



AGREEMENT OF PURCHASE AND SALE

PURCHASER.....BALAL MOHAMMAD..... offers to buy from
VENDOR.....Pratt Hansen Group Inc......
PROPERTY: fronting on the.....PRISCILLAS PLACE..... side of.....PRISCILLAS PLACE..... known municipally as.....11 PRISCILLAS PLACE.....
in the.....CITY OF BARRIE..... in the.....COUNTY OF SIMCOE.....
and having a frontage and depth as described in the registered plan of subdivision stated below.

BUILDER'S LOT # 256, PLAN 51M- 822 MODEL: SPARROW (herein called the "unit")
TWO HUNDRED EIGHTY-EIGHT THOUSAND at the PURCHASE PRICE OF
288,000.00 Canadian Dollars (\$Can.....) on the following terms:

1. Purchaser submits with this offer.....FIVE HUNDRED..... Dollars (\$ 500.00)
payable to the VENDOR as a deposit to be held by him in trust pending the completion or other termination of this Agreement and to be credited towards the Purchase Price on completion.

2(a) The Purchaser agree to pay a further sum by way of a series of post-dated cheques as described below;

\$2,000.00 on or before FEBRUARY 28, 2007, and a further

\$2,500.00 on or before MARCH 28, 2007.

2(b) THE PURCHASER agrees to pay the balance of the purchase price by certified cheque to the vendor or as it directs, on closing, subject to adjustments.

2(c) THIS AGREEMENT IS CONDITIONAL for a period of 5 DAYS FOLLOWING THE DATE OF ACCEPTANCE,
upon the Purchaser(s) arranging a new first mortgage for approximately \$ 274,000.00 DOLLARS

and upon the examination of the agreement by the purchaser's solicitor, it being understood that this agreement is terminable by the purchaser, by notice in writing to the vendor before the expiry date of the said period. Failing delivery of notice of termination, this condition shall be deemed to have been satisfied and this Agreement shall be final and binding upon the parties. If termination as provided herein, the Purchaser's deposit shall be returned without interest or deduction. In the event the Purchaser defaults in any of the Purchaser's obligations (including the obligation to arrange a new first mortgage) under this agreement, including the payment of additional deposits, the vendor reserves the right to terminate the agreement. The vendor also reserves the right to approve the mortgage lender. All of the foregoing is in addition to all rights and remedies of the vendor as set out in this agreement. This agreement shall continue to apply with all necessary changes (mutatis mutandis).

THE PURCHASER(S) ACKNOWLEDGE(S) THAT TIME IS OF THE ESSENCE, THE CLOSING DATE (TRANSFER OF TITLE) IS WHEN THE PURCHASER PAYS THE BALANCE OF THE PURCHASE PRICE, AND WHEN THE CLOSING DATE IS POSTPONED BY THE PURCHASER(S), THE VENDOR INCURS ADDITIONAL COSTS. WITHOUT OBLIGATING THE VENDOR TO AGREE TO POSTPONE THE CLOSING DATE, AND WHERE THE VENDOR AGREES TO DO SO, THE PURCHASER HEREBY AGREES TO PAY TO THE VENDOR ON CLOSING, \$100.00 FOR EACH DAY THAT THE CLOSING DATE IS POSTPONED.

The purchaser(s) acknowledge and agree to pay a penalty of Fifty dollars (\$50.00), against each late or dishonoured payment. All of the foregoing is in addition to all rights and remedies of the vendor as set out in this agreement. This agreement shall continue to apply with all necessary changes (mutatis mutandis).

2(d) THE PARTIES COVENANT AND AGREE that the terms and provisions as contained in SCHEDULES A, B, C, D, E, F, form part of the within agreement and where there is a conflict between the schedules and the agreement, the schedules shall apply.

3. Purchaser agrees that this Offer shall be Irrevocable by him until.....11:59.....(p.m.) on the.....29..... day of.....JANUARY..... 20.....07..... after which time, if not accepted, this Offer shall be null and void and the deposit shall be returned to the Purchaser without interest or deduction.

4. This Agreement shall be completed on the.....29..... day of.....JUNE..... 20.....07..... Upon completion, vacant possession of the property shall be given to the Purchaser.

5. NOTICES: Any notice relating hereto or provided for herein shall be in writing. This offer, notice of acceptance thereof, or any notice shall be deemed given and received, when hand delivered or by regular mail, or by facsimile.

6. Purchaser shall be allowed until.....30 DAYS..... prior to the date set out in Paragraph 4 above.....to: examine the title to the property, at his own expense, to satisfy himself that there are no outstanding work orders affecting the property, that its present use.....SINGLE FAMILY RESIDENTIAL..... may be lawfully continued, and that the principal building may be insured against risk of fire.

7. Provided that the title to the property is good and free from all restrictions, charges, liens, claims and encumbrances, except as otherwise specifically provided in this Agreement, and save and except for:

- any registered restrictions or covenants that run with the land, provided that such are complied with;
- any registered agreements with a municipality or a supplier of utility service including, without limitation, electricity, water, sewage, gas, telephone or cable television or other telecommunication service, providing such have been complied with or security has been posted to ensure compliance and completion as evidenced by letter from the relevant municipality or utility supplier; and
- any minor easements for the supply of utility service to the property or to adjacent properties.

If within the time for examining the title any valid objection to title, or any outstanding work order or deficiency notice, or to the fact that the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire, is made in writing to the Vendor or Vendor's solicitor, which Vendor is unable or unwilling to remove, remedy or satisfy, and which Purchaser will not waive, this Agreement, notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end, and all monies theretofore paid shall be returned without interest or deduction and the Vendor and his Agents shall not be held liable for damages. Save as to any valid objection so made within such time, and except for any objection going to the root of title, Purchaser shall be conclusively deemed to have accepted Vendor's title to the property. Vendor hereby consents to the municipality releasing to Purchaser details of all outstanding work orders or deficiency notices affecting the property, and Vendor agrees to execute and deliver to Purchaser or his solicitor such further authorizations in this regard as Purchaser may reasonably require.

8. Purchaser acknowledges having inspected the property prior to submitting this Offer and understands that upon Vendor accepting this Offer there shall be a binding agreement of purchase and sale between Purchaser and Vendor.

9. Vendor and Purchaser agree that there is no condition, express or implied, representation or warranty of any kind that the future intended use of the property by the Purchaser is or will be lawful except as may be specifically stipulated elsewhere in this Agreement.

10.

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. Vendor agrees that, if requested by the Purchaser, he will deliver any sketch or survey of the property in his possession or within his control to the Purchaser as soon as possible and prior to the last day allowed for examining title. In the event that a discharge of any mortgage or charge held by a corporation incorporated pursuant to the Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union or Insurance Company and which is not to be assumed by the Purchaser on completion, is not available in registrable form on completion, the Purchaser agrees to accept the Vendor's solicitor's personal undertaking to obtain, out of the closing funds, a discharge or cessation of charge in registrable form and to register same on title within a reasonable period of time after completion, provided that on or before completion the Vendor shall provide to the Purchaser a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, together with a direction executed by the Vendor directing payment to the mortgagee, of the amount required to obtain the discharge out of the balance due on completion.
11.

All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Vendor. Vendor shall hold all insurance policies, if any, and the proceeds thereof in trust for all parties as their interests may appear and in the event of substantial damage, Purchaser may either terminate this agreement and have all monies theretofore paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Vendor is taking back a mortgage or charge, or Purchaser is assuming a mortgage or charge, Purchaser shall supply Vendor with reasonable evidence of adequate insurance to protect the Vendor's or other mortgagee's interest on completion.
12.

Provided that this agreement shall be effective to create an interest in the property only if the subdivision control provisions of The Planning Act are complied with by Vendor on or before completion and Vendor hereby covenants to proceed diligently at his expense to obtain any necessary consent on or before completion.
13.

Purchaser shall be credited towards the Purchase Price with the amount, if any, which it shall be necessary for Purchaser to pay to the Minister of National Revenue in order 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 his statutory declaration that he is not then a non-resident of Canada.
14.

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.
15.

The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Vendor, and any mortgage or charge to be given back by the Purchaser to the Vendor at the expense of the Purchaser. If requested by Purchaser, Vendor covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Clauses 49(21a)(a), (b) and (c) of The Planning Act, 1983.
16.

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 solicitors who may be specifically authorized in that regard.
17.

Any tender of documents or money hereunder may be made upon Vendor or Purchaser or their respective solicitors on the day set for completion of this Agreement. 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.
18.

THE VENDOR WARRANTS THAT SPOUSAL CONSENT IS NOT NECESSARY TO THIS TRANSACTION UNDER THE PROVISIONS OF THE FAMILY LAW ACT, 1986, UNLESS THE VENDOR'S SPOUSE HAS EXECUTED THE CONSENT HEREINAFTER PROVIDED.
19.

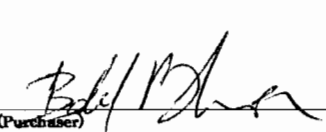
The Vendor represents and warrants to the Purchaser that during the time the Vendor has owned the property, the Vendor has not caused any building on the property to be insulated with insulation containing urea formaldehyde, and that to the best of the Vendor's knowledge no building on the property contains or has ever contained Insulation that contains urea formaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall apply to that part of the building which is the subject of this transaction.
20.

THE PURCHASER IS HEREBY NOTIFIED THAT A CONSUMER REPORT CONTAINING CREDIT AND/OR PERSONAL INFORMATION MAY BE REFERRED TO IN CONNECTION WITH THIS TRANSACTION.

DATED at Barrie this 25 day of JANUARY 2007

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


(Witness)


(Purchaser)



DATE 25.01.07

(Witness)

(Purchaser)

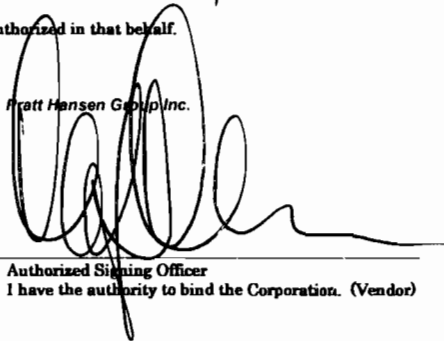


DATE _____

The undersigned accepts the above Offer

DATED at Barrie this 29 day of JANUARY 2007

WITNESS THE CORPORATE SEAL of Pratt Hansen Group Inc. duly attested to under the hands of its proper signing officer authorized in that behalf.


Pratt Hansen Group Inc.
Per: _____
Authorized Signing Officer
I have the authority to bind the Corporation. (Vendor)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this Agreement of Purchase and Sale and I authorize the Agent to forward a copy to my solicitor.

DATE _____
(Vendor)
DATE _____
(Vendor)

ADDRESS 27 Clapperton St Suite 300, Barrie, Ontario, L4M 3E6

TELEPHONE NO. _____

VENDOR'S SOLICITOR Jennifer R. Craddock-Jones, Purser, Dooley LLP

ADDRESS 151 Ferris Lane, Suite 300 Barrie, Ontario, L4M 6C1

TELEPHONE NO. (705) 792-6910 Facsimile: (705) 792-6911

I acknowledge receipt of my signed copy of this Agreement of Purchase and Sale and I authorize the Agent to forward a copy to my solicitor.

DATE _____
(Purchaser)
DATE _____
(Purchaser)

ADDRESS _____

TELEPHONE NO. _____

PURCHASER'S SOLICITOR _____

ADDRESS _____

TELEPHONE NO. _____