THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN

BY-LAW NO. 2026 - 40

BEING A BY-LAW TO AUTHORIZE AGREEMENT OF PURCHASE and SALE FOR LANDS LEGALLY KNOWN AS PART 1, 2 AND 3 OF DRAFT PLAN PREPARED BY EJ WILLIAMS

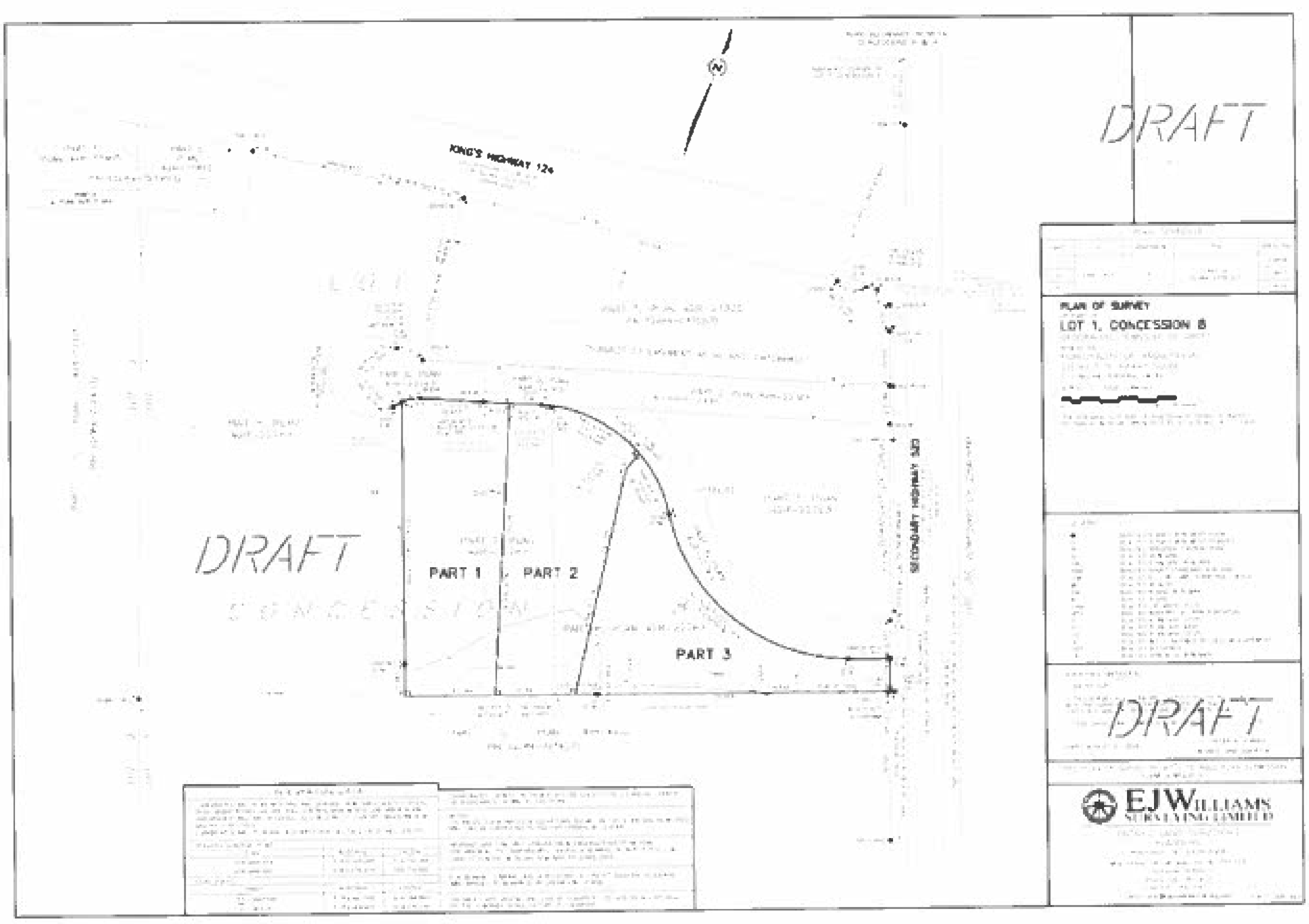
WHEREAS the Council of the Municipality of Magnetawan declared the lands legally known as Part 1, Part 2, Part 6 and Part 7 of Plan 42R-22763 as surplus on February 11, 2026 Motion# 2026-32 and public notice was posted February 19th, 2026;

AND WHEREAS the Council of the Municipality of Magnetawan has reviewed the Purchase and Sale Agreement for lands located at 4855 Highway 520, known as Part 1, of draft plan prepared by EJ Williams dated August 31st, 2026, Municipality of Magnetawan, (hereinafter referred to as "the Lands");

AND WHEREAS the Council of the Municipality of Magnetawan approves the offers to purchase a two acre lot from 2599518 Ontario Inc (D & A Towing and Storage), 2676061 Ontario Inc (small manufacturing), and Ahmic Roofing Systems Ltd for lots legally described as Parts 1, 2 and 3 of draft plan prepared by EJ Williams dated August 31st, 2026;

NOW THEREFORE BE IT RESOLVED the Council of the Corporation of the Municipality of Magnetawan enacts as follows:

1. THAT Council endorses and approves the Agreement of Purchase and Sale for the Lands substantially in the format attached;
2. THAT the condition requiring the passing of a by-law to approve the Agreement of Purchase and Sale is satisfied and shall be cleared;
3. THAT the CAO/Clerk of the Municipality of Magnetawan is hereby authorized and directed to do all the things necessary to give effect to the said action or to obtain approvals where required, except where otherwise provided, and the CAO/Clerk and the Mayor are hereby authorized and directed to execute all necessary documents, including the Agreement of Purchase and Sale substantially as attached, and to affix the Corporate Seal of the Municipality to such documents.



READ A FIRST, SECOND, AND THIRD TIME, passed, signed and the Seal of the Corporation affixed hereto, this 9th day of September, 2026.

THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN

Mayor

CAO/Clerk

AGREEMENT OF PURCHASE AND SALE

PURCHASER, , agrees to purchase from

VENDOR, THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN

the following

REAL PROPERTY Part of Lot 1, Concession 8, geographic Township of Croft, 42R-22763 (part of PIN 52084-0376(LT)) hereinafter referenced as the Property.

PURCHASE PRICE: Fifteen Thousand and Five Hundred Dollars ($15,500.00) (3.1 acres @ $5,000.00/acre).

DEPOSIT: The Purchaser submits (upon acceptance) Five Thousand Dollars (CDN$ 5,000.00) cash or negotiable cheque payable to the Vendor's Solicitor to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion.

SCHEDULE(S) "A" and "B" attached hereto form part of this Agreement.

1. **CHATTELS INCLUDED**: None.

2. **FIXTURES EXCLUDED**: None

3. **RENTAL ITEMS:** The following equipment is rented and **not** included in the Purchase Price. The Purchaser agrees to assume the rental contract(s), if assumable: N/A

4. **IRREVOCABILITY**: This Offer shall be irrevocable by Vendor until 4:30 p.m. on the day of February, 2026 after which time, if not accepted, this Offer shall be null and void and the deposit shall be returned to the Purchaser in full without interest.

5. **COMPLETION DATE**: See Schedule "A".

6. **NOTICES**: This offer, any counter offer, notice of acceptance thereof, or any notice shall be deemed given and received, where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address.

EMAIL Address ____________________ (for delivery of notices to Vendor)	EMAIL Address: ____________________ (for delivery of notices to Purchaser)

7. **GST/HST**: If this transaction is subject to Goods and Services Tax (G.S.T.) or Harmonized Sales Tax (H.S.T.), then such tax shall be in addition to the Purchase Price. If this transaction is not subject to G.S.T. or H.S.T., Vendor agrees to provide on or before closing, a certificate that the transaction is not subject to G.S.T. or H.S.T.

8. **TITLE SEARCH**: Subject to section 10, the Purchaser shall be allowed until 14 days prior to the Completion Date (Requisition Date) to examine the title to the Property at his own expense and to satisfy himself that there are no outstanding work orders or deficiency notices affecting the Property, that its proposed use (industrial) will be lawful. Vendor hereby consents to the municipality or other governmental agencies releasing to Purchaser details of all outstanding work orders affecting the Property, and Vendor agrees to execute and deliver such further authorizations in this regard as Purchaser may reasonably require.

9. **FUTURE USE**: Vendor and Purchaser agree that there is no representation or warranty of any kind that the future intended use of the Property by Purchaser is or will be lawful except as may be specifically provided for in this Agreement.

10. **TITLE**: The Purchaser acknowledges the Vendor's title to the Property.

11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the Property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter 14 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the Requisite Deliveries) and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the Transfer/Deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a Document Registration Agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the Document Registration Agreement which is recommended from time to time by the Law Society of Upper Canada. Unless otherwise agreed to by the lawyers, such exchange of the Requisite Deliveries will occur in the applicable Land Titles Office or such other location agreeable to both lawyers.

12. **DOCUMENTS AND DISCHARGE**: Purchaser shall not call for the production of any title deed, abstract, survey or other evidence of title to the Property except such as are in the possession or control of Vendor. If requested by Purchaser, Vendor will deliver any sketch or survey of the Property within Vendor=s control to

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Purchaser as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Purchaser on completion, is not available in registrable form on completion, Purchaser agrees to accept Vendor's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same on title within a reasonable period of time after completion, provided that on or before completion Vendor shall provide to Purchaser a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, together with a direction executed by Vendor directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.

13. **INSPECTION**: Deleted.

14. **INSURANCE:** Deleted.

15. **PLANNING ACT**: Deleted.

16. **DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Vendor, and any Charge/Mortgage to be given back by the Purchaser to Vendor at the expense of the Purchaser.

17. **RESIDENCY:** Purchaser shall be credited towards the Purchase Price with the amount, if any, necessary for Purchaser to pay to the Minister of National Revenue to satisfy Purchaser's liability in respect of tax payable by Vendor under the non-residency provisions of the Income Tax Act by reason of this sale. Purchaser shall not claim such credit if Vendor delivers on completion the prescribed certificate or a statutory declaration that Vendor is not then a non-resident of Canada.

18. **ADJUSTMENTS**: Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Purchaser.

19. **TIME LIMITS**: Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Vendor and Purchaser or by their respective lawyers who may be specifically authorized in that regard.

20. **TENDER:** Any tender of documents or money hereunder may be made upon Vendor or Purchaser or their respective lawyers on the day set for completion. Money may be tendered by bank draft or cheque certified by a Chartered bank, Trust Company, Province of Ontario Savings Office, Credit Union or Caisse Populaire.

21. **FAMILY LAW ACT**: Vendor warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O. 1990 unless Vendor's spouse has executed the consent hereinafter provided.

22. **UFFI:** Deleted.

23. **CONSUMER REPORTS**: The Purchaser is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.

24. **AGREEMENT IN WRITING**: If there is conflict between any provision written or typed in this Agreement (including any Schedule attached hereto) and any provision in the printed portion hereof, the written or typed provision shall supersede the printed provision to the extent of such conflict. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Purchaser and Vendor. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. This Agreement shall be read with all changes of gender or number required by the context.

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25. **SUCCESSORS AND ASSIGNS**: The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

BY THE PURCHASER

DATED at ______________ this ___ day of ____________, 2026.

SIGNED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand

_________________________ _________________________ Date: __________

Witness

BY THE VENDOR

DATED at ____________________ this _ day of __________, 2026.

SIGNED, AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand

_________________________ _________________________ Date: __________

Witness CAO/Clerk: Kerstin Vroom

_________________________ _________________________ Date: __________

Witness Mayor: Sam Dunnett

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Vendor's Lawyer:
Russell, Christie LLP
505 Memorial Ave., Orillia ON
Attn: Edward Veldboom
eveldboom@russellchristie.com

Purchaser's Lawyer:

PURCHASER, ____________
VENDOR, THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN
REAL PROPERTY Part of Lot 1, Concession 8, geographic Township of Croft, being __________, 42R-22763 (part of PIN 52084-0376(LT)) hereinafter referenced as the Property.

Schedule A

As Is Purchase

1. The Purchaser acknowledges that this purchase is on and "as is, where is" basis without any agreement, representation or warranty of any kind, either express or implied on the part of the Vendor, as to, without limiting the generality of the foregoing, the condition of the land or subsurface, or any other environmental matters or any other matter respecting the Property whatsoever, including without limitation, compliance with environmental laws, the existence of any hazardous substance or contaminant, or the use to which the Property may be put and its zoning.

Completion Date and Possession

2. This agreement shall be completed not later than the 30th day after the date this agreement has been accepted by the Purchaser.

No Vendor Warranties, Representations or Covenants

3. Any information provided by the Vendor or its agents and any comments made by the Vendor, its employees, officers, directors, appointees, agents or consultants are for the assistance of the Purchaser in allowing it to make its own inquiries. The Vendor makes no representations or warranties as to, and takes no responsibility for, the accuracy or completeness of any information it has provided to the Purchaser.

Anti-Flip Condition and Option to Repurchase

4. The Purchaser acknowledges that the Municipality is entering into this Agreement at the stated price based upon the representations of the Purchaser that it intends to develop the Property for its own purposes. The Purchaser further confirms that upon acquiring title to the Property it has no intention of selling, and further agrees that it will not market and/or sell the property as undeveloped land for a period of 5 years from the date of acquiring title.

   The Purchaser and Vendor acknowledge and agree that should the Purchaser's intentions change and the Purchaser determines that it will not develop the Property for its own purposes within 5 years of the date of acquiring title, the Purchaser agrees that it will provide notice to the Vendor and the Vendor may exercise the Option to Repurchase provided for herein.

   In furtherance of the foregoing, the Purchaser agrees to grant to the Vendor on closing an Option to Purchase the Property substantially in the form attached hereto as Schedule "B" to this Agreement.

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PURCHASER, ____________
VENDOR, THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN
REAL PROPERTY Part of Lot 1, Concession 8, geographic Township of Croft, being __________, 42R-22763 (part of PIN 52084-0376(LT)) hereinafter referenced as the Property.

Schedule B

OPTION TO REPURCHASE

TO: THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN (the "Municipality")

1. In consideration of the transfer of the Property described in this Notice by the Municipality to (hereinafter) hereby irrevocably grants to the Municipality the exclusive option to purchase the Property for the sum of Fifteen Thousand and Five Hundred Dollars ($15,500.00) less:

   (a) the Municipality's reasonable legal fees and disbursements, including Land Transfer Tax and other reasonable costs incurred by the Municipality arising from the completion of the Agreement of Purchase and Sale for the Property, the Transfer of the Property and the Transfer provided for herein;

   (b) any amount of municipal taxes outstanding on the Property;

   (c) Any amount payable on the proposed repurchase of all or part of the Property for any applicable taxes including Land Transfer Tax and/or Harmonized Sales Tax;

   (d) any real estate agents' commissions paid or incurred by the Municipality in connection with the sale of the Property to and

   (e) the costs of restoring the Property to a graded and level condition.

   The Municipality shall not be required to pay for any improvements that may have been made, constructed, installed or performed by on the Property.

2. This option shall not be exercised in the event that:

   (a) obtains a full building permit and seriously commences construction of a commercial or industrial building having a ground floor area of not less than Two Thousand (2000) square feet on the Property within five (5) years from the Transfer of the Property to (the "Construction Commencement Date"); and

   (b) completes construction of the said building, all in conformity with an approved Site Plan, within six (6) years from the Transfer of the Property to (the "Construction Completion Date").

   (c) The Municipality agrees that the timelines in the above two paragraphs may be extended by one (1) year if circumstances arise which satisfy the Municipality that an extension is warranted.

3. In the event that fails to commence construction as herein before provided by the Construction Commencement Date this option may be exercised by the Municipality giving the then registered owner of the Property notice in writing not earlier than the Construction Commencement Date and not later than sixty (60) days following the Construction Commencement Date.

4. In the event that fails to complete construction of the said building, as hereinbefore provided, by the Construction Completion Date then this option may be exercised by the Municipality giving the then registered owner of the Property notice in writing not earlier than the Construction Completion Date and not later than sixty (60) days following the Construction Completion Date.

5. In addition to the foregoing, further confirms that upon acquiring title to the Property it has no intention of selling, and further agrees that it will not market and/or sell, the property as vacant land for a period of 5 years from the date of acquiring title.

   agrees, that should its intentions change and determines that it will not develop the

Property for its own purposes (as contemplated in section 2 above) within fiver (5)years of the date of acquiring title, agrees that it will provide written notice thereof to the Municipality (Notice) and the Municipality may exercise the Option to Repurchase provided for herein by giving notice of its intention to exercise the Option in writing not later than sixty (60) days following the date upon which Notice was received by the Municipality.

6. In the event that fails to provide a notice required pursuant to section 5 (Notice) and markets the Property any time within five (5) years of the date upon which obtained title, without having developed the Property as contemplated in section 2, the Municipality shall be entitled to exercise this Option to Repurchase by giving or the then registered owner of the Property notice in writing to

7. In the event that the Municipality exercises the option herein the purchase shall be completed on the thirtieth (30th) day next following the giving of notice or if the Registry Office for Parry Sound is not open for business on the said thirtieth (30th) day then the first day next following the thirtieth (30th) day that the Registry Office is so open. On closing, agrees that title to the Property shall be free of all claims, liens and encumbrances other than any registrations subsequent to the registration of the Transfer of the Property from the Municipality to to which the Municipality is a party.

8. All Notices to be given hereunder to the then registered owner of the Property shall be given by prepaid registered mail and addressed to the then registered owner of the Property at the address for service as shown on the last Transfer of the Property to the then registered owner and any such notice so mailed shall be deemed to have been given and received on the third (3rd) day after the date of such mailing.

9. This option shall be binding upon its assigns and any subsequent owners or successors-in-title to the Property and shall have priority over any subsequent encumbrances on the Property following the Transfer to .

10. The Municipality acknowledges and agrees that should require this Option to be Deleted from title to the Property in order to register a charge/mortgage to finance construction of such building(s) described in section 2 herein, the Municipality agrees to remove such option from Title provided that:

    (a) a building permit has been issued for such building(s); and

    (b) footings and foundations have been installed and a satisfactory inspection report has been issued by the Municipality's Chief Building Official.

11. If this option is not exercised within the time periods provided for herein the Municipality agrees that this Option to Purchase may be removed from the title of the Property at the expense of the then registered owner of the Property.

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