
INDEX TO INFORMATION FOR PROSPECTIVE PURCHASERS

for

JASPER CONDOS

A STANDARD CONDOMINIUM PLAN

located at

**716 Main Street East
Milton, Ontario**

by

MILTON CENTRE CO-OPERATIVE DEVELOPMENT CORPORATION

*A Condominium Project Pursuant to the **Condominium Act, 1998***

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**INTRODUCTION TO OPTIONS FOR HOMES NON-PFROFIT
CORPORATION (GTA) CONCEPT AND SUMMARY OF
LEGAL DOCUMENTS**

for

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OPTIONS FOR HOMES NON-PROFIT CORPORATION (GTA) CONCEPT INTRODUCTION

The concept used by Options for Homes Non-Profit Corporation (GTA) (“Options”) for Jasper Condos is modelled on a concept which has been successfully used by Options for other developments in Southwestern Ontario. The concept is a community-based non-profit initiative aimed at providing cost-effective housing that can be owned by households with diverse income levels.

This is done through Options clients: non-profit co-operative development corporations. These co-operatives are composed of members who qualify to purchase the condominium units developed by the co-operative. The co-operative development corporation developing the Jasper Condos project is Milton Centre Co-operative Development Corporation (MCCDC).

Members are invited to join a co-operative through a low-cost, mass marketing program that keeps the marketing cost of the project well below industry norms for condominiums.

Projects that are produced are designed simply, with a view to minimizing the overall cost of owning a home and providing an efficient balance between capital and operating costs.

The non-profit nature of the concept is assured by reserving the difference between a unit’s market value and the cost price of producing it. This amount takes the form of a shared appreciation mortgage in favour of Home Ownership Alternatives Non-Profit Corporation (Greater Toronto Area) (HOA) that will be paid off when or before the unit is re-sold. The proceeds of the shared appreciation mortgage are then used by HOA to fund other non-profit housing developments based on the same concept. The shared appreciation mortgage is registered last on title to the unit so as to avoid interference with any other financing arrangements which may be made by a purchaser and requires no monthly payments while you reside in the unit.

The major benefits of this concept are:

- monthly payments are related to the purchaser’s mortgage(s) only and, as a result, payments are lower;
- the shared appreciation mortgage is considered part of your down-payment by most financial institutions, resulting in the reduction or in most cases, the elimination of the need to pay Canada Mortgage and Housing Corporation (CMHC) insurance fees; and,
- every time a shared appreciation mortgage is paid, more money is available to finance further non-profit housing development.

SUMMARY OF LEGAL DOCUMENTS

The following are the legal documents contained in this information package:

- 1) Housing Project Agreement and Housing Project Assumption and Amending Agreement: These agreements are between Creating affordable Homes Inc. (Jasper condos’ prior development consultant), HOA and MCCDC and they address the mechanics of the shared appreciation mortgage discussed above. HOA provides financial assistance to your project. In return, this agreement requires MCCDC to assign to HOA the shared appreciation mortgage taken back by MCCDC on the completion of your purchase of the unit, or to direct you, as the mortgagor, to engross the shared appreciation mortgage in favour of HOA. HOA has been established to receive the proceeds of the shared appreciation mortgage and apply them to financing the development of future similar housing projects.
- 2) Co-operative Membership Agreement: This agreement sets out your rights as a member of MCCDC, and includes a copy of the general by-law for MCCDC. Your rights as a member of MCCDC are also subject to the *Co-operative Corporations Act* (Ontario)
- 3) Condominium Purchase Agreement: This agreement sets out the terms and conditions of your purchase of the unit from MCCDC. Schedule F to this agreement addresses the terms of your occupancy of the unit prior to the completion of your purchase of the unit and the transfer of legal title of same to you.
- 4) Disclosure Statement and Draft Condominium Documents: The Disclosure Statement provides a brief description of the condominium project and its amenities. In addition, it contains:
 - a) the draft condominium documents, being the proposed:
 - i) Declaration – The proposed declaration describes the boundaries of the units and governs the occupation and use of the units and common elements of the condominium once it is created. Among other matters, the declaration specifies the obligations of unit owners and the condominium corporation with respect to the repair and maintenance of the units and common elements;
 - ii) By-laws of the condominium corporation;
 - iii) Rules of the condominium corporation;

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- b) A budget statement for the condominium corporation's first year of operation following registration;
- c) Proposed Management Agreement; and
- d) Proposed Municipal Indemnity Agreement

The condominium corporation will be created by registering the declaration and description of the condominium following completion of construction and satisfaction of any outstanding municipal approval requirements.

ALL OF THE ABOVE DOCUMENTS SHOULD BE DISCUSSED WITH YOUR LAWYER SO THAT YOU ARE AWARE OF YOUR RIGHTS AND OBLIGATIONS.

CO-OPERATIVE MEMBERSHIP AGREEMENT

for

JASPER CONDOS

A STANDARD CONDOMINIUM PLAN

located at

**716 Main Street East
Milton, Ontario**

by

MILTON CENTRE CO-OPERATIVE DEVELOPMENT CORPORATION

A Condominium Project Pursuant to the Condominium Act, 1998

****YOU MUST ENTER INTO THIS AGREEMENT TO BE ENTITLED TO PURCHASE A CONDOMINIUM UNIT FROM MILTON CENTRE CO-OPERATIVE DEVELOPMENT CORPORATION**

CO-OPERATIVE MEMBERSHIP AGREEMENT

MADE THIS ___ DAY OF _____, 20__.

BETWEEN:

MILTON CENTRE CO-OPERATIVE DEVELOPMENT CORPORATION (“MCCDC”)

- AND -

List each Applicant for Membership in the Co-operative:

- 1. _____
- 2. _____
- 3. _____

(the “applicants”)

PLEASE PRINT OR TYPE. ADD ADDITIONAL PAGES IF NECESSARY

Address of Applicants:

Unit # _____, Level _____

City: _____

Unit Selected:

Unit # _____, Level _____

716 Main Street East, Milton, Ontario
(Municipal Address to be confirmed by the Town of Milton)

Definitions:

A.1 The terms used in this Agreement have the following meanings:

“Information Manual” means MCCDC’s Information Manual For Prospective Purchasers.

“OFH” means Options for Homes Non-Profit Corporation (GTA), the development consultant to MCCDC

“Concept” means the concept for the development as described in the introduction in the Information Manual.

“Condominium Project” means Jasper Condos as described in the Disclosure Statement contained in the Information Manual.

“you” means each of the applicants for membership hereunder, individually and collectively, and your rights and obligations hereunder are both joint and several.

Background:

B.1 You acknowledge receipt of the Information Manual on _____, 20__.

B.2 You have read the Information Manual and are familiar with the Concept detailed therein.

B.3 This Agreement is the Co-operative Membership Agreement contained in the Information Manual.

Agreement:

C.1 By signing this Agreement, you apply for membership in MCCDC.

C.2 MCCDC, by signing this Agreement, accepts you as a Member of MCCDC.

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If there is more than one person listed on this Agreement, the membership of all persons listed on this agreement is joint.

Membership Rights and Obligations:

- D.1 As a member of MCCDC, you have the rights of a member under the *Co-operative Corporations Act (Ontario)* and the by-laws of MCCDC. The current general by-law of MCCDC is contained in Schedule A to this Agreement.
- D.2 The *Co-operative Corporations Act (Ontario)*, which governs MCCDC, and MCCDC's by-laws permit MCCDC to change the terms of membership and the right of members from time to time provided the specified procedure is followed. Any changes will be decided upon by the members at a meeting. As a member of MCCDC, you are entitled to notice of all membership meetings and to attend and vote thereat. You will be bound by any such changes.
- D.3 The incorporating members and/or current board members of MCCDC may not intend to acquire a unit in the Condominium Project being developed by MCCDC. Those founding members who do not intend to acquire a unit have agreed to resign as members and, if applicable, officers and directors of MCCDC, if required to do so by a majority of the members who have purchased a unit.
- D.4 MCCDC will provide all members with a copy of its closing audit within 6 months following the closing of the purchase and sale of your unit.

Membership Fee:

- E.1 Upon receiving this Agreement, you shall submit the sum of \$100.00, being the membership fee payable to MCCDC. This fee is refundable if you purchase a unit from MCCDC and will be paid to you after the closing of your purchase of the unit from MCCDC.

Right to Acquire Unit

- F.1 As a member of MCCDC, you are entitled to purchase the unit selected by you from MCCDC in the manner set out in the Information Manual, including signing of the Agreement of Purchase and Sale.
- F.2 The Agreement of Purchase and Sale will be in substantially the form contained in the Information Manual.
- F.3 Once you have signed an Agreement of Purchase and Sale with MCCDC, your rights with respect to the acquisition of the unit and your obligation to purchase the unit are governed by the Agreement of Purchase and Sale and the *Condominium Act, 1998 (Ontario)*.

Confidentiality

- G.1 You agree to keep all information provided to you about the Concept, including all documents in relation to the unit purchase transaction in confidence and further agree not to disclose any information relating to the Concept to any person, firm or corporation for your own or their benefit or to the detriment of MCCDC and/or OFH, other than to the solicitor representing you and any mortgagee providing funding for you in respect of such purchase transaction.

Termination or Expiration of Membership

- H.1 Should you decide not to proceed to acquire a unit from MCCDC in the Condominium Project, or if you cease to be a purchaser, you agree that your membership in MCCDC automatically terminates.
- H.2 You agree that your membership in MCCDC automatically expires if you no longer qualify for financing to purchase a unit from MCCDC.
- H.3 You acknowledge that the by-laws of MCCDC provide that if you cease to be a purchaser of a unit in the Condominium Project, or if you no longer qualify for financing to purchase a unit, then your membership in MCCDC automatically ends, you lose all rights associated with being a member and your membership fee will not be refunded to you.
- H.4 You acknowledge that the by-laws of MCCDC provide for automatic expiration of membership, except for those members who are directors

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of MCCDC, upon the earlier of:

- i. the date that is 365 days after the date MCCDC is no longer the registered owner of any unit in the Condominium Project; or
- ii. the end of the first members meeting following the date when MCCDC ceases to be the registered owner of a majority of the units in the Condominium Project.

H.5 Notwithstanding any termination/expiration of this Agreement or your membership in MCCDC, you hereby agree that notwithstanding such termination/expiration, your obligations with respect to Confidentiality set out in section G.1 of this Agreement shall remain in force and effect for all time thereafter.

Distribution of Surplus

I.1 Upon completion of the Condominium Project and the sale of all of the units in the Condominium Project to members of MCCDC, any surplus shall be retained by MCCDC and MCCDC shall decide how the remaining surplus shall be used. For the purpose of this Section I.1, "surplus" means any amount remaining in excess of the final capital cost budget as prepared by OFH, prior to the commencement of the construction as well as the contingency amount for unsold parking units, if any, and the overall contingency amount set out in the budget. Funds spent on discretionary items will not reduce this amount.

SIGNED SEALED AND DELIVERED

In the presence of

_____	_____	(date) _____/_____/_____
(Witness)	(Applicant)	day month year
_____	_____	(date) _____/_____/_____
(Witness)	(Applicant)	day month year
_____	_____	(date) _____/_____/_____
(Witness)	(Applicant)	day month year

Milton Centre Co-operative Development Corporation

Per: _____ (date) _____/_____/_____

Name: _____

Title: _____

I have the authority to bind the corporation

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Schedule A

By-laws of Milton Centre Co-operative Development Corporation

BY-LAW NUMBER 1

A by-law relating generally to the transaction of the business and affairs of:

MILTON CENTRE CO-OPERATIVE DEVELOPMENT CORPORATION

BE IT ENACTED as a by-law of Milton Centre Co-operative Development Corporation (the "Corporation") as follows:

1. **MEMBERS**

1.1 Membership

- a. Admission: Subject to the provisions related to the resignation, termination and expiration of membership as set out below in this By-law, the membership shall consist of the applicants for the incorporation of the Corporation and such other individuals and such corporations, partnerships and other legal entities as are admitted as members by the board of directors of the Corporation. Each member shall promptly be informed by the Secretary of her/his admission as a member.
- b. Qualifications: In order to be a member of the Corporation, a person must satisfy one of the following qualifications:
 - i. he or she must be an applicant for the incorporation of the Corporation;
 - ii. he or she must be a purchaser, pursuant to a purchase and sale agreement entered into with the Corporation, of a proposed unit (or, as applicable, unit) in the condominium of which the Corporation is the declarant;
 - iii. he or she must have completed the purchase from the Corporation, pursuant to a purchase and sale agreement entered into with the Corporation, of a unit in the condominium of which the Corporation is the declarant; or
 - iv. he or she is an individual eighteen years of age or older who has submitted an application to become a member of the Corporation and whose application has been approved by a resolution of the board of directors.
- c. Joint Members: Person who jointly own or purchase a unit in the condominium of which the Corporation is a declarant or persons who jointly enter into an agreement of purchase and sale with the Corporation shall be considered joint members and entitled to only one vote. For greater clarity each unit in the condominium shall be entitled to only one vote i.e. one vote per unit.
- d. Resignation: Members may resign by resignation in writing which shall be effective upon acceptance thereof by the board of directors. In case of resignation, a member shall remain liable for payment of any assessment or other sum levied or which became payable by the member to the Corporation prior to acceptance of the resignation.
- e. Termination of Membership: A member may be expelled from membership in the Corporation by resolution passed by a majority of the board of directors at a meeting duly called for the purpose not later than thirty days before the date set for the annual meeting of the Corporation. Notice of the proposed termination must be given to the member in accordance with the *Co-operative Corporations Act* (Ontario) and the member must be given an opportunity to appear, either personally or by a representative, to make submissions at the meeting of the board of directors called to consider the resolution terminating the member's membership.
- f. Expiration of Membership: The membership of a member shall cease automatically without any action on the part of the Corporation or any notice to the member being required upon, and with effect as of, the happening of one of the following events:
 - i. in the case of an individual member, the death of the individual;
 - ii. if the member ceases, for whatever reason or however caused, to be a purchaser of a condominium unit (or a proposed unit) under a purchase and sale agreement between the member and the Corporation or if the member ceases to qualify for financing in order to complete the purchase of a condominium unit (or proposed unit) under a purchase and sale agreement between the member and the Corporation;

- iii. in the case of the applicants for incorporation of the Corporation, as of the end of the members' meeting at which directors are elected to replace the first directors of the Corporation, except if an applicant remains a director of the Corporation; and,
- iv. in the case of all members whose membership in the Corporation has not otherwise ended, except for those members who are from time to time directors of the Corporation and for so long as they continue to be directors, the earlier of (the **Membership Expiration Date**):
 - 1. the date that is 365 days after the date that the Corporation is no longer the registered owner of any unit in the condominium of which the Corporation is the declarant; and,
 - 2. the end of the first members' meeting following the date when the Corporation ceases to be the registered owner of a majority of the units in the condominium of which the Corporation is the declarant.

For greater certainty, the membership in the Corporation of those persons who are as of the Membership Expiration Date directors of the Corporation shall continue for as long as they remain directors of the Corporation and shall automatically cease as of the date that they cease to be directors of the Corporation.

1.2 Meaning of "Condominium":

With respect to any member of the Corporation, the meaning of "condominium" in this Article 1 refers to the condominium (and includes the proposed condominium) as designated by a resolution of the board of directors.

2. **ANNUAL AND OTHER MEETINGS OF MEMBERS**

2.1 Place of Meetings:

The annual or any other general meeting of the members shall be held at the head office of the Corporation or elsewhere in Ontario as the board of directors may determine and on such day as the said directors shall appoint.

2.2 Meeting Business:

At every annual meeting, in addition to any other business that may be transacted, the report of the directors, the financial statements and the report of the auditors shall be presented, a board of directors elected and if no audit exemption is being sought, auditors appointed for the ensuing year and the remuneration of the auditors shall be fixed. The members may consider and transact any business either special or general without any notice thereof at any meeting of the members.

2.3 Calling Members Meetings:

The board of directors or President shall have power to call at any time a general meeting of the members of the Corporation. No public notice nor advertisement of members' meetings, annual or general, shall be required, but notice of the time and place of every such meeting shall be given to each member not less than 10 days before the date fixed for the holding of such meeting, provided that any meetings of members may be held at any time and place without such notice if all the members of the Corporation are present thereat or if the members not in attendance at such meeting have waived in writing their right to notice, whether such waiver is given before or after the holding of the meeting, and at such meeting any business may be transacted which the Corporation at annual or general meetings may transact.

2.4 Error or Omission in Notice:

No error or omission in giving notice of any annual or general meeting or any adjourned meeting, whether annual or general, of the members of the Corporation shall invalidate such meeting or make void any proceedings taken thereat and any member may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat. For the purpose of sending notice to any member, director or officer for any meeting or otherwise, the address of any member, director or officer shall be her/his last address recorded on the books of the Corporation.

2.5 Adjournments:

Any meetings of the members may be adjourned and reconvened at any time and such business may be transacted at such reconvened meeting as might have been transacted at the original meeting from

which such adjournment took place. Notice pursuant to this By-Law shall be required of any such reconvened meeting.

2.6 Quorum of Members:

- a. Subject to sub-paragraph 2.6b, a quorum for the transaction of business at any meeting of members shall consist of not less than a majority of members.
- b. A meeting must be called off if there is not a quorum of members present by 45 minutes after the meeting is scheduled to start. The members who are present can vote to continue the meeting on a date not less than five and not more than fifteen days later. There must be at least two days notice of the continued meeting. If by 30 minutes after the continued meeting is scheduled to start there is not a quorum of members present, then the quorum for the continued meeting will be the lesser of:
 - i. 5% of members, and
 - ii. 20 members.

2.7 Voting of Members:

- a. Subject to paragraph 1(c) above, each member of the Corporation shall at all meetings of members be entitled to one vote. No member shall be entitled to vote at meetings of the Corporation unless she/he has paid all dues or fees, if any, then payable by her/him.
- b. At all meetings of members every question shall be decided by a majority of the votes of the members, unless otherwise required by the by-laws of the Corporation or by law. Every question shall be decided in the first instance by a show of hands unless a poll be demanded by any member.
- c. Upon a show of hands, every member having voting rights shall have one vote and unless a poll be demanded, a declaration by the chairperson that a resolution has been carried or not carried and an entry to that effect in the minutes of the Corporation shall be admissible in evidence as prima facie proof of the fact without proof of the number or proportion of the votes accorded in favour of or against such resolution. The demand for a poll may be withdrawn, but if a poll be demanded and not withdrawn the question shall be decided by a majority of votes given by the members, and such poll shall be taken in such manner as the chairperson shall direct and the result of such poll shall be deemed the decision of the Corporation in general meeting upon the matter in question. In case of an equality of votes at any general meeting, whether upon a show of hands or at a poll, the question is lost.

3. **DIRECTORS**

3.1 Board of Directors:

The affairs of the Corporation shall be managed by a board of a minimum of 3 and maximum of 10 directors, each of whom at the time of her/his election or within 10 days thereafter and throughout her/his term of office shall be a member of the Corporation.

3.2 First Directors:

The applicants for incorporation shall be the first directors of the Corporation. Their term of office shall continue until the first meeting of members, at which the board shall be elected.

3.3 Fixing Number of Directors:

As authorized by special resolution of the members of the Corporation, the number of directors shall be determined from time to time by resolution of the directors.

3.4 Election and Term:

Each director shall be elected to hold office until the first annual meeting after she/he shall have been elected or until her/his successor shall have been duly elected and qualified. The entire board shall be retired at each annual meeting, but shall be eligible for re-election if otherwise qualified. The election may be by a show of hands unless a ballot be demanded by any member. The members of the Corporation may, by resolution passed by a majority of the votes cast at a general meeting of which notice specifying the intention to pass such resolution has been given, remove any director before the

expiration of her/his term of office, and may, by a majority of the votes cast at that meeting, elect any person in her/his stead for the remainder of her/his term.

3.5 Vacancies - Board of Directors:

- a. Vacancies on the board of directors, other than those caused by an increase in the number of directors, may, so long as a quorum of directors remains in office, be filled by the directors from among the qualified members of the Corporation if they shall see fit to do so. Otherwise, such vacancy shall be filled at the next annual meeting of the members at which the directors for the ensuing year are elected, but if there is not a quorum of directors, the remaining directors shall forthwith call a meeting of the members to fill the vacancy.
- b. Where the number of directors is increased, the vacancies resulting from such increase shall only be filled by election at a general meeting of members duly called for that purpose.

3.6 Teleconference Meetings:

If a majority of the board of directors of the Corporation consent generally or in respect of a particular meeting, a director may participate in a meeting of the board of directors or of a committee of the board of directors by means of such conference telephone or other communications facilities as permit all persons participating in the meeting to hear each other, and a director participating in such a meeting by such means is deemed to be present at the meeting.

3.7 Quorum and Meetings - Board of Directors:

A majority of directors shall form a quorum for the transaction of business. Except as otherwise required by law, the board of directors may hold its meetings at such place or places as it may from time to time determine. No formal notice of any such meeting shall be necessary if all the directors are present, or if those absent have signified in writing their consent to the meeting being held in their absence, whether such consent is given before or after the meeting.

3.8 Calling Directors' Meetings:

Directors' meetings may be formally called by the President or by the Secretary on direction of the President, or by the Secretary on direction in writing of two directors. Notice of such meetings shall be delivered in accordance with this By-law to each director not less than one day before the meeting is to take place or, if mailed by regular pre-paid mail, to each director not less than two days before the meeting is to take place. The statutory declaration of the Secretary or President that notice has been given pursuant to this by-law shall be sufficient and conclusive evidence of the giving of such notice. The board may appoint a day or days in any month or months for regular meetings at an hour to be named and of such regular meeting no notice need be sent. A directors' meeting may also be held, without notice, immediately following the annual meeting of the Corporation. The directors may consider or transact any business either special or general at any meeting of the board.

3.9 Errors in Notice - Board of Directors:

No error or omission in giving such notice for a directors' meeting shall invalidate such meeting or any proceedings taken at such meeting and any director may at any time waive notice of any such meeting and may ratify and approve of any or all proceedings taken or had thereat.

3.10 Voting - Board of Directors:

Questions arising at any meeting of directors shall be decided by a majority of votes. In case of an equality of votes the question is lost. All votes at any such meeting shall be taken by ballot if so demanded by any director present, but if no demand be made, the vote shall be taken in the usual way by assent or dissent. A declaration by the chairperson that a resolution has been carried and an entry to that effect in the minutes shall be admissible in evidence as prima facie proof of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution. In the absence of the President her/his duties may be performed by such other director as the board may from time to time appoint for the purpose.

3.11 Powers:

The board of directors of the Corporation may administer the affairs of the Corporation in all things and make or cause to be made for the Corporation, in its name, any kind of contract which the Corporation may lawfully enter into and, save as hereinafter provided, generally, may exercise all such powers and

do all such other acts and things as the Corporation is by its charter or otherwise authorized to exercise and do. Without in any way derogating from or limiting the foregoing, the board of directors is expressly empowered, from time to time, to purchase, lease or otherwise acquire, alienate, sell, exchange or otherwise dispose of shares, stocks, rights, warrants, options and other securities, lands, buildings and other property, movable or immovable, real or personal, or any right or interest therein owned by the Corporation, for such consideration and upon such terms and conditions as they may deem advisable.

3.12 Remuneration of Directors:

The directors, and those directors who also serve as officers, shall serve as directors and officers without remuneration and no director shall directly or indirectly receive any profit or remuneration from his or her position as director or in any other capacity, provided that a director, including a director who is also an officer, may be paid reasonable expenses incurred by them in the performance of his or her duties.

3.13 Books and Records:

The directors shall see that all necessary books and records of the Corporation required by the by-laws of the Corporation or by any applicable statute or law are regularly and properly kept.

4. **OFFICERS**

4.1 Officers of the Corporation:

There shall be a President, a Vice-President, a Secretary and a Treasurer and such other officers as the board of directors may determine by resolution from time to time. The President shall be elected by the board of directors from among their number at the first meeting of the board after the annual election of such board of directors, provided that in default of such election the then incumbents, being members of the board, shall hold office until their successors are elected. The other officers of the Corporation may, but need not, be members of the board and in the absence of written agreement to the contrary, the employment of all officers shall be settled from time to time by the board.

4.2 Duties of President

- a. The President shall, when present, preside at all meetings of the members of the Corporation and of the board of directors. The President with the Secretary or other officer appointed by the board for the purpose shall sign all by-laws and membership certificates.
- b. In the absence, disability or refusal to act of the President, the Vice- President shall be vested with all the powers and shall perform all the duties of the President.
- c. In the absence, disability or refusal of the President and the Vice- President, the duties and powers of the President may be exercised by such other director as the board may from time to time appoint for the purpose.

4.3 Duties of Vice-President:

In the absence or disability or refusal to act of the President, the Vice-President shall be vested with all the powers and shall perform all the duties of the President.

4.4 Duties of Secretary and Treasurer

- a. The Secretary shall be ex officio clerk of the board of directors. She/he shall attend all meetings of the board of directors and record all facts and minutes of all proceedings in the books kept for that purpose. She/he shall give all notices required to be given to members and to directors and shall be the custodian of the seal of the Corporation and of all books, papers, records, correspondence, contracts and other documents belonging to the Corporation which she/he shall deliver up only when authorized by a resolution of the board of directors to do so and to such person or persons as may be named in the resolution.
- b. The Treasurer shall ensure that full and accurate accounts of all receipts and disbursements of the Corporation are kept in proper books of account and that all moneys or other valuable effects are deposited in the name and to the credit of the Corporation in such bank or banks as may from time to time be designated by the board of directors. She/he shall ensure the proper disbursement of the funds of the Corporation under the direction of the board of directors, taking proper vouchers therefor and shall render to the board of directors at the regular meetings thereof or whenever required of her/him, an account of all her/his transactions as

Treasurer, and of the financial position of the Corporation, and she/he shall perform such other duties as may from time to time be determined by the board of directors.

4.5 Duties of Other Officers:

The duties of all other officers of the Corporation shall be such as the terms of their engagement call for or the board of directors requires of them.

5. INDEMNIFICATION OF DIRECTORS AND OFFICERS

5.1 Every director or officer of the Corporation or former director or former officer of the Corporation, together with his or her heirs, executors and administrators, and estate and effects, respectively, may, with the consent of the Corporation given by a resolution duly passed by the board of directors, from time to time and at all times, be indemnified and saved harmless out of the funds of the Corporation only from and against:

- a. all costs, charges and expenses whatsoever that he or she sustains or incurs in or about any action, suit or proceeding that is brought, commenced or prosecuted against him or her, for or in respect of any act, deed, matter or thing whatsoever, made, done or permitted by him or her in or about the execution of the duties of his or her office; and
- b. all other costs, charges and expenses that he or she sustains or incurs in or about or in relation to the affairs of the Corporation, except such costs, charges and expenses as are occasioned by his or her own willful neglect or default, or failure to act honestly and in good faith with a view to the best interests of the Corporation.

6. EXECUTION OF DOCUMENTS

6.1 Deeds, transfers, licenses and other contracts (collectively "Contracts") on behalf of the Corporation shall be signed by any two of the President, the Vice-President, the Secretary and the Treasurer, and the Secretary or Treasurer shall affix the seal of the Corporation to such documents as require the same.

6.2 Contracts in the ordinary course of the operations of the Corporation may be entered into on behalf of the Corporation by the President, the Vice-President, the Secretary or the Treasurer, or by any person so authorized by resolution of the board of directors.

6.3 All cheques and other negotiable documents for the payment of money shall be signed by a signing officer appointed by resolution of the board of directors.

7. FINANCIAL YEAR

Unless otherwise changed by the board of directors, the fiscal year of the Corporation shall terminate on the last day of December in each year.

8. NOTICE

8.1 Whenever under the provisions of the by-laws of the Corporation or otherwise by law notice is required to be given, such notice may be given either personally, by postal mail (regular, registered or express) or courier sent to the director, officer or member at her/his or their address as the same appears on the books of the Corporation or by facsimile transmission or by electronic mail in accordance with the provisions of the *Co-operative Corporations Act* (Ontario).

8.2 A notice referred to in paragraph 8.1 shall be deemed to have been made and sufficiently given as follows:

- a. where given or made by personal delivery, on the date of receipt;
- b. where given or made by regular/ordinary postal mail, on the third day (excluding Saturdays, Sundays and statutory holidays) following the date that the notice is posted by regular/ordinary postal mail;
- c. where given or made by registered, express mail or by courier, on the date that the notice is noted in the postal or courier system as having been delivered.
- d. where given or made by facsimile, on the day and at the time of transmission as indicated on the sender's facsimile transmission report; and

- e. where given or made by electronic mail, on the day and at the time when the notice is recorded by the sender's electronic communications system as having been received at the electronic mail destination.

9. BORROWING

9.1 The directors may from time to time:

- a. borrow money on the credit of the Corporation;
- b. issue, sell or pledge securities of the Corporation; or
- c. charge, mortgage, hypothecate or pledge all or any of the real or personal property of the Corporation, including book debts, rights, powers, franchises, and undertakings, to secure any securities or any money borrowed, or other debt, or any other obligation or liability of the Corporation.

9.2 From time to time the directors may authorize any director, officer or employee of the Corporation or any other person to make arrangements with reference to the monies borrowed or to be borrowed as aforesaid and as to the terms and conditions of the loan thereof, with power to vary or modify such arrangements, terms and conditions for any monies borrowed, or remaining due by the Corporation as the directors may authorize, and generally to manage, transact and settle the borrowing of money by the Corporation.

10. AMENDMENTS

Neither these by-laws nor any by-laws to amend these by-laws are effective until they are passed by the directors and confirmed, with or without variation, by at least two-thirds of the votes cast at a general meeting of the members of the Corporation duly called for that purpose.

11. HEAD OFFICE

The Head Office of the Corporation shall be in the City of Cambridge, in the Province of Ontario, and at such place therein as the directors may from time to time determine.

12. SEAL

The seal, an impression whereof is stamped in the margin hereof, shall be the corporate seal of the Corporation.

13. INTERPRETATION

In this By-law and in all other by-laws of the Corporation hereafter passed unless the context otherwise requires, words importing the singular number or the masculine gender shall include the plural number or the feminine or neuter gender, as the case may be, and vice versa, and reference to persons shall include firms and corporations.

PASSED the 15th day of July 2013.

Certificate No. _____

MILTON CENTRE CO-OPERATIVE
DEVELOPMENT CORPORATION

MEMBERSHIP

CERTIFICATE

Name of Member(s): _____

This certificate confirms receipt of your membership fee of \$100.00 paid to Milton Centre Co-operative Development Corporation and your admission as a member of Milton Centre Co-operative Development Corporation, subject to the terms of conditions of the Co-operative Membership Agreement, the by-laws of Milton Centre Co-operative Development Corporation, and the *Co-operative Corporations Act* (Ontario).

A receipt for your membership fee has been provided with this certificate. Please keep both. This certificate entitles you to:

- a. Receive a copy of the Information Manual;
- b. Reserve a condominium suite of your choice for one week;
- c. Schedule an appointment with an information consultant to proceed with your purchase;
- d. Sign an agreement of purchase and sale for a condominium unit.
- e. Receive information bulletins on a regular basis about the Jasper Condos development;
- f. Be considered for membership on the Co-operative's Board of Directors;
- g. Have your membership fee reimbursed by the Co-operative after closing the purchase of your condominium unit; and,
- h. Receive information about future developments similar to Jasper Condos.

If your membership in the co-operative is terminated for any reasons, this certificate is null and void.

HOUSING PROJECT AGREEMENT

THIS AGREEMENT made this 19th day of February, 2013

BETWEEN:

**CREATING AFFORDABLE HOMES INCORPORATED on behalf of
MILTON MAIN CO-OPERATIVE DEVELOPMENT CORPORATION
(to be incorporated) (the "Co-operative")**

- and -

**HOME OWNERSHIP ALTERNATIVES NON-PROFIT
CORPORATION (GREATER TORONTO AREA)
("HOA")**

BACKGROUND:

- I. The Co-operative desires to develop the Housing Project (as defined below) for occupancy by, and eventual sale as condominium units to, its members.
- II. The Co-operative and HOA desire to:
 - (a) ensure that the Co-operative's development of the Housing Project is at cost;
 - (b) ensure that the Units (as defined below) in the Housing Project are affordable to moderate income households to the extent possible based upon the Options for Homes model; and
 - (c) encourage stability and community involvement in the Housing Project and discourage speculation and profit-taking with respect to the Units.
- III. The Co-operative and HOA desire to include in the initial agreement for the sale of the Units a mechanism that will recover upon resale of a unit a portion of any increase in the value of that unit that has occurred from the initial sale to the first resale, and which requires such recovered funds to be used to assist in the development of other, similar non-profit and affordable housing projects.
- IV. HOA has been established to receive and apply monies received from the Housing Project and other similar projects for the purpose of assisting in financing the development of other similar non-profit and affordable housing projects.

IN CONSIDERATION OF the background above, and the mutual promises set out below, and for other good and valuable consideration from each party to the other party, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. DEFINITIONS

- 1.1 The following terms shall have the meanings set out below:

“Alternatives Mortgage” means the Unit mortgage defined in Schedule A to the Condominium Purchase Agreement, which is assigned to HOA at sale closing pursuant to paragraph 2.4, substantially in the form set out in Schedule B to this Agreement if the mortgage secures only the amount that is the difference between the market value of the Unit and the purchaser’s cost of the Unit, or in such other form determined by HOA if the purchaser receives additional amounts from or through HOA to be secured by the mortgage.

“Blanket Mortgage” means the mortgage securing the Co-operative's obligations under this Agreement referred to in paragraph 2.11, to be discharged against a unit in the Housing Project upon registration of an Alternatives Mortgage against title to the unit.

“Condominium Corporation” means the corporation incorporated under the *Condominium Act, 1998* (as amended or replaced) of which the Co-operative is the declarant.

“Condominium Purchase Agreement” means the purchase and sale agreement that the Co-operative enters into with purchasers for the sale of Units.

“Eligible Purchaser” means a purchaser who meets the criteria for additional financial assistance to enable him or her to purchase a Unit, as such criteria are established from time to time by HOA. The criteria for additional financial assistance include provision by the purchaser of the documents described in paragraph 5.4 of this agreement.

“Housing Project” means the condominium development to be located at the Land, comprised of approximately 117 residential units, together with ancillary parking and locker units and the appurtenant common elements.

“Land” means the lands known municipally as 716 Main Street East, Milton, Ontario indicated on the site plan attached as Schedule C to this Agreement, more or less.

“Lease Notification Agreement” means the agreement entered into between HOA and the Condominium Corporation in the form set out in Schedule E to this Agreement.

“Unit” means a dwelling unit to be constructed in the Housing Project and includes proposed units where the Housing Project has not been registered as a condominium under the *Condominium Act, 1998* (as amended or replaced).

2. SALE OF HOUSING PROJECT UNITS

- 2.1 The Co-operative shall ensure that each Condominium Purchase Agreement includes the provisions that are set out in Schedule A to this Agreement.
- 2.2 The price set out in the Condominium Purchase Agreement shall equal the appraised market value of the Unit as of a date no earlier than 180 days prior to execution of that agreement, as determined by a qualified real estate appraiser approved by HOA.

- 2.3 The principal amount secured by an Alternatives Mortgage shall equal the difference between the Unit price determined pursuant to paragraph 2.2 and the estimated cost to the Co-operative of developing the Housing Project, as approved by HOA, apportioned amongst the units of the Housing Project in a manner approved by HOA, plus the amount of any additional financial assistance provided to the purchaser by or through HOA.
- 2.4 In consideration of the support given by HOA to the Co-operative pursuant to this agreement, on closing of the sale of a Unit in the Housing Project, the Co-operative shall assign the Alternatives Mortgage to HOA and deliver the original duplicates of the registered Alternatives Mortgage and assignment to HOA. Upon the registration of the assignment, HOA shall discharge the Blanket Mortgage from the Unit. The Co-operative may direct that the Alternatives Mortgage be engrossed in favour of HOA in lieu of such assignment, at the Co-operative's option.
- 2.5 The Co-operative shall ensure that the Alternatives Mortgage is subsequent only to *bona fide* arm's length third party mortgages entered into for the purpose of providing financing for the acquisition of the Unit, and for no other purpose. HOA agrees to postpone the Alternatives Mortgage to any such *bona fide* arm's length third party mortgage.
- 2.6 On or before a date which is 60 days prior to the registration of the condominium declaration and description, the Co-operative shall have the option to request HOA to obtain and deliver, at the Co-operative's expense, a second professional appraisal of the fair market value of the Units in the Housing Project as of a date no earlier than the date of registration of the declaration. If HOA fails to do so within 30 days of receipt of the request, the Co-operative may obtain the appraisal from the same appraiser who performed the first appraisal, or another qualified appraiser approved by HOA. If this second appraisal discloses that the fair market value of a Unit is materially less than the price set out in the Condominium Purchase Agreement, then the purchase price may, at the Co-operative's option, be reduced to the second appraised market value.
- In that event, the amount of the Alternatives Mortgage shall be reduced by an amount equal to the reduction of the purchase price.
- 2.7 If the actual costs of the Co-operative to develop and construct the Unit, as reasonably estimated by HOA prior to Closing, are less than estimated, the purchase price shall not change but the principal amount of the Alternatives Mortgage shall be increased by an amount that is equal to the portion of the decline in the estimated costs to the Vendor to complete the Housing Project reasonably allocated to the Unit, and the balance of the purchase price due on Closing shall be reduced by the same amount. Based on the capital cost budget and the unit price list provided by the Co-operative in support of the request for the HOA Contributions set out in Section 3 of this agreement, the individual unit purchase prices shall not be varied from the price list provided to HOA and the aggregate principal amount of the Alternatives Mortgages shall not be less than \$2,892,830, except if reduced as a result of any reappraisal of the fair market value of the units in accordance with Section 2.6 of this agreement.

2.8 The Co-operative shall:

- (a) at all times until the Co-operative has sold each of the units in the Housing Project to a member of the Co-operative, remain a non-profit co-operative

incorporated under the *Co-operative Corporations Act* (Ontario) whose membership, from a date which is 2 months after 50% of the units have been sold, is comprised solely of those individuals who have entered into agreements to purchase condominium units from the Co-operative or such other persons as permitted by its by-laws; and

- (b) not change its articles of incorporation or any by-law without the written consent of HOA, which consent shall not be unreasonably withheld or delayed.

HOA acknowledges and approves the Articles of Incorporation of the Co-operative, and its by-laws, substantially in the form attached as Schedule E to this Agreement.

- 2.9 The Co-operative shall maintain its books and records in a form satisfactory to HOA and shall permit representatives of HOA to have access to the Housing Project and inspection of such books and records at all reasonable times.
- 2.10 The Co-operative shall submit to HOA a statement of capital costs and an auditor's report on the statement within six (6) months of the date of final completion of the Housing Project.
- 2.11 The Co-operative shall forthwith upon acquisition of the Land charge the Land as security for the performance of this Agreement and all other obligations and indebtedness of the Co-operative to HOA by delivering and registering on the title to the Land the Blanket Mortgage in favour of HOA in a form satisfactory to HOA.
- 2.12 HOA agrees to postpone its Blanket Mortgage to:
 - (a) any *bona fide* arm's length third party mortgage entered into by the Co-operative for the purpose of providing financing for the development and construction of, as well as providing financial assistance to purchasers of units in, the Housing Project, provided that such third party mortgage is on terms satisfactory to HOA, acting reasonably; and
 - (b) any mortgage/charge of the Land in favour of such insurance company or bonding company authorized to prescribe security to the Tarion Warranty Corporation ("**Tarion**") for the Housing Project pursuant to the *Condominium Act, 1998*, S.O. 1998, c.19, as amended from time to time (with Tarion or such other company being hereinafter referred to as the "**Deposit Insurer**") and to all security documents and instruments granted to and in favour of the Deposit Insurer by the Co-operative, securing the liabilities and obligations of the Co-operative in connection with any excess deposit insurance coverage provided by the Deposit Insurer for purchasers' deposit monies in respect of the Housing Project (or any portion thereof) and/or any one or more surety bonds posted or provided by the Deposit Insurer on behalf of the Co-operative to Tarion in respect of the Housing Project.

For greater certainty, third party mortgages to which the Blanket Mortgage shall be postponed shall include a mortgage given to Lomax Realty Development Group and a mortgage given to the City of Toronto.

- 2.13 The Co-operative shall have the privilege of obtaining from HOA upon 10 business days' notice therefor, the consent in writing of HOA or, where applicable, (1) partial discharges of the Blanket Mortgage or such portions of the Land as are required by

the Co-operative to be dedicated or conveyed to any municipal or governmental authority or agency including road or park dedications; and (2) all documents which may be reasonably required by the Co-operative for the purposes of servicing and development of the Land including, postponements of the Blanket Mortgage, easements, rights of way, subdivision and development agreements, *Planning Act* proceedings, provided that:

- (a) the partial discharge(s) and documents referred to herein are in compliance with the part lot control and subdivision control provisions of the *Planning Act*; and
- (b) such partial discharge(s) and consent(s) will not, in the reasonable opinion of HOA's counsel or HOA, materially or adversely affect the Blanket Mortgage or the value of the Land charged hereunder; and
- (c) HOA does not incur any liability thereunder; and
- (d) any execution of any such partial discharge or other document by HOA is to the extent only of its interest in the Blanket Mortgage.

2.14 Upon completion of the Housing Project and the sale of all of the units in the condominium to members of the Co-operative, the Co-operative shall pay to HOA two-thirds (2/3) of the surplus remaining to the Co-operative. For the purpose of this section 2.14, "surplus" means any amount remaining in excess of the final capital cost budget, as provided to HOA by the Co-operative prior to the commencement of the construction, as well as the contingency amount for unsold parking or locker units and the overall contingency amount set out in the budget. Funds spent on discretionary items will not reduce this amount.

2.15 The parties acknowledge that certain purchasers of units in the Housing Project may be qualified as Eligible Purchasers, and in consideration for their receipt of financial assistance they shall enter into a loan agreement with HOA and give the Alternatives Mortgage as collateral security for the amount of such financial assistance in addition to the amount that is the difference between the market value of the Unit and the purchaser's cost of the Unit, on such terms as may be agreed upon between HOA and such Eligible Purchasers.

3. HOA CONTRIBUTIONS

3.1 In order to assist with the completion of the Housing Project, HOA shall provide to the Co-operative a loan of up to the maximum amount of \$955,000, for the purpose of assisting with acquisition of the Land and pre-construction costs including the costs of marketing the Housing Project, which loan shall be repayable to HOA from the first construction loan advance, or within 30 days of written demand by HOA, or at such other time as the Co-operative and HOA may agree. The precise terms and conditions of the loan shall be the subject of a separate loan agreement between the Co-operative and HOA.

3.2 HOA agrees to execute and deliver indemnities and limited guarantees in respect of the Co-operative's obligations pursuant to any agreements that the Co-operative enters into with Tarion or any surety that has issued an insurance policy or bond, or other prescribed security within the meaning of the *Condominium Act, 1998*, with respect to the deposits of purchasers of Units in the Housing Project, or in order to satisfy any underwriting requirements of Canada Mortgage and Housing

Corporation, or the lender's requirements, in connection with insuring construction financing or take-out financing for the Housing Project.

- 3.3 The parties agree that the indemnity required by Tarion for the Housing Project, which HOA will give, shall be in Tarion's standard form indemnity agreement and be for the amount that Tarion requires from time to time for the Housing Project.
- 3.4 The parties agree that if, in addition to the financial support provided by HOA, as set out in Sections 3.1, 3.2 and 3.3, HOA provides other advice and/or assistance to the Co-operative with respect to the Housing Project, the Co-operative shall pay a fee to HOA for such other advice and/or assistance, provided that the amount of, or method of calculation of, the fee shall be agreed in writing between HOA and the Co-operative before any such fee shall be considered to have been incurred. Otherwise neither HOA nor the Co-op shall charge one another for carrying out their duties under this agreement.

4. LEASE NOTIFICATION AGREEMENT

- 4.1 In order to assist HOA with its ongoing management and enforcement of those terms of the Alternatives Mortgages designed to discourage property speculation, the Co-operative shall ensure that the Condominium Corporation enters into the Lease Notification Agreement with HOA in the form set out in Schedule E to this Agreement.

5. RECORDS AND REPORTING

- 5.1 The Co-operative is responsible for obtaining and retaining, with respect to each purchaser acquiring a Unit, a signed Condominium Purchase Agreement containing, as a schedule, a form of the Alternatives Mortgage.
- 5.2 (a) Subject to complying with the *Personal Information Protection and Electronic Documents Act* (S.C. 2000, c. 5, as amended) ("PIPEDA") the Co-operative shall, as a pre-condition to entering into a purchase and sale agreement for the sale of any Unit, require the purchaser of such Unit to fully complete a reservation form substantially in the form set out in Schedule F to this Agreement (the "**Reservation Form**"). The Co-operative shall further obtain from any purchaser of a Unit who wishes to apply for additional financial assistance from HOA for the purchase of the Unit (beyond the difference between the market value of the Unit and the purchaser's cost of the Unit) a fully completed mortgage application form in the form set out in Schedule G to this Agreement (the "Mortgage Application Form").
- (b) The Co-operative shall, until such time as the Co-operative has completed the sale of all Units, deliver to HOA on a monthly basis at the end of each month copies of all completed Reservation Forms and Mortgage Application Forms obtained from purchasers of Units whose ten (10) day rescission periods under the *Condominium Act, 1998* have elapsed without the exercise of their right to rescind, except for those purchasers who have made a \$20,000 deposit and indicated they will not take an Alternatives Mortgage.
- (c) Notwithstanding the foregoing, in respect of purchasers of Units who have already entered into Condominium Purchase Agreements for Units prior to

the date of this Agreement, the Co-operative shall only be required to obtain and provide to HOA reservation forms and mortgage application forms from those purchasers in the forms in use prior to the date of this Agreement.

- (d) HOA shall protect, keep confidential and otherwise treat and use, in accordance with the requirements set out in *PIPEDA* (as amended) or such other applicable laws dealing with the protection of personal information about individuals, the personal information about or pertaining to individuals that is disclosed to HOA as a result of the Co-operative's delivery to HOA of the Reservation Forms pursuant to this Agreement.

5.3 If it is proposed to make available additional financial assistance to Eligible Purchasers of Units in the Housing Project, then the Co-operative shall provide:

- (a) to HOA, the name, address, telephone number, fax number, and email address of prospective Eligible Purchasers, as and when such information is available and subject to the written consent to such disclosure from the prospective Eligible Purchaser to whom such information relates; and
- (b) to each prospective Eligible Purchaser, the name, address, telephone number, fax number, and email address of HOA or such other person that acts on behalf of HOA in connection with the provision of additional financial assistance to Eligible Purchasers.

6. GENERAL

6.1 Any notice or other communication to be given by either party to the other shall be deemed to have been sufficiently given if:

- (a) signed by or on behalf of the party giving the notice; and
- (b) delivered personally by facsimile machine or mail to its address as shown below or such other address of which a party may from time to time notify the other of in the manner set out in this paragraph.

Any such notice or other communication delivered personally or by facsimile machine shall be deemed to have been given and received on the date of delivery provided that if such day is not a working day, such notice or other communication shall be deemed to have been given and received on the next following working day.

Any notice or other communication given by mail shall be deemed to have been given and received four working days following the mailing of the notice or communication. If regular mail service shall be interrupted by strike or otherwise, such notice or other communication shall be deemed to have been received four working days following the resumption of normal mail service.

Notice shall be given as follows:

- (a) **CREATING AFFORDABLE HOMES INCORPORATED on behalf of MILTON MAIN CO-OPERATIVE DEVELOPMENT CORPORATION (to be incorporated) (Development Cooperative)**

26 Colborne Street
Cambridge, ON N1R 1R2
Attention: Tim Welch
Telephone: (519) 624-9271 x 234
Fax: (519) 624-5556

With a copy to:

Clifton Kok
Barristers and Solicitors
10-B Northumberland Street
Ayr, Ontario
N0B 1E0
Attention: Mr. Michael Clifton
Telephone: 519-632-9755
Fax: 519-632-8051

- (b) **HOME OWNERSHIP ALTERNATIVES NON-PROFIT CORPORATION
(GREATER TORONTO AREA)**
468 Queen Street East, Suite 102
Toronto, Ontario M5A 1T7
Attention: Chief Executive Officer
Telephone: 416-214-1363
Fax: 416-214-2661

With a copy to:

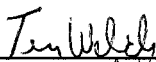
Sack Goldblatt Mitchell LLP
20 Dundas Street West, Suite 1100
Toronto, Ontario M5G 2G8
Attention: Ms. Natasha Meissner
Telephone: 416-979-6432
Fax: 416-591-7333

- 6.2 Time shall be of the essence for this Agreement.
- 6.3 No waiver or neglect to enforce any right or remedy in respect of any breach of any covenant or agreement contained in this Agreement shall be deemed to be a waiver of any subsequent breach of the same or any covenant or agreement contained in this Agreement.
- 6.4 This Agreement shall enure to the benefit of and be binding upon the parties to this Agreement and their respective successors and permitted assigns.
- 6.5 This Agreement may not be assigned without the consent of the other party to this Agreement.
- 6.6 This Agreement shall be construed in accordance with the laws of the Province of Ontario.
- 6.7 The terms of this Agreement are intended by the parties as a final expression of their agreement and may not be contradicted by evidence of any prior or contemporaneous agreement. This Agreement constitutes the complete and exclusive statement of its terms.

- 6.8 If any provision of this Agreement, or its application to any person or in any circumstances, shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such a provision to persons or in circumstances other than those as to, or in which, it is invalid or unenforceable, shall not be affected thereby, and each provision of this Agreement shall be valid and be enforced to the full extent permitted by law.
- 6.9 Neither party has made any representations or warranties with respect to the subject matter of this Agreement, except as expressly set forth in this Agreement.
- 6.10 Each party agrees that, during the period this Agreement is in full force and effect, neither it nor any of its affiliates or associates will publicly make any communication, media release, presentation or other written statement of any kind, whether electronically transferred or otherwise, that mentions the other party or the Housing Project without providing the other party with notice and a copy of such communication, at least two business days prior to making any such communication, and receiving the consent of the other party and reasonably considering any changes requested or other comments of such other party.
- 6.11 Nothing in this Agreement shall be construed to constitute either of the parties, a partner, agent or representative of the other or to create any commercial or other partnership between the parties.
- 6.12 This Agreement shall operate and remain in full force and effect from and after the date of this Agreement and for so long as there is a lease or other contracts remaining in force between the parties. The execution of this agreement terminates any previous Housing Project Agreements between the parties related to the Land.
- 6.13 The Co-operative shall execute such further and other documents and assurances as may be necessary to further the intent of this Agreement.

IN WITNESS WHEREOF the parties have affixed their respective corporate seals, attested by the hands of their respective officers duly authorized in that behalf the day and year first written above.

**CREATING AFFORDABLE HOMES
INCORPORATED on behalf of MILTON MAIN CO-
OPERATIVE DEVELOPMENT CORPORATION (to
be incorporated)**

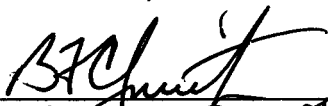


Name: *Tim Welch*
Title: *Agent*

Name:
Title:

I/We have the authority to bind the Corporation.

**HOME OWNERSHIP ALTERNATIVES
NON-PROFIT CORPORATION (GREATER
TORONTO AREA)**



Name: *Brian Smith*
Title: *President*

I have the authority to bind the Corporation.

**SCHEDULE A
TO THE HOUSING PROJECT AGREEMENT**

**Terms to be Included
in the Condominium Purchase Agreement**

1. The Purchaser acknowledges that part of the Purchase Price of the Unit under this Agreement is financed by the Alternatives Mortgage, which, on the Closing Date, may be either paid or registered on title, to be discharged on or before the date the Purchaser sells the Unit. If registered, the Alternatives Mortgage will be assigned by the Vendor to Alternatives or the Vendor may direct the Purchaser to engross in favour of Alternatives.
2. If the directors of the Vendor are of the opinion that the market value of the Unit on the Closing Date may be materially less than the Purchase Price, then the Vendor will determine the Appraised Value as of a date that is one month prior to the Closing Date, and the Purchase Price shall be reduced, by way of an adjustment on the Closing Date, to the greater of:
 - i. the Appraised Value; and
 - ii. the Purchase Price less the amount of the Alternatives Mortgage.

In that event, the amount of the Alternatives Mortgage shall be reduced by an amount equal to the reduction of the Purchase Price.

3. **Alternatives Mortgage** includes the mortgage for the amount set out in Schedule J, as it may be adjusted under Section C.2. of this Agreement, given by the Purchaser to the Vendor to finance that portion of the Purchase Price of the Unit that is the difference between the market value of the Unit and the Vendor's cost of the Unit. The Alternatives Mortgage will also secure any additional amounts that are provided to the Purchaser by the Vendor and/or Alternatives, if the Purchaser is qualified to receive such additional amounts, and such additional amounts will be added to the principal of the Alternatives Mortgage. The terms of the Alternatives Mortgage that apply to the difference between the market value of the Unit and the Vendor's cost of the Unit are set out in Schedule G of this Agreement, and if the Purchaser receives any additional amounts from the Vendor and/or Alternatives, then the terms of the Alternatives Mortgages shall be those that the Vendor and/or Alternatives, in their discretion, require as a condition of providing the Purchaser with the additional amounts. The Alternatives Mortgage is assigned to Alternatives by the Vendor on closing, pursuant to the Alternatives Agreement.
4. Assignment
 - 4.1 Not To Be Sold or Assigned: At no time prior to the completion of the transaction under this Agreement may the Purchaser list for sale or lease, advertise for sale or lease, sell or lease or in any way assign his or her interest under this Agreement or in the Unit, or directly or indirectly permit any third party to list or advertise the Unit for sale or lease, or in any other way part personal and actual possession with the Unit (hereinafter referred to as the **No Assignment Covenant**) without the prior written consent of the Vendor pursuant to Section 6.2 of this Schedule and the written consent of Alternatives pursuant to Section 6.3 of this Schedule, and the Purchaser hereby agrees not to do any one or combination of the foregoing actions that might constitute a breach of the No Assignment Covenant.
 - 4.2 Consent of Vendor: The Vendor shall not be required to give its consent referred to in Section 6.1 of this Schedule B unless, prior to such consent being given, the person or persons to whom the Purchaser proposes to sell or lease or in any way assign his or her interest under this Agreement or in the Unit or to whom the Purchaser proposes to part personal and actual possession with the Unit has been accepted (in the Vendor's sole and unfettered discretion) for membership in the Vendor, has complied with the requirements of such membership, has executed and delivered to the Vendor an assumption agreement in which the person (or persons) agrees to be bound by all of the obligations of the Purchaser under this Agreement, and the Purchaser has executed and delivered to the Vendor a release in favour of the Escrow

Agent, the Tarion Warranty Corporation, any surety that has issued an insurance policy and bond with respect to the Purchaser's deposits, and the Vendor.

4.3 Consent of Alternatives: Alternatives may provide its consent, provided that:

- (a) Alternatives may, at its sole expense, obtain a new Appraised Value of the Unit as of a date which is within one month of the date of the proposed Assignment; and
- (b) if Alternatives elects to obtain an appraisal and that appraisal indicates a material increase in market value from the date of this Agreement, then this Agreement shall be deemed to be amended so that an amount equal to such increase in market value, as determined by the appraisal, is added to the Purchase Price and to the principal amount of the Alternatives Mortgage, and the Purchaser shall as a condition for Alternatives giving its consent to the assignment, execute and deliver to the Vendor such documents and agreements as are necessary and desirable to give effect to the deemed amendment.

**SCHEDULE B
TO THE HOUSING PROJECT AGREEMENT
TERMS OF THE ALTERNATIVES MORTGAGE**

A. DEFINITIONS

Act means the *Condominium Act, 1998*, S.O. 1998, c.19, and regulations made under the *Act*, as they may be amended from time to time.

Business Day means a day other than a public holiday, a Saturday or a Sunday, and where a time limit under the Mortgage expires on a day that is not a Business Day, that time limit shall be deemed to extend until the next day that is a Business Day;

Co-operative means ■ Co-operative Housing Development Corporation;

Condominium Corporation means ■ Condominium Corporation No. ■.

Date of Discharge means the date on which the Mortgagee has exercised its option to require payment of the monies payable under this Mortgage or the date on which the Mortgagor has paid such amounts, whichever first occurs.

First Mortgage means all mortgages registered in priority to this Mortgage on title to the Property, as may be amended, replaced or extended from time to time.

Increase means the increase, if any, in the value of the Property, calculated as the difference between the Selling Price of the Property and the Original Purchase Price.

Mortgage means the applicable mortgage, as amended from time to time, in which this Schedule is attached by reference.

Mortgagee means Home Ownership Alternatives Non-Profit Corporation (Greater Toronto Area) and its Successors and assigns.

Mortgagor means the person or persons so identified in the Mortgage and his, her or their Successors and assigns, as the case may be.

Net Purchase Price means the Original Purchase Price less the cost of upgrades purchased from the Mortgagor's vendor at the time of purchase of the Property.

Original Purchase Price means the purchase price paid by the Mortgagor for the Property, including the cost of upgrades purchased from the Mortgagor's vendor at the time of purchase of the Property.

Principal Amount means the principal amount of money set out in this Mortgage that is outstanding and owing from time to time under this Mortgage.

Property means the unit or units and the appurtenant common elements, as described in the Mortgage.

Selling Price means, as applicable,

1. the selling price set out in the offer from the third party referred to in paragraph 10, or
 2. where no such offer exists, the approved selling price set out in paragraph 15 of this Schedule,
- less an allowance of 4% for real estate broker's commission.

Successor means an heir, executor, administrator or successor, as applicable.

B. GENERAL PROVISIONS

1. The Mortgagor agrees that the common elements pertaining to the Property and any other interest the Mortgagor may have in the assets of the Condominium Corporation form part of the Property and are subject to this Mortgage.

2. The Mortgagor agrees to comply with the *Act* and the declaration, by-laws and rules of the Condominium Corporation.
3. The Mortgagor agrees to pay, when due, all amounts payable pursuant to the declaration and the Condominium Corporation's by-laws, including common expenses and special assessments; realty taxes; and utilities referable to the Property. If requested by the Mortgagee, the Mortgagor will provide the Mortgagee with evidence that all such amounts payable have been paid. If the Mortgagor fails to make any such payments, the Mortgagee may (but does not have to) pay such amount or amounts, and such amounts shall be added to the Principal Amount.
4. In addition to the insurance that the *Act* requires the Condominium Corporation to obtain, the Mortgagor must keep all improvements which the Mortgagor or previous owners have made to the Property (and if the Condominium Corporation fails to obtain the required insurance, the Property itself) insured with an insurance company and for the amounts acceptable to the Mortgagee against loss or damage caused by fire, against other risks usually covered by fire insurance policies, and against those risks requested by the Mortgagee, and provide satisfactory evidence of such insurance to the Mortgagee, if requested by the Mortgagee. If the Mortgagor does not obtain and maintain insurance coverage, as set out above, the Mortgagee may (but does not have to) obtain such insurance coverage and pay the premiums, and such premium amounts shall be added to the Principal Amount. The Mortgagor transfers to the Mortgagee the Mortgagor's right to receive the proceeds of any such insurance, and the Mortgagee may apply them against the amount required to discharge this Mortgage whether or not that amount is then due. Every policy of insurance relating to the Property must include a standard mortgage clause stating that the loss is payable to the Mortgagee. This paragraph replaces the paragraph dealing with the Mortgagor's obligation to insure set out in standard charge terms referred to in the Mortgage.
5. This Mortgage is void on payment to the Mortgagee of the Principal Amount, plus interest and any other amounts paid on behalf of the Mortgagor and added to the Principal Amount, as set out in this Mortgage.
6. The discharge of this Mortgage shall be prepared by the Mortgagee and all legal and other expenses for the preparation, execution and registration of such discharge shall be borne by the Mortgagor.
7. Any notice required to be given to the Mortgagor or to the Mortgagee may be made by giving it at the respective address for each stated on the Mortgage, and shall be deemed to have been given on the day of personal delivery or facsimile transmission or the fourth next Business Day after the date of mailing. Either the Mortgagor or the Mortgagee may change its address for service by giving written notice to the other party in accordance with this paragraph.
8. The Mortgagor shall, on an annual basis as requested by the Mortgagee, provide the Mortgagee with the Mortgagor's written confirmation of the continued occupancy of the Property by the Mortgagor and/or a spouse, child or parent of the Mortgagor as their primary residence, in such form required by the Mortgagee from time to time.
9. No modification, variation or amendment of the Mortgage or these additional Mortgage terms, or any explanation of any provision of the Mortgage or these additional Mortgage terms, shall be effective and binding unless in writing and signed by the Mortgagee.

C. SALE OF THE PROPERTY

10. The Mortgagor agrees that if the Mortgagor wants to sell all or part of the Property, the Mortgagor will, before accepting an offer from a third party, give the Mortgagee 15 days' notice in writing of the Mortgagor's desire to sell and the terms and conditions offered by the third party. The Mortgagee will have 15 days (4 Business Days if the Mortgagor's First Mortgage is CMHC-insured) following receipt of that notice to give the Mortgagor written notice of its desire to purchase the Property, and to purchase the Property on the same terms offered by the third party. If the Mortgagee does not give such notice within the applicable period, the Mortgagor may sell the Property to the third party on the same terms and conditions.

In the event of the exercise of this pre-emptive right by the Mortgagee, the Mortgagor shall have no further rights whatsoever to prepay all or any part of the Principal Amount, interest or any other amounts secured by this Mortgage.

Alternatively, the Mortgagor may obtain pre-clearance of terms and conditions of sale from the Mortgagee. The Property may be sold to a third party on those pre-cleared terms and conditions, or terms more favourable to the Mortgagor, within a time period stipulated by the Mortgagee, and the Mortgagee will waive its right of first refusal, as set out above.

D. WHEN MONEY IS PAYABLE

11. If the Mortgagor

- (a) sells, transfers, disposes of, leases contrary to these provisions or otherwise deals with all or part of the Property (or agrees to do so);
- (b) allows the Property to remain unoccupied for at least a 90-day period;
- (c) fails to pay, when due, any amounts payable pursuant to the declaration and by-laws of the Condominium Corporation, including common expenses and special assessments; realty taxes; or utilities referable to the Property;
- (d) becomes bankrupt or insolvent;
- (e) allows a writ of execution against the Mortgagor to become binding against the Property;
- (f) is otherwise in breach of any of the Mortgagor's covenants and obligations under this Mortgage; or
- (g) dies;

then, at the option of the Mortgagee, all amounts outstanding under this Mortgage shall become immediately due and payable.

E. RESTRICTIONS ON RENTING THE PROPERTY

12. This Mortgage is intended to assist purchasers to own the Property for their own residence. Accordingly, the Mortgagor may only rent the Property, without being required to pay all amounts payable under this Mortgage pursuant to paragraph 11, for a maximum of two years in total from the date of the completion of the Mortgagor's purchase of the Property, provided that the Mortgagor shall be required, before each rental or agreement to the rental of the Property, to make a payment to the Mortgagee of at least \$2,000.00 on account of all amounts then owing under the Mortgage, except that if there is less than \$2,000.00 then owing under the Mortgage, then the Mortgagor shall pay all amounts owing under the Mortgage.

F. MORTGAGEE'S REMEDIES

13. The Mortgagee may

- (a) pay or satisfy any existing or future mortgage, lien or other encumbrance against the Property,
- (b) pay the fees and expenses of any receiver or of any lawyers (on a substantial indemnity basis), real estate broker, realtor or agency appointed or retained by the Mortgagee in connection with collecting the amount secured by the Mortgage, or
- (c) take any other proceedings or exercise any of its other rights under this Mortgage,

and all costs, fees or expenses that the Mortgagee incurs in taking any one or more of these steps shall be added to the Principal Amount.

G. PAYMENT AND PRE-PAYMENT

14. No payment on account of the Principal Amount or the Principal Amount and interest, or interest alone shall be required from the Mortgagor except as set out in this Mortgage.

15. The Mortgagor shall have the option, at any time, to pay part or all amounts payable under this Mortgage without notice or bonus on the condition that, where the payment is only part of what is then outstanding, the Mortgagee is not required to accept a payment of less than \$1,000. Where no agreement of purchase and sale exists with respect to the Property, and the Mortgagor has exercised this option, the Selling Price for the purpose of calculating the Increase shall be that amount determined by the Mortgagee, acting reasonably, as the fair market value of the Property.

16. If the Mortgagor chooses to voluntarily pre-pay the Principal Amount, then, notwithstanding any other provisions of the Mortgage, there shall be no reduction in the Principal Amount payable regardless of the Selling Price of the Property at the time of such voluntary pre-payment.
17. Any amount that the Mortgagor pays from time to time to the Mortgagee on account of the outstanding balance under this Mortgage shall be apportioned, at the Mortgagee's discretion, between the interest accrued to the date of payment and Principal Amount.

H. FIRST MORTGAGE RENEWAL OR REPLACEMENT

18. The Mortgagor shall have the privilege of renewing or replacing the First Mortgage at any time, at the then current rate of interest, in continuing priority over this Mortgage, provided that the principal amount secured by such renewal or replacement mortgage shall not be greater than the original principal amount of the First Mortgage. The Mortgagor may not renew or replace the First Mortgage in continuing priority to this Mortgage if the principal amount secured by such renewal or replacement mortgage is greater than the original principal amount of the First Mortgage, without the prior written consent of the Mortgagee and subject to any terms and conditions for such consent as the Mortgagee may impose. The Mortgagee and the Mortgagor shall execute all documents that may be necessary or desirable for such purposes and the Mortgagor shall pay all reasonable related costs of the Mortgagee.
19. If the Mortgagor increases the principal amount or amounts under the First Mortgage without obtaining the prior written consent of the Mortgagee, then, at the option of the Mortgagee, all amounts under this Mortgage shall become immediately due and payable.

I. INTEREST

20. The interest payable on the Principal Amount shall be equal to that proportion of the Increase, if any, that the Principal Amount is of the Original Purchase Price, from the date of acquisition of the Property by the Mortgagor to the Date of Discharge.

By way of example:

- If the Original Purchase Price is \$115,000, the Principal Amount is \$15,000 and the Selling Price is \$150,000.00, the interest payable on this Mortgage is:

$$\frac{(\$150,000 - 115,000)}{\$115,000} \times \$15,000 = \$4,565$$

The amount required to discharge this Mortgage under this paragraph 20 (is therefore a total of the principal amount (\$15,000) plus the interest (\$4,565), or, \$19,565. Interest under this paragraph 21 is simple interest and is not compounded.

If the Selling Price is less than the Original Purchase Price but greater than the Net Purchase Price, no interest shall be payable. If the Selling Price is less than the Net Purchase Price:

- i. no interest shall be payable; and
- ii. the principal amount of this Mortgage shall be reduced by the difference between the Net Purchase Price and the Selling Price.

21. Notwithstanding paragraph 20, in no case shall the total amount of interest payable under this Mortgage exceed the total amount of interest that would have been payable from the date of the Mortgage had interest been calculated at 8 per cent per year, calculated and compounded annually, not in advance.

J. DEFAULT ON CMHC-INSURED MORTGAGE

22. Where a First Mortgage is CMHC-insured, that mortgagee may give notice to the Mortgagee of default under that mortgage, and if the Mortgagee does not within 30 days of receipt of such notice, remedy that default, that mortgagee shall be entitled to obtain a discharge of the Mortgage without payment, on request. Upon the discharge of the Mortgage pursuant to such request, the Mortgagor will have no further liability for indebtedness under the Mortgage.

K. **DISCLAIMER**

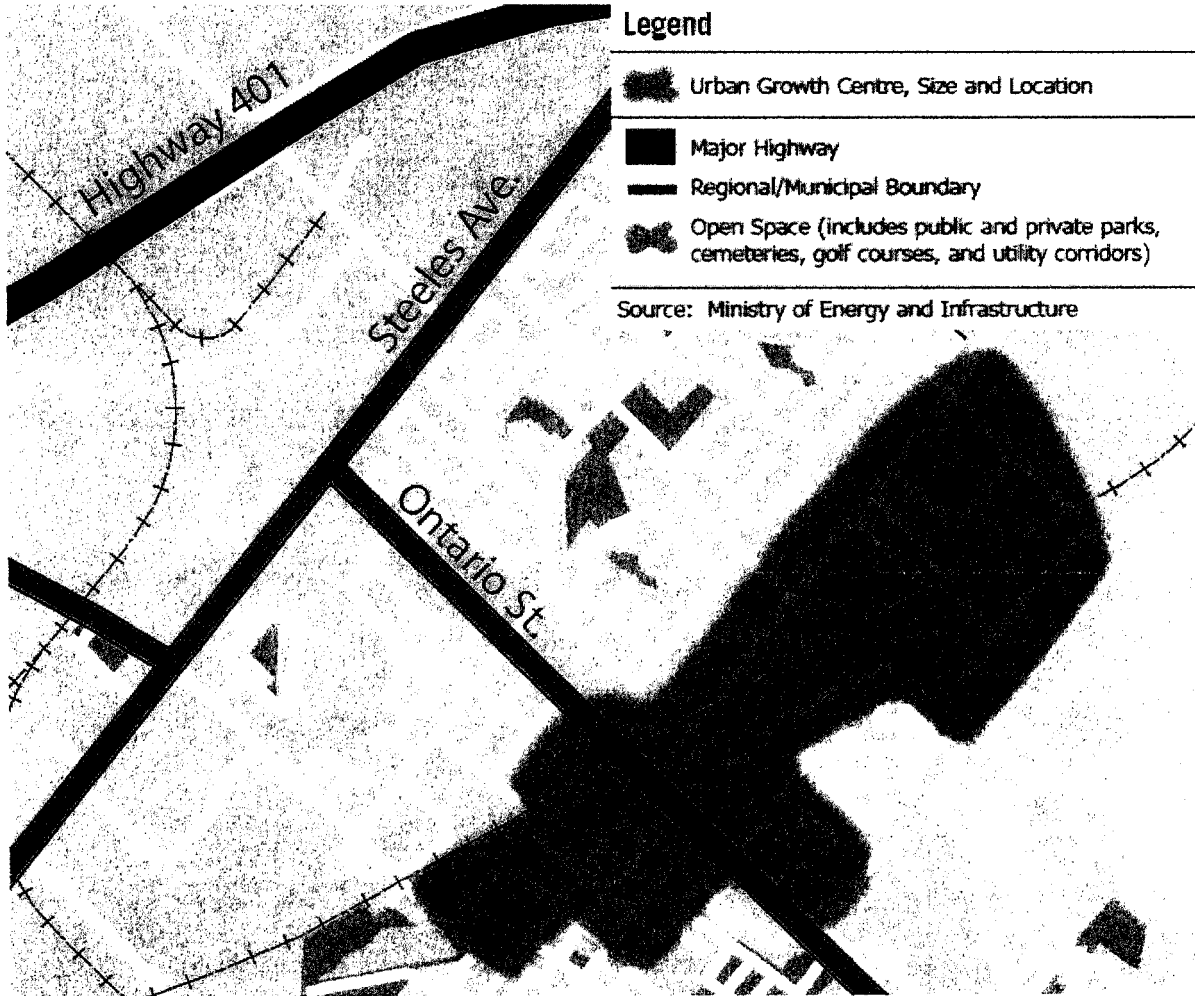
23. The willingness of Canada Mortgage and Housing Corporation (CMHC) to insure the financing of any unit is not to be construed or represented to borrowers, or others, as an endorsement of the condominium project or the terms and conditions of the purchase and sale agreement with respect to the purchase of a unit in the condominium project. CMHC is not responsible for the construction of the condominium project, its financial strength, or the reasonableness of the purchase and sale agreement and its schedules.

L. **ACKNOWLEDGMENT: LAND REGISTRATION REFORM ACT (ONTARIO)**

24. It is hereby understood and agreed that wherever the words "**Mortgagor**", "**Mortgagee**" and "**Mortgage**" appear throughout this Schedule, these words shall be considered to mean, respectively, "**Chargor**", "**Chargee**", and "**Charge**", as such latter terms are defined in the *Land Registration Reform Act* (Ontario), as amended. When any derivative of the word "**Mortgage**" is used throughout this Schedule, then such derivative word shall be considered to mean the applicable derivative of the word "**Charge**", as such latter term is defined in the *Land Registration Reform Act* (Ontario), as amended.

SCHEDULE C
TO THE HOUSING PROJECT AGREEMENT

SITE PLAN



SCHEDULE D
TO THE HOUSING PROJECT AGREEMENT

CO-OPERATIVE BY-LAWS

BY-LAW NUMBER 1

a by-law relating generally
to the transaction of the affairs of

● CO-OPERATIVE DEVELOPMENT CORPORATION

BE IT ENACTED as a by-law of ● Co-operative Development Corporation (the "Corporation") as follows:

1. Members

- 1.1 Membership:** The membership shall consist of the applicants for the incorporation of the Corporation and such other individuals and such corporations, partnerships and other legal entities as are admitted as members by the board of directors.

In order to be a member, a person must be a purchaser of a condominium unit in the condominium, of which the Co-operative is the proposed declarant. If a person ceases to be a purchaser of such a unit or if a person ceases to qualify for financing in order to complete the purchase of his or her unit, then the person automatically ceases to be a member.

Members may resign by resignation in writing which shall be effective upon acceptance thereof by the board of directors. Any member may be required to resign by a vote of two-thirds of members at an annual or general meeting of the members. In case of resignation, a member shall remain liable for payment of any assessment or other sum levied or which became payable by her/him to the corporation prior to acceptance of her/his resignation.

Each member in good standing shall be entitled to one vote on each question arising at any special or general meeting of the members. Corporations, partnerships and other legal entities may vote through a duly authorized proxy.

Each member shall promptly be informed by the Secretary of her/his admission as a member.

- 1.2 Annual and Other Meetings of Members:** The annual or any other general meeting of the members shall be held at the head office of the Corporation or elsewhere in Canada as the board of directors may determine and on such day as the said directors shall appoint.

At every annual meeting, in addition to any other business that may be transacted, the report of the directors, the financial statements and the report of the auditors shall be presented, a board of directors elected and auditors appointed for the ensuing year and the remuneration of the auditors shall be fixed. The members may consider and transact any business either special or general without any notice thereof at any meeting of the members.

The board of directors or President shall have power to call at any time a general meeting of the members of the Corporation. No public notice nor advertisement of members' meetings, annual or general, shall be required, but notice of the time and place of every such meeting shall be given to each member by sending the notice by prepaid mail or telegraph 10 days before the time fixed for the holding of such meeting, provided that any meetings of members may be held at any time and place without such notice if all the members of the Corporation are present thereat or represented by proxy duly appointed, and at such meeting any business may be transacted which the Corporation at annual or general meetings may transact.

- 1.3 Error or Omission in Notice:** No error or omission in giving notice of any annual or general meeting or any adjourned meeting, whether annual or general, of the members of the Corporation shall invalidate such meeting or make void any proceedings taken thereat and any member may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat. For the purpose of sending notice to any member, director or officer for any meeting or otherwise, the address of any member, director or officer shall be her/his last address recorded on the books of the Corporation.

- 1.4 Adjournments:** Any meetings of the members may be adjourned and reconvened at any time and such business may be transacted at such reconvened meeting as might have been transacted at the original meeting

from which such adjournment took place. Notice pursuant to this By-Law shall be required of any such reconvened meeting.

1.5 Quorum of Members: A quorum for the transaction of business at any meeting of members shall consist of not less than a majority of members present in person.

1.6 Voting of Members: Each member of the Corporation shall at all meetings of members be entitled to one vote. No member shall be entitled to vote at meetings of the Corporation unless she/he has paid all dues or fees, if any, then payable by her/him.

At all meetings of members every question shall be decided by a majority of the votes of the members, unless otherwise required by the by-laws of the Corporation or by law. Every question shall be decided in the first instance by a show of hands unless a poll be demanded by any member.

Upon a show of hands, every member having voting rights shall have one vote and unless a poll be demanded, a declaration by the Chairperson that a resolution has been carried or not carried and an entry to that effect in the minutes of the Corporation shall be admissible in evidence as *prima facie* proof of the fact without proof of the number or proportion of the votes accorded in favour of or against such resolution. The demand for a poll may be withdrawn, but if a poll be demanded and not withdrawn the question shall be decided by a majority of votes given by the members, and such poll shall be taken in such manner as the Chairperson shall direct and the result of such poll shall be deemed the decision of the Corporation in general meeting upon the matter in question. In case of an equality of votes at any general meeting, whether upon a show of hands or at a poll, the question is lost.

2. Directors

2.1 Board of Directors: The affairs of the Corporation shall be managed by a board of 5 directors, each of whom at the time of her/his election or within 10 days thereafter and throughout her/his term of office shall be a member of the Corporation.

Each director shall be elected to hold office until the first annual meeting after she/he shall have been elected or until her/his successor shall have been duly elected and qualified.

The entire board shall be retired at each annual meeting, but shall be eligible for re-election if otherwise qualified. The election may be by a show of hands unless a ballot be demanded by any member. The members of the Corporation may, by resolution passed by at least two-thirds of the votes cast at a general meeting of which notice specifying the intention to pass such resolution has been given, remove any director before the expiration of her/his term of office, and may, by a majority of the votes cast at that meeting, elect any person in her/his stead for the remainder of her/his term.

2.2 Vacancies - Board of Directors: Vacancies on the board of directors, however caused, may, so long as a quorum of directors remains in office, be filled by the directors from among the qualified members of the Corporation if they shall see fit to do so. Otherwise, such vacancy shall be filled at the next annual meeting of the members at which the directors for the ensuing year are elected, but if there is not a quorum of directors, the remaining directors shall forthwith call a meeting of the members to fill the vacancy.

2.3 Quorum and Meetings - Board of Directors: A majority of directors shall form a quorum for the transaction of business. Except as otherwise required by law, the board of directors may hold its meetings at such place or places as it may from time to time determine. No formal notice of any such meeting shall be necessary if all the directors are present, or if those absent have signified their consent to the meeting being held in their absence.

Directors' meetings may be formally called by the President or by the Secretary on direction of the President, or by the Secretary on direction in writing of two directors. Notice of such meetings shall be delivered, telephoned or telegraphed to each director not less than one day before the meeting is to take place or shall be mailed to each director not less than two days before the meeting is to take place. The statutory declaration of the Secretary or President that notice has been given pursuant to this by-law shall be sufficient and conclusive evidence of the giving of such notice. The board may appoint a day or days in any month or months for regular meetings at an hour to be named and of such regular meeting no notice need be sent. A directors' meeting may also be held, without notice, immediately following the annual meeting of the Corporation. The directors may consider or transact any business either special or general at any meeting of the board.

2.4 Errors in Notice - Board of Directors: No error or omission in giving such notice for a directors' meeting shall invalidate such meeting or any proceedings taken at such meeting and any director may at any time waive notice of any such meeting and may ratify and approve of any or all proceedings taken or had thereat.

- 2.5 Voting - Board of Directors:** Questions arising at any meeting of directors shall be decided by a majority of votes. In case of an equality of votes the question is lost. All votes at any such meeting shall be taken by ballot if so demanded by any director present, but if no demand be made, the vote shall be taken in the usual way by assent or dissent.

A declaration by the Chairperson that a resolution has been carried and an entry to that effect in the minutes shall be admissible in evidence as *prima facie* proof of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution. In the absence of the President her/his duties may be performed by such other director as the board may from time to time appoint for the purpose.

- 2.6 Powers:** The directors of the Corporation may administer the affairs of the Corporation in all things and make or cause to be made for the Corporation, in its name, any kind of contract which the Corporation may lawfully enter into and, save as hereinafter provided, generally, may exercise all such powers and do all such other acts and things as the Corporation is by its charter or otherwise authorized to exercise and do.

Without in any way derogating from the foregoing, the directors are expressly empowered, from time to time, to purchase, lease or otherwise acquire, alienate, sell, exchange or otherwise dispose of shares, stocks, rights, warrants, options and other securities, lands, buildings and other property, movable or immovable, real or personal, or any right or interest therein owned by the Corporation, for such consideration and upon such terms and conditions as they may deem advisable.

- 2.7 Remuneration of Directors:** The directors, and those directors who also serve as officers, shall serve as directors and officers without remuneration and no director shall directly or indirectly receive any profit or remuneration from his or her position as director or in any other capacity, provided that a director, including a director who is also an officer, may be paid reasonable expenses incurred by them in the performance of his or her duties.

2.8 Books and Records

The directors shall see that all necessary books and records of the Corporation required by the by-laws of the Corporation or by any applicable statute or law are regularly and properly kept.

3. Officers

- 3.1 Officers of the Corporation:** There shall be a President, a Vice-President, a Secretary and a Treasurer and such other officers as the board of directors may from time to time determine by resolution. The President shall be elected by the board of directors from among their number at the first meeting of the board after the annual election of such board of directors, provided that in default of such election the then incumbents, being members of the board, shall hold office until their successors are elected. The other officers of the Corporation may, but need not, be members of the board and in the absence of written agreement to the contrary, the employment of all officers shall be settled from time to time by the board.

3.2 Duties of President:

(a) The President shall, when present, preside at all meetings of the members of the Corporation and of the board of directors. The President with the Secretary or other officer appointed by the board for the purpose shall sign all by-laws and membership certificates.

(b) In the absence, disability or refusal to act of the President, the Vice-President shall be vested with all the powers and shall perform all the duties of the President.

(c) In the absence, disability or refusal of the President and the Vice-President, the duties and powers of the President may be exercised by such other director as the board may from time to time appoint for the purpose.

- 3.3 Duties of Vice-President:** In the absence or disability or refusal to act of the President, the Vice-President shall be vested with all the powers and shall perform all the duties of the President.

3.4 Duties of Secretary and Treasurer

- (a) The Secretary shall be ex officio clerk of the board of directors. She/he shall attend all meetings of the board of directors and record all facts and minutes of all proceedings in the books kept for that purpose. She/he shall give all notices required to be given to members and to directors and shall be the custodian of the seal of the Corporation and of all books, papers, records, correspondence,

contracts and other documents belonging to the Corporation which she/he shall deliver up only when authorized by a resolution of the board of directors to do so and to such person or persons as may be named in the resolution.

- (b) The Treasurer shall keep full and accurate accounts of all receipts and disbursements of the Corporation in proper books of account and shall deposit all moneys or other valuable effects in the name and to the credit of the Corporation in such bank or banks as may from time to time be designated by the board of directors. She/he shall disburse the funds of the Corporation under the direction of the board of directors, taking proper vouchers therefor and shall render to the board of directors at the regular meetings thereof or whenever required of her/him, an account of all her/his transactions as Treasurer, and of the financial position of the Corporation, and she/he shall perform such other duties as may from time to time be determined by the board of directors.

3.5 Duties of Other Officers: The duties of all other officers of the Corporation shall be such as the terms of their engagement call for or the board of directors requires of them.

4. Indemnification of Directors and Officers: Every director and officer of a Corporation, and his or her heirs, executors and administrators, and estate and effects, respectively, may, with the consent of the Corporation given at any meeting of the members, from time to time and at all times, be indemnified and saved harmless out of the funds of the Corporation only from and against:

- (a) all costs, charges and expenses whatsoever that he or she sustains or incurs in or about any action, suit or proceeding that is brought, commenced or prosecuted against him or her, for or in respect of any act, deed, matter or thing whatsoever, made, done or permitted by him or her in or about the execution of the duties of his or her office; and
- (b) all other costs, charges and expenses that he or she sustains or incurs in or about or in relation to the affairs of the Corporation;

except such costs, charges and expenses as are occasioned by his or her own willful neglect or default, or failure to act honestly and in good faith with a view to the best interests of the Corporation.

5. Execution of Documents

Deeds, transfers, licences and other contracts on behalf of the Corporation shall be signed by two of the President, the Secretary or the Treasurer, and the Secretary or Treasurer shall affix the seal of the Corporation to such documents as require the same.

Contracts in the ordinary course of the operations of the Corporation may be entered into on behalf of the Corporation by either the President, the Secretary and the Treasurer, or by any person authorized by the board.

All cheques and other negotiable documents for the payment of money shall be signed by two signing officers appointed by the Board, of whom at least one shall be the President, Treasurer or Secretary.

6. Financial Year

Unless otherwise ordered by the board of directors, the fiscal year of the Corporation shall terminate on the last day of December in each year.

7. Notice

Whenever under the provisions of the by-laws of the Corporation, notice is required to be given, such notice may be given either personally or by depositing same in a post office or a public letter-box, in a prepaid, sealed wrapper addressed to the director, officer or member at her/his or their address as the same appears on the books of the Corporation. A notice or other document so sent by post shall be held to be received four days after the same was deposited in a post office or public letter-box as aforesaid. For the purpose of sending any notice the address of any member, director or officer shall be her/his last address as recorded on the books of the Corporation.

8. Borrowing

The directors may from time to time:

- (a) borrow money on the credit of the Corporation;
- (b) issue, sell or pledge securities of the Corporation; or
- (c) charge, mortgage, hypothecate or pledge all or any of the real or personal property of the Corporation, including book debts, rights, powers, franchises, and undertakings, to secure any securities or any money borrowed, or other debt, or any other obligation or liability of the Corporation.

From time to time the directors may authorize any director, officer or employee of the Corporation or any other person to make arrangements with reference to the monies borrowed or to be borrowed as aforesaid and as to the terms and conditions of the loan thereof, with power to vary or modify such arrangements, terms and conditions for any monies borrowed, or remaining due by the Corporation as the directors may authorize, and generally to manage, transact and settle the borrowing of money by the Corporation.

9. Amendments

Neither these by-laws nor any by-laws to amend these by-laws are effective until they are passed by the directors and confirmed, with or without variation, by at least two-thirds of the votes cast at a general meeting of the members of the Corporation duly called for that purpose.

10. Head Office

The Head Office of the Corporation shall be in the City of Toronto, in the Province of Ontario, and at such place therein as the directors may from time to time determine.

11. Seal

The seal, an impression whereof is stamped in the margin hereof, shall be the corporate seal of the Corporation.

12. Interpretation

In these by-laws and in all other by-laws of the Corporation hereafter passed unless the context otherwise requires, words importing the singular number or the masculine gender shall include the plural number or the feminine gender, as the case may be, and *vice versa*, and reference to persons shall include firms and corporations.

**SCHEDULE E
TO THE HOUSING PROJECT AGREEMENT**

LEASE NOTIFICATION AGREEMENT

TO: HOME OWNERSHIP ALTERNATIVES NON-PROFIT CORPORATION (GREATER TORONTO AREA) ("**Home Ownership**")

● STANDARD CONDOMINIUM CORPORATION NO. ● ("**● SCC No. ●**") in consideration for the payment to it by Home Ownership of the sum of \$10.00, the receipt and sufficiency of which are acknowledged, agrees as follows:

1. Acknowledgement – ● SCC No. ● acknowledges as follows:
 - a. Home Ownership is a mortgagee in respect of certain units contained in its Condominium Plan ("**Alternatives Mortgage**").
 - b. The Alternatives Mortgage provides that Home Ownership may require a mortgagor to pay immediately all amounts payable under the Alternatives Mortgage if the mortgagor leases or agrees to lease his or her unit.
2. Covenant – ● SCC No. ● agrees to notify Home Ownership in writing, within five business days of ● SCC No. ●'s receiving notice from an owner of a unit in the condominium project, of the owner's having leased, or agreed to lease, or intention to lease his or her unit, provided such owner has given to Home Ownership an Alternatives Mortgage over the owner's unit and Home Ownership has provided notice in writing to ● SCC No. ● of said mortgage.
3. Notices – Any notice required or permitted to be given by either party to the other party shall be in writing and shall be delivered or sent by pre-paid mail (except during a postal disruption or threatened postal disruption, in which event, any notice or consent shall be delivered), or telegram or other electronic communication or other means of prepaid recorded communication, to the applicable address set forth below:

TO: Home Ownership Alternatives Non-Profit Corporation (Greater Toronto Area)
468 Queen Street East, Suite 102
Toronto, Ontario M5A 1T7
Attention: Mortgage Manager
Telephone: 416-214-1363
Fax: 416-214-2661

TO: ● Standard Condominium Corporation No. ●

Property Management Office
C/o ●

Any notice delivered personally shall be deemed to have been validly and effectively given and received on the date of such delivery, provided same is on a business day (Monday to Friday, other than a statutory holiday).

Any notice sent by pre-paid mail shall be deemed to have been validly and effectively given and received on the third business day following the date of mailing.

Any notice sent by telegram or other electronic communication or facsimile shall be deemed to have been validly and effectively given and received on the business day next following the date on which it was sent (with confirmation of transmittal received, if available).

Either party may from time to time by notice given to the other party change its address for service.

4. Successors – This agreement shall be binding upon ● SCC No. ● and its successors and assigns and shall operate to the benefit of Home Ownership and its successors and assigns.

IN WITNESS WHEREOF • SCC No. • has executed this Agreement as of the • day of •, 20•, attested by the hands of its officers duly authorized.

• STANDARD CONDOMINIUM CORPORATION NO. •

Per: _____

Name:
President

Per: _____

Name:
Secretary

We have the authority to bind the Corporation.

**SCHEDULE F
TO THE HOUSING PROJECT AGREEMENT**

RESERVATION FORM

**RESERVATION FORM
MUST BE COMPLETED & BROUGHT TO SESSION**

(Please Print)

First Name _____		Last Name _____	
Street Address _____		Apartment Number _____	
City _____	Province _____	Postal Code _____	
Residence Telephone _____	Business Telephone _____	Mobile Telephone _____	
E-mail _____		Advisor _____	

Are you working with/ have you signed a contract with a non-Options agent?/Are you an agent?

Yes No

Have You Previously Owned a Home?

Yes No

Are You Currently Renting?

Yes No Subsidized

Current Monthly Rental Payment

\$ _____

Amount Available For Down Payment
{Min. 5% Required*}
Down payment percentage will be discussed on a case-by-case basis.

\$5-10,000 \$10-15,000 \$15-20,000
\$20+

Source of Down Payment

Savings/RRSP Gift Loan
 Organization: _____ Other: _____

Gross Family Income On Your Last
Income Tax "Notice Of Assessment"

\$0-20,000 \$20-30,000 \$30-40,000
 \$40-50,000 \$50-60,000 \$60-70,000
 \$70-80,000 \$80+

Parking Spaces Required

1 2

Lockers Required

1 2

Total Number of Adults (18+) Living In the Home

1 2 3 4+

Total Number of Children Living In the Home,
Including Age and Sex

1 2 3 4+
Age: _____ Age: _____ Age: _____ Age: _____
Sex: _____ Sex: _____ Sex: _____ Sex: _____

All Outstanding Balance On Loan &/or
Credit Cards

\$0-10,000 \$10-15,000 \$15-20,000
 \$20+

In The Past 5 Years, Have You Been Sent To A
Collection Agency or had your wages garnished?

Yes No

Have You Ever Declared Bankruptcy or Been
Involved in a Consumer Proposal?
If Yes, How Long Ago?

Yes, Bankruptcy Yes, Consumer Proposal
 No
_____ Years _____ Months

Signature: _____ Date: _____

For Office Use Only

DP HZ Future Developments


Effective 1 January 2012

Session Date & Time _____	How did you hear about us? _____
Time of Reservation _____	Suite Reserved _____
Personal Advisor _____	Back-up Suite _____

We collect the personal information you provide to us to help us determine your eligibility, and to help us provide you with the best possible service. We will not disclose your information to any third party without your consent. For more information, please refer to our privacy policy and the Options for Homebuyers and the current list of units. By signing this reservation form, you consent to the collection and use of your personal information for the purposes described above. We will not disclose your information to any third party without your consent. For more information, please refer to our privacy policy and the Options for Homebuyers and the current list of units. By signing this reservation form, you consent to the collection and use of your personal information for the purposes described above. We will not disclose your information to any third party without your consent.

**SCHEDULE G
TO THE HOUSING PROJECT AGREEMENT**

MORTGAGE APPLICATION FORM

		<h2>Mortgage Application Form</h2>	
Applicant Information			
Name:		Identification <i>(see list on reverse)</i>	
Current Address:		Program: <i>(Internal Use Only)</i>	
City:	Province:	Postal Code:	Other Funding Source: <i>(Internal Use Only)</i>
Own: <input type="checkbox"/> Rent: <input type="checkbox"/>	Home Phone:	E-Mail:	
Applicant Employment Information			
Current Employer:		Self Employed: Yes <input type="checkbox"/> No <input type="checkbox"/>	
Employment Address:			
Phone:	E-mail:		
Occupation:	Annual Income:	Other Income:	
Co-Applicant Information <i>(if more than two applicants please use second form)</i>			
Name:		Identification <i>(see list on reverse)</i>	
Current Address:		Program:	
City:	Province:	Postal Code:	Other Funding Source:
Own: <input type="checkbox"/> Rent: <input type="checkbox"/>	Home Phone:	E-Mail:	
Co-Applicant Employment Information			
Current Employer:		Self Employed: Yes <input type="checkbox"/> No <input type="checkbox"/>	
Employment Address:			
Phone:	E-mail:		
Occupation:	Annual Income:	Other Income:	
Other Information			
No. of Dependants under 18:	No. of Dependants over 18:	Down payment Amount: \$	
Cost of Upgrades: \$	Parking Spaces Requested? None <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/>	Locker Requested? Yes <input type="checkbox"/> No <input type="checkbox"/>	
Acknowledgement of Terms			
<p>I/We declare that I/We am/are at least 18 years old. I/We further declare that the unit purchased will be my/our primary residence. I/We further understand that a household at the time of first occupancy is defined as the applicant and/or any person with whom the applicant is living in a spousal relationship and/or any person over age eighteen expected to be resident with the applicant of the home including children, grandparents or other relatives.</p> <p>I/we understand that HOA Mortgage Services Inc. ("HOA-MSI") will be collecting personal information about me/us, including personal identifying information, financial information and employment information, from me/us as well as from other sources, including from this application form and its attachments, my/our employers, credit reporting agencies, any persons, organizations and/or financial institutions having financial dealings with me/us and any references provided by me/us.</p> <p>I/we understand that HOA-MSI will use my/our personal information to assess my/our eligibility for funding assistance for my/our purchase of an eligible condominium unit and to process, administer, service and enforce any such funding assistance and related documents and security. I/we understand that HOA-MSI may disclose my/our personal information to funding organizations and providers, developers, government bodies and agencies, regulatory bodies, title insurers, credit reporting agencies and the co-operative from whom I/we may be purchasing an eligible condominium unit, and their agents, representatives and advisors.</p> <p>By signing this form I/we confirm the accuracy of the information provided by me/us and that I/we have read and understood the foregoing acknowledgment and consent to the collection, use and disclosure of my/our personal information as described.</p>			
Signature of Applicant:		Date:	
Signature of Co-Applicant:		Date:	

Declaration

Home Ownership Alternatives Non-Profit Corporation ("HOA")

HOA is a non-profit financial corporation dedicated to making home ownership possible for low and moderate income families. This is accomplished through the HOA shared appreciation 2nd mortgage which is administered through HOA Mortgage Services Inc.

HOA Mortgage Services Inc. ("HOA-MSI")

As a lender, HOA is subject to the requirements of the Mortgage Brokerages Lenders and Administrators Act ("MBLAA") to have a mortgage brokerage licence in carrying out its proposed business activities. As a result, HOA incorporated HOA Mortgage Services Inc. ("HOA-MSI") to act as its mortgage broker and to ensure compliance with the MBLAA. HOA-MSI is a member of the HOA group of companies.

HOA Mortgage Services Inc. is located at:

102 - 468 Queen Street East

Toronto, Ontario M5A 1T7

Phone: 416-214-5766

Fax: 416-214-2661

www.hoacorp.ca

Signature of Applicant: _____ Date: _____

Signature of Co-Applicant: _____ Date: _____

Acceptable Identification

HOA Mortgage Services Inc. requires one form of photo identification to apply for an HOA shared appreciation 2nd mortgage. The following is a list of acceptable identification:

1. A valid Canadian driver's license
2. A valid Canadian passport
3. A Certificate of Native Indian Status
4. A Certificate of Canadian Citizenship or Certification of Naturalization
5. A Permanent Resident Card
6. A Canadian National Institute for the Blind (CNIB) client card with client photo and signature

HOUSING PROJECT AGREEMENT ASSUMPTION AND AMENDING AGREEMENT

THIS ASSUMPTION AND AMENDING AGREEMENT made as of the 25th day of October, 2013.

BETWEEN:

CREATING AFFORDABLE HOMES INC.

("CAH")

- and -

MILTON CENTRE CO-OPERATIVE DEVELOPMENT CORPORATION

("Milton Centre Co-operative")

- and -

**HOME OWNERSHIP ALTERNATIVES NON-PROFIT CORPORATION
(GREATER TORONTO AREA)**

("HOA")

WHEREAS:

- A. Creating Affordable Homes Incorporated on behalf of Milton Main Co-operative Development Corporation (to be incorporated) and HOA entered into a housing project agreement dated February 19, 2013 (the "Housing Project Agreement");
- B. Milton Centre Co-operative was incorporated as a Co-operative Without Share Capital under the Ontario *Co-operative Corporations Act* by Articles of Incorporation issued July 9, 2013;
- C. The name of Milton Centre Co-operative was originally intended to be "Milton Main Co-operative Development Corporation" but that intended name was subsequently changed to "Milton Centre Co-operative Development Corporation";
- D. Milton Centre Co-operative has ratified and assumed the Housing Project Agreement as a pre-incorporation contract and has agreed to assume all of the covenants and obligations of Creating Affordable Homes Incorporated on behalf of Milton Main Co-operative Development Corporation (to be incorporated) thereunder; and
- E. The parties have agreed to amend the Housing Project Agreement on the terms and conditions set out herein.

IN CONSIDERATION of the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by both parties, the parties agree with one another as follows:

1. The parties acknowledge and confirm the accuracy of the foregoing recitals.
2. Any capitalized word or term not otherwise defined herein shall have the meaning given thereto in the Housing Project Agreement.
3. Milton Centre Co-operative hereby covenants and agrees with HOA and CAH that Milton Centre Co-operative shall observe, comply with and perform all terms, conditions and covenants of Creating Affordable Homes Incorporated on behalf of Milton Main Co-operative Development Corporation (to be incorporated) under the Housing Project Agreement.
4. Effective as of the date of this assumption and amending agreement, the meaning of the term "Co-operative" under the Housing Project Agreement shall be amended to mean Milton Centre Co-operative.
5. This assumption and amending agreement shall be read together with the Housing Project Agreement and the parties confirm that, except as modified herein, all terms, covenants and conditions in the Housing Project Agreement remain unchanged and in full force and effect.
6. The Housing Project Agreement, as amended by this assumption and amending agreement, shall enure to the benefit of and be binding upon each of the parties and their successors and permitted assigns.

IN WITNESS WHEREOF the parties hereto have executed this assumption and amending agreement as of the date first set out above.

CREATING AFFORDABLE HOMES INC.

Per: Tim Welch c/s

Name: Tim Welch

Title: Agent

Per: _____

Name:

Title:

I/We have the authority to bind the Corporation.

**MILTON CENTRE CO-OPERATIVE
DEVELOPMENT CORPORATION**

Per: Tim Welch c/s
Name: Tim Welch
Title: Treasurer

Per: _____
Name:
Title:

I/We have the authority to bind the Corporation.

**HOME OWNERSHIP ALTERNATIVES NON-
PROFIT CORPORATION (GREATER
TORONTO AREA)**

Per: Jens Lohmueller c/s
Name: Jens Lohmueller
Title: Chief Executive Officer

I have the authority to bind the Corporation.

SAMPLE GIFT LETTER

TO WHOM IT MAY CONCERN:

Please be advised that I/We the undersigned are making a gift in the amount of:

_____ (\$_____)

to:

Name: _____

Name: _____

to be used as all or part of the down-payment on the purchase of the property located at:

Unit ____, Level ____, being Suite _____ of Jasper Condos located at 716 Main Street East, Milton, Ontario.

This is a gift with no terms or repayment required.

No part of this financial gift is being provided by anyone having an interest in the sale of the property, such as the vendor, builder or the real estate agent.

Dated this ____ day of _____, 20__.

Name: _____

Relationship to borrower(s): _____

Name: _____

Relationship to borrower(s): _____



Mortgage Application Form

Personal Information

Name:			Identification <i>(see list on reverse)</i>		
Current Address:			Program: <i>(Internal Use Only)</i>		
City:	Province:	Postal Code:	Other Funding Source: <i>(Internal Use Only)</i>		
Own: <input type="checkbox"/>	Rent: <input type="checkbox"/>	Home Phone:	E-Mail:		

Applicant Employment Information

Current Employer:			Self Employed: Yes <input type="checkbox"/> No <input type="checkbox"/>		
Employment Address:					
Phone:		E-mail:			
Occupation:		Annual Income:		Other Income:	

Co-Applicant Information *(If more than two applicants please use second form)*

Name:			Identification <i>(see list on reverse)</i>		
Current Address:			Program: <i>(Internal Use Only)</i>		
City:	Province:	Postal Code:	Other Funding Source: <i>(Internal Use Only)</i>		
Own: <input type="checkbox"/>	Rent: <input type="checkbox"/>	Home Phone:	E-Mail:		

Co-Applicant Employment Information

Current Employer:			Self Employed: Yes <input type="checkbox"/> No <input type="checkbox"/>		
Employment Address:					
Phone:		E-mail:			
Occupation:		Annual Income:		Other Income:	

Other Information

No. of Dependants under 18:	No. of Dependants over 18:	Down payment Amount: \$			
Cost of Upgrades: \$	Parking Spaces Requested? None <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/>	Locker Requested? Yes <input type="checkbox"/> No <input type="checkbox"/>			

Acknowledgement of Terms

I/We declare that I/We am/are at least 18 years old. I/We further declare that the unit purchased will be my/our primary residence. I/We further understand that a household at the time of first occupancy is defined as the applicant and/or any person with whom the applicant is living in a spousal relationship and/or any person over age eighteen expected to be resident with the applicant of the home including children, grandparents or other relatives.

I/we understand that HOA Mortgage Services Inc. ("MSI") will be collecting personal information about me/us, including personal identifying information, financial information and employment information, from me/us as well as from other sources, including from this application form and its attachments, my/our employers, credit reporting agencies, any persons, organizations and/or financial institutions having financial dealings with me/us and any references provided by me/us.

I/we understand that MSI will use my/our personal information to assess my/our eligibility for funding assistance for my/our purchase of an eligible condominium unit and to process, administer, service and enforce any such funding assistance and related documents and security. I/we understand that MSI may disclose my/our personal information to funding organizations and providers, developers, government bodies and agencies, regulatory bodies, title insurers, credit reporting agencies and the co-operative from whom I/we may be purchasing an eligible condominium unit, and their agents, representatives and advisors.

I/we agree and consent to receive communications that include, but are not limited to, such items as; the HOA Loan Agreement, HOA 2nd Mortgage Commitment Letter, HOA 2nd Mortgage Statements, and the HOA Disclosure to Borrower and any other documentation or information via fax, e-mail or any other electronic form from MSI and or HOA.

By signing this form I/we confirm the accuracy of the information provided by me/us and that I/we have read and understood the foregoing acknowledgment and consent to the collection, use and disclosure of my/our personal information as described.

Signature of Applicant:	Date:
Signature of Co-Applicant:	Date:

Declaration

Home Ownership Alternatives Non-Profit Corporation ("HOA")

HOA is a non-profit financial corporation dedicated to making home ownership possible for low and moderate income families. This is accomplished through the HOA shared appreciation 2nd mortgage which is administered through HOA Mortgage Services Inc.

HOA Mortgage Services Inc. ("MSI")

As a lender, HOA is subject to the requirements of the Mortgage Brokerages Lenders and Administrators Act, 2006 ("MBLAA") to have a mortgage brokerage licence in carrying out its proposed business activities. As a result, HOA incorporated HOA Mortgage Services Inc. ("MSI") to act as its mortgage broker and to ensure compliance with the MBLAA.

Address for Service:

HOA Mortgage Services Inc.
102-468 Queen Street East
Toronto, ON M5A 1T7
www.hoacorp.ca

Material Risks Associated with the HOA 2nd Mortgage:

These risks include, but are not limited to, such items as; the consequences of default in payment of your first mortgage, when the HOA 2nd Mortgage is repayable, and restrictions on renting and other terms of the mortgage which may result in HOA taking action against the borrower.

Signature of Applicant:

Date

Signature of Co-Applicant:

Date

For Internal Use

Acceptable Identification

HOA Mortgage Services Inc. requires one form of photo identification to apply for an HOA shared appreciation 2nd mortgage. The following is a list of acceptable identification:

1. A valid Canadian driver's license
2. A valid Canadian passport
3. A Certificate of Native Indian Status
4. A Certificate of Canadian Citizenship or Certification of Naturalization
5. A Permanent Resident Card
6. A Canadian National Institute for the Blind (CNIB) client card with client photo and signature

ACKNOWLEDGEMENT RE INTERIM OCCUPANCY

for

JASPER CONDOS

A STANDARD CONDOMINIUM PLAN

located at

**716 Main Street East
Milton, Ontario**

by

MILTON CENTRE CO-OPERATIVE DEVELOPMENT CORPORATION

*A Condominium Project Pursuant to the **Condominium Act, 1998***

