

**Ms. Allison Smyth**  
Brookfield Residential (Ontario) LP  
3381 Steeles Avenue East, Suite 100  
Toronto, Ontario, L3R 5Y6

Dear Ms. Smyth:

**Re: Confirmation of Substantial Performance - Contract II**  
**Saleville Uxbridge**  
**Brookfield Residential (Ontario) LP, Township of Uxbridge**

In accordance with the Construction Lien Act, we have prepared the following concerning 'Substantial Performance' certification for Contract II:

A. Substantial Performance

The following provisions of the Construction Lien Act govern certification.

1. *For the purpose of the Act, a contract is substantially performed,*
  - (a) *when the improvement to be made under the contract or a substantial part thereof is ready for use or is being used for the purposes intended; and*
  - (b) *when the improvement to be made under that contract is capable of completion or, where there is a known defect, correction, at a cost of not more than,*
    - i) *3 percent of the first \$1,000,000 of the contract price,*
    - ii) *2 percent of the next \$1,000,000 of the contract price, and*
    - iii) *1 percent of the balance of the contract amount.*
2. *For the purposes of this Act, where the improvement of a substantial part thereof is ready for use or is being used for the purposes intended and the remainder of the improvement cannot be completed expeditiously for reasons beyond the control of the contractor or, where the owner and the contractor agree not to complete the improvement expeditiously, the price of the services or materials remaining to be supplied and required to complete the improvement shall be deducted from the contract price in determining Substantial Performance.*

B. Assessment of Substantial Performance

At this time, the contract is Substantially Performed as requirements noted above have been fulfilled as follows.

- a) The works are ready for use and are being used for the purpose intended.
- b) The owner agrees that no further work can be initiated due to seasonal and building schedule constraints.

c) The estimated cost to complete known deficiencies is less than the allowable cost to complete known deficiencies.

i) Net contract amount governing Substantial Performance is calculated as follows:

- [Contract II amount, excluding contingency amount \$199,204.10
- Incomplete work deferred or deleted (through no fault of Contractor)  
Following items deducted:

Total (\$0.00)

**Net Contract Amount \$199,204.10\***

\* use this Net Contract Amount for purpose of Substantial Performance calculation below.

ii) The allowed cost to complete deficiencies (per Lien Act) based on a Net Contract Amount of \$199,204.10\* is:

3% x \$199,204.10 = \$5,976.12

2% x \$0.00 = \$0.00

(remainder of net\*) 1% x \$0.00 = \$0.00

**Allowed Cost to Complete Deficiencies is \$5,976.12**

We conclude that from the above the total 'Estimated Cost to Complete' known deficiencies is less than the 'Allowed Cost to Complete' known defects and therefore Contract II is 'Substantially Performed'.

C. Contract Provisions - Holdback Release

In accordance with the contract provisions, items which govern holdback release are summarized as follows:

10% Statutory Holdback

The Contract Agreement stipulates that "Sixty (60) days after advertisement of Substantial Performance as described in the Construction Lien Act,... the Engineer will certify payment of the ten (10%) percent Statutory Holdback...".



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**For Contract II**, the Contract Agreement also goes on to stipulates that “The Substantial Performance for ongoing secondary road work under Contract II will be certified once, at the end of the calendar year in which the work is performed throughout, unless otherwise confirmed by the Owner that no further secondary road work under Contract II will be carried out in the calendar year

**Upon your concurrence with our assessment of Substantial Performance, we will issue the 'Substantial Performance Certificate'.**

**After expiry of the lien period and supply of supporting documentation by the contractor this holdback will be certified for release.**

D. Summary

With the determination of Substantial Performance, expiry of the lien period, and supply of the appropriate documentation, the following amounts will be certified for release on or about January 12, 2024:

10% Statutory Holdback (to previous PC# 14)	<b>Total</b>	<b>\$899.60</b>
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Should you have any questions or concerns regarding the above, please contact Julia Risi or the undersigned.

Sincerely,

**SCS Consulting Group Ltd.**



Kris Marsh  
kmarsh@scsconsultinggroup.com

c. Mr. Tony Marchese, Pilen Construction of Canada Ltd.



**CERTIFICATE OF SUBSTANTIAL PERFORMANCE  
OF THE CONTRACT  
SECTION 32 OF CONSTRUCTION LIEN ACT**

**File #:** 1715  
**Date:** November 13, 2023

**OWNER:** Brookfield Residential (Ontario) LP  
**OWNER ADDRESS:** 3381 Steeles Avenue East, Suite 100, Toronto Ontario, M2H 3S7  
**CONTRACTOR:** Pilen Construction of Canada Limited  
**CONTRACTOR ADDRESS:** 22 Cadetta Road, Brampton, Ontario, L6P 0X4  
**PAYMENT CERTIFIER:** SCS Consulting Group Ltd.  
**PAYMENT CERTIFIER ADDRESS:** 30 Centurian Drive Suite 100, Markham, Ontario, L3R 8B8

**Township of Uxbridge, Regional Municipality of Durham**

(Country/District or Regional Municipality/City in which premises are situated)

**Concession 6, Lot 27, Uxbridge, ON**

(Street address and City, Town, etc. or if there is no street address, the location of the premises)

THIS IS TO CERTIFY THAT THE CONTRACT FOR THE FOLLOWING IMPROVEMENT:

**Saleville Uxbridge - Site Servicing and Roadworks**

TO THE ABOVE PREMISES WAS SUBSTANTIALLY  
PERFORMED ON:

**November 9, 2023**

(date substantially performed)

**CERTIFICATE SIGNED**

**November 13, 2023**

**Kris Marsh**



Date

Name

Signature

IDENTIFICATION OF PREMISES FOR PRESERVATION OF LIENS:

**Township of Uxbridge: Part of Lot 27, Concession 6**

(lot and plan or instrument registration number)

OFFICE TO WHICH CLAIM FOR LIEN AND AFFIDAVIT MUST BE GIVEN TO PRESERVE LIEN:  
**3381 Steeles Avenue East, Suite 100, Toronto, Ontario, L3R 5Y6**