

AGREEMENT OF PURCHASE AND SALE

In respect of lands municipally known as 1010 Somerset Street West, Ottawa

**HER MAJESTY THE QUEEN IN RIGHT OF CANADA, as represented by the Minister
of Public Works and Government Services
("PWGSC")**

OF THE FIRST PART

AND:

**CITY OF OTTAWA
("City")**

OF THE SECOND PART

AGREEMENT OF PURCHASE AND SALE

In respect of lands municipally known as 1010 Somerset Street West, Ottawa

(the “Agreement”)

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF CANADA, as represented by the Minister
of Public Works and Government Services
 (“PWGSC”)

OF THE FIRST PART

AND:

CITY OF OTTAWA
 (“City”)

OF THE SECOND PART

GENERAL RECITALS

WHEREAS:

- A. Her Majesty the Queen in Right of Canada is the registered owner of certain federal real property, which is under the administration of PWGSC (defined herein as the “**Property**”).
- B. PWGSC has declared the “**Property**” (as defined herein) surplus to its program requirements and is undertaking the disposal of the Property in accordance with the disposal process as set out in the *Treasury Board Policy on the Management of Real Property*.
- C. As part of the disposal process, PWGSC must ascertain any public purpose interests in the Property by simultaneously circulating the Property to priority purchasers, being Federal Departments, Agencies and Corporations, the Province of Ontario and the City (“**Priority Purchasers**”) in that order of priority, and PWGSC must address the Crown’s indigenous consultation and engagement considerations insofar as they affect the Property.
- D. PWGSC has completed its indigenous consultation and engagement process. The result of the consultation and engagement process is that the Algonquins of Ontario (“**AOO**”) expressed an interest in pursuing discussions with the City on possible benefits from and collaboration on the City’s future planned development of the Property.
- E. The City and AOO have jointly established a framework for negotiating a Collaborative Benefits Agreement (“**CBA**”) for the Property to address the AOO’s response to PWGSC’s indigenous consultation and engagement in respect of the Property.

- F. PWGSC has completed its circulation of the Property to the Priority Purchasers. Both the Canada Mortgage and Housing Corporation (“**CMHC**”) expressed an interest for the Federal Lands Initiative and the department of Crown-Indigenous Relations and Northern Affairs Canada (“**CIRNAC**”) expressed an interest for comprehensive claims settlement purposes. The City has also expressed an interest in acquiring the Property for purposes including affordable housing, other public purposes and supporting mixed use development.
- G. Pursuant to Treasury Board policy, CIRNAC is provided 210 days following the initial 30-day circulation period to confirm whether they intend to acquire the Property for comprehensive claims purposes. CIRNAC confirmed on January 20, 2021 that it did not intend to acquire the property.
- H. CMHC, as an agent crown corporation of the Government of Canada, administers a government program called the Federal Lands Initiative (the “**FLI**”).
- I. Pursuant to the FLI, CMHC uses government funds to support the sale of surplus federal real property to select entities so those entities can develop affordable housing that is energy efficient, accessible and socially inclusive.
- J. CMHC has requested that PWGSC agrees to sell the Property to the City pursuant to the FLI in accordance with the provisions of this Agreement.
- K. CMHC has agreed to provide financial assistance to the City to enable the City to purchase the Property from PWGSC in accordance with the provisions of this Agreement.
- L. PWGSC has agreed to sell the Property to the City in accordance with this Agreement.

NOW THEREFORE, in consideration of the sum of ten dollars (\$10.00) and the mutual covenants herein contained and such other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

**ARTICLE 1
INTERPRETATION**

- 1.1 **"Acceptance Date"** means the date of execution and delivery of this Agreement by both the City and PWGSC.
- 1.2 **"Agreement"** means this Agreement of Purchase and Sale together with all Schedules attached, an amendment or confirmation hereof, and the expressions "hereto", "hereunder" and "herein" and similar expressions, refer to this Agreement.
- 1.3 **"AOO"** means the Algonquins of Ontario, as defined in Recital D.
- 1.4 **"AV"** means the appraised value of the Property as defined in Section 2.2(c).
- 1.5 **"Booth Lands"** means that part of the Property legally described as Pt LT B Blk B, PL 73, N/S Oak St, As in CR42631 Except CR69836; Ottawa/Nepean as in PIN 04107-0029 (LT).
- 1.6 **"Business Day"** means any day other than a Saturday, a Sunday or a statutory or municipal holiday in the municipality in which the Property is situate.
- 1.7 **"CBA"** means a Collaborative Benefits Agreement as defined in Recital E.
- 1.8 **"CIRNAC"** means the Crown-Indigenous Relations and Northern Affairs Canada as defined in Recital F.
- 1.9 **"Claims"** means all liabilities, costs, expenses, damages and losses (including any direct, indirect or consequential losses, and all interest, penalties and legal and other professional costs and expenses).
- 1.10 **"Closing"** means the completion of the transaction contemplated by this Agreement.
- 1.11 **"Closing Date"** means the later of:
- (a) the date which is twenty (20) Business Days from the Unconditional Date; and
 - (b) the date which is twenty (20) Business Days from the date on which PWGSC obtains vacant possession of the Property pursuant to Section 4.4; and
 - (c) September 1, 2022,
- Provided that the Closing Date shall not be later than February 15, 2023.
- 1.12 **"CMHC"** means Canada Mortgage and Housing Corporation as defined in Recital F.
- 1.13 **"DES"** means PWGSC's proposed District Energy System defined in Section 2.2(d).
- 1.14 **"Environmental Laws"** means all existing federal and provincial legislation (and regulations passed pursuant thereto), all existing municipal by-laws, notices, orders, rules, policies, directions and guidelines of all governmental authorities having the force of law

and all principles of common law and equity relating to the environment, health, safety matters of conditions, hazardous substances, pollution or protection of the environment.

- 1.15 “**ETA**” means the *Excise Tax Act* (Canada) and any amendments thereto.
- 1.16 “**FLI**” means the Federal Lands Initiative as defined in Recital H.
- 1.17 “**Hazardous Substances**” means any substance, mould, waste, liquid, gaseous, or solid matter, fuel, microorganism, sound, vibration, ray, heat, odour, radiation, energy vector, plasma, organic, or inorganic matter which is or is deemed to be alone or in any combination, hazardous, hazardous waste, solid or liquid waste, toxic, a pollutant, a deleterious substance, a contaminant, or a source of pollution or contamination under any Environmental Laws.
- 1.18 “**HST**” means the harmonized goods and services tax described in the ETA.
- 1.19 “**Licence**” means the licence in the form attached at Schedule E.
- 1.20 “**Losses**” means all loss, costs, charges, liens, demands, judgments, damages, expenses or interest suffered, sustained or be put to.
- 1.21 “**Party**” means either the City or PWGSC and “**Parties**” means both the City and PWGSC.
- 1.22 “**Permitted Encumbrances**” means the instruments listed in Schedule C.
- 1.23 “**Priority Purchasers**” has the meaning ascribed to that term in Recital C.
- 1.24 “**Project**” means a housing project to be developed on portions of the Property.
- 1.25 “**Project Framework Agreement**” means a project framework agreement made between CMHC and the City in respect of the Property.
- 1.26 “**Property**” means the lands and premises known municipally as 1010 Somerset Avenue, Ottawa shown on the plan attached at Schedule A and legally described in Schedule B.
- 1.27 “**Purchase Price**” means the sum of eleven million dollars (\$11,000,000.00), plus HST.
- 1.28 “**PWGSC Occupied City Lands**” means the lands comprising the former municipal rights of way known as Champagne Avenue and Loretta Avenue as more particularly shown shaded blue on the sketch attached at Schedule E.
- 1.29 “**Unconditional Date**” means the date on which all of the conditions set out in Section 7.1 have been satisfied or waived.

**ARTICLE 2
PURCHASE AND SALE**

2.1 Purchase and Sale of the Property

Subject to the terms and conditions set out herein, PWGSC agrees to sell the Property to the City and the City agrees to acquire the Property from PWGSC on the Closing Date in accordance with the provisions of this Agreement.

2.2 Terms and Conditions of the Purchase

- (a) The City acknowledges that it shall inspect the Property and that it agrees to purchase the Property relying entirely upon its own inspection, and it agrees that there are no representations, warranties, conditions, guarantees, promises, agreements, collateral agreements or collateral contracts affecting the Property, this Agreement or the Agreement of Purchase and Sale to be entered into prior to the Property Closing other than as expressed herein in writing, and that all verbal or previous written agreements, if any, are cancelled and rendered null and void. The City further agrees that it shall accept the Property in its present condition and on an “as is, where is” basis.
- (b) PWGSC makes no representation or warranties whatsoever, regarding the fitness thereof for any particular use, or regarding the presence or absence on the Property or surrounding lands of, or the leaking or emission from or onto the Property, any Hazardous Substance.
- (c) The Parties acknowledge and agree that the appraised value of the Property is twenty five million dollars (\$25,000,000.00) (the “**AV**”).
- (d) The AV has been discounted by PWGSC as follows:
 - (i) a two million two hundred fifty thousand dollar (\$2,250,000.00) credit to the AV which has been included in the calculation of the Purchase Price to reflect the City entering into and delivering a CBA, as a Government of Canada indigenous engagement and reconciliation outcome. The CBA between the City and AOO will set out AOO’s participation in the development of Gladstone Village. Key aspects of the CBA may include: permanent and meaningful recognition of unceded Algonquin traditional territory; provision of space for Algonquin artists; employment and economic development opportunities; and youth mentorship and job skills development. With effect on Closing, PWGSC will have no further financial or any other obligation with respect to the commitments made by the City to AOO in respect of the CBA.
 - (ii) a one million two hundred fifty thousand dollar (\$1,250,000.00) credit to the AV which has been included in the calculation of the Purchase Price to reflect the City’s commitment to use reasonable efforts to connect to PWGSC’s proposed District Energy System (“**DES**”) to be installed and

located in the vicinity of the Property. The DES is intended to leverage industry-standard technology to reduce the costs of building heating and cooling operations which will in turn facilitate the City meeting its energy efficiency targets. The City shall use its commercially reasonable efforts to connect to PWGSC's proposed DES, once it is constructed by PWGSC provided that the DES is constructed and installed in a timeframe that meets with the City's development schedule for the Property. In the event that PWGSC does not complete construction and installation of the DES in a timeframe that meets with the City's timetable for development of the Property, the City will use reasonable commercial efforts to ensure that the development on the Property is constructed in such a manner that will permit the future possible connection of the Property and the development constructed on it to the DES. PWGSC shall cooperate with the City to facilitate the future connection of the Property and the development constructed on it to the DES.

- (iii) a two million five hundred thousand dollar (\$2,500,000.00) credit to the AV which has been included in the calculation of the Purchase Price to reflect the City's commitment to implement the City's sustainability, greening and accessibility plans, strategies and targets in respect of the future development of the Property. PWGSC acknowledges and agrees that the City's plans, strategies and targets align with the Government of Canada's current sustainability, greening and accessibility plans, strategies and targets.
- (iv) a one million dollar (\$1,000,000.00) credit to the AV which has been included in the calculation of the Purchase Price to compensate the City for the cost to demolish the existing buildings and structures on the Property. The City shall be solely responsible for all aspects of the demolition including but not limited to: planning, retaining a contractor, payment of all costs, obtaining any regulatory permits; and the removal, handling and disposal of any Hazardous Substances in accordance with Environmental Laws.
- (v) a five million dollar (\$5,000,000.00) credit to the AV which has been included in the calculation of the Purchase Price to reflect the public purpose nature of the City's use of the Property. The City shall seek a designation of "public park" from City Council for the large park and green space on a part of the Property in order to protect the future use as public space. The City shall seek this designation within twelve (12) months of the Property Closing and shall notify PWGSC within ten (10) days of receipt of such designation; and
- (vi) the credit referred to in Section 2.3 below.

2.3 Environmental Liability Release and Indemnity

PWGSC has provided a two million dollar (\$2,000,000.00) credit to the AV which has been included in the calculation of the Purchase Price to reflect the current environmental condition of the Property and the PWGSC Occupied City Lands. This credit is intended to fully compensate the City for the cost to remedy the environmental condition as part of the Property and the PWGSC Occupied City Lands, regardless of the actual cost of the environmental remediation of the Property and the PWGSC Occupied City Lands. With effect on Closing, the City hereby releases and discharges PWGSC, its directors, officials, employees, consultants, contractors, representatives, predecessors in title, successors and assigns, or any of them (collectively, “**PWGSC’s Released Parties**”) from every Claim that the City may make, suffer, sustain or incur in regard to any Hazardous Substances or any existing buildings, fixture, structures, infrastructure, equipment, improvement, installation or inclusion of any kind, whether below-grade or above-grade and, whether apparent on a visual inspection of the Property and the PWGSC Occupied City Lands (“**Improvements**”) relating to the Property and the PWGSC Occupied City Lands. The City further agrees that the City shall not, directly or indirectly, attempt to compel PWGSC’s Released Parties to clean up, or remove or pay for the clean-up, or removal of any Hazardous Substances or Improvements, remediate any condition or matter in, on, under the Property and the PWGSC Occupied City Lands, or to pay or be responsible for any damages in connection with or on the basis of the existence or presence of any Hazardous Substances or Improvements in, on or under the Property and the PWGSC Occupied City Lands. The City shall, at all times after Closing, fully indemnify and save harmless the PWGSC’s Released Parties from and against all Claims whatsoever which may be brought against or made upon the PWGSC’s Released Parties or any of them in relation to or arising out of or in consequence of the Property and the PWGSC Occupied City Lands, and from and against all Losses in respect of, resulting from or arising out of any loss, damage or injury (including death resulting from injury) to any person or to the Property and the PWGSC Occupied City Lands which result directly or indirectly from, are sustained by reason of, or arise out of (i) Hazardous Substances or Improvements.; (ii) any loss, damage or injury (including death resulting from injury) to any person or the Property and the PWGSC Occupied City Lands, howsoever caused, directly or indirectly, resulting from or sustained by reason of any act or omission of the City or any person for whom it is in law responsible. The foregoing release and indemnity shall not expire with or be terminated or extinguished by or merged in the transfer of the Property and the PWGSC Occupied City Lands to the City, and shall survive Closing.

2.4 Purchase Price

The Purchase Price shall be paid to PWGSC in accordance with the Framework Agreement on the Closing Date, subject to the adjustments set out herein. PWGSC acknowledges and agrees that part of the Purchase Price may be paid on the Closing Date by the City directing CMHC to pay the loan funds being advanced to the City for the purchase of the Property pursuant to the Framework Agreement directly to the Receiver General for Canada.

2.5 **Booth Lands**

Without limiting the provisions of this Agreement, the Parties acknowledge that as at the date of this Agreement, the registered owner of the Booth Lands is John Rudolphus Booth. PWGSC confirms that Her Majesty the Queen in right of Canada has been in continuous possession and occupation of the Booth Lands since approximately 1942. PWGSC shall, at its sole cost and expense, do all things necessary prior to closing to have the legal and beneficial right, title and interest in the fee simple interest in the Booth Lands vested and registered in Her Majesty the Queen in right of Canada, including without limitation, obtaining a Court Order, to obtain good and valid title to the Booth Lands so as to enable the transfer of the Booth Lands to the City in accordance with this Agreement and shall keep the City fully informed of its progress.

2.6 **Closing / Registration of the Property**

- (a) The Closing of the Property shall take place on the Closing Date in accordance with Article 5.
- (b) The City shall prepare the terms of the “transfer” for registration on the terms of this Agreement.

ARTICLE 3- DELIVERIES AND ACCESS

3.1 **Deliveries by Vendor**

Within three (3) Business Days of the Acceptance Date, PWGSC shall deliver the following, that are in PWGSC's possession or control, at no cost to the City (the "**Vendor's Deliveries**"):

- (a) copies of all correspondence, documents and reports relating to the physical condition of the Property, including, but not limited to, environmental, soil, compaction, topographic and geotechnical conditions;
- (b) copies of any development agreement or draft plan of subdivision agreements affecting the Property, plans and specifications with respect to all utility services and facilities serving the Property, hydro agreements, engineering agreements and plans, restrictions, easement agreements, leases, audited operating statements or any other relevant information or document affecting the Property;
- (c) written consents addressed to the municipality and any other authority having jurisdiction on the Property prepared by the City's solicitors and accepted by PWGSC's solicitors authorizing them to release to the City information relating to the Property in their files; provided however that any such authorizations shall not authorize or request any inspections of the Property;
- (d) copies of any traffic, zoning and land use reports and all similar documents relating to the Property; and

- (e) copies of all payments and notices in relation to payments made in lieu of taxes for the Property with respect to the current calendar year and the immediately preceding calendar year.

3.2 PWGSC covenants and agrees to deliver to the City, at no cost to the City, copies of any complementary or additional documents forming part of PWGSC's Deliveries that come into PWGSC's possession or control on or before the Closing Date. Such documents shall be delivered to the City forthwith upon receipt by PWGSC.

3.3 **Access to the Property**

Following the Acceptance Date and subject to PWGSC's reasonable operational requirements, the City, its representatives, consultants, contractors and advisors shall have access to the Property at the sole expense and risk of the City at all reasonable times on not less than five (5) Business Days prior notice to PWGSC. PWGSC authorizes the City to carry out such tests, including without limitation, soil tests, environmental audits, surveys and inspections and studies of the Property as the City, its representatives, consultants, contractors or advisors may deem necessary or desirable. PWGSC acknowledges that the tests and studies may involve the drilling of holes or similar investigations. The City agrees to restore the Property to the condition substantially existing immediately prior to carrying out such tests, at the City's expense, forthwith after carrying out the tests. The City agrees to indemnify PWGSC from and against all Claims arising as a result of or in connection with any entry, tests, inspections and investigations or other activity on the Property by the City or by its employees, agents, representatives, consultants or contractors. This indemnity shall not merge on completion and shall survive termination of this Agreement, as the case may be, notwithstanding anything herein contained to the contrary.

3.4 **Acknowledgement of City**

The City acknowledges that any documents, materials and information provided by or on behalf of PWGSC to the City with respect to the Property have been provided to the City solely to assist the City in undertaking its own due diligence, and PWGSC has not made and is not making any representations or warranties, implied or otherwise, to or for the benefit of the City, as to the accuracy or completeness of any such documents, materials or information. The City acknowledges that it has not and shall not rely upon such documents, materials or information as a substitute for or supplementary to its own due diligence investigations. PWGSC shall not be liable for any inaccuracy, incompleteness or subsequent changes to any such documents, materials or information. The City acknowledges that it has assumed and shall assume all responsibility for satisfying itself as

to all matters relating to the Property, and that it is relying solely on its own due diligence investigations, including title searches and other investigations, in purchasing the Property.

**ARTICLE 4
HANDOVER OF THE PROPERTY**

- 4.1 PWGSC represents and warrants to the City that the only occupier of the Property is PWGSC.
- 4.2 PWGSC shall ensure that:
- (a) PWGSC and all occupants vacates the Property on or before December 31, 2022;
 - (b) The parking operations and arrangements affecting part of the Property shall be terminated by on or before December 31, 2022;
 - (c) the Property shall be vacant on or before January 1, 2023;
 - (d) on or before January 1, 2023, the Property is left in a clean and tidy condition but PWGSC shall have no responsibility to demolish any building or structure thereon; and
 - (e) the City is provided vacant possession of the Property on the Closing Date.
- 4.3 PWGSC hereby agrees to indemnify and keep indemnified and save harmless the City from all Claims arising out of or in connection with any breach or negligence non-performance of PWGSC's obligations contained in Section 4.2.
- 4.4 Prior to Closing and subject to PWGSC review and PWGSC reasonable operational requirements, PWGSC shall, at the City's written request, grant the City a Licence over any portions of the Property which are not occupied by PWGSC or its occupants for consideration of \$1.00. To the extent possible, the Licence shall commence on the date stipulated by the City in its written request; however, the commencement date shall be at least thirty (30) days following the date of the written notice from the City. The City shall attach to its request a sketch identifying the part or parts of the Property over which it requires the Licence to be granted and such sketch shall be attached to the Licence.

ARTICLE 5 - CLOSING

5.1 Condition of Closing

The obligations of the Parties to complete the transaction contemplated by this Agreement on the Closing Date shall be subject to the condition that on or before 5:00pm on the

Business Day prior to the Closing Date, CMHC and the City shall have executed and delivered the “Program Agreements” as defined in the Project Framework Agreement.

5.2 PWGSC’s Closing Deliveries

On or before Closing, subject to the provisions of this Agreement, the City shall prepare and PWGSC shall execute or cause to be executed and shall deliver or cause to be delivered to the City’s Solicitors the following items, duly executed by Her Majesty and in registrable form wherever appropriate:

- (a) a transfer/deed of land, in fee simple, for the Property transferring the Property, to the City in accordance with this Agreement;
- (b) a statement of adjustments, as contemplated by this Agreement;
- (c) an undertaking by PWGSC to readjust the Adjustments, as contemplated by this Agreement;
- (d) discharges in registrable form of all encumbrances, restrictions, leases and any other claims and interests whatsoever, except for the Permitted Encumbrances;
- (e) such other bills of sale, transfers, assignments and documents relating to the completion of the transactions contemplated by this Agreement as the City may reasonably require to transfer title to the Property from PWGSC to the City, or which are otherwise referred to in this Agreement;

all in form and substance satisfactory to the City and PWGSC, each acting reasonably.

5.3 City’s Closing Deliveries

On or before Closing, subject to the provisions of this Agreement, the City shall execute or cause to be executed and shall deliver or cause to be delivered to PWGSC’s Solicitors the following items, duly executed by the City where appropriate:

- (a) an undertaking by the City to readjust adjustments;
- (b) a certificate and undertaking of the City in respect of HST as contemplated in Section 6.3(b); and
- (c) such further documentation relating to the completion of the transactions contemplated by this Agreement as PWGSC may reasonably require;

all in form and substance satisfactory to the City and PWGSC, each acting reasonably.

5.4 Registration and Other Costs

Except as otherwise provided herein, PWGSC, Her Majesty and the City shall each be responsible for the cost of their respective solicitors. The City shall be responsible for the land transfer tax and registration fees payable in connection with the registration of the

deed or transfer. PWGSC shall be responsible for registration fees payable in connection with discharges of any encumbrances, restrictions, leases or other claims or interests that are not Permitted Encumbrances.

5.5 HST

HST is payable in connection with the purchase of the Property, the HST shall be the sole responsibility of the City. In this regard:

- (a) The City represents that it is registered under the ETA for the collection and remittance of HST.
- (b) The City covenants and agrees to be liable for, self-assess and remit to the appropriate Governmental Authority all HST which is payable under the ETA in connection with the transfer of the Property pursuant to this Agreement, all in accordance with the ETA.
- (c) Subject to Section 5.4(f), PWGSC shall not collect HST on Closing but shall allow the City to self-assess and remit HST to the Receiver General in accordance with the ETA.
- (d) The City shall indemnify and save harmless PWGSC from and against any and all HST, fines, penalties, costs and/or interest which may become payable by or assessed against PWGSC as a result of the City's failure to remit any HST or as a result of any inaccuracy, misstatement or misrepresentation made by the City in connection with any matter raised in this Section 5.4.
- (e) The City shall deliver to PWGSC on Closing a certificate and indemnity in accordance with the foregoing, including verification of its HST registration number issued under the ETA.
- (f) Notwithstanding the foregoing, in the event that the City shall fail to deliver such certificate and indemnity to PWGSC, then the City, shall pay to PWGSC, in addition to the Purchase Price herein, in pursuance of a City's obligation to pay and PWGSC's obligation to collect HST under the ETA, an amount equal to thirteen percent (13%) of the Purchase Price or such other amount as is required pursuant to the ETA on the Closing Date.

5.6 Adjustments

Adjustments to the Purchase Price shall be made for any items normally adjusted between a vendor and a purchaser of commercial real estate in Ontario which shall be apportioned and allowed to the Closing Date, the Closing Date itself to be apportioned to the City. PWGSC shall, not less than ten (10) Business Days prior to the Closing Date, prepare and

deliver to the City, for the City's review and approval, a statement of adjustments adjusting for the items listed in this Section 5.6.

5.7 **Electronic Registration**

PWGSC and the City acknowledge that the electronic registration system (the "**Teraview Electronic Registration System**" or "**TERS**") is operative in the land registry office where the Property is located and, accordingly, the following provisions shall prevail, namely:

- (a) PWGSC's Solicitors and the City's Solicitors shall each be obliged to be authorized TERS users and in good standing with the Law Society of Upper Canada, and they are hereby authorized by the Parties hereto to enter into a document registration agreement in the form adopted by the Joint LSUC-CBAO Committee on Electronic Registration of Title Documents on March 29, 2004 or any successor version thereto (the "Document Registration Agreement" or "DRA"), together with the additional requirement that the registering solicitor shall also be obliged to provide the non-registering solicitor with a copy of the registration report printed by TERS upon the registration of the electronic documents, as evidence of registration thereof, within one Business Day following the Closing. It is understood and agreed that the DRA shall outline or establish the procedures and timing for completing the transaction contemplated by this Agreement electronically, and shall be executed by both PWGSC's Solicitors and the City's Solicitors and exchanged by courier or facsimile transmission or e-mail between such solicitors (such that each solicitor has a photocopy or emailed (PDF) copy of the DRA duly executed by both solicitors) by no later than one Business Day before the Closing;
- (b) the delivery and exchange of the Closing documents and any monies owing in accordance with the statement of adjustments, and the release thereof to PWGSC and the City, as the case may be:
 - (i) shall not occur contemporaneously with the registration of the transfer/deed for the Property and other Closing documents, if any, to be registered electronically; and
 - (ii) shall be governed by the DRA, pursuant to which the solicitor receiving any Closing documents, or any monies owing in accordance with the statement of adjustments, shall be required to hold the same in escrow, and shall not be entitled to release the same except in strict accordance with the provisions of the DRA;
 - (iii) each of the Parties agrees that the delivery of any of the Closing documents not intended or required to be registered against title to the Property shall, unless the Parties otherwise agree, be by way of delivery of originally signed copies thereof on the Closing to the other Party or its solicitor;
 - (iv) notwithstanding anything contained in this Agreement or in the DRA to the contrary, it is expressly understood and agreed by the Parties hereto that an

effective tender shall be deemed to have been validly made by either Party (in this Section called the “**Tendering Party**”) upon the other Party (in this Section called the “**Receiving Party**”) when the solicitor for the Tendering Party has:

- (1) delivered all applicable Closing documents and/or any monies owing in accordance with the statement of adjustments to the Receiving Party’s solicitor in accordance with the provisions of this Agreement and the DRA;
- (2) advised the solicitor for the Receiving Party in writing that the Tendering Party is ready, willing and able to complete the transaction contemplated by this Agreement in accordance with the terms and provisions of this Agreement; and
- (3) completed all steps required by TERS in order to complete the transaction contemplated by this Agreement that can be performed or undertaken by the Tendering Party’s solicitor without the co-operation or participation of the Receiving Party’s solicitor, and specifically when the Tendering Party’s solicitor has electronically “signed” the transfer/deed(s) and any other Closing document, if any, to be registered electronically for completeness and granted “access” to the Receiving Party’s solicitor (but without the Tendering Party’s solicitor releasing the same for registration by the Receiving Party’s solicitor),
- (4) without the necessity of personally attending upon the Receiving Party or the Receiving Party’s solicitor with the documents and/or funds, and without any requirement to have an independent witness evidencing the foregoing.

5.8 Single Transaction

All documents shall be delivered in escrow on the Closing pending registration of the Closing documents as reasonably required by the solicitors for the Parties and receipt of such evidence as they shall reasonably request that all conditions of this Agreement have been satisfied. It is a condition of Closing that all matters of execution and delivery of documents by each Party to the other and the acceptance for registration of the appropriate documents in the appropriate offices of public record shall be deemed to be concurrent requirements and it is specifically agreed that nothing shall be complete at the Closing until everything required at the Closing has been executed and delivered and until all documents have been registered.

5.9 Vacant Possession

The transactions contemplated by this Agreement shall be completed on the Closing Date, on which date vacant possession of the Property shall be given to the City.

5.10 Insurance and Risk

Until the Closing, PWGSC shall maintain in full force all policies and contracts of insurance which are now in effect (or renewals thereof) and under which it or any of the Property are insured. PWGSC may elect to self-insure which shall satisfy the insurance requirements of this provision. Until Closing, all risk with regard to the Property shall remain with PWGSC.

ARTICLE 6
TITLE

- 6.1 On the Closing, the title to the Property shall be a good and marketable title in fee simple, free and clear of all encumbrances (save except for any encumbrances agreed to in writing by the City), including reserves, except for any Permitted Encumbrances. The City shall not be required to accept a possessory title to the Property or any part thereof. The City shall be allowed until twenty (20) days prior to the Closing to investigate PWGSC's title to the Property ("**Requisition Date**"). If within that time any valid objection to title is made in writing to PWGSC, which PWGSC shall be unwilling or unable to remove and which the City shall not waive, this Agreement shall, notwithstanding any intermediate acts or negotiations in respect of such objections, be null and void and neither Party to this Agreement shall have any claim against the other with respect to this Agreement. Except for any valid objections to title so made on or before the Requisition Date and except for any objection going to the root of title, the City shall be deemed to have accepted PWGSC's title to the Property, provided that the City shall retain the right to make valid objections to title and shall not be deemed to have accepted PWGSC's title to the Property to the extent that any document or instrument is registered against title to the Property subsequent to the City completing its investigation of title and before the Closing. Except as otherwise provided herein, PWGSC agrees to discharge, on or before the Closing, at its sole cost and expense, any encumbrances, including reserves, affecting title to the Property.

ARTICLE 7
CONDITIONS OF AGREEMENT

- 7.1 Notwithstanding any other term of this Agreement, this Agreement is conditional upon:
- (a) on or before **March 1, 2021**, the City and CMHC entering to the Project Framework Agreement. This condition is inserted for the mutual benefit of the Parties and may not be waived;
 - (b) PWGSC obtaining all necessary internal approvals. If PWGSC does not deliver written notice to the City on or before April 30, 2021, or other date agreed upon by both Parties, confirming that the condition has been satisfied or waived, this Agreement shall be deemed to be terminated. Furthermore if any priority purchaser or indigenous interest in the Property is identified, this Agreement shall be deemed terminated. Should termination occur, there shall be no costs payable by PWGSC

to the City. This condition is inserted for the sole benefit of PWGSC and may be waived by PWGSC giving written notice to the City to that effect;

- (c) the City obtaining all necessary approvals of the terms and conditions of this Agreement, on or before **June 30, 2021**. This condition is inserted for the sole benefit of the City and may be waived by the City giving written notice to PWGSC to that effect;
 - (d) the City and AOO entering into and delivering the CBA and the City notifying PWGSC of the same in writing on or before **January 31, 2022**. This condition is inserted for the mutual benefit of the Parties and may not be waived; and
 - (e) on or before **June 30, 2022**, the City notifying PWGSC in writing that the City has satisfied itself that all aspects of the Property (including, without limiting the generality of the foregoing, all geotechnical and environmental concerns, soil conditions, zoning and economic feasibility) are satisfactory for the intended use of the Property by the City. This condition is inserted for the sole benefit of the City and may be waived by the City giving written notice to PWGSC to that effect.
- 7.2 The Parties shall deliver written notice to each other within ten (10) Business Days of satisfaction of the approvals listed in subsections 7.1.
- 7.3 The provisions of this Agreement, save and except Article 1, Article 3, Article 7, Article 8, and Article 9 shall have no force and effect until the Unconditional Date occurs.
- 7.4 The Parties shall each use reasonable commercial efforts to satisfy the conditions set out in Sections 7.1 and shall keep one another fully informed of its progress.

ARTICLE 8 NOTICES

Any notice required to be given under this Agreement shall be given in writing as follows:

In the case of PWGSC:

Director
Complex Real Estate Transactions
Public Works and Government Services Canada
Place des Explorateurs, 6th Floor
191 Promenade du Portage
Gatineau, Quebec
K1A 0S5

Email : Richard.Barbeau@tpsgc-pwgsc.gc.ca

Any notice required in accordance with Articles 3.3 shall also include a copy to:

PSPC Asset Manager
1010 Somerset (Plouffe Park)
RP-1 Managed Assets
427 Laurier Avenue W.
K1A 0S4
Email: Anne.Desrochers@pwgsc-tpsgc.gc.ca

In the case of the City:

Director
Corporate Real Estate Office
110 Laurier Avenue West
Ottawa, Ontario
K1P 1J1
Email: Derrick.Moodie@ottawa.ca

All notices shall be delivered personally, by regular mail or by email. If delivered in person, notices shall be deemed to have been received when delivered. If delivered by regular mail, notices shall be deemed to have been received three (3) Business Days after the date of mailing. If delivered by email, notices shall be deemed to have been received immediately. Each Party shall notify the other in writing in the method described herein in the event of any change in the address for delivery of notice.

ARTICLE 9 GENERAL PROVISIONS

9.1 General Provisions

- (a) Governing Law. This Agreement shall be interpreted in accordance with the applicable laws of Canada and Ontario.
- (b) Performance on Business Days. If any action is required to be taken pursuant to this Agreement on or by a specified date that is not a Business Day, the action is valid if taken on or by the next succeeding Business Day.
- (c) Assignment. The City shall not assign or transfer this Agreement without the prior written consent of PWGSC, which may be unreasonably withheld. The City shall require any assignee to expressly agree to comply and be bound by all of the covenants, terms, conditions, obligations and responsibilities as outlined in this Agreement. Furthermore, the assignee shall be subject to PWGSC's applicable Integrity Framework provisions, and any other applicable contracting policy in force at the time of the assignment.

- (d) Entire Agreement. This Agreement consists of the entire Agreement between the Parties and there are no conditions, representations or warranties, either express or implied, other than those set out in this Agreement. This Agreement supersedes previous agreements dealing with the same subject matters. The Agreement shall not be amended or modified unless such amendment or modification is in writing and signed by all Parties.
- (e) Non Merger: the provisions of this Agreement shall survive Closing insofar as they remain to be performed.
- (f) Invalidity. Each of the provisions contained in this Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof.
- (g) Headings. The insert of headings is solely for convenience and reference and is not intended to affect the construction or interpretation of this Agreement nor are the headings intended to be full or accurate descriptions of the contents hereof.
- (h) Schedules. The following Schedules are attached to and form an integral part of the Agreement:
- | | |
|------------|-------------------------------------|
| SCHEDULE A | PROPERTY PLAN |
| SCHEDULE B | LEGAL DESCRIPTION OF THE PROPERTY |
| SCHEDULE C | PERMITTED ENCUMBRANCES |
| SCHEDULE D | LICENCE |
| SCHEDULE E | SKETCH OF PWGSC OCCUPIED CITY LANDS |
- (i) Further Assurances. The Parties agree to execute such further assurances as may reasonably be required to give effect to any provision of the Agreement.
- (j) Counterparts. This Agreement may be executed by the Parties in separate counterparts, each of which shall be deemed to constitute an original, all of which together shall constitute one and the same Agreement.
- (k) No partnership. Nothing in this Agreement is intended to, or shall be deemed to, establish any partnership or joint venture between PWGSC and the City.
- (l) Integrity Provisions: *The Ineligibility and Suspension Policy* (the “**Policy**”) in effect on the date this Agreement comes into force, and all Directives in effect on that date, are incorporated by reference into, and form a binding part of, this Agreement. The City must comply with the provisions of the Policy and Directives, which are available on Public Works and Government Services Canada’s Web site at Ineligibility and Suspension Policy <https://www.tpsgc-pwgsc.gc.ca/ci-if/politique-policy-eng.html>.

(SIGNATURE PAGE FOLLOWS)

EXECUTION COPY

IN WITNESS WHEREOF HER MAJESTY THE QUEEN IN RIGHT OF CANADA has executed this AGREEMENT, this ____ day of _____, 2021.

HER MAJESTY THE QUEEN IN RIGHT OF CANADA, as represented by the Minister of Public Works and Government Services

Name: Richard Barbeau
Title: Senior Director, Complex Real Estate Transactions

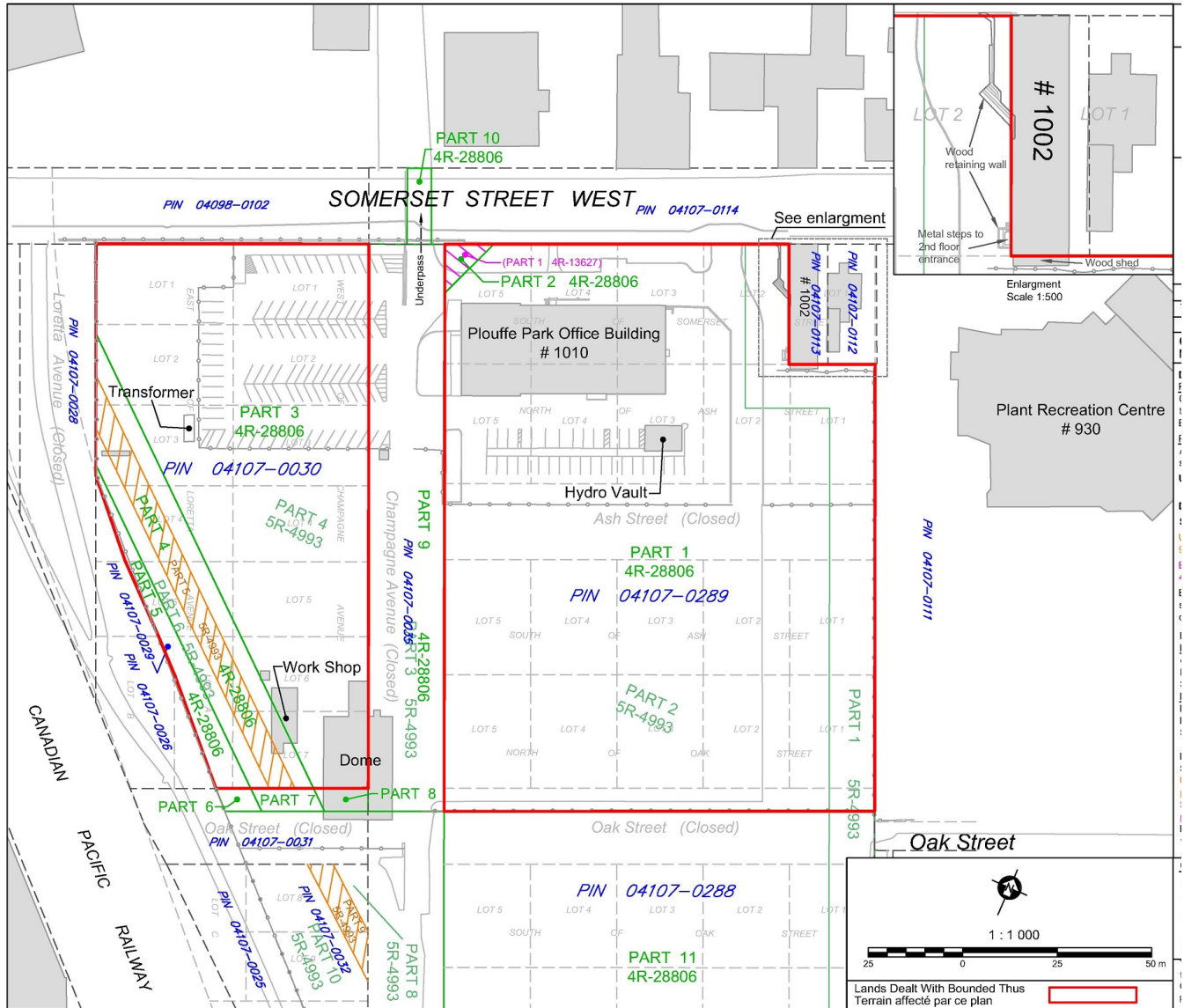
IN WITNESS WHEREOF CITY OF OTTAWA has executed this AGREEMENT, this ____ day of _____, 2021.

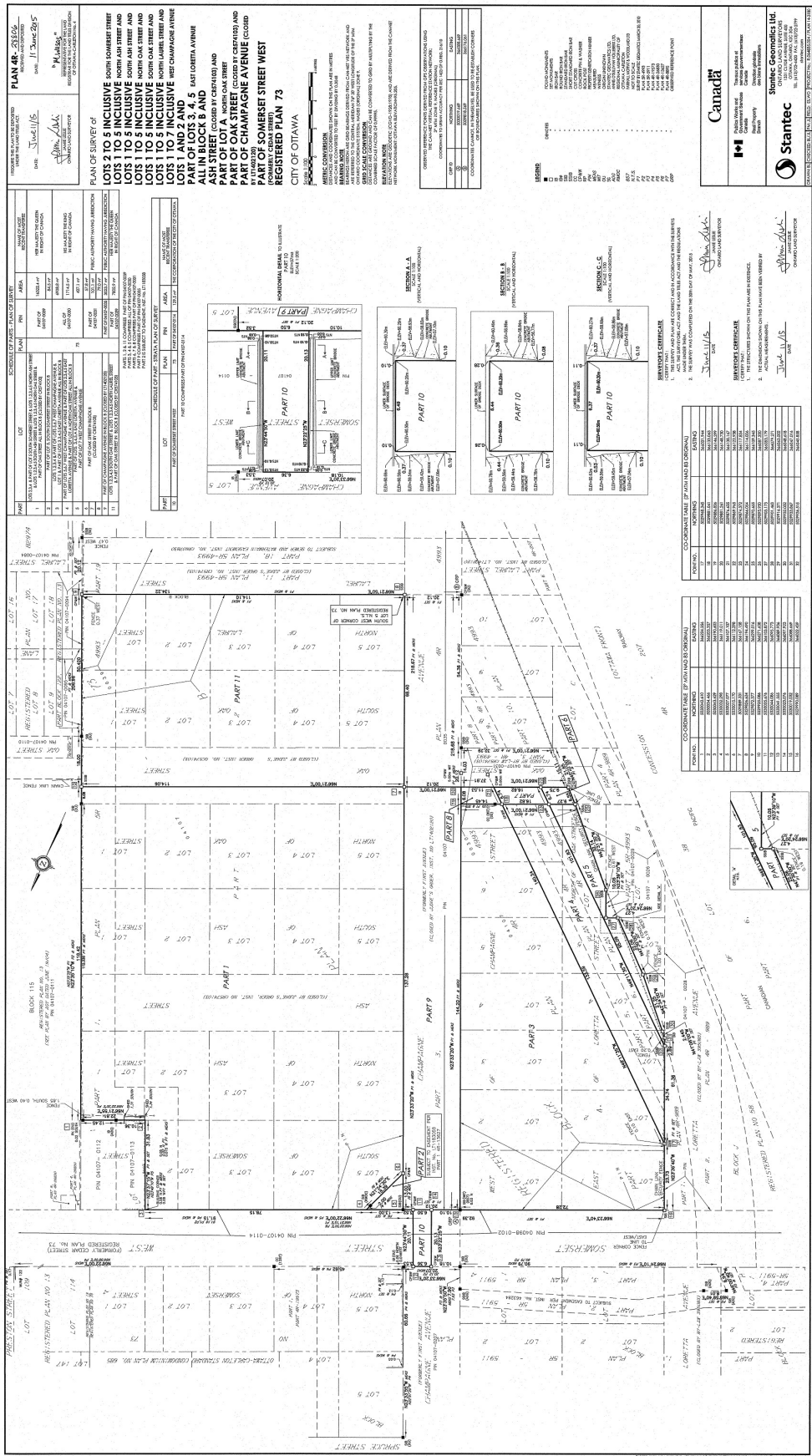
CITY OF OTTAWA

Name:
Title:

I have authority to bind the City of Ottawa.

SCHEDULE A PROPERTY PLANS





PLAN 48-2516-
DATE: 11 June 2015
BY: [Signature]
FOR: [Signature]

PLAN OF SURVEY OF
LOTS 2 TO 5 INCLUSIVE NORTH SOMERSET STREET
LOTS 1 TO 5 INCLUSIVE NORTH OAK STREET AND
LOTS 1 TO 5 INCLUSIVE SOUTH OAK STREET AND
LOTS 1 TO 5 INCLUSIVE NORTH LAMAR STREET AND
LOTS 1 AND 2 INCLUSIVE WEST CHAMPAIGNE AVENUE
ALL IN BLOCK 8 AND
PART OF LOTS 3, 4, 5 EAST LORETTA AVENUE
ASH STREET (CLOSED BY CERTIFICATES) AND
PART OF OAK STREET (CLOSED BY CERTIFICATES) AND
PART OF CHAMPAIGNE AVENUE (CLOSED
BY CERTIFICATES)
REGISTERED PLAN 73
CITY OF OTTAWA

METRIC CONVERSION
1 METRE = 3.28084 FEET
1 FOOT = 0.3048 METRES
1 HECTARE = 2.47105 ACRES
1 ACRE = 0.404686 HECTARES
1 SQUARE METRE = 1.07639 SQUARE FEET
1 SQUARE FOOT = 0.092903 SQUARE METRES
1 CUBIC METRE = 35.2335 CUBIC FEET
1 CUBIC FOOT = 0.028317 CUBIC METRES
1 KILOMETRE = 0.621371 MILES
1 MILE = 1.60934 KILOMETRES
1 LITRE = 0.264179 GALLONS
1 GALLON = 3.78541 LITRES
1 KILOGRAM = 2.20462 POUNDS
1 POUND = 0.453592 KILOGRAMS
1 KILOWATT = 1.34102 HORSEPOWER
1 HORSEPOWER = 0.745699 KILOWATTS
1 KILOWATT HOUR = 3.41214 BTU
1 BTU = 0.293071 WATT HOURS
1 TONNE = 1.10231 SHORT TONS
1 SHORT TON = 0.907185 TONNES
1 CUBIC METRE = 35.2335 CUBIC FEET
1 CUBIC FOOT = 0.028317 CUBIC METRES
1 KILOMETRE = 0.621371 MILES
1 MILE = 1.60934 KILOMETRES
1 LITRE = 0.264179 GALLONS
1 GALLON = 3.78541 LITRES
1 KILOGRAM = 2.20462 POUNDS
1 POUND = 0.453592 KILOGRAMS
1 KILOWATT = 1.34102 HORSEPOWER
1 HORSEPOWER = 0.745699 KILOWATTS
1 KILOWATT HOUR = 3.41214 BTU
1 BTU = 0.293071 WATT HOURS
1 TONNE = 1.10231 SHORT TONS
1 SHORT TON = 0.907185 TONNES

| COORDINATE | UNIT | VALUE |
|------------|----------------|---------|
| NORTH | UTM | 18Q UTM |
| EAST | UTM | 650000 |
| HEIGHT | ELLIPSOIDAL | 4540000 |
| HEIGHT | MEAN SEA LEVEL | 4540000 |
| HEIGHT | ELLIPSOIDAL | 4540000 |
| HEIGHT | MEAN SEA LEVEL | 4540000 |

| COORDINATE | UNIT | VALUE |
|------------|----------------|---------|
| NORTH | UTM | 18Q UTM |
| EAST | UTM | 650000 |
| HEIGHT | ELLIPSOIDAL | 4540000 |
| HEIGHT | MEAN SEA LEVEL | 4540000 |
| HEIGHT | ELLIPSOIDAL | 4540000 |
| HEIGHT | MEAN SEA LEVEL | 4540000 |

Canada
Stantec
Stantec Inc.
1000 Avenue Road
Suite 1000
Ottawa, Ontario K1H 8L9
Canada
Tel: (613) 993-9200
Fax: (613) 993-9201
Email: ottawa@stantec.com
Web: www.stantec.com

| LOT | AREA (SQ. M) | AREA (SQ. FT) |
|---------|--------------|---------------|
| LOT 1 | 1000.00 | 10890.00 |
| LOT 2 | 1000.00 | 10890.00 |
| LOT 3 | 1000.00 | 10890.00 |
| LOT 4 | 1000.00 | 10890.00 |
| LOT 5 | 1000.00 | 10890.00 |
| LOT 6 | 1000.00 | 10890.00 |
| LOT 7 | 1000.00 | 10890.00 |
| LOT 8 | 1000.00 | 10890.00 |
| LOT 9 | 1000.00 | 10890.00 |
| LOT 10 | 1000.00 | 10890.00 |
| LOT 11 | 1000.00 | 10890.00 |
| LOT 12 | 1000.00 | 10890.00 |
| LOT 13 | 1000.00 | 10890.00 |
| LOT 14 | 1000.00 | 10890.00 |
| LOT 15 | 1000.00 | 10890.00 |
| LOT 16 | 1000.00 | 10890.00 |
| LOT 17 | 1000.00 | 10890.00 |
| LOT 18 | 1000.00 | 10890.00 |
| LOT 19 | 1000.00 | 10890.00 |
| LOT 20 | 1000.00 | 10890.00 |
| LOT 21 | 1000.00 | 10890.00 |
| LOT 22 | 1000.00 | 10890.00 |
| LOT 23 | 1000.00 | 10890.00 |
| LOT 24 | 1000.00 | 10890.00 |
| LOT 25 | 1000.00 | 10890.00 |
| LOT 26 | 1000.00 | 10890.00 |
| LOT 27 | 1000.00 | 10890.00 |
| LOT 28 | 1000.00 | 10890.00 |
| LOT 29 | 1000.00 | 10890.00 |
| LOT 30 | 1000.00 | 10890.00 |
| LOT 31 | 1000.00 | 10890.00 |
| LOT 32 | 1000.00 | 10890.00 |
| LOT 33 | 1000.00 | 10890.00 |
| LOT 34 | 1000.00 | 10890.00 |
| LOT 35 | 1000.00 | 10890.00 |
| LOT 36 | 1000.00 | 10890.00 |
| LOT 37 | 1000.00 | 10890.00 |
| LOT 38 | 1000.00 | 10890.00 |
| LOT 39 | 1000.00 | 10890.00 |
| LOT 40 | 1000.00 | 10890.00 |
| LOT 41 | 1000.00 | 10890.00 |
| LOT 42 | 1000.00 | 10890.00 |
| LOT 43 | 1000.00 | 10890.00 |
| LOT 44 | 1000.00 | 10890.00 |
| LOT 45 | 1000.00 | 10890.00 |
| LOT 46 | 1000.00 | 10890.00 |
| LOT 47 | 1000.00 | 10890.00 |
| LOT 48 | 1000.00 | 10890.00 |
| LOT 49 | 1000.00 | 10890.00 |
| LOT 50 | 1000.00 | 10890.00 |
| LOT 51 | 1000.00 | 10890.00 |
| LOT 52 | 1000.00 | 10890.00 |
| LOT 53 | 1000.00 | 10890.00 |
| LOT 54 | 1000.00 | 10890.00 |
| LOT 55 | 1000.00 | 10890.00 |
| LOT 56 | 1000.00 | 10890.00 |
| LOT 57 | 1000.00 | 10890.00 |
| LOT 58 | 1000.00 | 10890.00 |
| LOT 59 | 1000.00 | 10890.00 |
| LOT 60 | 1000.00 | 10890.00 |
| LOT 61 | 1000.00 | 10890.00 |
| LOT 62 | 1000.00 | 10890.00 |
| LOT 63 | 1000.00 | 10890.00 |
| LOT 64 | 1000.00 | 10890.00 |
| LOT 65 | 1000.00 | 10890.00 |
| LOT 66 | 1000.00 | 10890.00 |
| LOT 67 | 1000.00 | 10890.00 |
| LOT 68 | 1000.00 | 10890.00 |
| LOT 69 | 1000.00 | 10890.00 |
| LOT 70 | 1000.00 | 10890.00 |
| LOT 71 | 1000.00 | 10890.00 |
| LOT 72 | 1000.00 | 10890.00 |
| LOT 73 | 1000.00 | 10890.00 |
| LOT 74 | 1000.00 | 10890.00 |
| LOT 75 | 1000.00 | 10890.00 |
| LOT 76 | 1000.00 | 10890.00 |
| LOT 77 | 1000.00 | 10890.00 |
| LOT 78 | 1000.00 | 10890.00 |
| LOT 79 | 1000.00 | 10890.00 |
| LOT 80 | 1000.00 | 10890.00 |
| LOT 81 | 1000.00 | 10890.00 |
| LOT 82 | 1000.00 | 10890.00 |
| LOT 83 | 1000.00 | 10890.00 |
| LOT 84 | 1000.00 | 10890.00 |
| LOT 85 | 1000.00 | 10890.00 |
| LOT 86 | 1000.00 | 10890.00 |
| LOT 87 | 1000.00 | 10890.00 |
| LOT 88 | 1000.00 | 10890.00 |
| LOT 89 | 1000.00 | 10890.00 |
| LOT 90 | 1000.00 | 10890.00 |
| LOT 91 | 1000.00 | 10890.00 |
| LOT 92 | 1000.00 | 10890.00 |
| LOT 93 | 1000.00 | 10890.00 |
| LOT 94 | 1000.00 | 10890.00 |
| LOT 95 | 1000.00 | 10890.00 |
| LOT 96 | 1000.00 | 10890.00 |
| LOT 97 | 1000.00 | 10890.00 |
| LOT 98 | 1000.00 | 10890.00 |
| LOT 99 | 1000.00 | 10890.00 |
| LOT 100 | 1000.00 | 10890.00 |

SCHEDULE B

LEGAL DESCRIPTION OF PROPERTY

PIN 04107-0030 (LT)

LT 1, BLK B, PL 73, LT 2, BLK B, PL 73, LT 3, BLK B, PL 73, LT 4, BLK B, PL 73, LT 5, BLK B, PL 73, LT 6, BLK B, PL 73, LT 7, BLK B, PL 73, W/S CHAMPAGNE AV; LT 1, BLK B, PL 73, LT 2, BLK B, PL 73, LT 3, BLK B, PL 73, PT LT 4, BLK B, PL 73, PT LT 5, BLK B, PL 73, E/S LORETTA AV (FORMERLY SECOND AV); PT LT A, BLK B, PL 73, N/S OAK ST, PARTS 4, 5 & 6, 5R4993; OTTAWA/NEPEAN

PIN 04107-0289 (LT)

LOTS 2 TO 5, BLOCK B, PLAN 73 SOUTH OF SOMERSET STREET; LOTS 1 TO 5, BLOCK B, PLAN 73 NORTH OF ASH STREET; LOTS 1 TO 5, BLOCK B, PLAN 73 SOUTH OF ASH STREET; LOTS 1 TO 5, BLOCK B, PLAN 73 NORTH OF OAK STREET; ASH STREET, PLAN 73 CLOSED BY CR574103 AS IN CR239283 & CR607830; AND PART OF OAK STREET, PLAN 73 CLOSED BY CR574103; SUBJECT TO AN EASEMENT OVER PART OF LOT 5, SOUTH OF SOMERSET BEING PART 1 ON PLAN 4R13627 IN FAVOUR OF THE REGIONAL MUNICIPALITY OF OTTAWA-CARLETON AS IN LT1183058; CITY OF OTTAWA

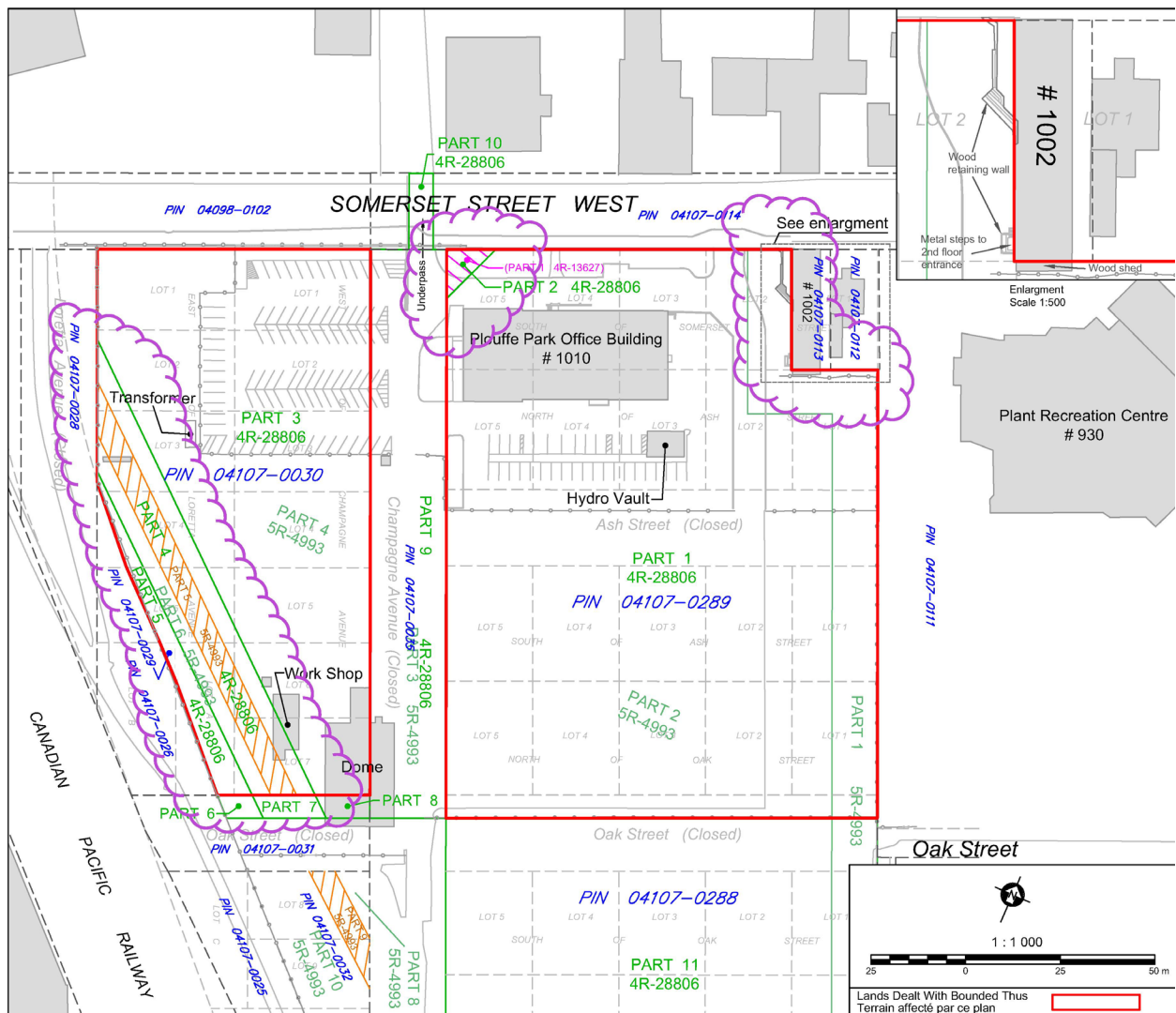
PIN 04107-0029 (LT)

PT LT B BLK B, PL 73, N/S OAK ST, AS IN CR42631 EXCEPT CR69836; OTTAWA/NEPEAN

SCHEDULE C

PERMITTED ENCUMBRANCES

1. Unregistered easement in favor of the City of Ottawa for a sewer over Parts 5, 9, and 16 Plan 5R-4993
2. Easement registered as instrument no LT1183058 in favour of RMOC for watermain over Part 1, Plan 4R-13627. Expires July 31, 2066.
3. Encroachment for a wood shed, the entrance steps and landing attached to the southwest corner of the building located on the abutting lands at the northeast corner of the site extend westerly onto the subject lands.



SCHEDULE D

LICENCE

LICENCE

THIS AGREEMENT made in triplicate as of the ____ day of _____ 20** (hereinafter referred to as the “**Licence**”)

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF CANADA, as represented by the Minister of Public Works and Government Services (hereinafter referred to as “**PWGSC**” or as the “**Licensor**”)

OF THE FIRST PART

AND:

CITY OF OTTAWA, (hereinafter referred to as “**The City**” or as the “**Licensee**”)

OF THE SECOND PART

(The Licensor and the Licensee are collectively referred to herein as the “**Parties**”)

WHEREAS PWGSC is the owner of the property described in Schedule D-1 attached hereto (the “**PWGSC Lands**”);

AND WHEREAS PWGSC and the City entered into a Memorandum of Agreement in respect of the PWGSC Lands (the “**Agreement**”).

AND WHEREAS the Parties agree that the City shall have temporary use and occupation of those portions of PWGSC’s Lands, prior to closing of the transaction pursuant to the Agreement.

IN CONSIDERATION of the mutual covenants contained herein and the payment by the Licensee to the Licensor of the sum of **ONE (\$1.00) DOLLAR** of lawful money of Canada, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

ARTICLE 1 GRANT OF A LICENCE

1.1 PWGSC hereby grants to the Licensee, a licence upon, on, over, under, along and across portions of PWGSC’s Lands (hereinafter referred to as the “**Licensed Lands**”), as more particularly described in the sketch attached hereto as Schedule D-2, to enter on the Licensed Lands for the purposes of surveys, tests, inspections and installing and constructing such works as the City deems desirable (together the “**Work**”) on, over, under and through the Licensed Lands together with the right of access and egress to the City, its

workers, servants, agents, employees, contractors, subcontractors, or any other persons authorized by the City, with vehicles, machinery, supplies and equipment to enter upon, and to pass over, under, along and across the Licensed Lands at all times and for all purposes.

- 1.2 This Licence granted to the Licensee shall be exclusive to the Licensee with the exception of the Licensors, the Licensors's tenants, the Licensors's property manager and the contractors, employees, and agents of the Licensors.

ARTICLE 2 TERM

- 2.1 This Licence takes effect [NTD COMPLETE DATE] (the "Commencement Date") and shall remain in effect until the latest of (i) the date on which the PWGSC Lands are transferred to the City pursuant to the Agreement and (ii) the termination of this Licence in accordance with Article 3.

ARTICLE 3 TERMINATION

- 3.1 (a) If in the reasonable opinion of PWGSC, the City breaches a term, obligation or condition of this Licence, PWGSC may give notice of the said breach to the City and request that it rectify the breach prior to the expiration of sixty (60) days from the receipt of the notice by the City, to the satisfaction of PWGSC, or such longer period of time as shall be required if such breach is not capable of being cured within such sixty (60) day period provided that the City has commenced curing such breach during such sixty (60) day period and diligently, continuously (subject to force majeure) and in good faith proceeds to remedy such breach, and provided that such breach is remedied within a reasonable period of time thereafter. If the City is unable to remedy the breach within a reasonable period of time thereafter to the satisfaction of PWGSC, then this Licence may be terminated by PWGSC immediately upon a notice of termination for cause hereunder delivered to the City in accordance with Article 11 herein.
- (b) Either Party may terminate this Licence, upon completion of the Work, by delivering notice as such to the other Party in accordance with Article 10 herein.
- (c) Either Party may terminate this Licence if the Agreement for Purchase and Sale made between the Licensors and the Licensee is lawfully terminated, by delivering notice as such to the other Party in accordance with Article 10 herein.

ARTICLE 4 OBLIGATIONS OF THE LICENSEE

- 4.1 Any Work to be performed by the Licensee pursuant to this Licence shall comply with all applicable labour laws, regulations, codes and standards, including, without limitation, the requirements of the applicable labour code;

- (a) Any Work to be performed by the Licensee pursuant to this Licence shall be performed with reasonable diligence, in a good and workmanlike manner, in good faith and with due dispatch;
- (b) The Licensee shall provide PWGSC with reasonable access to the Licensed Lands in order to verify that the conditions of this Licence are respected. The Licensee shall cooperate fully with PWGSC's inspection of the Licensed Lands;
- (c) The Licensee, through an appropriate on site representative, shall conduct on site meetings with PWGSC's property management staff regarding this Licence, throughout the term of the Licence, at a frequency agreeable to both Parties;
- (d) The Licensee shall provide PWGSC's property management staff with a list of scheduled construction activities so that PWGSC is aware of scheduled activities in order to effectively coordinate and manage PWGSC's operations on PWGSC's Lands;
- (e) During the term of this Licence, and for the purposes of construction, the Licensee shall provide a temporary fence and/or barricades satisfactory to PWGSC, acting reasonably, to control access to the Licensed Lands. The Licensee shall ensure the health and safety of the public accessing PWGSC's Lands immediately adjacent to the Licensed Lands. The Licensee shall be responsible for all costs related to the maintenance of the fence and/or barricades. The Licensee shall dismantle the fence and/or upon the completion of the Work;
- (f) The Licensee shall not interfere, hamper or disrupt the activities and government operations on PWGSC's Lands, provided that this clause shall not derogate from any of the rights granted to the Licensee herein;
- (g) The Licensee shall at no time block, limit, impede or restrict vehicular or pedestrian access to PWGSC's Lands except with the prior written consent of the Licensor. Any request to restrict access to PWGSC's Lands shall be made at least thirty (30) days prior to the date upon which such restriction is to take affect and is subject to the PWGSC's approval, acting reasonably. The Licensee shall provide, at its sole cost, reasonable alternative access, acceptable to PWGSC. The Licensee shall ensure that the Work is carried out in such a manner as to minimize the impact and duration of any such restriction;
- (h) Prior to commencing the Work on the Licensed Lands, the Licensee shall attend a project overview meeting with PWGSC's property management staff. Any and all reasonable pre-requisites to commencing the Work, related to the construction of said Work, identified at that meeting, shall be completed by the Licensee and accepted by the Licensor, acting reasonably, prior to the Licensee commencing the Work on the Licensed Lands;
- (i) The Licensee shall ensure that all legal, control, survey, or other monuments on the Licensed Lands are protected and not disturbed, damaged or destroyed during construction or maintenance of the Works. Should any such monuments be

disturbed, damaged or destroyed, the Licensee shall at its expense replace such monuments by a qualified Ontario Land Surveyor to the satisfaction of PWGSC;

- (j) The Licensee shall provide PWGSC with a pre-construction condition survey of the Licensed Lands and the adjacent portions of PWGSC's Lands, not less than seven (7) days prior to the commencement of the Work, and under no circumstances shall the Licensee commence the Work until the pre-construction condition survey is provided to PWGSC. The Licensee shall provide PWGSC with a post-construction condition survey of the Licensed Lands and the adjacent portions of PWGSC's Lands, not less than seven (7) days following the completion of the Work. The purpose of these surveys is to record, by way of photographs, videos and written reports, the status and condition of the Licensed Lands and PWGSC's Lands both before the commencement of the Work and immediately following the completion of the Work. These documents shall be certified by a Professional Engineer as being complete and correct;
- (k) The Licensee accepts responsibility for damage and interruption of utilities services, including without limitation, electricity, water, steam and chilled water for heating and cooling, telecommunications, and sewer/waste water services, to, on or in relation to PWGSC's Lands caused in any manner by itself or its agents as a result of the Work and is obliged to ensure that none of the Work interferes with utilities servicing works located on or servicing PWGSC's Lands;
- (l) The Licensee shall ensure that, as a result of the Work, no construction liens, orders or other liens, charges or encumbrances are registered. In the event that any such liens, orders, charges or encumbrances are registered, the Licensee shall have these removed forthwith at the Licensee's sole cost and expense;
- (m) Notwithstanding any rule of law or equity, the Works installed on, brought onto, laid on or buried in or under the Licensed Lands by the City shall at all times remain the property of the City notwithstanding that the same may be annexed or affixed to the freehold of the Licensed Lands which are owned by PWGSC. The City shall be fully responsible, at its own expense, for the operation, repair, maintenance and removal of the said Works;
- (n) The Licensee shall provide PWGSC with copies of all factual reports describing the ground conditions of the Licensed Lands encountered, modified and/or restored during the Work.

ARTICLE 5

DAMAGE AND REPAIR LANDS

- 5.1 The Licensee shall, at its own expense, repair any damage and/or subsidence to the Licensed Lands, or PWGSC's Lands, which damage arises as a result of or in any way related to the Work, except to the extent caused by PWGSC, the employees or servants of PWGSC, or any agents, contractors or others for whom PWGSC is responsible at law. For the purposes of this Licence, "damage" shall be deemed to be any adverse change in the

condition of the Licensed Lands or PWGSC's Lands as a result of or in any way related to the Work. Any repair and remedial works must be completed within thirty (30) days of the Licensors or designated representative's written notice delivered hereunder to the Licensee. Should the damage not be able to be repaired within thirty (30) days because of the scope or nature of the damage, the Licensee shall commence the repair during the thirty (30) day period and notify the Licensors or designated representative in writing of the schedule for its completion and continue to diligently complete the repair to the satisfaction of the Licensors.

- 5.2 It is understood that the granting of this Licence shall in no way create, affect or prejudice any rights the Licensors has to compensation for any damages to the PWGSC's Lands resulting from the Licence and the said Work.
- 5.3 It is understood that the Licensee shall, and the Licensors shall not, be responsible in respect of any damage to PWGSC's Lands arising out of the Licence and entry by the Licensee, its employees, contractors and agents or the Work done by the Licensee, its employees, contractors and agents.

ARTICLE 6 ENVIRONMENT

- 6.1 The Licensee acknowledges and agrees that it shall be liable for all actions and costs associated with the clean-up of, or any other response to, any release of a toxic or hazardous substance into the environment or any damages caused thereby where such release is a result of the Licensee's use or occupation of the Licensed Lands. The Licensee and Licensors acknowledge and agree that the Licensee shall not be responsible for any pre-existing contamination on the Licensed Lands or PWGSC's Lands except in accordance with the Agreement of Purchase and Sale between PWGSC and the City for the purchase and sale of the lands described in Schedule D-1..
- 6.2 The Licensee acknowledges that it has relied, and shall continue to rely in future, entirely upon its own inspections and investigations with respect to the environmental state of the Licensed Lands. Without limiting the generality of the foregoing, the Licensee acknowledges that the Licensors accept no liability whatsoever for the findings, accuracy or other matters contained in any reports, plans, memoranda or other documents provided to the Licensee by, or on behalf of PWGSC.
- 6.3 Furthermore, the Licensee shall be solely responsible for confirming, at its own expense, the environmental quality of any disturbed soil or excess groundwater deriving from the Licensed Lands, and make any necessary provisions for the handling and proper disposal of such soil or water, and provide all information regarding these activities to PWGSC.
- 6.4 Subject to the terms and provisions of this Licence, the Licensee shall accept the Licensed Lands "as is". PWGSC makes no representations or warranties, express or implied, whatsoever regarding the Licensed Lands; including, without limiting the generality of the foregoing, with respect to fitness of the Licensed Lands for any particular use, or regarding the presence or absence on the Licensed Lands or any surrounding or neighbouring

property of, or the leakage or emission from or onto the Licensed Lands of, any toxic, hazardous, dangerous, or potentially dangerous, substance or condition. PWGSC generally disclaims any and all responsibility for soil conditions, subsurface contents, and site conditions on the Licensed Lands.

ARTICLE 7 INDEMNIFICATION

- 7.1 The Licensee on behalf of its employees, agents, contractors, successors, and assigns covenants not to exercise any and all actions, causes of action, claims and demands for damages, indemnity costs and losses for injuries or for death incurred by the Licensee against the Licensor with regard to any matter arising out of or in connection with this Licence, the works to be constructed, or the obligations and covenants of the Licensee to be fulfilled hereunder, except to the extent caused by malfeasance of PWGSC, PWGSC's employees, servants, agents, contractors and those for whom PWGSC is responsible at law or in respect of negligence or wilful misconduct of PWGSC or PWGSC's employees, servants, agents, contractors and those for whom PWGSC is responsible at law. Further, the Licensee on behalf of its employees, agents, contractors, successors and assigns waives any and all actions, causes of action, claims and demands of any sort whatsoever and howsoever arising out of or in connection to this Licence, the works to be constructed or the obligations and covenants of the Licensee to be fulfilled hereunder, except to the extent caused by malfeasance of PWGSC or PWGSC's employees, servants, agents, contractors and those for whom PWGSC is responsible at law or in respect of negligence or wilful misconduct of PWGSC or PWGSC's employees, servants, agents, contractors and those for whom PWGSC is responsible at law.
- 7.2 The Licensee shall save harmless and indemnify the Licensor from and against all manner of actions, causes of action, claims, demands, loss, costs, and suits that may arise, be sustained or prosecuted against the Licensor whatsoever, and including, but without restricting the generality of the foregoing, any claims, demands, or causes of action based on negligence and/or nuisance made against the Licensor as owner resulting from or for by reason of the granting of the Licence, the use of the Licensed Lands by the Licensee or any of its officers, servants, workmen, agents or contractors or for or by any reason of the construction, existence or maintenance of the works in, over, along, upon, or under the Licensed Lands, or for or by reason of any act or acts, or thing or things done, alleged or ought to have been done by the Licensee or by any of its officers, servants, workmen, agents, contractors or successors and assigns, except to the extent caused by malfeasance of PWGSC or PWGSC's employees, servants, agents, contractors and those for whom PWGSC is responsible at law or in respect of negligence or wilful misconduct of PWGSC, PWGSC's employees, servants, agents, contractors and those for whom PWGSC is responsible at law.

ARTICLE 8 INSURANCE

- 8.1 The Licensee and the Licensee's contractor(s) shall maintain during the Licence Term, a Commercial General Liability and Non-Owned Automobile Liability insurance policy

subject to limits of not less than FIVE MILLION DOLLARS (\$5,000,000) per occurrence and shall name the Licensor as an additional insured thereunder and shall contain a cross-liability and severability of interests endorsement and waiver of subrogation to protect the Licensor against claims by the Licensee or its insurer. All insurance coverage required by this Licence shall be placed with financially sound insurers, having the capacity to provide such insurance, and where required by applicable statute, licenced to insure such risk in the province of Ontario. Such insurance policies shall be in the name of the Licensee and the Licensee shall provide the Licensor with evidence of same in the form of a Certificate of Insurance confirming all of the insurance coverage required in this Section of the Licence. Such certificate shall provide for a minimum of sixty (60) days written notice to the Licensor of any cancellation, material change, or reduction in coverage.

ARTICLE 9 COMPLIANCE WITH LAW

- 9.1 In exercising this Licence, the Licensee shall comply with all applicable federal, provincial and municipal laws, regulations and by-laws.

ARTICLE 10 NOTICE

- 10.1 Except as otherwise provided herein, any notice required or contemplated by any provision of this Licence of which the Licensee or PWGSC may desire to give to the other, shall be sufficiently given to each other by facsimile transmission or by ordinary mail to:

The City:

**Director
Corporate Real Estate Office
110 Laurier Avenue West
Ottawa, Ontario
K1P 1J1
Email: Derrick.Moodie@ottawa.ca**

PWGSC:

**Director
Complex Real Estate Transactions
Public Works and Government Services
Place des Explorateurs, 6th floor
191 Promenade du Portage
Gatineau, Québec
K1A 0S5**

Email : Richard.Barbeau@tpsgc-pwgsc.gc.ca

With a copy to:

PSPC Asset Manager
1010 Somerset (Plouffe Park)
RP-1 Managed Assets
427 Laurier Avenue W.
K1A 0S4
Email: Anne.Desrochers@pwgsc-tpsgc.gc.ca

Notice delivered by email shall be deemed to be delivered immediately. Notice delivered by ordinary mail shall be deemed to be delivered five (5) business days after posting. Each Party shall notify the other in writing in the method described herein in the event of any change in the address for delivery of notice.

ARTICLE 11 AMENDMENT

- 11.1 This Licence may only be amended by written agreement executed by both PWGSC and the Licensee.
- 11.2 No amendment, variation, addition, deletion, rider or other change to this Licence shall have any force or effect unless it is in writing and unless it is executed by both PWGSC and the Licensee.

ARTICLE 12 ASSIGNMENT

- 12.1 The City shall not assign or transfer this Licence without the prior written consent of PWGSC, which consent may be unreasonably withheld. The City shall require any assignee to expressly agree to comply and be bound by all of the covenants, terms, conditions, obligations and responsibilities as outlined in this Licence. Furthermore, the assignee shall be subject to PWGSC's applicable Integrity Framework provisions, and any other applicable contracting policy in force at the time of the assignment.

ARTICLE 13 SUCCESSORS AND ASSIGNS

- 13.1 This Licence shall enure to the benefit of and be binding on the Parties and their respective representatives, successors, assigns and upon the subsequent transfers and/or owners of PWGSC's Lands.

ARTICLE 14 APPLICABLE LAWS

- 14.1 This Licence shall be governed by and construed in accordance with all applicable federal, provincial and municipal laws, regulations and by-laws.

ARTICLE 15 SCHEDULES

- 15.1 Schedule D-1 and Schedule D-2 form an integral part of this Licence and all of their terms are incorporated herein and are binding upon the Parties. However, wherever there is any ambiguity or contradiction between a Schedule and this Licence itself, the terms of the Licence shall prevail.

ARTICLE 16 HEADINGS/INTERPRETATION

- 16.1 All headings are inserted for convenience of reference only and shall not affect the construction or interpretation of this Licence. Any reference to “Section” or “Paragraph” in this Licence shall be taken to mean a reference to an “Article”.

ARTICLE 17 DISPUTE RESOLUTION

- 17.1 (a) If any disagreement arises between any of the Parties with respect to the matters described in this Licence (a “**Dispute**”), any Party may require that the procedure set out in this Article 17 be followed to the extent necessary to resolve the Dispute.
- (i) The Director of the City’s Corporate Real Estate Office and the Director of Complex Real Estate Transactions for PWGSC shall attempt to resolve the Dispute informally.
 - (ii) To assist in resolving Disputes, the representatives involved in the above described informal negotiations shall avail themselves of the resources of members of their respective staff where appropriate.
- (b) If the representatives of the Parties referred to in Subsection (i) above are unable to resolve any Dispute through informal discussions or negotiations and either the City or PWGSC, at any time, wishes to escalate the resolution of such Dispute pursuant to the terms of this Article 17, such escalation shall result in a referral of the Dispute to the City Manager and the Director General, NCA Real Estate Services, respectively, who shall attempt to resolve the Dispute through negotiation. The Parties acknowledge and agree that from time to time either the City Manager or the Director General may appoint a designate to act on his/her behalf in respect of the Dispute so escalated.
- (c) The Parties shall endeavor to minimize sources of disagreement and take timely action to resolve Disputes in accordance with this Article 17. The Parties shall escalate the Dispute as quickly as is necessary so as not to jeopardize the effective and efficient completion of the process and transactions described in this Licence. In addition, the Parties shall attempt to resolve the Dispute at the lowest level possible.

**ARTICLE 18
GENDER**

- 18.1 Whenever in this Licence the context so requires or permits, the singular number shall be read as if the plural was expressed and the masculine gender as if the feminine or neuter, as the case may be, were expressed.

**ARTICLE 19
TIME OF THE ESSENCE**

- 19.1 Time shall in all respects be of the essence in each and every of the terms, covenants and conditions in this Licence.

**ARTICLE 20
SURVIVAL OF OBLIGATIONS**

- 20.1 The terms and obligations as set out in this Licence survive the expiration or earlier termination of the Licence as set out in Article 2 and Article 3 herein.

**ARTICLE 21
COUNTERPARTS**

- 21.1 This Licence may be executed by the Parties in separate counterparts, each of which shall be deemed to constitute an original, all of which together shall constitute one and the same Licence.

**ARTICLE 22
INTEGRITY PROVISIONS**

- 22.1 The *Ineligibility and Suspension Policy* (the “**Policy**”) in effect on the date this Licence of Occupation comes into force, and all Directives in effect on that date, are incorporated by reference into, and form a binding part of, this Licence. The Licensee must comply with the provisions of the Policy and Directives, which are available on Public Works and Government Services Canada’s Web site at Ineligibility and Suspension Policy <https://www.tpsgc-pwgsc.gc.ca/ci-if/politique-policy-eng.html>

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF the Parties hereto have executed these presents

Signed, Sealed & Delivered

**HER MAJESTY THE QUEEN IN RIGHT OF
CANADA,**

as represented by the Minister of Public Works and
Government Services

Name:

Title:

CITY OF OTTAWA

Name:

Title:

I have the authority to bind the City of Ottawa.

SCHEDULE D-1

PWGSC'S LANDS

PIN 04107-0030 (LT)

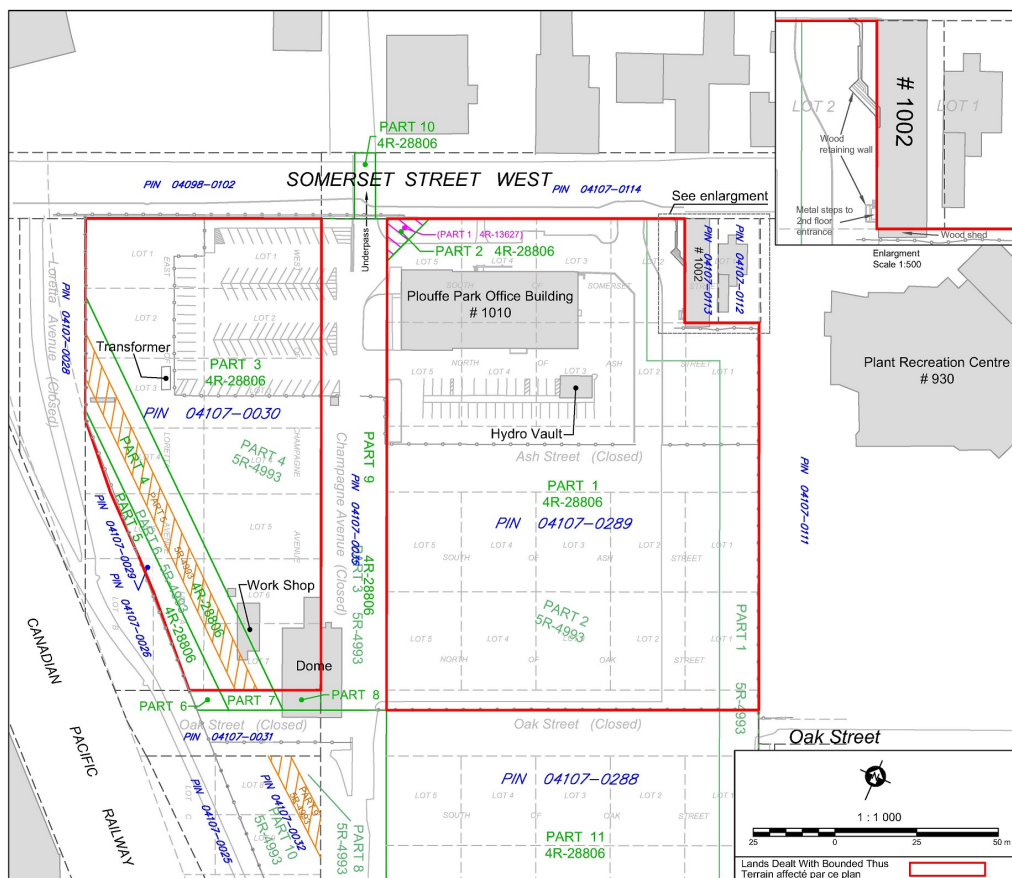
LT 1, BLK B, PL 73, LT 2, BLK B, PL 73, LT 3, BLK B, PL 73, LT 4, BLK B, PL 73, LT 5, BLK B, PL 73, LT 6, BLK B, PL 73, LT 7, BLK B, PL 73, W/S CHAMPAGNE AV; LT 1, BLK B, PL 73, LT 2, BLK B, PL 73, LT 3, BLK B, PL 73, PT LT 4, BLK B, PL 73, PT LT 5, BLK B, PL 73, E/S LORETTA AV (FORMERLY SECOND AV); PT LT A, BLK B, PL 73, N/S OAK ST, PARTS 4, 5 & 6, 5R4993; OTTAWA/NEPEAN

PIN 04107-0289 (LT)

LOTS 2 TO 5, BLOCK B, PLAN 73 SOUTH OF SOMERSET STREET; LOTS 1 TO 5, BLOCK B, PLAN 73 NORTH OF ASH STREET; LOTS 1 TO 5, BLOCK B, PLAN 73 SOUTH OF ASH STREET; LOTS 1 TO 5, BLOCK B, PLAN 73 NORTH OF OAK STREET; ASH STREET, PLAN 73 CLOSED BY CR574103 AS IN CR239283 & CR607830; AND PART OF OAK STREET, PLAN 73 CLOSED BY CR574103; SUBJECT TO AN EASEMENT OVER PART OF LOT 5, SOUTH OF SOMERSET BEING PART 1 ON PLAN 4R13627 IN FAVOUR OF THE REGIONAL MUNICIPALITY OF OTTAWA-CARLETON AS IN LT1183058; CITY OF OTTAWA

PIN 04107-0029 (LT)

PT LT B BLK B, PL 73, N/S OAK ST, AS IN CR42631 EXCEPT CR69836; OTTAWA/NEPEAN



SCHEDULE D-2

LICENSED LANDS

[NTD Attach sketch from City's notice given pursuant to Section 4.4 of the Agreement]

SCHEDULE E

SKETCH OF PWGSC OCCUPIED CITY LANDS

