

THE CORPORATION OF THE CITY OF NEW WESTMINSTER

HOUSING AGREEMENT BYLAW (612 Seventh Avenue) No. 8376, 2023

A BYLAW TO ENTER INTO A HOUSING AGREEMENT UNDER SECTION 483 OF THE *LOCAL GOVERNMENT ACT*

GIVEN THAT:

- A. The owner of the land (the “Owner”) within the City of New Westminster, British Columbia legally described as:

PID: 031-801-986

LOT A SUBURBAN BLOCK 13 NEW WESTMINSTER DISTRICT PLAN EPP121772

(the “**Land**”)

wishes to construct dwelling units on the Land.

- B. In connection with such construction, the Owner has agreed to use the Land for rental housing in accordance with the terms of the Section 219 Covenant and Housing Agreement attached hereto as Schedule “A” (the “Housing Agreement”).

The Council of the City of New Westminster, in open meeting assembled,

ENACTS AS FOLLOWS:

1. This Bylaw may be cited for all purposes as “Housing Agreement Bylaw (612 Seventh Avenue) No. 8376, 2023”.
2. Council hereby authorizes the City of New Westminster to enter into the Housing Agreement with the Owner, substantially in the form attached hereto as Schedule “A”.

3. The Mayor and the Corporate Officer of the City of New Westminster are authorized to execute the Housing Agreement, substantially in the form attached hereto as Schedule "A", and the Corporate Officer is authorized to sign and file in the Land Title Office a notice of the Housing Agreement, as required by section 483 of the *Local Government Act*.

READ A FIRST TIME this 27th day of February, 2023.

READ A SECOND TIME this 27th day of February, 2023.

READ A THIRD TIME this 27th day of February, 2023.

ADOPTED this ___ day of _____, 2023.

Mayor Patrick Johnstone

City Clerk Jacqueline Killawee

Schedule "A"
Section 219 Covenant and Housing Agreement

PART 2 – TERMS OF INSTRUMENT

HOUSING AGREEMENT AND COVENANT

(Section 483 *Local Government Act* and Section 219 *Land Title Act*)

THIS AGREEMENT dated for reference the 16th day of January 2023, is

BETWEEN:

618 6TH STREET HOLDINGS CORP., INC.NO. BC1345154
880-1090 WEST GEORGIA STREET
Vancouver, British Columbia V6E 3V7

(the “**Owner**”)

AND:

THE CORPORATION OF THE CITY OF NEW WESTMINSTER,
511 Royal Avenue
New Westminister, British Columbia V3L 1H9

(the “**City**”)

WHEREAS:

- A. The Owner is the registered owner in fee simple of the lands and premises in the City of New Westminister, British Columbia which are legally described in Item 2 of the Form C attached hereto (the “**Lands**”);
- B. The Owner intends to construct a 338-unit mixed-use rental development on the Lands (the “**Development**”);
- C. The Owner has undertaken to comply with certain conditions before developing the Lands, and has granted to the City a covenant pursuant to section 219 of the *Land Title Act* and registered to the Lands as charge CB202255, one such condition being entering into this Agreement, pursuant to section 483 of the *Local Government Act*, and the registration of this Agreement as a covenant under section 219 of the *Land Titles Act*;
- D. Section 483 of the *Local Government Act* permits the City to enter into and note on title to lands housing agreements which may include, without limitation, conditions in respect of the form of tenure of housing units, availability of housing units to classes of persons, administration of housing units, and rent that may be charged for housing units;
- E. Section 219 of the *Land Title Act* permits the registration of a covenant of a positive or a negative nature in favour of the City in respect of the use of, construction on, and subdivision of land; and
- F. The City and the Owner wish to enter into this Agreement to provide long-term rental housing on the terms and conditions set out in this Agreement.

In consideration of one (\$1.00) dollar paid to the Owner by the City and other good and valuable consideration (the receipt and sufficiency of which is acknowledged by both parties), and in consideration of the promises exchanged below, the Owner and the City covenant and agree pursuant to section 483 of the *Local Government Act* and section 219 of the *Land Title Act* as follows:

ARTICLE 1 DEFINITIONS AND INTERPRETATION

1.1 Definitions – In this Agreement, the following words have the following meanings:

- (a) “Agreement” means this agreement together with all LTO forms, schedules, appendices, attachments and priority agreements attached hereto;
- (b) “Below-Market Rental Units” means a Dwelling Unit occupied by an Eligible Tenant;
- (c) “building” means the residential building proposed to be constructed on the Lands by the Owner after the reference date of this Agreement, which will include 338 Dwelling Units;
- (d) “Car Share Cooperative” means an organization that provides car-sharing services to its members and which has entered into a car share agreement with the Owner to provide car-sharing services at the Development.
- (e) “CMHC” means Canada Housing and Mortgage Corporation or its successors in function;
- (f) “Dwelling Unit” means a residential dwelling unit or units located or to be located on the Lands;
- (g) “Eligible Tenant” means a Tenant, or prospective Tenant, who has an annual household income equal to or less than seventy-five thousand dollars (\$75,000), as adjusted annually for inflation using the consumer price index established by the Bank of Canada, with the base year being that of the reference date of this Agreement;
- (h) “household income” means the before-tax income from all sources for all members of the household;
- (i) “LTO” means the New Westminster Land Title Office or its successor;
- (j) “Market Rental Rate” means the most recent primary rental market median rent (as applicable for number of bedrooms and, where the year of construction is distinguished, for buildings of all years of construction) as published from time to time by CMHC for the New Westminster City;
- (k) “subdivide” means to divide, apportion, consolidate or subdivide the Lands or any building on the Lands, or the ownership or right to possession or occupation of the Lands or any building on the Lands, into two or more lots, strata lots, parcels, parts, portions or shares, whether by plan, descriptive words or otherwise, under the *Land Title Act*, the *Strata Property Act*, or otherwise, and includes the creation, conversion, organization or development of “cooperative interests” or a “shared interest in land” as defined in the *Real Estate Development Marketing Act* (British Columbia);

- (l) “Tenancy Agreement” means a tenancy agreement, lease, license or other agreement granting rights to occupy a Dwelling Unit;
- (m) “Tenant” means an occupant of a Dwelling Unit by way of a Tenancy Agreement; and
- (n) “Zoning Bylaw” means New Westminster Zoning Bylaw No. 6680, 2001 as amended by Zoning Amendment Bylaw No. 8348, 2022.

1.2 Interpretation – In this Agreement:

- (a) reference to the singular includes a reference to the plural, and *vice versa*, unless the context requires otherwise;
- (b) article and section headings have been inserted for ease of reference only and are not to be used in interpreting this Agreement;
- (c) if a word or expression is defined in this Agreement, other parts of speech and grammatical forms of the same word or expression have corresponding meanings;
- (d) reference to any enactment includes any regulations, orders or directives made under the authority of that enactment;
- (e) reference to any enactment is a reference to that enactment as consolidated, revised, amended, re-enacted or replaced, unless otherwise expressly provided;
- (f) the provisions of section 25 of the *Interpretation Act* (British Columbia) with respect to the calculation of time apply;
- (g) time is of the essence;
- (h) all provisions are to be interpreted as always speaking;
- (i) reference to a “party” is a reference to a party to this Agreement and to that party’s respective successors, assigns, trustees, administrators and receivers. Wherever the context so requires, reference to a “party” also includes a Tenant, agent, officer and invitee of the party;
- (j) reference to a “day”, “month”, or “year” is a reference to a calendar day, calendar month, or calendar year, as the case may be, unless otherwise expressly provided; and
- (k) where the word “including” is followed by a list, the contents of the list are not intended to circumscribe the generality of the expression preceding the word “including”.

ARTICLE 2 USE AND CONSTRUCTION OF LANDS AND DWELLING UNITS

2.1 Use of the Lands – The Lands must only be used and built upon in accordance with this Agreement and:

- (a) the Lands must not be developed and no building or structure will be constructed or used on the Lands unless as part of the development, construction, or use of any such building or structure, the Owner also designs and constructs to completion, in accordance with a building permit issued by the City of New Westminster, any

development permit issued by the City of New Westminster and, if applicable, any rezoning consideration applicable to development on the Lands, no fewer than ten (10) Dwelling Units which will be available at any given time for use as Below-Market Rental Units;

- (b) no fewer than ten (10) Dwelling Units must be occupied, or available for occupancy, at any given time, as Below-Market Rental Units (however, the exact location of the Below-Market Rental Units will not be prescribed but can be moved around as needed as Eligible Tenants and other Tenants move in and out of the Dwelling Units);
- (c) a Dwelling Unit must only be used as a permanent residence for a Tenant; and
- (d) no fewer than one hundred-twenty (120) Dwelling Units in the building must have two or more bedrooms, of which no fewer than twenty-eight (28) must have three or more bedrooms.

2.2 Tenure of Dwelling Units – Dwelling Units must only have a form of tenure that is residential rental.

2.3 Use of Long-term Bicycling Parking – Long-term bicycle parking spaces on the Lands, as defined and provided for in the Zoning Bylaw, must only be used for the storage of bicycles and associated items.

2.4 Short-term Rentals Prohibited – No Dwelling Unit may be rented to or tenanted by any person for a term of less than thirty (30) days.

2.5 City Authorized to Make Inquiries – The Owner hereby irrevocably authorizes the City to make such inquiries as the City considers necessary in order to confirm that the Owner is complying with this Agreement.

2.6 Requirement for Statutory Declaration – Within thirty (30) days after receiving notice from the City, the Owner must, in respect of each Below-Market Rental Unit, provide to the City a statutory declaration, substantially in the form (with, in the City's discretion, such further amendments or additions as deemed necessary or desirable) attached as Appendix A, sworn by an authorized signatory of the Owner, containing all of the information required to complete the statutory declaration. The City may request such statutory declaration in respect to each Below-Market Rental Unit no more than once in any calendar year; provided, however, notwithstanding that the Owner may have already provided such statutory declaration in the particular calendar year, the City may request and the Owner must provide to the City such further statutory declarations as requested by the City in respect to a Below-Market Rental Unit if, in the City's absolute determination, the City believes that the Owner is in breach of any of its obligations under this Agreement.

ARTICLE 3 USE OF BELOW-MARKET RENTAL UNITS AND DWELLING UNITS

3.1 Use of Below-Market Rental Units – A Below-Market Rental Unit must only be used as a residence occupied by an Eligible Tenant.

3.2 Tenant Screening and Records – The Owner must not rent, lease, license, or otherwise permit the occupancy of any Below-Market Rental Unit except in accordance with the following:

- (a) the household income of each prospective Tenant must be reviewed prior to the commencement of each Tenancy to determine whether the prospective Tenant is an Eligible Tenant;
- (b) the Tenants for Below-Market Rental Units will be selected based on a waitlist of potential Eligible Tenants used by the non-profit organization referred to in clause 5.3(a) for vetting and managing the Below-Market Rental Units; and
- (c) a system of records must be maintained indicating the annual incomes of and rent paid by each past and current Eligible Tenant for a period of not less than five years, which will be available to the City for review upon request.

For greater certainty, there will be no income restrictions under this Agreement on the Owner's selection of Tenants for Dwelling Units which are not Below-Market Rental Units.

3.3 Occupancy and Tenure of Dwelling Units – The Owner must not rent, lease, license or otherwise permit occupancy of any Dwelling Unit except in accordance with the following additional conditions:

- (a) the Dwelling Units must be used or occupied only pursuant to a Tenancy Agreement;
- (b) the Tenant or permitted occupant must not be required to pay any extra charges or fees for sanitary sewer, storm sewer, or property or similar tax in relation to the use and occupancy of the Dwelling Unit. For clarity, this condition does not prohibit charging the Tenant for electricity, or having the Tenant billed for electricity directly by the City of New Westminster;
- (c) subject to subsection (d) below, all Tenants must be provided reasonable access to any common areas or amenities within the building or on the Lands, and for the purpose of this provision the term "building" means the entire building that contains the Dwelling Units, regardless of any subdivision of that building, and "Lands" means entire area of the Lands as of the reference date of this Agreement, regardless of any subsequent subdivision of that parcel;
- (d) a Tenant occupying a Below-Market Rental Unit must not be required to pay any additional fee for, nor prevented or prohibited from accessing, any common areas or amenities within the building or on the Lands and for the purpose of this provision the term "building" means the entire building that contains the Below-Market Rental Units, regardless of any subdivision of that building, and "Lands" means entire area of the Lands as of the reference date of this Agreement, regardless of any subsequent subdivision of that parcel;
- (e) the Tenancy Agreement for each Below-Market Rental Unit must include a term permitting the Owner to terminate the tenancy in the event that Tenant is no longer an Eligible Tenant;
- (f) Articles 2 and 3 of this Agreement must be attached to every Tenancy Agreement; and
- (g) the Owner will forthwith deliver a true copy of any Tenancy Agreement to the City upon demand.

3.4 Rental Rates of Below-Market Rental Units – The monthly rental rates for Below-Market Rental Units must not exceed 90% of the applicable Market Rental Rate. For greater certainty, and subject to the *Residential Tenancy Act* the rental rate of a Below-Market Rental Unit may be increased from time to time but may not exceed limits set within this section.

3.5 Car Share Membership – The Owner must provide a single membership with the Car Share Cooperative for each Dwelling Unit. Each membership must remain with the applicable Dwelling Unit and, on the change of the Tenant of such Dwelling Unit, will automatically become available for the use of the new Tenant of that Dwelling Unit (and will cease to be available for the use of the prior Tenant of that Dwelling Unit). However, if the Car Share Cooperative unilaterally ceases to provide car sharing services for the Development due to a lack of operational viability or otherwise, the Owner's obligations under this section 3.5 will be of no further force or effect until such time as the Owner, using commercially reasonable best efforts, is able to secure car sharing services for the Development from a different car share service provider on commercially reasonable terms, whereupon such obligations will resume.

3.6 Transit Pass – For a period of 24 months beginning with the initial occupancy of the first Dwelling Unit in the building, the Owner must offer a subsidy of 50% of the cost of a monthly Zone 1 or Zone 2 transit bus pass for each Below-Market Rental Unit and each Dwelling Unit without an assigned parking stall, to a maximum of 101 Dwelling Units. The obligation to offer such subsidy will be limited to an obligation to offer it to only one individual in each Below-Market Rental Unit and in each such other Dwelling Unit and will expire at the end of the 24-month period referred to in the prior sentence.

3.7 Bicycle Parking and Maintenance – The Owner must make available on the Lands, to all Tenants, at no charge:

- (a) subject to availability, long-term bicycling parking spaces;
- (b) twice annually, for a period of 10-years beginning with the initial occupancy of the first Dwelling Unit in the building, on-site bicycle maintenance/repair days, for no less than 8 hours for each occurrence, during which the Tenants will have access to bicycle tune-up and repair services.

3.8 Off-Street Parking and Storage – The Owner must offer, subject to availability, off-street parking and storage facilities to all Tenants at a reasonable cost.

ARTICLE 4 TERM AND DEMOLITION

4.1 Expiry of Housing Agreement – This Agreement will cease to apply from and after the date which is the later of:

- (a) sixtieth (60th) anniversary of the date this Agreement is registered in the LTO; or
- (b) the date that all buildings located on the Lands have been demolished pursuant to clause 4.2, and

upon expiry, the Owner may provide to the City a discharge of this Agreement, which the City will execute and return to the Owner for filing in the LTO.

4.2 Demolition – The Owner will not demolish a Dwelling Unit or the building unless:

- (a) the Owner has obtained the written opinion of a professional engineer or architect, who is at arm's length to the Owner, indicating that it is no longer reasonable or practical to repair or replace any structural component of the Dwelling Unit or building, and the Owner has delivered to the City a copy of the engineer's or architect's report; or
- (b) 25% or more of the value of the building above its foundations is damaged or destroyed, as determined by the City, in its sole discretion;

and, in each case, a demolition permit for the Dwelling Unit or the building has been issued by the City.

ARTICLE 5 MISCELLANEOUS

5.1 Housing Agreement – The Owner acknowledges and agrees that:

- (a) this Agreement includes a housing agreement entered into under section 483 of the *Local Government Act* and a covenant under section 219 of the *Land Title Act*;
- (b) the City may file notice of, and register, this Agreement in the LTO pursuant to section 483(5) of the *Local Government Act* against the title to the Lands.

5.2 Modification – This Agreement may be modified or amended from time to time, by consent of the Owner and a bylaw duly passed by the Council of the City and thereafter if it is signed by the City and the Owner.

5.3 Management – The Owner covenants and agrees with the City that:

- (a) the Below-Market Rental Units will be operated by, or on behalf of, a non-profit organisation registered under the *Societies Act*, with experience in non-profit housing or a government agency or crown corporation that has experience in non-profit housing, such operation including the requirements under clause 3.2;
- (b) in the event that a Below-Market Rental Unit is occupied by a Tenant who over the course of the tenancy no longer qualifies as an Eligible Tenant, the non-profit organisation contemplated in clause 5.3(a) will make a determination as to whether the Owner should end that tenancy pursuant to clause 3.3(e), provided that such termination is permitted under the *Residential Tenancy Act*;
- (c) the Owner must ensure good and efficient management of the Dwelling Units;
- (d) the Owner will permit representatives of the City to inspect the Below-Market Rental Units at any reasonable time, subject to the notice provisions of the *Residential Tenancy Act*;
- (e) The Owner must maintain the Dwelling Units and the building they occupy in a good state of repair and fit for habitation in accordance with the requirements of the *Residential Tenancy Act*, reasonable wear and tear excepted;
- (f) the Owner must comply with all applicable laws, including, without limitation, the *Residential Tenancy Act*, the City of New Westminster Business Regulation and

Licensing (Rental Units) Bylaw No. 6926, 2004, as amended from time to time, and all other City bylaws, and any health and safety standards applicable to the Lands.

5.4 Municipal Permits – The Owner agrees that the City may withhold building permits and occupancy permits with respect to any building or other structure from time to time constructed or proposed to be constructed on the Lands, as the City may, in its sole discretion, consider necessary to ensure compliance with this Agreement.

5.5 Indemnity – The Owner, on its behalf, must indemnify, defend and save harmless the City and each of its elected officials, officers, directors, and agents, and their heirs, executors, administrators, personal representatives, successors and assigns, from and against all claims, demands, actions, loss, damage, costs and liabilities, which all or any of them will or may be liable for or suffer or incur or be put to by reason of or arising out of:

- (a) any negligent act or omission of the Owner, or its officers, directors, agents, contractors or other persons for whom at law the Owner is responsible relating to this Agreement;
- (b) the construction, maintenance, repair, ownership, lease, license, operation, management or financing of the Lands or any Dwelling Unit or the enforcement of any Tenancy Agreement; or
- (c) without limitation, any legal or equitable wrong on the part of the Owner or any breach of this Agreement by the Owner.

5.6 Release – The Owner, on its behalf, hereby releases and forever discharges the City and each of its elected officials, officers, directors, and agents, 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 or which would or could not occur but for the:

- (a) construction, maintenance, repair, ownership, lease, license, operation or management of the Lands or any Dwelling Units under this Agreement; or
- (b) except to the extent arising from the negligence or wilful misconduct of the City or those for whom it is at law responsible, the exercise by the City of any of its rights under this Agreement.

5.7 Survival – The indemnity and release set out in this Agreement will survive termination or discharge of this Agreement.

5.8 City's Powers Unaffected – This Agreement does not:

- (a) affect, fetter or limit the discretion, rights, duties or powers of the City under any enactment or at common law, including in relation to the use or subdivision of the Lands;
- (b) impose on the City any legal duty or obligation, including any duty of care or contractual or other legal duty or obligation, to enforce this Agreement;
- (c) affect or limit any enactment relating to the use or subdivision of the Lands; or

- (d) relieve the Owner from complying with any enactment, including in relation to the use or subdivision of the Lands.

5.9 Agreement for Benefit of City Only – The Owner and the City agree that:

- (a) this Agreement is entered into only for the benefit of the City;
- (b) this Agreement is not intended to protect the interests of the Owner, any Tenant, or any future owner, lessee, occupier or user of the Lands or the building or any portion thereof, including any Dwelling Units; and
- (c) the City may at any time execute a release and discharge of this Agreement, without liability to anyone for doing so, and without obtaining the consent of the Owner.

5.10 No Public Law Duty – Where the City is required or permitted by this Agreement to form an opinion, exercise a discretion, express satisfaction, make a determination or give its consent, the Owner agrees that the City is under no public law duty of fairness or natural justice in that regard and agrees that the City may do any of those things in the same manner as if it were a private party and not a public body.

5.11 Notice – Any notice required to be served or given to a party herein pursuant to this Agreement will be sufficiently served or given if delivered,

- (a) to the postal address of the Owner set out in the records at the LTO, and
- (b) to the postal address of the City set out on the first page of the terms of this Agreement and to the attention of the Director of Planning:

or to the most recent address provided in a written notice given by each of the parties to the other. Any notice which is delivered is to be considered to have been given on the first day after it is dispatched for delivery.

5.12 Owners Expense – The Owner must perform its obligations under this Agreement at its own expense and without compensation from the City.

5.13 Enuring Effect – This Agreement will extend to and be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns.

5.14 Severability – If any provision of this Agreement is found to be invalid or unenforceable, such provision or any part thereof will be severed from this Agreement and the resultant remainder of this Agreement will remain in full force and effect.

5.15 Waiver – All remedies of the City will be cumulative and may be exercised by the City in any order or concurrently in case of any breach and each remedy may be exercised any number of times with respect to each breach. Waiver of or delay in the City exercising any or all remedies will not prevent the later exercise of any remedy for the same breach or any similar or different breach. Any waiver of any clause or obligation by either party must be in writing and delivered pursuant to the notice provisions in this agreement.

5.16 Entire Agreement – This Agreement, and any documents signed by the Owner contemplated by this Agreement, represent the entire agreement between the City and the

Owner respecting the use and occupation of the Dwelling Units, and there are no warranties, representations, conditions or collateral agreements made by the City except as set forth in or contemplated by this Agreement.

5.17 Further Assurance – Upon request by the City the Owner will forthwith do such acts and execute such documents as may be reasonably necessary in the opinion of the City to give effect to this Agreement.

5.18 Agreement Runs with Lands – This Agreement burdens and runs with the Lands and every parcel into which it is subdivided in perpetuity. All of the covenants and agreements contained in this Agreement are made by the Owner for itself, its personal administrators, successors and assigns, and all persons who after the date of this Agreement acquire an interest in the Lands.

5.19 Equitable Remedies – The Owner acknowledges and agrees that damages would be an inadequate remedy for the City for any breach of this Agreement and that the public interest strongly favours specific performance, injunctive relief (mandatory or otherwise), or other equitable relief, as the only adequate remedy for a default under this Agreement.

5.20 No Joint Venture – Nothing in this Agreement will constitute the Owner as the agent, joint venturer, or partner of the City or give the Owner any authority to bind the City in any way.

5.21 Applicable Law – The laws of British Columbia (including, without limitation, the *Residential Tenancy Act*) will apply to this Agreement and all statutes referred to herein are enactments of the Province of British Columbia.

5.22 Limitation on Owner's Obligations – The Owner is only liable for breaches of this Agreement that occur while the Owner is the registered owner of the Lands, provided however that, notwithstanding that the Owner is no longer the registered owner of the Lands, the Owner will remain liable for breaches of this Agreement that occurred while the Owner was the registered owner of the Lands.

5.23 Execution in Counterpart - This Agreement may be executed in any number of counterparts and delivered by e-mail, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument, provided that any party delivering this Agreement by e-mail shall also deliver to the other party an originally executed copy of this Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Agreement on the *Land Title Act* Form C which is attached to and forms part of this Agreement.

Appendix A to Housing Agreement

STATUTORY DECLARATION

CANADA)	IN THE MATTER OF A HOUSING AGREEMENT WITH THE CORPORATION OF THE CITY OF NEW WESTMINSTER ("Housing Agreement")
)	
)	
PROVINCE OF BRITISH COLUMBIA)	
)	
)	
)	

TO WIT:

I, _____ of _____, British Columbia, do solemnly declare that:

1. I am authorized by the owner of the lands located at _____, New Westminister, B.C. (the "**Lands**") to make this statutory declaration on its behalf, and I make this declaration to the best of my personal knowledge.
2. This declaration is made pursuant to the Housing Agreement in respect of the Lands.
3. For the period from _____ to _____ the Below-Market Rental Units, as that term is defined in the Housing Agreement, were occupied only by the tenants whose names and current addresses appear below:

Name(s) of Tenant	Address of Tenant	Rent Paid by Tenant

4. I confirm that the Owner has complied with the Owner's obligations under the Housing Agreement.

5. I make this solemn declaration, conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath and pursuant to the *Canada Evidence Act*.

DECLARED BEFORE ME at the City of _____)
_____, in the Province of British)
Columbia, this _____ day of)
_____, 20____.)

A Commissioner for Taking Affidavits in the)
Province of British Columbia)

DECLARANT

PRIORITY AGREEMENT

WHEREAS:

- A. **Bank of Nova Scotia** (the “**Chargeholder**”) is the holder of a mortgage and assignment of rents (the “**Financial Charges**”) encumbering the lands described in Item 2 of Part 1 of the Form C General Instrument to which this Priority Agreement is attached and which are registered in the New Westminster Land Title Office as Mortgage CA9713867 and Assignment of Rents CA9713868; and
- B. A covenant is being granted pursuant to Part 2 of the Form C General Instrument to which this Priority Agreement is attached (the “**City’s Charge**”) which is or will be registered against title to the lands.

NOW THEREFORE for one dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and agreed to by the Chargeholder, the Chargeholder hereby grants to the City priority for the City’s Charges over all the Chargeholder’s right, title, and interest in and to the lands as if the City’s Charges had been executed, delivered and registered prior to the execution and registration of the Financial Charges and prior to the advance of any monies pursuant to the Financial Charges. The grant of priority is irrevocable, unqualified, and without reservation or limitation.

END OF DOCUMENT