

LIST OF MORTGAGE DOCUMENTS

RE: **British Columbia Housing Management Commission** (the "Lender")
Not for Profit (the "Borrower")
Civic Address (the "Property")

NOTE: The following documents are provided to you in one copy only. Please return ONE originally signed copy of each document along with your letter of opinion to the attention of Legal Administration, BCHMC.

1. Loan Commitment Letter;
 - The Borrower must execute the Loan Commitment Letter before any other document;

2. Form C (Modification of Mortgage) for execution by the Borrower
 - The Borrower must complete in accordance with *Land Title Act* requirements;
 - The Borrower must insert the names of the authorized signatories below their signatures;
 - The solicitors for the Lender will provide you with registration particulars in due course;

3. Certified Resolution of Directors;
 - Insert date of the Directors' meeting;

4. Statutory Declaration of Officer;
 - Please complete paragraph 5;
 - If more signatures are required, please contact BC Housing for schedule;

5. Form of Borrower's Solicitor's Opinion, to be completed by you.

6. Replacement estoppel agreement from the landlord of the Property;

DATE

Not for Profit

◆
◆, BC ◆

Dear Sir or Madam:

Re: Replacement Loan Commitment Letter
Forgivable Mortgage charging the **freehold/leasehold** interest of **Not for Profit** in **Civic Address, City, BC**

British Columbia Housing Management Commission (“**BCHMC**”) is pleased to confirm that it will make available to **◆Not for Profit** a **second/third** priority forgivable mortgage loan for:

- a) **renovation and/or capital improvement pursuant to the SIF program;** and
- b) **renovation and/or capital improvement pursuant to the CRF program,**

of a **◆** unit project (the “**Project**”) on the following lands and premises, subject to the terms and conditions contained in this Loan Commitment Letter, and subject to all legal matters and documentation being to the complete satisfaction of BCHMC and its solicitors:

Civic Address:

◆

Legal Description:

PID ◆, ◆

(the “**Property**”).

1. Borrower

◆Not for Profit (the “**Borrower**”).

2. Schedules

- 2.1. The capitalized terms used in this Loan Commitment Letter will have the meanings given to such terms either in the body of this Loan Commitment Letter or in the attached Schedule “C”, whichever is applicable.
- 2.2. Schedules “A” through “C” and any additional schedules and all provisions thereof are incorporated into and will form an integral part of this Loan Commitment Letter.

3. Loan Amount

- 3.1. Confirmation and permanent reduction of the existing demand non-revolving loan from the original maximum loan amount of \$◆ to the new maximum loan amount approved by BCHMC of \$◆ (the “**SIF Loan**”). For greater certainty the permanent reduction of \$◆ from the original maximum loan amount for the SIF Loan is as a result of the application of BCHMC's loan forgiveness conditions.
- 3.2. New demand non-revolving loan of \$◆ (the “**CRF Loan**”) is the maximum loan amount approved by BCHMC. Holdbacks for deficiencies, builders’ liens, or soft costs may be held by BCHMC until the appropriate time. The holdbacks will earn interest at the rate equivalent to the rate paid by the provincial offset interest program (presently the RBC Prime Rate minus 1.75%).
- 3.3. The Loans do not constitute a commitment by BCHMC for any additional capital, operating or support funding.
- 3.4. In the event that the cost to complete the Project does not require that the CRF Loan be fully advanced, the CRF Loan will be reduced so that it is equal to the amounts advanced by BCHMC to complete the Project.

4. Term

◆ years from the Effective Date.

5. Availability of Advances

- 5.1. So long as there are no Events of Default which are continuing and upon satisfaction of the conditions precedent to the availability of advances set out in Section 10 below, the Loans will be made available to the Borrower as follows:
- (a) the SIF Loan will continue to be made available to the Borrower if not fully drawn as at the date of this Loan Commitment Letter; and
 - (b) the CRF Loan will be made available to the Borrower by way of direct advances from time to time but not more frequently than once per month and on a work in place and cost expended basis.

- 5.2. The CRF First Advance must be made on or before ♦.
- 5.3. Prior to the CRF First Advance, the Borrower must complete and return to BCHMC the Order to Pay attached as Schedule “B” to this Loan Commitment Letter, if not previously completed and returned to BCHMC.

6. Repayment

- 6.1. All amounts outstanding under or in respect of the Loans will become due and payable by the Borrower to BCHMC on demand.
- 6.2. Without limiting in any way BCHMC's right to at any time make demand for payment of any or all of the Loans:
 - (a) payments on account of principal and interest under the Loans will be forgiven, provided the Property is continuously used for the Specific Purpose and an Event of Default does not occur; and
 - (b) if an Event of Default occurs, the Borrower shall pay the outstanding amount of the Loan as at the date of the Event of Default plus interest, as directed by BCHMC.
- 6.3. All payments to be made by the Borrower under this Loan Commitment Letter will be made by the Borrower at the address of BCHMC set out on the first page of this Loan Commitment Letter or at such other place as BCHMC may direct from time to time.
- 6.4. The obligation of the Borrower to make all payments under this Loan Commitment Letter and the Security Documents will be absolute and unconditional and will not be limited or affected by any circumstance, including without limitation any set off, compensation or counter-claim the Borrower may have or assert against BCHMC or any insolvency, bankruptcy, reorganization or similar proceedings by or against the Borrower.

7. Interest Rate

- 7.1. If an Event of Default occurs, interest is payable on the balance of principal outstanding under the Loans as at the date of the Event of Default at a rate equal to the RBC Prime Rate plus 2.00% per annum, until the Loans are repaid in full.
- 7.2. Interest payable under the Loans will be calculated and compounded semi-annually, not in advance, from the date of the Event of Default, both before and after demand, default and judgment, until actual payment is made.

8. Loan Forgiveness Conditions

The financial assistance is available exclusively to the Borrower for the capital improvement of affordable housing units for low and moderate income households. If the

Borrower uses the Property for the Specific Purpose during the term of the Loans and an Event of Default does not occur, the Loans will be forgiven 1/◆ each year, commencing on the ◆ anniversary of the Effective Date, until the Loans are completely forgiven.

9. Security

The Loans and the obligations and liabilities of the Borrower under this Loan Commitment Letter will be evidenced and secured by the following documents (the “**Security Documents**”) completed and, where necessary, registered in a form and manner satisfactory to BCHMC and its solicitors:

PREVIOUSLY PROVIDED

- 9.1. borrowing resolution from the Borrower;
- 9.2. special resolution of the members of the Borrower (if required by the Borrower’s Constitution or Bylaws);
- 9.3. a section 219 covenant in favour of BCHMC charging the interest of the Borrower to the Property;
- 9.4. \$◆ **second/third** priority mortgage (the “**Existing Mortgage**”) from the Borrower in favour of BCHMC charging the interest of the Borrower to the Property;
- 9.5. assignment agreement from the Borrower in favour of BCHMC, which agreement will, among other things and on terms and conditions acceptable to BCHMC, assign to BCHMC all of the Borrower’s right, title and interest in, to and under:
 - (a) the Construction Contracts;
 - (b) all other service or material supply contracts, plans, drawings, designs and specifications in respect of the Project; and
 - (c) all related benefits, warranties and guarantees with respect to the contracts, agreements and documents set out in Sections 9.5(a) and (b) above; *[NTD: remove if not applicable]*
- 9.6. estoppel certificate from the landlord of the Property;

TO BE PROVIDED

- 9.7. borrowing resolution from the Borrower;
- 9.8. special resolution of the members of the Borrower (if required by the Borrower’s Constitution or Bylaws);

- 9.9. modification of the Existing Mortgage from the Borrower in favour of BCHMC charging the interest of the Borrower to the Property, which modification will, among other things, increase the principal amount from \$◆ to \$◆ (the “**Modification of Mortgage**”);
- 9.10. replacement estoppel agreement from the landlord of the Property;
- 9.11. all such other certificates, documents, opinions, priority agreements and consents as BCHMC or its solicitors reasonably require.

10. Conditions Precedent to the Availability of Advances

- 10.1. On or before the date of the CRF First Advance, BCHMC will have received in form and substance satisfactory to BCHMC, its payment certifier, quantity surveyor or its solicitors:
 - (a) this Loan Commitment Letter, executed and delivered by the Borrower;
 - (b) the Security Documents listed in Section 9 as To Be Provided completed and, where necessary, registered at all appropriate registration offices;
 - (c) if applicable, the Operating Agreement, executed and delivered by the Borrower;
 - (d) confirmation of insurance arranged by the Borrower conforming to BCHMC’s requirements as specified in this Loan Commitment Letter under the heading “Insurance” below;
 - (e) a title review for the Property, including a satisfactory review of all legal notations, encumbrances, liens and charges noted on title and approval of all charges to be placed on title for the Property;
 - (f) confirmation that the Borrower’s constitution and bylaws comply with the requirements of BCHMC or if BCHMC determines that amendments are required to the Borrower’s constitution and bylaws, the Borrower must:
 - i. amend its constitution or bylaws, as applicable, in accordance with BCHMC’s requirements and file the applicable amended constitution and bylaws with the BC Registrar of Companies and provide confirmation to BCHMC to its satisfaction that the applicable amended constitution and bylaws have been accepted for registration; and
 - ii. if the Borrower’s bylaws require that a special resolution approving the borrowing of the Loan by the members of the Borrower be passed and filed the Borrower must immediately:
 - A. file a transition application with the BC Registrar of Companies (if an application has not already been filed) and

provide confirmation to BCHMC to its satisfaction that the transition application has been accepted for registration; and

- B. amend its bylaws to remove the filing requirement, file the amended bylaws with the BC Registrar of Companies and provide confirmation to BCHMC to its satisfaction that the amended bylaws have been accepted for registration;
- (g) if the Borrower's interest in the Property is leasehold, a copy of the fully executed lease;
 - (h) copies of all drawings and specifications for the capital improvement of the Project;
 - (i) copies of all municipal building permits and all other approvals by regulatory authorities required for the capital improvement of the Project;
 - (j) detailed cost and capital improvement budget and timetable, which will, among other things, confirm the capital costs for the Project for the estimated ♦ month capital improvement period is not greater than \$♦;
 - (k) waste management plan worksheet and waste diversion target;
 - (l) evidence that all property taxes with respect to the Property have been paid in full;
 - (m) copies of the filed empty homes tax (vacancy tax) property status declarations for the last and current reporting periods with respect to the Property and evidence that any vacancy taxes have been paid in full;
 - (n) copies of all of the Construction Contracts and a review of all of the Contractors to determine their level of experience, reputation, financial capacity and ability to complete their applicable Construction Contract;
 - (o) an original copy, or a notarized copy, of a performance bond in the amount of 50% of the value of the improvements to be constructed on the Property and in the form "CCDC Document 221 (2003) Performance Bond", as the form may be amended or replaced from time to time;
 - (p) an original copy, or a notarized copy, of a labour and material payment bond in the amount of 50% of the value of the improvements to be constructed on the Property and in the form "CCDC Document 222 (2003) Labour and Material Payment Bond", as the form may be amended or replaced from time to time;
 - (q) confirmation that the general contractor or building envelope renovator for the Project is registered with the Licensing & Consumer Services Office as

a licensed residential builder, such confirmation to include such contractor's residential building license number and expiry date;

- (r) if applicable, confirmation from CRA if the Borrower is registered as a charitable organization or designated as a municipality for the purposes of tax and other rebates; and

10.2. It will be a further condition precedent to the availability of advances under the CRF Loan (being the CRF First Advance and all subsequent advances) that in addition to the satisfaction of the conditions precedent set forth in Section 10.1 above, BCHMC will have received at least ten (10) business days prior to the date on which the Borrower wishes funds to be advanced, in form and substance satisfactory to BCHMC, its payment certifier, quantity surveyor or solicitors:

- (a) copies of invoices relating to each direct advance that is requested which correspond to the requested amount of the advance;
- (b) evidence that work in place or costs have been expended upon or in respect of the Property equivalent in value to the advances requested;
- (c) confirmation that the capital improvement work comprising the Project is being done in a good and workmanlike manner and meets all acceptable standards and municipal requirements; and
- (d) such other information, material and/or documents as BCHMC, its payment certifier or quantity surveyor may require.

11. Conditions of Loan

The Borrower agrees that so long as the Loans remain outstanding:

11.1. the Borrower will not without the prior written consent of BCHMC:

- (a) take or refrain from taking any action that would cause any of the representations and warranties of the Borrower under this Loan Commitment Letter to be incorrect, false or misleading;
- (b) permit any property or other taxes in respect of the Property to remain unpaid when due;
- (c) use, store or permit to exist on the Property any Hazardous Substance;
- (d) permit any changes to the Approved Budget or the Approved Plans;
- (e) grant or allow any security interest, lien, charge or other encumbrance to be registered against or exist on any of the Borrower's assets, any part of the Property or the Project or any present or after-acquired personal property located on the Property or used for the Project;

- (f) sell, assign, transfer or otherwise dispose of its interest or any part thereof in the Property or the Project nor enter into any trust deed in respect of the Property or the Project; and
 - (g) if a corporation or partnership, amalgamate with or permit all or substantially all of its assets to be acquired by any other person, firm or corporation or permit any reorganization or change of control of the Borrower;
- 11.2. at milestones predetermined by BCHMC, the Borrower's representative appointed by both BCHMC and the Borrower as the prime consultant will provide BCHMC with a report confirming that a satisfactory visual site inspection of the Project has been completed and the current state of the capital improvement for the Project; and
- 11.3. Borrower's representative appointed by both BCHMC and the Borrower as prime consultant:
- (a) will perform and do all things necessary to ensure completion of the Project in its entirety in accordance with the Approved Budget and the Approved Plans;
 - (b) agrees and consents to any and all consultants retained by the Borrower fully disclosing all information and matters relating to the Property and the Project to BCHMC;
 - (c) will provide copies of all plans, specifications, budgets, reports, contracts, appraisals and other information and materials regarding the Project and the Property to BCHMC, including but not limited to:
 - i. completed waste management tracking spreadsheets or monthly update tracking sheets totaling all waste for the Project;
 - ii. revised Approved Budget at milestones predetermined by BCHMC; and
 - iii. revised Project schedule on a monthly basis;
 - (d) will comply with all applicable laws of local, provincial or federal authorities including all applicable WorkSafeBC provisions, and prior to commencement of work by any Contractor, the Borrower will obtain and provide BCHMC with WorkSafeBC clearance letters for such Contractor;
 - (e) will notify BCHMC immediately of any material delay or interruption in the capital improvement of the Project or if any builders liens are filed or registered against any part of the Property;

- (f) prior to the final advance under the Loan, will provide BCHMC with a final claim form with the certificate of completion and deficiency list and the deficiency holdback amount to be retained.

12. GST Rebates and Input Tax Credits

- 12.1. New construction or renovation of social housing is considered a taxable activity. The Borrower will be entitled to claim input tax credits for the GST paid on construction or substantial renovation, which generally refers to 90% of the interior of an existing of residential building being renovated or altered, allowing the Borrower to claim 100% of the GST paid. While a Borrower may not claim input tax credits for minor renovation, the Borrower may still be eligible for rebates on GST paid during such minor renovation. A GST tax guide is available on BCHMC's website.
- 12.2. The advances from BCHMC on this project will not include the portion of GST the Borrower is entitled to claim under a rebate. The Borrower is responsible to pay the rebatable portion of GST applicable to the Project. The Borrower will not be required to pay to BCHMC any proceeds from GST rebates recovered from CRA.
- 12.3. If the Borrower is unable to fund the rebatable portion of the GST for this project, the Borrower will advise BCHMC. BCHMC will at its discretion finance and advance the GST under a promissory note. Accordingly, the Borrower agrees to diligently pursue any GST input tax credits or rebates to which it is entitled with respect to expenditures from the Approved Budget. The Borrower will remit to BCHMC on demand the proceeds recovered from input tax credits and/or rebates from CRA on any portion of the Loan advanced for such GST purposes. The Borrower will file quarterly GST returns with CRA during the course of the project.

13. Representations and Warranties

The Borrower represents and warrants to and will be deemed to continuously represent and warrant to BCHMC, that:

- 13.1. if a society or corporation, it has been duly incorporated and organized and/or formed as the case may be, validly exists, is in good standing, is authorized to conduct its business in all jurisdictions in which it carries on business or has assets and has all requisite power and capacity to own its assets, carry on the business presently carried on by it, to execute and deliver this Loan Commitment Letter and the Security Documents, as may be applicable, and to observe and perform the provisions thereof;
- 13.2. if a society or corporation, this Loan Commitment Letter and the Security Documents, as may be applicable, have been or will be duly authorized, executed and delivered by it;
- 13.3. this Loan Commitment Letter and the Security Documents, as may be applicable, constitute or will constitute, upon execution and delivery by the Borrower, valid

and binding obligations and are or will be enforceable against the Borrower in accordance with their respective terms;

- 13.4. the execution of this Loan Commitment Letter and the Security Documents, as may be applicable, and the incurring of liability and indebtedness to BCHMC in accordance with this Loan Commitment Letter does not and will not contravene:
- (a) any Legal Requirements of a government authority;
 - (b) any provision contained in any other loan or credit agreement or borrowing instrument or contract to which it is a party; or
 - (c) the constating documents or bylaw documents, as applicable, of the Borrower;
- 13.5. all necessary Legal Requirements have been met and all other authorizations, approvals, consents and orders have been obtained with respect to the Loans and the execution and delivery of the Security Documents;
- 13.6. all financial and other information, budgets, timetables, certificates, plans, specifications and other material provided to BCHMC in connection with the Loans are true and accurate, and the Borrower acknowledges that the Loans are made by BCHMC in reliance on the truth and accuracy of such information and the representations and warranties contained therein; and
- 13.7. no Event of Default has occurred and is continuing.

14. Hazardous Substances

- 14.1. To the best of the knowledge of the Borrower, no Hazardous Substance is located on any part of the Property, nor, so far as the Borrower is aware, due and diligent inquiry having been made, have any such substances been stored or used on the Property prior to the Borrower's ownership, possession or control of the Property. The Borrower agrees to provide written notice to BCHMC immediately upon the Borrower becoming aware that the Property is being or has been contaminated with any Hazardous Substance. The Borrower will not permit any activities on the Property which directly or indirectly could result in the Property or any other property being contaminated with any Hazardous Substance.
- 14.2. The Borrower will promptly comply with all Legal Requirements relating to the use, collection, storage, treatment, control, removal or cleanup of any Hazardous Substance in, on, or under the Property as a result of the capital improvement, operations or other activities on the Property, or incorporated in any improvements thereon. BCHMC may, but will not be obligated to, enter upon the Property and take such actions and incur such costs and expenses to effect such compliance as it deems advisable and the Borrower will reimburse BCHMC on demand for the full amount of all costs and expenses incurred by BCHMC in connection with such compliance activities. The assets of the Borrower which are now or in the future

encumbered by the Security Documents are hereby further mortgaged and charged to BCHMC, and BCHMC will have a security interest in such assets, as security for the repayment of such costs and expenses and interest thereon, as if such costs and expenses had originally formed part of the Loans.

15. Events of Default

Without in any way limiting the right of BCHMC to demand payment in full of the Loans, the Loans shall, at the option of BCHMC, immediately become due and payable upon the occurrence and during the continuance of any one or more of the following events (collectively, “**Events of Default**”):

- 15.1. the Borrower is in breach of any of the provisions of this Loan Commitment Letter and has not cured such breach within fourteen (14) days from the date the Borrower obtains actual knowledge of the breach or is provided with notice of the breach from BCHMC, whichever is earlier, except that if the breach, by its nature, requires more than 14 days to cure, the Borrower may have such further time to rectify the default as BCHMC considers reasonable so long as the Borrower begins to rectify promptly and thereafter proceeds with all due diligence to cure the default;
- 15.2. the Borrower has an administrator or a receiver (or the equivalent in any jurisdiction) appointed in respect of it, or any of its assets, or it enters into a liquidation of its assets;
- 15.3. the Borrower is deemed to be insolvent or ceases to exist; or
- 15.4. the Borrower is in breach of any of the provisions contained in the Operating Agreement.

16. Taxes

Unless the Borrower is advised otherwise by BCHMC, the Borrower will make payments directly to the local government of all taxes and rates when due and provide proof of payment to BCHMC within thirty days of the due date.

17. Insurance

The Borrower will maintain insurance in the form and content acceptable to BCHMC. Without limiting the generality of the foregoing the insurance must include the minimum requirements set out in the Insurance Memo attached as Schedule “A” where applicable - please ensure that your insurance agent receives a copy of Schedule “A”. The policy of insurance is to be forwarded to BCHMC and will be reviewed by BCHMC’s insurance advisor. The cost of the review will be borne by the Borrower.

18. Builders Liens

18.1. The Borrower will comply with all the provisions of the *Builders Lien Act* (including any provision requiring or enabling the retention of portions of any sums payable by way of holdbacks).

18.2. If any builders lien or other lien for work, labour, services, or materials supplied to the Project or for the cost of which the Borrower may be in any way liable are filed, the Borrower will within 15 days after receipt of notice thereof procure the discharge thereof, including any certificate of pending litigation registered in respect of any lien, by payment or giving security into court or otherwise or in such other manner as may be required or permitted by law.

19. Assignment

19.1. The Borrower will not be entitled to assign any of the rights and benefits conferred by this Loan Commitment Letter.

19.2. This Loan Commitment Letter and the Security Documents may be freely assigned by BCHMC, in whole or in part, without the consent of the Borrower.

20. Equity Contribution by BCHMC

Any equity contribution made by BCHMC toward the Project, whether in the form of units purchased or a cash contribution, may be re-evaluated. Any re-evaluation of equity contribution by BCHMC will be undertaken in consultation with the Borrower.

21. Communications and Event Protocols

BCHMC and the Borrower will work together on a number of communication activities that may take place over the course of the Project. The Borrower should contact Corporate Communications at BCHMC with questions regarding such communication activities. The Borrower agrees that the communication activities will be governed by the following terms:

21.1. **Coordination** – BCHMC will lead the coordination of official announcements, groundbreaking and opening events and will ensure the Borrower is involved in the planning process and acknowledged in all materials and at all events.

21.2. **Media Inquiries & Confidentiality** – As information regarding government-funded developments is generally only shared with the media during official announcements or events, BCHMC and the Borrower will work together to develop standard key messages that will be used to respond to media inquiries with respect to the Project.

21.3. **Event Date Selection** – BCHMC will work with government partners and the Borrower to schedule official event dates to coincide with the timeline of the capital improvement and/or completion of the Project. Event dates are impacted by the

availability of provincial and/or federal and municipal representatives. The Borrower acknowledges that, where appropriate due to funding, BCHMC has a commitment to include and acknowledge the Government of Canada for its contribution to projects. BCHMC must follow Canada-British Columbia event protocols when scheduling events under this initiative. The Canada-British Columbia event protocols include proposing event dates twenty (20) business days in advance in order to confirm a government representative for the proposed announcement or event. In addition, federal quotes, logos, and boilerplates will be included in the news release. The Borrower agrees that it will not inform its staff or stakeholders regarding announcements or events without confirming the dates for such announcements or events with BCHMC, as dates may shift during the scheduling phase.

- 21.4. **Event Location** – The location of the event is negotiable; however, it is ideal to hold the event on the Property in order for attendees, including the media, to see the Project site first hand.
- 21.5. **News Release/Backgrounder** – BCHMC will prepare and distribute media materials, including news releases/backgrounders and media advisories, for official announcements. The Borrower will be offered a quote in the news release, as well as an opportunity to include a brief background or boilerplate. BCHMC will work with the Borrower to invite media to official events and will provide copies of final media materials on the day of the announcement.
- 21.6. **Representation and Agenda** - BCHMC will prepare and confirm the final agenda for official events following government protocols. A representative of the Borrower will be offered a speaking role on the agenda.
- 21.7. **Invitations** – BCHMC will draft an electronic invitation to official events and will include the Borrower’s logo on the invitation. The Borrower will be responsible for the email distribution of the invitation. The Borrower may provide the names, titles, organizations and email addresses of additional invitees.
- 21.8. **Logistics/Staging** – BCHMC works with outside agencies to provide event logistics (tents, audio-visual, and staging) and a photographer to document the event. The Borrower may suggest local vendors to use for regional events. BCHMC staff will attend the event and provide events-related support. BCHMC will share event photographs with the Borrower following the event.
- 21.9. **Project Signs** – During the capital improvement of the Project, the Borrower will permit BCHMC to display on the Property one or more signs of a size and content selected by BCHMC. BCHMC will provide the Borrower with such Project signs, to be installed in a prominent location on the Property, at the beginning of the capital improvement. These signs may be removed at the time of landscaping.
- 21.10. **Opening Ceremony** – The Borrower and BCHMC will work together to coordinate an official opening ceremony for the Project which should take place

within a few months of the occupancy date. Event dates are impacted by the availability of provincial and/or federal and municipal representatives. The final approval of event dates is at the discretion of BCHMC. In order to allow enough time to confirm the attendance of provincial representatives, please contact BCHMC Corporate Communications regarding the proposed ceremony date at least eight weeks in advance.

22. General Provisions

The following terms and conditions apply to this Loan Commitment Letter:

- 22.1. **Site Visits** – Representatives of BCHMC and its payment certifier or quantity surveyor will be entitled to attend at and view the Project and all personal property thereon and all financial records of the Borrower at any time, on reasonable notice.
- 22.2. **Confidentiality** – This Loan Commitment Letter is delivered to the Borrower on the understanding that neither this Loan Commitment Letter nor its substance is to be disclosed without BCHMC's prior written consent except to counsel, accountants, employees and agents of the Borrower who are specifically involved in the transaction contemplated in this Loan Commitment Letter.
- 22.3. **Time of Essence** – Time will be of the essence of this Loan Commitment Letter.
- 22.4. **Notice** – Any notice required to be given under this Loan Commitment Letter is to be provided in writing and may effectively be given by a party by delivery of such notice to the other party at the address set out on the first page of this Loan Commitment Letter or at such other address as either party may in writing notify the other party, or by electronic or facsimile transmission to the fax number or email address as either party may in writing provide to the other party. Any notice so mailed will be deemed to have been delivered on the fifth (5th) day after the date of mailing. Any notice sent by facsimile or electronic transmission will be deemed to have been delivered upon receipt by the receiving party.
- 22.5. **Credit Investigations** – The Borrower hereby authorizes and consents to such credit investigations as BCHMC may deem necessary from time to time throughout the time the Loan is outstanding.
- 22.6. **BCHMC Records** – The Borrower acknowledges that the recording of the amount of any advance or repayment under the Loans, and interest, fees and other amounts due in connection with the Loans, made by BCHMC in its records will constitute prima facie evidence of the Borrower's indebtedness and liability from time to time under the Loans, and the obligation of the Borrower to repay any indebtedness and liability in accordance with the terms and conditions of the Loans will not be affected by the failure of BCHMC to make such recording. The Borrower also acknowledges being indebted to BCHMC for principal amounts shown as outstanding from time to time in BCHMC's records, and all accrued and unpaid interest in respect of such amounts, in accordance with the terms and conditions of this Loan Commitment Letter.

- 22.7. **Legal and Other Expenses** – The Borrower will pay all legal fees and disbursements in respect of the Loans, the preparation and issuance of this Loan Commitment Letter and the Security Documents, the enforcement and preservation of BCHMC’s rights and remedies, all appraisals, insurance consultation, and similar fees and all other fees and disbursements of BCHMC, whether or not the documentation is completed or any funds are advanced under the Loans.
- 22.8. **Waiver** – Failure by BCHMC to insist upon strict performance by the Borrower of any obligation or covenant, option or right under this Loan Commitment Letter or any of the Security Documents will not be a waiver or relinquishment in the future of such obligation or covenant, option or right, but the same will remain in full force and effect and BCHMC will have the right to insist upon the strict performance by the Borrower of any and all of the terms and provisions of this Loan Commitment Letter and the Security Documents.
- 22.9. **Variation** – No term or requirement of this Loan Commitment Letter or any of the Security Documents may be waived or varied orally or by any course of conduct, of any officer, employee, or agent of BCHMC. Any amendment to this Loan Commitment Letter or any of the Security Documents must be in writing and signed by an authorized officer of BCHMC.
- 22.10. **Right and Remedies Cumulative** – The remedies, rights and powers of BCHMC under this Loan Commitment Letter, the Security Documents and at law and in equity are cumulative and not alternative and are not in substitution for any other remedies, rights or powers of BCHMC and no delay or omission in the exercise of any such remedy, right, or power will exhaust such remedy, right, or power or be construed as a waiver of any of them.
- 22.11. **Governing Law** – This Loan Commitment Letter will be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.
- 22.12. **BCHMC’s Solicitor** – BCHMC’s legal work and documentation is to be performed at the Borrower’s expense by a solicitor of BCHMC’s choice. All legal costs (including those of BCHMC’s solicitor) and other reasonable costs and expenses incurred by BCHMC in establishing or operating the Loans are for the account of the Borrower whether or not funds are advanced.
- BCHMC has appointed the following law firm to act on its behalf on this transaction:

**Attention: ◆**23. Replacement Loan Commitment Letter

This Loan Commitment Letter, upon being accepted by the Borrower, will be read in substitution for and replacement of the loan commitment letter dated ◆ previously entered into by the Borrower and BCHMC (the “**Previous Loan Commitment Letter**”). The Borrower and BCMHC acknowledge and agree that the terms and conditions of the Previous Loan Commitment Letter will be superceded and the Loans will be governed by the terms and conditions contained in this Loan Commitment Letter.

24. Lapse and Cancellation

This Loan Commitment Letter will lapse and all obligations of BCHMC set forth in this Loan Commitment Letter and in respect of the Loans will cease, all at the option of BCHMC, if there has been, in the opinion of BCHMC, a material adverse change in the financial condition of the Borrower. The availability of the Loans and the terms and conditions of the offer of credit contained in this Loan Commitment Letter will be subject to periodic review by BCHMC in BCHMC’s sole discretion, however BCHMC will be under no obligation to conduct any such review or to provide a renewal letter or extension letter or other notification of such review if such review is conducted. BCHMC will have the option to conduct corporate, personal property registry and land registry searches in respect of the Borrower at the Borrower’s sole cost. Upon demand being made by BCHMC for repayment of the amount outstanding under the Loans, any unadvanced portion of the CRF Loan will be immediately cancelled.

[Remainder of this page has been intentionally left blank]

This offer of credit may be accepted by the Borrower by dating and returning to BCHMC two copies of this Loan Commitment Letter duly executed by the Borrower. The Borrower acknowledges and agrees that execution and delivery of this Loan Commitment Letter does not impose an obligation on BCHMC to advance any portion of the CRF Loan.

Yours very truly,

British Columbia Housing Management Commission

Per:

Jennifer Iten, CPA
Director of Finance

THESE TERMS AND CONDITIONS ARE HEREBY ACCEPTED THIS ___ DAY
OF _____, 20__.

THE BORROWER:

◆NOT FOR PROFIT, by its authorized
signatory(ies):

Name:
Title:

Name:
Title:

cc **Project Technologist Name, BCHMC**

Schedule "A"

Insurance Memo

A. Construction Insurance Requirements (please carefully read the notes at the bottom of the page):

Whilst British Columbia Housing Management Commission ("BCHMC") is providing interim financing to the Borrower of the housing project (the "Project"), BCHMC requires the Borrower/Owner of the Project to obtain and maintain through the BCHMC Owner-Controlled Insurance Program insurance of the property to be insured (the "Property"). Without limiting the generality of the foregoing, the insurance must cover the following:

1. "All Risks" Builders' Risk Policy:

This policy shall cover "all risks" of direct physical loss or damage to the Project, including the perils of earthquake, flood, sewer back-up and subject to the terms, conditions, limitations and exclusions, and further, the policy shall:

- a. be written in the joint names of BCHMC, the Borrower/Owner, the Project Manager, the Construction Manager, the Contractor, the Subcontractors, the Consultant(s), architects, engineers, other consultants and sub-consultants engaged on the Project;
 - b. provide for a limit of coverage not less than the estimated final completed value of the Project, with a sublimit on transit of \$1,000,000.00, off-site storage of \$1,000,000.00, extend to include soft costs, by-Laws (not sublimit), landscaping (no sublimit), no requirement to replace or repair on same or adjacent site, \$1,000,000.00 Extra Expense, Off-site Services, testing and commissioning cover with no exclusion for equipment breakdown, pollution and contamination clean-up of \$250,000.00, debris removal 10% (minimum \$250,000), watchman/video surveillance for any projects \$10,000,000.00 with wording and security/video surveillance companies acceptable to BCHMC ;
 - c. contain a waiver of the insurer's subrogation rights against all insureds and their officers, employees and servants, and provide that, in the event of loss or damage, payment shall be made to BCHMC and the Borrower/Owner on their own behalf and as trustees for the benefit of any and all Insureds.
2. Loss payable is to be in favour of BCHMC as mortgagee. A standard mortgage endorsement clause (IBC 3000) is to form part of the policy.

3. "Wrap-Up" Commercial General Liability Insurance:

This policy shall cover the risks of liability for bodily injury and property damage arising from the activities at the Place of the Work, and further the policy shall:

- a. be written in the joint names of BCHMC, the Borrower/Owner, the fee simple owner of the Place of the Work, the Project Manager, the Construction Manager, the Contractor, the Subcontractors, the Consultant(s), architects, engineers, other consultants and sub-consultants engaged on the Property;
- b. provide for a limit of liability not less than \$10,000,000.00 inclusive per occurrence for bodily injury, death, and damage to property including loss of use thereof;
- c. include Sudden & Accidental Pollution for \$10,000,000.00 and Non-Owned Auto and include 24 months completed operations once project completed, off-site services.

(See GC11.1 Insurance Clause of the Supplementary General Conditions of the Stipulated Price Contract for additional details and requirements.)

B. Operating Insurance Requirements (please carefully read the notes at the bottom of the page):

British Columbia Housing Management Commission ("BCHMC") requires that the Borrower/Owner of the Project obtain a quote from Marsh Canada ("Marsh"), who have set up a Group Insurance Program for non-profit housing societies.

1. Insurance must be carried for the full 100% replacement cost of the building. Co-insurance is not acceptable. Coverage shall be written on an "all risks" form, including flood and earthquake.
2. Loss payable is to be in favour of BCHMC, or the lender of monies, as mortgagee. A standard mortgage endorsement clause (IBC 3000) is to form part of the policy.
3. BCHMC must continue to be named as an additional insured even when BCHMC is not the lender of the funds for the Project.
4. Rental Income Insurance for a full 100% of rentals lost during a minimum term of 6 months is required, or for an indemnity period equal to the estimated full reconstruction period.
5. The correct civic description of the Property must be specified.
6. Commercial General Liability Insurance including personal injury and non-owned auto insurance coverage (for a minimum of \$10,000,000 for each occurrence). This policy must include a cross liability clause.
7. Where applicable, boiler, vessel, and air-conditioning insurance in comprehensive form, against breakdown of boilers, engines, machinery and electrical apparatus for a minimum of the loan amount. Insurance is to be written on a Replacement Cost wording with a waiver of co-insurance requirement. Rental Income Insurance is required as stipulated under Clause B.3.
8. All fixtures, furnishings and equipment must be insured for the full replacement value and must cover all risks.
9. By-law coverage clause for both the building and tenant improvements including:
 - a. loss occasioned by enforcement of any laws or ordinances regulating the construction or repair of the buildings or structures enforced at the time that a loss occurs, which requires the demolition of any portion of the insured buildings or structures which have not suffered damages; and
 - b. the cost incurred in actually rebuilding both the damaged and demolished portions of the insured buildings or structures with materials and in a manner to fully satisfy such ordinances or laws.

A BCHMC signed government Certificate of Insurance (form as enclosed) is required if Operating Insurance is not purchased through the Group Insurance Program with Marsh. Please ensure that all the requirements as specified in the above "**Section B – Operating Insurance Requirements – items 1-9(b)**" are in compliance and detailed in the attached Certificate of Insurance form. Please provide completed Certificate of Insurance to BCHMC at #1701 - 4555 Kingsway, Burnaby, B.C. V5H 4V8 (Attention:), within 30 days of the date of the issuance of the insurance binders. **60 days notice of cancellation or material change in the policy must be given to BCHMC.**

NOTE:

***Where the borrower has entered into a ground lease (for example, if the owner of the land is Provincial Rental Housing Corporation or any municipal government), then all insurance referred to in A and B shall include the owner as a named insured and, with respect to property insurance, as a loss payee, as its interests may appear. Proof of insurance should be forwarded to the owner.**

****Without limiting the generality of the foregoing, BCHMC must continue to be named as an additional insured even when BCHMC is not the lender of the funds for the Project. In addition, where the City of Vancouver is the landlord, the relevant notices and proof of insurance must be forwarded to: Director of Risk Management, City of Vancouver, 453 West 12th Avenue Vancouver, B.C. V5Y 1V4, and the rental income insurance in B.4. must be for 12 months minimum.**



CERTIFICATE OF INSURANCE

Freedom of Information and Protection of Privacy Act
 BC Housing adheres to the Freedom of Information and Protection of Privacy Act when collecting and using personal information. Direct any questions to the Manager, Records and Information Privacy at #1701 – 4555 Kingsway, Burnaby, BC V5H 4V8. Please refer all other questions to the contact named in Part 1.

Part 1 To be completed by BC Housing

THIS CERTIFICATE IS REQUESTED BY and ISSUED TO (<i>BC Housing</i>) BRITISH COLUMBIA HOUSING MANAGEMENT COMMISSION BC HOUSING CONTRACT ADMINISTRATOR <small>NAME & TITLE</small>	CONTRACT/PERMIT/LICENCE/IDENTIFICATION NO.
ADDRESS 1701 - 4555 Kingsway Avenue, Burnaby, BC	PHONE NO: FAX NO:
CONTRACTOR NAME	POSTAL CODE V5H 4V8
CONTRACTOR ADDRESS	POSTAL CODE

Contractor Information

Please provide this form and a copy of the Contract Terms and Conditions to your Insurance Broker for completion and then return the completed form to BC Housing. **No substitutions of this form will be accepted. Commencement of any work cannot begin until BC Housing has the Certificate of Insurance in hand.**

Part 2 To be completed by the Contractor/Consultant's Agent or Broker (please provide all details as specified under "Operating Insurance Requirements item 1-9 (b)" in the above attached Schedule "A")

INSURED	<small>NAME</small>		
	<small>ADDRESS</small>		<small>POSTAL CODE</small>
OPERATIONS INSURED	<small>PROVIDE DETAILS</small>		
TYPE OF INSURANCE <i>List each separately</i>	COMPANY NAME, POLICY NO. & BRIEF DESCRIPTION	EXPIRY DATE YYYY/MM/DD	LIMIT OF LIABILITY/AMOUNT
LOSS PAYABLE:			

This certificate certifies that policies of insurance as herein described have been issued to the insured(s) named above, are in full force and effective as of the effective date of the contract/permit/licence, and comply with the insurance requirements of the contract/permit/licence except as follows:

<small>AGENT OR BROKER COMMENTS:</small>		
<small>SIGNED BY THE AGENT OR BROKER ON BEHALF OF THE ABOVE INSURER(S)</small>	<small>AGENT or BROKER NAME</small>	<small>DATE SIGNED</small>



CERTIFICATE OF INSURANCE

Freedom of Information and Protection of Privacy Act
 BC Housing adheres to the Freedom of Information and Protection of Privacy Act when collecting and using personal information. Direct any questions to the Manager, Records and Information Privacy at #1701 – 4555 Kingsway, Burnaby, BC V5H 4V8. Please refer all other questions to the contact named in Part 1.

Part 1 To be completed by BC Housing

THIS CERTIFICATE IS REQUESTED BY and ISSUED TO (<i>BC Housing</i>)	CONTRACT/PERMIT/LICENCE/IDENTIFICATION NO.	
BRITISH COLUMBIA HOUSING MANAGEMENT COMMISSION		
BC HOUSING CONTRACT ADMINISTRATOR	PHONE NO:	
NAME & TITLE	FAX NO:	
ADDRESS	POSTAL CODE	
1701 - 4555 Kingsway Avenue, Burnaby, BC	V5H 4V8	
CONTRACTOR NAME		
CONTRACTOR ADDRESS		
		POSTAL CODE

Contractor Information

Please provide this form and a copy of the Contract Terms and Conditions to your Insurance Broker for completion and then return the completed form to BC Housing. No substitutions of this form will be accepted. Commencement of any work cannot begin until BC Housing has the Certificate of Insurance in hand.

Part 2 To be completed by the Contractor/Consultant's Agent or Broker (please provide all details as specified under "Operating Insurance Requirements item 1-9 (b)" in the above attached Schedule "A")

INSURED	NAME <i>ABC Housing Society</i>		
	ADDRESS <i>123 Broadway Street, Vancouver, BC</i>		POSTAL CODE <i>V1V2B2</i>
OPERATIONS INSURED	PROVIDE DETAILS <i>ABC Court – 123 Broadway Street, Vancouver BC V1V2B2</i>		
TYPE OF INSURANCE <i>List each separately</i>	COMPANY NAME, POLICY NO. & BRIEF DESCRIPTION	EXPIRY DATE YYYY/MM/DD	LIMIT OF LIABILITY/AMOUNT
<i>BLANKET ALL PROPERTY – As per Locations Declared ALL RISKS</i> <ul style="list-style-type: none"> • Replacement Cost Basis • Flood • Earthquake • By-Laws Included <i>BOILER AND MACHINERY INSURANCE - COMPREHENSIVE FORM</i> <ul style="list-style-type: none"> • Repair or Replacement Cost • By-Laws Included <i>GENERAL LIABILITY INSURANCE</i> <ul style="list-style-type: none"> • Occurrence Form • Bodily Injury and Property Damage • Personal Injury • Tenants' Legal Liability • Cross Liability Clause • Non-Owned Automobile 	<i>ABC Insurance Company Master Policy No. 1234567</i>	<i>2015/12/31</i>	<i>Property of Every Description \$15,000,000 Rental Income \$1,000,000 Indemnity Period 24 months</i>
	<i>ABC Insurance Company Master Policy No. 1234567</i>	<i>2015/12/31</i>	<i>\$15,000,000</i>
	<i>ABC Insurance Company Master Policy No. 1234567</i>	<i>2015/12/31</i>	<i>Per Occurrence \$10,000,000</i>
LOSS PAYABLE:	<i>1st Loss Payee – BCHMC, 1701 -4555 Kingsway, Burnaby, BC V5H 4V8 2nd Loss Payee – CMHC,</i>		

This certificate certifies that policies of insurance as herein described have been issued to the insured(s) named above, are in full force and effective as of the effective date of the contract/permit/licence, and comply with the insurance requirements of the contract/permit/licence except as follows:

AGENT OR BROKER COMMENTS: <i>British Columbia Housing Management Commission is added as an Additional Insured but only with respect to liability arising out of the operations of the Named Insured as noted above.</i>		
SIGNED BY THE AGENT OR BROKER ON BEHALF OF THE ABOVE INSURER(S)	AGENT or BROKER NAME	DATE SIGNED
	<i>John Smith, XYZ Insurance Co.</i>	

Schedule "B"
Order To Pay

TO: **British Columbia Housing Management Commission** ("BCHMC")

FROM: [◆**Not for Profit**] (the "Borrower")

RE: Mortgage (the "Mortgage") in favour of BCHMC which charges the [**freehold/leasehold**] interest of the Borrower in the following lands and premises: ◆, ◆, BC, legally described as **PID** ◆, ◆ (the "Property").

We hereby irrevocably authorize and direct you or your solicitors, to make advances secured by the Mortgage in the following manner:

1. To deduct any accrued interest (if applicable);
2. To pay to BCHMC any money owing under any proposal development funding loan, administration, legal, inspection and other fees or amounts payable to it;
3. To holdback or pay amounts required to satisfy statutory or contractual holdbacks directly to BCHMC's solicitors to be used to satisfy lien claims and otherwise to be paid out at BCHMC's direction;
4. To holdback or pay to BCHMC's solicitors, on or before the final advance, an amount estimated to be required to fund remaining project costs, such funds to be paid out at BCHMC's direction in respect of such costs as they are incurred;
5. To pay to the landlord of the Property rent required to be paid under a lease, if any;
6. At BCHMC's discretion:
 - a) to pay any taxing authority, any taxes, levies, or rates due and accruing due;
 - b) to pay to the holder of any prior encumbrance the amount required to pay out and discharge the prior encumbrance;
 - c) to pay to any appraiser, contractor, engineer, subcontractor, surveyor, or supplier of material in respect of the Property;
 - d) if any advance or draw is to be made subject to a BCHMC condition, to pay to our solicitors, _____, in trust, any such advance; and
 - e) deposit the advances or any of them into the following bank account (**Voiced blank cheque attached**):

Bank Account in the name of: _____

Name of banking institution: _____

Address (include postal code) of banking institution: _____

Account Number: _____

Dated at _____, the ____ day of _____, 20__.

◆NOT FOR PROFIT,

by its authorized signatory(ies):

Name:
Title:

Name:
Title:

Schedule “C”

Definitions

The following terms used in the Loan Commitment Letter shall have the following meanings:

“**Approved Budget**” means the finalized cost and capital improvement and operating budgets and timetable detailing all hard and soft costs associated with the capital improvement of the Project in accordance with the Approved Plans, as approved by BCHMC and its payment certifier or quantity surveyor, as applicable;

“**Approved Plans**” means the finalized plans, specifications, drawings, timetables, reports, and recommendations for the Project which have been approved by BCHMC and its payment certifier or quantity surveyor, as applicable;

“**CMHC**” means Canada Mortgage and Housing Corporation;

“**Contractors**” means all contractors engaged for the Project pursuant to the Construction Contracts;

“**Construction Contracts**” means the construction contracts in respect of the Project entered into between the Borrower and the Contractors, which construction contracts will be in the form of CCDC 14 2013, as amended from time to time, with BCHMC’s Supplementary General Conditions;

“**CRA**” means Canada Revenue Agency;

“**CRF**” means Capital Renewal Funding Grant;

“**CRF First Advance**” means the first advance of the principal amount under the CRF Loan made by BCHMC;

“**CRF Loan**” means the authorized amount set forth in Section 3.2;

“**Effective Date**” means the first day of the calendar month next following the registration date of the Modification of Mortgage;

“**Existing Mortgage**” means the mortgage set forth in Section 9.4 previously granted by the Borrower in favour of BCHMC;

“**GST**” means goods and services tax;

“**Hazardous Substance**” means any substance defined or designated as hazardous or toxic waste, hazardous or toxic material, a hazardous, toxic or radioactive substance or other similar term, by any applicable federal, provincial or local statute, regulation or ordinance now or in the future in effect, or any substance or materials, the use or disposition of which is regulated by any such statute, regulation or ordinance;

“**Legal Requirements**” means any law, statute, code, ordinance, order, award, judgment, decree, injunction, rule, regulation, authorization, consent, approval, order, permit, licence, direction or requirement of any government authority;

“**Loans**” means together the SIF Loan and the CRF Loan;

“**Loan Commitment Letter**” means the Loan Commitment Letter to which this Schedule “C” is attached and all other schedules attached thereto, as they may be amended, supplemented or replaced from time to time;

“**Modification of Mortgage**” means the modification of mortgage set forth in Section 9.9 to be granted by the Borrower in favour of BCHMC;

“**Mortgage**” means the Existing Mortgage, as modified by the Modification of Mortgage;

“**Operating Agreement**” means one or more agreements entered into by the Borrower with CMHC and/or BCHMC which provides, amongst other things, for the roles and responsibilities of the Borrower with reference to the operation of the Property;

“**RBC Prime Rate**” means the floating annual rate of interest established and recorded by Royal Bank of Canada from time to time as a reference rate for purposes of determining rates of interest it shall charge on loans denominated in Canadian dollars made in Canada;

“**SIF**” means Investment in Affordable Housing Social Infrastructure Funding Grant;

“**SIF Loan**” means the authorized amount set forth in Section 3.1; and

“**Specific Purpose**” means the intended use of the Property as described in Appendix “A” which is attached to the Mortgage.

**LAND TITLE ACT
FORM C (Section 233)**

Province of British Columbia

GENERAL INSTRUMENT - PART 1 (This area for Land Title Office use)

PAGE 1 of 4 pages

1. APPLICATION: (NAME, ADDRESS, PHONE NUMBER AND SIGNATURE OF APPLICANT, APPLICANT'S SOLICITOR OR AGENT)

Signature of Applicant's Agent

()

2. PARCEL IDENTIFIER(S) AND LEGAL DESCRIPTION(S) OF THE MORTGAGED LAND: *
(PID) (LEGAL DESCRIPTION)

3. NATURE OF INTEREST:*

CHARGE NO.

ADDITIONAL INFORMATION

Modification

Entire Instrument

4. TERMS: Part 2 of this instrument consists of (select one only):

- (a) Filed Standard Charge Terms
- (b) Express Charge Terms
- (c) Release

- D.F. No. ST921015
- Annexed as Part 2
- There is no Part 2 of this instrument

A selection of (a) includes any additional or modified terms referred to in item 7 or in a schedule annexed to this instrument. If (c) is selected, the charge described in item 3 is released or discharged as a charge on the land described in item 2.

5. TRANSFEROR(S):*
(Inc. #)

6. TRANSFEREE(S): (including postal address(es) and postal code(s))*

BRITISH COLUMBIA HOUSING MANAGEMENT COMMISSION 1701 - 4555 Kingsway, Burnaby,
British Columbia V5H 4V8

7. ADDITIONAL OR MODIFIED TERMS: * N/A

8. EXECUTION(S): This instrument creates, assigns, modifies enlarges, discharges or governs the priority of the interest(s) described in item 3 and the Transferor(s) and every other signatory agree to be bound by this instrument, and acknowledge(s) receipt of a true copy of the files standard charge terms, if any.

Officer Signature(s)

Execution Date

Y	M	D

Party(ies) Signature(s)

by its authorized signatories

Print Name:

Print Name:

(as to both signatures)

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, C.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

*If space insufficient, enter "SEE SCHEDULE" and attached schedule in Form E.

**If space insufficient, continue execution on additional page(s) in Form D.

**LAND TITLE ACT
FORM D**

EXECUTIONS CONTINUED

Officer Signature(s)	Execution Date			Transferor(s)/Borrower(s)/Party(ies) Signature(s) British Columbia Housing Management Commission by its authorized signatories
	Y	M	D	
<hr/>				
(as to both signatures)				Print Name: <hr/>
				Print Name: <hr/>

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, C.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

*If space insufficient, enter "SEE SCHEDULE" and attached schedule in Form E.

**If space insufficient, continue execution on additional page(s) in Form D.

TERMS OF INSTRUMENT - PART 2

WHEREAS:

- A. The mortgagor described in Item 5 of Page 1 of this Agreement (the "**Mortgagor**") holds a Freehold/Leasehold interest in the lands and premises described in Item 2 on Page 1 of this Agreement (the "**Lands**");
- B. Pursuant to a mortgage registered in the Land Title Office under no. Mortgage# (the "**Original Mortgage**"), the Mortgagor mortgaged all its interest in the Lands to British Columbia Housing Management Commission (the "**Mortgagee**") to secure the repayment of the principal sum of \$SIF (for the purposes of this Agreement, the "**Original Principal Sum**") with interest thereon and other monies as therein provided;
- C. Pursuant to the terms of the Original Mortgage, the Original Principal Sum has been forgiven by \$RSIF, and the outstanding Original Principal Sum as of the Effective Date (as hereinafter defined) shall be \$NSIF (the "**Outstanding Original Principal Sum**"); and
- D. The Mortgagor and the Mortgagee have agreed to modify the Original Mortgage in the manner hereinafter set forth.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and the sum of \$1.00 and other good and valuable consideration now paid by each of the parties hereto to each of the other parties hereto, the parties hereto hereby covenant and agree as follows:

1. The Mortgagor and the Mortgagee acknowledge and confirm that the Original Mortgage constitutes a valid and subsisting Freehold/Leasehold mortgage charge registered against the Lands.
2. The Mortgagor and the Mortgagee hereby acknowledge and agree that from and after the date of registration of this Agreement (the "**Effective Date**"), and notwithstanding the actual date of execution of this Agreement, the Original Mortgage is amended as follows:
 - (a) the 'Principal Amount' as set out in Section 5(a) of the Original Mortgage is deleted and replaced with [\$Loan] , which amount includes the Outstanding Original Principal Sum; and
 - (b) notwithstanding the definition of "Commencement Date" in section 1(1) of the Original Mortgage, wherever there is a reference to the "Commencement Date" in the Original Mortgage, the "Commencement Date" shall be deemed to be the Effective Date, such that the Term shall be deemed to have commenced on the Effective Date, and the forgiveness of the Principal Amount (as defined in section 2(a) above), pursuant to the terms of Section 3(3) of the Original Mortgage shall be deemed to commence from and after the Effective Date.
3. Any collateral security granted to the Mortgagee prior to, concurrent with or subsequent to the granting of this Agreement, in respect of the loan secured by the Original Mortgage, including but not limited to any general security agreement, general assignment of leases, covenantor agreement, environmental indemnity agreement (collectively, the "**Collateral**") currently or in the future to be held by the Mortgagee as collateral or further security to the Original Mortgage shall be held as collateral or further security to the Original Mortgage as amended by this Agreement and for

- c) to the best of our knowledge, any judgment, decree, ruling or order to which the Borrower is subject or any agreement to which it is party or by which it is bound.

Transition Application

- 2.7. The Borrower has filed a transition application with the Registrar in accordance with the Societies Act, which transition application has been accepted for registration by the Registrar. ***[NTD: to be inserted only if the Borrower is a Society and has filed its transition application with the Registrar]***

Yours truly,

SAMPLE

Not for Profit
(the "Borrower")
CERTIFIED COPY OF
RESOLUTION OF DIRECTORS

"WHEREAS:

The Borrower is or will be the registered **freehold/leasehold** owner of the property at Civic Address, legally described as: PID1 PID2

- A. (the "Property") in order to renovate and operate a housing project on it (the "Housing Project") under the British Columbia Housing Management Commission ("BCHMC") Federal Social Infrastructure Fund Program;
- B. The Borrower has a forgivable loan facility in the amount of \$SIF with BCHMC and has by mortgage (the "Original Mortgage") registered on Original Mortgage Reg Date in the Land Title Office under No. Mortgage# mortgaged its interest in the Property to secure the principal sum of \$SIF with interest thereon and other monies as provided for therein.
- C. The Borrower has agreed with BCHMC to amend the loan facility and Original Mortgage.

BE IT RESOLVED THAT:

- 1. The Borrower confirms that the Original Mortgage is a valid and subsisting **second/third** mortgage charge with respect to the Borrower's interest in the Property;
- 2. The Borrower borrows further monies to a total amount of \$Loan which is required to facilitate the capital improvement of the Housing Project in accordance to the Loan Commitment Letter. These monies will be secured by way of a forgivable loan secured by a mortgage.
- 3. The Borrower executes and delivers all documents required by BCHMC or the lender of the monies, in such form and containing such terms, covenants, provisos and conditions as are satisfactory to or required by them, including without limitation a modification of mortgage; and,
- 4. Any two officers or directors of the Borrower for and on behalf of the Borrower be and are hereby authorized to execute and deliver under the seal of the Borrower or otherwise, all such deeds, documents and other writings and to do such acts and things in connection with the Property and the Housing Project as they, in their discretion, may consider to be necessary or desirable for giving effect to this resolution and for the purpose of fulfilling the requirements of BCHMC or the lender of the monies."

I, _____, THE UNDERSIGNED, _____ of **Not for Profit** hereby certify the above to be a true copy of a resolution duly passed by the Directors of the Borrower at a meeting held on the ___ day of _____, 20__ (and sanctioned by a special resolution of the Borrower if such sanction is required), and that such resolution has not been rescinded, amended or modified and is now in full force and effect.

WITNESS my hand this ___ day of _____, 20__.

Witness

(Secretary or President)

STATUTORY DECLARATION
CANADA
PROVINCE OF BRITISH COLUMBIA
IN THE MATTER OF

Representations made by **Not for Profit** (the "Borrower") to British Columbia Housing Management Commission (the "Lender") with advances of money by the Lender in connection with those lands described as: [PID1] [PID2]

I, (Name), (Position) of **Not for Profit**, DO SOLEMNLY DECLARE that:

1. The Borrower was duly incorporated on **Incorporation Date**, under Certificate of Incorporation No. **Incorporate #** and is in good standing with the Office of BC Registry Services.
2. Neither the incorporation documents of the Borrower nor any agreement that the Borrower has entered into impose any restrictions on the power and capacity of the Borrower to borrow funds from the Lender and to grant a mortgage (the "Documents") to the Lender.
3. There is no action, suit or proceeding pending or threatened against the Borrower before any Court or administrative agency which, if determined against the Borrower, would result in a material adverse change in the property, assets, conditions (financial or otherwise), activities or operations of the Borrower or which would materially adversely affect the Borrower's ability to carry on its activities, or the ability of the Borrower to meet its obligations as contemplated by the loan commitment with the Lender.
4. The Borrower is not in default in the payment of any taxes, rates or assessments having priority over the Documents, and without limiting the generality of the foregoing, all wages, salaries, fees, workers' compensation dues, income tax deductions, holiday pay, Federal and Provincial taxes for which the Borrower is liable have been fully paid.
5. All the persons named hereunder are duly elected or appointed officers and directors of the Borrower holding the respective offices set out opposite their names, and the signatures appearing opposite their respective names are the genuine signatures of such respective persons:

Note: Only those directors and officers that are signing the security documents need to sign below.

NAME & TITLE(S)

NAME & TITLE(S)

SIGNATURE

SIGNATURE

and that each of these persons has been duly elected or appointed and was duly qualified for such office at the time of his or her election or appointment and that since the time of his or her election or appointment each of such persons has continued to be duly qualified for and to hold and now holds such office.

6. The granting of the Documents, and the borrowing of monies in connection therewith, is in pursuance of a purpose of the Borrower as stated in the Constitution of the Borrower.

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.

DECLARED before me at the _____ of _____ in the Province of British Columbia, this ____ day of _____, 20 ____.

A Commissioner for taking Affidavits for British Columbia

(to be typed on borrower's solicitor's letterhead)

TO: British Columbia Housing Management Commission (the "**Lender**")

AND TO: The Lender's Solicitors

Dear Sir or Madam:

RE: Not for Profit (the "Borrower")

PID1

PID2

(the "Property")

We have acted as counsel for the Borrower in connection with the authorization, execution and delivery by the Borrower of the Security Documents (as defined below) with respect to a modification of the loan to the Borrower from the Lender in the principal amount of [\$Loan] (the "**Loan**") which has, or will be, secured by, among other things, a modification of mortgage in favour of the Lender which has, or will be, registered against title to the Property.

1. REVIEW

1.1. We have examined the original loan commitment letter dated [Original Loan Commitment Letter] (the "**Original Loan Commitment Letter**") together with the following documentation executed by the Borrower in favour of the Lender each of which is dated ♦, 201♦, unless otherwise indicated:

1.1.1. a loan commitment letter, being a modification of the Original Loan Commitment Letter;

1.1.2. Form C modification of mortgage; and

1.1.3. any and all such further and other security required by the Lender,

(collectively, the "**Security Documents**").

1.2. We have also examined the statutes, public records, corporate records, certificates and other documents and made such other searches and examinations that we have considered necessary in order to give the opinions hereinafter expressed. Such examinations have included, without limitation:

(a) the ♦constitution and bylaws/articles and notice of articles/memorandum and rules/incorporation agreement/letters patent of the Borrower (the "**Constating Documents**"); and ***[NTD: counsel, please indicate the appropriate constating documentation]***

(b) a certified copy of the resolution of the directors of the Borrower dated ♦ [date of certification] and executed by ♦[name of person certifying true copy], as ♦

[Director, President or Secretary] of the Borrower, authorizing the execution and delivery of the Security Documents.

2. OPINIONS

Based and relying on and subject to the foregoing, we are of the opinion that:

Existence

- 2.1. The Borrower has been duly incorporated and validly exists as a ♦ society/corporation/cooperative/not-for-profit corporation/board of trade ***[NTD: counsel, please indicate the appropriate form of corporate entity]*** under the laws of the Province of British Columbia and the Government of Canada, as applicable, and according to the records of the ♦ BC Registrar of Companies/Corporations Canada ***[NTD: counsel, please indicate the appropriate entity]***, is in good standing with respect to the filing of annual reports under the ♦ *Societies Act, Business Corporations Act* (British Columbia)/*Business Corporations Act* (Canada)/*Canada Corporations Act/Not-for-profit Corporations Act* (Canada)/*Cooperatives Act* (Canada). ***[NTD: counsel, please indicate the appropriate Act]***

Power and Capacity

- 2.2. The Borrower has full power and capacity to borrow money and grant security therefore, and, in particular, to borrow funds representing the Loan and secure the Loan by the Security Documents, and has the corporate power and capacity to observe and perform the covenants set out in the Security Documents.

Authorization, Execution and Delivery

- 2.3. All necessary action has been taken to authorize the execution and delivery by the Borrower of each of the Security Documents and the performance by the Borrower of its obligations under each of the Security Documents.
- 2.4. A special resolution approving the borrowing from the Lender by the Borrower and the granting of security therefor has been duly authorized by the members of the Borrower in accordance with the Constatting Documents of the Borrower.

[NTD: counsel, please include section 2.4 only if the Borrower is a society and is required to pass a special resolution pursuant to its Constatting Documents]

- 2.5. Each of the Security Documents has been duly executed and delivered by the Borrower.
- 2.6. The authorization, execution and delivery of the Security Documents by the Borrower does not breach or result in a default under:
- a) the Constatting Documents of the Borrower;
 - b) any law, statute, rule or regulation to which the Borrower is subject; or

repayment of the Principal Amount and that all references in any of the Collateral to the Original Mortgage shall hereinafter be deemed to be references to the Original Mortgage as hereby amended and the Collateral is hereby so amended,

4. The Mortgagor and the Mortgagee expressly covenant and agree that whether or not this Agreement is registered pursuant to the *Land Title Act* of British Columbia, the provisions hereof shall be binding upon each of the Mortgagor and the Mortgagee and that the Original Mortgagee and the Collateral shall be amended and modified accordingly and as from the Effective Date the same shall be read and construed as if the provisions hereof were therein written as applicable.
5. The Mortgagor covenants with the Mortgagee to make any and all payments at the times and in the manner provided for in the Original Mortgage and observe and perform all the covenants, clauses, provisos, powers, matters and things whatsoever contained therein, altered or amended, and the Original Mortgage shall continue in force and have application to the amounts and dates and terms of payment herein contained; PROVIDED, HOWEVER, that nothing in this Agreement will create any merger or alter or prejudice the rights of the Mortgagee against the Collateral or as regards to any surety, covenantor, guarantor or subsequent encumbrancer or any person not a party hereto liable to pay the mortgage monies or interested in the Lands, all of which said rights are hereby reserved and each of the Original Mortgage, and the Collateral, save as herein modified, is ratified and confirmed by the Mortgagor and the Mortgagee.
6. Wherever the singular or masculine is used throughout this Agreement, the same shall be construed as meaning the plural or feminine or body corporate where the context or the parties hereto so require and if there be more than one borrower named in this Agreement or any covenantor or any guarantor party hereto and signatory to this Agreement, all covenants shall be joint and several; and all grants, rights, covenants, agreements, powers, privileges and liabilities contained herein shall be read and held as made by and with and granted to and imposed upon the parties hereto, their respective heirs, executors, administrators, successors and assigns as if those words had been inserted and written in all proper and necessary places.
7. The Mortgagor and will execute all documents which, in the opinion of the Mortgagee, are necessary or advisable to give effect to any of the covenants and agreements contained herein.

IN WITNESS WHEREOF the Mortgagor and the Mortgagee have caused this Agreement to be executed on the day and year stated in item 8 of the attached Form C and Form D.

END OF DOCUMENT

LANDLORD ESTOPPEL CERTIFICATE AND ACKNOWLEDGEMENT OF NOTICE

To: British Columbia Housing Management Commission (the "Lender")

Re: Not for Profit (the "Lessee")

PID
(the "Property")

This certificate is given to you in connection with your mortgage and assignment of rents from the Lessee. [Landlord] (the "Lessor") confirms, acknowledges and certifies to you as follows:

1. The Lessee holds a lease (the "Lease") of the Property from the Lessor.
2. The rent due under the Lease will be paid in full the earlier of the interest adjustment date or occupancy of the Property.
3. The Lease is in full force and effect, has not been cancelled or surrendered, and has not been modified or amended since its execution except as follows:
4. To the best information and belief of the maker of the statements contained in this document, the Lessee and the Lessor are not in default under any provision of this Lease except as follows:
5. The Lessor consents to the Lessee granting a mortgage of the Lease to the Lender and acknowledges that in accordance with the Lease the Lessor has received from the Lender a copy of the mortgage of Lease and notice of the Lender's address for notice under the Lease. For greater certainty, the notices, demands and requests which may or are required to be given to the Lender pursuant to the Lease shall be in writing and shall be sufficiently given if served personally upon the Lender or an executive officer of the Lender or mailed prepaid and double registered and addressed to: British Columbia Housing Management Commission, #1701 - 4555 Kingsway, Burnaby, BC V5H 4V8, or such other address as the Lender may from time to time advise by notice in writing.

DATED at _____, British Columbia, this ___ day of _____, 20__.

LANDLORD

Per:

LANDLORD'S CERTIFICATE Only apply to City of Vancouver lease

To: Not for Profit (the "Lessee")

Re: Lease (the "Lease") granted by the City of Vancouver (the "Lessor") to the Lessee of lands and premises particularly known as [PID] (the "Property")

This certificate is given to you pursuant to section 26.01 of the Standard Charge Terms of the Lease. The Lessor confirms, acknowledges and certifies to you as follows:

1. the Lease is unmodified and in full force and effect;
2. the net basic rent of \$ _____ has been paid or will become due and owing on the earlier of:
 - (a) the interest adjustment date;
 - (b) ninety (90) days following the issuance of an unconditional occupancy permit for occupation of the buildings pursuant to development permit number _____; and
 - (c) that date immediately preceding the expiration of the period of one year from the date of registration of the Lease in the Land Title Office.
3. that to the best of the maker of this statement's information and belief, the Lessor and the Lessee are not in default under the provisions of the Lease.

DATED at Vancouver, British Columbia, this ____ day of _____, 20__.

CITY OF VANCOUVER

Per:
