

May 6, 2022

ANUSHA BAPATLA & SRINIVASA,RAO CHATALA
1765 VICTORIA PARK AVE AP405
SCARBOROUGH, ON
M1R1S5

*** Sent via Email ***

Dear ANUSHA BAPATLA & SRINIVASA,RAO CHATALA,

Purchaser: ANUSHA BAPATLA & SRINIVASA,RAO CHATALA
Vendor: 2174372 ONTARIO LTD.
Property: Orchards Enclave - Phase: 1
Address: 71 Honey Crisp Lane
Lot/Unit: 40 Block G

First Notice - (s.5(b) Tarion Addendum)

UNAVOIDABLE DELAY EVENT HAS OCCURRED

RE: Purchase Agreement dated the 20th day of December, 2020 including Addendum, and amendments, if any (the "Purchase Agreement") relating to the Home.

The terms of your Purchase Agreement (see the Addendum) permit the Vendor to extend the date of closing or occupancy and other critical dates in certain circumstances, including where there has been an event and/or loss of construction time which amounts to an Unavoidable Delay.

PLEASE NOTE THAT:

1. An **"Unavoidable Delay"** event has occurred which may delay completion of your home. The specific "Unavoidable Delay" trigger event is as follows:

Vote to strike by LiUNA Local 183.
2. The Strike(s) began on the 2nd **day of May, 2022**. Those on strike as of now are:

Carpenters, carpet installers, tile installers, railing installers, drywall installers, insulation installers, and plumbers. It is possible that roofers will be on strike by the end of the week.
3. It is possible that the strikes(s) will affect the completion and/or delivery schedule of the above-noted home.

4. You should be aware that the delay in completion of your home will include the combination of two (2) periods of time. The total delay will include both:
 - 1) the period of time for direct impacts of the pandemic; but also,
 - 2) any additional period of delay due to after-effects caused by the strikes which are beyond the vendor's reasonable control (the "**Remobilization Period**").
5. It is difficult at this stage to be certain if or how long the total delays may be and thus how the construction schedule for your Home will be affected. A meaningful estimate of the total delay is not possible at this time.
6. As more information becomes available, we will keep you informed of developments.

For further information regarding the delay, please visit: www.tarion.com.

*An "Unavoidable Delay" means a strike, fire, explosion, flood, act of God, civil insurrection, act of war, act of terrorism or pandemic, plus any period of delay directly caused by the event, which is beyond the reasonable control of the builder and is not caused or contributed to by the fault of the builder.