

CONTRACT ADDENDUM - NEW HOUSE - Park Estates

RE: Strata Lot _____, Section(s) _____, Range 4, Quamichan District, Strata Plan EPS979, (the "Property").

Further to the Contract of Purchase and Sale dated _____ (the "Contract") and made:

Between: PARHAR HOLDINGS GIBBINS ROAD LTD., as Seller

and: _____ as Buyer.

THE PARTIES FURTHER ACKNOWLEDGE AND AGREE AS FOLLOWS:

1. **GST - NEW HOME OWNER REBATE.** At completion, the Buyer may pay the net GST (net of any applicable New Homeowner Rebate) to the Seller provided that the Buyer assigns to the Seller any applicable GST rebates available to the Buyer and:
 - (a) the Buyer warrants and represents to the Seller that the Buyer is entitled to the rebates assigned and in the event that the Buyer does not qualify for any such rebates assigned to the Seller, the Buyer shall compensate the Seller by paying the Seller at completion, in addition to the Purchase Price, an amount equal to the particular rebate that would have been available but for the Buyer's ineligibility;
 - (b) the Buyer shall provide the Seller with applicable rebate application and assignment forms duly completed prior to the Completion Date together with a certificate of the Buyer certifying the Buyer's entitlement to the applicable rebate(s);
 - (c) the Seller is relying on the Buyer's declaration of entitlement to the rebates and the Buyer will indemnify and save the Seller harmless from any liability or expense in relation to the Buyer's ineligibility.
2. **Property Includes House.** The purchase and sale of the Property referred to in the Contract includes a completed house (the "House"). The Seller shall supply all labour and materials to build the House in accordance with the terms of this Contract.
3. **Building Permit Obtained.** The Seller has obtained, or will obtain, a Building Permit (the "Permit") from the District of North Cowichan (the "Municipality") to construct the House. A copy of the Permit shall be provided to the Buyer upon request.
4. **Construction Specifications and Materials.** The House shall be built:
 - (a) in accordance with the British Columbia Building Code standards in effect at the date of this Contract;
 - (b) to the standards of workmanship and with materials of a quality that meet established industry practice;

INITIALS: _____ / _____ / _____ / _____ / _____

- (c) to the specifications and plans for the House that are agreed to by the parties (and as may be amended by the parties in writing) copies of which are attached to this Addendum; and
- (d) in accordance with the Permit and other requirements of the Municipality.

5. **Price Adjustments / Changes in Work.** The Purchase Price is based upon the allowances and specifications contained in this Addendum and any schedules to this Addendum. The parties may agree to make changes to the House by altering, adding to, or deducting from, the work required to build the House as described in this Addendum and any schedules hereto. No change shall be made, however, without a written order signed by the parties describing the changes and the effect on the Purchase Price and no claim for an addition to or deduction from the Purchase Price shall be valid unless made pursuant to such written order.
6. **New Home Warranty.** The Seller represents and warrants that new home warranty coverage for construction of the House will be provided as required pursuant to the *Homeowner Protection Act*
7. **Occupancy Certificate.** The Seller shall make available to the Buyer evidence that the Municipality has determined that the Property is lawfully fit to occupy (the "**Occupancy Certificate**") prior to the Completion Date. It is a fundamental term of the Contract that the Occupancy Certificate be available prior to the Completion Date.
8. **Pre-Occupation Inspection and Deficiencies.** The Buyer and a representative of the Seller will conduct a walk-through inspection of the Property not later than 5 business days prior to the Completion Date. Immediately after the walk-through, the parties will complete a deficiency list of mutually agreed upon items to be remedied by the Seller (the "**Deficiency List**") and:
 - (a) both parties will sign and date and retain a copy of the Deficiency List;
 - (b) the Seller shall complete the deficiencies described in the Deficiency List at the Seller's expense as diligently as is practicable and, in any event, within 30 days of the Completion Date;
 - (c) there shall be no hold back from the Purchase Price for matters contained in the Deficiency List;
 - (d) taking Possession of the Property shall be deemed to be conclusive proof that the Property is completed in compliance with this Agreement (except for the matters noted in the Deficiency List);
 - (e) the Seller shall be entitled to reasonable access to the Property to correct any deficiencies that are not remedied by the Completion Date for the period allowed for correcting the deficiencies; and
 - (f) the deficiencies shall be corrected to the standard of the surrounding construction.

INITIALS: _____ / _____ / _____ / _____ / _____

9. **Completion.** Further to paragraph 4 of the Contract:

- (a) in addition to any extensions of the Completion Date prior to the registration of the strata plan creating the Property, the Seller shall be entitled, on two occasions after registration of the strata plan and at the discretion of the Seller, to extend the Completion Date, Possession Date, and Adjustment Date by up to 30 days by providing written notice to the Buyer of the Seller's election to so extend such dates such notice to be delivered at least 15 days prior to the Completion Date then in effect;
- (b) the Seller shall proceed with reasonable diligence to complete construction of the House before the Completion Date or the amended Completion pursuant to subparagraph (a) above;
- (c) if, despite the reasonable diligence of the Seller, the Seller is unable to complete construction of the House by before the Completion Date for reasons beyond the direct control of the Seller (the "**Delay**") including: strike, lock-out, unavailability of material or labour, fire, earthquake, Act of God, orders of competent governmental authority or court; then at the option of the Seller exercised by written notice to the Buyer at least 15 days before the Completion Date in effect at the date of such notice, the Completion Date shall be extended by such period of time that is equal to the Delay.

10. **Builders Lien Hold back.** Pursuant to the *Builders Lien Act* and *Strata Property Act* of British Columbia, the Buyer shall be entitled to hold back from the sale proceeds an amount equal to 7% of the Purchase Price (the "Hold Back") for a period of 55 days following substantial completion of the House (as evidenced by the issuance of the Occupancy Certificate) or 55 days following the Completion Date (whichever first occurs). The Hold Back shall be held in trust by the solicitor for the Seller.

Executed by the parties to be effective as at the date of the Contract.

Signed by the Buyer in the presence of:)
) _____
)
)
 _____)
 Witness Signature. Print name below:)
) _____
)
)
)

Signed by the Seller, PARHAR HOLDINGS GIBBINS ROAD LTD. by its authorized signatory(ies):

Name of Director Signing: