**STATUTORY DECLARATION**

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| **CANADA** | **)**  **)**  **)**  **)** | **IN THE MATTER OF** the title to lands municipally known as , Ontario (the “**Property**”) |
| **PROVINCE OF ONTARIO** | **)**  **)**  **)**  **)**  **)** | **AND IN THE MATTER OF** a loan from Meridian Credit Union Limited (the “**Lender**”) to , (the “**Corporation**”) as borrower |
| **TO WIT** | **)**  **)** |  |

I, of the City of in the Municipality of ,

**DO SOLEMNLY DECLARE AS FOLLOWS:**

# I am of the full age of eighteen (18) years old.

# I am the of the Corporation that is the registered owner in fee simple of the Property and as such have knowledge of the matters herein deposed to. To the best of my knowledge and belief there are no liens, easements, charges, mortgages or other encumbrances affecting the Property or any part thereof other than as disclosed by the registered title.

# The Property was conveyed to the Corporation pursuant to Instrument No. being a Transfer/Deed of Land registered on . From the date of conveyance of the Property to the Corporation until now the Corporation has either itself or through its tenants been in actual, continuous, exclusive, open and undisturbed possession of the whole of the Property and during the said period no one has ever made entry on the Property or brought action to recover the Property or any part thereof under or in respect of any claim adverse to the Corporation’s title and the Corporation has not made any acknowledgement in writing of any right, claim or title to any other person in respect of any part of the Property and has not heard of and is not aware of any claim to the Property or any part thereof adverse to its title.

# The Corporation is the sole legal and beneficial owner of the Property and does not retain the fee or the equity of redemption in or a power or right to grant, assign or exercise a power of appointment with respect to any land abutting the Property.

# The deeds, evidence of title and other papers which have been produced by the Corporation are all the title deeds, evidence of title and other papers relating to the title of the Property that are in the Corporation’s possession or power and to the best of my knowledge and belief the deeds and papers produced and this declaration and the registered title fully and fairly disclose all facts material to the title claimed by me on behalf of the Corporation to date and all contracts and dealings which affected the same or any part thereof so far as I have any knowledge.

# All realty taxes and utility charges payable on the Property, including local improvement rates have been paid in full to the date of the advance.

# There are no judgments or executions against the Corporation and, so far as I am aware, there are none affecting the Property.

# There are no Priority Payables (as defined below) with respect to the Corporation, its nominee or the Property outstanding in respect of which payments are overdue. The Corporation and its nominee have withheld from each payment to each of their respective officers, directors and employees the amount of all taxes, including income tax, Canada Pension Plan, employment insurance and other payments and deductions required to be withheld therefrom, and have paid the same to the proper taxation or other receiving authority in accordance with applicable law. The Corporation and its nominee have remitted to the proper taxation or other receiving authority in accordance with applicable law all amounts required in respect to sales and consumption taxes, harmonized sales taxes and other excise taxes collected by it from third parties. The Corporation will pay and discharge promptly when due all Priority Payables arising or becoming due and payable after the date hereof.

# For the purposes hereof, “**Priority Payables**” means any amount payable by the Corporation or its nominee which is secured by a lien or encumbrance which ranks or is capable of ranking prior to or pari passu with the liens, security interests and encumbrances created by the security documents delivered pursuant to the Commitment Letter, including amounts owing for wages, vacation pay, severance pay, employment insurance premiums and other employee source deductions, sales and consumption taxes, harmonized sales tax, excise tax, income tax, workers compensation, government royalties, pension fund obligations, Canadian Pension Plan contributions and other pension plan obligations, real property tax and other statutory or other claims.

# There is nothing owing in respect of the Property by the Corporation to any municipal corporation or to any other corporation or commission owning or operating a public utility for water, gas, electric power or energy, steam or hot water, or for the use thereof, for fittings, or for any work or service performed by such corporation or commission in connection with such public utilities.

# There is annexed as Schedule “A” a copy of a sketch of survey of the Property as prepared by , O.L.S. dated (the “**Survey**”). I am not aware of any encroachments on the Property by any surrounding and abutting properties and the position of the buildings as shown on the sketch has not been altered since the date of the Survey. The Survey accurately discloses all buildings and structures located on the Property save and except for .

# All buildings and other erections upon the Property have been fully completed, together with all necessary connections for sewers; and for the supply of water, gas and electrical power and energy; and all accounts for work and services performed and material placed or furnished upon or in respect of the Property or any building or erection thereon have been fully paid and satisfied.

# All buildings, erections and structures on the Property comply fully with all municipal by-laws and regulations including without limiting the generality of the foregoing, all zoning by-laws and regulations and the Corporation has not done anything in contravention of the said zoning by-laws and regulations. There are no outstanding orders or notices against the Property.

# The buildings located on the Property are wholly situate within the limits of the Property and there is no dispute as to the boundaries of the Property or the location of the fences on the perimeter of the Property. To the best of my knowledge and belief, I have not heard of any claim for easement affecting the Property, either for light, drainage or right of way or otherwise.

# All development, site plan, and easement agreements registered against title to the Property, if any, are in good standing and there are no outstanding disputes in respect thereof.

# All chattels, fixtures, fittings and equipment and all other permanent fixtures now on the Property and belonging to the Corporation have been paid for in full and are not subject to any conditional sales contracts, chattel mortgages, rental agreements or any lien or charge out of the ordinary course.

# The Property is not now and never has been insulated with urea formaldehyde insulation.

# The Property does not constitute a matrimonial home of the Corporation as defined in Section 18(1) of the *Family Law Act*, R.S.O. 1990, and no shareholder, officer or director of the Corporation is entitled to occupy the Property by virtue of owning shares in the Corporation, as contemplated by Section 18(2) of the *Family Law Act*, R.S.O. 1990 (as amended and replaced from time to time).

# The Charge/Mortgage of Land of the freehold interest in the Property, executed by the Corporation in favour of the Lender (the “**Mortgage**”) to secure a loan from the Lender, does not contravene the provisions of the *Planning Act* as amended, because the present registered owner of the Property does not retain the fee or the equity of redemption in, or a power or right to grant, assign or exercise a power of appointment with respect to any land abutting the Property affected by the Mortgage.

# **[ALTERNATE:** I have not received any notice of non-compliance with respect to the following instruments, their terms and conditions have been complied with to date, nor do they adversely affect the use and enjoyment of the Property: **[Note to Draft: Copy from Title Memo.]**

## Instrument No. , registered on , is a Agreement between and regarding ;

## Instrument No. , registered on , is a Transfer of Easement from to for on the Property; and

## Instrument No. , registered on , is Bylaw of designating the property municipally known as as .]

# The Corporation is not a non-resident company of Canada for all purposes under the *Income Tax Act* and regulations made thereto, including without limiting the generality of the foregoing, Section 116(5) of the *Income Tax Act*.

# All potential claims of any governmental authority or other prior claims of secured parties not agreed to in writing by the Lender, which claims, if unpaid, could rank in priority to the interest of the Lender pursuant to any security interest granted to the Lender as part of the above noted loan (the “**Lender Security**”), including any employee source deductions, HST/GST or retail sales tax, have been paid or remitted as of the date herein.

# Schedule “B” attached to this Declaration constitutes a complete and accurate rent roll of the Property (the “**Rent Roll**”).

# **[FOR COMMERCIAL TENANTS:]** There are no defaults with respect to any commercial leases affecting the Property. That as of the date hereof all of the tenants are in possession of their premises and are paying full rent in accordance with the provisions of their leases. The Rent Roll accurately states the amounts of last month’s rent and/or security deposits being held by the Corporation in connection with all of the leases affecting the Property. As of the date hereof none of the tenants have a claim for reduction, maintenance or set-off in respect of the basic annual rent or operating costs provided for in their leases. Complete copies of the leases respecting the tenancies herein been provided to the Lender, and all of the leases continue to be in full force and effect.]

# **[FOR RESIDENTIAL TENANCIES**:] There are no defaults with respect to any residential leases affecting the Property. That all of the rents set out on the Rent Roll relating to residential tenancies are legal and comply with provisions set out in *Residential Tenancies Act* S.O (2006) (as amended and replaced from time to time). We have not received any Rent Control Orders, Rent Registration Forms or Rent Registry Notification Forms. There are no pending application against any unit in the Property. There are no outstanding disputes or applications before the Landlord and Tenant Board. No interest is due and owing on any deposits currently being held by the Corporation. There are currently no rights or claims of set off by any of the tenants in connection with any of the leases. Complete copies of the leases respecting the tenancies herein been provided to the Lender, and all of the leases continue to be in full force and effect.]

**AND I MAKE** this solemn declaration conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath and by virtue of the *Canada Evidence Act*.

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| **DECLARED** before me  at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  in the Province of Ontario,  this \_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_, 20 . | )  )  )  )  ) |  |
| \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  A Commissioner, etc. | )  )  ) |  |

**SCHEDULE “A”**

**SURVEY OF PROPERTY**

**[NOTE TO DRAFT: ATTACH SURVEY OF PROPERTY]**

**SCHEDULE “B”**

**RENT ROLL OF THE PROPERTY**

**[NOTE TO DRAFT: ATTACH CURRENT RENT ROLL OF THE PROPERTY]**