

ASSET PURCHASE AGREEMENT

THIS AGREEMENT dated the ____ day of _____, _____.

BETWEEN:

[PURCHASER]
(hereinafter referred to as the "Purchaser")
- and -

[VENDOR]
(hereinafter referred to as "the Vendor")

ARTICLE I - DEFINITIONS

- 1.01 In this Agreement, including the recitals, the following terms shall have the following meanings:
- (a) "Closing" and "Closing Date" shall mean *[insert date of closing]*, or such other date as the parties hereto may agree;
 - (b) "Effective Date" shall mean *[insert effective date of transaction]*; and
 - (c) "Purchased Assets" shall mean the following real property of the Vendor: *[insert full legal description and municipal address]*, *[if applicable – and the lease therefor with [insert name of tenant] dated [insert date of lease]*.

ARTICLE II - AGREEMENT TO PURCHASE AND SELL

2.01 The Vendor hereby agrees to and with the Purchaser to sell, transfer and assign the Purchased Assets to the Purchaser for the Purchase Price hereinafter set out.

ARTICLE III - PURCHASE PRICE

3.01 The Purchase Price for the Purchased Assets shall be the fair market value of the Purchased Assets, as determined by the accountants for the parties (the "FMV" and "Purchase Price", respectively).

ARTICLE IV – PAYMENT OF PURCHASE PRICE

4.01 In payment and satisfaction of the Purchase Price, the Purchaser agrees to issue and deliver to the Vendor ##### Class ____ [Preference] Shares in the capital of the Purchaser on Closing with a Redemption Amount fixed by the Purchaser's directors at an amount equal to the Purchase Price (the "Consideration Shares" and "Redemption Amount", respectively).

ARTICLE V - AGREEMENT TO FILE ELECTIONS

5.01 It is the intention of the parties that this transaction is taking place in contemplation that section 85(1) of the *Income Tax Act (Canada)* will apply. Therefore, the parties hereto covenant and agree that, notwithstanding the foregoing, for income and corporation tax purposes the acquisition cost to the Purchaser and the proceeds of disposition to the Vendor of the Purchased Assets shall be deemed to be the adjusted cost base ("ACB") of those Purchased Assets to the Vendor, and the parties hereto agree jointly to make, execute and file with the appropriate bodies the elections required under the *Income Tax Act (Canada)* and the applicable provisions of the *Corporations Tax Act (Ontario)* (as applicable) in prescribed form and within the prescribed time frame.

5.02 The parties agree that in the event that any governmental taxing authority having jurisdiction issues or proposes to issue assessments or reassessments of additional liability for taxes or any other

subject by reason of asserting that the value or ACB of the said Purchased Assets is greater or less than the value or ACB determined by the parties hereunder as set out above, then the value or ACB in question shall be increased or decreased by the difference so determined, but only to the extent that the said value or ACB so revised is accepted by the taxing authority, the Vendor and the Purchaser, or failing such acceptance, is established by courts having jurisdiction in the matter after all rights of appeal having been exhausted or expired without appeal by such taxing authority, the Vendor or the Purchaser. In the event there is an adjustment to the value or ACB as so provided for, such adjustment shall be deemed to be made nunc pro tunc with effect as of the Effective Date set out herein and revised or amended elections shall be filed accordingly.

THIS IS A 4-PAGE FORM.