

## Joint Venture Agreement

THIS AGREEMENT made as of the 9th day of March 2021, between **CARSON REID HOMES (FERGUS) LTD.**, **SUNCREST VALLEY DEVELOPMENTS INC.** and **VILLAGE EDGE DEVELOPMENTS INC.**, all companies incorporated under the laws of the Province of Ontario (together referred to as "JV1"), **SALEM DEVELOPMENT COMPANY INC.** a company incorporated under the laws of the Province of Ontario (referred to as "JV2") and **2038201 ONTARIO LIMITED**, a company incorporated under the laws of the Province of Ontario (referred to as "JV3").

### Interpretation

JV1 means **CARSON REID HOMES (FERGUS) LTD.**, **SUNCREST VALLEY DEVELOPMENTS INC.** AND **VILLAGE EDGE DEVELOPMENTS INC.**, JV2 means **SALEM DEVELOPMENT COMPANY INC.** and "JV3" means **2038201 ONTARIO LIMITED** and their respective successors and permitted assigns.

"Joint Venture" means the joint venture created by this agreement; "Joint Venturers" means JV1, JV2 and JV3; "Joint Venturer" means any of JV1, JV2 and JV3.

"JV1 Lands" mean Part Lot 14, Concession 2 (Nichol), being Part 1, Plan 61R-10529, Centre Wellington; Part Lot 13, Concession 2 Nichol, being Parts 6 and 7, Plan 61R-3777, except Part 16, Plan 61R-7339, Centre Wellington; Part Lot 13, Concession 2 (Nichol), being Part 1, Plan 61R-10528, Centre Wellington;

"JV2 Lands" mean Conc 2, Part Lot 11 RP 61R10619, Part 1;

"JV3 Lands" mean Con 2, Part Lot 12 RP 61R1373 Part 2 and Nichol Con 2Pt lot 13 RP 61R8337

And the JV1 Lands, JV2 Lands and JV3 Lands shall together be referred to as the "Lands"

"Project" means the procurement of qualified professionals, the development, and payment for the Growth-related Works and Local Service Works as such terms are defined in the South Fergus Master Environmental Servicing Plan And Secondary Plan Agreement dated the day of February 2021 and made between JV1, JV2, JV3 and the Corporation of the Township of Centre Wellington

"Proportionate Share" shall mean 62.7% in the case of JV1, 27.8% in the case of JV2 and 9.5% in the case of JV3.

WHEREAS, The Joint Venturers are the owners of the Lands and have agreed to enter into this agreement for the purpose of sharing in the costs of the Project.

NOW THEREFORE, in consideration of the mutual covenants and agreements included in this Agreement, and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the Parties agree as follows:

1. No partnership is created by this agreement. Nothing contained in this agreement shall or shall be deemed to constitute the Joint Venturers as partners nor as agent of the other nor any other relationship whereby either could be held liable for any act or

- omission of the other. No Joint Venturer shall have any authority to act for the other or to incur any obligation on behalf of the others or of the Joint Venture save as specifically provided by this agreement. Each Joint Venturer covenants to indemnify the other from all claims, losses, costs, charges, fees, expenses, damages, obligations and responsibilities incurred by a Joint Venturer by reason of any action or omission of the other outside the scope of the authority specifically provided by this agreement.
2. The purpose of the Joint Venture is to advance the creation of a Master Environmental Servicing Plan and Secondary Plan.
  3. The Joint Venturers shall be responsible for the liabilities and obligations of the Joint Venture in accordance with their respective Proportionate Shares, save that any liability or obligation incurred by one Joint Venturer without the written consent of the others or as otherwise provided in this agreement shall be the sole liability or obligation of the Joint Venturer incurring the same, without any right to contribution from or indemnity by the other Joint Venturers.
  4. Expenses payable or paid, and losses, costs, damages and liabilities incurred by the Joint Venture shall be paid by each Joint Venturer in the same proportion as its Proportionate Share.
  5. When funds are required to meet obligations of the Joint Venture, each Joint Venturer shall advance its Proportionate Share of the funds required to the Joint Venture so that obligations may be paid as they fall due. Any advance shall be without interest and failure to make the advance shall constitute an event of default under this agreement.
  6. In managing the Joint Venture, all decisions shall be made by all Joint Venturers.
  7. Distribution of funds. In the event that surplus funds of the Joint Venture are available which are not required for the Joint Venture they shall be applied in the following order:
    - (a) first, to pay any expenses or charges due in respect of the Project;
    - (b) to distribute any balance remaining between the Joint Venturers in accordance with their Proportionate Shares.
  8. No Joint Venturer shall sell, transfer, assign, pledge, hypothecate, mortgage, or in any other manner encumber its interest in the Lands, the Project or the Joint Venture except as specifically provided in this agreement without the written consent of the others, such consent not to be unreasonable withheld. Notwithstanding the foregoing, each Joint Venturer may pledge or hypothecate its interest in the Joint Venture to a Canadian chartered bank or registered trust company as security for loans, provided that where a fixed charge or security interest is given, the Lender shall acknowledge and agree to be bound by the provisions of this agreement in the event of realization of its security.
  9. Subject to the terms of this Agreement, if at any time during the continuance of this Agreement or after the dissolution or the termination hereof, any dispute, difference, or question shall arise between the parties concerning the construction, meaning, or effect of this Agreement or anything herein or the rights or liabilities of the parties under this Agreement, then every such dispute, difference, or question shall be referred to an independent arbitrator chosen by the parties, and if the parties cannot so agree within

ten (10) days after written request for arbitration by any party hereto to the other parties, any party may apply to the Court for the appointment of an arbitrator under the provisions of the *Arbitration Act, 1991* (Ontario). The determination which shall be made by the said arbitrator shall be final and binding upon the parties hereto and their successors, administrators, or permitted assigns.

10. The Joint Venturers appoint Carson Reid as the representative of the Joint Venture authorized to make and receive payments and receive notices at the address set out in section 13(a) below on behalf of all Joint Venturers.
11. Each provision of this agreement is intended to be severable and if any provision is found to be illegal, invalid or unenforceable, the finding shall not affect the validity of the other provisions.
12. The rights and remedies provided by this agreement are cumulative, are given in addition to any other rights and remedies available by law, statute, ordinance, in equity or otherwise and the use of any one right or remedy shall not preclude the use of others.
13. Any notice required or permitted under this agreement shall be in writing. Unless a particular provision of this agreement requires delivery in a specified manner, any notice shall be given by prepaid mail, or delivered personally or by facsimile transmission to:

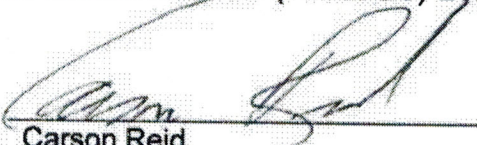
In the case of:

- (a) The Joint Venture - 195 Hanlon Creek Blvd., Unit 100, Guelph, Ontario, N1C 0A1
  - (b) Carson Reid Homes (Fergus) Ltd., Suncrest Valley Developments Inc. and Village Edge Developments Inc.- Carson Reid ([carson@carsonreidhomes.com](mailto:carson@carsonreidhomes.com));
  - (c) Salem Development Company Inc. – Bruce Youngblood ([byoungblood@live.ca](mailto:byoungblood@live.ca))
  - (d) 2038201 Ontario Limited – Robert Cameron ([bobcameron@sympatico.ca](mailto:bobcameron@sympatico.ca))
14. This agreement shall be governed by the laws of the Province of Ontario and shall enure to the benefit of and be binding on the parties to it and their respective successors and permitted assigns.

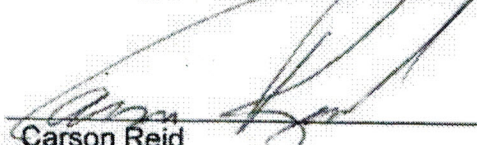
IN WITNESS WHEREOF the parties have executed this agreement the day, month and year first written above.

**Signing page follows**


CARSON REID HOMES (FERGUS) LTD.

Per:   
Name: Carson Reid  
Title: President  
I have authority to bind the company.

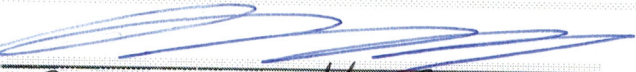
SUNCREST VALLEY DEVELOPMENTS INC.

Per:   
Name: Carson Reid  
Title: President  
I have authority to bind the company.

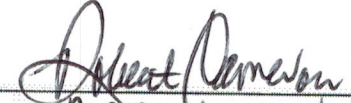
VILLAGE EDGE DEVELOPMENTS INC.

Per:   
Name: Carson Reid  
Title: President  
I have authority to bind the company.

SALEM DEVELOPMENT COMPANY INC.

Per:   
Name: ■ Bruce Youngblood  
Title: ■ President  
I have authority to bind the company.

2038201 ONTARIO LIMITED

Per:   
Name: ■ ROBERT CAMERON  
Title: ■ PRESIDENT  
I have authority to bind the company.