

# HALIFAX

P.O. Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

**Item No. 15.1.8**  
**Halifax Regional Council**  
**March 1, 2022**

**TO:** Mayor Savage and Members of Halifax Regional Council

**SUBMITTED BY:**

Original Signed by 

\_\_\_\_\_  
Jacques Dubé, Chief Administrative Officer

**DATE:** February 9, 2022

**SUBJECT:** 80 True North Crescent – Rapid Housing Initiative Funding

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## **ORIGIN**

November 17, 2020 Regional Council motion (Item 8.1)

MOVED by Councillor Mancini, seconded by Deputy Mayor Blackburn

THAT Halifax Regional Council approve the sales of 64 True North Crescent, Dartmouth, PID 40414187; 67 True North Crescent, Dartmouth, PID 40414161; 80 True North Crescent, Dartmouth, PID 40414179; and 91 True North Crescent, Dartmouth, PID 40414146; to the Affordable Housing Association of Nova Scotia as per the terms and conditions outlined in Table 2 of the staff report dated July 28, 2020 and authorize the Chief Administrative Officer to direct the Mayor and Municipal Clerk to execute, on behalf of the Municipality, agreements of purchase and sale and buy-back agreements with the Affordable Housing Association of Nova Scotia as per the terms and conditions outlined in Table 2 of the staff report dated July 28, 2020.

MOTION PUT AND PASSED UNANIMOUSLY.

## **LEGISLATIVE AUTHORITY**

Halifax Regional Municipality Charter (HRM Charter),

Open meetings and exceptions

19 (1) Except as otherwise provided in this Section, Council meetings and meetings of committees appointed by the Council are open to the public.

(2) The Council or any committee appointed by the Council may meet in closed session to discuss matters relating to

(a) acquisition, sale, lease and security of municipal property.

**RECOMMENDATIONS ON PAGE 2**

s. 61 (3)

(3) The property vested in the Municipality, absolutely or in trust, is under the exclusive management and control of the Council, unless an Act of the Legislature provides otherwise.

#### Part III – Powers

- 73(b) The Municipality may enter into and carry out agreements with
- (i) the Minister of Community Services or Canada Mortgage and Housing Corporation with respect to housing projects, or
  - (ii) any body corporate or agency having similar objects to Canada Mortgage and Housing Corporation with respect to projects pursuant to the National Housing Act (Canada);

### **RECOMMENDATION**

It is recommended that Halifax Regional Council:

1. Authorize the Chief Administrative Officer (CAO) to negotiate a tripartite agreement with Canada Mortgage and Housing Corporation (CMHC) and the Affordable Housing Association of Nova Scotia (AHANS); and an amended Buy-Back Agreement with AHANS regarding the parties' respective rights and responsibilities for the development and use of 80 True North Crescent, Dartmouth for affordable housing, substantially in accordance with the draft agreements included as Attachment A and B, subject to such further amendments as the CAO may deem advisable;
2. Authorize the CAO to direct the Mayor and Municipal Clerk to execute the said agreements on behalf of the Municipality;
3. Authorize the CAO to amend the agreements between the Municipality and AHANS for the sale, development and use of 64, 67, 80, and 91 True North Crescent, on terms that he in his discretion deems advisable to facilitate and support the development of affordable housing on the subject lands.

### **BACKGROUND**

At its meeting of [November 17, 2020](#), Regional Council approved the sale of 64, 67, 80, and 91 True North Crescent to AHANS for the less than market value of \$1.00 for the development of affordable rental housing. A condition of the less than market value sale was that AHANS grant the Municipality a buy-back agreement for each parcel of land for an initial 25-year term providing the Municipality the option to repurchase the properties should AHANS cease to provide a minimum of 56% of the housing units at a minimum of 20% below market rent in perpetuity. Another condition was that AHANS secure financing from CMHC. The Agreements of Purchase and Sale and Buy-Back Agreements were executed on June 21, 2021. However, none of the sales have been completed yet as AHANS is still securing financing.

AHANS has received financing approval from CHMC subject to certain conditions to be satisfied, including achieving the amendments to the Buy-Back Agreement and the Tripartite agreement which are the subject of this report, along with other pre-conditions. CMHC funding would be under the Rapid Housing Initiative (RHI) – Projects Stream. CMHC will contribute approximately \$3.7 million via a Contribution Agreement towards the construction of 12 deeply affordable rental units on 80 True North Crescent (the “**Property**”). Under the conditions of RHI the deeply affordable units must be targeted towards vulnerable populations that are homeless or in severe risk of homelessness and must be rented to tenants at rates that are no more than 30% of their gross income for a period of 40 years following the closing date. CHMC's

Contribution Agreement will not be secured on title to the Property and the Municipality's Buy-Back Agreement will rank as a prior charge on title.

**DISCUSSION**

A condition of CMHC's RHI funding is that the Municipality and AHANS amend its Buy-Back Agreement to provide that HRM's rights to repurchase will "stand still" in favour of CMHC's enforcement remedies under the Contribution Agreement, on terms and conditions set out in the Tripartite Agreement proposed by CMHC. Staff from CMHC, the Municipality (subject to Council approval), and AHANS have reached agreement on amendments to the Buy-Back Agreement which will align the Municipality's requirements and conditions with those of CMHC. These amendments will enable CMHC and the Municipality to work cohesively to assure that affordable housing will be maintained on the property.

Essentially, the current Buy-Back Agreement will be terminated by both parties and replaced with a new agreement authorizing the Municipality to repurchase the Property from AHANS and requiring AHANS to reconvey the Property to the Municipality for \$1.00 should AHANS cease to provide the deeply affordable housing for a term of 40 years, in accordance with CMHC's requirements, or should AHANS breach the terms of the Buy-Back Agreement.

The key amendments are summarized in Table 1 below. A copy of the proposed new Buy-Back Agreement is included as Attachment A.

Table 1 – Proposed Amendments to Buy Back Agreement.

	<b>Approved Agreement</b>	<b>Amendment</b>
<b>Initial Term</b>	25 years.	40 years.
<b>Repurchase Price</b>	\$1.00 plus the value of capital improvements made to the property, less annual depreciation.	Either:  A) Should AHANS default on its obligation to provide the requisite affordable housing: the repurchase price for the property shall be \$1.00; or  B) After the initial 40-year term if the Buy Back Agreement is renewed for an additional term and AHANS defaults on its obligation to continue to provide the requisite affordable housing: the repurchase price shall be \$1.00 for the land, plus the appraised market value of any improvements to the land, less any municipal contribution to AHANS, subject to the approval of Regional Council.
<b>Affordability Criteria</b>	56% of the total units continue to be offered at 20% below market rent in perpetuity.	In accordance with CMHC's Affordability Criteria per the contribution agreement:  (i) Tenants occupying the units spend less than 30% of their gross income on the applicable unit or the shelter component of any provincial or territorial income assistance as an equivalent; and  (ii) be composed of individuals and families who are, or otherwise would be, in severe housing need,

		<p>or people experiencing or at high risk of homelessness.</p> <p>(iii) Serving people and populations who are vulnerable - ensure all units are serving people and populations who are vulnerable, and make reasonable efforts to maintain a distribution of 12 units among the following groups:</p> <p>(i) 10 units for homeless people or those at risk of homelessness</p> <p>(ii) 2 units for newcomers (including refugees).</p>
<b>Use on Repurchase</b>	At HRM's discretion.	HRM to convey the Property for \$1.00 to a Replacement Operator selected by CMHC and approved by the CAO on behalf of the Municipality.
<b>Construction Timeline</b>	Substantially completed with 60 months of agreement and purchase and sale closing date.	Substantially completed within 36 months of agreement and purchase and sale of closing date.

CMHC has requested that CMHC, AHANS, and the Municipality enter into a tripartite agreement detailing the parties' obligations to one another and setting out the respective contractual remedies of CMHC and the Municipality if AHANS defaults on the terms of the Contribution Agreement or the Buy-Back Agreement.

Should AHANS default under either the Contribution Agreement with CMHC or the Buy-Back Agreement with the Municipality, the tripartite agreement provides CMHC the right, but not the obligation, to identify a replacement operator for the affordable units acceptable to the Municipality. Pursuant to the tripartite agreement, Municipality could require AHANS to reconvey the Property to the Municipality for \$1.00. In turn the Municipality would then convey the Property for the price of \$1.00 to a new non-profit operator chosen by CMHC, subject to HRM's approval. The replacement operator would be required to operate the property in accordance with CMHC's affordability criteria and assume the obligations to the Municipality under the Buy-Back Agreement.

In the event of default by AHANS, if CMHC cannot find a non-profit to operate the affordable housing project within 180 days of such default, the Municipality would have the right to repurchase the Property from AHANS for \$1.00 and reconvey the Property to a for-profit replacement operator chosen by CMHC at market value for the land, plus the value of other municipal contributions made to the value of the Property. A draft copy of the proposed tripartite agreement is included as Attachment 2.

**FINANCIAL IMPLICATIONS**

The financial implications are set out in the November 17, 2020 report to Regional Council.

**RISK CONSIDERATION**

The risk considerations are set out in the November 17, 2020 report to Regional Council.

### **COMMUNITY ENGAGEMENT**

The sale of 80 True North Crescent to AHANS was the subject of a public hearing on November 17, 2020. No further community engagement was considered necessary for the tripartite agreement.

### **ENVIRONMENTAL IMPLICATIONS**

No environmental implications were identified.

### **ALTERNATIVES**

1. Regional Council could choose not to approve the changes to the buy-back agreement and not approve the tripartite agreement and direct CAO to complete the buy-back agreement as originally approved.
2. Regional Council could direct the CAO to release the buy-back agreement for 80 True North Crescent and waive it as a condition of sale of 80 True North Crescent to AHANS.

### **ATTACHMENTS**

Attachment 1 – Draft Buy-Back Agreement

Attachment 2 – Draft Tripartite Agreement

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A copy of this report can be obtained online at [halifax.ca](http://halifax.ca) or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Colin Walsh, Project Manager, Corporate Real Estate, Corporate & Customer Services  
902.579.2824

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This **Buy-Back Agreement** is dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

BETWEEN:

**AFFORDABLE HOUSING ASSOCIATION OF NOVA SCOTIA**  
a society duly incorporated under the Nova Scotia *Societies Act*  
(hereinafter called the “**Purchaser**”)

OF THE FIRST PART

-and-

**HALIFAX REGIONAL MUNICIPALITY,**  
a municipal body corporate (hereinafter called the “**Municipality**”)

OF THE SECOND PART

WHEREAS by an Agreement of Purchase and Sale made between the parties hereto (the “**Agreement of Purchase and Sale**”) the Municipality agreed to sell, and the Purchaser agreed to purchase the Property currently identified as apparent PID 40414179, being 80 True North Crescent, Dartmouth, in the County of Halifax, Province of Nova Scotia more particularly described in Schedule “A” attached hereto (the “**Property**”);

AND WHEREAS the Agreement of Purchase and Sale requires the Purchaser to enter into this Buy-Back Agreement (“**Buy-Back Agreement**”);

WITNESSETH THAT in consideration of the mutual covenants contained herein and the sum of Ten Dollars (\$10.00) paid by each of the parties thereto the other party, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Municipality and the Purchaser hereby agree as follows:

**A. Definitions**

In this Agreement, the following terms shall have the following meanings:

- (a) “Closing Date” means the closing date of the Agreement of Purchase and Sale.
- (b) “Contribution Agreement” means the agreement dated the 17th day of December 2021, between CMHC and the Purchaser wherein CMHC will providing funding for the construction of affordable housing on the Property.
- (c) “Enforcement Action” means the following:
  - (i) the issuance of a written demand for payment or repayment;
  - (ii) any acceleration of amounts due and owing;
  - (iii) the exercise of Remedies;
  - (iv) appointing or obtaining the appointment of a monitor, a receiver, a manager or a receiver and manager or other person having similar powers in respect of any person or property;
  - (v) seizing, executing, realizing on, or taking possession or control of any property or undertaking, including any assignment of rents;

- (vi) commencing any action or proceeding seeking payment or recovery of all or any part of any indebtedness or damages in lieu thereof;
- (vii) the exercise of any other rights or remedies available to a creditor under its agreements or any security or otherwise at law or in equity, including any bankruptcy or insolvency proceedings; and
- (viii) joining with any other person in instituting or commencing any of the foregoing actions or taking any steps or proceedings in connection therewith;

but shall specifically exclude any of the following:

- (ix) completing any proofs of claim.
- (d) "Event of Default" under this Agreement means;
- a. the Purchaser breaches its obligation to continually use the Property for its Intended Use during the initial term of this Buy-Back Agreement or any renewal or extension thereof; or
  - b. the Intended Use for which the Council of the Halifax Regional Municipality gave its consideration to a less than market value sale of the Property pursuant to subsection 63(1) of the *Halifax Regional Municipality Charter* ceases; or
  - c. the Purchaser substantially disposes its assets or discontinues its operations as a non-profit or charitable society; or
  - d. the Purchaser defaults on any loan, mortgage, line of credit, or other debt or financial instrument secured against the title to the Property, or if a builder's lien, judgment or court order is registered against the title to the Property which the Purchaser does not discharge within thirty (30) days of registration of same; or if the Purchaser makes an assignment in bankruptcy, or is petitioned into bankruptcy, or if a receiving order is issued against the Purchaser, or if there is some other negative change in the Purchaser's financial viability; or
  - e. the Purchaser attempts the sale or other conveyance or disposition of the Property; or
  - f. construction of the Project is not substantially completed within 36 months of the Closing Date;
  - g. the Purchaser is in default of any of the terms and conditions of the Agreement of Purchase and Sale or this Buy- Back Agreement.
- (e) "Person" means any individual, partnership, firm, corporation, trust, unincorporated association or organization, joint venture, syndicate, government or any department or agency thereof and the heirs, executors, administrators or other legal representatives of an individual.
- (f) "Project" means the construction of a 12-unit new affordable housing project, for the Intended Use, and facilities ancillary thereto, located on the Property, together with all of the right, title and interest in and to any property, rights, interests and undertakings relating to thereto, together with all deposits, rents, interests, benefits and other advantages to be derived therefrom.
- (g) "Replacement Operator" means a Person appointed pursuant to the Tripartite Agreement to fulfill the Purchaser's obligations under the Contribution Agreement, including, but not limited to,

developing, operating, managing and maintaining the Project.

- (h) "Tripartite Agreement" means an agreement between the Purchaser, Municipality, and CMHC, and dated [redacted] of [redacted], 2022, wherein the parties have established their respective rights and obligations in the event of a default by the Purchaser under this Buy-Back Agreement or the Contribution Agreement.

**B. Buy-Back Agreement as First Charge Upon the Property**

1. The Purchaser hereby grants to the Municipality the first option and unrestricted right to repurchase the Property on the terms set out in this Buy-Back Agreement.
2. The Purchaser shall register this Buy-Back Agreement at the Land Registration Office in and for the County of Halifax at its expense as a first charge as a recorded interest on the title to the Property forthwith upon closing the Agreement of Purchase and Sale. Alternatively, the Municipality may, in its sole discretion, permit the Purchaser to register a Notice of this Buy-Back Agreement instead of registering the full text, on the parcel register for the Property at the Nova Scotia Land Registration Office in and for the County of Halifax.

**C. Term**

3. This Buy-Back Agreement shall be for an initial term of forty (40) years upon which time it shall be reviewed by the Regional Council of the Halifax Regional Municipality to consider and determine in its sole discretion whether to continue, extend, amend or release this Buy-Back Agreement.

**D. Conditions of the Sale of the Property to the Purchaser**

4. The Purchaser has acquired title for the less than market value purchase price of One Dollar (\$1.00) for the Intended Use of the construction and rental of affordable housing in accordance with the following conditions:
  - (a) maintain the affordability of the Project in perpetuity, ensuring the tenants occupying the units:
    - (i) spend less than 30% of their gross income on the applicable unit or the shelter component of any provincial or territorial income assistance as an equivalent; and
    - (ii) be composed of individuals and families who are, or otherwise would be, in severe housing need, or people experiencing or at high risk of homelessness.
  - (b) Serving people and populations who are vulnerable - ensure all units are serving people and populations who are vulnerable, and make reasonable efforts to maintain a distribution of 12 units among the following groups:
    - (i) 10 units for homeless people or those at risk of homelessness
    - (ii) 2 units for newcomers (including refugees).

(the "Intended Use")

The Purchaser agrees to substantially complete the construction of the housing units within 60 months from the closing date of the Agreement of Purchase and Sale to ensure timely



development of the Property. The Purchaser covenants and agrees to operate the Property continuously in accordance with the Intended Use throughout the initial term of this Agreement and any extension or renewal thereof. The Purchaser shall provide confirmation of the application of its financing secured by the Property and disclosure of its rental rates as may be requested by the Municipality from time to time.

5. The Purchaser covenants and agrees to maintain its status as a non-profit society registered and in good standing with the Nova Scotia Registry of Joint Stock Companies throughout the initial term of this Agreement and any extension, continuation or renewal thereof.
6. The Purchaser covenants and agrees to comply with all Municipal By-Laws, Policies, and Administrative Orders applicable to the Property or the use of the Property and shall strictly comply with all environmental laws, regulations and work orders.
7. This Buy-Back Agreement shall be in priority to all other encumbrances and charges registered against the Property and shall be binding upon future owners of the Property until it is released by the Municipality.

**D. Postponement for the Purpose of Purchaser Financing**

8. Provided however, during the initial term of the Buy-Back Agreement the Municipality agrees to grant a postponement of the Buy-Back Agreement as required to enable Canada Mortgage and Housing Corporation (“**CMHC**”) to provide financing pursuant to a Contribution Agreement between CMHC and the Purchaser up to ninety-five percent (95%) of the Property’s market value as-if-improved. Any subsequent requests for postponement of this Buy-Back Agreement must be made in writing to the Chief Administrative Officer of the Municipality.
9. Any secured financing agreement shall include a reservation of the right in favour of the Municipality to be served by the secured lender with notice of any default by the Purchaser and shall give the Municipality the option to cover any default by the Purchaser under such financing arrangements, reserving to the Municipality, however, all rights of recourse against the Purchaser.

**E. Notice of Default of Purchaser’s Financing**

10. The Purchaser agrees to notify the Municipality in writing forthwith in the event of default of any mortgage, line of credit or debt instrument, loan guarantee, or other financial instrument or encumbrance secured by the Property, an assignment or petition in bankruptcy, and forthwith upon the happening of any other event or default resulting in any charge, lien or other encumbrance registered against title to the Property, such as, but not limited to, real property tax arrears, builder’s liens, judgments, orders, work orders issued by any government or government agency, claims, actions or demands which may be brought against the Purchaser.
11. If the Purchaser consolidates the Property with other lands owned by the Purchaser, or subdivides the Property, this Buy-Back Agreement shall attach to and encumber the entire parcel created by such consolidation, or each of the parcels created by such subdivision, as the case may be.

**F. Repurchase of the Property**

12. The Municipality has an exclusive, unencumbered and unrestricted right in its sole discretion to repurchase the Property from the Purchaser for the sum of One Dollar (\$1.00) if the Purchaser commits an Event of Default under this Agreement.
13. The Municipality shall have the right but not the obligation at any time following the expiration or early termination of the Tripartite Agreement to repurchase the Property if the Purchaser ceases the Intended Use.
14. If the Municipality repurchases the Property pursuant to s. 13 of this Agreement, the purchase price to be paid by the Municipality to the Purchaser shall be the sum of One Dollar (\$1.00) for the land, plus the appraised market value of any improvements to the land, less any municipal contribution that was paid to the Purchaser or any including but not limited to grants, loans, subsidies, tax relief, or any other benefit or payment made by the Municipality, less the amount owing to a bona fide secured lender with an outstanding mortgage registered against the property. The Purchaser shall forthwith deliver the Property (subject to any existing tenancies) and shall provide a Warranty Deed free and clear of encumbrances conveying good and marketable title to the Property to the Municipality.

**G. General Terms**

15. Time shall be of the essence of this Buy-Back Agreement. In the event of a written agreement of extension, time shall continue to be of the essence. Day refers to calendar day unless otherwise specified.
16. This Buy-Back Agreement shall be governed by and construed in accordance with the laws of the Province of Nova Scotia.
17. This Buy-Back Agreement shall be a burden upon and run with the Property and shall enure to the benefit of the Municipality and shall be binding upon the Purchaser, and its successors, assigns and successors in title to the Property for so long as it is registered on title until it is released in writing by the Municipality.
18. The Purchaser warrants it has full corporate authority to enter into this Buy-Back Agreement.
19. This Buy-Back Agreement may only be changed by a written agreement executed by both parties hereto.
20. The Purchaser shall not have the right to assign or transfer any of its rights and interests in this Agreement, without the prior written consent of the Municipality, which the Municipality in its absolute discretion, may withhold.
21. This Agreement may only be changed by a written agreement executed by both parties hereto.
22. Every provision of this Agreement is intended to be severable. If all or any part of any term or provision hereof is illegal, invalid, or unenforceable for any reason, such illegality, invalidity, or unenforceability shall not affect the validity or enforceability of the remainder of this Agreement. Each covenant, obligation and agreement in this Agreement shall be separately valid and enforceable to the fullest extent permitted by law.
23. No omission or delay by either party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of such right, power or privilege preclude any other or further exercise thereof or of any other right, power or privilege. The rights and remedies herein provided are cumulative with and not exclusive of any rights or remedies provided by law.

24. No provision of this Agreement and no action by the parties hereto will establish or be deemed to establish a partnership, joint venture, principal agent relationship or employer-employee relationship in any way or for any purpose whatsoever between the Municipality and the Purchaser or between the Municipality and a third party.
25. The covenants, representations and warranties of the Purchaser contained in this Buy-Back Agreement shall survive the closing of the Agreement of Purchase and Sale and shall continue in full force and effect for the benefit of the Vendor and shall be binding upon the Purchaser and its successors and assigns and the successors in title to the Property and shall be fully enforceable against the Purchaser and its administrators, successors and permitted assigns, and successors-in-title to the Property in accordance with its terms.
26. Halifax Regional Municipality therefore functions as a municipal permitting authority. In this role, the Municipality regularly issues, places conditions on or refuses to issue permits, approvals, and licenses. Nothing in this Buy-Back Agreement shall in any way abridge, circumscribe, or fetter the Municipality's authority when it acts in its capacity as a municipal permitting authority. Without limiting the generality of the foregoing, the Purchaser acknowledges that the execution of this Buy-Back Agreement by the Municipality will not be construed to be a representation on the part of the Municipality to process an application received from the Purchaser for a permit, approval, or license in respect of the Property, in a manner that differs from the Municipality's normal practices and procedures as a permitting authority.
27. This Buy-Back Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective administrators, successors and permitted assigns.
28. This Buy-Back Agreement may be signed in counterparts, which together shall constitute one agreement. The parties agree that original signatures transmitted, received and reproduced via electronic transmission telecopier or email or electronic signatures shall be treated for all purposes of this Buy-Back Agreement as original signatures and shall be deemed valid, binding and enforceable by and against all parties. The Purchaser agrees to deliver four (4) originally signed copies of this Buy-Back Agreement to the Vendor upon its execution by the Purchaser.

**IN WITNESS WHEREOF** the parties hereto have properly executed this Buy-Back Agreement as of the day and year first above written by their respective duly authorized officers.

**SIGNED, SEALED and DELIVERED**  
in the presence of:

**AFFORDABLE HOUSING ASSOCIATION OF  
NOVA SCOTIA**

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Print Name:  
Print Title:

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Print Name:  
Print Title:

**SIGNED, SEALED and DELIVERED**  
in the presence of:

**HALIFAX REGIONAL MUNICIPALITY**

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Mike Savage  
Mayor

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Iain MacLean  
Municipal Clerk

**THIS AGREEMENT** made as of the        day of, February 2022.

**B E T W E E N:**

**HALIFAX REGIONAL MUNICIPALITY**  
(hereinafter referred to as the "**Municipality**")

- and -

**AFFORDABLE HOUSING ASSOCIATION OF  
NOVA SCOTIA**  
(hereinafter referred to as the "**Proponent**")

- and -

**CANADA MORTGAGE AND HOUSING  
CORPORATION**  
(hereinafter referred to as "**CMHC**")

WHEREAS pursuant to an agreement of purchase and sale, dated June 14, 2021 between the Halifax Regional Municipality, as Vendor, and Affordable Housing Association of Nova Scotia, as purchaser, (the "Agreement of Purchase and Sale"), the Municipality agreed to sell and the Proponent agreed to buy the lands situate at 80 True North Crescent, Dartmouth, Nova Scotia, currently identified as PID 40414179 which ARE more particularly described in Schedule A attached hereto (the "**Project Lands**");

AND WHEREAS pursuant to a Buy Back Agreement, between the Municipality and the Proponent dated June 14, 2021 and amended the    day of   , 2022 (the "**Buy Back Agreement**") the Proponent granted to the Municipality the first option and unrestricted right to repurchase the Project Lands on the terms set out in the Buy Back Agreement, as amended;

AND WHEREAS pursuant to a contribution agreement dated the 17th day of December 2021, between CMHC and the Proponent (the "**Contribution Agreement**") to finance the development of the Project Lands, CMHC has agreed to provide financing to the Proponent;

AND WHEREAS the parties wish to enter into this agreement for the purpose of establishing their respective rights and obligations if the Municipality exercises its right to repurchase the Project Lands or if the Proponent defaults in the performance by it of any of its obligations under the Contribution Agreement;

NOW THEREFORE, for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each of the parties), the parties agree as follows:

**1.        DEFINITIONS**

In this Agreement, the following terms shall have the following meanings:

- (a) “**Agreement**” means this triparty agreement between the Municipality, CMHC and the Proponent and all schedules or exhibits attached hereto.
- (b) “**Applicable Law**” means: (a) the laws (including common law), treaty, code, ordinance, rule, regulation, restriction or by-law (zoning or otherwise) of the Halifax Regional Municipality, the Province of Nova Scotia, and the Dominion of Canada; (b) any judgement, order, writ, injunction, decision, ruling, decree or award; (c) any regulatory policy, practice, guideline or directive; or (d) authorization, consent, exemption, waiver, right, permit or other approval of any governmental authority, binding on or affecting this Agreement, the parties to this Agreement or the Project Lands.
- (c) “**Business Day**” means any calendar day excluding weekends and statutory holidays in the Province of Nova Scotia.
- (d) “**Buy Back Agreement**” means the agreement referred to in the second recital.
- (e) “**Municipality**” means the Halifax Regional Municipality.
- (f) “**CMHC**” means Canada Mortgage and Housing Corporation.
- (g) “**CMHC Contribution**” means all existing and future contributions, obligations and liabilities of the Proponent to CMHC pursuant to the Contribution Agreement and all interest thereon.
- (h) “**Contribution Agreement**” means the agreement referred to in the third recital.
- (i) “**Default**” means any default by the Proponent in the payment or performance of any of its covenants or obligations to CMHC under the Contribution Agreement or to the Municipality under the Buy-Back Agreement, as the case may be, that is not cured by the Proponent within the applicable cure or remedial period provided for under the Contribution Agreement or the Buy-Back Agreement, as the case may be.
- (j) “**Default Notice**” means a written notice specifying the particulars of any Default by the Proponent, and where the Default is not a monetary Default and is capable of being cured, particulars of the cure which has been required of the Proponent including relevant cure periods.
- (k) “**Enforcement Action**” means
  - (i) the issuance of a written demand for payment or repayment;
  - (ii) any acceleration of amounts due and owing;
  - (iii) the exercise of Remedies;

- (iv) appointing or obtaining the appointment of a monitor, a receiver, a manager or a receiver and manager or other person having similar powers in respect of any person or property;
- (v) seizing, executing, realizing on, or taking possession or control of any property or undertaking, including any assignment of rents;
- (vi) commencing any action or proceeding seeking payment or recovery of all or any part of any indebtedness or damages in lieu thereof;
- (vii) the exercise of any other rights or remedies available to a creditor under its agreements or any security or otherwise at law or in equity, including any bankruptcy or insolvency proceedings; and
- (viii) joining with any other person in instituting or commencing any of the foregoing actions or taking any steps or proceedings in connection therewith;

but shall specifically exclude any of the following:

- (ix) completing any proofs of claim.
- (l) “**Project Lands**” means the real property legally described in **Schedule A**.
- (m) “**Notice Period**” means the period of time that expires one hundred and eighty (180) days after a Party receives a Default Notice, as may be extended in writing by the Party delivering such Default Notice.
- (n) “**Party**” means any of the Municipality, the Proponent or CMHC, and “**Parties**” means the Municipality, the Proponent and CMHC.
- (o) “**Person**” means any individual, partnership, firm, corporation, trust, unincorporated association or organization, joint venture, syndicate, government or any department or agency thereof and the heirs, executors, administrators or other legal representatives of an individual.
- (p) “**Proceeds**” has the meaning specified in the *Personal Property Security Act* (Nova Scotia).
- (q) “**Project**” means the construction of a 12 Unit new affordable housing construction project, and facilities ancillary thereto, located on the Project Lands, together with all of the right, title and interest in and to any property, rights, interests and undertakings relating to thereto, together with all deposits, rents, interests, benefits and other advantages to be derived therefrom.
- (r) “**Proponent**” means Affordable Housing Association of Nova Scotia.
- (s) “**Remedies**” means the rights of the Municipality under the Buy-Back Agreement.

- (t) **“Remedial Period”** means such period of time where CMHC or any of its Representatives are taking Enforcement Action or exercising other remedies due to a Default.
- (u) **“Replacement Operator”** means a Person appointed pursuant to Sections 6(c)(ii) 7(c)(ii) to fulfill the Proponent’s obligations under the Contribution Agreement, including, but not limited to, developing, operating, managing and maintaining the Project.
- (v) **“Representative”** means any of the following to the extent so identified in any notice provided by CMHC to the Municipality:
  - (i) a receiver or receiver-manager appointed under the Contribution Agreement;
  - (ii) a trustee in bankruptcy or court-appointed receiver or receiver-manager of CMHC;
  - (iii) an administrator of CMHC;
  - (iv) a Person directly or indirectly owned or controlled by CMHC; or
  - (v) any other Person approved by the Municipality in writing.
- (w) **“Unit”** means a dwelling in the Project that is used or designed to be used as a residence.

## 2. **INTERPRETATION**

This Agreement shall be interpreted according to the following provisions, unless the context requires a different meaning:

- (a) The headings in this Agreement are for convenience of reference only, shall not constitute a part of this Agreement, and shall not be taken into consideration in the interpretation of, or affect the meaning of, this Agreement.
- (b) Unless the context otherwise requires, references to specific sections, articles, subsections, clauses, paragraphs, subparagraphs, and other divisions are references to such sections, articles, subsections, clauses, paragraphs, subparagraphs, or divisions of this Agreement.
- (c) Unless the context otherwise requires, wherever used herein the plural includes the singular, the singular includes the plural, and each of the masculine, feminine and neuter genders include all other genders.
- (d) Any reference to any standard, principle, agreement or document includes (subject to all relevant approvals and any other provisions of this Agreement concerning amendments) a reference to that standard, principle, agreement or document as amended, restated, extended, renewed, supplemented, modified, substituted,



replaced, novated or assigned, provided same is not in contravention of this Agreement.

- (e) Any reference in this Agreement to a statutory enactment of any government authority includes all amendments to, and substitutions of, such enactment from time to time.
- (f) References containing terms such as:
  - (i) “hereof”, “herein”, “hereto”, “hereinafter”, and other terms of like import are not limited in applicability to the specific provision within which such references are set forth but instead refer to this Agreement taken as a whole; and
  - (ii) “includes” and “including”, whether or not used with the words “without limitation” or “but not limited to”, shall not be deemed limited by the specific enumeration of items but shall, in all cases, be deemed to be without limitation and construed and interpreted to mean “includes without limitation” and “including without limitation”.
- (g) Where this Agreement states that an obligation shall be performed “no later than” or “within” or “by” a stipulated date or event which is a prescribed number of days after a stipulated date or event, the latest time for performance shall be 4:00 p.m. on the last day for performance of the obligation concerned, or, if that day is not a Business Day, 4:00 p.m. on the next Business Day.
- (h) Unless otherwise indicated, any reference to time of day or date means the local time or date in Halifax, Nova Scotia.
- (i) Unless otherwise indicated, time periods will be strictly construed.
- (j) Whenever the terms “will” or “shall” are used in this Agreement they shall be construed and interpreted as synonymous and to impose an obligation.

### **3. CONFLICT OF DOCUMENTS**

In the event of any ambiguity, conflict or inconsistency between the provisions of this Agreement, the Contribution Agreement and/or the Buy Back Agreement, the provisions of this Agreement shall prevail and govern to the extent of such ambiguity, conflict or inconsistency.

### **4. TERM**

This Agreement is in effect as of the date hereof and shall remain in effect until the expiry of the Term (as defined in Section 3 of the Contribution Agreement) of the Contribution Agreement (the “Tripartite Term”).

## 5. CONSENT

- (a) Amendments to Contribution Agreement: The Municipality acknowledges having received a fully-executed copy of the Contribution Agreement.
- (b) Amendments to the Buy Back Agreement: CMHC acknowledges having received a fully-executed copy of the Buy Back Agreement. The Municipality agrees that during the Tripartite Term it will not amend, supplement, restate, substitute or replace the Buy Back Agreement in a manner which substantially affects CMHC's rights under this Agreement without first providing written notice to CMHC and, within a reasonable time thereafter, receiving CMHC's consent thereto, which shall not be unreasonably withheld.
- (c) Consents: The Municipality consents to the creation and registration, as applicable, of the Contribution Agreement, provided the Buy-Back Agreement is registered first. The Municipality acknowledges that the Contribution Agreement is not assignable by the Proponent to the Municipality without the prior written consent of CMHC. CMHC consents to the creation and registration, as applicable, of the Buy Back Agreement, including any charge or security interest contemplated therein (regardless of when it is registered or filed).
- (d) No Challenge: The Parties acknowledge and consent to the arrangements specified in this Agreement, and CMHC and the Municipality agree not to do or omit to do anything that may prevent any other Party from enforcing its rights under this Agreement. CMHC and the Municipality further agree that neither will challenge, contest or bring into question, the validity, priority or perfection of the Buy Back Agreement or the Contribution Agreement or any charge, security interest or lien registered thereunder, as the case may be, or any enforcement steps taken by or on behalf of another Party in respect of the Buy Back Agreement or the Contribution Agreement, as the case may be, or against any of the Proceeds, provided the Municipality and CMHC have complied with the terms of this Agreement.
- (e) Notwithstanding the foregoing, the Parties acknowledge and agree that the contribution made by CMHC under the Contribution Agreement is made in support of the Project and is intended to further the public interest by achieving certain social outcomes which are of fundamental importance to the federal government of Canada and its agencies, including CMHC. Furthermore, the parties acknowledge and agree that the Municipality's agreement to convey the Project Lands to the Proponent as a non-profit society for the nominal consideration of \$1.00 is to further the Municipality objective of assisting in the provision of affordable housing in Dartmouth, Nova Scotia.

## 6. DEFAULT UNDER CONTRIBUTION AGREEMENT

- (a) Default Notice: If, as a result of a Default by the Proponent in its obligations under the Contribution Agreement, CMHC intends to take any Enforcement Action, CMHC shall first deliver a Default Notice to the Municipality. CMHC agrees that it will not (and will ensure that any of its Representatives do not) take any Enforcement Action against the Proponent or any other Person in connection with a Default of the

Contribution Agreement without first delivering a Default Notice to the Municipality and otherwise complying with the provisions of this Section 6.

(b) The Municipality shall not issue a Default Notice or take any Enforcement Action under the Buy Back Agreement prior to the expiry of the Notice Period and the Remedial Period without the prior notice to and consent of CMHC.

(c) Cure Period and Standstill:

(i) Prior to the expiry of the Notice Period, the CMHC shall have the right but not the obligation, in its sole discretion, to identify a Replacement Operator acceptable to the Municipality, acting reasonably, to assume the obligations of the Proponent under this Agreement, the Buy Back Agreement and the Contribution Agreement as an assignee to each. The Proponent covenants and agrees forthwith upon written notice from the Municipality that the Proponent shall convey the Project Lands to the Municipality by Warranty Deed for the sum of \$1.00. Thereupon the Municipality shall convey the Project Lands to the Replacement Operator approved by CMHC and the Municipality, acting reasonably, for the purposes of operating the Property in accordance with and subject to this Agreement, the Buy Back Agreement and the Contribution Agreement. Provided that the Replacement Operator is a non-profit or charitable organization, the Municipality will transfer the Project Lands to the Replacement Operator for the sum of \$1.00. Otherwise, the Municipality will transfer the Project Lands to the Replacement Operator for fair market value.

(d) Enforcement Action by CMHC:

(i) Failure to Cure: If, during the Notice Period,

A. CMHC elects not to identify a Replacement Operator;

B. the Default is not cured or is incapable of being cured; or

C. the Default is not reasonably capable of being cured during the Notice Period;

then CMHC or its Representative shall be entitled to take Enforcement Action in accordance with the terms and conditions in the Contribution Agreement and this Agreement, subject to the rights of the Municipality under the Buy Back Agreement which shall survive CMHC's Enforcement Actions.

## 7. **DEFAULT UNDER BUY BACK AGREEMENT**

(a) Default Notice: If, as a result of a Default by the Proponent in its obligations pursuant to the Buy Back Agreement, the Municipality intends to take any Enforcement Action, the Municipality shall first deliver a Default Notice to CMHC. The Municipality

agrees that it will not take any Enforcement Action against the Proponent or any other Person in connection with a Default of the Buy Back Agreement without first delivering the Default Notice to CMHC and otherwise complying with the provisions of this Section 7.

(b) Nothing in this Section shall prevent CMHC from issuing a Default Notice or making any demand for payment or filing or serving any statement of claim or court application or proceeding with any claim before any court with respect to any claims or amounts owing under the Contribution Agreement by the Proponent.

(c) Cure Period and Standstill:

(i) Prior to the expiry of the Notice Period, the CMHC shall have the right but not the obligation, in its sole discretion, to identify a Replacement Operator acceptable to the Municipality, acting reasonably, to assume the obligations of the Proponent under this Agreement, the Buy Back Agreement and the Contribution Agreement as an assignee to each. The Proponent covenants and agrees forthwith upon written notice from the Municipality that the Proponent shall convey the Project Lands to the Municipality by Warranty Deed for the sum of \$1.00. Thereupon the Municipality shall convey the Project Lands to the Replacement Operator approved by CMHC and the Municipality, acting reasonably, for the purposes of operating the Property in accordance with and subject to this Agreement, the Buy Back Agreement and the Contribution Agreement. Provided that the Replacement Operator is a non-profit or charitable organization, the Municipality will transfer the Project Lands to the Replacement Operator for the sum of \$1.00. Otherwise, the Municipality will transfer the Project Lands to the Replacement Operator for fair market value.

(d) Enforcement Action by the Municipality:

(i) Failure to Cure: If, during the Notice Period,

- A. CMHC failed to take reasonable steps to find a Replacement Operator to the Municipality's satisfaction, acting reasonably;
- B. the Default is not cured or is incapable of being cured; or
- C. the Default is not reasonably capable of being cured during the Notice Period and CMHC fails to diligently proceed to find a Replacement Operator;

then the Municipality or its Representative shall be entitled to take Enforcement Action in accordance with the terms and conditions in the Buy Back Agreement and this Agreement.

**8. DEFAULT BY PROPONENT UNDER BOTH AGREEMENTS**

- (a) In the event that the Municipality delivers to CMHC a Default Notice pertaining to the Buy Back Agreement and, at any time thereafter but prior to the expiration of the applicable Notice Period, CMHC delivers a Default Notice pertaining to the Contribution Agreement, or vice versa, then the Parties agree to work together for a solution which will enable the Project to continue for a minimum of the duration of the Tripartite Term. Thereafter following the expiration of the Tripartite Term, the Municipality will have the right in its sole discretion to continue, extend, amend, or release the Buy Back Agreement.

**9. INSURANCE PROCEEDS**

The Municipality acknowledges and agrees that if the Project Land or the Project is totally or partially destroyed by any cause whatsoever during the Tripartite Term of this Agreement, it will be the sole and exclusive right of CMHC to decide whether the Project will be rebuilt or not and to use the proceeds of the insurance for such purposes or not or of applying the proceeds of insurance to repay the Contribution. The Proponent shall use the insurance proceeds to rebuild unless CMHC elects not to re-build, in which case the insurance proceeds will be paid to CMHC to pay out all amounts owing under the Contribution Agreement, and any balance remaining will be paid to the Municipality. In the event that CMHC elects not to have the Project rebuilt, the Municipality may, in its sole discretion, exercise its repurchase rights under the Buy-Back Agreement but shall not be required to do so.

**10. ASSIGNMENT**

- (a) No Party to this Agreement may assign, transfer or otherwise dispose of any part of its rights, interest in or obligations under this Agreement except as provided in this Section.
- (b) The Proponent may assign, transfer or otherwise dispose of any right, title or interest it may have in, or rights or obligations it may have under this Agreement provided such assignment, transfer or other disposition results from a corporate reorganization that is approved under the Buy Back Agreement and the Contribution Agreement.
- (c) CMHC may assign, transfer or otherwise dispose of any right, title or interest it may have in, or rights or obligations it may have pursuant to, the Contribution Agreement to a successor agent in accordance with the terms of the Contribution Agreement, provided that such successor agent also assumes, in writing, CMHC's rights, interest in and obligations under this Agreement. In the event that CMHC intends to assign, transfer or otherwise dispose of its interests under the Contribution Agreement it shall first provide written notice to the other Parties of such assignment, transfer or disposition, including the identity of its proposed assignee or transferee. The proposed assignee or transferee, as a condition precedent to any such assignment, transfer or disposition, shall assume the obligations and acquire the rights of CMHC under this Agreement pursuant to an assumption agreement, the form and substance of which shall be satisfactory to the

Municipality, acting reasonably.

- (d) The Municipality represents, warrants and covenants with CMHC, and acknowledges and confirms that CMHC is relying upon such representations, warranties and covenants as follows as of the date of execution of this Agreement:
  - (i) there are no agreements between the Municipality and the Proponent concerning the Project other than the Buy Back Agreement and Agreement of Purchase and Sale and the Municipality has not assigned its interest thereunder;
  - (ii) the Buy Back Agreement is effective on the closing date of the Agreement of Purchase and Sale between the Municipality and the Proponent.
  - (iii) the Municipality is statutorily created and is entitled to and has the corporate power and authority to execute and deliver this Agreement and to perform its obligations herein.
- (e) CMHC represents, warrants and covenants with the Municipality, and acknowledges and confirms that the Municipality is relying upon such representations, warranties and covenants as of the date of execution of this Agreement:
  - (i) the Contribution Agreement are in good standing and the Proponent is not in Default thereunder and no event or circumstance has occurred and is continuing which with the giving of notice or lapse of time, or both, would constitute such a Default;
  - (ii) CMHC has not assigned its interest under the Contribution Agreement;
  - (iii) CMHC does not hold any security of any kind against the Project; and
  - (iv) CMHC has the corporate power and authority to execute and deliver this Agreement and to perform its obligations herein.

## 11. NOTICES

- (a) All notices, requests, demands, instructions, certificates, consents and other communications required or permitted under this Agreement shall be in writing (whether or not "written notice" or "notice in writing" is specifically required by the applicable provision of this Agreement) and served by sending the same by registered mail, by hand or transmitted by facsimile or e-mail as follows:

If to the Municipality:



With a copy to:



If to CMHC:

If to the Proponent:



- (b) Any Party to this Agreement may, from time to time, change any of its contact information set forth in Section 13(a) by prior notice to the other Parties, and such change shall be effective on the Business Day that next follows the recipient Party's receipt of such notice unless a later effective date is given in such notice.
- (c) Subject to Section 11(d):
  - (i) a notice given by registered mail shall be deemed to have been received on the third Business Day after mailing;
  - (ii) a notice given by hand delivery shall be deemed to have been received on the day it is delivered; and
  - (iii) a notice given by facsimile or e-mail shall be deemed to have been received on the day it is transmitted.
- (d) If any notice delivered by hand delivery or transmitted by facsimile or e-mail is so delivered or transmitted either on a day that is not a Business Day or on a Business Day after 4:00 p.m. (recipient's local time), then such notice shall be deemed to have been received by such recipient on the next following Business Day.

## 12. AMENDMENTS

This Agreement may not be varied, amended or supplemented except by an agreement in writing signed by duly authorized representatives of the Parties and stating on its face that it is intended to be an amendment, restatement or other modification, as the case may be, to this Agreement.

**13. WAIVER**

- (a) No waiver made or given by a Party under or in connection with this Agreement shall be binding or effective unless the waiver is in writing, signed by an authorized representative of the Party giving such waiver, and delivered by such Party to the other Parties. No waiver made with respect to any right, power or remedy in one instance will be deemed to be a waiver with respect to any other instance involving the exercise of such right, power, or remedy or with respect to any other right, power, or remedy.
- (b) Failure by any Party to exercise any of its rights, powers or remedies hereunder or its delay to do so shall not constitute a waiver of those rights, powers or remedies. The single or partial exercise of a right, power or remedy shall not prevent its subsequent exercise or the exercise of any other right, power or remedy.

**14. RELATIONSHIP BETWEEN THE PARTIES**

This Agreement is not intended to, and does not create or establish between the Parties, any relationship as partners, joint venturers, employer and employee, master and servant, or, principal and agent. Nothing in this Agreement shall be construed as to:

- (a) entitle any Party not a signatory to this Agreement to receive any Proceeds of realization of any of the assets of the Proponent;
- (b) except as otherwise set out herein, confer any rights upon, or impose any obligations on, the Proponent or any Person not a party to this Agreement, and the covenants and agreements of the Parties contained herein which are intended to only apply as between the Municipality and CMHC, shall only be enforceable by CMHC and the Municipality and shall not be enforceable by the Proponent; or
- (c) require or obligate any Party to: (i) advance any monies or otherwise extend credit to the Proponent at any time; or (ii) enforce or realize upon the assets of the Proponent.

If any Person other than the Parties has any valid claim to Proceeds of realization of the assets of the Proponent in priority to or on parity with any of the Parties, then this Agreement shall not apply so as to diminish the rights (as such rights would have been but for this Agreement) of the Parties to the Proceeds of realization of such assets.

**15. ENTIRE AGREEMENT**

This Agreement constitutes the entire agreement between the Parties in connection with its subject matter and supersedes all prior representations, communications, negotiations and understandings, whether oral, written, express or implied, concerning the subject matter of this Agreement.



**16. SEVERABILITY**

If any of the provisions of this Agreement shall be held invalid or unenforceable by any court having jurisdiction, this Agreement shall be construed as though it did not contain those provisions and the rights and obligations of the Parties hereto will be construed and enforced accordingly.

**17. ENUREMENT**

This Agreement shall enure to the benefit of, and be binding on, each of the Parties and their respective successors and permitted transferees and assigns.

**18. GOVERNING LAW AND JURISDICTION**

- (a) This Agreement shall be governed by and construed in accordance with the laws of the Province of Nova Scotia and the laws of Canada applicable therein and shall be treated in all respects as a Nova Scotia contract, without regard to conflict of laws principles.
- (b) The Parties agree that the courts of the Province of Nova Scotia and all courts competent to hear appeals therefrom shall have exclusive jurisdiction to hear and settle any action, suit, proceeding or dispute in connection with this Agreement and hereby irrevocably attorn to the exclusive jurisdiction of such courts.

**19. FURTHER ASSURANCE**

The Parties agree that they shall at all times do, execute, acknowledge and deliver all such acts, deeds and agreements as may be reasonably necessary or desirable to give effect to the terms and provisions of this Agreement including any and all acts, deeds or agreements as may be necessary for the purpose of registering or filing notice of the terms and provisions of this Agreement.

**20. CUMULATIVE RIGHTS**

The rights, powers and remedies under this Agreement shall be in addition to and not in substitution for any other rights, powers and remedies available at law or in equity or otherwise, all of which rights, powers and remedies shall be cumulative and may be exercised successively or concurrently as permitted in accordance with their terms or otherwise by law.

**21. COUNTERPARTS**

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and which together shall constitute one and the same agreement. Delivery of an executed signature page of this Agreement by a Party by facsimile or e-mail transmission in pdf format shall be as effective as delivery of an originally executed copy of this Agreement by such Party.

**22. TIME OF THE ESSENCE**

Time shall be in all respects of the essence herein.

**23. REGISTRATION**

Concurrent with the execution and delivery of this Agreement, the Municipality shall deliver to the Proponent, a registrable caveat in respect of this Agreement, and at CMHC's request, the Proponent shall register such caveat against title to the Project Lands. The costs of registering and discharging such caveat will be borne by the Proponent.

**24. COOPERATION**

The Parties agree that if issues arise during the term of this Agreement, whether or not specific provision is made for such issues in this Agreement, then the Parties will work cooperatively with each other and act reasonably to find solutions that ensure the long term success of the Project, in a manner that strives to avoid a Party being subject to capital expenditures or losses in relation to the Project and in a manner that allows the Units to continue to be used for affordable housing.

**25. PROPONENT ACKNOWLEDGEMENT**

The Proponent acknowledges the terms and conditions specified herein and consents to the arrangements specified in this Agreement, notwithstanding that they may be different from the terms of the Contribution Agreement or the Buy Back Agreement, as the case may be. The Proponent agrees to stand possessed of its property and assets so charged in favour of CMHC and the Municipality in accordance with their respective interests and priorities as set out herein.

**26. LANGUAGE OF AGREEMENT**

Each Party acknowledges having requested, and being satisfied, that this Agreement and related documents be drawn in English. Chacune des parties reconnaît avoir demandé que ce document et ses annexes soient rédigés en anglais et s'en déclare satisfaite.

*[Remainder of page left blank; signature pages follow]*

**IN WITNESS WHEREOF** the Parties have executed this Agreement as of the date first above written.

**HALIFAX REGIONAL MUNICIPALITY**

Per: \_\_\_\_\_  
Name:  
Title:

Per: \_\_\_\_\_  
Name:  
Title:

I/We have authority to bind the Corporation

**CANADA MORTGAGE AND HOUSING CORPORATION**

Per: \_\_\_\_\_  
Name:  
Title:

Per: \_\_\_\_\_  
Name:  
Title:

We have authority to bind the Corporation

**AFFORDABLE HOUSING ASSOCIATION OF NOVA SCOTIA**

Per: \_\_\_\_\_  
Name:  
Title:

Per: \_\_\_\_\_  
Name:  
Title:

I/We have authority to bind the Corporation

**SCHEDULE A**

Parcel Description

PID 40414161

Municipality/County: Halifax

Designation of Parcel on Plan: Block MM-13MA

Registration District: Halifax

Registration Reference of Plan: 28574

\*\*\* Municipal Government Act, Part IX Compliance \*\*\*

Compliance: The parcel is created by a subdivision (details below) that has been filed under the Registry Act or registered under the Land Registration Act

Registration District: HALIFAX COUNTY

Registration Year: 1992 Plan or Document Number: 28574