

**OFFER TO PURCHASE**

To: Dutch Canadian Club (Edmonton)  
Avison Young Commercial Real Estate Services, LP  
2100 Edmonton Tower  
10111 – 104 Avenue  
Edmonton, AB T5J 0J4

Attention: David St. Cyr

**HERITAGE HOME BUILDERS INC.** (hereinafter referred to as the "Purchaser") hereby Offers to Purchase from **DUTCH CANADIAN CLUB (EDMONTON)** (hereinafter referred to as the "Vendor") the land and building located at 13312 – 142 Street, Edmonton, Alberta, and legally described as:

PLAN 425RS  
BLOCK 10  
LOT 2A  
EXCEPTING THEREOUT ALL MINES AND MINERALS  
AREA: 0.809 HECTARES (2 ACRES) MORE OR LESS  
ESTATE: FEE SIMPLE  
ATS REFERENCE: 4;25;53;23;NE  
MUNICIPALITY: CITY OF EDMONTON

(hereinafter referred to as the "Property").

This Offer to Purchase is made on the following terms and conditions:

**1. PURCHASE PRICE**

FIVE HUNDRED THOUSAND (\$3,500,000)

1.1 The total purchase price shall be THREE MILLION ~~SEVEN HUNDRED THOUSAND (\$3,700,000)~~ DOLLARS, to be paid in lawful money of Canada at Edmonton, Alberta, in the following manner:

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FOURTY THOUSAND DOLLARS

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BT

~~\$75,000~~  
\$40,000

~~SEVENTY FIVE THOUSAND DOLLARS~~ as a First Deposit paid within five (5) business days of acceptance of the Offer to Purchase, to AVISON YOUNG COMMERCIAL REAL ESTATE SERVICES, LP to be held in trust pending the closing (or on such other date as may be mutually agreed upon in writing by the Purchaser and the Vendor or their respective solicitors) or upon termination of this Agreement.

SIXTY-FIVE THOUSAND DOLLARS

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~~\$300,000~~  
\$65,000

~~THREE HUNDRED THOUSAND DOLLARS~~ as a Second Deposit to be paid to AVISON YOUNG COMMERCIAL REAL ESTATE SERVICES, LP within five (5) business days of removal of the Purchaser's Conditions as outlined in Clause 5.2 to be held in trust pending the closing (or on such other date as may be mutually agreed upon in writing by the Purchaser and the Vendor or their respective solicitors) or upon termination of this Agreement.

THREE MILLION THREE HUNDRED NINETY-FIVE THOUSAND

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~~\$3,325,000~~  
\$3,395,000

~~THREE MILLION THREE HUNDRED TWENTY FIVE THOUSAND DOLLARS~~ more or less payable by solicitor's trust cheque, bank draft, certified cheque, bank draft, wire transfer or in cash on the Closing Date.

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~~\$3,700,000~~  
\$3,500,000

**TOTAL PURCHASE PRICE**

1.2 The aforesaid total purchase price shall include the building, all appurtenances thereon and improvements fixed or otherwise now therein or hereafter put therein together with all fixtures, equipment and other apparatus pertinent thereto and necessary for the running of the buildings, which fixtures and equipment are to be free and clear of all encumbrances. The aforesaid total purchase price will also include an inventory list, the contents of which are to be mutually agreed upon by both the Vendor and Purchaser as described in Clause 6.1.

## **2. CLOSING AND TITLE**

2.1 All expenses, taxes, utilities, rents, security deposits, interest and revenue relating to the Property, shall be adjusted to the sixtieth (60) day following the removal of the Purchaser's Conditions as outlined in Clause 5.2, (or on such other date as may be mutually agreed upon in writing by the Purchaser and the Vendor (the "Closing Date").

2.2 Within a reasonable period of time prior to the Closing Date, the Vendor or the Vendor's solicitors shall deliver to the solicitor of the Purchaser, on trust conditions consistent with normal conveyancing practice in Edmonton, Alberta, and with the terms of this Offer to Purchase , the following documents:

- a) a registerable Transfer of Land conveying the Property free and clear of all liens, charges, encumbrances whatsoever save and except the Permitted Encumbrances defined in Schedule "A";
- b) a statement of adjustments;
- c) an assignment of any and all Leases agreed to be assumed by the Purchaser; and
- d) such further documentation relating to the completion of this transaction as the Purchaser or the Purchaser's solicitors may reasonably require,

2.3 On the Closing Date, the Purchaser or the Purchaser's solicitors shall deliver or cause to be delivered to the Vendor's solicitors the following items:

- a) a solicitor's cheque, bank draft, or wire transfer payable to the Vendor's solicitors in an amount of the balance of the Purchase Price;
- b) a GST indemnity and acknowledgement; and
- c) such further documentation relating to the completion of this transaction as the Vendor or the Vendor's solicitor may reasonably require;

all in form and substance satisfactory to the Purchaser's solicitors acting reasonably.

## **3. CANADIAN RESIDENT**

3.1 The Vendor shall on closing, either deliver to the Purchaser such assurance or evidence as the Purchaser may reasonably require to establish that the Vendor is a resident in Canada as at the date of closing for the purposes of S.116 of the Income Tax Act, or deliver to the Purchaser the Certificate or Certificates obtained from the Minister of National Revenue of Canada pursuant to S.116(2) of the Income Tax Act and pursuant to which the Purchaser shall be entitled to withhold and pay as tax on behalf of the Vendor, the amount of tax calculated in accordance with S.116(5).

#### **4. VENDOR'S COVENANTS, WARRANTIES AND AGREEMENTS**

4.1 The Vendor undertakes that from the date of acceptance hereof until the Closing Date or earlier termination of this Agreement, it will not enter into any lease, agreement to lease, tenancy or any other agreement related to the Property and any improvements thereon unless the Purchaser shall in advance consent thereto in writing, such consent not to be unreasonably nor arbitrarily withheld. As a condition of closing, the Vendor shall be deemed to represent and warrant that it has not entered into any such lease or agreement.

4.2 The Property shall be held by the Vendor at the Vendor's risk until closing and the Vendor will hold all policies of insurance effected on the Property and the proceeds thereof in trust for the parties hereto, as their interests may appear.

#### **5. CONDITIONS PRECEDENT**

5.1 The Vendor shall have delivered to the Purchaser within five (5) business days following acceptance of this Offer originals or copies of the following if in the possession of or available to the Vendor:

- a) any plans, studies, documents or reports relating to the Property available to or currently in possession of the Vendor, or the Vendor's associates or agents;
- b) copies of notices, accounts, assessments, valuations and any other documents relating to property taxes and any local improvements for the Property;
- c) any environmental reports or assessments pertaining to the Property, as well as any updates available or currently underway;
- d) building condition assessments;

Notwithstanding the foregoing, the Purchaser shall be entitled to make further investigations of the Property, and make further inspections and testing and reviews of the Property and to obtain such further documentation as may be required to complete its investigation of the Property, all at the Purchaser's expense, subject to the approval of the Vendor acting reasonably.

The Vendor agrees to allow the Purchaser or the Purchaser's authorized representatives access to the Property at reasonable times during business hours throughout the Conditional Period (and thereafter if the transaction contemplated in this Offer to Purchase is confirmed) by granting a right of entry to the Property (the "Right of Entry"), and hereby authorizes the Purchaser to carry out such reasonable investigations, tests, or inspections thereof (collectively called "The Investigations") as the Purchaser or its authorized representatives may deem necessary. Any such investigations shall be carried out at the sole expense and risk of the Purchaser and shall not cause undue interference to the business operations of the Vendor. The Purchaser shall indemnify and save harmless the Vendor from and against any and all claims, liabilities, and damages as a result of granting the Right of Entry. If the sale of the Property is not completed on the Closing Date, then the Purchaser shall, upon the written request of the Vendor, restore any alterations or disturbances caused to the Property solely through the course of the investigations back to the state in which it existed prior to the exercising of the Right of Entry. The costs of the restoration shall be at the sole expense of the Purchaser and must be completed within thirty (30) days from the date of the receipt by the Purchaser of the Vendor's written request or at the earliest opportunity allowed by seasonal conditions.

5.2 The obligations of the Purchaser to complete this transaction shall be subject to the satisfaction or waiver of the following conditions precedent (the "Conditions Precedent") on or before 5:00 o'clock p.m., Edmonton time, on that day which is forty-five (45) days from the full conditional acceptance of this offer (the "Condition Period"):

- a) the Purchaser obtaining any physical inspections to the Property as the Purchaser deems necessary;
- b) the Purchaser obtaining financing for the Property;

5.3 If the Purchaser notifies the Vendor of its intention to proceed with this contract as provided in Clause 5.2 hereof within the time therein limited, this Offer to Purchase shall constitute a binding contract of purchase and sale of the Property.

5.4 If the Purchaser notifies the Vendor of its intention to proceed with the contract as provided in Clause 5.2 herein, and the Purchaser fails to comply with any of the terms of this Agreement otherwise than as a result of the default of the Vendor, the said monies paid pursuant to Clause 1.1 shall be forfeited as liquidated damages and not as a penalty, the Purchaser shall not be responsible for any further liability or damages whatsoever, and this Agreement shall be null and void.

5.5 In the event that the Purchaser provides written notice of its intention to not proceed with this contract and conditions provided in Clause 5.2 hereof are not waived in advance of the condition removal period, the said monies paid pursuant to Clause 1.1 shall be returned to the Purchaser in full and this Agreement shall be null and void.

5.6 If the Purchaser does not notify the Vendor of its intention to proceed with the contract as provided in Clause 5.2 herein and the condition removal period has lapsed, those monies paid as deposits pursuant to Clause 1.1 shall be returned to the Purchaser in full and this Agreement shall be null and void.

## **6. INVENTORY & CHATTEL CONDITION OF THE OFFER TO PURCHASE**

6.1 The obligations of the Purchaser to complete this transaction will be subject to the Purchaser and Vendor mutually agreeing to an inventory list of chattel (the "Inventory List") that will be included in the sale of the Property from the Vendor to the Purchaser within thirty (30) days from full acceptance of this Offer (the "Inventory Acceptance Date").

This Condition will be deemed to have been satisfied upon the written confirmation of the agreed upon Inventory List, which shall be produced by the Vendor and agreed upon by the Purchaser, and a signed copy being provided to both parties. Should the Inventory List not be executed by both the Purchaser and the Vendor by the Inventory Acceptance Date, the First Deposit shall be returned to the Purchaser in full and this Agreement shall terminate.

## **7. VENDOR'S REPRESENTATIONS AND WARRANTIES**

7.1 The Vendor warrants to the Purchaser the following both now and at the Closing Date:

- a) The Vendor is, and shall be on the Closing Date, the full legal and beneficial owner of the Property and the Property shall be free and clear of any and all mortgages, liens, encumbrances, or adverse claims whatsoever save and except for the permitted encumbrances;

- b) The Vendor shall have the legal right and authority to convey title and ownership of the Property to the Purchaser;
- c) There is no litigation pending or threatened with respect to the Property and there are no actions or proceedings instituted or threatened before any Court or Administrative Agency which might result in any material or adverse change in the condition of the Property;
- d) The Vendor has not received any notice of, and is not aware of, any expropriation of the Property or any part thereof;
- e) The Vendor has not received any notice of any outstanding work order or deficiency notice claimed by any government authority with respect to the Property nor any notice or threat of any action, suit, claim or proceeding, relating to any hazardous substances or environmental claims of contamination;
- f) All agreements, covenants, representations and warranties set forth in this Offer to Purchase shall merge on closing.

7.2 In accepting this Offer to Purchase the Vendor warrants that it is empowered and authorized to enter into this Agreement.

## **8. PURCHASER'S AND VENDOR'S WARRANTIES**

8.1 The Purchaser and Vendor warrant as follows:

- a) The Purchaser represents and warrants that it is, or will be at the Closing Date, registered pursuant to sub-division (d) of Division V of Part 9 of the Excise Tax Act R.S.C. 1985 c. E-15 (the "Excise Tax Act"), for the purposes of remission of Goods and Services Tax on taxable supplies made by the Purchaser.
- b) The Vendor represents and warrants that the within sale does not constitute, in whole or in part, a "taxable supply" of a "residential complex" in accordance with the terms of the Excise Tax Act.

8.2 The parties acknowledge that:

- a) The Vendor has represented and warranted that no part of the within sale of the Property constitutes a "taxable supply" of a "residential complex"; or
- b) The Purchaser is not an "individual",

in accordance with the terms of Section 123 of the Excise Tax Act, and that the Purchaser has represented and warranted that it is or will be registered in accordance with sub-division (d) of Division V of Part 9 of the Excise Tax Act. Accordingly, pursuant to the provisions of Section 221(2) of the Excise Tax Act, no amount is required to be remitted or shall be remitted by the Purchaser to the Vendor in respect of any Goods and Services Tax payable by the Purchaser in relation to its acquisition of the Property.

## **9. INSPECTION**

9.1 The Purchaser will have the right to fully inspect the Property prior to the expiry of the Purchaser's Conditions and agrees that neither the Vendor nor the agent has made any representation, warranty, collateral agreement or condition regarding the Property or any adjacent property or property in close proximity to the Property or otherwise which may in any way directly or indirectly affect the Property or regarding this contract other than is contained herein.

## **10. ENUREMENT**

10.1 This Agreement shall enure to the benefit of and be binding upon the successors and assigns of the parties hereto respectively.

## **11. AGENCY**

11.1 The Vendor and Purchaser both acknowledge that Dane Phaneuf of Cushman & Wakefield Edmonton represents the interests of the Purchaser as Purchaser's Agent and that David St. Cyr of Avison Young Commercial Real Estate Services, LP represents the Vendor as Vendor's Agent in this transaction.

## **11. REAL ESTATE COMMISSION**

11.1 It is understood and agreed that a real estate commission shall be payable to Avison Young Commercial Real Estate Services, LP as per the Listing Agreement between Avison Young Commercial Real Estate Services, LP and the Vendor. Payment of commissions shall be the sole responsibility of the Vendor and becomes due and payable on the date of closing.

This commission shall be deemed to have been earned upon unconditional acceptance of this Offer and shall be payable in full upon closing as defined in this Offer. Avison Young Commercial Real Estate Services, LP shall deduct the commissions earned from the Deposits held in trust upon the commissions becoming due and payable.

## **12. FINTRAC REQUIREMENTS**

12.1 As part of the closing procedures, the Vendor and Purchaser hereby agree to provide their Agents with all such documentation and information, including identification in order to ensure compliance with Federal Legislation of the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada).

## **13. NOTICES**

13.1 All notices, requests, demands or other communications by the terms hereof required or permitted to be given by one party to another shall, unless otherwise specifically provided for herein, be given in writing and be personally served or prepaid express messenger or sent by electronic facsimile transmission, addressed to such other party or delivered to such other party as follows:

THE VENDOR:

**DUTCH CANADIAN CLUB (EDMONTON)**

c/o David St. Cyr

Avison Young Commercial Real Estate Services, LP.

2100 Edmonton Tower

10111 – 104 Avenue

Edmonton, AB T5J 0H4

Phone: (780) 428-7850

Email: david.stcyr@avisonyoung.com

THE PURCHASER:       **HERITAGE HOME BUILDERS INC.**  
c/o Dane Phaneuf  
Cushman & Wakefield Edmonton  
10088 102 Ave NW #2700  
Edmonton, AB T5J 2Z1  
Phone: (780) 993 - 8574  
Email: dane.phaneuf@cwedm.com

with a copy to the Purchaser's Solicitor:

Matthew Kaup  
Kaup Law Office  
#200, 39 St. Thomas Street  
St. Albert, AB T8N 6Z1  
Phone: (780) 459 - 2220

13.2 Any notice, requests, demands or other communication given by messenger as aforesaid, shall be deemed to have been received on the next business day following the sending thereof. Any notice, requests, demands or other communication given by electronic facsimile transmission shall be deemed to have been received on the same day as the sending thereof. Either party may change its address for service by notice in writing to the other given as aforesaid.

#### **14. GOVERNING LAW**

14.1 This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein and shall be treated in all respects as an Alberta contract.

#### **15. EFFECT OF HEADINGS**

15.1 The division of this agreement into Articles and sections and the insertion of headings and marginal notes are for convenience of reference only and shall not affect the construction or interpretation of this agreement.

#### **16. SPECIFIC TIME**

16.1 Specific time shall be in accordance with the system of standard time in effect in The City of Edmonton, Alberta. If the date for making any payment hereunder or the date for doing any act shall be a Saturday, Sunday or holiday in The City of Edmonton, such date shall be extended to the first business day next following such date. "Business Day" means a day other than a Saturday, Sunday, statutory or municipal holiday in The City of Edmonton, Alberta. Time shall be of the essence of this Agreement.

#### **17. LEGAL ADVICE**

17.1 The parties of this Offer to Purchase acknowledge that Avison Young Commercial Real Estate Services, LP has recommended that they obtain advice from their legal counsel prior to signing this Agreement. The parties further acknowledge that no information provided by Avison Young Commercial Real Estate Services, LP is to be construed as expert legal or tax advice.

## **18. ASSIGNMENT**

18.1 An assignment of this Offer to Purchase, or sale or transfer of its interest in the Property by the Purchaser prior to the Closing of the sale of the Property to the Purchaser, shall be valid and permissible. Such assignment or sale or transfer is for the entire interest of the Purchaser therein. No assignment of this Offer to Purchase nor any sale or transfer of any interest in the Property shall operate so as to release the Purchaser from any of the covenants, conditions and obligations herein contained, including without limitation, any payment of principal, interest or other indebtedness due hereunder. Without limiting the covenants and obligations herein of the Purchaser, the Vendor may reasonably impose as one of the conditions of an Assignment that the Purchaser cause its assignee or successor in title to undertake in favour of the Vendor (in form and content acceptable to the Vendor) to perform and observe those covenants of the Purchaser hereunder which are then unperformed or are continuing.

## **19. COUNTERPARTS & ELECTRONIC SIGNATURES**

19.1 This Agreement may be executed in counterparts and such counterparts together shall be deemed to be an original and shall constitute a single instrument. Notwithstanding the date of execution, such counterparts shall be deemed to bear a date as of the date of this Agreement. Delivery of an executed counterpart of this Agreement by electronic means, including, without limitation, by facsimile transmission or by electronic delivery in portable document format (".pdf") or tagged image file format (".tif"), shall be equally effective as delivery of a manually executed counterpart hereof. Any party delivering an executed counterpart of this Agreement by electronic means shall also deliver a manually executed counterpart hereof by mail or courier upon demand.

**(Signatures on next page)**



**20. ACCEPTANCE**

20.1 This Offer to Purchase must be executed by the Purchaser and delivered to the Vendor or its agent before 5:00 o'clock p.m., Edmonton time, on July 14, 2023. If not executed and delivered within the time so limited, this Offer to Purchase shall be null and void and of no further effect.

20.2 Time shall be of the essence of this Offer to Purchase and the Agreement constituted by the acceptance thereof.

**PURCHASER'S ACCEPTANCE**

WE HEREBY ACCEPT this Offer to Purchase and agree to be bound by the terms and conditions herein.

DATED at the city of Edmonton, in the Province of Alberta, this \_\_\_\_ day of July, 2023.

**HERITAGE HOME BUILDERS INC.**

Authentisign  
PER: Bassam Taliani 07/12/23

**VENDOR'S ACCEPTANCE**

WE HEREBY ACCEPT this Offer to Purchase and agree to be bound by the terms and conditions herein.

DATED at the city of Edmonton, in the Province of Alberta, this 11 day of July, 2023.

**DUTCH CANADIAN CLUB (EDMONTON)**

PER: [Signature]

**FINAL EXECUTION DATE**

Final signing of this Offer to Purchase occurred on \_\_\_\_\_, 2023.

Initials of the person(s) who signed last \_\_\_\_\_

**SCHEDULE "A"**

## Permitted Encumbrances

<b>REGISTRATION NUMBER</b>	<b>DATE</b>	<b>PARTICULARS</b>
052 108 902	24/03/2005	ZONING REGULATIONS BY - HER MAJESTY THE QUEEN IN RIGHT OF CANADA C/O THE MINISTER OF NATIONAL DEFENCE 101 COLONEL BY DRIVE OTTAWA ONTARIO K1A0K2