

MEMORANDUM OF UNDERSTANDING

dated as of the 2 day of October, 2019
(Herein referred to as the "MOU")

BETWEEN

Right at Home Housing Society,
a Society incorporated under the laws
of the Province of Alberta (hereinafter called "RAHHS")

- AND -

Southminster Steinhauer United Church, a Congregation of the
United Church of Canada (hereinafter called "SSUC")

- AND -

The Property Commission of the Northern Spirit Regional Council of the
United Church of Canada (hereinafter called "PCNSRC")

Preamble:

WHEREAS:

- A. RAHHS is a charitable, community-based non-profit housing provider committed to the provision of affordable housing in Edmonton, Alberta;
- B. RAHHS has a proven track record in the development and long term operation of affordable housing;
- C. RAHHS has previously re-developed a parcel of church land in Edmonton, in order to build new community building, alongside new affordable housing; and the development was well received in the community;
- D. RAHHS is interested in purchasing or leasing a proposed subdivided portion of the lands held by SSUC, in order to develop and operate for the long term an affordable housing project on the lands.
- E. RAHHS will do its best to engage the broader community, and be committed to being a 'good neighbour' such that the development will be well received and supported by the community.
- F. SSUC is committed to working with community and other agencies in partnership to bring the best of who we are together with skilled professionals working in the areas of justice, social service and on-the-ground action.
- G. SSUC supports affordable housing as a key to overcoming poverty in our community, and building healthier community and families.

- H. SSUC and PCNSRC are committed in principle to leveraging the land asset of SSUC in order to create an affordable housing project in the community, including housing for families and seniors, while preserving the integrity of its site for its mission as a congregation.
- I. RAHHS, SSUC and PCNSRC are committed to the development of a project to build and operate affordable housing units on the land to the mutual benefit of the congregation of SSUC, the future occupants of the housing units and RAHHS.

The Agreement:

This Memorandum of Understanding outlines the basic understanding between RAHHS, SSUC and PCNSRC and is subject to the entering into of a formal agreement with terms and conditions typical in such a situation, including provisions for all parties' due diligence conditions.

SSUC and PCNSC agree in principle to gift a portion of its land to RAHHS, or lease a portion of its land at a nominal sum for at least 21 years.

RAHHS will receive the lands on the following terms and conditions:

1. RAHHS will:
 - a) Proceed with the necessary steps to develop the project in a timely manner; in particular;
 - b) Start the rezoning process;
 - c) Start community engagement;
 - d) Bring together a Project Development Team;
 - i. Including some key consultants e.g., architect;
 - e) Start the permitting process;
 - f) Apply for government grants;
 - g) Bring forward initial site plans and renderings;
 - h) Guarantee construction and mortgage financing;
 - i) Hold regular meetings with SSUC representatives to permit timely SSUC input into the design process, particularly with respect to the project's impact on SSUC's ongoing maintenance and operational needs.

SSUC will:

1. Support RAHHS in its efforts to secure both grant and mortgage funding;
2. Participate in community engagement, in order to foster community support
3. Seek support from local community and political leaders

SSUC and PCNSRC will:

1. Use their best efforts to expedite the sale or leasing of the land upon the project receiving final approvals.

Representations and Warranties:

RAHHS represents and warrants that:

1. it is duly incorporated and validly exists under the laws of its incorporating jurisdiction and is authorized to carry on business in the Province of Alberta;
2. it is in good standing with respect to the filing of annual returns in Alberta and, if incorporated outside of Alberta, in the jurisdiction of the incorporation;

Each of the Parties represents and warrants to the others that:

3. it has the capacity to enter into this MOU and has taken all necessary steps to authorize the execution and delivery of the same;
4. it agrees that the MOU is not a legally binding contract, but a valid agreement, ethically binding upon it, which constitutes a framework to meet and act upon the roles and responsibilities contained within said MOU, and will become part of, or significantly inform a legally binding agreement which will guide and regulate both the development and on going operations of the Project on the church lands; and,
5. subject to the law of equity and laws concerning bankruptcy, insolvency, debtors and the enforcement of creditors rights generally, the MOU is enforceable in accordance with its terms.

Covenants:

Each of the Parties covenant that:

1. it shall execute and deliver all such further deeds, documents and instruments and will do all such further acts and things as are reasonably necessary or advisable in order to carry out, give effect to or perfect the provisions and intent of this MOU and the transactions contemplated hereby; and

2. in the event that any disagreement arises between any of the Parties with reference to this MOU or any matter arising hereunder for which a specific mechanism for its resolution is not herein contained or which the Parties cannot resolve themselves then:
 - a) the Parties shall engage the services of a mutually agreed to Alternate Dispute Resolutions professional to facilitate the resolution of the dispute, through mediation; and
 - b) the liability for the cost of the mediation shall be decided by the mediator.

Termination:

This MOU shall be terminated if SSUC and/or RAHHS and/or PCNSRC is unable to satisfy the conditions precedent set out in 'The Agreement' section hereof.

General:

1. This MOU shall continue in full force and effect unless terminated according to the terms of this MOU.
2. Each Party shall indemnify and save harmless the other Party from and against all claims, losses, damages, costs, expenses, actions and other proceedings, made, sustained, brought, prosecuted, threatened to be brought or prosecuted, in any manner based upon, occasioned by or attributed to any injury to or death of a person or damage to or loss of property arising from any willful or negligent act, omission or delay on its part or its servants or agents in performing the work or as a result of the work.
3. This MOU shall be governed in all respects by the laws of the Province of Alberta.
4. Time shall be of the essence in this MOU.
5. Any notice or other communication required or permitted to be given by any Party to any other Party shall be in writing and shall be delivered personally or by prepaid registered mail addressed to the Party to which it is to be given as follows:

RAHHS
9430 111 Avenue
Edmonton, AB T5G 0A4

PCNRSC
13535 122 Avenue NW
Edmonton, AB T5L 2V7

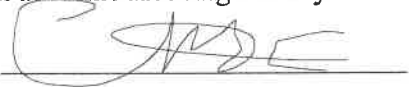
SSUC
10740 19 Ave NW
Edmonton, AB T6J 6W9

Every notice shall be deemed to have been duly received: if delivered, on the date of delivery thereof; and if sent by mail, at the expiration of five (5) business days after a prepaid envelope containing the same had been placed in the registered mail and in the event of interruption of postal service, at the expiration of five (5) business days following the resumption of such service.

6. This MOU shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns. The Parties shall not be entitled to assign their interests hereunder without the prior written consent of the other Party.

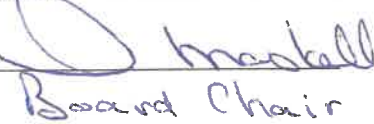
Right at Home Housing Society

Per: _____



Southminster Steinhauer United Church

Per: _____



Board Chair

Property Commission of the Northern Spirit Regional Council

Per: _____

