

## **AGREEMENT OF PURCHASE AND SALE**

At the sale of auction made this day of the property described in the annexed Schedule marked "A" situate at Parcel ID, (the "Property") Corner Brook, NL, Canada,

\_\_\_\_\_

was the highest bidder for and was declared the Purchaser of the said property at a price of (\$\_\_\_\_\_) and the said Purchaser has paid into the hands of the City Clerk for the City of Corner Brook the sum of (\$\_\_\_\_\_) by way of a deposit and, in part, payment of the purchase price as required in the Conditions of Sale read at the time of sale and the said Purchaser **HEREBY AGREES** to complete the purchase according to those Conditions (a copy of which said "Conditions of Sale" is attached hereto as Schedule "B").

**DATED** at the City of Corner Brook, in the Province of Newfoundland and Labrador, this 19th day of November, 2013.

\_\_\_\_\_  
**WITNESS**

\_\_\_\_\_  
**PURCHASER**

**CITY OF CORNER BROOK**

\_\_\_\_\_  
**WITNESS**

Per: \_\_\_\_\_

## **SCHEDULE "B"**

### **CONDITIONS OF SALE**

**IN THE MATTER OF** the sale by Public Auction of the lands and premises of \_\_\_\_\_ situate at \_\_\_\_\_, Corner Brook, NL, on the 19th day of November, 2013, at \_\_\_\_\_ o'clock in the fore/after noon pursuant to a statutory Sale by Auction under and by virtue of Section 162.5 of the *City of Corner Brook Act*, R.S.N.L 1990, c. C-15.

The conditions of sale of the property described in the annexed Schedule marked "A":

1. The property described in the annexed Schedule "A" (hereinafter the "Property") shall be sold in one (1) lot.
2. The highest bidder at the sale shall not necessarily be the Purchaser of the Property offered for sale.
3. The City of Corner Brook (hereinafter the "City") may bid at the public auction and/or place a reserve bid.
4. The City has the right to reject any and all bids, and the auction shall be conducted subject to this right. The City also reserves the right to cancel the auction process at any time without notice.
5. The Purchaser shall immediately, upon the Property being knocked down to him or her, sign the Agreement of Purchase and Sale and pay a deposit of Ten (10%) percent of the purchase price by cash, certified cheque or bank draft to the City and shall pay the balance of the purchase price to the City on or before the 19<sup>th</sup>

day of December, 2013, ("the closing date") and shall be entitled to a Conveyance of the Property from the City.

6. The City offers no representation or warranty whatsoever as to title or condition of the lands and premises to be sold pursuant to the public auction. The condition of the lands and premises is solely a matter of inspection by the prospective Purchaser prior to the public auction and the question of title is solely a matter of investigation by the Purchaser in accordance with the provisions of Clauses 10 and 11 of these conditions of sale.
7. The Purchaser shall have vacant possession, the latter of either the closing date or the date that vacant possession is available to the City.
8. In the case of the Purchaser making default in paying down the said deposit of Ten (10%) percent of the purchase price immediately upon the Property being knocked down to him or her, or fails to sign this Agreement of Purchase and Sale, the Property may be immediately again offered for sale and sold upon the terms and conditions herein contained.
9. If the Purchaser shall fail to comply with any of the conditions herein, the deposit and all other payments made on the purchase price shall be forfeited and the premises may be resold and the deficiency, if any, after such resale, together with all charges attending the same or occasioned by the default, including legal fees and disbursements incurred by the City are to be paid by the Purchaser.
10. Except in accordance with paragraph 11 hereof, the Property is being offered for sale **SUBJECT TO** all outstanding liens and encumbrances, if any, with the exception only of municipal taxes and the Purchaser shall not make any objection to or requisition on account of any such lien or charge.

11. The Purchaser shall be allowed Ten (10) days from the date of the public auction to search title and if within that time he shall furnish the Solicitor for the City in writing with any objections to the title which the said City shall be unable or unwilling to remove, then the deposit made by the Purchaser shall be returned and this Agreement shall be void and of no effect. If no written objections are received by the Solicitor for the City within the ten (10) day period, the Purchaser shall be deemed to have accepted the title of the City.
12. An HST Warranty and Affidavit shall not be provided by the City.
  - a. A Urea Formaldehyde Foam Insulation Warranty shall not be provided by the City. The City shall only supply the Purchaser with the survey and legal description of the Property which it has in its possession and should a new survey and legal description be required to complete the transaction, it shall be at the expense of the Purchaser.
14. Time shall be of the essence of these conditions and of the Agreement of Purchase and Sale.
15. **AS IS/WHERE IS.** The Purchaser acknowledges and accepts that the Property is being sold as is, where is and that the City offers no warranties and makes no representations whatsoever regarding the existence or non-existence of hazardous materials and/or contamination on or in the Property that could be detrimental to the environment. The City assumes no liability or obligation with respect to the value, state or condition of the Property and any deficiencies therein or repairs, replacements or other work required with respect to the environmental condition of the Property.
16. **DISCLOSURE OF ENVIRONMENTAL IMPAIRMENT.** The Purchaser acknowledges and confirms that the City has disclosed to the Purchaser any knowledge of any environmental impairment of the Property that the City has in its possession or that it is aware of. This includes knowledge of any patent or latent contamination, including

contamination from environmentally hazardous substances.

17. **AUTHORIZATION.** At the sole expense of the Purchaser, the City shall permit the Purchaser to conduct an environmental assessment of the Property, which may involve a soil inspection including drilling and the removal of soil samples for the purpose of analysis. The Purchaser shall be responsible for all damage to the Property caused by all test and inspections performed by or on the Purchaser's behalf as contemplated in this section and all such damage shall be repaired to its original condition by the Purchaser at its sole expense. This obligation shall survive any termination of this agreement. It is **further understood and agreed** that:

- a. Any environmental assessment on the Property will be performed by a duly licensed environmental engineering firm.
- b. The Purchaser shall have the option to terminate this agreement of Purchase and Sale with the City if the said environmental assessment performed by the duly licensed environmental engineering firm determines there is contamination on the Property that is beyond the amount of \$25,000 to remediate.

18. **CONFIDENTIALITY.** The Purchaser acknowledges, covenants and agrees that all information and documentation obtained by the Purchaser and all copies thereof together with any analysis, compilation, studies or other documents obtained by the Purchaser or its agents, representatives or employees which contain or otherwise reflect such information or documentation (collectively the "Confidential Information") is confidential and as such:

- i) Will be kept confidential and will not be:
  - (1) Used in any way detrimental to the City or the owner;
  - (2) Used by the Purchaser, or any of its agents, representatives or employees, for any purpose other than in connection with the contemplated purchase of the Property and the financing thereof.

- ii) Nothing herein shall restrict or prohibit the Purchaser from disclosing Confidential Information to its consultants, advisors, agents, lenders and solicitors so long as such parties agree to keep such Confidential Information confidential or the Purchaser receives such other assurances which are acceptable to it.
- iii) The Confidential Information referred to in this Section shall not include:
  - (1) Public information or information in the public domain at the time of receipt by a party or its consultants, agents, advisors and solicitors;
  - (2) Information which becomes public through no fault or act of a party or its consultants, agents, advisors or solicitors; or
  - (3) Information received in good faith from a third party lawfully in the possession of the information and not in breach of any confidential obligations.

19. **INDEMNIFICATION.** That, notwithstanding any other terms, covenants and conditions contained in this Agreement, the Purchaser shall indemnify the City and its officers, employees, contractors and agents and save each of them harmless from and against any and all loss, claims, actions, damages, liability and expenses in connection with loss of life, personal injury, damage to Property or any other loss or injury whatsoever arising from or out of use of the Property for inspection purposes or any occurrence in, upon or on the Property, if occasioned by any act or omission of the Purchaser or by anyone permitted to be on the Property in such capacity as a contractor, agent, employee or representative of the Purchaser. If the City or any one or more of the above named persons shall, without fault on its part, be made a party to any litigation commenced by or against the Purchaser, then, the Purchaser shall protect, indemnify and hold the City and all such persons harmless and shall pay all costs, expenses and reasonable legal fees incurred or paid by the City and all such persons in connection with any such litigation. The Purchaser shall pay all costs, expenses and legal fees (on a solicitor-client basis) that may be incurred or paid by the City in enforcing the terms,

covenants and conditions of the Agreement.

**SCHEDULE "A"**

**LEGAL DESCRIPTION & SURVEY**