condition shall be deemed to have been waived by the Purchaser.

8. Investigation by the Purchaser

- (a) The Purchaser acknowledges having inspected the Property prior to executing the APS and understands that upon the execution by the parties of this APS, and subject to any conditions herein, there shall be a binding agreement of purchase and sale between the Purchaser and the Vendor. It shall be the Purchaser’s responsibility to provide, at its own expense, any soil bearing capacity tests or environmental inspection, as may be required or desired, and the Vendor shall grant the Purchaser access for such testing or inspection at all reasonable times, on reasonable notice, for the purpose of conducting reasonable inspections.

9. Future Use

- (a) The Vendor advises there is no condition, express or implied, representation or warranty of any kind that the future intended use of the Property by the Purchaser is or will be lawful except as may be specifically stipulated elsewhere in this Agreement. The Purchaser agrees that the lands are being purchased for the purposes of a public trail, and that should the Purchaser being the TOWN OF MINTO receive a bona fide offer to purchase any part of the lands for a use other than public trail, the Vendor being the PALMERSTON TRAIL ASSOCIATION INC. shall have the right to elect to purchase the same lands under the same terms and conditions outlined in the said bona fide offer. The Town agrees to provide a copy of any bona fide offer to the Vendor along with minimum 30 days' notice within which the Vendor may choose to exercise its right to purchase. If after receiving notice the Vendor does not exercise its right to purchase the lands within 30 days, the Purchaser has the right to conclude the sale as per the original bona fide offer and the Vendor PALMERSTON TRAIL ASSOCIATION shall have no further right to the lands whatsoever. The terms of this paragraph 9(a) shall survive closing of this transaction.

**SECTION IV
PRIOR TO COMPLETION DATE**

10. Purchaser May Inspect the Property

- (a) The Purchaser, its agents and contractors shall be permitted to inspect the Property and the buildings as frequently as is reasonably necessary between the date of acceptance hereof and the Completion Date at reasonable times and upon reasonable notice to the Vendor.

11. Insurance

- (a) Pending closing, the Vendor shall hold all insurance policies and the proceeds thereof in trust for the parties as their interest may appear and in the event of damage to the Property. The Purchaser may elect to either receive the proceeds of the insurance and complete the purchase or to cancel the APS and have all the deposit monies paid to the Vendor returned together with all interest earned thereon without deduction.

**SECTION V
COMPLETING THE TRANSACTION**

12. Deed

- (a) The Deed or Transfer of the Property will be prepared at the expense of the Purchaser in a form acceptable to the solicitors for the Purchaser and the Purchaser will pay all Land Transfer Tax, Harmonized Sales Tax and other costs in connection with the registration of it.

13. Electronic Registration

- (a) The parties agree that the transaction shall be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, c.L.4 as amended. The parties acknowledge and agree that the delivery and release of documents may, at the discretion of the lawyer: a) not occur contemporaneously with the registration of the transfer/deed and other registerable documentation, and b) be subject to conditions whereby the lawyer receiving documents and/or

money will be required to hold them in trust and not release them except in accordance with the terms of a written agreement between the lawyers entered into in the form of the Document Registration Agreement adopted by the Joint LSUC-OBOA Committee on Elective Registration of Title Documents.

14. Letters and Reports from Officials of the Vendor

- (a) On or before the requisition date, the Vendor agrees to provide to the Purchaser, at the Vendor's expense, letters or reports from the Fire Chief of the Town of Minto and the Building and Zoning Department of the Town of Minto regarding the status of compliance with all codes, by-laws, rules and regulations with respect to the Property and the buildings located thereon.

15. Examination of Title

- (a) Title to the Property shall be good and marketable and free from all encumbrances except for any service easements or rights-of-way to be reserved in favour of the Vendor and for any easements or rights-of-way registered on title and any minor encroachments shown on the survey or Reference Plan delivered to the Purchaser.
- (b) The Purchaser is allowed thirty (30) days from the execution of the APS to examine the title to the Property. If on or before this date the Purchaser furnishes the Vendor in writing with any valid objections: to the title; to any undisclosed outstanding work orders; to undisclosed non-compliance with the municipal by-laws or covenants and restrictions which run with the land and cannot be resolved before the Completion Date; as to any objection of which the Vendor shall be unable to remedy or correct by the Completion Date and which the Purchaser will not waive, then this APS shall, notwithstanding any intermediate acts or negotiations, be terminated and the deposit shall be returned to the Purchaser without deduction and the Vendor and the Purchaser shall not be liable for any costs, damages, compensation or expenses.

16. Vendor to Discharge all Encumbrances

- (a) The Vendor agrees to obtain and register at its own expense, on or before the Completion Date, a discharge of all liens, encumbrances, agreements and mortgages now registered against the Property and not assumed by the Purchaser. The Vendor further covenants and agrees to discharge, on or before the Completion Date, any and all liens, chattel mortgages, assignments or any other security interest given by the Vendor against its personal Property.

17. Adjustments

- (a) The Vendor agrees that all security deposits, if any, held by the Vendor including interest thereon shall be credited to the Purchaser in the Statement of Adjustments prepared for the Completion Date.
- (b) Any rents, mortgage, interest, taxes, local improvements, water and assessment rates shall be apportioned and allowed to the Completion Date, the day itself to be apportioned to the Purchaser.

18. Deliveries by the Vendor To The Purchaser on Closing

- (a) The Vendor covenants and agrees to deliver to the Purchaser on the Completion Date, all such deliveries to be a condition of the Purchaser's obligation to close this transaction, the following:
 - (i) A deed of the Property;

- (ii) Any survey or reference plan of the Property in the possession of the Vendor;
 - (iii) A Statutory Declaration by an authorized officer of the Vendor stating that accurateness and truthfulness of all of the representations and warranties;
 - (iv) A Statutory Declaration by an authorized officer of the Vendor as to possession of the Property in a form acceptable to the solicitors for the Purchaser;
 - (v) A Statutory Declaration by an authorized officer of the Vendor that it is not now, and upon completion will not be, a “non-resident person” within the meaning and for the purpose of Section 116 of the Income Tax Act, R.S.C., 1985, c. 1 (5th Supp.) as amended;
 - (vi) Certified copies of all appropriate Certificates, By-Laws and other documents of Vendor authorizing the transaction herein; and
 - (vii) Such further documentation and assurances as the Purchaser may reasonably require to complete the transaction contemplated by the APS.
19. Harmonized Sales Tax
- (a) The parties hereto acknowledge and agree that the transaction contemplated herein is subject to the Harmonized Sales Tax (HST) under the Excise Tax Act, R.S.C., 1985, c. E-15 (the “Act”) and that the Purchase Price does not include HST. The Vendor shall provide the Purchaser with its HST Business Number. The Purchaser shall pay to the Vendor any HST imposed under the Act payable in connection with the transfer of the Property to the Purchaser, or as it may direct, unless the Purchaser or its nominee, or its assignee, provides:
 - (i) A certificate on or before the Completion Date containing a representation and warranty to the Vendor that:
 - (1) It is registered for the purpose of the HST on the Completion Date and specifying the HST registration number;
 - (2) It will self-assess the HST on its GST/HST return or file the prescribed form pursuant to subsection 228(4) of the Act in connection with the purchase of the Property; and
 - (3) The Property transferred pursuant to this APS is being purchased by the Purchaser, or its nominee or assignee, as principal for its own account and is not being purchased by the Purchaser as agent, trustee or otherwise on behalf of or for another person, and does not constitute a supply of residential complex made to an individual for the purpose of paragraph 221 (2)(b) of the Act.
 - (4) An indemnity, indemnifying and saving harmless the vendor from any HST payable on this transaction and penalty and interest relating to HST; and
 - (5) A notarial true copy of its HST registration confirmation.

SECTION VI MISCELLANEOUS

20. Entire Agreement

- (a) There is no representation, warranty, collateral agreement or condition affecting this Agreement of the Property other than expressed herein.

21. Tender

- (a) Any tender of documents or moneys hereunder may be made upon the solicitor acting for the party upon whom tender is desired, and it shall be sufficient that a negotiable, certified cheque may be tendered instead of cash.

22. Time of Essence

- (a) Time shall be of the essence of this Agreement.

23. Planning Act

- (a) This Agreement shall be effective only if the provisions of Section 50 of the Planning Act, R.S.O. 1990, c.P.13, as amended are complied with.

24. Notices

- (a) All notices in this Agreement shall be in writing and shall be deemed to have been given if delivered by hand or mailed by ordinary mail, postage prepaid, addressed to the solicitor for the person to whom such notice is intended to be given at the following address:

Solicitors for the Vendor:

Duncan, Linton LLP
ATTENTION: J. David Linton
45 Erb Street West
P. O. Box 457
Waterloo, ON N2J 4B5
Fax: (519) 886-8651

Solicitors for the Purchaser:

Duncan, Linton LLP
ATTENTION: Patrick J. Kraemer
45 Erb Street West
P. O. Box 457
Waterloo, ON N2J 4B5
Fax: (519) 886-8651

If mailed, such notices must also be given by facsimile transmission on the date it was so mailed. If so given, such notices shall be deemed to have been received on the first business day following the date it was delivered or marked mailed out.

25. Successors and Assigns

- (a) The Purchaser shall be permitted to assign all of its right, title and interest in and to this APS with the Vendor's written approval which shall not be unreasonably withheld. Subject to the restrictions in the preceding sentence, the Vendor agrees to engross the Transfer/Deed of Land as directed by the Purchase on the completion Date as the Purchaser may elect, and the Vendor agrees to complete the transaction contemplated by this APS on the Completion Date with such assignee or nominee. The Purchaser is released from all liability hereunder, if it assigns its interest in this APS. This Agreement shall be binding upon the parties hereto and their respective successors and assigns.

26. Schedules

(a) The following Schedules shall form an integral part of this Agreement:

(i) Schedule "A" Description of Property

27. Acceptance by Fax

(a) The Purchaser and Vendor acknowledge and agree that the communication of this Agreement of Purchase and Sale may be transmitted by way of a facsimile machine, and that they agree to accept such signatures and documents to be legal and binding upon them.

28. Counterparts

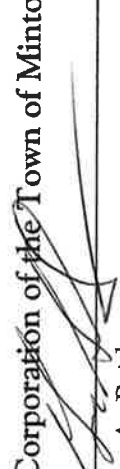
(a) This agreement may be signed in any number of counterparts, each of which is considered to be an original, and all of which are considered to be the same documents.

29. Severability

(a) If any provision of this Agreement, or the application thereof to any circumstances, shall be held to be invalid or unenforceable, then the remaining provisions of this Agreement, or the application thereof to other circumstances, shall not be affected, and shall be valid and enforceable.

IN WITNESS WHEREOF the parties have executed this Agreement.

The Corporation of the Town of Minto


George A. Bridge
Mayor


Bill White
Clerk

We have authority to bind the
Corporation of the Town of Minto.

Palmerston Trail Association Inc.

Per: 

Name: ~~David Burns~~

Title: President


Susan Forbes

Name: Susan Forbes

Title: Secretary

I/We have authority to bind the
Corporation.

SCHEDULE “A”
LEGAL DESCRIPTION OF LANDS

ALL AND SINGULAR that certain parcel or tract of land and premises situated, lying and being in the Town of Minto in the County of Wellington, being comprised of:

PT LT 21 CON 1 MINTO; PT LT 22 CON 1 MINTO; PT LT 21 CON 2 MINTO; PT LT 22 CON 2 MINTO PTS 2, 3, & 4, 61R8423; MINTO
PIN NO.: 71033-0263 (LT)

-AND-

PT LT 22 CON 1 MINTO PT 5, 61R8423; MINTO
PIN NO.: 71033-0268 (LT)

-AND-

PT PKLT 19 SURVEY KIRK'S (21-1) MINTO; PT PKLT 20 SURVEY KIRK'S (21-1) MINTO;
PT LKLT 21 SURVEY KIRK'S (21-1) MINTO; MINTO
PIN NO.: 71033-0241 (R)

-AND-

PT LT 22 CON 3 MINTO AS IN WN1945; PT LT 22 CON 4 MINTO AS IN WN1944 & WN3862; MINTO
PIN NO.: 71032-0031 (LT)

-AND-

PT LT 22 CON 5 MINTO; PT LT 22 CON 6 MINTO AS IN WV1947 & WN2473; MINTO
PIN NO.: 71032-0014 (LT)