

Tel./Tél.: 613-748-2000

cmhc.ca

September 12, 2019

Sunnyhill Housing Co-operative Ltd.
787 Third Street NW
Calgary, AB T2N 1P1
(the "Recipient")

Dear Philip Cox,

RE: APPLICATION BY SUNNYHILL HOUSING CO-OPERATIVE LTD. FOR PRESERVATION FUNDING FOR THE PRESERVATION ACTIVITY(IES) AS MORE PARTICULARLY DESCRIBED IN SCHEDULE "A" (the "Approved Activity")
CMHC #8372305

Thank you for your application for preservation funding. We are writing to confirm that preservation funding in the amount specified in Schedule "A" (the "Preservation Funding Amount") has been approved on April 29, 2019 to complete the Approved Activity(ies).

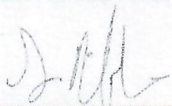
Your eligibility to receive the Preservation Funding Amount is subject to Schedule "A" and the terms and conditions of the attached Contribution Agreement.

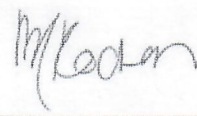
Please sign and return the Contribution Agreement to the undersigned at nhs-contracts@cmhc.ca or by mail to:

700 Montreal Road
Ottawa, ON K1A 0P7
Financing Operations, Contracts

Yours truly,

CANADA MORTGAGE AND HOUSING CORPORATION

Per: 
Name: Simon Ribbans
Title: Senior Officer

Per: 
Name: Marie-Eve Rochon
Title: Senior Officer

Agreed to by the Recipient this 30 day of September, 2019:

**CMHC SEED PRESERVATION FUNDING
CONTRIBUTION AGREEMENT
("Agreement")**

BETWEEN

CANADA MORTGAGE AND HOUSING CORPORATION
("CMHC")

- AND -

SUNNYHILL HOUSING CO-OPERATIVE LTD.

("Recipient")

(Collectively referred to as the "Parties" and each individually a "Party" under this Agreement.)

WHEREAS under the Seed Preservation Funding Program established pursuant to Section 76 of the National Housing Act ("Program"), CMHC provides funding for the development or implementation of proposals to help increase the supply of affordable housing and assist existing projects to remain viable and affordable.

and

WHEREAS the Recipient has requested CMHC Seed Preservation Funding from CMHC through the submission of an application which was approved by CMHC on April 29, 2019, for any one or more of the housing projects ("Project") and certain eligible costs associated with the Project, as identified under **Schedule A** of this Agreement (the "**Eligible Activities**"); and

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the funding provided by CMHC to the Recipient, the Recipient covenants and agrees with CMHC as follows:

1. Term of Agreement.

This Agreement shall become effective on September 12, 2019 ("**Effective Date**") and shall terminate on the second year anniversary of the Effective Date September 12, 2020 ("**Initial Term**"), unless terminated earlier in accordance with its terms. At CMHC's sole discretion and following the end of the Initial Term, this Agreement may be extended in writing by CMHC. Collectively the Initial Term and any CMHC authorized extension shall constitute the "**Term**" of this Agreement.

2. Seed Preservation Contribution and Maximum Financial Liability.

The maximum contribution of CMHC under this Agreement is \$25,000.00 (the "**Seed Preservation Contribution**"). The Recipient acknowledges and agrees that:

- (a) The Recipient's eligibility for the Seed Preservation Contribution is conditional upon the Recipient's ongoing compliance with the terms and conditions set out under this Agreement;
- (b) The Recipient shall use the Seed Preservation Contribution only for the approved Eligible Activities described in **Schedule A** (Project and Eligible Activities);
- (c) The Recipient must complete an assessment of the needs/demands and a preliminary financial feasibility assessment satisfactory to CMHC, at its discretion, prior to incurring expenses for other Eligible Activities;
- (d) The Seed Preservation Contribution shall not be used to finance Eligible Activities carried out prior to the Recipient's receipt of CMHC's Application Approval Letter confirming the Recipient's eligibility for the Seed Preservation Contribution; and
- (e) The Recipient's eligibility for the Seed Preservation Contribution does not constitute an assurance that the Project or associated Eligible Activities will be approved for other forms of CMHC or other federal assistance.

3. Project.

Project shall mean the housing project outlined under **Schedule A** of this Agreement. The Project shall, at all times during the Term of this Agreement, meet the minimum "affordability criteria" in accordance with available municipal/provincial standards or, failing such standards, as determined by CMHC.

4. Eligible Activities.

Eligible Activities shall include those activities related to the Project, which have been specifically approved by CMHC, and set out under **Schedule A** of this Agreement. The Recipient agrees that within twelve (12) months of the Effective Date of this Agreement the Recipient shall complete all the Eligible Activities identified under Schedule A and submitted invoices to CMHC for such Eligible Activities.

5. Approval of Eligible Activities.

Notwithstanding the approval by CMHC of the Eligible Activities or the receipt by CMHC of reports or other documentation in respect of the Eligible Activities, the Borrower will be solely responsible for completing the Eligible Activities and obtaining appropriate professional advice to complete the Eligible Activities. CMHC will not be liable for approving the Eligible Activities, providing a Seed Preservation Contribution to complete the Eligible Activities or receiving or reviewing any reports or other documentation in respect of the Eligible Activities. Any reports or other documentation delivered to CMHC by the Borrower in respect of the Eligible Activities will be solely for the purposes of confirming compliance with this Agreement and under no circumstances will CMHC be responsible for the content of any such reports or other documentation or ensuring compliance by the Borrower with any such reports or other documentation.

6. Advances.

Provided that the Recipient is in compliance with all of the provisions of this Agreement and has submitted detailed invoices evidencing the actual and reasonable expense for the Eligible Activities, the Seed Preservation Contribution will be advanced to the Recipient in an amount equal to such invoice amounts provided by the Recipient. Collectively the advances under this Agreement shall not exceed the amount of the Seed Preservation Contribution.

CMHC shall not advance funds to the Recipient where the Eligible Activities are not completed to CMHC's satisfaction, in its sole opinion, and within the timeframes set out in Section 4(a) and (b) of this Agreement.

7. Independent Recipient.

It is the intention of the Parties that CMHC is solely a financial contributor to the Eligible Activities and that the Eligible Activities shall not be a partnership or joint venture between CMHC and the Recipient or any other person.

8. Release Information regarding the Eligible Activities.

The Recipient shall allow CMHC the use any information submitted or provided in connection with the Project in CMHC media releases, publications or other venues as deemed appropriate by CMHC.

9. Acknowledgement of Seed Preservation Contribution.

Where the Recipient plans to publish any reports and/or materials relating to the Eligible Activities supported by the Seed Preservation Contribution, the Recipient shall: (i) notify CMHC in writing of any such publication at least fifteen (15) business days prior to such publication, and (ii) if so requested by CMHC in writing, acknowledge CMHC's financial support of the Eligible Activities in such publications in the following manner:

"This [Project name/description] received funding from Canada Mortgage and Housing Corporation (CMHC), however, the views expressed are the personal views of the author and CMHC accept no responsibility for them/Ce [Projet nom/la description] est financé en partie par la Société canadienne d'hypothèques et de logement (SCHL), cependant, les opinions exprimées sont les opinions personnelles de l'auteur et la SCHL accepte aucun responsabilité pour ces opinions."

10. Intellectual Property.

All information and materials produced under this Agreement shall be the exclusive property of the Recipient and the Recipient shall have copyright therein. Subject to the terms and conditions of this Agreement, the Recipient hereby grants to CMHC an exclusive, perpetual, royalty-free licence to use all or part of the information and materials produced under this Agreement world-wide, with the right to modify the information or materials for any purpose related to the current or future operations of CMHC. This licence so granted shall survive the termination of this Agreement.

11. Indemnification.

The Recipient agrees to indemnify and save harmless CMHC, its officers and employees against all claims demands, actions, suits or other proceedings of every nature and kind arising from or in consequence of the performance of this Agreement whether or not CMHC is named party in such actions, suits or proceedings.

12. Personal Liability.

Where the Recipient is not an incorporated organization, the representatives of the Recipient, signing this Agreement on behalf of the Recipient, acknowledge that THEY SHALL BE PERSONALLY LIABLE ON A JOINT AND SEVERAL BASIS FOR ALL obligations of the Recipient under this Agreement including without limitation Section 12 (Indemnity), Section 15 (Fraud, Misconduct or Misrepresentation), Section 17 (Termination) and Section 21 (Conflict of Interest).

13. Records.

The Recipient will keep proper and detailed records and statements of account, including receipts, vouchers, invoices, and other documents related to the cost of carrying out the Eligible Activities and shall permit CMHC, or its designated representative, to access to such records and statements for audit and inspection purposes within five (5) business days of such written request from CMHC.

14. Fraud, Misconduct, or Misrepresentation.

Notwithstanding Section 17 of this Agreement, if CMHC is of the opinion that there has been fraud, misconduct, or misrepresentation on the part of the Recipient or its representatives, then CMHC shall have the right to immediately terminate this Agreement and, all of the Seed Preservation Contribution disbursed to the Recipient by CMHC shall be immediately repayable by the Recipient to CMHC. In the event that the Recipient is not a legal entity, the representatives of the Recipient signing this Agreement shall be liable to CMHC on a joint and several basis for the repayment of the Seed Preservation Contribution in accordance with the terms of this Section 15.

15. Confidentiality.

For the purposes of this Agreement, "**Confidential Information**" includes, but is not limited to, any information that has been or will be disclosed in any form by one Parties under this Agreement to the other Party. The Parties shall hold all Confidential Information in trust and in the strictest confidence, using efforts and a standard of care fully commensurate with those which the Parties employ for protection of their own confidential information and shall employ such precautions as are necessary to prevent unauthorized use, access to and disclosure of Confidential Information. Confidential Information may be disclosed by the Parties solely for the purposes of carrying out each Parties obligations under this Agreement and to the extent that such disclosure is required by court or regulatory order or as otherwise required by law or regulation, provided, however, that each Party shall notify the other Party immediately upon learning of the possibility of any such requirement in order to allow that Party a reasonable opportunity to contest or limit the scope of such required disclosure (including application for a protective order or other remedy). The Parties shall comply with all applicable legal requirements and, without limiting the generality of the foregoing, nothing in this Agreement shall be construed in a manner that would contravene the *Access to Information Act* (Canada) or the *Privacy Act* (Canada).

16. Termination.

- (1) CMHC may, by written notice to the Recipient (the "**Notice of Termination**"), immediately terminate this Agreement if:
 - (a) the Recipient has breached one or more of its obligations under this Agreement and has not remedied its obligations, to the sole satisfaction of CMHC, within thirty (30) calendar days of the date on which such breach occurred, or within any other timeframe that the Parties have agreed to in writing (as the case may be), or
 - (b) the Recipient has become bankrupt or insolvent, or is otherwise unable to meet its financial obligations
 - (c)
- (2) Notwithstanding any other provision of this Agreement, CMHC may terminate this Agreement for any reason upon ten (10) calendar days' written notice to the Recipient, including without limitation, if funding for the Program is no longer available due to no or insufficient appropriations by the Government of Canada. In such event, CMHC will advance funding for the invoices relating to the Eligible Activities that have been completed up to the date of the Notice of Termination.
- (3) Upon termination of this Agreement by CMHC, CMHC will have no further liability of any kind to the Recipient and the Recipient shall return all of the Seed Preservation Contribution paid to the Recipient by CMHC within thirty (30) calendar days of the date of the Notice of Termination.
- (4) Notwithstanding any other term or condition of this Agreement to the contrary, Section 11 (Intellectual Property), Section 12 (Indemnification), Section 13 (Personal Liability) and Section 16 (Confidentiality) of this Agreement, and all other provisions of this Agreement necessary to give effect thereto, shall survive any expiry or termination of this Agreement.

17. Entire Agreement.

The Parties agree that the Schedule A (Project and Eligible Activities) will form a part of the Agreement and is of full force and effect for the entire Term of the Agreement. This Agreement contains all of the agreements and understandings between the Parties and no other representations or warranties, verbal or otherwise, exist between the Parties. If any provision of the Agreement is held by a competent authority to be invalid, illegal or unenforceable for any reason, the remaining provisions of the Agreement and any Schedules attached hereto, will continue to be in full force and effect. The failure of CMHC to insist on strict compliance with one or more of the terms of the Agreement shall not constitute a waiver of CMHC's right to enforce those terms at a later date. No provision of this Agreement shall be deemed to have been waived as a result of a breach by either Party of the provisions of this Agreement, unless such waiver is in writing and signed by both Parties. For greater clarity, the written waiver by either Party of any breach of any provision of this Agreement by the other Party, shall not be deemed a waiver of such provision for any subsequent breach of the same or any other provision of the Agreement.

18. Binding Agreement.

This Agreement shall be binding upon and shall enure to the benefit of the Parties hereto and their respective successors and assigns. This Agreement may not be assigned by the Recipient without the prior written consent of CMHC. Any amendment to this Agreement must be provided and approved by CMHC in writing.

19. No use of Name or Logo.

It is agreed that the Recipient will make no use whatsoever of the name, logo or initials of CMHC without the express written consent of CMHC.

20. Conflict of Interest.

The Recipient shall avoid any conflict of interest during the Term of this Agreement and shall immediately declare any existing, potential or apparent conflict of interest and shall, upon direction of CMHC, take steps to eliminate any conflict of interest, or perception that a conflict of interest exists. In the event that a conflict of interest, real or perceived, cannot be resolved to the satisfaction of CMHC, CMHC shall have the right to immediately terminate this Agreement and the repayment requirements under Section 17(3) of this Agreement shall apply.

21. House of Commons.

No member of the House of Commons shall be admitted to any share or part of the Agreement or to any benefit arising therefrom.

22. Governing Law and Jurisdiction.

This Agreement is made under, and will be governed by and construed in accordance with the laws of the province or territory in which the Project is located. The courts of such jurisdiction shall exclusively hear any dispute related to the validity, interpretation or performance of this Agreement.

Notice.

Delivery of notice under this Agreement shall be effective three (3) days after posting by regular mail, or on the day following transmission by fax or e-mail, to the Parties at the following addresses:

CMHC
700 Montreal Road,
Ottawa, Ontario K1A 0P7
Financing Operations, Contracts
Fax: 613-748-2404

Sunnyhill Housing Co-operative Ltd.
787 Third Street NW
Calgary, AB T2N 1P1

Contact: Philip Cox
Email: sunnyhill@shaw.ca

23. No Disbursement Prior to the Signing of the Agreement.

None of the Seed Preservation Contribution shall be disbursed until a copy of this Agreement is signed by the Recipient and delivered to CMHC.

Counterparts and Electronic Delivery.

This Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and all of which together shall constitute one and the same Agreement. Execution and delivery of this Agreement by electronic mail or other electronic transmission, including portable document format ("pdf"), shall have the same legal effect as physical delivery of this Agreement bearing original signatures and any signature on a pdf form of this Agreement shall be deemed to be equivalent to an original signature for all purposes.

IN WITNESS WHEREOF the Parties hereto have duly executed this Agreement.

SUNNYHILL HOUSING CO-OPERATIVE LTD.

Signature: _____

Name: SARA REIMER
Title: CHAIR OF THE BOARD

Witness: _____

Signature: _____

Name: RICHARD HARRISON
Title: VICE-CHAIR of the BOARD

Witness: _____

I/We have the authority to bind the Recipient.

CANADA MORTGAGE AND HOUSING CORPORATION

Signature: _____

Name: Simon Ribbens
Title: Senior Officer

Signature: _____

Name: Marie-Eve Rochon
Title: Senior Officer

I have the authority to bind the Corporation.

Schedule A
PROJECT AND ELIGIBLE ACTIVITIES

1. The CMHC approved Eligible Activities are specified below:

Approved Activities ¹	Maximum Amount
Capital Replacement Reserve Planning (CRP)	\$25,000.00
Operating viability analysis	
Age-friendly conversion assessment	
Energy Audit	

¹ Expenses/costs related to eligible activities referred to in this schedule as "approved activities" carried out and invoiced prior to the Seed Preservation Funding approval date are not eligible.