

THIS LOAN AGREEMENT made this 25th day of February, 2021.

between:

THE CORPORATION OF THE COUNTY OF GREY

a municipality within the meaning of the Municipal Act, 2001
(hereinafter referred to in this Agreement as “the County”),

-And-

OWEN SOUND HOUSING COMPANY LIMITED

a corporation incorporated under the laws of the Province of
Ontario
(hereinafter referred to in this agreement as “OSHC”)

WHEREAS as the County’s Strategic Plan includes objectives to maintain and provide more affordable housing;

AND WHEREAS OSHC has asked for the County’s financial assistance in the amount of FOUR MILLION DOLLARS (\$4,000,000.00) to finance a portion of its affordable housing construction project known as Odawa Heights as further described in Schedule 1 (the “Project”) to be located on land at 2239 8th Avenue East in Owen Sound (the “Property”), as further described in Schedule 2;

AND WHEREAS the County has agreed to provide an interest-bearing loan to OSHC in the amount of FOUR MILLION DOLLARS (\$4,000,000.00) (the “Loan”) for these purposes;

AND WHEREAS the County has made certain other loans to OSHC in respect of the project including loans made pursuant to the following agreements:

- a Contribution Agreement dated December 30, 2019 in respect of contributions to the Project from the Canada Ontario Community Housing Initiative in the amount of \$4,682,168.00 (the “COCHI Agreement”), and
- a Contribution Agreement dated December 30, 2019 in respect of contributions to the Project from the Ontario Priorities Housing Initiative in the amount of \$1,497,995.00 (the “OPHI Agreement”);

AND WHEREAS the Loan will be funded from the County’s Reserves and the same shall be reimbursed with accrued interest when the Loan is repaid;

NOW THEREFORE in consideration of the premises set out below, the parties covenant and agree as follows:

Schedule to By-law 5109-21

1. The County agrees to make the Loan to OSHC.
2. The Loan will be advanced to OSHC in the form of two installments of TWO MILLION DOLLARS (\$2,000,000.00) each, or in such lesser amount or amounts as OSHC may specify (each being an "Advance"). The first Advance shall not be disbursed before March 1, 2021. The second Advance shall not be disbursed before August 1, 2021.
3. For each Advance, OSHC shall deliver to the County a promissory note in the amount of that Advance in favour of, and in a form satisfactory, to the County.
4. OSHC may request the release of each Advance on written notice to the County not less than ten (10) business days before the date on which funds are to be disbursed.
5. Interest shall accrue monthly on outstanding principal amounts only advanced to OSHC at a rate of TWO PERCENT (2.00%) per annum, both before and after maturity. No interest shall accrue on outstanding amounts of interest.
6. The Loan, including all amounts of principal and interest, shall be repayable in full on February 28, 2023 (the "Maturity Date"). OSHC may repay the Loan in full, but not in part, at any time prior to that; any such event of early repayment shall terminate the County's obligation to make further advances of funds under the Loan.
7. Notwithstanding the above, at any time upon or after the occurrence of an Event of Default (as defined below), the County may demand that OSHC repay all outstanding amounts of principal and interest of the Loan prior to the Maturity Date. Such repayment shall be due in full immediately upon notice of demand being made upon OSHC.
8. The following constitute "Events of Default" for the purposes of this agreement:
 - a. Any event of default of OSHC under any of the following:
 - i. The COCHI Agreement;
 - ii. Any security taken by the County under the COCHI Agreement;
 - iii. The OPHI Agreement;
 - iv. Any security taken by the County under the OPHI Agreement;

Schedule to By-law 5109-21

- b. Any act or proceeding in respect of the insolvency or bankruptcy of OSHC including the making of any assignment in bankruptcy, creditor proposal, appointment of a receiver, or assignment in favour of any other creditor of the Borrower;
 - c. Any change in effective voting control of OSHC;
 - d. Any action or change to OSHC's corporate structure or authority, including any amalgamation, dissolution, continuance as a different form of corporation, or any change to its corporate purposes and objects and the conditions applicable thereto;
 - e. Any change in ownership of OSHC;
 - f. The sale or transfer of the Project or the Property in whole or part;
 - g. The exercise of any right of any mortgagee under any mortgage granted by OSHC over the Project or the Property; and
 - h. The entry into possession of the Project or the Property by any creditor of OSHC.
9. Any notices required must be in writing and delivered to the following addresses.

For the County:
County Clerk
County of Grey Administration Building
595 9th Ave E
Owen Sound, ON N4K 3E3
Fax Number: 519-376-8998
Email: countyclerk@grey.ca

For OSHC:
Shari Huber
Owen Sound Housing Company Limited
700 21st Street East
Owen Sound, On N4K 6W1
Fax: 519-376-1710
Email: shari@nphousing.ca

If delivered in person, delivery must occur between 9:00 AM and 4:30 PM,

Monday to Friday excluding statutory holidays or other business closure periods. Hand delivered notices will be considered received on the business day of delivery. Notices sent by mail will be deemed to be received on the fifth day after mailed unless mail service is disrupted. Notices delivered by fax or e-mail will be deemed to be received on the next business day after the fax or e-mail is sent unless the sender is aware or ought to be aware that it was not received by the recipient.

10. This Agreement shall be governed and construed in accordance with the laws of Ontario and the laws of Canada applicable in Ontario.

11. This Agreement shall endure to the benefit of and be binding upon the parties hereto and their successors, executors, administrators and their permitted assigns.

12. The terms defined in the recitals to this agreement shall have the same meaning within this agreement as if repeated herein at length.

IN WITNESS WHEREOF the parties hereto have executed and affixed their seals to the Agreement:

The Corporation of the County of Grey

Selwyn Hicks, Warden

Heather Morrison, Clerk

Owen Sound Housing Company Limited

Ruth Lovell, Chair

Rod Wyatt, Vice Chair

I/We Have the Authority To Bind Owen Sound Housing Company Limited

SCHEDULE 1

Project Description

60-unit five story apartment building with a mix of one and two bedrooms comprised of 43 affordable units and 17 market units.

Accessible units and aging in place design

SCHEDULE 2

Project Lands

Legal Description

LT 16-25, 29-30, 41-50, 59-63 PL 204 OWEN SOUND; PT LT A PL 204 OWEN SOUND; PT TUPPER ST PL 204 OWEN SOUND CLOSED BY R271406, R340765 & GY98132; PT 1 TO 8, 16R3516 & PT 1, 16R5792; SUBJECT TO AN EASEMENT IN GROSS OVER PART 1 ON PLAN 16R11052 AS IN GY155435; SUBJECT TO AN EASEMENT AS IN GY158376; SUBJECT TO AN EASEMENT IN GROSS AS IN GY166482; SUBJECT TO AN EASEMENT IN GROSS AS IN GY167417; CITY OF OWEN SOUND

Being those lands presently bearing PIN(s): 37059-0690

Municipal Address

2239 8th Avenue East, Owen Sound, Ontario