



City of Port Moody

Bylaw No. 3342

A Bylaw to authorize Council to enter into a Housing Agreement pursuant to section 483 of the *Local Government Act*.

The Council of the City of Port Moody enacts as follows:

1. Citation

- 1.1 This Bylaw may be cited as “City of Port Moody Housing Agreement Bylaw, 2022, No. 3342 (2101 Clarke Street and 2102-2106 St. Johns Street)”.

2. Authorization

- 2.1 Council hereby authorizes the agreements, substantially in the form attached hereto as Schedule “A” between the City of Port Moody and 1074765 B.C. LTD. with respect to the following lands:

2101 Clarke Street
LOT 34 EXCEPT: PART DEDICATED ROAD ON PLAN LMP19138,
BLOCK 3 DISTRICT LOT 202 GROUP 1 NEW WESTMINSTER
DISTRICT PLAN 55
PID: 003-991-644

(No Civic)
LOT 33 BLOCK 3 DISTRICT LOT 202 GROUP 1 NEW WESTMINSTER
DISTRICT PLAN 55
PID: 003-991-563

(No Civic)
WEST HALF LOT 32 BLOCK 3 DISTRICT LOT 202 GROUP 1 NEW
WESTMINSTER DISTRICT PLAN 55
PID: 003-991-474

(No Civic)
PARCEL B (BYLAW PLAN 50455) EXCEPT: PART DEDICATED ROAD
ON PLAN LMP19138, BLOCK 3 DISTRICT LOT 202 GROUP 1 NEW
WESTMINSTER DISTRICT PLAN 55
PID: 013-589-717

2102 St. Johns Street
LOT 19 EXCEPT: PART DEDICATED ROAD ON PLAN LMP19138,
BLOCK 3 DISTRICT LOT 202 GROUP 1 NEW WESTMINSTER
DISTRICT PLAN 55
PID: 003-991-253

2106 St. Johns Street
LOT 20 EXCEPT: PART DEDICATED ROAD ON PLAN LMP19138,
BLOCK 3 DISTRICT LOT 202 GROUP 1 NEW WESTMINSTER
DISTRICT PLAN 55
PID: 003-991-318

3. Execution of Documents

- 3.1 The Mayor and Corporate Officer are authorized to execute any documents required to give effect to the Housing Agreement.

4. Attachments and Schedules

- 4.1 The following schedules are attached to and form part of this Bylaw:
- Schedule A – Section 219 Covenant – Housing Agreement.

5. Severability

- 5.1 If a portion of this Bylaw is found invalid by a court, it will be severed, and the remainder of the Bylaw will remain in effect.

Read a first time this ___ day of ____, 2022.

Read a second time this ___ day of ____, 2022.

Read a third time this ___ day of ____, 2022.

Adopted this ___ day of ____, 2022.

R. Vagramov
Mayor

D. Shermer
Corporate Officer

I hereby certify that the above is a true copy of Bylaw No. 3342 of the City of Port Moody.

D. Shermer
Corporate Officer

Schedule “A” to Bylaw No. 3342

TERMS OF INSTRUMENT – PART 2
Section 219 Covenant – Housing Agreement

THIS AGREEMENT made the ____ day of _____, 2022.

BETWEEN:

1074765 B.C. Ltd., Inc. No. BC1074765
1567 Chartwell Drive
West Vancouver, BC V7S 2R9

(the “Grantor”)

AND:

City of Port Moody
100 Newport Drive
Port Moody, BC V3H 5C3

(the “City”)

WHEREAS:

- A. The Grantor is the registered owner in fee simple of the lands in the City of Port Moody, legally described in item 2 of the *Land Title Act* Form C to which this Agreement is attached and which forms part of this Agreement (the “Lands”);
- B. The Grantor intends to construct a development on the Lands (the “Development”). The Development consists of various strata lots but will include forty-five (45) residential strata lots (the “Residential Strata Lots”, and individually a “Residential Strata Lot”) and has made application to rezone the Lands under Bylaw No. 3316 (the “Rezoning Bylaw”);
- C. The Grantor has agreed to offer up six Residential Strata Lots (6) (the “Rent-to-Own Strata Lots” and individually, a “Rent-to-Own Strata Lot”) for sale to Participants on a rent-to-own basis, as more particularly described herein (the “Rent-to-Own Program”);
- D. Section 219 of the *Land Title Act*, R.S.B.C. 1996, c. 250 permits the registration of a covenant of a positive or negative nature in favour of the City in respect of the subdivision of land, the use of land, or a building on or to be constructed on the land, or construction on the land;
- E. Section 483 of the *Local Government Act* permits the City to enter into a housing agreement with an owner of land, which agreement may include terms and conditions regarding the occupancy, tenure, and availability of strata lots located on the Lands;
- F. The City adopted Housing Agreement Bylaw, No. 3342 (the “Housing Bylaw”), authorizing the City to enter into this Agreement on the terms and conditions contained herein;

- G. The Grantor has agreed to secure its voluntary commitment to contribute to the Community Amenity Contribution Fund and the Rent-to-Own Program, by causing this covenant to be registered on title to the Lands; and
- H. The Grantor desires to grant, and the City agrees to accept this covenant on the terms and conditions contained herein, to have effect as both a covenant under section 219 of the *Land Title Act* and a housing agreement under section 905 of the *Local Government Act*.

THIS AGREEMENT is evidence that in consideration of payment of TEN (\$10.00) DOLLARS by the City to the Grantor and other good and valuation consideration, the receipt and sufficiency of which is acknowledged by the Grantor, and in consideration of the promises exchanged below, the Grantor covenants and agrees with the City pursuant to s. 219 of the *Land Title Act* that the Lands will not be used except in accordance with the provisions hereof:

1. **DEFINITIONS**

1.1 Definitions

In this Agreement:

- (a) "Consumer Price Index" means the all-items consumer price index published by Statistics Canada, or its successor in function, for Port Moody;
- (b) "Development" means the construction of the Residential Strata Lots and common property on the Lands;
- (c) "Director" means the City's General Manager of Community Development and his or her designate;
- (d) "Discharges" has the meaning given to it in section 4.1 herein;
- (e) "Flex Space" means a room within a Residential Strata Lot which may or may not be an enclosed space, and which is commonly used for a purpose such as an office, a study, or a storage room, but may not be a bedroom;
- (f) "LTO" means the Lower Mainland Land Title Office and any successor of that office;
- (g) "Participant" means a Qualified Applicant who has been selected to purchase a Rent-to-Own Strata Lot;
- (h) "Qualified Applicant" mean a purchaser who is qualified to participate in the Rent-to-Own Program;
- (i) "Rent-To-Own Purchase Agreement" has the meaning given to it in Schedule "A" attached hereto;
- (j) "Rent-To-Own Strata Lot" shall mean a Residential Strata Lot offered for sale by the Grantor to a Participant in accordance with the terms of this Agreement;
- (k) "Strata Corporation" means the strata corporation established pursuant to the *Strata Property Act* (British Columbia) upon registration at the LTO of a strata plan to stratify the Development, once constructed;
- (l) "Residential Strata Lot" or "Residential Strata Lots" shall have the meaning set out in Recital B. above; and
- (m) "Strata Lot" means any strata lot into which the Lands, or portion thereof, is divided pursuant to the *Strata Property Act* SBC 1998 c. 43.

2. OVERVIEW OF RENT-TO-OWN HOUSING PROGRAM

2.1 The Grantor covenants and agrees with the City that the Development shall include six (6) Rent-to-Own Strata Lots, composed of:

- (a) Two studio units;
- (b) Two one-bedroom units;
- (c) One one-bedroom plus Flex Space unit; and
- (d) One two-bedroom unit;

2.2 The Grantor further covenants and agrees with the City that:

- (a) the Lands will not be developed for residential purposes and no residential building or structure will be constructed on the Lands unless as part of the construction and development of any such building or structure, the Grantor also designs and constructs to completion, in accordance with a building permit and a development permit issued by the City, the Rent-to-Own Strata Lots;
- (b) the total number of Residential Strata Lots on the Lands, including the Rent-to-Own Strata Lots will not exceed forty-five (45);
- (c) the Rent-to-Own Strata Lots must be designed and constructed to the same standard, in terms of layout, workmanship, and materials, as the balance of the Residential Strata Lots in the Development on the Lands;
- (d) the Rent-to-Own Strata Lots must have the right to access the amenity facilities and spaces in the Development on the Lands without any additional costs or charges other than its proportionate share of strata fees based on unit entitlement;
- (e) the Grantor will do everything necessary, at the Grantor's expense, to ensure that this Agreement will be registered against title to the Lands in priority to all financial charges and encumbrances at the earliest possible opportunity after execution and delivery by the City; and
- (f) the location of the Rent-to-Own Strata Lots shall be set out, in writing to the City, prior to the issuance of any building permit being issued for the Lands.

2.3 Despite section 2.1, prior to the issuance of the first building permit for the Development, if the parties determine that there are an insufficient number of Qualified Applicants for the Rent-to-Own Program interested in a particular unit type to fully allocate the units in the manner set out in section 2.1, as the case may be, the Grantor may, with the prior written approval of the City, vary the number of studio, one-bedroom, one-bedroom plus Flex Space, and/or two-bedroom units and correspondingly increase the number of one-bedroom, one-bedroom plus Flex Space, and/or two-bedroom units to reflect the expressed interest of Qualified Applicants of the Rent-to-Own Program.

3. THE RENT-TO-OWN PROGRAM

3.1 Grantor's Covenants

The Grantor covenants and agrees with the City that:

- (a) it shall not use the Lands otherwise than in strict accordance with the restrictions on use set out herein and without limiting the generality of the foregoing, shall not

- occupy or permit the occupancy, or apply for permission for occupancy to the City except in accordance with the restrictions set out in this Agreement;
- (b) the Rent-to-Own Strata Lots will be offered for sale in accordance with the terms and conditions of the Rent-to-Own Program, as set out in Schedule "A" hereto;
 - (c) prior to the issuance of any occupancy permit for the Development, the Grantor will provide the City with a fully executed copy of each purchase agreement entered into by the Grantor for a Rent-to-Own Strata Lot, that has not been terminated at such time, and a fully executed copy of a termination agreement for each Rent-to-Own Purchase Agreement in respect of a Rent-to-Own Strata Lot that has been terminated at such time;
 - (d) the Grantor shall provide to the City in a form and at intervals as the City may reasonably require reports summarizing the status of the Rent-to-Own Program, including the numbers of Rent-to-Own Strata Lots which have been or are to be developed in accordance with the terms of the Rent-to-Own Program described herein;
 - (e) the Grantor will release, save harmless, and indemnify the City, its elected officials, officers, invitees, licensees, employees, servants, and agents from and against all liability, actions, causes of action, expenses, damages, costs (including legal costs on a solicitor/client basis), claims, debts, losses (including injurious affection), or demands whatsoever by the Grantor or any other person, which have arisen or may arise out of or are in any way due directly or indirectly to the granting or existence of this Agreement, including but not limited to the operation, management, or financing of the Rent-to-Own Strata Lots or any part thereof, the use and occupancy of the Rent-to-Own Strata Lots by anyone and any breach of any covenant or agreement on the part of the Grantor contained in this Agreement or any steps taken by the City to enforce this Agreement; and
 - (f) the Grantor will do or cause to be done, at the expense of the Grantor, everything necessary to ensure that this Agreement is granted priority over all charges and encumbrances which are registered (or registration of which is pending) against the title to the Lands save and except those specifically approved in writing by the City or in favour of the City.

3.2 Removal of Residential Strata Lots from the Rent-to-Own Program

Notwithstanding any other provision of this Agreement, but subject to subsections 3.2(a), (b), and (c), the Grantor and the City mutually agree that in the event that a purchaser of a Rent-to-Own Strata Lot does not complete the purchase of the Rent-to-Own Strata Lot in accordance with his or her Rent-to-Own Purchase Agreement for any reason whatsoever, other than a default by the Grantor under the Rent-to-Own Purchase Agreement, such Rent-to-Own Strata Lot will be released from the Rent-to-Own Program and the Grantor will be at liberty to resell such Rent-to-Own Strata Lot as a regular Residential Strata Lot outside of the Rent-to-Own Program, provided that:

- (a) if a purchaser of a Rent-to-Own Strata Lot terminates his or her Rent-to-Own Purchase Agreement on or before the date which is six (6) months following commencement of occupation of the Rent-to-Own Strata Lot by such purchaser, the Grantor will enter into a replacement Rent-to-Own Purchase Agreement for such Rent-to-Own Strata Lot (with priority given to the Qualified Applicants on the applicable wait list referred to and maintained by the Grantor in accordance with

the requirements set out under the heading "PROCESS" in Schedule A) with the rental period being the period from the initial occupancy date of the such Rent-to-Own Strata Lot by the replacement purchaser until the Closing Date under the terminated Rent-to-Own Purchase Agreement. The replacement Rent-to-Own Purchase Agreement will otherwise contain the terms set out under the heading "PURCHASE AGREEMENT" in Schedule A hereto (including the deposit requirements). For greater certainty, the obligation of the Grantor set out in this subsection 3.2(a) will only apply to an original purchaser of a Rent-to-Own Strata Lot and will not apply to a replacement purchaser of a Rent-to-Own Strata Lot;

- (b) the Grantor pays the amount of the forfeited deposit and 50% of the rent paid by the terminating purchaser to the City as a contribution to the City's Affordable Housing Reserve Fund in accordance with the requirements set out in the "Termination Rights" and "Application of Rent" sections under the heading "PURCHASE AGREEMENT" in Schedule A hereto; and
- (c) if a replacement purchaser terminates his or her Rent-to-Own Purchase Agreement, the Grantor will pay the amount of the forfeited deposit and 50% of the rent paid by the terminating replacement purchaser to the City as a contribution to the City's Affordable Housing Reserve Fund in accordance with the requirements set out in the "Termination Rights" and "Application of Rent" sections under the heading "PURCHASE AGREEMENT" in Schedule A hereto.

3.3 Community Amenity Contribution

The Grantor further covenants and agrees with the City that it shall make a TWO HUNDRED AND SEVENTY THOUSAND DOLLARS (\$270,000) Community Amenity Contribution to the City before issuance of the first building permit for the Lands.

4. **DISCHARGE PROVISIONS**

4.1 Request of Discharges

The Grantor may, at its sole expense, request that the City prepare an amending bylaw, for Council's consideration, to discharge that portion of this Agreement addressing the Rent-to-Own Program at the end of the Rent-to-Own Program from:

- (a) any non-residential parcel created by subdivision of the Lands (by airspace subdivision or otherwise), and
- (b) each Residential Strata Lot created by the strata subdivision of the Development after the end of the Rent-to-Own Program.

4.2 Limitation on Discharges

The Grantor acknowledges that this Housing Agreement may only be amended or discharged by bylaw and that the City will be under no obligation to provide the Discharge of this Agreement and that sections 5.1-5.5 shall remain in effect in perpetuity.

5. STRATA CORPORATION BYLAWS

- 5.1 This Agreement will be binding upon the Lands, any building on, or to be constructed on, the Lands and strata corporations created upon the strata title subdivision of the Lands or any subdivided parcel of the Lands.
- 5.2 The Grantor further covenants and agrees with the City that this Agreement shall be binding upon all strata corporations created upon the strata title subdivision of the Lands or any building on the Lands pursuant to the *Strata Property Act* (British Columbia) and that upon the Lands, or any portion thereof, being subdivided by way of a strata plan pursuant to the *Strata Property Act* (British Columbia), then:
- (a) this Agreement will charge each strata lot and shall be noted on the common property record of the strata corporation; and
 - (b) the strata corporation so created will be, at its cost, responsible for the performance and observance of the Grantor's covenants and obligations in this Agreement, and the Grantor will cause such strata corporation to execute an assumption agreement to give effect to the foregoing, and, upon delivery of such assumption agreement to the City, the Grantor will be released from its obligations and liabilities hereunder, except to the extent and for such time that it remains an owner of any one or more of the Strata Lots.

Rental of Residential Strata Lots in General

- 5.3 The Grantor further covenants and agrees with the City that any strata corporation bylaw which prevents, restricts, or abridges or purports to prevent, restrict, or abridge the right to use any of the Strata Lots as rental accommodation shall have no force or effect.
- 5.4 No strata corporation formed in respect of the Lands shall pass any bylaw(s) preventing, restricting, or abridging the use of the Lands, or the Strata Lots from time to time as rental accommodation.
- 5.5 No Strata Lot purchaser, nor any tenant or mortgagee thereof, shall vote for any strata corporation bylaw purporting to prevent, restrict, or abridge the use of the Lands or any Residential Strata Lot from time to time as rental accommodation.

6. DEFAULT AND REMEDIES

6.1 Notice of Default

The City may give to the Grantor written notice to cure a default under this Agreement within thirty (30) days of receipt of notice. The notice must specify the nature of the default. The Grantor must act with diligence to correct the default within the time specified.

6.2 Costs

The Grantor will pay to the City, on demand by the City, all the City's costs of exercising its rights or remedies under this Agreement, on a full indemnity basis.

6.3 Damages

The Grantor acknowledges that the City requires the Rent-to-Own Strata Lots for the benefit of the community. The Grantor therefore agrees that for each day the Land is occupied in breach of this Agreement, the Grantor must pay the City \$100.00 (the “Daily Amount”) as liquidated damages and not as a penalty, due and payable at the offices of the City on the last day of the calendar month in which the breach occurred. The Daily Amount is increased on January 1 of each year by the amount calculated by multiplying the Daily Amount as of the previous January 1 by the percentage increase between that previous January 1 and the immediately preceding December 31 in the Consumer Price Index. The Grantor agrees that payment may be enforced by the City in a court of competent jurisdiction as a contract debt.

6.4 Rent Charge

By this section, the Grantor grants to the City a rent charge under section 219 of the *Land Title Act*, and at common law, securing payment by the Grantor to the City of the Daily Amount as described in section 6.3. The City agrees that enforcement of the rent charge granted by this section is suspended until the date that is thirty (30) days after the date on which any amount due under section 6.3 is due and payable to the City in accordance with section 6.3. The City may enforce the rent charge granted by this section by an action for an order for sale or by proceedings for the appointment of a receiver.

6.5 Specific Performance

The Grantor agrees that, without affecting any other rights or remedies the City may have in respect of any breach of this Agreement, the City is entitled to obtain an order for specific performance of this agreement and a prohibitory or mandatory injunction in respect of any breach by the Grantor of this Agreement. The Grantor agrees that this is reasonable given the public interest in ensuring the provision of the Rent-to-Own Strata Lots to be occupied by Participants as set out in Schedule “A” and restricting occupancy of the Lands in accordance with this Agreement.

6.6 No Penalty or Forfeiture

The Grantor acknowledges and agrees that it is entering into this Agreement to benefit the public interest in providing the Rent-to-Own Strata Lots for Eligible Occupants, and that the City’s rights and remedies under this Agreement are necessary to ensure that this purpose is carried out, and the City’s rights and remedies under this Agreement are fair and reasonable and ought not to be construed as a penalty or forfeiture.

6.7 Cumulative Remedies

No reference to nor exercise of any specific right or remedy under this Agreement or at law or at equity by any party will prejudice, limit, or preclude that party from exercising any other right or remedy. No right or remedy will be exclusive or dependent upon any other right to remedy, but any party, from time to time, may exercise any one or more of such rights or remedies independently, successively, or in combination. The Grantor

acknowledges that specific performance, injunctive relief (mandatory or otherwise), or other equitable relief may be the only adequate remedy for a default by the Grantor under this Agreement.

7. LIABILITY

7.1 Release

The Grantor hereby releases and forever discharges the City, its elected officials, board members, officers, directors, employees, and agents, and its and their heirs, executors, administrators, personal representatives, successors, and assigns from and against all claims, demands, damages, actions, or causes of action by reason of or arising out of advice or direction respecting the ownership, operation, or management of the Development or any part thereof which has been or hereafter may be given to the Grantor by all or any of them.

7.2 Survival

The covenants of the Grantor set out in sections 7.1 and 7.2 will survive termination of this Agreement and continue to apply to any breach of the Agreement or claim arising under this Agreement during the ownership by the Grantor of the Lands or any Strata Lot therein, as applicable.

8. GENERAL PROVISIONS

8.1 City's Power Unaffected

Nothing in this Agreement:

- (a) affects or limits any discretion, rights, or powers of the City under any enactment or at common law, including in relation to the use or subdivision of land;
- (b) affects or limits any enactment relating to the use of the Lands or any condition contained in any approval, including any development permit concerning the development of the Lands; or
- (c) relieves the Grantor from complying with any enactment, including the City's bylaws in relation to the use of the Lands.

8.2 Agreement for Benefit of City Only

The Grantor and City agree that:

- (d) this Agreement is entered into only for the benefit of the City;
- (e) this Agreement is not intended to protect the interests of the Grantor, any Strata Lot owner, any occupant, or any future owner, occupier, or user of any part of the Development, including any Strata Lot; and
- (f) the City may at any time execute a release and discharge of this Agreement in respect of the Development or any Strata Lot therein, without liability to anyone for doing so.

8.3 Agreement Runs With the Lands

This Agreement burdens and runs with the Lands and any part into which any of them may be subdivided or consolidated, by strata plan or otherwise. All the covenants and agreements contained in this Agreement are made by the Grantor for itself, its successors and assigns, and all persons who acquire an interest in the Lands or in any Strata Lot after the date of this Agreement.

8.4 Release

The covenants and agreements on the part of the Grantor and herein set forth in this Agreement have been made by the Grantor as contractual obligations as well as being made pursuant to section 905 of the *Local Government Act* (British Columbia) and section 219 of the *Land Title Act* and as such will be binding on the Grantor, except that the Grantor shall not be liable for any default in the performance or observance of this Agreement occurring after the Grantor ceases to own the Lands or the Rent-to-Own Strata Lots as the case may be.

8.5 Priority of this Agreement

The Grantor will, at its expense, do or cause to be done, all acts reasonably necessary to ensure this Agreement is registered against the title to each Strata Lot in the Development, including any amendments to this Agreement as may be required by the LTO or the City to effect such registration, subject to the discharge provisions contained herein.

8.6 Agreement to Have Effect as Deed

The City and the Grantor each intend by execution and delivery of this Agreement to create both a contract and a deed under seal.

8.7 Waiver

An alleged waiver by a party of any breach by another party of its obligations under this Agreement will be effective only if it is an express waiver of the breach in writing. No waiver of a breach of this Agreement is deemed or construed to be a consent or waiver of any other breach of this Agreement.

8.8 Time

Time is of the essence in this Agreement. If any party waives this requirement, that party may reinstate it by delivering notice to another party.

8.9 Validity of Provisions

If a Court of competent jurisdiction finds that any part of this Agreement is invalid, illegal, or unenforceable, that part is to be considered to have been severed from the rest of this Agreement and the rest of this Agreement remains in force unaffected by that holding or by the severance of that part.

8.10 Notices

All notices, demands, or requests of any kind, which a party may be required or permitted to serve on another in connection with this Agreement, must be in writing and may be served on the other parties by registered mail, by facsimile transmission, or by personal service, to the following address for each party:

If to the City:

City of Port Moody
100 Newport Drive,
Port Moody, BC V3H 5C3

Attention: General Manager of Community Development
Facsimile: 604-469-4550

If to the Grantor:

1074765 B.C. Ltd., Inc. No. BC1074765
1567 Chartwell Drive
West Vancouver, BC V7S 2R9

Service of any such notice, demand, or request will be deemed complete, if made by registered mail, seventy-two (72) hours after the date and hour of mailing in British Columbia, except where there is a postal service disruption during such period, in which case service will be deemed to be complete only upon actual delivery of the notice, demand, or request; if made by facsimile transmission, on the first business day after the date when the facsimile transmission was transmitted; and if made by personal service, upon personal service being effected. Any party, from time to time, by notice in writing served upon the other parties, may designate a different address or different or additional persons to which all notices, demands, or requests are to be addressed.

8.11 Further Assurances

Upon request by the City, the Grantor will promptly do such acts and execute such documents as may be reasonably necessary, in the opinion of the City, to give effect to this Agreement.

8.12 Enuring Effect

This Agreement will enure to the benefit of and be binding upon each of the parties and their successors and permitted assigns.

8.13 Fees

The Grantor covenants and agrees to reimburse the City for all costs associated with the drafting and negotiation of this Agreement.

9. INTERPRETATION

9.1 References

Gender specific terms include both genders and include corporations. Words in the singular include the plural, and words in the plural include the singular.

9.2 Construction

The division of this Agreement into sections and the use of headings are for convenience of reference only and are not intended to govern, limit, or aid in the construction of any provision. In all cases, the language in this Agreement is to be construed simply according to its fair meaning, and not strictly for or against either party.

9.3 No Limitation

The word “including” when following any general statement or term is not to be construed to limit the general statement or term to the specific items which immediately follow the general statement or term similar items whether or not words such as “without limitation” or “but not limited to” are used, but rather the general statement or term is to be construed to refer to all other items that could reasonably fall within the broadest possible scope of the general statement or term.

9.4 Terms Mandatory

The words “must”, “shall”, and “will” are to be construed as imperative.

9.5 Statutes

Any reference in this Agreement to any statute or bylaw includes any subsequent amendment, re-enactment, or replacement of that statute or bylaw.

9.6 Entire Agreement

- (a) This is the entire agreement between the City and the Grantor concerning its subject, and there are no warranties, representations, conditions, or collateral agreements relating to this Agreement, except as included in this Agreement.
- (b) This Agreement may be amended only by a document executed by the parties to this Agreement and by bylaw, such amendment to be effective only upon adoption by City Council of a bylaw to amend Housing Agreement Bylaw, No. 3342.

9.7 Governing Law

This Agreement is to be governed by and construed and enforced in accordance with the laws of British Columbia. As evidence of their agreement to be bound by the terms of this instrument, the parties hereto have executed the *Land Title Act* Form C that is attached hereto and forms part of this Agreement. The Parties acknowledge that this Agreement has been duly executed and delivered by executing the Forms C and D attached hereto.

Schedule "A"

Rent-to-Own Program

The Rent-to-Own Program acts as a pathway to homeownership and grants local, eligible first-time home-buyers access to the housing market. A homebuyer will be deemed eligible if he or she meets the criteria established from time to time by Canada Mortgage and Housing Corporation for the First-Time Home Buyer Incentive program.

A total of six (6) Rent-to-Own Strata Lots will be selected for this program by the Grantor.

Participants will be selected for participation in the program (details of the selection process are set out below). Selected Participants will rent their Rent-to-Own Strata Lots at the Development at below-market rents for a period of two (2) years. Rents will be set at:

- \$1,300/month for each studio Rent-to-Own Strata Lot;
- \$1,500/month for each one-bedroom Rent-to-Own Strata Lot;
- \$1,700/month for each one bedroom plus Flex Space Rent-to-Own Strata Lot;
- and
- \$2,000/month for each two-bedroom Rent-to-Own Strata Lot

Rents will include strata fees. However, Participants will be responsible for utilities and other typical rental costs.

The Grantor will pay the property tax during the rental period for each Rent-to-Own Strata Lot.

All rent accumulated over the two (2) year rental period will be saved on their behalf by the Grantor and will be applied to the purchase price of the Rent-to-Own Strata Lots.

At the end of the two (2) year rental period, the Participants will have the option to purchase their Rent-to-Own Strata Lots at a price that was locked in at the time of selection.

PROCESS

The selection process for the Rent-to-Own Program will commence upon the issuance of a development permit for the Development. The process will include the following steps:

Within a reasonable time following the issuance of a development permit for the Development, the Grantor will advertise the Rent-to-Own Program in a form and frequency acceptable to the City, including advertisement in local newspapers, signage posted on the Lands, and social media, and thereafter accept registrations from persons interested in the Rent-to-Own Program on the Grantor's website. The Grantor will continue to advertise the Rent-to-Own Program in the manner set out above until the Grantor has received at least 18 registrations on its website from persons (the "Registrants") interested in the Rent-to-Own Program.

Following the advertising period, the Grantor will send formal application forms to all Registrants, together with an information sheet setting out next steps.

These steps include the requirement to meet with a mortgage specialist (the "Mortgage Specialist") designated by the Grantor.

Registrants will meet with the Mortgage Specialist. Prior to such meeting, Registrants will receive an email setting out a list of documents necessary for the Mortgage Specialist to complete its review.

The Mortgage Specialist will decide of which Registrants qualify for financing at the then prevailing market interest rate and will forward a list of qualified Registrants (each a "Qualified Applicant" and collectively, the "Qualified Applicants") to the Grantor.

A number of Qualified Applicants equal to the number of available Rent-to-Own Strata Lots, along with waitlists of three (3) names for each of the four sizes of the Rent-to-Own Strata Lots will be drawn. Selected Qualified Applicants will be entitled to select their desired Rent-to-Own Strata Lots (in the order drawn) from the available units as designated by the Grantor.

Selected Qualified Applicants will meet with a Grantor representative to review and sign a Contract of Purchase and Sale and Early Possession Agreement.

It is intended that Participants in the Rent-to-Own Program take possession of their Rent-to-Own Strata Lots upon issuance of an occupancy permit for the Rent-to-Own Strata Lots in the Development. The rental period will conclude two (2) years thereafter and Participants will then complete the purchase of their Rent-to-Own Strata Lots. Upon completion of the purchase, there are no special rights or restrictions on Strata Lot owners who were a part of the Rent-to-Own Program.

Summary reports will be provided by the Grantor to the City of Port Moody on request summarizing the roll-out of the program. It is intended that these will be provided at a minimum upon occupancy of the Development. Information will be provided to the extent that it does not impact the Grantor's obligations of confidentiality.

PURCHASE AGREEMENT

Participants will enter a Contract of Purchase and Sale in a form acceptable to the City (the "Rent-to-Own Purchase Agreement"). This Rent-to-Own Purchase Agreement formalizes the Rent-to-Own Program and successfully conveys all aspects of the Rent-to-Own Program as initially proposed to City Council.

Key terms of the Rent-to-Own Purchase Agreement include:

Deposit Structure: A \$5,000 non-refundable deposit is due on the day the Participant enters into the Rent-to-Own Purchase Agreement. An additional non-refundable \$5,000 deposit (both \$5,000 deposits, collectively referred to as the "Deposit") is due on or before the commencement of construction after a building permit is issued for the Rent-to-Own Strata Lots (i.e., the beginning of the rental period).

Possession Date: The Participant will take early possession of their Rent-to-Own Strata Lots at the Development twenty-four (24) months prior to the Completion Date.

Assignment: A Participant in the Rent-to-Own Program may not assign his or her interest in their Rent-to-Own Strata Lots at the Development or the Rent-to-Own Purchase Agreement.

Termination Rights: The Participant is entitled to terminate the Rent-to-Own Purchase Agreement up to sixty (60) days prior to the Completion Date by written notice to the Grantor. If the Participant elects to terminate the agreement (or otherwise defaults on his or her obligation to complete the purchase of the Strata Lot pursuant to the Rent-to-Own Purchase Agreement), the Deposit will be forfeited to the Grantor, and the amount of such forfeited Deposit will be paid by the Grantor to the City as a contribution to the City's affordable housing fund.

Application of Rent: If the Participant elects to complete the purchase of their Strata Lot, all rent paid by the Participant together with the Deposit will be applied to the purchase price of the Strata Lot.

If the Participant elects not to complete the purchase of the Strata Lot (or otherwise defaults on his or her obligation to complete the purchase of the Strata Lot pursuant to the Rent-to-Own Purchase Agreement), section 3.2 of the Housing Agreement shall apply.

CONSENT AND PRIORITY AGREEMENT

GIVEN THAT:

- A. 1074765 B.C. Ltd., Inc. No. BC1074765 (the "Grantor") is the registered owner of the Lands described in item 2 of page 1 of the Form C (the "Lands");
- B. the Grantor granted COAST CAPITAL SAVINGS CREDIT UNION (the "Prior Chargeholder") Mortgage and Assignment of Rents registered against title to the Lands in the Lower Mainland Land Title Office (the "LTO") under Nos. CA5256598 and CA5256599

(together, the "Prior Charge"); and

- C. the Grantor granted to the City of Port Moody (the "City") a Section 219 Covenant attached to this Agreement and registered against title to the Lands in the LTO immediately before registration of this Agreement (the "Subsequent Charge");

NOW THEREFORE this Agreement is evidence that in consideration of \$1.00 and other good and valuable consideration received by the Prior Chargeholder from the City (the receipt and sufficiency of which the Prior Chargeholder acknowledges):

- 1. The Prior Chargeholder consents to the granting and registration of the Subsequent Charge and the Prior Chargeholder agrees that the Subsequent Charge shall be binding upon their interest in and to the Lands; and
- 2. The Prior Chargeholder grants to the City, as a Subsequent Chargeholder, priority for the Subsequent Charge over the Prior Chargeholder's right, title, and interest in and to the Lands, and the Prior Chargeholder postpones the Prior Charge and all their right, title, and interest thereunder to the Subsequent Charge as if the Subsequent Charge had been executed, delivered, and registered prior to the execution, delivery, and registration of the Prior Charge.

As evidence of its agreement to be bound by the terms of this instrument, the Prior Chargeholder has executed the *Land Title Act* Form C to which this Agreement is attached and which forms part of this Agreement.