

Centretown Suites
Lorena and Mike Imeson
137 Nepean Street | 480 MacLaren Street
Ottawa, ON
(613) 290-0460 | centretownsuites@gmail.com

LETTER OF INTENT

FROM: Michael Imeson and Lorena Imeson, in trust for a corporation to be incorporated (the "Purchaser")

TO: City of Ottawa (the "Vendor")

DATE: June 3, 2025

RE: 172 O'Connor Street, Ottawa, Ontario (the "Property")

This letter confirms the Purchaser's interest in purchasing the Property from the Vendor on the following business terms and conditions. This letter is intended solely as an expression of the parties' current intentions and does not create, and shall not be construed to create, any legally binding or enforceable obligation upon either party. The conditions of this document are subject to approval by the Council of the City of Ottawa and are subject to change. The purpose of this document is to guide the preparation of an agreement of purchase and sale, which may also include additional conditions subject to negotiation by each party, however neither party shall be under any legal obligation to enter into such an agreement.

- 1) Property: 172 O'Connor Street, Ottawa, Ontario
- 2) Legal Description and plan: See Schedules A and B
- 3) Purchase Price: \$700, 000.00 payable on closing and subject to the usual adjustments.
- 4) Deposits: \$20,000.00 initial deposit payable to Vendor, within 3 business days of execution of a purchase agreement by both parties; refundable absent Purchaser default and credited on closing; interest to the Purchaser's credit.

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- 5) Purchase Agreement: The parties shall negotiate in good faith a formal purchase agreement within twenty (20) business days of Council's approval to declare the property surplus and direct its sale. If no agreement has been made, this Letter of Intent shall become null and void and the Purchaser and the Vendor shall have no further rights or obligations hereunder. The standard form of agreement shall be submitted by the Vendor.
- The Agreement of Purchase and Sale shall include provisions for reasonable notice, remedy periods, and dispute resolution in respect of any Vendor buy-back rights.
- 6) Purchaser's Due diligence date: Estimated Ninety (90) days after execution of the purchase agreement by both parties, subject to consideration of targeted closing date.
- 7) Purchaser's Conditions: The purchase agreement will contain the following conditions for the sole benefit of the Purchaser which shall include, but shall not be limited to:
- i) Completion of all due diligence investigations reasonably required by the Purchaser including, without limitation, title, zoning, permitted uses, environmental, structural, mechanical, and financial due diligence to the Purchaser's sole satisfaction, in its absolute discretion.
 - ii) Purchaser obtaining financing on terms and

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- conditions satisfactory to the Purchaser in its sole and absolute discretion.
- iii) Completion of a Phase I environmental site assessment, satisfactory to the Purchaser in its sole and absolute discretion.
 - iv) Review and satisfaction with the state of title, and the results of all off-title searches, including but not limited to municipal work orders, outstanding permits, encroachments, by-law compliance, and utility locates, in the Purchaser's sole and absolute discretion.
 - v) Receipt and review of a current Plan of Survey of the Property, prepared by an Ontario Land Surveyor, confirming the boundaries, area, and confirming there are no encroachments, rights of way, easements, or other title defects unacceptable to the Purchaser, in its sole and absolute discretion.
 - vi) Confirmation that there are no outstanding municipal, development, improvement, or special charges, fees, or levies affecting the Property, or that the same are disclosed and acceptable to the Purchaser in its sole and absolute discretion.
 - vii) No material adverse change to the Property or the condition thereof, including damage, destruction, or governmental changes, prior to closing, failing which the Purchaser may terminate the agreement in its sole and absolute discretion.
 - viii) Inclusion of representations and warranties from the Vendor that, to the Vendor's knowledge, the Property is in compliance with all environmental laws and there are no known environmental

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hazards or contamination, failing which the Purchaser shall have the right to terminate the agreement at its sole discretion.

- ix) Confirmation that the Property will be delivered vacant and free of tenancies, licenses, occupancy agreements, or other third-party rights, and that there are no outstanding contracts, management agreements, or encumbrances that affect the Purchaser's use or enjoyment of the Property, unless otherwise agreed by the Purchaser.
- x) Receipt of an independent appraisal of the Property satisfactory to the Purchaser, in its sole and absolute discretion.

8) Closing Date: One Hundred and Twenty (120) days after waiver of the Purchaser's conditions, upon which date the balance of the purchase price is payable. Closing is targeted for end of 2025.

- 9) Use of Property:**
- (a) **Equity:** Purchaser to use property for the purpose of providing housing to women or other equity deserving group.
 - (b) **Buy-back:** The Vendor shall retain a right of re-purchase at the original purchase price in the event the Purchaser does not fulfill their obligations under the Agreement of Purchase and Sale, including use of the property for the purpose of providing housing to women or other equity-deserving groups, or in cases of sustained non-compliance with applicable property standards or building regulations.

The detailed terms and conditions governing any such right,

including notice, remedy periods, and dispute resolution, shall be agreed upon and included in the Agreement of Purchase and Sale.

(c) *Term limit:* Purchaser agrees to provide the intended use for no less than 10-years from the date of purchase, after which they may develop the property according to local policies, procedures, and regulations. The Owner may request a change to the intended development prior to the term limit, which may be subject to Council approval. The City reserves the right to deny such a request,

(d) *Occupancy:* Purchaser agrees to occupy the intended use within two-years from the date of purchase, after which if they cannot demonstrate reasonable attempts to obtain occupancy permits the Vendor may exercise their right to buy-back the property per the terms of this agreement.

10) General:

(a) *Assignment:* Purchaser to have right to assign its rights under this letter or the purchase agreement to a corporation affiliated with the Purchaser, or to direct title to a nominee therefor on the Closing Date.

(b) *Confidentiality:* any purchase agreement resulting here from as well as any documents disclosed by the parties which are confidential in nature shall be kept confidential by the parties except for the usual necessary disclosure.

(c) *Heritage:* The purchaser acknowledges that the City intends to designate the building heritage under Part IV of the Ontario Heritage Act, and that such status would provide limitations to the redevelopment including, but not limited to, the preservation of the exterior walls and features of the building on the lands.

(d) *Building Condition:* The purchaser acknowledges

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that the property and building will be sold 'as-is', and the vendor may elect not to conduct any improvements to the property prior to sale.

(e) *Exclusivity*: The Vendor and the Purchaser shall negotiate exclusively with regard to completing the purchase agreement and the Vendor shall not accept any proposal(s) or enter into negotiations in connection with any sale of the Property for a period (the "Exclusivity Period") commencing on the date of acceptance of this Letter of Intent until 5:00 p.m. (Ottawa time) on the end of the twenty (20th) business day.

(f) The parties acknowledge that this letter of intent is subject to Council approval and is intended to direct the preparation of an agreement of purchase and sale. It does not create a binding or enforceable agreement between the parties save and except for any confidentiality provisions and provisions relating to the Exclusivity Period.

11) Notices:

- (a) Purchaser: Michael Imeson and Lorena Imeson, in Trust for a corporation to be incorporated
- (b) Vendor: City of Ottawa.

12) Irrevocable:

This letter of intent may be executed in counterpart and may be communicated by email transmission.

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This Letter of Intent shall be null and void if not executed by both the Purchaser and the Vendor by 5:00 p.m. (Ottawa time) on June 16th, 2025.

Michael Imeson and Lorena Imeson

Per:
Michael Imeson

Mike Imeson

Lorena Imeson

Imeson, Lorena

Digitally signed by Imeson,
Lorena
Date: 2025.06.13 09:35:45
-04'00

Date: June 13th, 2025

We have the authority to bind the corporation.



City of Ottawa

Per: *G Wildman*

Date: June 17, 2025

I have the authority to bind the corporation.

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SCHEDULE A

Legal Description:

PLAN 2996 PT LT 41 OCONNOR W

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Schedule "B"

Property Sketch

