

PREPAID RESIDENTIAL LEASE (TAZA PARK)

THIS LEASE dated as of ● between

Tsuut'ina-Canderel Land Development Limited Partnership
by its general partner,
TTN-C Land Development GP Inc.
c/o Taza Development Corp.
Suite 230, 5894 Tsuut'ina Parkway, Tsuut'ina
Alberta, T3T 0E6
(the "**Lessor**")

and

CRYSTAL CREEK HOMES INC., having an office at 6010 12th
Street SE, Calgary, Alberta, Canada T2H 2X2
(the "**Lessee**")

RECITALS

- A. Pursuant to the Head Lease, the Lessor is the lessee in respect of the Head Lease Lands;
- B. The Head Lease Lands are reserve lands of the Nation;
- C. The Lessor has agreed to sublease the Development Lands to the Lessee in accordance with the terms and conditions of this Lease;
- D. The Lessee will carry out the Development on the Development Lands in accordance with this Lease and, upon Substantial Completion of the Development, register in the Registry a Condo Building Plan in respect of the Development;
- E. Following the registration of the Condo Building Plan in the Registry, the Lessee will grant to the Homeowners the Prepaid Homeowner Leases in respect of the Units; and
- F. The Lessee will assign this Lease to the Homeowner Condo Corporation in accordance with Section 5.3(1) of this Lease.

THEREFORE in consideration of the payment in full of the Prepaid Rent by the Lessee to the Lessor and the mutual covenants, agreements, duties and obligations set out in this Lease, the parties hereby covenant and agree as follows:

ARTICLE 1 - DEFINITIONS AND SCHEDULES

Section 1.1 Definitions

In this Lease, including the above recitals, the following terms have the following meanings:

- (1) “**Acceptable Remediation Standards**” means the applicable Contaminant or environmental guidelines or standards for residential use established by Applicable Law and in compliance with any requirements set out in the Head Lease and, except as is otherwise specifically provided pursuant to this Lease or the Head Lease, Acceptable Remediation Standards may, at the sole and unfettered discretion of the Lessor, be achieved using a risk-based approach approved by the Lessor, provided that such approach is carried out in accordance with the requirements of Applicable Law and the Head Lease.
- (2) “**Acquisition Agreement**” means the acquisition agreement between the Developer and the Lessor whereby the Developer, among other things, agreed to acquire a subleasehold interest in the Development Lands.
- (3) “**Alteration**” means any alteration, restoration, renovation, relocation, reduction, addition, expansion, reconstruction, removal, replacement, repair or modification of all or any part of the Premises.
- (4) “**Applicable Law**” means any applicable law, statute, by-law, ordinance, rule, regulation, official directive, order or lawful requirement of any Governmental Authority, all as amended, superseded and replaced at any time and from time to time, and includes the Taza Development Approval Requirements.
- (5) “**Appraisal**” means any valuation appraisal of the Improvements Value or Extension Rent, as the case may be, prepared in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Institute of Canada or its successor and conducted in accordance with the standards of the Appraisal Institute of Canada or its successor, by an Appraiser.
- (6) “**Appraiser**” means a person who is accredited as an appraiser by the Appraisal Institute of Canada or its successor.
- (7) “**Approved Project Plans**” has the meaning assigned to it in the Acquisition Agreement.
- (8) “**Architect**” means a person who is licensed as an architect in the province of Alberta.
- (9) “**Architectural Guidelines**” means the guidelines attached as Schedule H hereto.
- (10) “**Artifact**” means any burial site, human remains, or any item of archaeological or cultural interest.

- (11) “**Assignment to Homeowner Condo Corporation**” has the meaning assigned to such term in Section 5.4(b).
- (12) “**Authorization**” means, with respect to any person or with respect to any lands, any authorization, order, permit, approval, grant, consent, waiver, license, right, franchise, privilege, certificate, judgment, writ, injunction, award, determination, direction, decree, bylaw, rule or regulation of any Governmental Authority having jurisdiction over such person or such lands, whether or not having the force of law, including land use designations and re-designations, subdivision approvals, Development Permits, Building Permits and Occupancy Certificates.
- (13) “**BIA**” means the *Bankruptcy and Insolvency Act (Canada)* or any similar or replacement legislation from time to time;
- (14) “**Building Permit**” means any building permit or building approval required by the Tsuut’ina Development Authority or any other Governmental Authority in connection with the construction of Improvements on the Development Lands.
- (15) “**Business Day**” means any day that is not a Saturday, a Sunday, a statutory holiday in Alberta, Easter Monday, Boxing Day, National Indigenous Peoples Day, or any other day designated by the Nation as an official holiday for which the Nation’s administrative offices are closed.
- (16) “**By-Law**” has the meaning assigned to it in Schedule I;
- (17) “**Canada Lands Surveyor**” has the meaning assigned to it under the federal *Canada Lands Surveyors Act*;
- (18) “**CCAA**” means the *Companies’ Creditors Arrangement Act (Canada)* or any similar or replacement legislation from time to time;
- (19) “**Certificate of Substantial Completion**” with respect to any Improvement, or an applicable part thereof, other than Substantial Completion of the Development, means a certificate or certificates of substantial completion in respect of the Improvement, or the applicable part thereof, issued by the Architect or Engineer responsible for overseeing the carrying out of the Improvement, certifying that:
- (a) the Improvement, or the applicable part thereof, is substantially complete in all material respects in a good and workmanlike manner and in accordance with the Head Lease and this Lease, except for minor deficiencies the correction of which in the opinion of the Architect or Engineer, will be adequately addressed by or on behalf of the person responsible for the Improvement within 30 days;
 - (b) all required Occupancy Certificates have been obtained; and
 - (c) the Improvement, or the applicable part thereof, is ready for occupancy or use.
- (20) “**Chief and Council**” means the elected Head Chief and Minor Chiefs of the Nation.

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(21) “**Claim**” means any past, present or future demand, claim, cause of action, suit, litigation or proceeding of any kind or nature whatsoever.

(22) “**Commencement Date**” means the date of the commencement of the Term, as set out in Section 2.1.

(23) “**Common Property**” means those areas within the Premises, including any hallways, parking spaces, including parking spaces for visitors and persons with disabilities, recreational areas and facilities and other common areas, not designated on the Condo Building Plan as Units, but for the purposes of sections 6, 8 and 12 of Schedule I includes facilities and property that are intended for common use by the Owners (as defined in Schedule I) notwithstanding that the facilities or property may be located in or otherwise comprise a Unit or any part of a Unit.

(24) “**Condo Building Budget**” means a budget for the operation of the Homeowner Condo Corporation and the operation and maintenance of the Common Property setting out, among other things, the contributions to be made by each Owner (as defined in Schedule I) of a Unit.

(25) “**Condo Building Plan**” means a Canada Lands Survey Records plan depicting any buildings within the Premises, the Units therein and the Common Property, containing the requirements set out in Section 3 of Schedule I and Section 5.2.

(26) “**Condo Building Property Covenants**” means those covenants contained in Schedule I hereto.

(27) “**Construction Plan**” means, dependent on the stage of construction, individually or collectively, plans, design briefs, construction specifications, cost estimates, as-built plans and any other documents that His Majesty reasonably requires, in respect of the Improvements or Premises prepared and certified by an Architect or Engineer, and includes all site plans drawn to scale showing the following required features with appropriate dimensions:

- (a) boundary lines with dimensions and acreage, natural and artificial features of the Development Lands and contiguous property, including Improvements;
- (b) “North” arrow;
- (c) title block, including drawing scale, date, Developer’s name and address and reference numbers;
- (d) location, dimension, size and construction specifications of roads, parking lots and driving aisles;
- (e) location, dimension, size and construction specifications of buildings and structures (including number of Units, storeys, floor area, number of rooms) as well as dimensions of front, side and back yards; and
- (f) location, dimension, size and construction specifications of on-site sanitary sewer connections and of existing and proposed water mains.

(28) “**Contaminant**” includes any toxic substance, deleterious substance, hazardous substance, hazardous waste, hazardous recyclable, ozone-depleting substance, halocarbon, pesticide, waste, unexploded ordinance, designated material or substance, each as may be defined in or pursuant to any applicable Environmental Law.

(29) “**Control**” means:

- (a) the right to exercise, directly or indirectly, a majority of the votes which may be voted at a meeting of (i) the shareholders of the corporation, in the case of a corporation, (ii) the shareholders of the general partner, in the case of a limited partnership, or (iii) the equity holders or other voting participants of a person that is not a corporation or limited partnership; or
- (b) the right to elect or appoint, directly or indirectly, a majority of (i) the directors of the corporation, in the case of a corporation, (ii) the directors of the general partner, in the case of a limited partnership, or (iii) a majority of the persons who have the right to manage or supervise the management of the affairs and business of a person that is not a corporation or limited partnership,

and “**Controlled**” has a corresponding meaning.

(30) “**Court**” means a court of competent jurisdiction over the Development Lands and the parties to the Claim;

(31) “**Damage**” means any loss, cost, damage, expense, liability, fine or penalty of any kind or nature whatsoever, including those in respect of negligence, negligent misrepresentation or misstatement, failure to warn, nuisance or other tort, injury to property, personal injury, death, contract damages or debt, economic loss, consequential damage and any reasonable legal or other professional fee or disbursement and any tax on any of the foregoing.

(32) “**Developer**” means the initial Lessee and any permitted successor or assign under this Lease prior to its assignment to the Homeowner Condo Corporation in accordance with Section 5.3(1) and includes, for the purposes of section 6 of Schedule I, any person who, on behalf of the Developer, acts in respect of the sale of a Unit or a proposed Unit or receives money paid by or on behalf of a Purchaser of a Unit or a proposed Unit pursuant to a Purchase Agreement.

(33) “**Developer Prepaid Homeowner Lease**” means a sub-sublease that would otherwise be a Prepaid Homeowner Lease between the Developer and the Homeowner Condo Corporation entered into in accordance with Section 5.3(1).

(34) “**Developer Unit**” means a Unit held by a Developer pursuant to a Developer Prepaid Homeowner Lease.

(35) “**Development**” means the project to be carried out by the Lessee on the Development Lands in accordance with this Lease, the Acquisition Agreement and the Approved Project Plans.

(36) “**Development Lands**” means that part of the Head Lease Lands described as follows:

Lot 153, Canada Lands Surveys Records Plan 113913.

(37) “**Development Permit**” means any development permit or development approval required by the Tsuut’ina Development Authority or any other Governmental Authority in connection with the development of the Development Lands, not including any Building Permit or Occupancy Certificate.

(38) “**Development Substantial Performance Certificate**” means the Development Substantial Performance Certificate contained in Appendix I of Schedule O to the Acquisition Agreement

(39) “**Discovered Contaminant**” has the meaning assigned to it in Section 10.4.

(40) “**Discovery**” and “**Discoveries**” have the meaning assigned to them in Section 4.8.

(41) “**Dwelling Unit**” means a Unit intended for habitation and may include a parking space or parking spaces adjacent thereto.

(42) “**Engineer**” means a person who is licensed as an engineer in the province of Alberta.

(43) “**Environment**” means the components of the earth and includes:

- (a) air, lands and water;
- (b) all layers of the atmosphere;
- (c) all organic and inorganic matter and living organisms; and
- (d) the interacting natural systems that include the components referred to in paragraphs (a), (b) and (c) of this definition,

and “**Environmental**” has a corresponding meaning.

(44) “**Environmental Law**” means:

- (a) any Applicable Law relating, in whole or in part, to the assessment or protection of the Environment; and
- (b) any decision, determination, mitigation measure, standard, code, guideline or environmental protection measure made pursuant to any such Applicable Law.

(45) “**Environmental Review**” means His Majesty’s environmental review in respect of a proposed Project to be carried out on the Premises, to enable His Majesty to make a determination pursuant to section 82 of the *IAA*, as to whether the proposed Project is likely to cause significant adverse environmental effects and requires any mitigation measures.

(46) “**Event of Insolvency**” means that a person has: (i) become insolvent; (ii) made an assignment in bankruptcy or any other general assignment for the benefit of its creditors; (iii) had a petition of bankruptcy filed with respect to it or has filed a petition or otherwise sought to take advantage of any other law of Canada or any Province thereof for the relief of bankrupt or insolvent persons (including the CCAA and the *Winding-up and Restructuring Act* (Canada)) or has filed any proposal under the BIA, or any similar insolvency law, or has made any assignment for the benefit of creditors or any arrangement or compromise; (iv) a trustee in bankruptcy, receiver, receiver-manager, interim receiver, custodian, sequestrator, liquidator or other persons with similar powers appointed with respect to it or with respect to all or any substantial part of its assets; (v) been adjudicated a bankrupt upon a petition in bankruptcy being filed; or (vi) taken (or any other person has taken) any step or any action or has instituted any proceeding for the reorganization, arrangement, composition, readjustment, dissolution, winding-up or liquidation of the person or its assets under any applicable bankruptcy, insolvency, arrangement, moratorium or other similar law affecting creditors’ rights or consents to, or acquiesces in the filing of any such proceeding.

(47) “**Extension Period**” has the meaning assigned to such term in Section 25.2.

(48) “**Extension Rent**” has the meaning assigned to such term in Section 25.2.

(49) “**Extension Rent Initial Appraisals**” has the meaning assigned to such term in Section 25.2.

(50) “**Financial Institution**” means a bank, treasury branch, credit union or trust company.

(51) “**Floor Area**” means, in respect of any Unit, (i) in the case of Dwelling Units the floor area of the Unit, measured from the exterior faces of exterior walls and the centreline of demising walls, excluding any balconies, and not including any parking areas; and (ii) in the case of Parking Units and Storage Units such nominal number as is approved by the Lessor in accordance with Section 5.2.

(52) “**Governmental Authority**” means any federal, provincial, regional, municipal or local government or governmental authority (including His Majesty, the Nation, the Tsuut’ina Development Authority and the Taza Governing Body), office or official having jurisdiction, or any political subdivision of any of them, or any entity, authority, agency, Court or other person exercising executive, legislative, judicial, regulatory or administrative functions on behalf of such government, governmental authority, office or official or other political subdivision thereof or any utility company lawfully acting under its statutory power.

(53) “**Head Lease**” means the lease dated September 28, 2018 in respect of the Head Lease Lands issued by His Majesty in favour of Tsuut’ina Land Development Limited Partnership, by its general partner, Tsuut’ina Land Development GP Inc. (the “**Nation Partnership**”) and registered in the Registry under instrument number 6109935, as assigned by the Nation Partnership to the Lessor pursuant to an assignment registered in the Registry under number 6110316, and as further amended at any time and from time to time.

(54) “**Head Lease Lands**” means the lands situated on Tsuut’ina Nation Reserve No. 145 and legally described as follows:

Parcel Identifier Number 703019901
Lot 37, Canada Lands Surveys Records Plan 103721

Parcel Identifier Number 703019902
Lot 38, Canada Lands Surveys Records Plan 103678

(55) “**Head Lease Mortgage**” means any Mortgage granted by the Lessor and charging the Head Lease and the Lessor’s interest in the Head Lease Lands.

(56) “**Head Lease Mortgagee**” means the holder of any Head Lease Mortgage.

(57) “**His Majesty**” means His Majesty the King in right of Canada, as represented by the Minister as head lessor under the Head Lease.

(58) “**Homeowner**” means the holder or holders of a Prepaid Homeowner Lease.

(59) “**Homeowner Condo Constating Documents**” means each of the articles of incorporation of Homeowner Condo Corporation, as amended from time to time, Homeowner Condo Corporation Bylaws and the articles and Unanimous Members Agreement, as amended and in effect at any time and from time to time.

(60) “**Homeowner Condo Corporation**” means [● **Homeowner Condo Corporation**], a corporation incorporated under the *Canada Not For Profit Act* (Canada) by the Developer in accordance with the Acquisition Agreement, and its successors and permitted assigns.

(61) “**Homeowner Condo Corporation Bylaws**” means the bylaws of the Homeowner Condo Corporation, as amended and in effect at any time and from time to time.

(62) “**Homeowner Condo Corporation Period**” means the remainder of the Term from and after the Transfer Date.

(63) “**Homeowner Closing Date**” with respect to a particular Prepaid Homeowner Lease, means the date that such Prepaid Homeowner Lease is executed and delivered by the parties thereto, which shall be on or after the Occupancy Date.

(64) “**Homeowner Unit**” means a Unit, or Units if the sub-sublease contains a Dwelling Unit, a Storage Unit and/or one or more Parking Units, that has been sub-subleased to a Homeowner pursuant to a Prepaid Homeowner Lease.

(65) “**IAA**” means the *Impact Assessment Act* (Canada).

(66) “**Improvements**” means any buildings, structures, works, facilities, infrastructure, services, landscaping, and other improvements (including any equipment, machinery, apparatus,

and other such fixtures forming part of or attached to the improvements) situated on, under, or above the Development Lands, including the Development, but excludes Personal Fixtures.

(67) “**Improvements Value**” means the cost to construct replacement Improvements with a similar structure of equivalent capacity and functionality less the depreciation reflecting the physical deterioration, functional obsolescence and economic factors.

(68) “**Improvements Value Initial Appraisals**” has the meaning assigned to such term in Section 25.3.

(69) “**Indian Act**” means the *Indian Act*, R.S.C. 1985, c. I-5, as amended, superseded and replaced at any time and from time to time.

(70) “**Initial Term**” has the meaning assigned to such term in Section 2.1.

(71) “**Interest Rate**” means the Prime Rate plus 3% per annum.

(72) “**Land Use Plan**” means any land use plan for the Head Lease Lands approved by the Chief and Council, as amended and in effect at any time and from time to time.

(73) “**Lease**” means this sublease between the Lessor and the Lessee, including the Schedules hereto, as amended at any time and from time to time.

(74) “**Leasehold Mortgage**” means any Mortgage to a Schedule I Bank or Financial Institution granted by the Developer and charging the Developer’s interest in this Lease and the Developer’s interest in the Premises.

(75) “**Leasehold Mortgagee**” means the holder of any Leasehold Mortgage.

(76) “**Lessee**” means Crystal Creek Homes Inc., and its successors and permitted assigns.

(77) “**Lessee Party**” means any Homeowner holding a Prepaid Homeowner Lease, the Developer holding a Developer Prepaid Homeowner Lease, any Residential Tenant under a Residential Tenancy Agreement and any other person lawfully claiming under or through the Lessee in accordance with the provisions of this Lease or who is otherwise lawfully occupying all or any part of the Premises in reliance on this Lease, or any officer, director, agent, contractor, subcontractor, invitee, licensee, employee, representative, successor or assign of any of the foregoing.

(78) “**Lessee’s Representatives**” means the Lessee’s officers, directors, employees, agents, contractors, subcontractors, consultants and other representatives, or any other person for whom the Lessee is responsible at law.

(79) “**Lessee’s Taxes**” means the aggregate of:

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- (a) all taxes imposed upon the Lessee which are attributable to the Development Lands and the personal property, furnishings, fixtures, equipment and Improvements therein, including Property Taxes; and
 - (b) all taxes imposed upon the Lessee which are attributable to the business, income or occupancy of the Lessee or any other occupant of the Premises.
- (80) **“Lessor”** means Tsuut’ina-Canderel Land Development Limited Partnership, by its general partner, TTN-C Land Development GP Inc., and its successors and permitted assigns of the Head Lease.
- (81) **“Lessor’s Environmental Report”** means the environmental review and derivation of site-specific remediation objectives report entitled “Taza Park East, Phase 1A Tsuut’ina Nation, Alberta” dated December 22, 2020 and prepared by Vertex Professional Services Ltd.
- (82) **“Lessor’s Non-Disturbance Agreement”** has the meaning assigned to it in Section 21.7.
- (83) **“Lessor’s Representatives”** means all directors, officers, staff, employees, agents, contractors, subcontractors and consultants of the Lessor.
- (84) **“Lessor’s Sustainability Practices”** means the Lessor’s construction, operations and maintenance practices and principles for the Taza Lands, referenced in the Architectural Guidelines, this Lease, the Taza Development Approval Requirements, Applicable Laws, or otherwise implemented by the Lessor in connection with the Taza Lands, as they may be revised from time to time.
- (85) **“Material Alteration”** means any Alteration which would require a Development Permit, Building Permit or any other approval of a Governmental Authority in accordance with Applicable Laws.
- (86) **“Material Improvement”** means any Improvement which would require a Development Permit, Building Permit or any other approval of a Governmental Authority in accordance with Applicable Laws.
- (87) **“Minerals”** means ore of metal and every natural substance that can be mined and that:
- (a) occurs in fragments or particles lying on, above, or adjacent to the bedrock source from which it is derived and commonly described as talus;
 - (b) is in the place or position in which it was originally formed or deposited, as distinguished from loose, fragmentary, or broken rock or float, which, by decomposition or erosion of rock, is found in wash, loose earth, gravel, or sand; and
 - (c) includes coal, petroleum, and all other hydrocarbons, regardless of gravity and howsoever and wheresoever recovered, natural gas, methane, coal bed methane,

and other gases, building and construction stone, limestone, dolomite, marble, shale, clay, sand and gravel.

(88) “**Minister**” means the Minister of Indigenous Services, or the successor to such minister.

(89) “**Mortgage**” means an instrument evidencing any loan or indebtedness which is secured in whole or in part by a charge against land or an interest in land and includes all renewals, modifications, consolidations, replacements and extensions of such instrument, loan or indebtedness, and whether by debenture, mortgage, deed of trust, general security agreement, pledge, charge or other security whatsoever, and any assignment of leases, rents, contracts permits or rights or any other assignment in connection therewith.

(90) “**Multi-Family Residential Use**” means Residential Use in one or more buildings on the Development Lands divided into Units to accommodate more than one family separately.

(91) “**Nation**” means Tsuut’ina Nation.

(92) “**NHP Act**” means the *New Home Buyer Protection Act* (Alberta).

(93) “**Non-Disturbance Agreement (Sub-Sublease)**” has the meaning assigned to it in Section 21.6.

(94) “**Occupancy Certificate**” means any occupancy certificate, permit or approval required in connection with the Developer’s proposed occupancy of completed Improvements on the Development Lands, including an “Occupancy Certificate” as defined in the Nation’s *Taza Development Building Regulations Law, 2019*.

(95) “**Occupancy Date**” has the meaning assigned to it in Schedule I;

(96) “**Parking Unit**” means any Unit intended to be used for parking vehicles.

(97) “**party**” means a party to this Lease and “**parties**” means all of the parties to this Lease.

(98) “**Permitted Encumbrances**” means:

- (a) the permits, easements, liens, charges and encumbrances described in Schedule A;
- (b) any Head Lease Mortgage;
- (c) any other liens, charges and encumbrances granted in accordance with Section 3.2 or Section 3.3;
- (d) any interest or right granted prior to the Commencement Date of this Lease which does not cause material interference with the Lessee’s use of or right to use the Development Lands in accordance with the terms of this Lease, and which would not materially reduce the value of the Lessee’s subleasehold interest in the Development Lands;

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- (e) any Prepaid Homeowner Lease; and
- (f) any other lien, charge or encumbrance agreed to by the Lessee, acting reasonably.

(99) “**person**” means an individual, corporation, body corporate, partnership, joint venture, society, association or other unincorporated organization or any trustee, executor, administrator or other legal representative.

(100) “**Personal Fixtures**” means the personal chattels installed or located within a Dwelling Unit or Common Property during the Term by or on behalf of a Homeowner or a Residential Tenant that are of a temporary nature and would not normally be intended to form part of the Dwelling Unit or Common Property.

(101) “**Pre-Existing Environmental Conditions**” has the meaning assigned to it in Section 16.3.

(102) “**Premises**” means the Development Lands and the Improvements.

(103) “**Prepaid Homeowner Lease**” means a sub-sublease of an entire Unit, or Units if the sub-sublease contains a Dwelling Unit, and may include a Storage Unit and/or one or more Parking Units, substantially in the form attached as Schedule C hereto, but does not include a Residential Tenancy Agreement or a Developer Prepaid Homeowner Lease.

(104) “**Prepaid Rent**” has the meaning set out in the Acquisition Agreement.

(105) “**Prime Rate**” means:

- (a) the floating annual rate of interest expressed as a percentage established from time to time by the main branch in Calgary, Alberta of the Reference Bank as the base rate it will use to determine rates of interest charged by it for Canadian dollar commercial demand loans made by it in Canada and designated by the Reference Bank as its “prime rate”; or
- (b) if at any time the Reference Bank does not publish its “prime rate”, then the Prime Rate will be such other similar rate as is established by the Lessor, with the approval of the Lessee, each acting reasonably.

(106) “**Project**” means a physical activity that is carried out in relation to a physical work, and that is not a “designated project” as that term is defined in the *IAA*.

(107) “**Property Taxes**” means real property taxes, rates, duties, charges and assessments, including school taxes, local improvement rates, drainage charges and other charges, that now are or will or may be hereafter lawfully levied, rated, charged, or assessed by any Governmental Authority against or in respect of the Development Lands, the Improvements and all other real and personal property of any kind or nature whatsoever within the Development Lands.

(108) “**Purchase Agreement**” means an agreement with the Developer whereby a person agrees to purchase a sub-subleasehold interest in a Unit or proposed Unit pursuant to a Prepaid Homeowner Lease or acquires a right to purchase a sub-subleasehold interest in a Unit or proposed Unit pursuant to a Prepaid Homeowner Lease;

(109) “**Reference Bank**” means Bank of Montreal, or its successor, or if at any time during the Term such bank does not exist, such other Canadian chartered bank designated by the Lessor, acting reasonably.

(110) “**Registry**” means the Indian Lands Registry, or any successor registry or system applicable to the Development Lands.

(111) “**Related Person**” in respect of any person means:

- (a) any affiliate of such person within the meaning of the *Business Corporations Act* (Alberta) or the *Canada Business Corporations Act*;
- (b) any associate of such person within the meaning of the *Business Corporations Act* (Alberta) or the *Canada Business Corporations Act*;
- (c) any partnership, including a limited partnership, in which such person is a partner;
or
- (d) any other person who is not at “arm’s length” from such first person, as determined pursuant to the *Income Tax Act* (Canada).

(112) “**Release**” means release, discharge, dispose, dump, emit, empty, escape, seep, deposit, spray, throw, place, flow, inject, leach, leak, pour, pump, spill or otherwise introduce or cause or permit to be introduced into the Environment, and includes all matters included in the word “release” in the *Canadian Environmental Protection Act*, and “**Released**” has a corresponding meaning.

(113) “**Rent**” means the Prepaid Rent, the Extension Rent, and the Additional Rent.

(114) “**Rent Standard**” has the meaning assigned to such term in Section 25.2(5).

(115) “**Resident**” means an individual who would be eligible to vote in accordance with Section 47 of the *Local Authorities Election Act* (Alberta) as if Taza Park and any other relevant lands were a “local jurisdiction” pursuant to such Section.

(116) “**Residential Tenancy Agreement**” has the meaning assigned to such term in Section 21.2.

(117) “**Residential Tenancy Requirements**” means the requirements set out in Schedule J hereto.

(118) “**Residential Tenant**” means a tenant pursuant to a Residential Tenancy Agreement.

(119) “**Residential Use**” means a use providing for the accommodation and home life of one or more individuals and includes subordinate activities customarily associated therewith.

(120) “**Sales Taxes**” means all applicable goods and services taxes, harmonized sales taxes, multi-stage sales taxes, sales taxes, use taxes, consumption taxes, value added taxes, or other similar taxes imposed by any Governmental Authority.

(121) “**Services and Facilities**” has the meaning assigned to such term in the Nation’s *Taza Development Approval Process Law*, 2019.

(122) “**Short Term Rental**” means leasing, licensing or allowing occupancy or possession of a Unit or any portion thereof, by persons or vehicles, for (i) periods shorter than a month; or (ii) for any period, through online websites similar to that currently known as Airbnb and Vrbo, or through similar methods as available from time to time.

(123) “**Storage Unit**” means any Unit intended to be used exclusively for storage.

(124) “**Substantial Completion**” (i) with respect to the Development, means the substantial completion of the Development to the point where the Development Substantial Performance Certificate may be issued; (ii) with respect to any Improvement or any part thereof, other than the Development or Services and Facilities, means the substantial completion of the Improvement or relevant part thereof, to the point where a Certificate of Substantial Completion in respect thereof may be issued; and (iii) in the case of any Services and Facilities, means as evidenced by the issuance of an Acceptance of Certification Report in accordance with the Nation’s *Taza Development Approval Process Law*, 2019 in respect of the Services and Facilities, and “**Substantially Complete**” has a corresponding meaning.

(125) “**Target Date**” has the meaning assigned to such term in Section 5.4(a).

(126) “**Taza Development Approval Requirements**” means all applicable laws, bylaws, policies, processes or other requirements of the Nation or the Tsuut’ina Development Authority, including those applicable to any Authorization, all as amended, superseded and replaced at any time and from time to time.

(127) “**Taza Governing Body**” means the entity to be established by the Lessor or the Nation pursuant to the *Canada Not-for-profit Corporations Act* (Canada), the *Societies Act* (Alberta), the *Companies Act* (Alberta), or pursuant to such other Applicable Law as may be available from time to time in the Province of Alberta and tasked with the local governance of the Taza Park Lands, or any portion thereof, with respect to the development of, provision of services to, and collection of Property Taxes with respect to, the Taza Lands, or portion thereof, with such authority as may be delegated by the Nation.

(128) “**Taza Lands**” means the following lands:

- (a) the Head Lease Lands;

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- (b) Lot 39, Canada Lands Surveys Record Plan 103679 and Lots 40 and 41, Canada Lands Surveys Records Plan 103718;
 - (c) Lot 65, Canada Lands Surveys Record Plan 107404; and
 - (d) Lot 66, Canada Lands Surveys Record Plan 107404.
- (129) **“Term”** means the Initial Term plus any extension thereof, if any.
- (130) **“Transfer Date”** means the date of the registration of the Assignment to Homeowner Condo Corporation in the Registry.
- (131) **“Tsuut’ina Development Authority”** means the authority appointed or the corporation formed by the Nation in accordance with the Nation’s *Taza Development Approval Process Law, 2019*, or any successor thereto, or any other applicable Governmental Authority, including the Nation or the Chief and Council, in connection with any Taza Development Approval Requirement or any Authorization, and may include, if so designated by the Nation, the Taza Governing Body
- (132) **“Unanimous Members Agreement”** has the meaning assigned to it in Schedule I;
- (133) **“Unit”** means each unit identified within a Condo Building Plan but does not include Common Property.
- (134) **“Unit Factor”** has the meaning assigned to such term in Section 5.2(1)(c).
- (135) **“Unit Factor Schedule”** has the meaning assigned to such term in Section 5.2(1)(c).
- (136) **“Unit Mortgage”** means a Mortgage of a sub-subleasehold interest in a Unit pursuant to a Prepaid Homeowner Lease or a Developer Prepaid Homeowner Lease.
- (137) **“Unit Mortgagee”** means a holder of a Unit Mortgage.
- (138) **“Village Development Plan”** means any area development plan applicable to the Head Lease Lands as amended and in effect at any time and from time to time.

Section 1.2 In Writing / Written

In this Lease, the terms “in writing” and “written” include email and other electronic communications.

Section 1.3 Schedules

The following are the Schedules to this Lease:

Schedule A - Permitted Encumbrances

Schedule B - Principles of the Lessee’s Relationship With Tsuut’ina Nation

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- Schedule C - Form of Approved Prepaid Homeowner Lease
- Schedule D - Lessee's Environmental Mitigation Measures
- Schedule E - Assignment and Assumption of Prepaid Residential Lease
- Schedule F - Lessor Mortgage Agreement
- Schedule G - Arbitration
- Schedule H - Architectural Guidelines
- Schedule I - Condo Building Property Covenants
- Schedule J - Residential Tenancy Requirements

ARTICLE 2 - LEASE / NON-DISTURBANCE AGREEMENT

Section 2.1 Grant of Lease

The Lessor hereby leases, by way of sublease pursuant to the Head Lease, the Development Lands to the Lessee, free and clear of all liens, charges and encumbrances other than the Permitted Encumbrances, to have and to hold the Development Lands unto the Lessee for the term from and including March 31, 2026 (the "**Commencement Date**") to and including May 17, 2114 (the "**Initial Term**"), yielding and paying the Rent as hereinafter provided, and subject to the terms, conditions, provisos, exceptions and reservations contained in this Lease.

Section 2.2 Agreement to Deliver Registrable Form

The parties confirm their intention and agreement to execute and deliver this Lease in a form capable of being registered in the Registry, as required pursuant to section 16.2.3 of the Head Lease, and upon request by either party, acting reasonably, the other party will execute such further and other documents and instruments and do such further and other acts and things as are reasonably required in order to satisfy such requirement. The Lessee will execute and deliver, and cause each Homeowner to execute and deliver, each Prepaid Homeowner Lease in a form capable of being registered in the Registry.

Section 2.3 His Majesty's Non-Disturbance Agreement (Sublease)

The parties acknowledge that they have entered into, or will enter into, a non-disturbance agreement (sublease) in the form of Appendix B to the Head Lease with His Majesty and the Nation, which agreement may, in accordance with its terms, be assigned to a permitted assignee of this Lease. Upon any assignment of this Lease in accordance with the terms hereof, upon request by the Lessee, acting reasonably, the Lessor will enter into, and will use commercially reasonable efforts to cause His Majesty and the Nation to enter into, a new non-disturbance agreement (sublease) in the form of Appendix B to the Head Lease, with any new Lessee.

Section 2.4 Head Lease Mortgagee Non-Disturbance Agreement

The parties acknowledge that the Lessee has entered into a non-disturbance agreement with the existing Head Lease Mortgagee on or before the Commencement Date, under which the existing Head Lease Mortgagee agrees to recognize this Lease. Following the Commencement Date, upon request by the Lessee, acting reasonably, the Lessor will use commercially reasonable efforts to obtain from any new Head Lease Mortgagee whose Head Lease Mortgage is registered in the Registry a non-disturbance agreement with the Lessee, under which the Head Lease Mortgagee agrees to recognize this Lease, on the terms and conditions as may be agreed to by the Lessor, the Lessee and the Head Lease Mortgagee, each acting reasonably.

ARTICLE 3 - ENCUMBRANCES AND MINERALS

Section 3.1 Permitted Encumbrances

The Lessee's rights under this Lease are subject to any rights, conditions, provisos, restrictions, exceptions and reservations pursuant to any Permitted Encumbrances, and the Lessee hereby agrees to observe and perform during the Term all covenants, duties and obligations of the Lessor under the Permitted Encumbrances, all to the extent only that the Permitted Encumbrances relate to the Premises or the use thereof, and excluding any Lessor obligations under any Head Lease Mortgage.

Section 3.2 Further Encumbrances Granted by His Majesty

The Lessee acknowledges that in accordance with section 3.3.1 of the Head Lease, His Majesty reserved the right to grant other interests in the Head Lease Lands, including the Development Lands, with the prior written consent of the Lessor, as lessee, acting reasonably, and as long as the grant of interest has no material adverse effect on the Lessor's use and enjoyment of the Head Lease Lands. The Lessor agrees to give the Lessee reasonable notice prior to consenting to any such interest and not to consent to the granting of any such interest if the Lessee, acting reasonably, determines that the interest would have a material adverse effect on the Lessee's use and enjoyment of the Premises in accordance with this Lease. The Lessee agrees to be bound by any encumbrance granted in accordance therewith and the Lessee will grant priority to any such charge or encumbrance over this Lease, upon request by the Lessor, acting reasonably.

Section 3.3 Other Encumbrances

The Lessee agrees that the Lessor may at any time during the Term grant any easements, rights of way, restrictive covenants, or other charges or encumbrances in respect of the Development Lands, provided that if the exercise of rights under any such encumbrance might interfere with or adversely affect the reasonable use and enjoyment of the Development Lands by the Lessee pursuant to this Lease in any material way, the Lessor will obtain the consent of the Lessee, which the Lessee agrees will not be unreasonably withheld, delayed or conditioned, prior to granting any such encumbrance. The Lessee agrees to be bound by any encumbrance granted

in accordance therewith and the Lessee will grant priority to any such charge or encumbrance over this Lease, upon request by the Lessor, acting reasonably.

Section 3.4 No Rights to Minerals

The Lessee acknowledges and agrees that the Head Lease did not confer on the Lessor any rights in respect of any Minerals and that, pursuant to the Head Lease, His Majesty reserved all Minerals on or under the Development Lands.

ARTICLE 4 - USE OF THE DEVELOPMENT LANDS

Section 4.1 Approved Uses

(1) Subject to compliance with the Taza Development Approval Requirements, the Architectural Guidelines, this Lease, the Head Lease and all Applicable Laws and subject to Sections 4.2 and 0 the Lessee may use the Development Lands for the construction of the Development constituting for-sale apartments in accordance with the Approved Project Plans and thereafter Multi-Family Residential Use, and for no other use whatsoever, except with the prior written consent of the Lessor, in its discretion.

(2) In the event of a dispute as to compliance of a proposed use with this Lease during the Homeowner Condo Corporation Period, such dispute shall not be determined by a Court but either party may refer the dispute to binding arbitration in accordance with Schedule G, but any such arbitration will be subject to the terms and conditions of this Lease. Prior to the Homeowner Condo Corporation Period, the parties shall have the equities and remedies that are available to them at law. Notwithstanding anything contained herein, all uses must be in compliance with the Head Lease, this Lease and Applicable Laws.

Section 4.2 Restrictions on Development and Use

Notwithstanding anything contained in this Lease, the Lessee will not permit the lease, sublease, license or allow occupancy or possession of a Unit or any portion thereof, for Short Term Rental.

Section 4.3 Signage

The Lessee will be permitted to install on the Development Lands such signage as is permitted under the Head Lease, this Lease and Applicable Laws.

Section 4.4 Access Over Head Lease Lands

The Lessor agrees that the Lessee and any Lessee Party, and their respective guests and invitees, shall have access, without charge, over any roads within the Head Lease Lands as are open for public use, subject to compliance with Applicable Laws and any reasonable restrictions and requirements established by the Lessor at any time and from time to time.

Section 4.5 Lessor's Authorizations

Provided that the Lessee complies with all Applicable Laws and is not at the relevant time in default of its obligations under this Lease beyond any applicable cure period, the Lessor will, without charge to the Lessee (except as expressly set out in this Section 4.5), work cooperatively with the Lessee in its dealings with Governmental Authorities and grant such authorizations as may be reasonably required by Governmental Authorities in connection with the Lessee's development, construction, operation, management, maintenance, repair, alteration and replacement of the Improvements in compliance with this Lease, including the Development, or the carrying out of any other permitted use undertaken by the Lessee on the Development Lands in accordance with this Lease. For any new Alterations or new Improvements in compliance with this Lease (but not for the Development), and except as may be set out in this Lease or any other written agreement between the Lessor and the Lessee, the Lessee will pay the Lessor's reasonable administrative charges and reasonable direct out-of-pocket costs and expenses (including any reasonable legal or other consulting fees) incurred in respect of the foregoing, in advance, if required by the Lessor, provided that the Lessor provides the Lessee with written notice as to such reasonable charges, costs and expenses in advance. Without limiting the generality of the foregoing, the Lessor hereby authorizes the Lessee to apply to the Tsuut'ina Development Authority for any Development Permit, Building Permit or Occupancy Certificate in connection with the Development Lands, provided that the Development Permit, Building Permit or Occupancy Certificate is in compliance with this Lease.

Section 4.6 No Nuisance

Except as may be reasonably required by the construction or removal of Improvements or the making of Alterations, each in compliance with this Lease and Applicable Laws, the Lessee will not cause, permit or suffer any nuisance at the Premises.

Section 4.7 No Waste

Except as may be reasonably required by the construction or removal of Improvements or the making of Alterations, each in compliance with this Lease and Applicable Laws, the Lessee will not cause, permit or suffer the commission of any waste of the Premises.

Section 4.8 Protocol for Discoveries

The Lessee acknowledges that the Development Lands are reserve lands of the Nation and the Lessee agrees that if any burial site, ceremonial site Artifact, historic resources or hazards or Contaminants are discovered (each a "**Discovery**" and one or more of such discoveries, "**Discoveries**") during the carrying out of any testing, investigations or other work on the Development Lands, the Lessee will cause any testing and investigations in the vicinity of the Discovery or Discoveries to immediately cease and the Lessee will immediately contact the Lessor and the Nation for further instructions and directions as to any protocol and other requirements to be followed in accordance with any Applicable Laws and any applicable policies and protocols of the Lessor, the Nation and any other Governmental Authority relating thereto.

Section 4.9 Legal Survey Monuments

If any legal survey monument in respect of the Premises is disturbed, damaged, or destroyed during the Term, the Lessee will ensure that it is replaced by a licensed surveyor to the satisfaction of the Surveyor General of Canada.

ARTICLE 5 - DEVELOPMENT OF THE PROJECT AND ASSIGNMENT TO HOMEOWNER CONDO CORPORATION

Section 5.1 Development

The Lessee will:

- (a) complete the Development in accordance with the Approved Project Plans; and
- (b) upon Substantial Completion of the Development, provide to the Lessor and the Homeowner Condo Corporation Development Substantial Performance Certificates, addressed to each of them, in respect of the Development and as-built drawings of the Development, certified by an Architect or Engineer that industry standards and codes have been met.

Section 5.2 Condo Building Plan

- (1) Within sixty (60) days following the Substantial Completion of the Development, the Lessee shall prepare, or cause to be prepared and submit to the Lessor for its review and approval:
 - (a) a Condo Building Plan in respect of the Development;
 - (b) a certificate of a Canada Lands Surveyor stating:
 - (i) that there are not any projections from adjoining properties infringing on the external boundaries of the Development Lands, or if there are projections from other properties infringing on the external boundaries of the Development Lands, that an appropriate easement exists in respect of the Development Lands for those projections; and
 - (ii) all Improvements shown on the Condo Building Plan are within the external surface boundaries of the Development Lands and, if any projections project beyond those external boundaries, that an appropriate easement has been granted as an appurtenance to the Development Lands; and
 - (c) a schedule (the “**Unit Factor Schedule**”) setting out the unit factor (the “**Unit Factor**”) for each of the Units, calculated as follows:

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Floor Area of the Unit x 10,000
Aggregate Floor Area
of all of the Units

such that the aggregate Unit Factors for all of the Units is 10,000 and the basis of Unit Factor apportionment for all Units included in the Condo Building Plan. Notwithstanding the foregoing adjustments will be made to ensure whole number Unit Factors, such that Unit Factors shall be rounded up to the nearest whole number. After rounding is complete, if the aggregate Unit Factors is more than or less than 10,000, some Units shall be further adjusted by either adding or subtracting a factor of 1 Unit Factor in the discretion of the Lessee and based on the desirability of such Unit location until the aggregate Unit Factors is equal to 10,000.

(2) The Lessor shall review the Condo Building Plan and Unit Factor Schedule and provide the Lessee with any required revisions and corrections, acting reasonably, within thirty (30) days of receiving the Condo Building Plan.

(3) The Lessee shall make such revisions and corrections as may be required by the Lessor pursuant to subsection (2) and resubmit the Condo Building Plan and Unit Factor Schedule to the Lessor for its review and approval within thirty (30) days after receiving the required revisions and corrections from the Lessor, in which case subsection (2) shall apply with respect to the resubmitted Condo Building Plan and Unit Factor Schedule.

(4) If the Lessor does not have any revisions or corrections to the Condo Building Plan or Unit Factor Schedule in accordance with subsection (2), it shall provide the Lessee with its written approval of same.

(5) Following the approval by the Lessor of the Condo Building Plan and the Unit Factor Schedule, the Lessee shall register the Condo Building Plan in the Registry and provide copies of the registered Condo Building Plan and the Unit Factor Schedule to the Lessor and Homeowner Condo Corporation upon registration. The Unit Factor Schedule shall be attached as a schedule to every Prepaid Homeowner Lease and the Lessee shall not enter into a Prepaid Homeowner Lease until the Condo Building Plan has been registered with the Registry.

(6) Prior to the Lessee entering into the first Prepaid Homeowner Lease, the Lessee shall prepare, and have approved by an accredited third party consultant with expertise in such matters, the Condo Building Budget.

(7) Once approved in accordance with (5), the Lessee shall submit to the Lessor the Condo Building Budget, with a stamp of approval or such other evidence of approval as is satisfactory to the Lessor, acting reasonably.

(8) Upon the registration of the Condo Building Plan, the Lessee shall be bound by each of the Condo Building Property Covenants as they apply to the Common Property and this Lease generally and may pass the obligations that apply to a Unit on to a sub-sublessee pursuant to a Prepaid Homeowner Lease or a Developer Prepaid Homeowner Lease. Each Homeowner shall

be bound by each of the Condo Building Property Covenants as they apply to that Homeowner's Prepaid Homeowner Lease and that Homeowner's Homeowner Unit. The Developer shall be bound by each of the Condo Building Property Covenants as they apply to a Developer Prepaid Homeowner Lease and the relevant Developer Units until such time as the Developer Prepaid Homeowner Lease becomes a Prepaid Homeowner Lease in accordance with Section 5.4(a). The Developer shall always be bound by the Condo Building Property Covenants that specifically apply to the Developer.

(9) The Developer covenants with the Lessor until the Transfer Date to cause the Homeowner Condo Corporation to comply with any obligations of the Homeowner Condo Corporation under this Lease, including the Condo Building Property Covenants, as if it were a party hereto and cause the Homeowner Condo Corporation to comply with and enforce the provisions of the By-Law and the Unanimous Members Agreement. After the Transfer Date the Homeowner Condo Corporation, as Lessee, agrees to comply with its obligations under this Lease, including the Condo Building Property Covenants and comply with and enforce the provisions of the By-Law and the Unanimous Members Agreement.

(10) The Lessee shall provide to the Lessor and, so long as the Lessee is the Developer, the Homeowner Condo Corporation: (i) a summary of the registered Prepaid Homeowner Leases and any assignments of same, (ii) a list of all Homeowners and Residential Tenants, and (iii) a list of all Units leased to the Developer pursuant to Developer Prepaid Homeowner Leases, at reasonable intervals or any time upon the reasonable request of the Lessor or the Homeowner Condo Corporation. At the request of the Lessor or the Homeowner Condo Corporation the Lessee shall include with the foregoing copies of any and all Prepaid Homeowner Leases as the Lessor or the Homeowner Condo Corporation shall request.

(11) In the event of any redivision, replacement or other amendment of the Condo Building Plan in respect of the Development:

- (a) the Lessee shall prepare, or cause to be prepared and submit to the Lessor for its review and approval a revised Condo Building Plan in respect of the Development.
- (b) The Lessor shall review the Condo Building Plan and provide the Lessee with any required revisions and corrections, acting reasonably, within thirty (30) days of receiving the Condo Building Plan.
- (c) The Lessee shall make such revisions and corrections as may be required by the Lessor pursuant to subsection (b) and resubmit the Condo Building Plan to the Lessor for its review and approval within thirty (30) days after receiving the required revisions and corrections from the Lessor, in which case subsection (b) shall apply with respect to the resubmitted Condo Building Plan.
- (d) If the Lessor does not have any revisions or corrections to the Condo Building Plan or Unit Factor Schedule in accordance with subsection (b), it shall provide the Lessee with its written approval of same.

- (e) Following the approval by the Lessor of the Condo Building Plan, the Lessee shall register the Condo Building Plan in the Registry and provide a copy of the registered Condo Building Plan to the Lessor and Homeowner Condo Corporation upon registration.

Section 5.3 Taza Governing Body

- (1) The Lessee acknowledges that the Lessor may establish the Taza Governing Body at such time as it determines it is prudent to do so in order to provide services to the Taza Lands. Funding for the Taza Governing Body for the services provided in accordance with this Lease shall be through Property Taxes. The Taza Governing Body may contract to provide services through the Tsuut'ina Development Authority at commercially reasonable rates or through third party service providers.
- (2) To the extent that the Taza Governing Body has been created, Residents shall be entitled to become a member of the Taza Governing Body upon executing the requisite agreements.
- (3) The Taza Governing Body's duties may include:
- (a) assessing, collecting and administering Property Taxes;
 - (b) providing local services such as road cleaning, snow removal and community safety services and management of day-to-day operations, including infrastructure upkeep, local amenities, and community programming, in coordination with the Tsuut'ina Development Authority or such other entity as may be designated by the Nation from time to time;
- (4) The Lessee shall comply with, and cause each Homeowner to comply with, the directives and rules and regulations of the Lessor, the Taza Governing Body and any other entity performing similar duties as the Taza Governing Body.

Section 5.4 Assignment of Lease to Homeowner Condo Corporation

The Lessee shall:

- (a) Upon there being Prepaid Homeowner Leases in place with respect to fifty one percent (51%) of the aggregate Unit Factors for all of the Units included in the Condo Building Plan (the "**Target Date**"), the Developer shall assign its interest in this Lease and all appurtenances thereto to the Homeowner Condo Corporation in accordance with subsections (b) and (c) and enter into Developer Prepaid Homeowner Leases with respect to the remainder of the Units. The Developer Prepaid Homeowner Leases shall be substantially in the same form as the Prepaid Homeowner Leases except (i) the prepaid rent thereunder shall be for a nominal amount; (ii) the Developer Prepaid Homeowner Leases shall allow for the Developer to assign the Developer Prepaid Homeowner Leases to Homeowners and thereafter be released from all future liability under the relevant Developer Prepaid Homeowner Lease (once assigned to a Homeowner by the Developer, each Developer Prepaid Homeowner Lease shall become a Prepaid Homeowner Lease

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for the purposes of this Lease); and (iii) the Developer Prepaid Homeowner Leases may be registered in the Registry at the Developer's discretion but, in any event, shall be registered in the Registry upon being converted to Prepaid Homeowner Leases as part of closing under Purchase Agreements.

- (b) The Developer shall assign this Lease and all appurtenances thereto to the Homeowner Condo Corporation as lessee, for nominal \$10.00 consideration, and cause the Homeowner Condo Corporation to accept such assignment and assume all of the Lessee's covenants, duties and obligations under this Lease in accordance with this Section 5.3(1) and pursuant to an assignment of lease (the "**Assignment to Homeowner Condo Corporation**") in the form of Schedule E, which the Developer and Homeowner Condo Corporation will register in the Registry on such date, and following which the Lessee and the Homeowner Condo Corporation will provide the Lessor with a copy of the registered Assignment to Homeowner Condo Corporation.
- (c) Concurrently with the assignment of this Lease to the Homeowner Condo Corporation, the Developer will provide to the Homeowner Condo Corporation all of the following and provide the Lessor with reasonable evidence thereof:
 - (i) an assignment and assumption of the non-disturbance agreement (sublease) referenced in Section 2.3;
 - (ii) an assignment of the non-disturbance agreement with the Head Lease Mortgagee referenced in Section 2.4;
 - (iii) an assignment and assumption of insurance policies with respect to the Common Property;
 - (iv) an assignment and assumption of all warranties and guarantees in respect of the Development, in the form approved of by the Homeowner Condo Corporation, acting reasonably, along with copies of such warranties and guarantees;
 - (v) an assignment and assumption of Permitted Encumbrances other than the Prepaid Homeowner Leases;
 - (vi) an assignment and assumption of the Prepaid Homeowner Leases and any assignments and assumption of same with subsequent purchasers;
 - (vii) structural, electrical, mechanical and architectural working drawings and specifications, and as-built drawings of the Development, certified by an Architect or Engineer that industry standards and codes have been met;
 - (viii) a discharge of any Leasehold Mortgage;
 - (ix) the plans that exist showing the location of underground utility services, sewer pipes and cable television lines located on the Premises; and

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- (x) such other agreements, documents, instruments, plans and materials as may be requested by the Homeowner Condo Corporation, acting reasonably;
 - (xi) all certificates, approvals and permits issued by the Tsuut'ina Development Authority and any other Governmental Authority or an agent of the Tsuut'ina Development Authority or any other Governmental Authority that relate to the Common Property;
 - (xii) any building assessment report that would be required under the *New Home Buyer Protection Act* (Alberta) as if such Act applied to the Development Lands;
 - (xiii) any Reserve Fund Report required pursuant to the Condo Building Property Covenants; and
 - (xiv) any other deliverables to be provided by the Homeowner Condo Corporation pursuant to Section 5.2; and
- (d) the Developer agrees to do all acts and things reasonably required by the Homeowner Condo Corporation to ensure an orderly assignment of this Lease to the Homeowner Condo Corporation and the transfer of the operation and management of the Premises to the Homeowner Condo Corporation.

From and including the time of the registration of the Assignment to Homeowner Condo Corporation, the Homeowner Condo Corporation will be the "Lessee" under this Lease and all references to the Homeowner Condo Corporation in this Lease will be read as references to the "Lessee".

Section 5.5 Homeowner Membership in Homeowner Condo Corporation

Upon each Homeowner Closing Date, the new Homeowner shall become a member of the Homeowner Condo Corporation. Voting rights in the Homeowner Condo Corporation shall be commensurate with the Unit Factor for each Homeowner Unit, all as set out in and subject to the By-Law.

Section 5.6 Homeowner Condo Corporation Constating Documents

The Lessee shall ensure that up to date versions of the Homeowner Condo Constating Documents are available for access by Homeowners and potential Homeowners online through a website at an address that is easily available to Homeowners and potential Homeowners.

ARTICLE 6 - RENT

Section 6.1 Prepaid Rent

The Lessor acknowledges and agrees that Lessee has paid in full to the Lessor the Prepaid Rent and other good and valuable consideration as the prepaid rent for the Initial Term.

Section 6.2 Additional Rent

The Lessor acknowledges that, other than the Rent payable in accordance with this Lease, no other rental payment of any kind will be payable by the Lessee for the Development Lands during the Term. The Lessee acknowledges that while not all other amounts which may become payable by the Lessee to the Lessor hereunder will not constitute Rent, the Lessor will have all of the same rights of recovery and remedies in respect of any failure by the Lessee to pay any such amounts as the Lessor has for the collection of Rent under this Lease, including, without limitation, the right to collect interest thereon at the rate set out in Section 31.1 from the date the relevant amount was due until the date of payment.

In this Lease, the term “**Additional Rent**” shall mean all amounts described in this Lease as being payable under this Lease other than Prepaid Rent unless such amounts are specifically stated as not being Rent.

Section 6.3 Payment of Sales Taxes

(1) The Lessee will pay all Sales Taxes payable on the Rent and any other amounts payable by the Lessee to the Lessor under this Lease. The Lessee will pay to the Lessor all Sales Taxes payable by the Lessee at the same time as the amounts to which such Sales Taxes apply are payable to the Lessor under the terms of this Lease. If the Lessee fails to pay such Sales Taxes when due, the Lessor will have the right, but not the obligation, to make such payments to the relevant Governmental Authorities and to collect the Sales Taxes together with any penalties and interest costs imposed by such relevant authorities from the Lessee upon demand.

(2) Notwithstanding any other provision of this Lease, Sales Taxes payable by the Lessee under this Section 6.3 will be deemed not to be Rent but, in addition to the Lessor’s statutory rights and remedies, the Lessor will have all of the same remedies for and rights of recovery in respect of such amounts as it has for recovery of Rent under this Lease including the right to collect interest thereon at the rate set out in Section 31.1 from the date the relevant amount was due to the date of payment.

(3) So long as Sales Taxes are not payable to a Governmental Authority in relation to the purchase of a sub-subleasehold interest in a Unit pursuant to a Purchase Agreement, the Lessee shall not collect Sales Taxes from Homeowners who purchase a sub-subleasehold interest in a Unit pursuant to a Purchase Agreement.

ARTICLE 7 - LESSEE TO PAY / PROPERTY TAXES

Section 7.1 Lessee to Pay

Except as may be specifically agreed to by the Lessor with the Lessee in this Lease or any other written agreement between the Lessor and the Lessee, the Lessee will be responsible for, and will pay when due, all costs, charges, expenses and outlays of every kind and nature whatsoever in respect of the Premises (including in respect of its own development, construction, operation, management, maintenance, repair, alteration and replacement of any Improvements) and the Lessor will not be responsible for any cost, charge, expense or outlay of any kind or

nature whatsoever in respect of the Premises, except the Lessor's own income and capital taxes, if any, and except as may be otherwise specifically agreed to by the Lessor with the Lessee in this Lease or in any other written agreement between the Lessor and the Lessee.

Section 7.2 Real Property Taxes

Without limiting Section 7.1, the Lessee will pay when due during the Term, directly to the relevant Governmental Authorities, or such other entity, which may be another Governmental Authority such as the Taza Governing Body or otherwise, as may be directed in writing by the relevant Government Authorities, all Property Taxes. If at any time direct payment of any such amount is not possible, upon the written request of the Lessor, the Lessee will pay the amount to the Lessor as Additional Rent, in which case the Lessor will remit to the applicable Governmental Authority or such other entity as may be directed in writing by the relevant Government Authorities, the amount paid by the Lessee to the Lessor. The Lessee will indemnify and save harmless the Lessor from and against all losses, costs, charges, and expenses occasioned by or arising from any and all Property Taxes incurred by the Lessor (including any amount paid by the Lessor to remedy any default of the Lessee under this Section 7.2, with interest thereon, as provided in Section 31.1), which may be collected by the Lessor as Additional Rent. The Lessee may pass on payment obligations with respect to Property Taxes to holders of Prepaid Homeowner Leases and Developer Prepaid Homeowner Leases but shall remain liable therefor. The Lessee will provide the Lessor with reasonable evidence of such payments upon request by the Lessor, acting reasonably.

Section 7.3 Lessee's Right to Appeal

The Lessee will have the right to appeal in accordance with Applicable Laws any assessment of the Development Lands or the Improvements or any tax, rate, duty, charge or amount referred to in Section 7.2, provided that such appeal will be at the sole cost and expense of the Lessee, and provided that notwithstanding such right to appeal, the Lessee must promptly take all steps necessary to discharge any lien registered in respect of the Development Lands or this Lease in connection with any tax, rate, duty charge or amount referred to in Section 7.2 unless the Lessor agrees otherwise in writing, and the Lessee will indemnify and save harmless the Lessor in respect of any such appeal.

Section 7.4 Delinquent Taxes

If the Lessee shall during the Term fail to pay when due any Property Taxes, the Lessee shall thereupon pay if applicable, all interest and penalties with respect thereto at the percentage rate or rates established by the relevant Governmental Authority for such unpaid Property Taxes, in addition to any other remedy available to the Lessor at law. Such payment shall be in addition to those set out in Section 7.2. The Lessor shall have a charge against this Lease and the relevant Unit for any unpaid Property Taxes.

ARTICLE 8 - UTILITIES

Section 8.1 Utilities

Except as may be specifically agreed to by the Lessor in writing, the Lessee will pay or cause to be paid all amounts payable in connection with any water, gas, telephone, light, power, heat, air-conditioning, sewer, garbage disposal or other services or utilities whatsoever used or consumed by the Lessee in connection with the use of the Premises.

Section 8.2 Separate Assessment

The parties acknowledge that it is their intention and agreement that the Premises be held and operated as a stand-alone site, with all Property Taxes and all charges for utilities and services in respect of the Premises (including all water, sewer, electricity, propane, natural gas, telephone, cable and internet utilities and services provided or made available to the Premises or consumed in respect of the Premises) billed directly to the Lessee to the extent possible. If any billing statement in respect of any such amount covers only the Premises, the Lessor and the Lessee will use commercially reasonable efforts to have the billing statement sent directly to the Lessee, and if any such statement is sent to the Lessor, the Lessor will promptly forward such statement to the Lessee.

Section 8.3 Not Separately Assessed

If any billing statement in respect of any Property Taxes or charges for utilities and services covers the Premises plus any other land, the Lessee will only be responsible for its proportionate share thereof, as allocated to the Premises by the Lessor, acting reasonably. If, during the Homeowner Condo Corporation Period, the Lessee does not agree with the Lessee's share of any such amount allocated to the Premises, such dispute shall not be determined by a Court but the Lessee may submit such matter to binding arbitration under Section 34.1 at any time up to the date that is 60 days after the Lessee receives the Lessor's allocation. Prior to the Homeowner Condo Corporation Period, the parties shall have the equities and remedies that are available to them at law.

Section 8.4 Interruption of Services or Utilities

The Lessee acknowledges that the Lessor is not the ongoing provider of services or utilities in respect of the Premises, and no interruption of any services or utilities provided to the Premises will be a disturbance of the Lessee's enjoyment of the Premises. The Lessor will not be liable for any injury to the Lessee or any damages to the Premises in connection with any interruption of any services or utilities, except and to the extent that any such interruption, disturbance, injury or damage results from the gross negligence or wilful misconduct of the Lessor, the Lessor's Representatives or any other person for whom the Lessor is responsible at law.

Section 8.5 Lessee's Responsibility

Without limiting anything contained in this Lease, from and including the Commencement Date, the Lessee will be responsible for all taxes, rates, costs and charges in respect of the occupation and use of the Development Lands, including all of the following:

- (a) all of the Lessee's own costs and expenses in connection with the occupation, use or operation of the Development Lands, including the cost of snow and ice removal within the Development Lands and the removal of garbage and recyclables from the Development Lands, and for and all maintenance, repair, replacement and operating costs in respect of the Premises; and
- (b) all business license fees and all other license and permit fees in respect of the Premises or the occupancy or use thereof.

ARTICLE 9 - LESSEE'S TAXES

Section 9.1 Lessee's Taxes

Without limiting Section 7.2, but subject to Section 7.3, the Lessee will pay or cause a Lessee Party to pay throughout the Term, on or before the due date thereof, all applicable Lessee's Taxes.

Section 9.2 Proof of Payment

The Lessee will, upon written request by the Lessor, acting reasonably, provide the Lessor with copies of official receipts of the applicable Governmental Authority or other proof satisfactory to the Lessor, acting reasonably, evidencing payment of any Lessee's Taxes.

ARTICLE 10 - LESSEE INVESTIGATIONS / CONDITION OF THE DEVELOPMENT LANDS

Section 10.1 Lessee Investigations

The Lessee acknowledges and agrees that it is reasonable for the Lessee to carry out studies and tests with respect to the Development Lands, including with respect to the Environmental and geotechnical conditions in respect of the Development Lands, and the Lessee represents and warrants that it has done so prior to the Commencement Date. No Environmental, geotechnical or other condition within the Development Lands will be considered to be a defect in respect of the Development Lands. The Lessor will cooperate with the Lessee to facilitate any studies and tests proposed to be carried out by or on behalf of the Lessee, subject to the terms of this Lease and the Acquisition Agreement.

Section 10.2 Lessee's Review of Documents and Information Provided

Without limiting any obligation of the Lessee to carry out its own investigations in respect of the Development Lands and the Lessee's occupancy and use thereof, the Lessee

acknowledges receipt of the documents and information posted on the on-line website data room folders established and maintained by or on behalf of the Lessor and to which the Lessor has provided access to the Lessee prior to the Commencement Date. The Lessee confirms that it has reviewed the documents and information provided therein. Such documents and information are provided by the Lessor as a courtesy and the Lessor shall have no liability for the accuracy or inaccuracy of such documents and information.

Section 10.3 Condition of the Development Lands

The Lessee acknowledges and agrees that, except as set out in this Lease or the Acquisition Agreement, none of the Lessor, any Lessor's Representative or any person on behalf of the Lessor has made any representation, warranty or agreement with respect to the Development Lands (including with respect to the Environmental condition of the Development Lands or the presence or absence of any Contaminant on or within the Development Lands or the geotechnical condition of the Development Lands or any other lands), and the Lessee hereby fully releases and discharges the Lessor from any and all direct or indirect Damages in respect of the Development Lands or the condition (including the Environmental condition or geotechnical condition) thereof or any matter in connection therewith, except as may be otherwise expressly provided in this Lease or the Acquisition Agreement. Notwithstanding the foregoing:

- (a) such acknowledgement, agreement, release and discharge will not apply to the following:
 - (i) any Environmental condition of the Development Lands;
 - (ii) the presence of any Contaminant on the Development Lands, or
 - (iii) the geotechnical condition of the Development Lands,all to the extent, if any, caused by the Lessor or any person on behalf of the Lessor subsequent to the date of this Lease; and
- (b) each of the Lessor and the Lessee retains all rights to claim against any other person responsible for any Environmental condition of the Development Lands or the presence of any Contaminant on the Development Lands but, for greater clarity no right shall exist to claim against His Majesty for the current condition of the Development Lands.

Section 10.4 Environmental Obligations

In addition to, and without limiting the obligations of the Lessee pursuant to Section 4.8 in the event of a Discovery, if at any time the Lessee or any Lessee's Representative discovers any Contaminant that is not part of the Pre-Existing Environmental Conditions (a "**Discovered Contaminant**") within the Development Lands from and after the Commencement Date, the Lessee will notify the Lessor promptly in writing of the Discovery and provide the Lessor with any documents or information requested by the Lessor, acting reasonably, in connection therewith, and the Lessor may, at its discretion, treat the Discovered Contaminant as if they were a Release of Contaminants in accordance with Section 16.4 and the Lessee shall have the obligations set out therein.

ARTICLE 11 - HEAD LEASE COMPLIANCE AND COVENANTS

Section 11.1 Lessor's Covenants re: Head Lease

The Lessor confirms that it has paid, and agrees that it will pay, to His Majesty when due all basic rent payable in accordance with section 5.3 of the Head Lease, and that it has complied with, and will comply with, all of the Lessor's covenants, duties and obligations under the Head Lease, except to the extent they are the responsibility of the Lessee under this Lease, and the Lessor will maintain the Head Lease in full force and effect at all times during the Term.

Section 11.2 Lessee's Covenants re: Head Lease

In accordance with section 16.2.4 of the Head Lease but, subject to the terms of any written agreement with His Majesty in effect from time to time, the Lessee acknowledges and agrees, without limiting any other provision of this Lease, that:

- (a) the Lessee has received a copy of, and been afforded an opportunity to review, the Head Lease prior to entering into this Lease;
- (b) for the benefit of His Majesty, the Lessee acknowledges that it is not relying on His Majesty's judgment or expertise in His Majesty's review of the Village Development Plan or Construction Plan and the Lessee hereby releases His Majesty and its officials, employees, servants, agents, contractors and subcontractors from any liability for His Majesty's review, which term will survive the ending of the Head Lease and this Lease;
- (c) the Lessee will include a provision similar to Section 11.2(b) in any Prepaid Homeowner Lease and Developer Prepaid Homeowner Lease that the Lessee grants;
- (d) subject to the provisions of Article 25, this Lease will terminate no later than one (1) day before the end of the term of the Head Lease, unless terminated early under its terms, or by operation of law upon earlier termination of the Head Lease;
- (e) this Lease is subject and subordinate to the Head Lease and to the rights of His Majesty under the Head Lease;
- (f) the Lessee's rights are subject to the terms of the Head Lease, that the Lessee will not cause a breach or default under any of terms of the Head Lease and, without limiting the generality of the foregoing, the Lessee will comply with all Applicable Laws regarding this Lease, the Premises, and any activity on the Premises;
- (g) on written request from His Majesty, acting reasonably, the Lessee will promptly deliver to His Majesty written authorization to receive information from a Governmental Authority about the Lessee's compliance or non-compliance with Applicable Laws regarding this Lease, the Premises, or any activity on the Premises;
- (h) His Majesty is not liable for any losses or expenses of the Lessee due to His Majesty curing or attempting to cure the default under the Head Lease, except as set out therein;

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- (i) the Lessee may only develop the Premises in accordance with the uses permitted under this Lease, the Village Development Plan, the Construction Plan, any mitigation measures required under any Environmental Review obtained with respect Premises or to be obtained with respect to the Premises pursuant to this Lease, and any environmental use or other development conditions or restrictions contained in the Head Lease or this Lease; and
- (j) His Majesty and His Majesty's officials, employees, servants, agents, contractors, and subcontractors, acting reasonably, may enter the Premises at any time during reasonable hours for the purpose of ensuring compliance with the terms of the Head Lease, including the implementation of any mitigation measures identified in an applicable Environmental Review.

Section 11.3 Indemnity with Respect to Head Lease

The Lessee will not cause a breach of any provision of the Head Lease, and the Lessee will indemnify and hold harmless the Lessor, the Lessor's Representatives, the Nation and His Majesty in respect of any Claim or Damage whatsoever arising as a result of a breach of, or default under, the Head Lease arising as a result of any act or omission of the Lessee or any of Lessee's Representatives, but excluding any consequential damages arising in connection therewith, and excluding Claims or Damages to the extent they arise due to the negligence or wilful misconduct of Lessee's Representatives, unless it involves a peril against which the Lessee is obligated to obtain and maintain insurance pursuant to the this Lease.

Section 11.4 Requirements re: Prepaid Homeowner Leases

Any Prepaid Homeowner Lease or Developer Prepaid Homeowner Lease may not be with respect to more than one Dwelling Unit, must contain the terms set out in Section 11.2, must be consistent with the terms of the Head Lease, must be in a form capable of being registered in the Registry, must be in the form attached as Schedule C hereto without any material amendments, except as may be approved by the Lessor in writing, and must not cause the Lessor to be in default of a term of the Head Lease.

Section 11.5 Conflict of Terms

In the event of a conflict between the provisions of this Article 11 and another provision of this Lease, this Article 11 will prevail to the extent of such conflict.

ARTICLE 12 - COMMITMENTS, PRINCIPLES AND COVENANTS RE: THE NATION

Section 12.1 Commitments and Principles

The Lessee agrees to the commitments and principles set out in Schedule B and will work with the Lessor and the Nation to fulfil the requirements of such commitments and principles, provided that any failure to do so will not be a default under this Lease.

Section 12.2 Implementation of Exemptions From Taxation

Subject to Section 4.1, the Lessee will use commercially reasonable efforts to cause any person selling goods or services on or from the Premises to provide the exemption from taxation set out in section 87 of the Indian Act to any person entitled to such exemption in connection with the purchase of any such goods or services. Without limiting the foregoing, the Lessee will use commercially reasonable efforts to cause any point of sale systems in use on the Premises to give effect to such exemption from taxation. The Lessor agrees that the Lessee and other persons selling such goods or services may require reasonable evidence of entitlement to such exemption at the time of such sale.

Section 12.3 Travel on Other Nation Lands

If the Lessee, any Lessee Party or any Lessee's Representative wishes to travel on any portion of the Nation's lands other than the Taza Lands or any public roads, the Lessee will ensure that any required permit or other permission is first obtained from the Nation. The Lessor will, where reasonable to do so, assist the Lessee in obtaining any such permit or permission, upon the written request of the Lessee.

ARTICLE 13 - DEVELOPMENT AND CONSTRUCTION

Section 13.1 Lessee to Develop and Construct

In addition to the obligations of the Lessee to construct the Development in accordance with the Acquisition Agreement the Lessee may after it has completed such construction, install or erect any Improvements and make Alterations, provided in all cases that the Lessee does so in a good and workmanlike manner and in accordance with Applicable Laws and this Lease, and provided that the Lessee must keep the Premises in a good, safe and clean and tidy order and condition.

Section 13.2 Tsuut'ina Nation Development Approval Process

Without limiting anything contained in this Lease, the Lessee acknowledges and agrees as follows:

- (a) prior to the commencement of the construction of any Improvements or the making of any Alterations on the Premises, the Lessee, at its sole cost and expense, will make all required applications for Development Permits and Building Permits and obtain all required Development Permits and Building Permits from the Tsuut'ina Development Authority in connection with any Improvements and Alterations;
- (b) the Lessee shall not allow any occupancy of any Improvements until any required Occupancy Certificates from the Tsuut'ina Development Authority have been obtained; and
- (c) the Tsuut'ina Development Authority has been, or will be, established by the Chief and Council to represent the Nation government in connection with the Taza Development

Approval Requirements. The Lessor is not part of, or related to, the Tsuut'ina Development Authority and the Lessor does not represent the Tsuut'ina Development Authority. The Lessor may, but is not obligated to, assist the Lessee with the preparation of its applications to the Tsuut'ina Development Authority but such assistance shall in no way constitute any approval by the Tsuut'ina Development Authority or any assurance that any approval will be given by the Tsuut'ina Development Authority. The Lessor assumes no responsibility for the Lessee's applications or any development carried out by the Lessee in furtherance of any such applications, and the Lessee fully releases the Lessor in connection therewith.

Section 13.3 Sustainability Commitments and Principles

The Lessee agrees to the Lessor's Sustainability Practices applicable to the development of the Development Lands and will work with the Lessor to fulfil the requirements of such commitments and principles, addressing energy and carbon efficiency; water and storm water management; recycling, composting, and waste management; indoor air quality; chemical use; transportation; urban agriculture; health and well-being; and other best sustainability practices, provided that any failure to do so will not be a default under this Lease.

Section 13.4 Head Lease Construction Provisions

During any period in which His Majesty lawfully exercises the right to regulate development and construction on the Development Lands in accordance with the Head Lease the Lessee will comply with the following requirements:

- (a) Construction of any Improvements or Alterations on the Development Lands must comply with the Taza Development Approval Requirements, the Architectural Guidelines, all Applicable Laws, and with the national building code and national safety code in effect at the time of the construction, unless at any time the Nation lawfully adopts the Alberta building code or Alberta safety code in which case the Alberta building code or Alberta safety code, as the case may be, will apply.
- (b) As set out in section 6.1.8 of the Head Lease, in the course of the construction of Material Improvements or the making of Material Alterations, the Lessee will:
 - (i) provide, or cause to be provided, to His Majesty and the Lessor the applicable Construction Plan that relates to the construction or applicable stage of construction, and will ensure that each Construction Plan is consistent with the Village Development Plan and the Head Lease; and
 - (ii) instruct, or ensure the instruction of, the Architect or Engineer certifying the Construction Plan to be provided that it must be completed on the basis that it may be relied on by His Majesty and the Lessor, and the Lessee agrees that any Construction Plan delivered to His Majesty and the Lessor may be relied on by His Majesty and the Lessor.

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- (c) Following the later of the receipt of the required approvals or authorizations and the delivery to His Majesty of the Construction Plan, the Lessee will be permitted to construct, or cause to be constructed, the Improvements, or make, or cause to be made, the Alterations in a proper and workmanlike manner in accordance with such approvals and authorizations and in compliance with the Land Use Plan, the Village Development Plan and the Construction Plan. Once the construction of any Improvements, or a phase of Improvements, has been commenced on the Development Lands, such construction will be pursued with commercially reasonable diligence in accordance with this Lease and all Applicable Laws and, without limiting the generality of the foregoing, no Improvements will be left unfinished in an unsafe or unsightly condition, except in the ordinary course of construction in compliance with the foregoing requirements.
- (d) The Lessee will provide His Majesty and the Lessor with notice if the prompt construction of any Improvements or the making of any Alterations is impacted by an Unavoidable Delay (as defined in the Head Lease), and the Lessee will act diligently, and take all reasonable steps that a prudent owner would take, to resolve or remove any Unavoidable Delay in the making of Alterations or the Substantial Completion of Improvements in accordance with this Lease.
- (e) Improvements will not be occupied until Substantial Completion has occurred with respect to the Improvements. Substantial Completion may occur in respect of portions of the Improvements.
- (f) Upon the Substantial Completion of any Material Improvements or Material Alterations, other than the Development, the Lessee will promptly deliver, or cause to be delivered, to His Majesty and the Lessor a Certificate of Substantial Completion in respect thereof, together with reproducible and as-built drawings certified by an Architect or Engineer that industry standards and codes have been met.

The Lessor confirms that:

- (g) the Taza Development Guidelines approved by the Nation or the Tsuut'ina Development Authority have been provided to His Majesty and constitute both the Land Use Plan and the Village Development Plan as required by His Majesty under the Head Lease; and
- (h) the Lessee's applications for Development Permits and the Building Permits will together comprise the Construction Plan, as required by His Majesty under the Head Lease, and will be provided by the Lessor to His Majesty in satisfaction of the requirements under the Head Lease in respect thereof.

The Lessor will assist the Lessee in complying with any applicable requirements of His Majesty as set out in this Section 13.4, provided that the Lessor will not be required to incur any out-of-pocket costs in connection therewith.

Section 13.5 New Home Warranty Program

The Lessee shall at all times, to the extent applicable given the nature of any Material Improvements and Material Alterations, comply with the mandatory new home warranty and builder licensing requirements in accordance with the NHP Act and obtain, at its sole cost and expense, new home warranty insurance coverage to include at a minimum, one (1) year for labour and materials, two (2) years for delivery and distribution systems, five (5) years for building envelope protection, and ten (10) years for major structural components, as if the Development was on land governed by the *Land Titles Act* (Alberta) and the NHP Act applied.

ARTICLE 14 - MAINTENANCE AND REPAIR

Section 14.1 Lessee Maintenance and Repair

The Lessee, at its sole cost and expense, will operate, manage, maintain, repair, restore, replace and keep up, or cause to be operated, managed, maintained, repaired, restored, replaced and kept up, the Premises in a good and workmanlike manner, and in a good, safe and clean and tidy order and condition and in compliance with Applicable Laws and the requirements of this Lease. The Lessor will have no obligation to operate, manage, maintain, repair, restore, replace and keep up, or cause to be operated, managed, maintained, repaired, restored, replaced or kept up, the Premises, except as may be set out in this Lease or any other written agreement between the Lessor and the Lessee.

ARTICLE 15 - LIENS

Section 15.1 Lessor's Responsibility

The Lessor will not, and will ensure that the Lessor's Representatives do not, do anything or omit to do anything that would cause a lien to be filed against this Lease or any interest of the Lessee in the Premises and if any such lien is filed, the Lessor will take all steps necessary to have such lien released as soon as reasonably possible. This provision does not apply to any lien in favour of the Lessor arising upon a default by the Lessee or to any interest of any Head Lease Mortgagee in respect of any Head Lease Mortgage granted by the Lessor.

Section 15.2 Lessee's Responsibilities

(1) The Lessee will not, and will ensure that the Lessee Parties do not, do anything or omit to do anything that would cause or allow a lien to be filed against or in respect of the Head Lease or the Head Lease Lands or this Lease or the Premises other than a Leasehold Mortgage granted by the Developer in accordance with the provisions of this Lease, and if any such lien is filed, the Lessee will take all steps necessary to have such lien released as soon as reasonably possible.

(2) Without limiting Section 15.2(1), the Lessee will be responsible for, throughout the Term at its own cost and expense, any and all construction liens (which will include any liens for labour, services, or materials alleged to have been furnished with respect to the Premises) filed or

claimed by any person as a result of any labour, services or materials supplied to or for the benefit of the Lessee or any Lessee Party, and which may be claimed or registered against or in respect of the Head Lease, the Head Lease Lands, this Lease or the Premises, or any part of any of the foregoing. The Lessee will cause any such lien to be paid, satisfied, released or vacated as soon as reasonably possible after the Lessee receives notice thereof, provided that in the event of a bona fide dispute by the Lessee of the validity or amount of any Claim for any such lien the Lessee will be entitled to defend against the Claim in any proceedings brought in respect of the Claim after first paying into a solicitor's trust account, or into Court, the amount claimed or sufficient security, and such costs as the Court may direct and after causing such lien to be discharged no later than 90 days after the Lessee receives notice thereof. The Lessee will register all such documents as may be necessary to discharge such lien upon being entitled to do so, to the satisfaction of the Lessor, acting reasonably.

ARTICLE 16 - ENVIRONMENTAL MATTERS

Section 16.1 Compliance with Environmental Laws

The Lessee agrees as follows:

- (a) The Lessee will use and occupy the Premises in compliance with Environmental Laws.
- (b) The Lessee will not use or permit the use of the Premises to generate, manufacture, refine, treat, transport, store, handle, transfer, produce, Release or process any Contaminants, except as may be reasonably required for the uses permitted under this Lease in strict compliance with Environmental Laws.
- (c) The Lessee will not carry out, or permit to be carried out, any operations or activities or construct any Improvements or Alterations that in the reasonable opinion of His Majesty or the Lessor materially increase the risk of liability to His Majesty or the Lessor (whether direct or indirect) as a result of the application of Environmental Laws.
- (d) The Lessor may consider the Lessee to be in default under this Lease and may exercise the Lessor's rights under Article 28 upon:
 - (i) a default by the Lessee of any provision contained in this Article 16; or
 - (ii) His Majesty or the Lessor becoming aware of a default of Environmental Laws with respect to the Premises or the presence of any Contaminants on, in, or under the Premises in contravention of this Lease and which raises a material risk of liability to His Majesty or the Lessor (whether direct or indirect), as determined by His Majesty or the Lessor, as applicable, acting reasonably.

Section 16.2 Environmental Review

- (1) The Lessee represents and warrants to the Lessor that the Lessee has applied to have the Development approved by His Majesty pursuant to an Environmental Review and will use commercially reasonable efforts to obtain such approval within a reasonable time after the

Commencement Date and, in any event, shall have such approval prior to the construction of any Improvements.

(2) Any Project or Improvements carried out within the Development Lands must comply with His Majesty's Environmental Review process.

(3) Any designated project (as defined in the *IAA*) carried out within the Development Lands must comply with all applicable *IAA* requirements in respect of designated projects.

(4) No Project or Improvements will commence on the Development Lands unless His Majesty has conducted an Environmental Review of the Project and determined that, subject to any mitigation measures that His Majesty reasonably requires, the Project is not likely to cause any significant adverse environmental effects.

(5) The Lessee will, at the Lessee's expense, provide or cause to be provided to His Majesty any information reasonably requested by His Majesty to enable His Majesty to conduct an Environmental Review of any such Project or Improvements, including:

(a) an environmental review report of the Project and Improvements that includes such information as His Majesty reasonably requires; and

(b) a certificate from an Architect or Engineer, certifying that the Project and Improvements, as proposed, will comply with the Village Development Plan and the Construction Plan, the Head Lease and this Lease.

(6) If the environmental review report referenced in Section 16.2(5)(a) does not meet with the reasonable satisfaction of His Majesty and the Lessee is notified of any inadequacy in the report, the Lessee will ensure that the inadequacies are addressed to the reasonable satisfaction of His Majesty in a revised report.

(7) If His Majesty determines that the Project and Improvements, subject to any mitigation measures that His Majesty reasonably requires, is not likely to cause any significant adverse environmental effects, then the Lessee will ensure that any physical activities related to the Project and Improvements, including site preparation, construction, operation, or decommissioning of the Project and Improvements, will comply with such mitigation measures.

(8) With respect to the Environmental Review conducted prior to the commencement date of the Head Lease, the Lessee will ensure that the mitigation measures attached as Schedule B to the Head Lease, are complied with by the Lessee or any other person carrying out any Project or Improvements on the Premises, to the extent that they relate to the Lessee or the Premises.

(9) With respect to any subsequent Environmental Review for any Project or Improvements on the Premises, including the Environmental Review for the Development, the Lessee will ensure that any mitigation measures identified in such Environmental Review are complied with by the Lessee or any other person carrying out such Project or Improvements and, upon the request of His Majesty or the Lessor, any such additional mitigation measures will be included in or appended to this Lease by an amendment to or supplement of Schedule D to this Lease.

(10) In each case, the Lessee will provide or cause to be provided to His Majesty and the Lessor a certification by an Architect or Engineer, or applicable professional, of the implementation of all mitigation measures required under an Environmental Review within the timelines specified in that Environmental Review.

(11) If during an Environmental Review process His Majesty or the Lessee determines that a Project or Improvements should not proceed, then neither His Majesty nor the Lessor, nor either of their respective officials, officers, directors, employees, servants, agents, contractors, or subcontractors, as applicable, will be responsible to the Lessee for the inability of the Lessee or any other person claiming under the Lessee to use the Premises as anticipated and the Lessee hereby releases and indemnifies and holds harmless His Majesty and the Lessor and their respective officials, officers, directors, employees, servants, agents, contractors, and subcontractors, as applicable, from any such liability. In such event this Lease shall remain in full force and effect and Lessee shall be bound to preform its obligations under this Lease.

(12) The Lessee shall copy the Lessor on any written communications with His Majesty with respect to the matters set out in this Section 16.2, any reports, information or other materials provided to His Majesty shall be concurrently provided to the Lessor and the Lessee shall provide the results of any Environmental Review to the Lessor.

Section 16.3 Environmental Site Assessments

The Lessee acknowledges and agrees as follows:

- (a) The Lessee has reviewed the reports referred to in section 15.3.1.2 of the Head Lease, namely the following:
 - (i) Phase I Environmental Site Assessment Tsuu T'ina Reserve Land base by MCA Environmental Management dated March 2013;
 - (ii) Phase I Environmental Site Assessment Former Canadian Forces Base Calgary, AB by Stantec Consulting Ltd. dated March 31, 2015;
 - (iii) Taza Developments – Phase II Environmental Site Assessment Taza Park, Tsuut'ina Nation, Alberta by Pinchin Ltd.; and
 - (iv) Former Harvey Barracks Soil and Groundwater Quality Review Tsuut'ina Lands, Calgary, Alberta by Amec Foster Wheeler Environment & Infrastructure dated August 2017; and

the Lessee is aware of the issues identified in the reports (such issues, the “**Pre-Existing Environmental Conditions**”), and agrees that, without limiting any other provision in this Lease:

- (v) neither His Majesty nor the Lessor will be responsible for any remediation that may be required to the Premises; and

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- (vi) for greater certainty the Lessee accepts the Premises on an “as-is, where-is” basis and neither His Majesty nor the Lessor will be liable to the Lessee for any loss related, directly or indirectly, to the condition of the Premises as of the Commencement Date.
- (b) The parties acknowledge that the Lessor has provided to the Lessee, and the Lessee has reviewed and accepted, the Lessor’s Environmental Report.
- (c) Within 8 months before the expiration of this Lease or within 120 days of the earlier termination of this Lease, the Lessee, at its own expense, will have a qualified independent consultant undertake an environmental site assessment to assess the environmental condition of the Premises and provide His Majesty, the Lessor and the Lessee with a report on such condition. The report must be addressed to His Majesty, the Lessor and the Lessee and must state that the report may be relied on by His Majesty, the Lessor and the Lessee and the Lessee agrees that His Majesty and the Lessor may rely on the environmental site assessment report.
- (d) Prior to the end of the Term or within 120 days of the earlier termination of this Lease, the Lessee will remediate the Premises to the environmental condition of the Premises as of the Commencement Date, as evidenced by the Lessor’s Environmental Report, or such other environmental condition acceptable to His Majesty, acting reasonably, in accordance with the Head Lease.

Section 16.4 Contaminants and Releases

- (1) If requested by His Majesty, the Lessor or any Governmental Authority, the Lessee will, at its own expense, immediately remove or cause to be removed from the Premises any Contaminants that are, or have been, located, stored, or incorporated in, on, or under the Premises in contravention of this Lease during the Term and, upon removal, will promptly provide or cause to be provided to His Majesty and the Lessor documentation satisfactory to His Majesty and the Lessor, each acting reasonably, confirming the completion of the removal satisfactory to the Lessor and any Governmental Authority.
- (2) Prior to the end of the Term or within 120 days after the earlier termination of this Lease, the Lessee will at its own expense, remove or cause to be removed from the Premises any Contaminants that are, or have been, located, stored, or incorporated in, on or under the Premises during the Term, to the satisfaction of His Majesty in accordance with the Head Lease.
- (3) Upon the Release of any Contaminants, the discovery by the Lessee of a Release of any Contaminants, or the Lessee’s receipt of notice by any person following their discovery of a Release of any Contaminants, in, on, or under the Premises during the Term, the Lessee will:
 - (a) immediately deliver or cause to be delivered notice to His Majesty, the Lessor and any appropriate Governmental Authority of the occurrence of the Release;
 - (b) ensure any notice includes details relating to the Release, including the time and extent of the Release, the estimated amount of Contaminants Released, the remedial action taken

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prior to the delivery of the notice, the remedial action that the Lessee intends to take in order to contain or rectify the Release, and any persons observed who appeared to have caused or who were in the vicinity of the Release;

- (c) immediately remove or cause to be removed from the Premises any Contaminants Released, and take, at its own expense, or cause to be taken all remedial action necessary to fully rectify the effects of the Release in, on or under the Premises in compliance with all reasonable requests by His Majesty and the Lessor and in accordance with all applicable Environmental Laws;
- (d) provide or cause to be provided His Majesty and the Lessor an environmental site assessment report, satisfactory to His Majesty and the Lessor, each acting reasonably, prepared by a qualified independent consultant, and the report will specify the Lessee's activities under Section 16.4(3)(c) and the state of the Premises after the completion of such activities as compared to the state of the Premises prior to the Release, and which report will be addressed to His Majesty, the Lessor and the Lessee and will state that such report may be relied upon by His Majesty, the Lessor and the Lessee, and the Lessee agrees that this report may be relied on by His Majesty and the Lessor; and
- (e) undertake or cause to be undertaken such further activities as His Majesty or the Lessor may reasonably require to remove Contaminants Released and rectify the Release, based on the report referred to in this section.

(4) If there is a default by the Lessee in respect of this Article 16, then, upon not less than five Business Days' written notice to the Lessee (or such shorter period as may be reasonable in any particular circumstance), His Majesty or the Lessor may take whatever action that His Majesty or the Lessor, acting reasonably, considers necessary to address the Release. The Lessee will provide or cause to be provided to His Majesty and the Lessor, and their respective officials, officers, directors, employees, servants, agents, contractors, and subcontractors, as applicable, access to the Premises for that purpose. The reasonable costs of His Majesty or the Lessor for addressing the Release will be deemed to be Additional Rent payable by the Lessee to the Lessor upon the Lessor delivering notice of the costs to the Lessee.

Section 16.5 Inspection

The Lessee agrees that His Majesty and the Lessor may, at any time during the Term, upon not less than ten (10) Business Days' prior written notice, access and inspect the Premises and conduct any environmental site assessment or other testing, audit or investigation that His Majesty or the Lessor, deems necessary, acting reasonably, to determine the compliance of the Lessee's use of the Premises with Environmental Laws and this Lease. Any reasonable costs incurred by His Majesty or the Lessor under this section will be deemed to be Additional Rent payable by the Lessee upon the Lessor delivering notice of the costs to the Lessee.

Section 16.6 Representations and Warranties

The Lessee represents and warrants to the Lessor, and covenants and agrees with the Lessor, that:

- (a) the operations of the Lessee and any other person on the Premises do not and will not involve the location, storage, incorporation, manufacture, or Release of any Contaminants except in accordance with Applicable Laws and this Lease; and
- (b) the Lessee, its affiliates and their respective directors or senior officers have not been prosecuted for any offences, or received any orders, administrative monetary penalties or other similar penalties under any Environmental Laws.

Section 16.7 Environmental Indemnity

The Lessee hereby indemnifies and saves harmless His Majesty and the Lessor, and their respective officials, officers, directors, employees, servants, agents, contractors, and subcontractors, as applicable, from and for any Claims and Damages (including any Claim or Damage for diminution in the market value of the Premises, based on the uses thereof in accordance with this Lease), reasonable sums paid in settlement of any Claims, legal (on a solicitor and own client basis), consultant and expert fees or any costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work required by any Governmental Authority, that arise during or after the Term and are in any way based upon, arise out of or are connected with:

- (a) the presence of Contaminants (other than any constituting Pre-Existing Environmental Conditions) in, on or under the Premises or in the soil, air, groundwater or surface water in, on, under or near the Premises as a result of the actions or omissions of the Lessee, any Lessee's Representative, any Homeowner, the Developer under a Developer Prepaid Homeowner Lease, any Residential Tenant or any other person claiming under or through the Lessee; or,
- (b) the Release of any Contaminants from the Premises by or at the direction of the Lessee, any Lessee's Representative, any Homeowner, the Developer under a Developer Prepaid Homeowner Lease, any Residential Tenant or any other person claiming under or through the Lessee,

except to the extent the presence of the Contaminants is attributable to the negligence, willful misconduct or other tortious conduct of His Majesty, the Lessor or any person to whom His Majesty granted a right or interest in accordance with section 3.3 of the Head Lease, or their respective officials, officers, directors, employees, servants, agents, contractors, or subcontractors, as applicable.

Section 16.8 Survival

All covenants, duties, obligations, releases, indemnities and liabilities of the Lessee arising pursuant to this Article 16 during the Term will survive the expiration or earlier

termination of this Lease. To the extent that the performance of any of the Lessee's duties and obligations reasonably under such Article requires access to or entry upon the Premises or any part thereof after the expiration or earlier termination of this Lease, the Lessee will be afforded reasonable entry and access for purposes at such times and upon such terms and conditions as the Lessor may from time to time reasonably specify in writing.

ARTICLE 17 - LESSOR'S INSURANCE

Section 17.1 Lessor's Insurance

The Lessor will procure and maintain, or cause to be procured and maintained, the insurance required pursuant to the Head Lease, except to the extent required to be procured or maintained by the Lessee under this Lease or by other sublessees under other subleases of the Head Lease Lands.

ARTICLE 18 - LESSEE'S INSURANCE

Section 18.1 Errors and Omissions Insurance

Prior to the commencement of the construction of Improvements, the Lessee will obtain or cause to be obtained, and provide evidence to His Majesty and the Lessor that the Lessee has obtained, or caused to be obtained, errors and omissions insurance, with minimum limits of \$1,000,000 per claim and annual aggregate (or any higher amount that His Majesty or the Lessor reasonably requires), for all applicable Architects and Engineers with respect to any Improvements constructed or to be constructed and any Material Alterations.

Section 18.2 Construction Insurance

From the date that construction is started on the Premises, including the stockpiling of construction materials on the Premises in anticipation of construction, to Substantial Completion, and any other time an Improvement is being constructed (including any construction in connection with a substantial repair or rebuilding of Improvements) or Material Alterations being undertaken, the Lessee will obtain and maintain (or cause to be obtained and maintained) the following insurance:

- (a) "wrap up" commercial general liability insurance against Claims for bodily injury (including death), personal injury, or property damage arising in connection with the use and occupation of the Premises for construction of Improvements or Alterations. The policy must be written on a commercial general liability with liability limits of at least \$5,000,000 per occurrence (or any higher amount that His Majesty or the Lessor reasonably requires before construction begins), and with His Majesty, the Nation and the Lessor as additional insureds; and
- (b) construction insurance to cover "all risks" of physical damage to, or loss of, the Improvements, including by-laws extension, demolition and debris removal (and including goods and materials to be incorporated in the Improvements while in storage at the site or in transit to it) in an amount at least equal to its full replacement value plus no

less than 25% of budgeted “soft costs”. The construction insurance will allow for full or partial occupancy of the Improvements prior to completion of construction. The construction insurance will also provide coverage for testing and commissioning of equipment installed as part of the Improvements.

Section 18.3 Environmental Insurance

If required by the Lessor, acting reasonably, having regard to the use of the Premises, the Lessee will maintain or cause to be maintained for itself and any Homeowner, the Developer under any Developer Prepaid Homeowner Lease, and any Residential Tenant, insurance in the amount of not less than \$2,000,000 per occurrence (or any higher amount that the Lessor reasonably requires) with respect to pollution liability, including mould, if any hazardous goods are used or stored in or on the Premises, and during any construction cause its contractors to provide evidence of contractor pollution liability insurance, including in respect of mould, in the amount of not less than \$2,000,000 per occurrence (or any higher amount that the Lessor reasonably requires).

Section 18.4 Liability & Property Insurance

The Lessee will maintain or cause to be maintained, at the Lessee’s expense, the following insurance with one or more companies satisfactory to His Majesty and the Lessor, each acting reasonably, through the entire Term and any other period it may be in possession of the Premises, including any period where the Lessee is removing any Improvements, Personal Fixtures or movable goods pursuant to this Lease:

- (a) commercial general liability insurance, effective upon the Commencement Date written in the name of the Lessee, with His Majesty, the Nation and the Lessor as additional insureds, to keep each of them, as their interests may appear, insured against Claims for bodily injury (including death), personal injury or property damage arising in connection with the use of the Premises in an amount of not less than \$5,000,000 for any one occurrence or to such higher amount as His Majesty or the Lessor, acting reasonably, may notify the Lessee in writing from time to time, provided that such separate coverage will not be required to the extent that the required coverage is provided under “wrap up” commercially general liability insurance put in place in accordance with Section 18.2 is in place;
- (b) property insurance, effective upon Substantial Completion of any Improvements, written in the name of the Lessee, with loss payable to the Lessee and any Leasehold Mortgagee (first to the Leasehold Mortgagee if the Leasehold Mortgagee has entered into the agreement contemplated in Section 22.4 and subject to the terms of such agreement, otherwise first to the Lessee), insuring the Improvements (excluding, as applicable, any Unit Improvements (as defined in Schedule I)) for 100% of their full replacement cost against loss or damage by fire and other perils (including the hazards of lightning, flood, earthquake, explosion, wind storm, cyclone, tornado, hail, riot, civil commotion, malicious damage, aircraft, smoke, vehicle damage, sewer backup, bylaw coverage, and

ancillary equipment and systems) under supplementary coverage obtained by prudent owners to the extent such coverage can reasonably be obtained;

- (c) equipment breakdown insurance, effective upon Substantial Completion of any Improvements, written in the name of the Lessee, with loss payable to the to the insured Lessee, His Majesty, the Lessor, any Head Lease Mortgagee and any Leasehold Mortgagee, as their respective interests appear, insuring the Improvements for explosion of pressure vessels, mechanical or electrical breakdown of machinery and equipment, air conditioning or refrigeration equipment and miscellaneous apparatus (and production machinery where applicable). This insurance must be on a repair or replacement basis in an amount at least equal to the full replacement value of the Improvements housing the equipment and any adjacent or ancillary Improvements in which the Lessee's interest is insurable;
- (d) automobile liability insurance, effective upon the Commencement Date, covering all Lessee's owned or licensed vehicles with a minimum of \$2,000,000 per accident for bodily injury or property damage, or to such higher amount as His Majesty or the Lessor, acting reasonably, may notify the Lessee in writing from time to time; and
- (e) any other insurance that may be reasonably required by His Majesty or the Lessor and that a prudent owner of the Premises would obtain.

Section 18.5 Notice of Damage

In the event of any material damage to or destruction of any portion of the Premises for which property insurance proceeds are payable to the Lessee, the Lessee will provide His Majesty and the Lessor with written notice thereof, in reasonable detail (including the estimated cost of cleaning up and restoring the damaged or destroyed portion of the Premises to a good, safe and tidy condition), following which His Majesty (or the Lessor, only if required by His Majesty) may, by notice in writing to the Lessee, require the Lessee to hold back in a separate bank account on terms and conditions reasonably required by His Majesty, from such insurance proceeds the amount equal to 120% of the estimated cost of cleaning up and restoring the damaged or destroyed portion of the Premises to a good, safe and tidy condition until such time as the damaged or destroyed portion of the Premises is either repaired or rebuilt or the Premises are otherwise cleaned up and restored as required under the Head Lease and this Lease, to the satisfaction of His Majesty, acting reasonably, and provided that the Lessee will be entitled to use the proceeds to pay for such work. If required by His Majesty, acting reasonably, the hold back account will be maintained by a trustee on terms and conditions satisfactory to His Majesty, acting reasonably.

Section 18.6 Insurance Provisions

Insurance policies required under this Lease must contain:

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- (a) an agreement by the insurer that it will not cancel or adversely amend the policy without first giving His Majesty, the Head Lease Mortgagee and the Lessor at least thirty (30) days' prior notice;
- (b) a clause to the effect that any release from liability entered into prior to any loss will not affect the right of the insureds, His Majesty, the Nation or the Lessor, as applicable, to recover;
- (c) a waiver of subrogation by the insurers against His Majesty, the Nation and the Lessor, as applicable, and those for whom they are responsible, where appropriate; and
- (d) a provision that the policy will not be invalidated in respect of the interests of His Majesty, the Nation, the Lessor or any Head Lease Mortgagee by reason of any breach or violation of any representation, warranty, declaration, term or condition by the Lessee.

Section 18.7 Co-Insurance

If any insurance policy contains a co-insurance provision, then the Lessee will maintain, or cause to be maintained, sufficient insurance to prevent the Lessor and the other insureds from being co-insurers and to permit full recovery from the insurers.

Section 18.8 Not Cause Cancellation

The Lessee will not do anything, or permit or suffer anything to be done, at the Premises that might cause the insurance policies required by the Head Lease or this Lease to be invalidated or cancelled.

Section 18.9 Certificates of Insurance

On or prior to the Commencement Date, the Lessee will deliver certificates of the insurance required by His Majesty or the Lessor. Throughout the Term, the Lessee will deliver certificates evidencing every insurance policy that is required by the Head Lease or this Lease to His Majesty or the Lessor within ten (10) days after the insurance is effected and the Lessee will deliver a certificate of renewal or other evidence satisfactory to His Majesty and the Lessor that the insurance has been renewed or replaced to His Majesty or the Lessor at least fifteen (15) days before the expiry or cancellation of any insurance policy in force.

Section 18.10 Statement by Qualified Insurance Professional

The Lessee will provide His Majesty and the Lessor, upon request, acting reasonably, with a written statement, prepared and signed by a qualified insurance professional, confirming that all insurance policies obtained satisfy the terms of the Head Lease insofar as it relates to the Premises and the terms of this Lease.

Section 18.11 Insurance Information / Certified Copy of Insurance Policy

The Lessee will provide His Majesty and the Lessor with such information and documentation as to the Lessee's insurance as may be reasonably requested, including providing reasonable access to a copy of any insurance policy and reasonable access to the Lessee's insurance advisor. The Lessee acknowledges that section 11.5.6 of the Head Lease requires the provision of certified copies of insurance policies upon the written request of His Majesty. The Lessee will comply with any such request by His Majesty, provided that the Lessor will assist the Lessee, and cooperate with the Lessee, with respect to any reasonable assertion by the Lessee that it is not reasonable or practical to comply with any such request, including dealing directly with His Majesty in respect of any such assertion.

Section 18.12 Release

The Lessee hereby releases His Majesty, the Nation and the Lessor from all liability for loss (including economic loss), Damage or injury (including any loss, Damage, or injury that may arise out of the negligence or omission of His Majesty the Nation or the Lessor, or any of their respective officials, officers, directors, employees, servants, agents, contractors, or subcontractors, as applicable) in any way caused by or resulting from any of the perils or injury against which the Lessee has covenanted in this Lease to insure, except to the extent caused by the willful misconduct of the Lessor or its officers, directors, employees, servants, agents, contractors or subcontractors. The Lessor agrees that the foregoing release does not apply to loss caused by the negligence or omission of the Lessor to the extent that the Lessee was not required to carry insurance pursuant to this Lease for the perils or injury giving rise to the loss.

Section 18.13 Notice of Cancellation of Insurance

The Lessee will immediately notify His Majesty, the Lessor and any other insured party if any insurance is:

- (a) cancelled or threatened to be cancelled and promptly deliver evidence of a certificate of renewal or other evidence satisfactory to His Majesty and the Lessor that the insurance has been renewed or replaced at least fifteen (15) days before the expiry or cancellation of any insurance policy in force; or
- (b) suspended and promptly provide evidence to His Majesty and the Lessor that the policy has been reinstated or replaced.

Section 18.14 Payment of Insurance Premiums

If the Lessee does not place any required insurance or pay or cause to be paid any insurance premiums when they become due and does not correct the situation after written notice from His Majesty or the Lessor, then either His Majesty or the Lessor may place the insurance and pay the premium or obtain any insurance that His Majesty or the Lessor deems to be necessary in accordance with the Head Lease or this Lease, respectively, and any such payment will be Additional Rent and repayable in accordance with Section 30.2. Neither His Majesty nor

the Lessor will be required to place any Lessee's insurance or pay any premium under any circumstances.

Section 18.15 Head Lease Mortgagee

Upon request by the Lessor, the above insurance will include any Head Lease Mortgagee as an additional insured, if required by the Lessor and the Head Lease Mortgagee, each acting reasonably.

Section 18.16 Notice From His Majesty

Notwithstanding anything contained in this Article 18 and without limiting any provision in this Lease, if at any time during the Term His Majesty gives the Lessor written notice to the effect that the insurance requirements under the Head Lease are not being met with respect to the Premises, the Lessee will, to the extent that such insurance requirements are not being met with respect to the Premises, take all such commercially reasonable steps as are required to satisfy the requirements of His Majesty, acting reasonably, provided that the Lessor will assist the Lessee, and cooperate with the Lessee, with respect to any reasonable assertion by the Lessee that its insurance coverage satisfies the insurance requirements under the Head Lease, insofar as it relates to the Premises, including dealing directly with His Majesty in respect of any such assertion.

Section 18.17 Arbitration of Disputes

Without limiting any insurance required to be placed by the Lessee in accordance with the Head Lease, any disputes between the Lessor and the Lessee during the Homeowner Condo Corporation Period regarding compliance with the insurance required pursuant to this Article 18 shall not be determined by a Court but will be resolved by binding arbitration pursuant to Section 34.1 of this Lease, upon either party submitting such matter to arbitration. Prior to the Homeowner Condo Corporation Period, the parties shall have the equities and remedies that are available to them at law.

Section 18.18 Future Considerations re: Standard Industry Practices

The Lessor agrees that, provided the Lessee is not in default of any terms under this Lease at the time of its request and subject to satisfying any insurance requirements enforced by His Majesty under the Head Lease, if at any time during the Term it becomes impossible for the Lessee to satisfy any specific insurance requirement set out in this Article 18, the Lessor will act reasonably in considering any request by the Lessee to maintain the insurance policies on terms and in amounts that reflect standard industry practice from time to time as agreed to by the parties, each acting reasonably, or as recommended by the insurers of both parties.

ARTICLE 19 - COMPLIANCE WITH APPLICABLE LAWS

Section 19.1 Compliance With Applicable Laws

The Lessee, acting reasonably and at its own expense, will comply with all Applicable Laws regarding this Lease, the Premises or any activity on the Premises, and the Lessee will require that all Lessee Parties and any other person that the Lessee or any Lessee Party allows on the Premises complies with such Applicable Laws.

Section 19.2 Copies of Notices

The Lessee will promptly deliver to the Lessor copies of any notice from any Governmental Authority requiring something to be done, or stop being done, in respect of the Premises. Once the matter under the notice has been resolved to the Governmental Authority's satisfaction, the Lessee will promptly deliver proof, satisfactory to the Lessor, acting reasonably, evidencing the resolution.

Section 19.3 Authorization to Receive Information

On written request from the Lessor, acting reasonably, the Lessee will either promptly deliver to the Lessor information from any Governmental Authority about the Lessee's compliance, or promptly arrange for written authorization to allow the Lessor to receive information from any Governmental Authority about the Lessee's compliance or non-compliance with Applicable Laws.

Section 19.4 Fire Services

The Lessee will ensure, at its own expense, regardless of whether the *Safety Codes Act* (Alberta), applies to the Premises or the activities carried out on the Premises under this Lease, that the Premises are inspected at least as frequently as inspections are carried out under that Act by a person who has authority under that Act to conduct such inspections, whether or not such authority allows inspections on the Premises, or who is licensed in the Province of Alberta to conduct such inspections, whichever may be the case. The Lessee will promptly deliver any inspection report to the Lessor and promptly comply with the recommended actions in the inspection report and notify the Lessor of that compliance when completed.

Section 19.5 Lessee Contest or Appeal

Without in any way relieving or modifying any duty or obligation of the Lessee to comply with Section 19.1 or any other provision of this Lease, the Lessee may, at its expense, contest or appeal the enforceability or validity of any Applicable Laws, in accordance with the provisions, conditions and requirements of such Applicable Laws provided that (i) such contest or appeal will be at the sole cost and expense of the Lessee; (ii) notwithstanding such right to contest or appeal, the Lessee must promptly take all steps necessary to discharge any lien registered in respect of the Development Lands or this Lease in connection with the matter being contested or appealed, unless the Lessor agrees otherwise in writing; and (iii) the Lessee shall

indemnify and hold harmless the Lessor from any and all Damages and Claims resulting from contest or appeal.

ARTICLE 20 - ASSIGNMENT

Section 20.1 Exceptions

In this Article 20, a reference to assignment does not include an assignment by way of a grant of Leasehold Mortgage, a Prepaid Homeowner Lease, Developer Prepaid Homeowner Lease or a Unit Mortgage so long as they are in compliance with this Lease.

Section 20.2 Assignment – General

The Lessee may not assign this Lease or any interest herein at any time without the prior written consent of the Lessor, such consent to be subject to the Lessee and the assignee complying with Section 20.5 which may be withheld in the Lessor's sole and unfettered discretion. No consent to any assignment will be construed as a consent or any assurance whatsoever with respect to any subsequent request for consent.

Section 20.3 Change of Control

For the purposes of this Lease, a change of Control of the Lessee, other than a change of Control of the Homeowner Condo Corporation by virtue of the transfer of memberships commensurate with the transfer or granting of sub-subleasehold interests in Units, will be deemed to be an assignment.

Section 20.4 Assignment to Homeowner Condo Corporation

The Lessor's consent will not be required in connection with the Assignment to the Homeowner Condo Corporation. From and after the first Homeowner Closing Date, no assignment of this Lease shall be permitted except to the Homeowner Condo Corporation.

Section 20.5 Assignment Agreement

Prior to completing any assignment of this Lease or any interest herein, and prior to any such assignment being effective as against the Lessor, the Lessee will obtain from the proposed assignee and deliver to the Lessor a written agreement, in the form attached hereto as Schedule E (or if the proposed assignee wishes modification to that form, then in the form and content approved by the Lessor), and signed by the Lessee and its assignee, pursuant to which the proposed assignee confirms and accepts the assignment of this Lease to the assignee, attorns to the Lessor as sublessor under this Lease and covenants and agrees in favour of the Lessor that the assignee will observe and perform the covenants, agreements, duties and obligations of the Lessee under this Lease. The Lessor will act reasonably in considering any revision to the form attached as Schedule E proposed by any such assignee. The Lessee will pay the Lessor's reasonable administrative charges and reasonable direct out-of-pocket costs and expenses (including any reasonable legal or other consulting fees) incurred by the Lessor in respect of the negotiation of any such changes.

ARTICLE 21 - SUB-SUBLETTING

Section 21.1 Sub-Subletting

- (a) Subject to an assignment, in which case Article 20 governs, the Lessee may only sub-sublet, license or otherwise part with possession of all or any part of the Premises pursuant to a Prepaid Homeowner Lease or a Developer Prepaid Homeowner Lease and only allow a Homeowner to sub-sublet, license or otherwise part with possession of all or any part of its Unit pursuant to an assignment of the relevant Prepaid Homeowner Lease or pursuant to a Residential Tenancy Agreement.
- (b) Notwithstanding the foregoing, and for greater clarity, the Developer may assign a Developer Prepaid Homeowner Lease to a potential Homeowner pursuant to a Purchase Agreement.
- (c) The Lessee shall ensure that all sub-subleases are and remain in compliance with Applicable Laws

Section 21.2 Residential Tenancies Permitted

Subject to compliance with Article 4, the Lessee or any Homeowner may enter into written month-to-month or fixed term residential tenancy agreements (each a “**Residential Tenancy Agreement**”) in respect of any Unit in accordance with the laws applicable to such tenancies and the provisions set out in Schedule J hereto, provided that such Residential Tenancy Agreements will not be registered in the Registry. At no time shall the Lessee, any Homeowner or any Related Person to either of them have in place a Residential Tenancy Agreement with respect to more than four (4) Units.

Section 21.3 Compliance With This Lease and Head Lease Requirements

Any Prepaid Homeowner Lease, Developer Prepaid Homeowner Lease, and any other lesser sub-subleasehold interest that follows, or is derivative under, the grant of this Lease must comply with this Lease, including Section 11.3 hereof.

Section 21.4 Term of Prepaid Homeowner Lease

Any Prepaid Homeowner Lease and Developer Prepaid Homeowner Lease may be for any period up to one day before the expiration of the Term, and may not extend beyond such period.

Section 21.5 Prepaid Homeowner Leases not to Conflict

The Lessee shall not sub-sublease, license or otherwise part with possession of any part of the Premises other than pursuant to a Prepaid Homeowner Lease or a Developer Prepaid Homeowner Lease. All Prepaid Homeowner Leases, Developer Prepaid Homeowner Leases and Residential Tenancy Agreements will be made expressly subject and subordinate to this Lease and to the rights of the Lessor hereunder and must not conflict with this Lease and will require

the Homeowner, Developer under a Developer Prepaid Homeowner Lease and any Residential Tenant to agree in its Prepaid Homeowner Lease, Developer Prepaid Homeowner Lease or Residential Tenancy Agreement, as applicable, not to do, or allow to be done with respect to the applicable Unit, anything in contravention of this Lease.

Section 21.6 His Majesty's Non-Disturbance Agreement – Sub-Sublease

Upon request by the Lessee, acting reasonably, the Lessor will enter into, and will use commercially reasonable efforts to cause His Majesty and the Nation to enter into, a non-disturbance agreement (sub-sublease) in the form of Appendix C to the Head Lease, with the Lessee and any Homeowner (a “**Non-Disturbance Agreement (Sub-Sublease)**”).

Section 21.7 Lessor's Non-Disturbance Agreement

Upon the request of the Lessee, acting reasonably, the Lessor will, within a reasonable time following receipt thereof, execute, acknowledge and deliver a non-disturbance agreement with any Homeowner whose Prepaid Homeowner Lease complies with this Lease (a “**Lessor's Non-Disturbance Agreement**”), in the form attached to the Prepaid Homeowner Lease attached as Schedule C hereto.

Section 21.8 Homeowner Assignment and Mortgaging

Any Homeowner may assign its Prepaid Homeowner Lease or grant a Mortgage of their sub-subleasehold interest in a Homeowner Unit without the consent of the Lessor.

Section 21.9 Developer Homeowner Assignment and Mortgaging

The Developer may assign its Developer Prepaid Homeowner Lease or grant a Mortgage of its subleasehold interest in a Unit pursuant to a Developer Prepaid Homeowner Lease without the consent of the Lessor.

ARTICLE 22 - MORTGAGING

Section 22.1 Mortgaging by Lessee

From and after the Transfer Date, the Lessee shall not grant a mortgage of its interest in this Lease or otherwise incur debt secured by the Lessee's interest in this Lease. The Developer may grant a Leasehold Mortgage in respect of the whole of the Developer's interest in this Lease by any means without the consent of the Lessor. The Lessor confirms that any Leasehold Mortgagee holding a Leasehold Mortgage granted by the Developer hereunder may enforce its Leasehold Mortgage to the fullest extent and may acquire the subleasehold estate in any lawful way and, by its representative or a receiver, as the case may be, and subject to Section 22.2 and Article 23, may take possession of and use the Premises in accordance with this Lease and sell or assign this Lease or grant Prepaid Homeowner Leases subject to and in accordance with the

terms and conditions hereof but shall not disturb and shall honor the rights of Homeowners and Residential Tenants under Prepaid Homeowner Leases and Residential Tenancy Agreements.

Section 22.2 Conditions of Enforcement Rights

Notwithstanding anything else in this Lease, any enforcement by a holder of a Leasehold Mortgage referred to in Section 22.1 will be subject to the following conditions:

- (a) prior to the Leasehold Mortgagee taking possession of the Premises or acquiring the Developer's interest in this Lease (and the appointment by the mortgagee of a receiver of the Developer and steps taken by the receiver in such capacity will not constitute the Leasehold Mortgagee as being in possession of the Premises), the Leasehold Mortgagee or the receiver must attorn to the Lessor under this Lease and agree with the Lessor to perform and observe all the Developer's covenants and agreements under this Lease, pursuant to an agreement in writing with the Lessor, but only for the period of time that the Leasehold Mortgagee is actually in possession of the Premises and until this Lease is duly assigned to an assignee as provided in Section 22.2(b); and
- (b) prior to the completion of any assignment of this Lease pursuant to any realization proceedings of a Leasehold Mortgagee holding a Leasehold Mortgage, the assignee of the Developer's interest in this Lease must covenant and agree in writing with the Lessor to attorn to the Lessor as sublessor under this Lease and to observe and perform all of the Developer's covenants and agreements, and to be responsible for the duties and obligations, of the Developer under this Lease in accordance with Section 20.5.

Section 22.3 His Majesty's Acknowledgement and Mortgage Agreement (Sublease)

The Lessor and the Lessee acknowledge that they have entered into a lessor acknowledgement and mortgage agreement (sublease) with His Majesty, the Nation and the Leasehold Mortgagee on or before the Commencement Date. Following the Commencement Date, upon request by the Developer, acting reasonably, the Lessor will enter into a lessor acknowledgement and mortgage agreement (sublease) in the form of Appendix E to the Head Lease, with the Developer and any new Leasehold Mortgagee and the Lessor will use commercially reasonable efforts to cause His Majesty and the Nation to enter into such a new lessor acknowledgement and mortgage agreement (sublease), including using commercially reasonable efforts to enforce His Majesty's covenant to do so in accordance with section 16.4.7 of the Head Lease.

Section 22.4 Lessor's Lender Agreement

Upon request by the Developer, the Lessor will enter into a lender agreement with any Leasehold Mortgagee whose Leasehold Mortgage has been granted in accordance with this Lease in the form of Schedule F, with such revisions as are required to reflect the circumstances. The Lessor will act reasonably in considering any revision proposed by any mortgagee to the form attached as Schedule F. The Developer will pay the Lessor's reasonable administrative

charges and reasonable direct out-of-pocket costs and expenses (including any reasonable legal or other consulting fees) incurred in respect of the negotiation of any such changes.

ARTICLE 23 - EVENTS OF INSOLVENCY

Section 23.1 Events of Insolvency of the Developer

(1) The parties agree that upon the occurrence of an Event of Insolvency of the Developer, the Developer (in the case only of an initial order under the CCAA or a notice of intention to make a proposal under the BIA), a sequestrator, receiver, interim receiver, receiver-manager, liquidator, custodian or trustee appointed with respect to the Developer shall have the right to disclaim this Lease pursuant to the terms of the BIA, the CCAA, or any similar legislation in force at such time, but only prior to the first Homeowner Closing Date, or to hold and retain the Premises for a period not exceeding six (6) months from the effective date of any such initial order, stay of proceedings, appointment, receiving order, assignment, judgment, decree, order or the commencement of dissolution or winding-up, as the case may be, or until the termination of such insolvency proceedings, or until the expiration of the Term, whichever first happens on the same terms and conditions as the Developer would have held the Premises had no such Event of Insolvency occurred.

(2) If the Developer, sequestrator, receiver, interim receiver, receiver-manager, liquidator, trustee or custodian holds and retains the Premises as aforesaid it shall during the said period either:

- (a) surrender possession at any time prior to the first Homeowner Closing Date and the Term shall thereupon terminate;
- (b) sell, transfer or otherwise dispose of all of the interest of the Developer in this Lease and the Premises, and all the rights and obligations of the Developer hereunder; or
- (c) elect to continue as lessee until this Lease is assigned to the Homeowner Condo Corporation in accordance with Section 5.3(1) provided that such sequestrator, receiver, interim receiver, receiver-manager, liquidator, custodian or trustee attorns as lessee to the Lessor and undertakes to be bound by and to perform the covenants and agreements of this Lease on the part of the Developer to be performed and observed.

Section 23.2 Events of Insolvency of the Homeowner Condo Corporation

(1) The parties agree that upon the occurrence of an Event of Insolvency of the Homeowner Condo Corporation, neither the Homeowner Condo Corporation, nor a sequestrator, receiver, interim receiver, receiver-manager, liquidator, custodian or trustee appointed with respect to the Homeowner Condo Corporation shall have the right to disclaim this Lease pursuant to the terms of the BIA, the CCAA, or similar insolvency legislation in force from time to time. Upon the occurrence of an Event of Insolvency and the granting of relief under the BIA, CCAA, or similar insolvency legislation in force at such time, the Homeowner Condo Corporation (in the case only of an initial order under the CCAA or a notice of intention to make a proposal under the BIA), a sequestrator, receiver, interim receiver, receiver-manager, liquidator, custodian or trustee

appointed with respect to the Homeowner Condo Corporation, shall have the right to hold and retain the Premises for a period not exceeding six (6) months from the effective date of any such initial order, stay of proceedings, appointment, receiving order, assignment, judgment, decree, order or the commencement of dissolution or winding-up, as the case may be, or until the termination of such insolvency proceedings, or until the expiration of the Term, whichever first happens on the same terms and conditions as the Homeowner Condo Corporation would have held the Premises had no such Event of Insolvency occurred.

(2) If the Homeowner Condo Corporation, sequestrator, receiver, interim receiver, receiver-manager, liquidator, trustee or custodian holds and retains the Premises as aforesaid it shall, during the said period, sell, transfer or otherwise dispose of all of the interest of the Homeowner Condo Corporation in this Lease and the Premises, and all the rights and obligations of the Homeowner Condo Corporation hereunder, free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, to another corporation incorporated under the *Canada Not For Profit Act* (Canada) that shall have the same responsibilities to the Lessor under this Lease and to the Homeowners under the Prepaid Homeowner Leases and all other agreements between the Homeowner Condo Corporation and the Lessor and/or the Homeowners as well as the Homeowner Condo Corporation Constatting Documents, including the membership requirements set out therein.

Section 23.3 Certain Rights of the Parties

The Lessor and the Lessee agree that:

- (a) Should the sequestrator, receiver, interim receiver, receiver-manager, liquidator, custodian or trustee at any time before or after taking possession, disclaim this Lease, its liability for payment of Rent is limited to the period of time during which such sequestrator, receiver, interim receiver, receiver-manager, liquidator, custodian or trustee remains in possession of the Premises for the purposes of the trust estate. If such sequestrator, receiver, interim receiver, receiver-manager, liquidator, custodian or trustee disclaims this Lease or surrenders possession, the Lessor or the Lessor's agents or employees authorized by the Lessor may immediately or at any time thereafter re-enter the Premises without being liable for any prosecution or damages therefor, and may repossess and enjoy the Premises subject to the right by the Lessee to remove its Personal Fixtures, if any, pursuant to the terms of this Lease, and such sequestrator, receiver, interim receiver, receiver-manager, liquidator, custodian or trustee shall execute a surrender or assignment to the Lessor in registrable form.
- (b) Entry into possession of the Premises by a sequestrator, receiver, interim receiver, receiver-manager, liquidator, custodian or trustee and occupation thereof by it while required for the purposes of the performance of its duties in its office shall not be deemed

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to be evidence of an intention on its part to retain the Premises, nor affect its right to disclaim or to surrender possession pursuant to the provisions of Section 23.1(1).

- (c) If after occupation of the Premises a sequestrator, receiver, interim receiver, receiver-manager, liquidator, custodian or trustee appointed with respect to an Event of Insolvency of the Developer or the Homeowner Condo Corporation elects to retain this Lease, and thereafter sells, transfers or otherwise disposes of this Lease, the Premises and all interests and rights and obligations of the Developer or the Homeowner Condo Corporation therein and hereunder in accordance with this Lease, its liability and the liability of the Developer or Homeowner Condo Corporation, as applicable, and its estate for the payment of the Rent, if any, is limited to the period of time during which they remain in possession of the Premises.

ARTICLE 24 - DAMAGE AND DESTRUCTION

Section 24.1 Damage or Destruction

If any Improvements are damaged or destroyed during the Term, then:

- (a) the Lessee will promptly secure the Premises, if necessary, so that the Premises do not pose a danger to any person;
- (b) the Lessee will promptly notify the Lessor, the Nation and His Majesty in writing thereof;
- (c) this Lease will not be deemed to have ended;
- (d) there will be no reduction or postponement of Rent; and
- (e) subject to Section 24.5, the Lessee will determine whether to repair or replace the damaged or destroyed Improvements and notify the Lessor in writing as to such determination.

Section 24.2 Determination to Repair or Replace

If the Lessee determines to repair or replace any damaged or destroyed Improvements, the Lessee will, diligently within a reasonable time, repair or replace such damaged or destroyed Improvements in a good and workmanlike manner and with reasonable diligence, return any damaged or destroyed Improvements to a good, safe and clean and tidy order and condition and in compliance with Applicable Laws and the requirements of this Lease.

Section 24.3 Determination not to Repair or Replace

If the Lessee determines not to repair or replace any damaged or destroyed Improvements, the Lessee will provide the Lessor with written notice of such decision within the thirty (30) days of the damage or destruction and within a reasonable time, clean up any part of the Premises where damaged or destroyed Improvements are not to be repaired or replaced, and bring the destroyed or damaged Improvements to a good, safe and tidy condition, and free from

all damaged or destroyed Improvements and all debris and garbage, and ensure that the Premises are not left in an unsightly or unfinished condition, all in accordance with the requirements and standards set out in this Lease and to the reasonable satisfaction of the Lessor.

Section 24.4 Surrender of Lease upon not Repairing or Replacing Damaged Improvements

If the Premises are sufficiently damaged or destroyed that the Lessee determines not to repair or replace the damaged or destroyed Improvements and the Units may no longer be used for Multi-Family Residential Use in accordance with Applicable Laws, the Lessee shall, within a reasonable period of time, restore the Premises to the condition that they were in as of the Commencement Date and thereafter, upon the Lessor determining that the foregoing restoration obligations have been met, surrender this Lease to the Lessor without the return of any Prepaid Rent or other Rent that has been paid or is owing to the Lessor prior to surrender.

Section 24.5 Homeowner Condo Corporation Approval

Any decision to as to whether or not to repair or replace in accordance with Section 24.2 or Section 24.3 after Substantial Completion of the Development but prior to the Transfer Date shall be subject to the written approval of the Homeowner Condo Corporation in accordance with the Condo Building Property Covenants.

Section 24.6 Prime Contractor Approval

From and after the Transfer Date, for (i) any repair or replacement in accordance with Section 24.2 that would constitute a Material Alteration or Material Improvement; or (ii) any restoration in accordance with Section 24.4, the Lessee shall retain a prime contractor acceptable to the Lessor, acting reasonably, to complete such work.

ARTICLE 25 – END OF TERM

Section 25.1 Nation's Agreements Regarding End of Term

(1) If at any time this Lease is extended for an Extension Period in accordance with Section 25.2 and the Head Lease expires or is terminated during any such Extension Period, the Lessor shall ensure that the Nation will be the Lessor under this Lease, without responsibility for any prior obligations of the Lessor, and the Lessee will automatically attorn to the Nation as the Lessor, for the remaining part of the Extension Period and for any further Extension Periods made in accordance with Section 25.2, and in such case upon request by either party, without such being necessary to effect the attornment contemplated herein, the Nation and the Lessee will enter into an agreement evidencing such relationship, on terms and conditions agreed to by the parties, each acting reasonably.

(2) The parties shall execute and deliver any agreement, document or instrument reasonably required by the Lessee in order to evidence or give full force and effect to this Article 25 and the intent hereof.

Section 25.2 End of Term Extension Option

(1) The Lessor shall request that the Nation give to the Lessee, on or before the date (the “**Notice Date**”) that is five (5) years prior to the end of the Initial Term, written notice (the “**End of Term Notice**”) as to whether the Nation elects, in its sole and unfettered discretion, to (i) extend the Term in accordance with this Section 25.2 or (ii) allow this Lease to expire in accordance with Section 25.3.

(2) Any election by the Nation to extend the Term is at the Nation’s sole and unfettered discretion, and if extended, such extension period shall be for a period of no less than twenty-five (25) years (the “**Extension Period**”).

(3) If for any reason whatsoever the Nation does not give to the Lessee an End of Term Notice by the Notice Date in accordance with subsections (1) and (2) within the period set out therein, the Nation will be deemed to have elected not to extend the Term in accordance with this Section 25.2.

(4) If the Nation gives an End of Term Notice in accordance with subsections (1) and (2) within the period set out therein, electing to extend the Term, and the Nation does not state in the End of Term Notice the length of the Extension Period, the Nation will be deemed to have elected to extend the Term for an Extension Period of twenty-five (25) years.

(5) If the Nation gives an End of Term Notice extending the Term in accordance with subsections (1) and (2) within the time period set out therein, the Term will be extended for the Extension Period in accordance with the following provisions:

- (a) The basic rent payable by the Lessee to the Lessor (or to the Nation, if the Nation is the Lessor at the applicable time) for the Extension Period (the “**Extension Rent**”) will be the market rent for the highest and best use for the Development Lands (excluding any Improvements) for the Extension Period (the “**Rent Standard**”), and will be payable by the Lessee to the Lessor (or to the Nation if the Nation is the Lessor at the applicable time), as follows: either (1) as basic rent for the entire Extension Period payable on the first Business Day of the Extension Period; or (2) as an annual rent payment on the first Business Day of each year of the Extension Period, such payments option to be made at the sole and unfettered discretion of the Lessor (or the Nation, if the Nation is the Lessor at the applicable time) by providing notice of such option at the same time as the End of Term Notice, with any applicable proration for any portion of a year at the beginning or end of the Extension Period, and determined as of the first day of the Extension Period, based on information available at the time of the determination of the Extension Rent, based on the terms and conditions of this Lease, as modified by the End of Term Notice, and the then current Applicable Laws. Notwithstanding the foregoing, Extension Rent shall not be payable with respect to the last day of the Extension Period.
- (b) If the Lessee does not pay all or any portion of the Extension Rent when due and such Extension Rent remains unpaid for ten (10) Business Days after the Lessor’s written demand therefor, in addition to any other rights or remedies the Lessor may have under

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this Lease, as extended, or at law, the Lessor (or the Nation, if the Nation is the Lessor at the applicable time) may, but shall not be obligated to:

- (i) terminate this Lease by notice to the Lessee or re-enter the Premises and repossess them and, in either case, enjoy them as of its former estate, and the Lessor may remove all persons and property from the Premises and store such property at the expense and risk of the Lessee or sell or dispose of such property in such manner as the Lessor sees fit without notice to the Lessee;
- (ii) enter the Premises as agent of the Lessee to relet the Premises for whatever length, and on such terms as the Lessor in its discretion may determine, and to receive the rent therefor and, as agent of the Lessee, to take possession of any property of the Lessee on the Premises, and to store such property at the expense and risk of the Lessee or to sell or otherwise dispose of such property in such manner as the Lessor sees fit without notice to the Lessee; to make alterations to the Premises to facilitate their reletting; and to apply the proceeds of any such sale or reletting first, to the payment of any expenses incurred by the Lessor with respect to any such reletting or sale, second, to the payment of any indebtedness of the Lessee to the Lessor other than Extension Rent, and third, to the payment of Extension Rent in arrears, with the residue to be held by the Lessor and applied to payment of future Extension Rent as it becomes due and payable, provided that the Lessee shall remain liable for any deficiency to the Lessor;
- (iii) recover from the Lessee all Damages incurred by the Lessor as a result of any default by the Lessee including, in the event that the Lessor terminates this Lease, any deficiency between those amounts which would have been payable by the Lessee for the portion of the Extension Period following such termination and the net amounts actually received by the Lessor during such period of time with respect to the Premises;
- (iv) in addition to any other rights of the Lessor to distrain, the Lessor shall have the right to distrain on all of the goods on the Premises. The Lessor may without notice to the Lessee exercise any right of distress on the Premises and for such purpose the Lessee agrees that the Lessor may enter the Premises by any means which the Lessor in its sole and absolute discretion deems necessary, including, without limiting the generality of the foregoing, by the use of such force as the Lessor in its sole and absolute discretion deems necessary. The Lessor shall have the right to lock the Premises, change any locks on the Premises and by any means exclude the Lessee from all or any parts of the Premises and the Lessor shall not thereby be terminating this Lease in the absence of an express written notice terminating this Lease.

In the event of termination in accordance with the above, the Lessee shall surrender the Premises to the Lessor along with any funds held in a Reserve Fund, Operating Account (each as defined in Schedule I) or otherwise held on behalf of a Homeowner with respect to the Premises. In addition, and for greater clarity, to the extent that the Lessee has

received any Homeowner Extension Rent (as defined in the Prepaid Homeowner Leases), the Lessee shall pay such Homeowner Extension Rent to the Lessor along with an accounting of the Units for which such Homeowner Extension Rent has been paid, to the reasonable satisfaction of the Lessor.

- (c) If the Lessor (or the Nation, if the Nation is the Lessor at the applicable time) elects the annual rent payment option in accordance with Section 25.2(5)(a), the Extension Rent may be based on an escalation schedule or escalation factor for the annual rent payable by the Lessee over the Extension Period, as may be agreed or determined in accordance with this Section 25.2.
- (d) The Lessee will pay when due the Extension Rent, which it may pass on to Homeowners to pay in accordance with Prepaid Homeowner Leases, and any Sales Taxes payable on the Extension Rent, but it shall remain liable therefor.
- (e) Commencing no later than the date that is three years prior to the end of the Initial Term, the Lessor (or the Nation, if the Nation is the Lessor at the applicable time) and the Lessee will endeavour to agree upon the Extension Rent based on the Rent Standard.
- (f) If the Lessor (or the Nation, if the Nation is the Lessor at the applicable time) and the Lessee do not agree on the Extension Rent by the date that is two years prior to the end of the Initial Term, the determination of the Extension Rent will be determined as follows:
 - (i) within ninety (90) days thereafter, the Lessee and the Lessor (or the Nation, if the Nation is the Lessor at the applicable time) will each obtain an Appraisal based on the Rent Standard (collectively, the “**Extension Rent Initial Appraisals**”) and deliver a copy of such Extension Rent Initial Appraisals to the Lessor, the Lessee and the Nation;
 - (ii) if the Extension Rent determinations in the Extension Rent Initial Appraisals are no more than ten (10.0%) percent higher or lower than one another, then the Extension Rent is determined to be the amount in the Nation’s Appraisal; and
 - (iii) if the Extension Rent determinations in the Extension Rent Initial Appraisals are more than ten (10.0%) percent higher or lower than one another, then within ten (10) Business Days after the delivery of the Extension Rent Initial Appraisals, the Lessee’s Appraiser and the Nation’s Appraiser for the Extension Rent Initial Appraisals shall mutually select an independent Appraiser to review the Extension Rent Initial Appraisals and conduct a third Appraisal of the Extension Rent based on the Rent Standard. If the Lessee’s Appraiser and the Nation’s Appraiser cannot agree upon such an independent Appraiser within such time period, the determination of the Extension Rent will be determined by arbitration in accordance with Schedule G of this Lease. The Lessor (or the Nation, if the Nation is the Lessor at the applicable time) will commence such arbitration and if the Lessor (or the Nation, if the Nation is the Lessor at the applicable time) does not do so by the date that is one year prior to the end of the Initial Term, the

Lessee may do so with the determination of the valuation of Extension Rent under arbitration and the extension itself being final and binding on all parties.

- (g) The Lessee will apportion the Extension Rent and Sales Taxes payable among the Units under Prepaid Homeowner Leases based on their respective assessed values, as determined in accordance with the Prepaid Homeowner Leases, and the Lessee will make arrangements to collect all Extension Rent and Sales Taxes (if applicable in accordance with subsection (d)) from all Homeowners, and such apportionment and collection obligations will not limit or affect any obligation of the Lessee to pay each payment of Extension Rent in full when due.
- (h) The Lessee will prepare, at its expense, a modification (the “**Extension Modification**”) of the Lease evidencing the extension of the Term for the Extension Period in accordance with this Section 25.2 and sign the Extension Modification and present it to the Lessor for execution no later than seven (7) months before the end of the Initial Term.
- (i) Upon presentation of the signed Extension Modification to the Lessor, the Lessor shall sign (or the Nation shall sign, if the Nation is the Lessor at the applicable time) the Extension Modification and return same to the Lessee or the Lessee’s lawyer no later than thirty (30) days after its receipt of the signed Extension Modification, on such undertakings, conditions or escrow terms as may be reasonably required by the Lessor and the Nation in order to ensure the registration of the Extension Modification in the Registry.
- (j) Following receipt by the Lessee or the Lessee’s lawyer of the Extension Modification signed by the Lessor (or by the Nation, if the Nation is the Lessor at the applicable time), the Lessee will cause the Extension Modification to be registered in the Registry, at the expense of the Lessee, and pay to the Lessor (or to the Nation, if the Nation is the Lessor at the applicable time) the amount of Extension Rent payable to the Nation on the due date for same as set out in Section 25.2(5).

Section 25.3 Nation Compensation for Improvements

If the Lessor (or the Nation, if the Nation is the Lessor at the applicable time) delivers an End of Term Notice in accordance with Section 25.2(1) advising that it will let the Term expire or does not deliver an End of Term Notice in accordance with Section 25.2(3):

- (a) Upon the expiration of the Initial Term, the Lessor will cause the Nation to compensate the Lessee for the Lessee’s subleasehold interest in the Improvements located on the Premises for the Improvements Value in accordance with this Section 25.3.
- (b) The Improvements Value will be determined:
 - (i) on the basis of the value of the Improvements only, with no value being attributed to the Development Lands, goodwill or desirability of land;
 - (ii) as of the date of the expiration of the Initial Term;

- (iii) on the basis that the Improvements are free of all financial liens, financial charges and financial encumbrances, other than those granted by the Lessee or any Homeowner; and
 - (iv) on the basis that the Improvements may only be used for the purposes permitted under this Lease.
- (c) Commencing no later than the date that is two years prior to the end of the Initial Term, the Lessor (or the Nation, if the Nation is the Lessor at the applicable time) and the Lessee will endeavour to agree upon the Improvements Value.
- (d) If the Lessor (or the Nation, if the Nation is the Lessor at the applicable time) and the Lessee do not agree on the Improvements Value by the date that is one year prior to the end of the Initial Term, the determination of the Improvements Value will be determined as follows:
- (i) within ninety (90) days thereafter, the Lessee and the Nation will each obtain an Appraisal based on the Improvements Value (collectively, the “**Improvements Value Initial Appraisals**”) and deliver a copy of such Appraisal to the Lessor, the Lessee and the Nation;
 - (ii) if the Improvements Value determinations in the Improvements Value Initial Appraisals are no more than 10.0% higher or lower than one another, then the Improvements Value is determined to be the amount in the Nation’s Appraisal; and
 - (iii) if the Improvements Value determinations in the Improvements Value Initial Appraisals are more than 10.0% higher or lower than one another, then within ten (10) Business Days after the delivery of the Improvements Value Initial Appraisals, the Lessee’s Appraiser and the Lessor’s Appraiser for the Improvements Value Initial Appraisals shall mutually select an independent Appraiser to review the Improvements Value Initial Appraisals and conduct a third Appraisal which shall determine the Improvements Value. If the Lessee’s Appraiser and the Lessor’s Appraiser cannot agree upon such an independent Appraiser within such time period, the determination of the Improvements Value will be determined by arbitration in accordance with Schedule G of this Lease. The Nation will commence such arbitration and if the Nation does not do so by the date that is that is six (6) months prior to the end of the Initial Term, the Lessee may do so.
- (e) The Nation will pay the Improvements Value to the Lessee on the day following the expiration of the Initial Term, in exchange for a release from the Lessee in respect of the Improvements confirming the Lessee has no further interest in the Improvements and same are free of any lien, charge or encumbrance granted by the Lessee or any Homeowner, in the form prepared by the Nation and the Lessor, acting reasonably and approved by the Lessee, acting reasonably.

- (f) The Lessee will apportion the Improvements Value paid by the Nation among the Units based on (i) their respective assessed values as, determined in accordance with the Prepaid Homeowner Leases; and (ii) with respect to the Common Property, based on their Lessee's Proportionate Share (as defined in the Prepaid Homeowner Leases) and the Lessee will pay to each Homeowner its proportionate amount of the Improvements Value based on such apportionment.
- (g) The Lessor shall cause the Nation to pay when due any Sales Taxes payable on the Improvements Value.
- (h) The Lessor will not be paid any amount in respect of the Improvements and the Lessor will not have any interest in the Improvements Value.
- (i) This Section 25.3 shall survive the expiry, but not termination, of this Lease.

For greater clarity, the obligation to compensate the Lessee its subleasehold interest in the Improvements contained in this Section 25.3 will not apply at the end of the Extension Period.

Section 25.4 Lessee to keep Homeowners Informed

The Lessee shall keep the Homeowners reasonably informed as to the matters referred to in Section 25.1 through Section 25.3 and provide them with such documents and information they may reasonably request in respect thereof at any time and from time to time.

Section 25.5 Developer at End of Term

For the purposes of Section 25.1 through Section 25.4 only, to the extent any Developer Prepaid Homeowner Leases remain, they shall be considered Prepaid Homeowner Leases and the Developer shall be considered a Homeowner.

Section 25.6 Improvements, Personal Fixtures and Chattels

The parties agree as follows in respect of the Improvements, Personal Fixtures and chattels:

- (a) Subject to the remainder of this Section 25.6, ownership of any Improvements made upon or to the Development Lands by or for the Lessee will vest in the Lessor for the Term as and from the time such Improvements are made.
- (b) Subject to subsection (c), upon the expiration or early termination of the Term, the Lessee will leave all Improvements on the Development Lands, repaired, maintained and kept up in a good and workmanlike, and in a safe, good, clean and tidy condition, in accordance with the requirements of this Lease and Applicable Laws, all at the sole cost and expense of the Lessee and title thereto shall vest in the Lessor.
- (c) Notwithstanding subsection (b), if this Lease is terminated due to a default of the Developer prior to the first Homeowner Closing Date, the Lessor may notify the

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Developer in writing at any time up to the date that is 180 days after such termination which Improvements the Lessor requires the Developer to remove from the Development Lands, in which case the Developer will remove such Improvements promptly, in accordance with this Lease.

- (d) Any Improvements removed by the Developer in accordance with this Section 25.6 will be removed in a good and workmanlike manner, in accordance with this Lease and all Applicable Laws prior to the end of the Term or within 180 days of the receipt of the notice set out in subsection (c), whichever is later and the Term of this Lease shall be extended for the sole purpose of such removal if the latter.
- (e) The Lessee, and each Homeowner or Residential Tenant, as applicable will own its own Personal Fixtures and may give any Homeowner, Residential Tenant or other occupants of a Homeowner Unit the right of property in any Personal Fixtures and the right to remove such Personal Fixtures. Upon the expiration or earlier termination of the Term, the Lessee will remove or cause to be removed all Personal Fixtures and chattels, unless otherwise agreed to by the Lessor in writing, in its discretion.
- (f) At the end of the Term, whether by the expiration or earlier termination thereof, the Lessee will promptly remove any garbage or debris from the Premises and secure the Premises, if necessary, so that the Premises do not pose a danger to any person.
- (g) If the Lessee does not promptly remove or cause to be removed any Improvements, Personal Fixtures or chattels required to be removed by the Lessee within the time frames set out in this Section 25.6, or does not leave the Premises in the condition required under Section 25.6(f), then, upon not less than three (3) days' written notice to the Lessee, the Lessor may do so at the cost of the Lessee and the Lessee will reimburse the Lessor for any cost reasonably incurred by the Lessor in connection therewith within ten (10) days after receipt by the Lessee of the Lessor's invoice therefor. The Lessor may remove and dispose of any such remaining Improvements, Personal Fixtures or chattels, as determined by the Lessor in its discretion, and the Lessor will not be responsible to the Lessee for any loss suffered by the Lessee or any other person as a result of such removal or disposal.

Section 25.7 Plans and Documents re: Improvements

Upon the expiration or earlier termination of this Lease, the Lessee will promptly provide to the Lessor any plans, specifications, operating manuals and other documentation in respect of any Improvements remaining on the Development Lands in accordance with this Lease and which are in the possession or control of the Lessee.

ARTICLE 26 - INDEMNITY

Section 26.1 Lessee's Indemnity

The Lessee will indemnify and save harmless the Lessor, the Lessor's Representatives and His Majesty against and from all liability, loss, costs, Claims or Damages arising out of or

related to any occupation or use of the Premises during the Term, except to the extent caused by the negligence or wilful misconduct of the Lessor, the Lessor's Representatives or any other person for whom the Lessor is responsible at law, except to the extent it involves a peril against which the Lessee is obligated to obtain and maintain insurance, and excluding any consequential Damages in connection with any of the foregoing.

ARTICLE 27 - QUIET ENJOYMENT

Section 27.1 Quiet Enjoyment

The Lessee, by paying the Rent and any other amounts payable under this Lease and observing and performing its covenants in this Lease, may peaceably and quietly possess, hold and enjoy the Development Lands during the Term without any interruption or disturbance by the Lessor or anyone claiming by or through the Lessor, except as otherwise expressly set out in this Lease.

ARTICLE 28 - DEFAULT AND FORFEITURE

Section 28.1 No Termination for Default

Notwithstanding anything in this Lease to the contrary, including Section 28.3, but subject to Section 25.2(5), from and after the first Homeowner Closing Date the Lessor shall not have the option of terminating this Lease for a default by the Lessee. Notwithstanding the foregoing, the Lessor will be entitled to exercise any other right or remedy available to the Lessee under this Lease or at law in the event of any default by the Lessee under this Lease.

Section 28.2 Lessee Default

If:

- (a) the Lessee fails to pay any Rent when due under this Lease;
- (b) the Lessee fails to pay any other material amount payable to the Lessor when due under this Lease; or
- (c) the Lessee is in default of any other material duty or obligation hereunder,

then, at any time during the continuance of any of the foregoing defaults, the Lessor may give the Lessee written notice of such default.

Section 28.3 Right to Terminate

- (1) If the Lessor gives a notice of default to the Developer under Section 28.2 and:
 - (a) if the default is with respect to the payment of any Rent when due under this Lease and the default is not cured within ten (10) days after receipt by the Developer of the written notice of default;

- (b) if the default is not a default with respect to the payment of any Rent when due, but is a default that is reasonably capable of being cured within forty-five (45) days after receipt by the Developer of the written notice of default, and the default is not cured within forty-five (45) days after receipt by the Developer of written notice of default; or
- (c) if the default is not a default with respect to the payment of any Rent when due and is not reasonably capable of being cured within forty-five (45) days, but is capable of being cured, and either (i) neither the Developer nor any person on behalf of the Developer commences to cure the default within forty-five (45) days after receipt of written notice of default, or (ii) the Developer or person on behalf of the Developer, having commenced to cure the default within forty-five (45) days after receipt of the written notice of default, does not thereafter proceed with all reasonable steps to endeavour to cure the default with reasonable diligence,

then the Lessor may, by written notification to the Developer, terminate this Lease.

(2) Notwithstanding the foregoing if a default results in a default of the Lessor under the Head Lease and the cure periods remaining available to the Lessor under the Head Lease are less than those set out above, the above cure periods shall be shortened to coincide with the Head Lease.

Section 28.4 Re-Entry and Possession

If the Lessor terminates this Lease as provided in Section 28.3 or the Acquisition Agreement is terminated prior to the first Homeowner Closing Date, then except as otherwise expressly provided in this Lease, this Lease and everything contained in it and the subleasehold estate and Term will thereupon terminate without re-entry or any other act or legal proceedings, and the Lessor may re-enter the Development Lands and possess and enjoy them as if this Lease had not been made, but without limiting any other right or remedy of the Lessor, and without limiting any surviving duties, obligations, covenants, releases or indemnities of the Developer.

Section 28.5 Lessor Recovery

Notwithstanding a termination of this Lease by the Lessor as provided in Section 28.3, the Lessor will be entitled to recover from the Developer any Rent then accrued or accruing, and to enforce any right of action against the Developer in respect of any antecedent breach of any of the Developer’s covenants including in respect of any right of action in respect of an indemnity under Article 26.

Section 28.6 Notices to Leasehold Mortgagees

No notice of default or termination under this Article 28 will be valid for any purpose unless and until a copy of such notice is also given to each Leasehold Mortgagee entitled to receive a notice in accordance with an agreement entered into in accordance with Section 22.3 or 22.4 in accordance with the terms of such an agreement, and each Leasehold Mortgagee will be entitled to cure the default, or commence the curing of the default, as applicable, that is the subject of such notice in the same period as is afforded to the Developer in Section 28.3 plus,

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subject to the cure periods set out in the Head Lease, a further thirty (30) days, commencing as of the date of receipt by the Leasehold Mortgagee of such written notice.

Section 28.7 Entitlement to Cure

Any curing of a default by any person (other than the Lessor) on behalf of the Lessee will be construed as curing of that default by the Lessee.

Section 28.8 Remedies other than Termination

Notwithstanding termination may not be available in the circumstances set out in Section 28.1, the Lessor shall be entitled to all such other remedies as may be available to the Lessor at law, including specific performance and any other order as shall be granted by a Court in its discretion, which the parties hereby agree shall be available to the Lessor.

Section 28.9 Remedies Cumulative / Concurrently Exercise

All rights and remedies of the Lessor and the Lessee are cumulative and are in addition to and do not exclude any other right or remedy provided in this Lease or otherwise allowed by law. All rights and remedies of the Lessor and the Lessee may be exercised concurrently.

Section 28.10 Rent on Termination

In the event that this Lease is terminated in accordance with Section 28.2, all Rent then owing shall be fully recoverable by the Lessor and the Lessor shall have no obligation to return of any Prepaid Rent or compensate the Lessee for any Improvements which, subject to Section 25.5, shall be fully surrendered to the Lessor.

ARTICLE 29 - INSPECTIONS AND PERFORMANCE OF COVENANTS

Section 29.1 Inspections

Without limiting any other provision under this Lease, the Lessee will, following not less than three (3) Business Days' notice from the Lessor (except in the case of an emergency, when no notice period will be required), provide or cause to be provided to His Majesty and His Majesty's representatives, the Lessor and the Lessor's Representatives reasonable access to such portions of the Premises as are reasonably necessary, during normal business hours or at such time times outside of normal business as are agreed to by the Lessee, acting reasonably, other than in the case of an emergency, for the purposes of inspecting the Premises and determining whether the Lessee's covenants, duties and obligations under this Lease are being duly observed and performed. The Lessee may require that a Lessee's Representative be present during any such inspection, but the Lessor may proceed with any inspection, regardless of whether the Lessee makes such Lessee's Representative available at such time. The Lessor will not enter any Homeowner Units in accordance with this Section 29.1 except with a representative of the Homeowner and in accordance and in accordance with the Residential Tenancy Requirements, if applicable. If an inspection is in response to a default under this Lease, or if in the process of inspecting the Premises, His Majesty or the Lessor discovers or confirms that there is a default

under this Lease, then the reasonable expenses of His Majesty or the Lessor, as applicable, under this section shall be recoverable as Additional Rent.

Section 29.2 Lessee Covenants

All agreements, terms, conditions, provisos, duties and obligations to be performed or observed by the Lessee under this Lease will be deemed to be Lessee's covenants and all the Lessee's covenants in this Lease are made in favour of the Lessor by the Lessee for itself and for its successors and assigns.

ARTICLE 30 - PERFORMANCE BY LESSOR

Section 30.1 Payment by Lessor

If the Lessee does not pay when due any amount payable by the Lessee to a third party in accordance with this Lease, the Lessor may pay such amount, in which case the Lessee will repay the Lessor such amount, plus fifteen (15%) percent thereof as the Lessor's reasonable administrative charge, within ten (10) days after written notice from the Lessor in respect thereof. Any amounts payable by the Lessee under this Section 30.1 shall be recoverable as Additional Rent.

Section 30.2 Performance by Lessor

Without limiting any other remedy of the Lessor under this Lease, if the Lessor requests in writing that the Lessee perform any Lessee's covenant under this Lease, and the Lessee does not perform the covenant within forty-five (45) days of such request, the Lessor may (but will not be obligated to), upon not less than three (3) Business Days' further written notice to the Lessee, do whatever is reasonably necessary to perform the covenant, in which case the Lessee will pay to the Lessor any cost or expense reasonably incurred by the Lessor in performing the covenant, plus fifteen (15%) percent thereof as the Lessor's reasonable administrative charge, within ten (10) days after written notice from the Lessor in respect thereof. In the case of any work carried out in accordance with this provision, the Lessor will have no duty or obligation to complete any work commenced by the Lessor. The Lessee will provide or cause to be provided to the Lessor and the Lessor's Representatives all reasonable and necessary access to the Premises for the purpose of carrying out any work in accordance with this Section 30.2, and the Lessee will be entitled to have a Lessee's Representative present during the carrying out of any such work, but the Lessor may proceed with such work regardless of whether the Lessee makes such a Lessee's Representative available. Any amounts payable by the Lessee under this Section 30.2 shall be recoverable as Additional Rent.

Section 30.3 Recovery as Rent in Arrears

The amount of any Damage, loss, expense or payment referred to in Section 30.1 or 30.2 will be recoverable in the manner provided by law for the recovery of rent in arrears.

ARTICLE 31 - ARREARS TO BEAR INTEREST

Section 31.1 Arrears to Bear Interest

If the Rent or any other amount owing by the Lessee to the Lessor under this Lease is not paid when due, such amount will bear interest at the Interest Rate from the date the Rent or other amount is due until the date of the payment, but this stipulation for interest will not prejudice or affect any other rights or remedies of the Lessor under this Lease or otherwise, or be construed to relieve the Lessee from any default in paying the Rent or other amount at the time and in the manner specified in this Lease.

ARTICLE 32 - SURRENDER OF POSSESSION

Section 32.1 Surrender of Possession

Subject to Article 25, including the Nation's obligations contained therein, when the Term expires or this Lease is terminated, the Lessee will peaceably surrender the Development Lands and those Improvements which are to remain on the Development Lands in accordance with this Lease, as applicable, in the condition they were required to be kept and left in accordance with this Lease.

ARTICLE 33 - CERTIFICATES OF STATUS

Section 33.1 Certificates of Status

Each of the parties will, at any time and from time to time, upon not less than 10 days' prior written request by the other party, execute and deliver to the requesting party or to any other person as requested by the requesting party, a signed written statement certifying:

- (a) that this Lease is unmodified and in full force and effect or if modified, identifying such modifications and confirming that this Lease is in full force and effect as modified;
- (b) that, to the knowledge of the party making the certification (without investigation), neither party is in default of any provision of this Lease, or if in default, the particulars thereof; and
- (c) any other matters related to this Lease as may be reasonably requested.

ARTICLE 34 - DISPUTE RESOLUTION

Section 34.1 Arbitration

- (1) The parties agree that:
 - (a) any dispute between the Lessor and the Lessee that is referred to binding arbitration in accordance with a specific provision of this Lease that call for such arbitration; or

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- (b) any other dispute in respect of this Lease that both parties agree is to be referred to binding arbitration,

will be resolved by arbitration in accordance with Schedule G, unless otherwise agreed by both parties. Any submission to arbitration shall be done in good faith and shall not be used to delay the performance of any other obligations pursuant to this Lease. In no event shall submission to arbitration delay the payment of any amounts otherwise due under this Lease.

(2) Notwithstanding the foregoing, if at any time His Majesty gives the Lessor written notice of default under the Head Lease with respect to a matter that is then in arbitration, the Lessor will give the Lessee a copy of such written notice of default within 10 days after receipt thereof by the Lessor, following which such default shall be considered a default of a material duty and the Lessor may give the Lessee written notice of default in accordance with Section 28.2. If the Lessor does so, any right of arbitration and any arbitration proceedings will be automatically suspended, unless both parties agree otherwise, and the Lessee shall be entitled to the cure periods set out in Section 28.3, after which the Lessor may pursue the remedies provided in Article 28.

(3) In any such binding arbitration, but subject to Section 34.1(2), the arbitrator will be authorized to extend the date for the occurrence or performance of any act or thing under this Lease due to any delay caused by the arbitration proceedings.

ARTICLE 35 - NOTICES

Section 35.1 Notices Must be in Writing

All notices under this Lease must be given in writing and delivered in accordance with this Article 35.

Section 35.2 Addresses for Delivery

The addresses for delivery are as follows, unless and until another address for delivery is specified in accordance with this Section 35.2:

- (a) To the Lessor:

Tsuut'ina-Canderel Land Development Limited Partnership
c/o Taza Development Corp.
230, 5894 Tsuut'ina Parkway
Tsuut'ina, Alberta T3T 0E6

Attention: President

with copies to:

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Canderel Management Inc.
2000 Peel Street, Suite 900
Montreal, Quebec H3A 2W5

Attention: General Counsel

- and -

McMillan LLP
TD Canada Trust Tower, Suite 1700
421 7th Avenue S.W.
Calgary, Alberta T2P 4K9

Attention: Mitch Allison

(b) To the Lessee:

Crystal Creek Homes Inc.
6010 12th Street SE
Calgary, Alberta
Canada T2H 2X2

Attention: Justin Bobier, President

with a copy to:

SVR Lawyers
1500, 222 3 Avenue SW
Calgary, AB T2P 0B4

Attention: Dan Horner

Section 35.3 Deemed Delivery

A notice to the Lessor or Lessee will be deemed to be received:

- (a) if delivered, or received by registered mail, on or before 4:00 p.m. on a Business Day, on receipt; and
- (b) if delivered, or received by registered mail, on a day that is not a Business Day or after 4:00 p.m. on a Business Day, on the next Business Day.

Any party may change its address to another address by informing the other parties of the new address, and such change will take effect ten (10) days after the notice is received. Upon request by any party, the parties will amend this Lease to reflect any change of address of the applicable party.

ARTICLE 36 - INTERPRETATION

Section 36.1 Certain Determinations by Lessor

Any determination by the Lessor as to the condition of the Premises or whether the Lessee has complied with Applicable Laws will be made by the Lessor in good faith and acting reasonably, and at any time during the Homeowner Condo Corporation Period, within forty-five (45) days after receipt by the Lessee of written notice by the Lessor that the Lessee is in default under this Lease with respect to any of such matters, such dispute shall not be determined by a Court but the Lessee may refer the matter to binding arbitration in accordance with Section 34.1. Prior to the Homeowner Condo Corporation Period, the parties shall have the equities and remedies that are available to them at law.

Section 36.2 Exercise of Discretion

Subject to Section 36.1, in this Lease, including the Schedules hereto, as applicable, when any act, decision or other thing is stated to be in the discretion of any party, the party will have the sole, absolute and unfettered discretion with respect to such act, decision or thing and, without limiting the generality of foregoing, the discretion may be exercised arbitrarily or without reason or justification.

Section 36.3 References to Enactments

Any reference to any enactment, including any Environmental Law or other Applicable Law, includes any amendments to or replacements of such enactment, and all regulations made under such enactment, all as amended and in force and effect at any time and from time to time.

Section 36.4 Non-Limiting

The word "including", when following any general statement, will be construed to refer to all other things that could reasonably fall within the scope of such general statement, whether or not non-limiting language (such as "without limitation" or "without limiting the generality of the foregoing") is used with reference thereto.

Section 36.5 Headings

All headings in this Lease have been inserted as a matter of convenience and for reference only and in no way define, limit, enlarge, modify or explain the scope or meaning of this Lease or any of its provisions.

Section 36.6 Internal References

Any reference in this Lease to an Article or section will mean an Article or section of this Lease unless otherwise expressly provided.

ARTICLE 37 - MISCELLANEOUS

Section 37.1 Confidentiality

Without the prior written consent of the other party, neither party will disclose, and each party will direct its respective representatives, employees, agents and consultants not to disclose, to any person any of the economic terms of the transactions under or in respect of this Lease, except that the parties may disclose such terms to their owners (including the Chief and Council, in the case of the Lessor), directors, officers, lenders, consultants and advisors, provided that they instruct such persons as to the confidential nature of such terms. For greater clarity, no party shall be restricted from providing any of the information that would be included in a certificate provided for in Section 33.1 to the persons listed in such section or to a potential purchaser under a Purchase Agreement, or to a current or potential Unit Mortgagee, and the Lessor may make such information generally available on a website available for conveyancing purposes.

Section 37.2 Entire Agreement

This Lease, the Acquisition Agreement, and any ancillary documents thereto (collectively, the “**Transaction Documents**”), together set forth the entire agreement and understanding of the parties with respect to the subleasing of the Development Lands to the Lessee and supersede all prior agreements and understandings between the parties with respect to the subject matter thereof and there are no oral or written agreements, promises, warranties, guarantees, terms, conditions, representations or collateral agreements whatsoever, express or implied, between the Lessor and the Lessee other than those contained in the Transaction Documents. Nothing contained in this Lease will modify or limit any covenant, duty or obligation of either the Lessor or the Lessee under any other Transaction Document.

Section 37.3 Amendments

No amendment of this Lease will be valid or binding unless made by a written agreement signed by all parties.

Section 37.4 No Waiver

No condoning, excusing or overlooking by either party of any default by the other party at any time or times in performing or observing any of the other party’s covenants will operate as a waiver of or otherwise affect the rights of the non-defaulting party in respect of any continuing or subsequent default and no waiver of these rights will be inferred from anything done or omitted by the non-defaulting party. No waiver of any provision of this Lease will be inferred from anything done or omitted by either of the parties except by an express waiver in writing duly executed by the respective party.

Section 37.5 Time

Time is of the essence in this Lease and will remain of the essence notwithstanding any extension of any period of time in respect hereof. All references to specific times in this Lease shall be to Alberta time.

Section 37.6 Force Majeure

Notwithstanding Section 37.5, wherever this Lease provides that any act or thing is to be done or performed by a certain date and the doing or performance of such act or thing is delayed due to a pandemic, strike, lockout, act of God, inability to obtain labour or materials, climatic condition or any other condition or cause beyond the reasonable control of the party obligated to do or perform such act or thing (not including any inability of the party to perform due to a lack of funds), the date specified herein for the doing or performance of such act or thing will be extended by the period of such delay provided that the party advises the other parties upon the occurrence of such event giving rise to such delay and takes all commercially reasonable efforts to respond thereto.

Section 37.7 Business Days

If the date for the performance of any act or thing under this Lease falls on a day that is not a Business Day, then the date for the performance of such act or thing will be automatically extended to the next Business Day.

Section 37.8 Number and Gender

Reference to any party will be read as if all required changes in the singular and plural and all grammatical changes rendered necessary by gender had been made.

Section 37.9 Joint and Several

If any party is comprised of more than one person then all covenants and agreements of that party will be deemed joint and several covenants and agreements of all persons comprising such party.

Section 37.10 No Agency, Partnership or Joint Venture

Nothing in this Lease will be construed as making the Lessor an agent, partner or joint venturer with the Lessee nor as creating any relationship between the parties other than the relationship of sublessor and sublessee. The parties acknowledge that this Lease does not constitute an association or other relationship for the purpose of establishing or evidencing a partnership or joint venture and does not create an agency relationship between the Lessor and the Lessee.

Section 37.11 Execution in Counterpart and Delivery

This Lease may be executed in any number of counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument. Counterparts may be delivered in original, faxed or electronic PDF form and the parties adopt any signatures received by facsimile or electronic transmission as original signatures of the parties.

Section 37.12 Enurement

This Lease will be for the benefit of and be binding upon the heirs, executors, administrators, successors, permitted assigns and other legal representatives, as the case may be, of each of the parties. Every reference in this Lease to any party includes the heirs, executors, administrators, successors, assigns and other legal representatives of the party.

[Execution page(s) follow.]

IN WITNESS WHEREOF the Lessor has executed and delivered this Lease by signing this Lease below as of the date and year first above written.

Lessor:

**TSUUT'INA-CANDEREL LAND
DEVELOPMENT LIMITED
PARTNERSHIP by its General Partner,
TTN-C LAND DEVELOPMENT GP INC.,
by its duly authorized signatory(ies)**

By: _____

Name: Ben Rogowski

Title: President

By: _____

Name: Shay Runner

Title: Secretary

I/we have the authority to bind the Lessor

IN WITNESS WHEREOF the Lessee has executed and delivered this Lease by signing this Lease below as of the date and year first above written.

Lessee:

CRYSTAL CREEK HOMES INC., by its duly authorized signatory(ies):

By: _____

Name: Justin Bobier

Title: President

By: _____

Name:

Title:

I/we have the authority to bind the Lessee

Schedule A - Permitted Encumbrances

The following are “**Permitted Encumbrances**”:

[See Attached]

Schedule B - Principles of the Lessee's Relationship With Tsuut'ina Nation

The Lessee agrees to the following commitments and principles:

1. Nation Inherent and Treaty Rights. The Lessee respects the inherent rights and treaty rights of the Nation.
2. UNDRIP and Truth and Reconciliation. The Lessee recognizes the United Nations Declaration on the Rights of Indigenous Peoples and the Calls to Action of the Truth and Reconciliation Commission of Canada.
3. Indigenous Awareness Training. The Lessor and the Lessee acknowledge the importance of the Nation's culture and Indigenous awareness. The Lessee's employees on the Premises will participate in Indigenous awareness programs offered by the Nation on the Premises or at a location reasonably close to the Premises. The Lessee may request that such programs be coordinated with other training programs given to the Lessee's employees.
4. Bilingual Signage. The Lessee will utilize bilingual signage (English language and Tsuut'ina language) where required under any permit or approval issued by the Tsuut'ina Development Authority and otherwise where reasonably possible and practical within the Premises.
5. Employment. Nation citizens will be encouraged to apply for any available training and employment at the Premises. The Lessee will liaise with the Nation for the initial hiring efforts at the Premises and throughout the Term the Lessee will ensure that the Nation is aware of the Lessee's job posting and application procedures so that the Nation can facilitate and support applications by Nation citizens.

Capitalized terms used in this Schedule B and not defined herein have the meanings assigned to such terms in the Prepaid Residential Lease (Taza Park) (the "**Lease**") to which this Schedule B is attached.

The commitments and principles set out in this Schedule B do not alter any of the terms or conditions of the Lease, or any rights of the Lessee thereunder, all of which remain unaltered and in full force and effect.

Schedule C - Form of Approved Prepaid Homeowner Lease

[See attached.]

PREPAID HOMEOWNER LEASE

TAZA PARK

BETWEEN:

●

(the “Lessor”)

AND:

●

(the “Lessee”)

UNIT NUMBER(S) [●]

UNIT FACTOR(S) [●]

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Schedule C Head Lease Mortgagee Non-Disturbance Agreement

Schedule D Prepaid Residential Lease Mortgagee Non-Disturbance Agreement

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Schedule F Assignment and Assumption of Prepaid Homeowner Lease

Schedule G Lessor Mortgage Agreement

Schedule H Unit Factor Schedule

PREPAID HOMEOWNER LEASE
([● NAME OF DEVELOPMENT], TAZA PARK)

THIS LEASE dated as of ●, 20●

BETWEEN:

●

(the “Lessor”)

AND:

●

(the “Lessee”)

WHEREAS:

- A. The Lessor is the lessee under the Prepaid Residential Lease in respect of the Development Lands;
- B. The Development Lands are reserve lands of the Nation and leased by the Head Lessee pursuant to the Head Lease in respect of the Head Lease Lands, and the Head Lessee granted the Prepaid Residential Lease to the Lessor;
- C. The Lessee agreed to purchase from the Lessor a sub-subleasehold interest in the Unit(s) pursuant to a Purchase Agreement;
- D. The Lessee wishes to sub-sublease the Unit(s) from the Lessor, and the Lessor has agreed to sub-sublease the Unit(s) to the Lessee in accordance with this Lease;
- E. In accordance with section 8.1, the Lessee is to be a member of the Homeowner Condo Corporation formed in respect of the Development; and
- F. The Lessor is to assign its interest in the Prepaid Residential Lease and this Lease to the Homeowner Condo Corporation in accordance with section 5.4 of the Prepaid Residential Lease, upon which the Homeowner Condo Corporation will become the Lessor under this Lease.

THEREFORE in consideration of the payment in full of the Prepaid Rent by the Lessee to the Lessor and the mutual covenants, agreements, duties and obligations set out in this Lease, the parties hereby covenant and agree as follows:

1. DEFINITIONS AND SCHEDULES

- 1.1 Definitions. In this Lease, including the above recitals, the following terms have the following meanings:

- (1) “**Alteration**” means any alteration, restoration, renovation, relocation, reduction, addition, expansion, reconstruction, removal, replacement, repair or modification in respect of the Unit(s).
- (2) “**Applicable Law**” means any applicable law, statute, by-law, ordinance, regulation or lawful requirement of any Governmental Authority.
- (3) “**Appraiser**” means a qualified and licensed, to the extent licensing is available at the time, real estate appraiser.
- (4) “**Assessed Value**” has the meaning assigned to it in section 2.2(4).
- (5) “**Business Day**” means any day that is not a Saturday, a Sunday, a statutory holiday in Alberta, Easter Monday, Boxing Day, National Indigenous Peoples Day, or any other day designated by the Nation as an official holiday for which the Nation’s administrative offices are closed.
- (6) “**Claim**” means any past, present or future demand, claim, cause of action, suit, litigation or proceeding of any kind or nature whatsoever.
- (7) “**CMHC**” means Canada Mortgage and Housing Corporation or its successor;
- (8) “**Commencement Date**” means the date of the commencement of the Term, as set out in section 2.1.
- (9) “**Common Property**” has the meaning assigned to it in the Prepaid Residential Lease.
- (10) “**Condo Building Budget**” means the Condo Building Budget in place from time to time as required pursuant to the Condo Building Property Covenants.
- (11) “**Condo Building Plan**” means Canada Lands Surveys Records Plan ● as may be amended from time to time in accordance with the Prepaid Residential Lease.
- (12) “**Condo Building Property Covenants**” has the meaning assigned to it in the Prepaid Residential Lease.
- (13) “**Contaminant**” includes any toxic substance, deleterious substance, hazardous substance, hazardous waste, hazardous recyclable, ozone-depleting substance, halocarbon, pesticide, waste, designated material or substance, each as defined in or pursuant to any applicable Environmental Law.

- (14) “**Contribution**” means any Contribution (as defined in the Condo Building Property Covenants) attributable to the Unit(s) or the Lessee’s interest in the Unit(s).
- (15) “**Court**” means a court of competent jurisdiction over the Development Lands and the parties to the Claim;
- (16) “**Damages**” means any loss, cost, damage, expense, liability, fine or penalty of any kind or nature whatsoever, including those in respect of negligence, negligent misrepresentation or misstatement, failure to warn, nuisance or other tort, injury to property, personal injury, death, contract damages or debt, economic loss, consequential damage and any reasonable legal or other professional fee or disbursement and any tax on any of the foregoing.
- (17) “**Developer**” has the meaning assigned to it in the Prepaid Residential Lease.
- (18) “**Development**” means the Development Lands and the buildings, infrastructure and other Improvements located on the Development Lands.
- (19) “**Development Improvements**” means the “Improvements” as defined in the Prepaid Residential Lease;
- (20) “**Development Lands**” means that part of the Head Lease Lands described as follows:

Lot 153, Canada Lands Surveys Records Plan 113913
- (21) “**Development Units**” means all of the Units (as defined in the Prepaid Residential Lease) including the Unit(s), and “**Development Unit**” means any of such units.
- (22) “**End of Term Notice**” means an End of Term Notice to be provided by the Nation to the Lessor pursuant to the terms of the Prepaid Residential Lease.
- (23) “**Environment**” means the components of the earth and includes:
- (i) air, lands and water;
 - (ii) all layers of the atmosphere;
 - (iii) all organic and inorganic matter and living organisms; and
 - (iv) the interacting natural systems that include the components referred to in paragraphs (i), (ii) and (iii) of this definition,
- and “**Environmental**” has a corresponding meaning.

- (24) “**Environmental Law**” means:
- (i) any Applicable Law relating, in whole or in part, to the assessment or protection of the Environment; and
 - (ii) any decision, determination, mitigation measure, standard, code, guideline or environmental protection measure made pursuant to any such Applicable Law.
- (25) “**Extension Period**” has the meaning assigned to such term in section 2.2(2)(i).
- (26) “**Extension Rent**” has the meaning assigned to it in the Prepaid Residential Lease.
- (27) “**Former Homeowner**” means any prior holder of the sub-subleasehold interest under a Prepaid Homeowner Lease.
- (28) “**Governmental Authority**” means any federal, provincial, regional, municipal or local government or governmental authority (including His Majesty and the Nation), office or official having jurisdiction, or any political subdivision of any of them, or any entity, authority, agency, Court or other person exercising executive, legislative, judicial, regulatory or administrative functions on behalf of such government, governmental authority, office or official or other political subdivision thereof.
- (29) “**Head Lease**” means the lease dated September 28, 2018 in respect of the Head Lease Lands issued by His Majesty in favour of Tsuut’ina Land Development Limited Partnership, by its general partner, Tsuut’ina Land Development GP Inc. (the “**Nation Partnership**”) and registered in the Registry under instrument number 6109935, as assigned by the Nation Partnership to the Head Lessee pursuant to an assignment registered in the Registry under number 6110316, and as further amended at any time and from time to time.
- (30) “**Head Lease Lands**” means the lands situated on Tsuu T’ina Nation Reserve No. 145 and legally described as follows:
- Parcel Identifier Number 703019901
Lot 37, Canada Lands Surveys Records Plan 103721
 - Parcel Identifier Number 703019902
Lot 38, Canada Lands Surveys Records Plan 103678
- (31) “**Head Lease Mortgage**” means any Mortgage granted by the Head Lessee and charging the Head Lease and the Head Lessee’s interest in the Head Lease Lands.

- (32) “**Head Lease Mortgagee**” means the holder of any Head Lease Mortgage.
- (33) “**Head Lessee**” means Tsuut’ina-Canderel Land Development Limited Partnership, by its general partner, TTN-C Land Development GP Inc., and its successors and permitted assigns of the Head Lease.
- (34) “**His Majesty**” means His Majesty the King in right of Canada, as represented by the Minister.
- (35) “**Homeowner Condo Corporation**” means [●] Homeowner Corporation, a corporation incorporated under the *Canada Not For Profit Act* (Canada), and its successors and permitted assigns.
- (36) “**Homeowner Condo Corporation Bylaws**” means the bylaws of the Homeowner Condo Corporation, as amended and in effect at any time and from time to time.
- (37) “**Homeowner Condo Constating Documents**” means each of the articles of incorporation of Homeowner Condo Corporation, as amended from time to time, Homeowner Condo Corporation Bylaws and the articles and Unanimous Members Agreement, as amended and in effect at any time and from time to time.
- (38) “**Homeowner Extension Rent**” means the basic rent payable by the Lessee for the Extension Period.
- (39) “**Improvements**” means any buildings, structures, works, facilities, infrastructure, services, landscaping, and other improvements (including any equipment, machinery, apparatus, and other such fixtures forming part of or attached to the improvements), made by any Former Homeowner, the Developer, or the Lessee that are in compliance with this Lease, the Architectural Guidelines (as defined in the Prepaid Residential Lease), Taza Development Approval Requirements (as defined in the Prepaid Residential Lease) and Applicable Laws, and situated on, within, under or above the land or premises, as the context permits or requires, but excludes Personal Fixtures.
- (40) “**Indian Act**” means the *Indian Act*, R.S.C. 1985, c. I-5, as amended, superseded and replaced at any time and from time to time.
- (41) “**Initial Term**” has the meaning assigned to such the term of this Lease in Section 2.1.
- (42) “**Interest Rate**” means the Prime Rate plus 5% per annum.
- (43) “**Lease**” means this Prepaid Homeowner Lease between the Lessor and the Lessee, including the Schedules hereto, as amended at any time and from time to time.

- (44) “**Lessee**” means ●, and its successors and permitted assigns.
- (45) “**Lessee Party**” means the holder of any Sub-interest or any other person claiming under or through the Lessee or who is otherwise occupying, in each case in compliance with this Lease and all Applicable Laws, all or any part of the Unit(s) in reliance on this Lease.
- (46) “**Lessee’s Assessed Value Share**” means the proportion represented by the fraction which has as its numerator the Assessed Value of the Unit(s) and as its denominator the aggregate of Assessed Values of all of the Development Units, including the Unit(s).
- (47) “**Lessee’s Proportionate Share**” in respect of any amount means the proportion of such amount represented by the fraction which has as its numerator the Unit Factor(s) of the Unit(s) and as its denominator the aggregate of the Unit Factors of all of the Development Units, including the Unit(s), as set out in the Unit Factor Schedule.
- (48) “**Lessee’s Representatives**” means the Lessee’s officers, directors, employees, agents, contractors, subcontractors, consultants and other representatives, or any other person for whom the Lessee is responsible at law.
- (49) “**Lessee’s Taxes**” means the aggregate of:
- (i) all taxes imposed upon the Lessee which are attributable to the personal property, furnishings, fixtures, equipment and Improvements within or upon the Unit(s), including Real Property Taxes imposed upon the Unit(s) whether imposed directly on the Lessee or imposed upon the Lessor;
 - (ii) all taxes imposed upon the Lessee which are attributable to any business, income or occupancy of the Lessee or any other occupant of the Unit(s);
 - (iii) all taxes imposed upon the Lessee which are attributable to its membership in the Homeowner Condo Corporation; and
 - (iv) the Lessee’s Proportionate Share of all Real Property Taxes imposed on upon the Common Property.
- (50) “**Lessor**” means ● and its successors and permitted assigns of the Prepaid Residential Lease.
- (51) “**Lessor’s Representatives**” means all directors, officers, staff, employees, agents, contractors, subcontractors and consultants of the Lessor, or any other person for whom the Lessor is responsible at law.

- (52) **“Mortgage”** means an instrument evidencing any loan or indebtedness which is secured in whole or in part by a charge against land or an interest in land, including a leasehold interest in land, and includes all renewals, modifications, consolidations, replacements and extensions of such instrument, loan or indebtedness, and whether by debenture, mortgage, deed of trust, general security agreement, pledge, charge or other security whatsoever, and any assignment of leases, rents, contracts permits or rights or any other assignment in connection therewith.
- (53) **“Nation”** means Tsuut’ina Nation.
- (54) **“Owner”** shall have the meaning given it in the Condo Building Property Covenants.
- (55) **“Permitted Encumbrances”** means:
- (i) the permits, easements, liens, charges and encumbrances described in Schedule A;
 - (ii) any Head Lease Mortgage;
 - (iii) the Prepaid Residential Lease;
 - (iv) any Prepaid Residential Lease Mortgage;
 - (v) any other liens, charges and encumbrances granted in accordance with section 3.2 or section 3.3;
 - (vi) any interest or right granted prior to the Commencement Date which does not cause material interference with the Lessee’s use of or right to use the Development Lands in accordance with the terms of this Lease, and which would not materially reduce the value of the Lessee’s sub-subleasehold interest in the Development Lands; and
 - (vii) any other lien, charge or encumbrance agreed to by the Lessee, the Lessee hereby agreeing to act reasonably in agreeing to such lien, charge or encumbrance.
- (56) **“person”** means an individual, corporation, body corporate, partnership, joint venture, society, association or other unincorporated organization or any trustee, executor, administrator or other legal representative.
- (57) **“Personal Fixtures”** means the personal chattels installed or located within or upon the Unit(s) or Common Property during the Term by or on behalf of the Lessee or Residential Tenant (as defined in the Prepaid Residential Lease) that are of a temporary nature and would not normally be intended to form part of the Unit(s) or Common Property.

- (58) **“Prepaid Rent”** means the prepaid rent paid by the Lessee to the Lessor pursuant to the terms of the Purchase Agreement.
- (59) **“Prepaid Residential Lease”** means the lease dated [●] granted by Tsuut’ina-Canderel Land Development Limited Partnership, by its general partner, TTN-C Land Development GP Inc. to Crystal Creek Homes Inc. and registered in the Registry under number ●, as may have been or may hereafter be assigned in accordance with its terms, and as amended at any time and from time to time, but not in such manner as to adversely effect the rights of the Lessee under this Lease.
- (60) **“Prepaid Residential Lease Mortgage”** means any Mortgage granted by the Lessor and charging the Prepaid Residential Lease and the Lessor’s interest in the Development.
- (61) **“Prepaid Residential Lease Mortgagee”** means the holder of any Prepaid Residential Lease Mortgage.
- (62) **“Prime Rate”** means:
- (i) the floating annual rate of interest expressed as a percentage established from time to time by the main branch in Calgary, Alberta of the Reference Bank as the base rate it will use to determine rates of interest charged by it for Canadian dollar commercial demand loans made by it in Canada and designated by the Reference Bank as its “prime rate”; or
 - (ii) if at any time the Reference Bank does not publish its “prime rate”, then the Prime Rate will be such other similar rate as is established by the Lessor, acting reasonably.
- (63) **“Purchase Agreement”** means the Purchase Agreement (as defined in Schedule I to the Prepaid Residential Lease) entered into between the parties hereto.
- (64) **“Real Property Taxes”** has the meaning assigned to such term in section 6.1.
- (65) **“Reference Bank”** means Bank of Montreal, or its successor, or if at any time during the Term such bank does not exist, such other Canadian chartered bank designated by the Lessor, acting reasonably.
- (66) **“Registry”** means the Indian Lands Registry, or any successor registry or system applicable to the Development Lands.
- (67) **“Release”** means release, discharge, dispose, dump, emit, empty, escape, seep, deposit, spray, throw, place, flow, inject, leach, leak, pour, pump, spill or otherwise introduce or cause or permit to be introduced into the

Environment, and includes all matters included in the word “release” in the *Canadian Environmental Protection Act, 1999*.

- (68) “**Rent**” means the Prepaid Rent, to the extent applicable, the Homeowner Extension Rent and the Additional Rent.
- (69) “**Residential Tenancy Agreement**” has the meaning assigned to such term in section 21.2
- (70) “**Residential Tenancy Requirements**” has the meaning assigned to it in the Prepaid Residential Lease.
- (71) “**Residential Use**” means a use providing for the residential accommodation and home life of one or more individuals and includes activities customarily associated therewith, all subject to and in compliance with, the Prepaid Residential Lease.
- (72) “**Rules and Regulations**” has the meaning assigned to it in section 9.6;
- (73) “**Sales Taxes**” means all applicable goods and services taxes, harmonized sales taxes, multi-stage sales taxes, sales taxes, use taxes, consumption taxes, value added taxes, or other similar taxes imposed by any Governmental Authority.
- (74) “**Short Term Rental**” means leasing, licensing or allowing occupancy or possession of a Unit or any portion thereof, by persons or vehicles, for periods shorter than a month.
- (75) “**Sub-interest**” means any lesser leasehold interest that is granted under, follows, or is derivative under, this Lease, other than any Residential Tenancy Agreement.
- (76) “**Taza Lands**” means the following lands:
- (i) the Head Lease Lands;
 - (ii) Lot 39, Canada Lands Surveys Record Plan 103679 and Lots 40 and 41, Canada Lands Surveys Records Plan 103718;
 - (iii) Lot 65, Canada Lands Surveys Record Plan 107404; and
 - (iv) Lot 66, Canada Lands Surveys Record Plan 107404.
- (77) “**Taza Governing Body**” has the meaning assigned to it in the Prepaid Residential Lease;
- (78) “**Term**” means the term of this Lease, as set out in section 2.1, including any extension thereof, if any.

(79) **“Unanimous Members Agreement”** means the unanimous members agreement of the Homeowner Condo Corporation, as may be amended from time to time.

(80) **“Unit(s)”** means the premises [**cross-hatched**] on Schedule B, and legally described as follows:

Lot ____, Canada Lands Survey Records Plan _____
Indian Lands Registry System PIN ● (the **“Dwelling Unit”**);

[Lot ____, Canada Lands Survey Records Plan _____
Indian Lands Registry System PIN ● (the “Parking Unit”);
and

**Lot ____, Canada Lands Survey Records Plan _____
Indian Lands Registry System PIN ● (the “Storage Unit”, and
“Unit” means any one of the Dwelling Unit, Parking Unit or
Storage Unit);]**

together with any Improvements that, from time to time, form part of the Unit(s).

(81) **“Unit Factor”** means the unit factor assigned to each Development Unit pursuant to the Prepaid Residential Lease.

(82) **“Unit Factor(s) of the Unit(s)”** means the Unit Factor(s) assigned to the Unit(s) pursuant to the Unit Factor Schedule, which, as at the date hereof, is the number set out on the title page hereto.

(83) **“Unit Factor Schedule”** means the Unit Factor Schedule attached as Schedule H.

(84) **“Unit Improvements”** has the meaning assigned to it in the Prepaid Residential Lease.

(85) **“Unit Mortgage”** means any Mortgage granted by the Lessee and charging this Lease and the Lessee’s interest in the Unit(s) in accordance with Article 22.

(86) **“Unit Mortgagee”** means the holder of any Unit Mortgage and includes CMHC.

1.2 In Writing / Written. In this Lease, the terms “in writing” and “written” include email and other electronic communications.

1.3 Schedules. The following are the Schedules to this Lease:

Schedule A Permitted Encumbrances

Schedule B Unit(s)

Schedule C Head Lease Mortgagee Non-Disturbance Agreement

Schedule D Prepaid Residential Lease Mortgagee Non-Disturbance Agreement

Schedule E Prepaid Homeowner Lease Non-Disturbance Agreement

Schedule F Assignment and Assumption of Prepaid Homeowner Lease

Schedule G Lessor Mortgage Agreement

Schedule H Unit Factor Schedule

2. LEASE / NON-DISTURBANCE AND MORTGAGE AGREEMENTS

2.1 Grant of Lease. The Lessor hereby leases, by way of sub-sublease pursuant to the Prepaid Residential Lease, the Unit(s) to the Lessee, free and clear of all liens, charges and encumbrances other than the Permitted Encumbrances, to have and to hold the Unit(s) unto the Lessee for the term from and including [**Insert Closing Date**] (the “**Commencement Date**”) to and including May 16, 2114 (the “**Initial Term**”), yielding and paying the Rent as hereinafter provided, and subject to the terms, conditions, provisos, exceptions and reservations contained in this Lease, including the provisions of Article 11.

2.2 Rights upon Expiry of Initial Term and Term. Without limiting the rights and obligations of the Lessor and the Lessee pursuant to Article 11, the Lessee and the Lessor acknowledge the provisions contained in sections 25.1 through 25.4 of the Prepaid Residential Lease.

(1) The Lessor shall notify the Lessee in writing of the pertinent details thereof within three (3) Business Days of its receipt of an End of Term Notice.

(2) In the event that the term of the Prepaid Residential Lease is extended pursuant to Section 25.2 thereof:

- (i) the Lessor shall forthwith notify the Lessee and the Term hereunder will be automatically extended by the same amount of time such that the Term of this Lease shall expire the day before the expiry of the Prepaid Residential Lease (the “**Extension Period**”);
- (ii) the Homeowner Extension Rent payable by the Lessee for the Extension Period shall be the Lessee’s Proportionate Share of the Extension Rent payable by the Lessor under the Prepaid Residential Lease and the Lessor shall notify the Lessee forthwith upon the determination of same;
- (iii) the Lessee shall pay the Homeowner Extension Rent, and any applicable Sales Taxes payable thereon, to the Lessor for each year of the Extension Period as follows: either (1) as basic rent for the entire Extension Period payable on the last Business Day before the commencement of the Extension Period; or (2) as an annual rent payment on the last Business Day before the commencement of the Extension Period and the last Business Day before each anniversary of the commencement of the Extension Period, such payments option to be consistent with that chosen by the Head Lessee (or the Nation if the Nation is the Head Lessee at the applicable time) in accordance with Section 25.2 of the Prepaid Residential Lease, with any applicable proration for any portion of a year at the beginning or end of the Extension Period, and determined as of the first day of the Extension Period, based on information available at the time of the determination of the Extension Rent, based on the terms and conditions of this Lease, as modified by the End of Term Notice, and the then current Applicable Laws;
- (iv) if the Lessee does not pay all or any portion of the Extension Rent when due and such Extension Rent remains unpaid for five (5) Business Days after the Lessor’s written demand therefor, in addition to any other rights or remedies the Lessor may have under this Lease, as extended, or at law, the Lessor may, but shall not be obligated to:
 - (A) terminate this Lease by notice to the Lessee or re-enter the Unit(s) and repossess them and, in either case, enjoy them as of its former estate, and the Lessor may remove all persons and property from the Unit(s) and store such property at the expense and risk of the Lessee or sell or dispose of such property in such manner as the Lessor sees fit without notice to the Lessee;

- (B) enter the Unit(s) as agent of the Lessee to relet the Unit(s) for whatever length, and on such terms as the Lessor in its discretion may determine, and to receive the rent therefor and, as agent of the Lessee, to take possession of any property of the Lessee on or in the Unit(s), and to store such property at the expense and risk of the Lessee or to sell or otherwise dispose of such property in such manner as the Lessor sees fit without notice to the Lessee; to make Alterations to the Unit(s) to facilitate their reletting; and to apply the proceeds of any such sale or reletting first, to the payment of any expenses incurred by the Lessor with respect to any such reletting or sale, second, to the payment of any indebtedness of the Lessee to the Lessor other than Homeowner Extension Rent, and third, to the payment of Homeowner Extension Rent in arrears, with the residue to be held by the Lessor and applied to payment of future Homeowner Extension Rent as it becomes due and payable, provided that the Lessee shall remain liable for any deficiency to the Lessor;
- (C) recover from the Lessee all Damages as a result of any default by the Lessee including, in the event that the Lessor terminates this Lease, any deficiency between those amounts which would have been payable by the Lessee for the portion of the Extension Period following such termination and the net amounts actually received by the Lessor during such period of time with respect to the Unit(s);
- (D) in addition to any other rights of the Lessor to distrain, the Lessor shall have the right to distrain on all of the goods on or in the Unit(s). The Lessor may without notice to the Lessee exercise any right of distress on the Unit(s) and for such purpose the Lessee agrees that the Lessor may enter the Unit(s) by any means which the Lessor in its sole and absolute discretion deems necessary, including, without limiting the generality of the foregoing, by the use of such force as the Lessor in its sole and absolute discretion deems necessary. The Lessor shall have the right to lock the Unit(s), change any locks on the Unit(s) and by any means exclude the Lessee from all or any parts of the Unit(s) and the Lessor shall not thereby be terminating this Lease in the absence of an express written notice terminating this Lease;
- (v) each of the Lessor and the Lessee agree that upon request by the other party at any time after any such extension, they will enter into a modification agreement in respect of this Lease, in the form

prepared by the Lessor, acting reasonably, evidencing such extension and register same with the Registry;

- (vi) the Lessee and Lessor shall continue to be bound by the provisions of this Lease notwithstanding that the Nation may become the Lessor under the Prepaid Residential Lease.
- (3) If the Prepaid Residential Lease is not extended in accordance with Section 25.2 thereof and the Nation compensates the Lessor for its subleasehold interest in the Development Improvements, the Lessor shall pay to the Lessee, within one (1) Business Day of its receipt of same, the Lessee's Assessed Value Share of any amounts received with respect to the Development Improvements in exchange for a release from the Lessee in respect of the Unit(s) and the Improvements contained therein or thereon confirming the Lessee has no further interest in the Unit(s) and such Improvements and same are free of any lien, charge or encumbrance granted by the Lessee, in the form prepared by the Lessor, acting reasonably and approved by the Lessee, acting reasonably. This section 2.2(3) shall survive the expiry or termination of this Lease.
 - (4) In order to determine the compensation payable to the Lessee in accordance with section 2.2(3), the Lessor shall engage an Appraiser to determine the value of each of the Development Units (each an "**Assessed Value**") as soon as reasonably possible after its receipt of the End of Term Notice referenced in subsection (1) or the Lessee has become aware that the Nation will be purchasing the Development Improvements.
 - (5) The value of each of the Development Units, for the purposes of subsection (4), shall be determined:
 - (i) on the basis of the value of the Improvements only, with no value being attributed to the lands upon which the Development Units are located, goodwill or desirability of land;
 - (ii) as of the date of the expiration of the Initial Term;
 - (iii) on the basis that the Improvements are free of all financial liens, financial charges and financial encumbrances; and
 - (iv) on the basis that the Improvements may only be used for the purposes permitted under this Lease.

Absent manifest error or prejudice against an owner of a Development Unit, the determination of the Appraiser shall be final.

- (6) Upon the expiry of the Term, the Lessor shall distribute to the Lessee any amounts that the Lessee may be entitled with respect to the Reserve Fund

or Operating Account (each as defined in the Prepaid Residential Lease) in accordance with the Prepaid Residential Lease.

- 2.3 Agreement to Deliver Registrable Form. The parties confirm their intention to execute and deliver this Lease in a form capable of being registered in the Registry, as required pursuant to section 16.2.3 of the Head Lease and section 2.2 of the Prepaid Residential Lease, and upon request by either party, acting reasonably, the other party will execute such further and other documents and instruments and do such further and other acts and things as are reasonably required in order to satisfy such requirement. The Lessor shall, at its cost, submit the registerable form of this Lease for registration with the Registry forthwith upon full execution of same.
- 2.4 His Majesty's Non-Disturbance Agreement (Sub-Sublease). The parties acknowledge that they have entered into, or will enter into, a non-disturbance agreement (sub-sublease) in the form of Appendix C to the Head Lease with His Majesty, the Head Lessee and the Nation, which agreement may, in accordance with its terms, be assigned to a permitted assignee of this Lease. Upon any assignment of this Lease in accordance with the terms hereof, upon request by the Lessee, acting reasonably, the Lessor will enter into, and will use commercially reasonable efforts to cause His Majesty, the Head Lessee and the Nation to enter into, a new non-disturbance agreement (sub-sublease) in the form of Appendix C to the Head Lease, with any new Lessee.
- 2.5 Head Lease Mortgagee Non-Disturbance Agreement. The parties acknowledge that the Lessee has entered into a non-disturbance agreement with the existing Head Lease Mortgagee on or before the Commencement Date in the form of Schedule C, with such revisions as may reasonably be required by the Head Lease Mortgagee, under which the existing Head Lease Mortgagee agrees to recognize this Lease. Following the Commencement Date, upon request by the Lessee, acting reasonably, the Lessor will use commercially reasonable efforts to obtain from any new Head Lease Mortgagee whose Head Lease Mortgage is registered in the Registry, a non-disturbance agreement with the Lessee, under which the Head Lease Mortgagee agrees to recognize this Lease, on the terms and conditions as may be agreed to by the Lessor, the Lessee, the Head Lessee and the Head Lease Mortgagee, each acting reasonably.
- 2.6 Prepaid Residential Lease Mortgagee Non-Disturbance Agreement. The parties acknowledge that the Lessee has entered into a non-disturbance agreement with the existing Prepaid Residential Lease Mortgagee on or before the Commencement Date in the form of Schedule D, with such revisions as may be reasonably required by the Prepaid Residential Lease Mortgagee, under which the existing Prepaid Residential Lease Mortgagee agrees to recognize this Lease. Following the Commencement Date, upon request by the Lessee, acting reasonably, the Lessor will use commercially reasonable efforts to obtain from any new Prepaid Residential Lease Mortgagee whose Prepaid Residential Lease Mortgage is registered in the Registry, a non-disturbance agreement with the Lessee, under which the Prepaid Residential Lease Mortgagee agrees to recognize this Lease, on

the terms and conditions as may be agreed to by the Lessor, the Lessee and the Prepaid Residential Lease Mortgagee, each acting reasonably.

- 2.7 Prepaid Homeowner Lease Non-Disturbance Agreement. The parties acknowledge that they have entered into a non-disturbance agreement with the Head Lessee on or before the Commencement Date in the form of Schedule E, under which the Head Lessee agrees to recognize this Lease.

3. **ENCUMBRANCES AND MINERALS**

- 3.1 Permitted Encumbrances. The Lessee's rights under this Lease are subject to any rights, conditions, provisos, restrictions, exceptions and reservations pursuant to any Permitted Encumbrances, and the Lessee hereby agrees to observe and perform during the Term all covenants, duties and obligations of the Lessor under the Permitted Encumbrances, all to the extent only that the Permitted Encumbrances relate to a Unit or the use thereof, and excluding any obligations of His Majesty under any Head Lease Mortgage and any Lessor obligations under any Prepaid Residential Lease Mortgage.
- 3.2 Further Encumbrances Granted by His Majesty. The Lessee acknowledges that in accordance with section 3.3.1 of the Head Lease, His Majesty reserved the right to grant other interests in the Head Lease Lands, including the Development Lands and the Unit(s), with the prior written consent of the Head Lessee, as lessee, acting reasonably, and as long as the grant of interest has no material adverse effect on the Head Lessee's use and enjoyment of the Head Lease Lands. The Lessor shall ensure that the Head Lessee does not consent to His Majesty granting an interest in a Unit that has a material adverse effect on the use or enjoyment of the Unit by the Lessee. The Lessee agrees to be bound by any encumbrance granted in accordance therewith and the Lessee will grant priority to any such charge or encumbrance over this Lease, upon request by the Lessor, acting reasonably.
- 3.3 Other Encumbrances. The Lessee agrees that the Lessor may at any time during the Term grant, or allow the Head Lessee and/or His Majesty to grant, any easements, rights of way, restrictive covenants, or other charges or encumbrances in respect of the Development Lands, provided that if the exercise of rights under any such encumbrance might interfere with or adversely affect the reasonable use and enjoyment of the Unit(s) by the Lessee pursuant to this Lease in any material way, the Lessor will obtain the consent of the Lessee, acting reasonably prior to granting any such encumbrance. The Lessee agrees to be bound by any encumbrance granted in accordance therewith and the Lessee will grant priority to any such charge or encumbrance over this Lease, upon request by the Lessor, acting reasonably.
- 3.4 No Rights to Minerals. The Lessee acknowledges and agrees that the Head Lease did not confer on the Lessor any rights in respect of any Minerals (as defined in the Prepaid Residential Lease) and as such rights are conferred upon the Lessee and

that, pursuant to the Head Lease, His Majesty reserved all Minerals on or under the Development Lands.

4. USE OF THE UNIT(S)

4.1 Permitted Uses. Subject to compliance with Applicable Laws, the Head Lease, the Prepaid Residential Lease and this Lease, the Lessee may use the Unit(s) for any of the following uses:

- (a) Residential Use; and
- (b) home office use and home based businesses carried on indoors, as accessory and ancillary to Residential Use where all necessary permits have been obtained from all Governmental Authorities;

and for no other use whatsoever, except with the prior written consent of the Lessor, which consent may be unreasonably withheld.

4.2 Restrictions on Development and Use. Notwithstanding anything contained in this Lease, the Lessee will not offer or permit any Short Term Rental of the Unit(s).

4.3 Signage. The Lessee will not be permitted to install any signage on the exterior of the Unit(s), except with the prior written consent of the Lessor, and only as is permitted under the Head Lease, this Lease and Applicable Laws.

4.4 Access Over Head Lease Lands. The Lessor agrees that the Lessee and any Lessee Party, and their respective guests and invitees, shall have access, at no additional cost, over any roads within the Head Lease Lands as are open for public use, subject to compliance with Applicable Laws and any reasonable restrictions and requirements established by His Majesty or the Nation at any time and from time to time.

4.5 Access Over Common Areas. The Lessor agrees that the Lessee and any Lessee Party, and their respective guests and invitees, may have access, at no additional cost, over all portions of the Development, excluding any Development Units, and excluding any parking areas and exclusive use areas leased or otherwise allocated or reserved to any Development Units or other persons in accordance with the Condo Building Property Covenants, as are intended for common use by the holders of the leases of the Development Units and their invitees and guests, and subject to and in compliance with Applicable Laws and this Lease and any Rules and Regulations.

4.6 No Nuisance. Except as may be reasonably required by the making of Alterations in accordance with this Lease and Applicable Laws, the Lessee will not cause, permit or suffer any nuisance within or upon the Unit(s) or any other part of the Development.

- 4.7 No Waste. Except as may be reasonably required by the making of Alterations in accordance with this Lease and Applicable Laws, the Lessee will not cause, permit or suffer the commission of any waste in respect of the Unit(s) or any other part of the Development.
- 4.8 Garbage and Debris. Without limiting any of the Lessee's obligations under this Lease, the Lessee will not cause, permit or suffer any garbage or debris to be placed or left at the Unit(s) or the Development except as is reasonably necessary in accordance with the uses permitted under this Lease and Applicable Laws, or as otherwise permitted in writing by the Lessor.

5. RENT

- 5.1 Prepaid Rent. The Lessor acknowledges and agrees that Lessee has paid the Prepaid Rent in full as the prepaid rent for the Initial Term. In this Lease, the term "**Additional Rent**" shall mean all amounts described in this Lease as being payable under this Lease other than Prepaid Rent and Extension Rent.
- 5.2 Lessee to Pay. The Lessee will be responsible for, and will pay when due, all costs, charges, expenses and outlays of every kind and nature whatsoever in respect of the Unit(s) (including in respect of its own Alteration of any Improvements) and the Lessor will not be responsible for any cost, charge, expense or outlay of any kind or nature whatsoever in respect of the Unit(s), except as may be otherwise specifically agreed to by the Lessor with the Lessee in this Lease.
- 5.3 Payment of Sales Taxes. The Lessee will pay all Sales Taxes, if any, payable on the Rent and any other amounts payable by the Lessee to the Lessor under this Lease, it being acknowledged and agreed that Sales Taxes are not payable on the Prepaid Rent. The Lessee will pay to the Lessor all Sales Taxes payable by the Lessee at the same time as the amounts to which such Sales Taxes apply are payable to the Lessor under the terms of this Lease. If the Lessee fails to pay such Sales Taxes when due, the Lessor will have the right, but not the obligation, to make such payments to the relevant Governmental Authorities and to collect the Sales Taxes together with any penalties and interest costs imposed by such relevant authorities from the Lessee upon demand. Notwithstanding any other provision of this Lease, Sales Taxes payable by the Lessee under this section 5.3 will be deemed not to be Rent but, in addition to the Lessor's statutory rights and remedies, the Lessor will have all of the same remedies for and rights of recovery in respect of such amounts as it has for recovery of Rent under this Lease including the right to collect interest thereon at the Interest Rate from the date the relevant amount was due to the date of payment. The Lessee will indemnify and save harmless the Lessor from and against all losses, costs, charges, and expenses occasioned by or arising from any and all such Sales Taxes; and any such losses, costs, charges, and expenses incurred by the Lessor (including any amount paid by the Lessor to remedy any default of the Lessee under this section 5.3, with interest thereon, as provided in section 30.1) may be collected by the Lessor as Additional Rent.

5.4 Survival. This Article 5 survives any termination or expiry of this Lease.

6. TAXES

- 6.1 Real Property Taxes. Without limiting section 5.2, the Lessee will pay when due during the Term, directly to the relevant Governmental Authorities, or such other entity as may be directed in writing by the relevant Government Authorities, including, if applicable, the Taza Governing Body, all real property taxes, rates, duties, charges and assessments, including school taxes, local improvement rates, drainage charges and other charges, that now are or will or may be hereafter lawfully levied, rated, charged, or assessed by any Governmental Authority (collectively, "**Real Property Taxes**") against or in respect of the Unit(s). If at any time direct payment of Real Property Taxes is not possible, upon the written request of the Lessor, the Lessee will pay the Real Property Taxes to the Lessor as Additional Rent, in which case the Lessor will remit the Real Property Taxes paid by the Lessee to the Lessor to the applicable Governmental Authority or such other entity as may be directed in writing by the relevant Government Authorities, including, if applicable, the Taza Governing Body. The Lessee will indemnify and save harmless the Lessor from and against all losses, costs, charges, and expenses occasioned by or arising from any and all such Real Property Taxes; and any such losses, costs, charges, and expenses incurred by the Lessor (including any amount paid by the Lessor to remedy any default of the Lessee under this Article 6, with interest thereon, as provided in section 30.1) may be collected by the Lessor as Additional Rent. The Lessee will provide the Lessor with reasonable evidence of such payments upon request by the Lessor, acting reasonably.
- 6.2 Lessee's Right to Appeal. The Lessee will have the right to appeal in accordance with Applicable Laws any assessment of the Unit with respect to Real Property Taxes, provided that such appeal will be at the sole cost and expense of the Lessee, and provided that notwithstanding such right to appeal, the Lessee must promptly take all steps necessary to discharge any lien registered in respect of the Unit(s) or any other part of the Development in connection with any Real Property Taxes unless the Lessor agrees otherwise in writing, and the Lessee will indemnify and save harmless the Lessor in respect of any such appeal.
- 6.3 Separate Assessment. The parties acknowledge that it is their intention and agreement that all Real Property Taxes, and all charges for utilities and services in respect of the Unit(s) (including all water, sewer, electricity, propane, natural gas, telephone, cable and internet utilities and services provided or made available to the Unit(s) or consumed in respect of the Unit(s)) are to be billed directly to the Lessee to the extent possible. If any billing statement in respect of any such amount covers only the Unit(s), the Lessor and the Lessee will use commercially reasonable efforts to have the billing statement sent directly to the Lessee, and if any such statement is sent to the Lessor, the Lessor will promptly forward such statement to the Lessee.

- 6.4 Not Separately Assessed. If any billing statement in respect of any Real Property Taxes and all charges for utilities and services covers the Unit(s) plus any other part of the Development or any other land, the Lessee will only be responsible for such portion as is applicable to the Unit(s) which may, in the case of a billing statement applying to the entire Development be limited to the Lessee's Proportionate Share.
- 6.5 Lessee's Taxes. Without limiting Article 6, the Lessee will pay throughout the Term, on or before the due date thereof, all applicable Lessee's Taxes.
- 6.6 Proof of Payment. The Lessee will, upon written request by the Lessor, acting reasonably, provide the Lessor with copies of official receipts of the applicable Governmental Authority or other proof satisfactory to the Lessor, acting reasonably, evidencing payment of any Lessee's Taxes.

7. UTILITIES

- 7.1 Utilities. Except as may be specifically agreed to by the Lessor in writing, the Lessee will pay or cause to be paid all amounts payable in connection with any water, gas, telephone, light, power, heat, air-conditioning, sewer, garbage disposal or other services or utilities whatsoever used or consumed by the Lessee in connection with the use of the Unit(s).
- 7.2 Interruption of Services or Utilities. The Lessee acknowledges that neither His Majesty, the Nation, the Head Lessee nor the Lessor is the ongoing provider of services or utilities in respect of the Development, and no interruption of any services or utilities provided to the Unit(s) will be a disturbance of the Lessee's enjoyment of the Unit(s). Neither His Majesty, the Nation, the Head Lessee nor the Lessor shall be liable for any injury to the Lessee or any damages to the Unit(s) in connection with any interruption of any services or utilities, except and to the extent that any such interruption, disturbance, injury or damage results from the gross negligence or wilful misconduct of His Majesty, the Nation, the Head Lessee or the Lessor, the Lessor's Representatives or any other person for whom the Lessor is responsible at law, as applicable.
- 7.3 Lessee's Responsibility. Without limiting anything contained in this Lease, from and including the Commencement Date, the Lessee will be responsible for and pay when due all of the Lessee's own costs and expenses in connection with the occupation, use or operation of the Unit(s), including the cost of snow and ice removal in respect of the Unit(s), if applicable, and the removal of garbage and recyclables from the Unit(s), and subject to the Condo Building Property Covenants, for and all maintenance, repair, replacement and operating costs in respect of the Unit(s).

8. MEMBERSHIP IN HOMEOWNER CONDO CORPORATION

8.1 Membership in the Homeowner Condo Corporation.

- (a) The Lessee acknowledges and agrees that the Lessee shall become a member of the Homeowner Condo Corporation and agrees to be a party to, and comply with the provisions in, the Unanimous Members Agreement.
- (b) The Lessee, in its capacity as Lessee, hereby applies for membership in the Homeowner Condo Corporation, and the Lessor agrees to grant, if the Lessor is the Homeowner Condo Corporation, or cause the Homeowner Corporation to grant such membership to the Lessee, which membership shall be effective as at the Commencement Date.
- (c) The Lessee acknowledges and confirms that it has received a copy of the current form of the Homeowner Condo Constating Documents (which are posted on the [**website details**]).
- (d) The Lessee acknowledges and agrees that: (i) the rights and obligations of the Lessee and the Homeowner Condo Corporation are set forth in the *Canada Not For Profit Act* and the Homeowner Condo Constating Documents; (ii) it has been encouraged to and should obtain independent legal, tax and investment advice with respect to this Lease and its membership in the Homeowner Condo Corporation; (iii) it has read and understands fully the provisions of such Homeowner Condo Constating Documents; (iv) in its capacity as a member of the Homeowner Condo Corporation as at the Commencement Date, agrees to comply with the obligations of members under the Homeowner Condo Constating Documents; and (v) the Lessee's voting rights in the Homeowner Condo Corporation shall be commensurate with the Unit Factor(s) of the Unit(s).

8.2 Power of Attorney. The Lessee hereby irrevocably grants to Homeowner Condo Corporation a power of attorney to execute the Unanimous Members Agreement on behalf of the Lessee.

8.3 Maintenance of Membership in the Homeowner Condo Corporation.

- (a) The Lessee will maintain its membership in the Homeowner Condo Corporation in good standing at all times during the Term.
- (b) The Lessee will comply with, and cause the Lessee Parties to comply with the Homeowner Condo Constating Documents and any and all rules and decisions of the Homeowner Condo Corporation made in compliance with the Homeowner Condo Constating Documents and the Condo Building Property Covenants.

- (c) Without limiting the generality of section 8.3(a), the Lessee will pay when due all member fees and other amounts payable by the Lessee to the Homeowner Condo Corporation, as a member of the Homeowner Condo Corporation.
- (d) If the Lessee is in default of its obligation to pay when due any member fees or other amounts payable by the Lessee to the Homeowner Condo Corporation the Lessor, who may or may not be the Homeowner Condo Corporation in accordance with section 8.4, may, upon not less than ten (10) Business Days' written notice to the Lessee, pay any or all of the overdue amount, and if the Lessor does so, the amount paid by the Lessor in curing such default will be Additional Rent payable by the Lessee to the Lessor, and the Lessee will reimburse the Lessor therefor within ten (10) Business Days after receipt by the Lessee of the Lessor's invoice therefor.
- (e) Under no circumstances will the Lessor be required to cure any default of the Lessee pursuant to this section 8.3, and, without limiting the generality of the foregoing, if the Lessor pays any overdue amount to the Homeowner Condo Corporation on behalf of the Lessee, under no circumstances will the Lessor be required to pay any further overdue amount on behalf of the Lessee.

8.4 Assignment of Prepaid Residential Lease to Homeowner Condo Corporation. The Lessee acknowledges that the Prepaid Residential Lease is to be assigned to the Homeowner Condo Corporation in accordance with section 5.4 of the Prepaid Residential Lease, and the Lessee agrees to attorn to the Homeowner Condo Corporation as Lessor under this Lease and to observe and perform all of the Lessee's covenants and agreements, and to be responsible for the duties and obligations, of the Lessee under this Lease, in favour of the Homeowner Condo Corporation as Lessor, upon the completion of the assignment of the Prepaid Residential Lease to the Homeowner Condo Corporation, all without the requirement for any further act or document in connection therewith. From and including the time of the registration with the Registry of an assignment of the Prepaid Residential Lease to the Homeowner Condo Corporation, the Homeowner Condo Corporation will be the "Lessor" under this Lease.

8.5 Transition to Homeowner Condo Corporation. The Lessor assigning the Prepaid Residential Lease to the Homeowner Condo Corporation agrees to do all acts and things reasonably required by the Homeowner Condo Corporation to ensure an orderly assignment of the Prepaid Residential Lease to the Homeowner Condo Corporation and the transfer of the operation and management of the Development to the Homeowner Condo Corporation, including with respect to the Lessor's role as lessor under this Lease. From and including the time of the assignment of the Prepaid Residential Lease to the Homeowner Condo Corporation, any reference in this Lease to the Lessor includes a reference to the Homeowner Condo Corporation as Lessor where the context permits or requires. Upon the assignment of this Lease to the Homeowner Condo Corporation, the Lessor, which may be the Homeowner

Condo Corporation, shall provide the Lessee with an update as to its address for delivery under section 35.2.

- 8.6 Insolvency of Homeowner Corporation. In the event that the Prepaid Residential Lease is disclaimed in any bankruptcy, insolvency or other similar proceeding with respect to the Lessor, the Lessee hereby agrees in favour of the Head Lessee, at the option of the Head Lessee, to enter into a new lease on substantially the same terms and conditions as this Lease with the Head Lessee or such other entity as the Head Lessee shall designate in writing. The Lessee hereby acknowledges and agrees that the Head Lessee does not need to be a party to this Lease in order to enforce the provisions of this Section 8.6.

9. PROVISIONS RE: CONDO BUILDING DEVELOPMENT

9.1 Condo Building Property Covenants.

- (a) The Lessor and the Lessee acknowledge agree that the Condo Building Property Covenants are incorporated by reference into this Lease and:
- (i) as they are applicable to an Owner shall be binding upon the Lessee and the Lessee shall have the benefit of same as against the Developer and the Homeowner Condo Corporation, as applicable;
 - (ii) as they are applicable to the Developer shall be binding upon the Developer and the Developer shall have the benefit of same as against the Lessee and the Homeowner Condo Corporation, as applicable; and
 - (iii) as they are applicable to the Homeowner Condo Corporation shall be binding upon the Homeowner Condo Corporation and the Homeowner Condo Corporation shall have the benefit of same as against the Lessee and the Developer, as applicable;
- (b) If and to the extent that the Homeowner Condo Corporation is not a party to this Lease from time to time, the Developer shall ensure that the Homeowner Condo Corporation is bound by the obligations contained in, and has the benefit of, this section 9.1 and shall at the request and expense of the Lessee enforce such obligations upon written request.
- (c) If and to the extent that the Developer is not a party to this Lease from time to time, the Homeowner Condo Corporation shall ensure that the Developer is bound by the obligations contained in, and has the benefit of, this section 9.1 and shall at the request and expense of the Lessee enforce such obligations upon written request.

- 9.2 Boundaries of Units. The Lessor and the Lessee acknowledge that the locations, dimensions and areas of the Unit(s) and the other Development Units are shown on the Condo Building Plan.

9.3 Lessor Responsibility. The Lessor shall be responsible for, and shall carry out or cause to be carried out, the following services and functions all in accordance with and subject to the Condo Building Property Covenants:

- (a) the management, inspection, upkeep, maintenance, repair and replacement of all Common Property;
 - (b) the management of the Development;
 - (c) the insurance that the Homeowner Condo Corporation is obligated to place and maintain pursuant to the Condo Building Property Covenants; and
 - (d) any other matter or thing provided for under the Condo Building Budget,
- all subject to and in accordance with the Condo Building Budget.

9.4 Lessee's Contributions. The Lessee will pay to the Lessor when due all Contributions as Additional Rent.

9.5 Lessee's Collection and Use of Contributions.

- (a) Prior to the time of the assignment of the Prepaid Residential Lease to the Homeowner Condo Corporation, the Lessee shall collect, hold in trust for the Homeowner Condo Corporation and pay over to the Homeowner Condo Corporation all Contributions.
- (b) All Contributions shall be used in the manner provided for in the Condo Building Property Covenants.

9.6 Rules and Regulations.

The Lessee acknowledges and agrees that the Lessor may make rules and regulations of general application from time to time for the better operation of the Development (the "**Rules and Regulations**") in accordance with the following:

- (a) the Rules and Regulations may not be amended or replaced except in accordance with the Homeowner Condo Constating Documents;
- (b) the Rules and Regulations may not authorize anything contrary to or in conflict with any provision of the Head Lease, the Prepaid Residential Lease, including the Condo Building Property Covenants, this Lease or any Applicable Law

and the Lessee will be bound by and comply with, and cause the Lessee Parties to comply with, any Rules and Regulations made in accordance with the foregoing.

10. TAZA GOVERNING BODY

10.1 Taza Governing Body Directives, Rules and Regulations. The Lessee and the Lessor will be bound by and comply with, and the Lessee will cause the Lessee Parties to comply with, any directives and rules and regulations made by the Head Lessee, the Taza Governing Body, and any other entity performing similar duties, in accordance with its responsibilities.

10.2 Informational Communications.

- (a) The Lessee shall provide to the Head Lessee and the Taza Governing Body, to the extent in existence, accurate and up-to-date contact information, including an email address and phone number, by filling out the appropriate documentation at the time of Lease execution and shall update this contact information whenever it changes to maintain continuous communication regarding the management of the Lease and residency.
- (b) By executing this Lease, the Lessee consents to receive informational emails from the Head Lessee and the Taza Governing Body that are necessary for the management of the Lease and residency, including but not limited to service updates, building notices, and emergency notifications. This consent specifically pertains to non-marketing communications.

11. COMPLIANCE WITH HEAD LEASE AND PREPAID RESIDENTIAL LEASE

11.1 Head Lessee's Compliance with Head Lease. The Lessor will take all steps as may be reasonably required to ensure that the Head Lessee complies with all of the Head Lessee's covenants, duties and obligations under the Head Lease, except to the extent they are the responsibility of the Lessor under the Prepaid Residential Lease, and to cause the Head Lessee to maintain the Head Lease in full force and effect at all times during the Term.

11.2 Lessee's Covenants re: Head Lease. In accordance with section 16.2.4 of the Head Lease but, subject to the terms of any written agreement with His Majesty in effect from time to time, the Lessee acknowledges and agrees, notwithstanding any other provision of this Lease, that:

- (a) the Lessee has received a copy of, and been afforded an opportunity to review, the Head Lease prior to entering into this Lease;
- (b) for the benefit of His Majesty, the Lessee acknowledges that it is not relying on His Majesty's judgment or expertise in His Majesty's review of the Village Development Plan or Construction Plan (as such terms are defined in the Prepaid Residential Lease) and the Lessee hereby releases His Majesty and its officials, employees, servants, agents, contractors and

subcontractors from any liability for His Majesty's review, which term will survive the ending of the Head Lease and this Lease;

- (c) this Lease will terminate no later than two (2) days before the end of the term of the Head Lease, unless terminated early under its terms, or by operation of law upon earlier termination of the Head Lease;
- (d) this Lease is subject and subordinate to the Head Lease and to the rights of His Majesty under the Head Lease;
- (e) the Lessee's rights are subject to the terms of the Head Lease, that the Lessee will not cause a breach or default under any of terms of the Head Lease and, without limiting the generality of the foregoing, the Lessee will comply with all Applicable Laws regarding this Lease, the Development, and any activity at the Development;
- (f) on written request from His Majesty, acting reasonably, the Lessee will promptly deliver to His Majesty written authorization to receive information from a Governmental Authority about the Lessee's compliance or non-compliance with Applicable Laws regarding this Lease, the Development, or any activity at the Development;
- (g) His Majesty is not liable for any losses or expenses of the Lessee due to His Majesty curing or attempting to cure the default under the Head Lease, except as set out therein;
- (h) the Lessee may only perform Alterations to the Unit(s) in accordance with the uses permitted under this Lease, the Prepaid Residential Lease, the Head Lease, the Village Development Plan, the Construction Plan, any mitigation measures required under any Environmental Review (as defined in the Prepaid Residential Lease) obtained with respect Development or to be obtained with respect to the Development pursuant to the Prepaid Residential Lease, and any environmental use or other development conditions or restrictions contained in the Head Lease, the Prepaid Residential Lease or this Lease;
- (i) His Majesty and His Majesty's officials, employees, servants, agents, contractors, and subcontractors, acting reasonably, may enter the Unit(s) at any time during reasonable hours for the purpose of ensuring compliance with the terms of the Head Lease, including the implementation of any mitigation measures identified in an applicable Environmental Review.
- (j) the Lessee will include a provision similar to this section 11.2 in any Residential Tenancy Agreement that the Lessee grants;

11.3 Lessor's Covenants re: Prepaid Residential Lease. The Lessor confirms that it has paid all prepaid rent, and agrees that it will pay, to the Head Lessee when due all rent payable in accordance with Article 6 of the Prepaid Residential Lease, and that

it has complied with, and will comply with, all of the Lessor's covenants, duties and obligations under the Prepaid Residential Lease, except to the extent they are the responsibility of the Lessee under this Lease, and the Lessor will maintain the Prepaid Residential Lease in full force and effect at all times during the Term. The Lessor agrees that it will not amend the Prepaid Residential Lease in any manner that would materially adversely affect the Lessee without the prior written consent of the Lessee in its discretion, or, following the assignment of this Lease to the Homeowner Condo Corporation, in accordance with the Homeowner Condo Constating Documents.

11.4 Lessee's Covenants re: Prepaid Residential Lease. The Lessee acknowledges and agrees, notwithstanding any other provision of this Lease, that:

- (a) this Lease will expire no later than one (1) day before the end of the term of the Prepaid Residential Lease;
- (b) the Lessee's rights are subject to the terms of the Prepaid Residential Lease, that the Lessee will not cause a breach or default under any of terms of the Prepaid Residential Lease and, without limiting the generality of the foregoing, that the Lessee will comply with all Applicable Laws regarding this Lease, the Development, and any activity on the Development;
- (c) the Lessee will observe, perform and fulfill all of the Lessor's covenants, duties and obligations under the Prepaid Residential Lease, to the extent that they relate to the Unit(s) unless such covenants, duties or obligations are the responsibility of the Developer or the Homeowner Condo Corporation pursuant to the Condo Building Property Covenants;
- (d) the Lessee has received a copy of and been given an opportunity to review the Prepaid Residential Lease.

12. **COMMITMENTS, PRINCIPLES AND COVENANTS RE: THE NATION**

12.1 Commitments and Principles. The Lessee agrees to the following commitments and principles:

- (a) The Lessee respects the inherent rights and treaty rights of the Nation.
- (b) The Lessee recognizes the United Nations Declaration on the Rights of Indigenous Peoples and the Calls to Action of the Truth and Reconciliation Commission of Canada.
- (c) The Lessor and the Lessee acknowledge the importance of the Nation's culture and Indigenous awareness.

and will work with the Lessor and the Nation to fulfil the requirements of such commitments and principles, to the extent applicable to the Unit(s) and the

Lessee's use thereof, provided that any failure to do so will not be a default under this Lease.

- 12.2 Implementation of Exemptions From Taxation. Without limiting the obligations of the Lessee pursuant to section 4.1, the Lessee, if selling goods or services from the Unit(s), will provide the exemption from taxation set out in section 87 of the *Indian Act* to any person entitled to such exemption in connection with the purchase of any such goods or services. The Lessor agrees that the Lessee may require reasonable evidence of entitlement to such exemption at the time of such sale.
- 12.3 Travel on Other Nation Lands. If the Lessee or any Lessee's Representative wishes to travel on any portion of the Nation's lands other than the Taza Lands or any public roads, the Lessee will ensure that any required permit or other permission is first obtained from the Nation.

13. ALTERATIONS

- 13.1 Consent Requirement. The Lessee will not make exterior or structural Alterations in respect of the Unit(s) or Alterations that involve Common Property, except with the prior written consent of the Lessor, acting reasonably and in accordance with plans and specifications approved in advance by the Lessor.
- 13.2 Lessee May Develop and Construct. Subject to section 13.1, the Lessee, at its sole cost and expense, may make Alterations in respect of the Unit(s), provided in all cases that the Lessee does so in a good and workmanlike manner and in accordance with Applicable Laws, this Lease and the Prepaid Residential Lease and specifically the Lessee complying with the Lessor's requirements with respect thereto under the Prepaid Residential Lease as if the Lessee were the Lessor thereunder, and provided that the Lessee must keep the Unit(s) and the Development in a good, safe and clean and tidy order and condition.

14. MAINTENANCE AND REPAIR

- 14.1 Lessee Maintenance and Repair. The Lessee, at its sole cost and expense, shall maintain, repair, restore, replace and keep up, or cause to be maintained, repaired, restored, replaced and kept up, the Unit(s) in a good and workmanlike manner, and in a good, safe and clean and tidy order and condition and in compliance with Applicable Laws and the requirements of this Lease and the Prepaid Residential Lease.
- 14.2 Homeowner Condo Corporation Maintenance Obligations. Notwithstanding section 14.1, any maintenance, repair, replacement, and restoration obligations of the Homeowner Condo Corporation pursuant to the Condo Building Property Covenants and the Homeowner Condo Constating Documents shall remain with the Homeowner Condo Corporation and the Lessee shall allow the Homeowner Condo Corporation and any person retained by the Homeowner Condo Corporation for such purpose reasonable access to the Unit(s) in accordance with the Condo

Building Property Covenants and the Homeowner Condo Constating Documents to complete the obligations of the Homeowner Condo Corporation.

15. LIENS

15.1 Lessor's Responsibility. The Lessor will not, and will ensure that the Lessor's Representatives do not, do anything or omit to do anything that would cause a lien to be filed against the Head Lease, the Prepaid Residential Lease, the Development, this Lease or any interest of the Lessee in the Unit(s) and if any such lien is filed, the Lessor will take all steps necessary to have such lien released as soon as reasonably possible. This provision does not apply to any lien in favour of the Lessor arising upon a default by the Lessee, to a lien in favour of the Homeowner Condo Corporation or the Developer pursuant to the Condo Building Property Covenants or to any interest of any Prepaid Residential Lease Mortgagee in respect of any Prepaid Residential Lease Mortgage granted by the Lessor or an interest of a Head Lease Mortgagee pursuant to a Head Lease Mortgage granted by the Head Lessee.

15.2 Lessee's Responsibilities.

- (a) The Lessee will not, and will ensure that the Lessee Parties do not, do anything or omit to do anything that would cause or allow a lien to be filed in respect of the Head Lease, the Head Lease Lands, the Prepaid Residential Lease, the Development, this Lease or the Unit(s), other than a Unit Mortgage in accordance with the provisions of this Lease, and if any such lien is filed, the Lessee will take all steps necessary to have such lien released as soon as reasonably possible.
- (b) Without limiting section 15.2(a), the Lessee will be responsible for, throughout the Term at its own cost and expense, any and all builders' liens (which will include any liens for labour, services, or materials alleged to have been furnished with respect to a Unit) filed or claimed by any person as a result of any labour, services or materials supplied to or for the benefit of any Lessee Party, and which may be claimed or registered in respect of the Head Lease, the Head Lease Lands, the Prepaid Residential Lease, the Development, this Lease or the Unit(s), or any part of any of the foregoing. The Lessee will cause any such lien to be paid, satisfied, released or vacated as soon as reasonably possible after the Lessee receives notice thereof, provided that in the event of a bona fide dispute by the Lessee of the validity or amount of any Claim for any such lien the Lessee will be entitled to defend against the Claim in any proceedings brought in respect of the Claim after first paying into a solicitor's trust account, or into Court, the amount claimed or sufficient security, and such costs as a Court may direct and after causing such lien to be discharged no later than 90 days after the Lessee receives notice thereof. The Lessee will register all such documents as may be necessary to discharge such lien upon being entitled to do so, to the satisfaction of the Lessor, acting reasonably.

16. ENVIRONMENTAL MATTERS

16.1 Compliance with Environmental Laws. The Lessee agrees as follows:

- (a) The Lessee will use and occupy the Unit(s) and the common areas of the Development in compliance with Environmental Laws.
- (b) Without limiting the generality of section 16.1(a):
 - (i) the Lessee will not use or permit the use of the Development to generate, manufacture, refine, treat, transport, store, handle, transfer, produce, Release or process any Contaminants; and
 - (ii) The Lessor may consider the Lessee to be in default under this Lease and may exercise the Lessor's rights under Article 27 upon a default by the Lessee of any provision contained in this Article 16;
- (c) All covenants, duties, obligations, and liabilities of the Lessee arising pursuant to this Article 16 during the Term will survive the expiration of this Lease.

17. LESSOR'S INSURANCE

17.1 Lessor's Insurance. The Lessor will procure and maintain, or cause to be procured and maintained, the insurance it is required to maintain pursuant to the Prepaid Residential Lease and procure and maintain or cause the Homeowner Condo Corporation to procure and maintain the insurance it is required to maintain pursuant to the Condo Building Property Covenants.

18. LESSEE'S INSURANCE

18.1 Property Insurance. The Lessee shall procure and maintain such liability and property insurance with respect to the contents of the Unit(s) and the Unit Improvements as would a responsible owner of the Unit(s) and as may be reasonably required by the Lessor from time to time.

18.2 Homeowner Condo Corporation Insurance. Notwithstanding section 18.1, to the extent that insurance is maintained by the Lessor under the Lease or the Homeowner Condo Corporation, either pursuant to the Condo Building Property Covenants or the Homeowner Condo Constating Documents, the Lessee shall not be required to obtain duplicate insurance, but may obtain excess insurance at its discretion.

18.3 Co-Insurance. If any insurance policy contains a co-insurance provision, then the Lessee will maintain, or cause to be maintained, sufficient insurance to prevent the Lessor and the other insureds from being co-insurers and to permit full recovery from the insurers.

- 18.4 Not Cause Cancellation. The Lessee will not do anything, or permit or suffer anything to be done, at the Development that might cause the insurance policies required by the Prepaid Residential Lease, including the Condo Building Property Covenants, or this Lease to be invalidated or cancelled.
- 18.5 Certificates of Insurance. Upon request of the Lessor, the Lessee shall provide the Lessor with a certificate of insurance or such other reasonable evidence of adequate insurance as the Lessor may require.
- 18.6 Release. The Lessee hereby releases His Majesty, the Nation and the Lessor from all liability for loss (including economic loss), Damages or injury (including any loss, Damages, or injury that may arise out of the negligence or omission of His Majesty the Nation or the Lessor, or any of their respective officials, officers, directors, employees, servants, agents, contractors, or subcontractors, as applicable) in any way caused by or resulting from any of the perils or injury against which the Lessee or the Lessor is obligated pursuant to this Lease of the Prepaid Residential Lease, including the Condo Building Property Covenants, to insure.

19. COMPLIANCE WITH APPLICABLE LAWS

- 19.1 Compliance With Applicable Laws. The Lessee and the Lessor, each their own cost and expense, will comply with all Applicable Laws regarding this Lease, the Development or any activity on the Development, and the Lessee will cause all Lessee Parties and any other person that the Lessee or any Lessee Party allows on the Development to comply with such Applicable Laws.
- 19.2 Copies of Notices. The Lessee will promptly deliver to the Lessor copies of any notice from any Governmental Authority requiring something to be done, or stop being done, in respect of the Unit(s). Once the matter under the notice has been resolved to the Governmental Authority's satisfaction, the Lessee will promptly deliver proof, satisfactory to the Lessor, acting reasonably, evidencing the resolution.
- 19.3 Authorization to Receive Information. On written request from the Lessor, acting reasonably, the Lessee will either promptly deliver to the Lessor information from any Governmental Authority about the Lessee's compliance, or promptly arrange for written authorization to allow the Lessor to receive information from any Governmental Authority about the Lessee's compliance or non-compliance with Applicable Laws.
- 19.4 Fire Services. The Lessee shall allow the Lessor and such person as is referenced in section 19.4 of the Prepaid Residential Lease access to the Unit(s), if necessary, upon reasonable notice, access to the Unit(s) for the purposes of the inspections contemplated in section 19.4 of the Prepaid Residential Lease.
- 19.5 Lessee Contest or Appeal. Without in any way relieving or modifying any duty or obligation of the Lessee to comply with sections 6.2, 19.1 or any other provision of this Lease, the Lessee may, at its expense, contest or appeal the enforceability or

validity of any Applicable Laws, in accordance with the provisions, conditions and requirements of such Applicable Laws provided that (i) such contest or appeal will be at the sole cost and expense of the Lessee, and (ii) notwithstanding such right to contest or appeal, the Lessee must promptly take all steps necessary to discharge any lien registered in respect of the Development Lands or this Lease in connection with the matter being contested or appealed, unless the Lessor agrees otherwise in writing.

20. ASSIGNMENT

- 20.1 Exceptions. In this Article 20, a reference to assignment does not include an assignment by way of a grant of Unit Mortgage or the granting of any Sub-interest.
- 20.2 Assignment - General. The Lessee may assign this Lease in its entirety at any time the Lessee is not in default with respect to a material duty or obligation under this Lease, without the prior written consent of the Lessor so long as the Lessee and the assignee comply with section 20.3 and such assignment is otherwise in compliance with Applicable Law. The Lessee shall not assign this Lease in whole or in part in any other manner.
- 20.3 Assignment Agreement. Prior to completing any assignment of this Lease or any interest herein and prior to any such assignment being effective as against the Lessor, the Lessee will obtain from the proposed assignee and deliver to the Lessor a written agreement, in the form attached hereto as Schedule F (or if the proposed assignee wishes modification to that form, acting reasonably, then in the form and content approved by the Lessor), and signed by the Lessee and its assignee, pursuant to which the proposed assignee confirms and accepts the assignment of this Lease to the assignee, the assignee applies to become a member of the Homeowner Condo Corporation (and agrees to comply with the obligations of a member under the Homeowner Condo Constating Documents), attorns to the Lessor as lessor under this Lease, and covenants and agrees in favour of the Lessor that the assignee will observe and perform the covenants, agreements, duties and obligations of the Lessee under this Lease and the Homeowner Condo Constating Documents. The Lessor will act reasonably in considering any revision to the form attached as Schedule F proposed by any such assignee. The Lessee will pay the Lessor's reasonable administrative charges and reasonable direct out-of-pocket costs and expenses (including any reasonable legal or other consulting fees) incurred by the Lessor in respect of the negotiation of any such changes.
- 20.4 Homeowner Condo Corporation Interest. Concurrent with any assignment of this Lease, the Lessee shall transfer its membership in the Homeowner Condo Corporation related to the Unit(s) to the assignee and the assignee shall accept the transfer of same.
- 20.5 Release of Assigning Lessee. If an assigning Lessee and its assignee complies with the other provisions of this Article 20, the assigning Lessee will be released from its covenants, agreements, duties and obligations under this Lease arising after the

time of the assignment provided that the assigning Lessee will remain liable for all covenants, agreements, duties and obligations under this Lease to the extent that they arose prior to the date of the assignment and have not been fulfilled as of the date of the assignment of this Lease, and nothing in this section 20.5 will limit or alter any continuing duties and obligations of any assigning Lessee arising under any Applicable Law, including any Environmental Law.

21. SUB-INTERESTS

- 21.1 Sub-interests. The Lessee may not grant any Sub-interest except pursuant to a Residential Tenancy Agreement.
- 21.2 Residential Tenancies Permitted. Subject to compliance with the remainder of this Lease, the Lessee may enter into written month-to-month or fixed term residential tenancy agreements (each a “**Residential Tenancy Agreement**”) in respect of all, but not part, of the Unit(s) in accordance with Applicable Laws provided that such Residential Tenancy Agreements will not be registered in the Registry and the granting of the residential tenancy thereunder is in compliance with Applicable Law.
- 21.3 Term of any Sub-interest. Any Sub-interest may not extend beyond the day that is one day before the expiration of the Term.
- 21.4 Sub-interests not to Conflict. All Sub-interests will be made expressly subject and subordinate to this Lease and to the rights of the Lessor hereunder and must not conflict with this Lease and will require the holder of the Sub-interest to agree in its Sub-interest not to do anything in contravention of this Lease.
- 21.5 Sub-interest Assignment and Mortgaging. The holder of any Sub-interest may not grant a Mortgage of their interest, nor assign its Sub-interest grant a further sub-interest except pursuant to the Residential Tenancy Requirements.

22. MORTGAGING

- 22.1 Mortgaging by Lessee. The Lessee may grant a Unit Mortgage in respect of the whole of the Lessee’s interest in this Lease by any means without the consent of the Lessor. The Lessor confirms that the Unit Mortgagee holding any Unit Mortgage granted by the Lessee hereunder may enforce its Unit Mortgage to the fullest extent and may acquire the sub-subleasehold estate in any lawful way and, by its representative or a receiver, as the case may be, and subject to section 22.2, may take possession of and use the Unit(s) in accordance with this Lease and sell or assign this Lease subject to and in accordance with the terms and conditions of this Lease.
- 22.2 Conditions of Enforcement Rights. Notwithstanding anything else in this Lease, any enforcement by a Unit Mortgagee holding a Unit Mortgage will be subject to the following conditions:

- (a) prior to the Unit Mortgagee taking possession of the Unit(s) or acquiring the Lessee's interest in this Lease (and the appointment by the Unit Mortgagee of a receiver of the Lessee and steps taken by the receiver in such capacity will not constitute the Unit Mortgagee as being in possession of the Unit(s)), the Unit Mortgagee or the receiver must attorn to the Lessor under this Lease and agree with the Lessor to perform and observe all the Lessee's covenants and agreements under this Lease, including the transfer of the Lessee's membership interest in the Homeowner Condo Corporation to any assignee, pursuant to an agreement in writing with the Lessor, but only for the period of time that the Unit Mortgagee is actually in possession of the Unit(s) and until this Lease is duly assigned to an assignee as provided in section 22.2(b); and
- (b) prior to the completion of any assignment of this Lease pursuant to any realization proceedings of a Unit Mortgagee holding a Unit Mortgage, the assignee of the Lessee's interest in this Lease must covenant and agree in writing with the Lessor to attorn to the Lessor as lessor under this Lease and to observe and perform all of the Lessee's covenants and agreements, and to be responsible for the duties and obligations, of the Lessee under this Lease in accordance with section 20.3 and accept a transfer of the Lessee's membership interest in the Homeowner Condo Corporation.

22.3 Lessor's Lender Agreement. Upon request by the Lessee, the Lessor will enter into a lender agreement with any Unit Mortgagee whose Unit Mortgage has been granted in accordance with this Lease in the form of Schedule G. The Lessor will act reasonably in considering any revision proposed by any Unit Mortgagee to the form attached as Schedule G. The Lessee will pay the Lessor's reasonable administrative charges and reasonable direct out-of-pocket costs and expenses (including any reasonable legal or other consulting fees) incurred in respect of the negotiation of any such changes.

22.4 Unit Mortgages Insured by CMHC. Notwithstanding any other provisions of this Lease, where there is a Unit Mortgage and the Unit Mortgagee is insured against borrower default under the *National Housing Act* (Canada), then:

- (a) during any such time as CMHC has possession of the Unit(s) or holds the equity of redemption in the Unit(s), CMHC will not assume or be responsible for the duties, obligations or liabilities contained in this Lease whatsoever, except that it will be bound by section 11.2 to the extent applicable;
- (b) throughout any period of time during which, as a result of proceedings for default under the Unit Mortgage including transfer of title under the *National Housing Act* (Canada), the Unit Mortgagee or CMHC as successor is in leasehold possession of the Unit(s) or holds leasehold title to the Unit(s),

- (i) the Lessor waives, as against the Unit Mortgagee and CMHC and their successors and assigns, all Rent and Additional Rent and interest accruing and otherwise required to be paid under this Lease, but for the purposes of this waiver, Rent and Additional Rent do not include Real Property Taxes and utility charges required to be paid by the Lessor the Lessee and the actual costs of construction, maintenance and repair of damage that are the responsibility of the Lessee, and
 - (ii) the review and approval of the Lessor shall not be required with respect to plans, specifications, contractors, workers, tradesmen, materials, proposals, details and drawings for repairs, replacements, maintenance, improvements, alterations, and decorations, and
 - (iii) the consent of the Lessor shall not be required with respect to any vacancy of or removal of goods from the Unit(s);
- (c) no restriction on assignment or subletting of this Lease by the Lessee applies to any assignment or subletting or release of this Lease to or by the Unit Mortgagee or CMHC as successor, and the Unit Mortgagee and CMHC shall not remain liable on the Lease after assignment or release by them;
 - (d) there shall be no obligation on CMHC to arrange or maintain any insurance;
 - (e) there shall be no obligation on CMHC to indemnify the Lessor except where CMHC would be so obligated apart from the terms of this Lease;
 - (f) any party requiring arbitration pursuant to the terms of this Lease shall give timely notice of all arbitration proceedings to the Unit Mortgagee and the Unit Mortgagee may participate fully in the proceedings if in its reasonable opinion the outcome may affect its security; and
 - (g) without restricting the generality of the foregoing, all references to Unit Mortgagee shall include CMHC.

23. DAMAGE AND DESTRUCTION

23.1 Damage or Destruction. If a Unit or any Improvements in the Unit are damaged or destroyed during the Term, then:

- (a) the Lessee will promptly secure the Unit, if necessary, so that the Unit does not pose a danger to any person;
- (b) the Lessee will promptly notify the Lessor;

- (c) this Lease will not be deemed to have ended;
- (d) there will be no reduction or postponement of Rent; and
- (e) the Lessee will take such steps, and allow such access to the Unit, as will be required in order for the Lessor and the Homeowner Condo Corporation to perform their obligations under the Lease, including the Condo Building Property Covenants.

23.2 Repair and Replacement. Subject to the termination of this Lease pursuant to section 23.3, the Lessee shall repair or cause each Unit to be repaired to the standards required in the Condo Building Property Covenants.

23.3 Determination not to Repair or Replace. In the event that the Lessor determines, in accordance with Section 24.3 of the Prepaid Residential Lease, not to repair or replace the Unit(s), this Lease shall be terminated and the Lessee shall surrender possession of the Unit(s) on such reasonable date as the Lessor shall notify the Lessee in writing. Notwithstanding any such surrender, the Lessee shall remain entitled to such insurance proceeds as it is entitled under the Condo Building Property Covenants. This section 23.3 shall survive the termination or expiry of this Lease.

24. IMPROVEMENTS AND CHATTELS

24.1 Improvements and Chattels. The parties agree as follows in respect of the Improvements and chattels:

- (a) Subject to the remainder of this section 24.1, ownership of any Improvements made upon or to the Unit(s) by or for the Lessee will vest in the Lessee as and from the time such Improvements are made.
- (b) Upon the expiration of this Lease or earlier termination of the Term, the Lessee will leave all Improvements to the Unit(s), repaired, maintained and kept up in a good and workmanlike manner and in a safe, good, clean and tidy condition, in accordance with the requirements of this Lease and Applicable Laws, all at the sole cost and expense of the Lessee.
- (c) Upon the expiration or earlier termination of the Term, the Lessee will remove or cause to be removed all of its Personal Fixtures and other chattels, unless otherwise agreed to by the Lessor in writing, in its discretion.
- (d) Upon the expiration of this Lease or earlier termination of the Term, the Lessee will, without limiting the foregoing, promptly remove any garbage or debris from the Unit(s) and secure the Unit(s), if necessary, so that each Unit does not pose a danger to any person.

- (e) If the Lessee does not promptly remove Personal Fixtures or chattels required to be removed by the Lessee prior to or upon expiration of this Lease or earlier termination of the Term, or does not leave the Unit(s) in the condition required under section 24.1(d), then, without notice to the Lessee, the Lessor may do so at the cost of the Lessee and the Lessee will reimburse the Lessor for any cost reasonably incurred by the Lessor in connection therewith within 10 days after receipt by the Lessee of the Lessor's invoice therefor. The Lessor may remove and dispose of any such remaining Personal Fixtures and chattels, as determined by the Lessor in its discretion, and the Lessor will not be responsible to the Lessee for any loss suffered by the Lessee or any other person as a result of such removal or disposal.

25. INDEMNITY

- 25.1 Lessee's Indemnity. The Lessee will indemnify and save harmless the Lessor, the Lessor's Representatives, the Head Lessee and His Majesty against and from all liability, loss, costs, Claims or Damages arising out of or related to any occupation of the Unit(s) or the Lessee's, or a Lessee Party's, use of the Development during the Term, except to the extent caused by the gross negligence or wilful misconduct of His Majesty, the Lessor, the Lessor's Representatives or any other person for whom the Lessor is responsible at law, and excluding any consequential Damages in connection with any of the foregoing.
- 25.2 CMHC and Unit Mortgagee. There shall be no obligation for a Unit Mortgagee or for CMHC to indemnify the Lessor, the Lessor's Representatives, the Head Lessee or His Majesty herein.

26. QUIET ENJOYMENT

- 26.1 Quiet Enjoyment. The Lessee, by paying the Rent and any other amounts payable under this Lease and observing and performing its covenants in this Lease, may peaceably and quietly possess, hold and enjoy the Unit(s) during the Term without any interruption or disturbance by the Lessor or anyone claiming by or through the Lessor, except as otherwise expressly set out in this Lease.

27. DEFAULT

- 27.1 Non-Cancellable. Notwithstanding anything in this Lease, but subject to sections 2.2(2) and 23.3, this Lease will be non-cancellable by the Lessor, and the Lessor will not have the right to re-enter or take possession of all or any part of the Unit(s) for the remaining part of the Term or terminate this Lease early for any reason. Notwithstanding the foregoing, the Lessor will be entitled to exercise any other right or remedy available to the Lessee under this Lease or at law in the event of any default by the Lessee under this Lease, including, without limitation, obtaining an injunction or order for specific performance.

- 27.2 Lessee Default. If:

- (a) the Lessee fails to pay any Rent when due under this Lease;
- (b) the Lessee fails to pay any other amount payable to the Lessor when due under this Lease; or
- (c) the Lessee is in default of any other material duty or obligation hereunder,

then, at any time during the continuance of any of the foregoing defaults, the Lessor may give the Lessee written notice of such default.

27.3 Notices to Unit Mortgagees. No notice of default under this Article 27 will be valid for any purpose unless and until a copy of such notice is also given to each Unit Mortgagee entitled to receive a notice in accordance with an agreement entered into in accordance with section 22.3 in accordance with the terms of such an agreement, and each Unit Mortgagee will be entitled thirty (30) days to cure the default, commencing as of the date of receipt by the Unit Mortgagee of such written notice.

27.4 Entitlement to Cure. Any curing of a default by any person (other than the Lessor) on behalf of the Lessee will be construed as curing of that default by the Lessee.

27.5 Remedies other than Termination. Notwithstanding termination may not be available in the circumstances set out in section 27.1, the Lessor shall be entitled to all such other remedies as may be available to the Lessor at law, including specific performance and any other order as shall be granted by a Court in its discretion, which the parties hereby agree shall be available to the Lessor.

27.6 Remedies Cumulative / Concurrently Exercise. All rights and remedies of the Lessor and the Lessee are cumulative and are in addition to and do not exclude any other right or remedy provided in this Lease or otherwise allowed by law. All rights and remedies of the Lessor and the Lessee may be exercised concurrently.

28. **INSPECTIONS AND PERFORMANCE OF COVENANTS**

28.1 Inspections. Without limiting any other provision under this Lease, the Lessee will, following not less than three (3) Business Days' notice from the Lessor (except in the case of an emergency, when no notice period will be required), provide or cause to be provided to His Majesty and His Majesty's representatives, the Head Lessee and the Head Lessee's representatives, and the Lessor and the Lessor's Representatives reasonable access to such portions of the Unit(s) as are reasonably necessary, during the Lessee's business hours and at times agreed to by the Lessee, acting reasonably, for the purposes of inspecting the Unit(s) and determining whether the Lessee's covenants, duties and obligations under this Lease are being duly observed and performed. The Lessee may require that a Lessee's Representative be present during any such inspection, but the Lessor may proceed with any inspection at an agreed upon time, regardless of whether the Lessee makes such a Lessee's Representative available at such time. If an inspection is in response to a default under this Lease, or if in the process of inspecting the Unit(s), His Majesty the Head Lessee or the Lessor discovers or confirms that there is a default

under this Lease, then the reasonable expenses of His Majesty, the Head Lessee or the Lessor, as applicable, under this section are deemed to be Additional Rent.

- 28.2 Lessee Covenants. All agreements, terms, conditions, provisos, duties and obligations to be performed or observed by the Lessee under this Lease will be deemed to be lessee's covenants and all the Lessee's covenants in this Lease are made in favour of the Lessor by the Lessee for itself and for its successors and assigns.

29. PERFORMANCE BY LESSOR

- 29.1 Payment by Lessor. If the Lessee does not pay when due any amount payable by the Lessee to a third party in accordance with this Lease, the Lessor may pay such amount, in which case the Lessee will repay the Lessor such amount, plus 15% thereof as the Lessor's reasonable administrative charge, within ten (10) days after written notice from the Lessor in respect thereof. Any amounts payable by the Lessee under this section 29.1 shall be recoverable as Additional Rent.

- 29.2 Performance by Lessor. Without limiting any other remedy of the Lessor under this Lease, if the Lessor requests in writing that the Lessee perform any Lessee's covenant under this Lease, if the Lessee does not perform the covenant within 15 days of such request, or forthwith in the case of an emergency, the Lessor may (but will not be obligated to), upon not less than three (3) Business Days' further written notice to the Lessee, or no notice in the case of an emergency, do whatever is reasonably necessary to perform the covenant, in which case the Lessee will pay to the Lessor any cost or expense reasonably incurred by the Lessor in performing the covenant, plus 15% thereof as the Lessor's reasonable administrative charge, within ten (10) days after written notice from the Lessor in respect thereof. In the case of any work carried out in accordance with this provision, the Lessor will have no duty or obligation to complete any work commenced by the Lessor. The Lessee will provide or cause to be provided to the Lessor and the Lessor's Representatives all reasonable and necessary access to the Unit(s) for the purpose of carrying out any work in accordance with this section 29.2, and the Lessee will be entitled to have a Lessee's Representative present during the carrying out of any such work, but the Lessor may proceed with such work regardless of whether the Lessee makes such a Lessee's Representative available. Any amounts payable by the Lessee under this section 29.2 shall be recoverable as Additional Rent.

- 29.3 Recovery as Rent in Arrears. The amount of any Damage, loss, expense or payment referred to in section 29.1 or section 29.2 will be recoverable in the manner provided under this Lease for Rent in arrears.

30. ARREARS TO BEAR INTEREST

- 30.1 Arrears to Bear Interest. If the Rent or any other amount owing by the Lessee to the Lessor under this Lease is not paid when due, such amount will bear interest at the Interest Rate from the date the Rent or other amount is due until the date of the

payment, but this stipulation for interest will not prejudice or affect any other rights or remedies of the Lessor under this Lease or otherwise, or be construed to relieve the Lessee from any default in paying the Rent or other amount at the time and in the manner specified in this Lease.

31. SURRENDER OF POSSESSION

31.1 Surrender of Possession. Subject to Article 24, when the Term expires, the Lessee will peaceably surrender the Unit(s) and those Improvements which are to remain on or in the Unit(s) in accordance with this Lease, as applicable, in the condition they were required to be kept and left in accordance with this Lease.

32. REPRESENTATIONS AND WARRANTIES

32.1 Lessor's Representations and Warranties. The Lessor represents and warrants to the Lessee that:

- (a) the Prepaid Residential Lease contains the complete agreement between the Head Lessee and the Lessor with respect to the Development and the Prepaid Residential Lease has not been amended or modified in any way;
- (b) the Prepaid Residential Lease is a good, valid and subsisting lease and the Lessor holds the Prepaid Residential Lease free and clear of any liens, charges and encumbrances other than the Permitted Encumbrances;
- (c) all rent due and required to be paid by the Lessor, as lessee, to the Head Lessee under the Prepaid Residential Lease up to the Commencement Date has been paid in full; and
- (d) all of the duties and obligations of the Lessor as the lessee under the Prepaid Residential Lease have been duly observed and performed by the Lessor and the Lessor is not in default under the Prepaid Residential Lease; and
- (e) to the best of the knowledge of the Lessee, all of the duties and obligations of the Head Lessee as the lessor under the Prepaid Residential Lease have been duly observed and performed by the Head Lessee and the Head Lessee is not in default under the Prepaid Residential Lease; and

The representations and warranties contained in this section 32.1 will survive for a period of 12 months from the Commencement Date, and the Lessee will not bring any action or make any Claim whatsoever with respect to such representations and warranties unless written notice of a Claim is given to the Lessor on or before the expiration of such 12 month period.

32.2 Lessee's Representation and Warranty. The Lessee warrants and represents to the Lessor that the Lessee is not now and will not be at any time during the Term when the *Prohibition on the Purchase of Residential Property by Non-Canadians Act*

(Canada) applies, a non-Canadian as defined in that Act and the regulations promulgated thereunder, as amended or substituted from time to time.

- 32.3 Residential Tenancy Agreement and Assignment Representation and Warranty. The Lessee shall ensure that a representation to the effect of that contained in section 32.2 is included in every Residential Tenancy Agreement and every assignment of this Lease, to be provided by the lessee and assignee thereunder, respectively.

33. CERTIFICATES OF STATUS

- 33.1 Certificates of Status. Each of the parties will, at any time and from time to time, upon not less than ten (10) days' prior written reasonable request by the other party, execute and deliver to the requesting party or to any other person as requested by the requesting party, a signed written statement certifying:

- (a) that this Lease is unmodified and in full force and effect or if modified, identifying such modifications and confirming that this Lease is in full force and effect as modified;
- (b) that, to the knowledge of the party making the certification (without investigation), neither party is in default of any provision of this Lease, or if in default, the particulars thereof; and
- (c) any other matters related to this Lease as may be reasonably requested.

34. DISPUTE RESOLUTION

- 34.1 Arbitration.

- (a) The parties agree that:
 - (i) any dispute between the Lessor and the Lessee that is to be referred to binding arbitration in accordance with a specific provision of this Lease; or
 - (ii) any other dispute in respect of this Lease that both parties agree is to be referred to binding arbitration,

will be resolved by arbitration in the same manner and subject to the same rights and limitations as are set out in Schedule G of the Prepaid Residential Lease.

- (b) Notwithstanding the foregoing, if the Lessor receives a written notice, from either His Majesty or the Head Lessee, of default under the Head Lease with respect to a matter that is then in arbitration, the Lessor will give the Lessee a copy of such written notice of default within 10 days after receipt thereof by the Lessor, following which such default shall be considered a default of

a material duty and the Lessor may give the Lessee written notice of default in accordance with section 27.2. If the Lessor does so, any right of arbitration and any arbitration proceedings will be automatically suspended, unless both parties agree otherwise, after which the Lessor may pursue the remedies provided in Article 27.

(c) In any such binding arbitration, but subject to the foregoing paragraph, the arbitrator will be authorized to extend the date for the occurrence or performance of any act or thing under this Lease due to any delay caused by the arbitration proceedings.

34.2 CMHC. In the event that a Unit Mortgage which is insured by CMHC is registered against the Unit(s), then a copy of the notice of dispute shall be given to the Unit Mortgagee at the same time as it is given to the Lessor or Lessee, as the case may be, and if the Unit Mortgagee considers that the dispute may affect its Unit Mortgage security, the Unit Mortgagee shall be given the opportunity to participate in the arbitration proceedings.

35. NOTICES

35.1 Notices Must be in Writing. All notices under this Lease must be given in writing and delivered in accordance with this Article 35.

35.2 Addresses for Delivery. The addresses for delivery are as follows, unless and until, in the case of the Lessor or the Lessee only, another address for delivery is specified in accordance with this section 35.2:

To the Lessor:

-
-
- , Alberta ●

with a copy to:

-
-
- , Alberta ●

To the Lessee:

-
-
- , Alberta ●

with a copy to:

-
-

●, Alberta ●

35.3 Deemed Delivery. A notice to the Lessor or Lessee will be deemed to be received:

- (a) if delivered, or received by registered mail, on or before 4:00 p.m. (Alberta time) on a Business Day, on receipt; and
- (b) if delivered, or received by registered mail, on a day that is not a Business Day or after 4:00 p.m. on a Business Day, on the next Business Day.

Any party may change its address to another address by informing the other parties of the new address, and such change will take effect 10 days after the notice is received. Upon request by any party, the parties will amend this Lease to reflect any change of address of the applicable party.

36. INTERPRETATION

- 36.1 Certain Determinations by Lessor. Any determination by the Lessor as to the condition of the Unit(s), whether the Lessee has complied with Applicable Laws will be made by the Lessor in good faith and acting reasonably, and at any time within 45 days after receipt by the Lessee of written notice by the Lessor that the Lessee is in default under this Lease with respect to any of such matters, such dispute shall not be determined by a Court but the Lessee may refer the matter to binding arbitration in accordance with section 34.1.
- 36.2 Exercise of Discretion. Subject to section 36.1, in this Lease, including the Schedules hereto, as applicable, when any act, decision or other thing is stated to be in the discretion of any party, the party will have the sole, absolute and unfettered discretion with respect to such act, decision or thing and, without limiting the generality of foregoing, the discretion may be exercised arbitrarily or without reason or justification.
- 36.3 References to Enactments. Any reference to any enactment, including any Environmental Law or other Applicable Law, includes any amendments to or replacements of such enactment, and all regulations made under such enactment, all as amended and in force and effect at any time and from time to time.
- 36.4 Non-Limiting. The word “including”, when following any general statement, will be construed to refer to all other things that could reasonably fall within the scope of such general statement, whether or not non-limiting language (such as “without limitation” or “without limiting the generality of the foregoing”) is used with reference thereto.
- 36.5 Headings. All headings in this Lease have been inserted as a matter of convenience and for reference only and in no way define, limit, enlarge, modify or explain the scope or meaning of this Lease or any of its provisions.

36.6 Internal References. Any reference in this Lease to an Article or section will mean an Article or section of this Lease unless otherwise expressly provided.

37. MISCELLANEOUS

37.1 Entire Agreement. This Lease, and any other written agreement between the Lessor and the Lessee, together set forth the entire agreement and understanding of the parties with respect to the subleasing of the Unit(s) to the Lessee and supersede all prior agreements and understandings between the parties with respect to the subject matter thereof and there are no oral or written agreements, promises, warranties, guarantees, terms, conditions, representations or collateral agreements whatsoever, express or implied, between the Lessor and the Lessee other than those contained in this Lease and any other such written agreement. Nothing contained in this Lease will modify or limit any covenant, duty or obligation of either the Lessor or the Lessee under any other written agreement between the Lessor and the Lessee.

37.2 Amendments. No amendment of this Lease will be valid or binding unless made by a written agreement signed by all parties.

37.3 No Waiver. No condoning, excusing or overlooking by either party of any default by the other party at any time or times in performing or observing any of the other party's covenants will operate as a waiver of or otherwise affect the rights of the non-defaulting party in respect of any continuing or subsequent default and no waiver of these rights will be inferred from anything done or omitted by the non-defaulting party. No waiver of any provision of this Lease will be inferred from anything done or omitted by either of the parties except by an express waiver in writing duly executed by the respective party.

37.4 Time. Time is of the essence in this Lease and will remain of the essence notwithstanding any extension of any period of time in respect hereof. References to time of day or date in this Lease mean local time or date in Calgary, Alberta.

37.5 Force Majeure. Notwithstanding section 37.4, wherever this Lease provides that any act or thing is to be done or performed by a certain date and the doing or performance of such act or thing is delayed due to a pandemic, strike, lockout, act of God, inability to obtain labour or materials, climatic condition or any other condition or cause beyond the reasonable control of the party obligated to do or perform such act or thing (not including any inability of the party to perform due to a lack of funds), the date specified herein for the doing or performance of such act or thing will be extended by the period of such delay provided that the party advises the other parties upon the occurrence of such event giving rise to such delay and takes all commercially reasonable efforts to respond thereto. In addition, the provisions of this section 37.5 shall not operate to extend the Term.

37.6 Business Days. If the date for the performance of any act or thing under this Lease falls on a day that is not a Business Day, then the date for the performance of such act or thing will be automatically extended to the next Business Day.

- 37.7 Number and Gender. Reference to any party will be read as if all required changes in the singular and plural and all grammatical changes rendered necessary by gender had been made.
- 37.8 Joint and Several. If any party is comprised of more than one person then all covenants and agreements of that party will be deemed joint and several covenants and agreements of all persons comprising such party.
- 37.9 No Agency, Partnership or Joint Venture. Nothing in this Lease will be construed as making the Lessor an agent, partner or joint venturer with the Lessee nor as creating any relationship between the parties other than the relationship of sublessor and sublessee. The parties acknowledge that this Lease does not constitute an association or other relationship for the purpose of establishing or evidencing a partnership or joint venture and does not create an agency relationship between the Lessor and the Lessee.
- 37.10 Execution in Counterpart and Delivery. This Lease may be executed in any number of counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument. Counterparts may be delivered in original, faxed or electronic PDF form and the parties adopt any signatures received by facsimile or electronic transmission as original signatures of the parties.
- 37.11 Enurement. This Lease will be for the benefit of and be binding upon the heirs, executors, administrators, successors, permitted assigns and other legal representatives, as the case may be, of each of the parties. Every reference in this Lease to any party includes the heirs, executors, administrators, successors, assigns and other legal representatives of the party.

[Execution page(s) follow.]

IN WITNESS WHEREOF the parties have executed and delivered this Lease by signing this Lease below as of the date and year first above written.

Lessor:

●

by its duly authorized signatory(ies):

Witness:

Lessee:

**SCHEDULE A
PERMITTED ENCUMBRANCES**

The following are Permitted Encumbrances:

[Parcel Abstract to be added upon execution]

SCHEDULE B
Unit(s)

[To be inserted]

SCHEDULE C
HEAD LEASE MORTGAGEE NON-DISTURBANCE AGREEMENT

[See attached]

SCHEDULE "C"

NON-DISTURBANCE AGREEMENT

THIS AGREEMENT made effective the [●] day of [●].

BETWEEN:

[●] (the "**Lender**")

AND:

[●] (the "**Homeowner**")

RECITALS:

A. His Majesty the King in right of Canada as represented by the Minister of Indigenous Services (the "**Head Landlord**"), as landlord, and Tsuut'ina-Canderel Land Development Limited Partnership acting through its general partner, TTN-C Land Development GP Inc. (the "**Head Lessee**"), as tenant, are parties to a certain lease agreement (the "**Original Head Lease**") dated September 28, 2018 issued by the Head Landlord to Tsuut'ina Land Development Limited Partnership, by its General Partner, Tsuut'ina Land Development GP Inc. (the "**Original Tenant**") and registered in the Indian Lands Registry (the "**Registry**") under number 6109935, and assigned by the Original Tenant to the Head Lessee by an assignment dated as of October 5, 2018 and registered in the Registry under number 6110316 (the Original Head Lease, as so assigned is referred to as the "**Head Lease**"), in respect of the lands described as Lot 37, Canada Lands Surveys Record Plan 103721 and Lot 38, Canada Lands Surveys Record Plan 103678, (the "**Head Lease Lands**");

B. The Head Lessee and Crystal Creek Homes Inc. (the "**Lessee**") are parties to a prepaid residential lease dated as of [●] (as may be amended and assigned from time to time in accordance therewith, the "**Prepaid Residential Lease**") pursuant to which the Head Lessee as sublandlord leased to the Lessee, as subtenant, a portion of the Head Lease Lands described as Lot 153, Canada Lands Surveys Records Plan 113913, upon the terms and conditions set forth in the Prepaid Residential Lease;

C. The Lessee and the Homeowner are parties to a prepaid homeowner lease dated [●] (the "**Prepaid Homeowner Lease**") [as assigned to the Lessee pursuant to an Assignment and Assumption of Prepaid Residential Lease dated the ____ day of _____, 202__,]¹ pursuant to which the Lessee agreed to sublet to the Homeowner the Unit, and the Homeowner assumed certain obligations relating to the Unit under the Prepaid Homeowner Lease;

D. The Lender is the lender under a credit agreement made as of June 23, 2022, as amended at any time and from time to time (the "**Credit Agreement**") between the Head Lessee, as borrower, and the Lender, as lender, and in furtherance of the Credit Agreement, the Lender holds, *inter alia*, a debenture dated June 23, 2022, and registered in the Registry under number

¹ NTD: Insert if applicable

6134665, and an assignment of rents dated June 23, 2022, and registered in the Registry under number 6134668, each as amended from time to time (such security, together with any other security under the Credit Agreement, is referred to as the “**Security**”); and

E. The Homeowner has requested that the Lender enter into this Agreement.

NOW THEREFORE IN CONSIDERATION of the sum of One (\$1.00) Dollar paid by the Homeowner to the Lender and other good and valuable consideration, (the receipt and sufficiency of which is hereby acknowledged), the parties agree as follows:

1. All capitalized words and phrases not otherwise defined herein have the meanings ascribed thereto in the Prepaid Homeowner Lease.
2. The Lender acknowledges that if, at any time during the Term of the Prepaid Homeowner Lease or any renewals thereof, the Lender should enforce the Security under the terms of the Credit Agreement or the Security and acquire and take control of the Head Lessee’s interest in the Prepaid Residential Lease (the “**Lender's Remedies**”):
 - a. pursuant to Section 28.1 of the Prepaid Residential Lease, the Lender shall not have the option of terminating the Prepaid Residential Lease for a default by the Lessee during the initial term of the Prepaid Residential Lease, but does have the right to terminate the Prepaid Residential Lease during the Extension Period (as defined under the Prepaid Residential Lease) if all or any portion the Extension Rent (as defined under the Prepaid Residential Lease) is not paid in accordance with the Prepaid Residential Lease;
 - b. provided that the Homeowner is not then in default under the terms of the Prepaid Homeowner Lease beyond any cure period and provided that the Prepaid Homeowner Lease is then in full force and effect, the Lender will provide a Non-Disturbance Agreement to the Homeowner in the form substantially similar to that to be provided by the Head Lessee to the Homeowner in accordance with the Prepaid Homeowner Lease, a copy of which is attached as Schedule “A” hereto.
3. No modification, amendment, waiver or release of any provision of this Agreement or of any right, obligation, claim or cause of action arising thereunder shall be valid or binding for any purpose whatsoever unless made in writing and fully executed by the party against which the same is sought to be asserted.
4. The Homeowner agrees not to enter into any material amendment of the Prepaid Homeowner Lease relating to the financial terms, the Term or the description of the Unit.

5. The terms of this Agreement shall be binding upon and enure to the benefit of and be enforceable by the respective successors and assigns of the parties hereto. The Lender will obtain an assumption agreement of this Agreement from any replacement Lender under the Credit Agreement.

[Signature pages follow]

IN WITNESS WHEREOF the parties hereto have duly executed this Agreement by their as of the date first written above

[LENDER]
by its duly authorized signatory(ies)

Per: _____

Per: _____

Witness

Name: **[Homeowner]**

Schedule "A"
Head Lessee Non-Disturbance Agreement

**SCHEDULE D
PREPAID RESIDENTIAL LEASE MORTGAGEE NON-DISTURBANCE
AGREEMENT**

[See Attached]

SCHEDULE "D"
NON-DISTURBANCE AGREEMENT

THIS AGREEMENT made effective the [●] day of [●].

BETWEEN:

[●] (the "**Lender**")

AND:

[●] (the "**Homeowner**")

RECITALS:

A. His Majesty the King in right of Canada as represented by the Minister of Indigenous Services (the "**Head Landlord**"), as landlord, and Tsuut'ina-Canderel Land Development Limited Partnership acting through its general partner, TTN-C Land Development GP Inc. (the "**Head Lessee**"), as tenant, are parties to a certain lease agreement (the "**Original Head Lease**") dated September 28, 2018 issued by the Head Landlord to Tsuut'ina Land Development Limited Partnership, by its General Partner, Tsuut'ina Land Development GP Inc. (the "**Original Tenant**") and registered in the Indian Lands Registry (the "**Registry**") under number 6109935, and assigned by the Original Tenant to the Head Lessee by an assignment dated as of October 5, 2018 and registered in the Registry under number 6110316 (the Original Head Lease, as so assigned is referred to as the "**Head Lease**"), in respect of the lands described as Lot 37, Canada Lands Surveys Record Plan 103721 and Lot 38, Canada Lands Surveys Record Plan 103678, (the "**Head Lease Lands**");

B. The Head Lessee and Crystal Creek Homes Inc. (the "**Lessee**"), are parties to a prepaid residential lease dated as of [●] (as may be amended and assigned from time to time in accordance therewith, the "**Prepaid Residential Lease**") pursuant to which the Head Lessee as sublandlord leased to the Lessee, as subtenant, a portion of the Head Lease Lands described as Lot 153, Canada Lands Surveys Records Plan 113913 (the "**Development Lands**") upon the terms and conditions set forth in the Prepaid Residential Lease;

C. The Lender is the lender under a credit agreement made as of [●], as amended at any time and from time to time (the "**Credit Agreement**") between the Lessee, as borrower, and the Lender, as lender, and in furtherance of the Credit Agreement, the Lender holds, *inter alia*, [NTD: insert applicable security information], each as amended from time to time (such security, together with any other security under the Credit Agreement, is referred to as the "**Security**"); and

D. The Homeowner has requested that the Lender enter into this Agreement.

NOW THEREFORE IN CONSIDERATION of the sum of One (\$1.00) Dollar paid by the Homeowner to the Lender and other good and valuable consideration, (the receipt and sufficiency of which is hereby acknowledged), the parties agree as follows:

1. All capitalized words and phrases not otherwise defined herein have the meanings ascribed thereto in the Prepaid Homeowner Lease;

2. The Lender and the Homeowner agree that if, at any time during the term of the Prepaid Homeowner Lease or any renewals thereof, the Lender should enforce the Security under the terms of the Credit Agreement or the Security or if the Unit or any portion thereof shall come under the control of the Lender or if the Lender enters in possession thereof (collectively, the "**Lender's Remedies**"), then, provided that the Homeowner is not then in default under the terms of the Prepaid Homeowner Lease beyond any cure period and provided that the Prepaid Homeowner Lease is then in full force and effect:

- (a) the Lender will allow the Homeowner to continue to occupy the Unit for the then unexpired portion of the Term of the Prepaid Homeowner Lease and any renewals or extensions thereof in accordance with and subject to the terms of the Prepaid Homeowner Lease;
- (b) the Homeowner will automatically attorn to and agrees it shall be a subtenant of the Lender for the balance of the Term of the Prepaid Homeowner Lease and any extensions or renewals thereof, subject to the terms and conditions contained in the Prepaid Homeowner Lease and this Agreement, and the Homeowner will execute and deliver any written acknowledgement reasonably required by the Lender in order to evidence such attornment;
- (c) the Lender will automatically accept the attornment of the Homeowner, and the Lender will execute and deliver any written acknowledgement reasonably required by the Homeowner in order to evidence such attornment; and
- (d) the Lender and Homeowner shall be bound as sub-sublandlord and sub-subtenant, respectively, under the terms and conditions of the Prepaid Homeowner Lease for the balance of the Term of the Prepaid Homeowner Lease, except that the Lender shall not be bound or liable for (i) any default by the Lessee of any of its obligations as landlord under the Prepaid Homeowner Lease existing prior to the date that the Lender exercises any of the Lender's Remedies pursuant to the Credit Agreement or the Security or (ii) any of the Lender's obligations as landlord from and after any assignment by the Lender of its subleasehold interest in the Development Lands in connection with the exercise of any of the Lender's Remedies pursuant to the Credit Agreement or the Security.

Upon the occurrence of the foregoing and during any such period, the Homeowner will give the Lender written notice of any default on the part of the Lessee under the Prepaid Homeowner Lease.

3. The Lender hereby consents to the Prepaid Homeowner Lease.

4. The Lender acknowledges and agrees that if it should assign its subleasehold interest in the Development Lands to any person, the Lender shall require as a condition of such assignment that the assignee shall first agree in writing with the Homeowner, by an agreement acceptable to the Homeowner acting reasonably, to be bound to the Prepaid Homeowner Lease and the Homeowner's possession of the Unit thereunder in accordance with the terms and conditions of the Prepaid Homeowner Lease (provided that Homeowner is not at the time of the assignment subject to an uncured default under the Prepaid Homeowner Lease and the Homeowner shall likewise so agree with the assignee and shall release the Lender from any and all of its duties and obligations as sub landlord under the Prepaid Homeowner Lease.

5. No modification, amendment, waiver or release of any provision of this Agreement or of any right, obligation, claim or cause of action arising thereunder shall be valid or binding for any purpose whatsoever unless made in writing and fully executed by the party against which the same is sought to be asserted.

6. The Homeowner agrees not to enter into any material amendment of the Prepaid Homeowner Lease relating to the financial terms, the Term or the description of the Unit.

7. The terms of this Agreement shall be binding upon and enure to the benefit of and be enforceable by the respective successors and assigns of the parties hereto. The Lender will obtain an assumption agreement of this Agreement from any replacement Lender under the Credit Agreement.

[Signature pages follow]

IN WITNESS WHEREOF the parties have duly executed this Agreement as of the date first written above

[LENDER]
by its duly authorized signatory(ies)

Per: _____

Per: _____

Witness

Name: **[Homeowner]**

**SCHEDULE E
PREPAID HOMEOWNER LEASE NON-DISTURBANCE AGREEMENT**

THIS AGREEMENT made effective as of the ____ day of _____, 202__ (the “**Effective Date**”)

AMONG:

**TSUUT’INA-CANDEREL LAND DEVELOPMENT LIMITED
PARTNERSHIP, by its general partner, TTN-C LAND DEVELOPMENT
GP INC.
(the “**Head Lessee**”)**

– and –

[DEVELOPER / HOMEOWNER CONDO CORPORATION] (the “**Lessor**”)

– and –

[HOMEOWNER] (the “**Lessee**”)

WHEREAS by a prepaid residential lease dated as of [●] between the Head Lessee and the Lessor (as may be amended and assigned from time to time in accordance therewith, the “**Prepaid Residential Lease**”), the Head Lessee, as sublandlord, leased to the Lessor, as subtenant, the Development Lands upon the terms and conditions set forth in the Prepaid Residential Lease;

AND WHEREAS the Lessor and the Lessee are parties to a prepaid homeowner lease (the “**Prepaid Homeowner Lease**”) dated the ____ day of _____, 202__ [**as assigned to the Lessee pursuant to an Assignment and Assumption of Prepaid Residential Lease dated the ____ day of _____, 202__,**]¹ pursuant to which the Lessor agreed to sublet to the Lessee the Unit(s) (as defined in the Prepaid Homeowner Lease) and the Lessee assumed certain obligations relating to the Unit(s) under the Prepaid Homeowner Lease;

AND WHEREAS the Prepaid Residential Lease contains certain provisions allowing the Head Lessee to re-enter and take possession of the Unit(s);

AND WHEREAS the Head Lessee and the Lessor are obligated to execute and deliver a non-disturbance agreement in favour of the Lessee pursuant to the provisions of the Prepaid Homeowner Lease, and the Head Lessee is obligated to execute and deliver a non-disturbance agreement in favour of the Lessee pursuant to the provisions of the Prepaid Residential Lease;

AND WHEREAS this Non-Disturbance Agreement is entered into at the request of the Lessee;

¹ **NTD: Insert if applicable**

NOW THIS AGREEMENT WITNESSES that in consideration of the mutual covenants and agreements set forth in this Non-Disturbance Agreement and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the parties covenant and agree as follows:

1. All capitalized words and phrases not otherwise defined herein have the meanings ascribed thereto in the Prepaid Homeowner Lease.
2. The Head Lessee acknowledges in favour of the Lessee that pursuant to Section 28.1 of the Prepaid Residential Lease, it does not have the option of terminating the Prepaid Residential Lease for a default by the Lessor during the initial term of the Prepaid Residential Lease, but does have the right to terminate the Prepaid Residential Lease during the Extension Period (as defined under the Prepaid Residential Lease) if all or any portion the Extension Rent (as defined under the Prepaid Residential Lease) is not paid in accordance with the Prepaid Residential Lease.
3. Upon the Head Lessee terminating the Prepaid Residential Lease due to non-payment of the Extension Rent, or in the event that the Prepaid Residential Lease is disclaimed in any bankruptcy, insolvency or similar proceeding, the Lessee agrees that, upon written demand of the Head Lessee it will, and does hereby agree to attorn to the Head Lessee as sublessor under the Prepaid Homeowner Lease subject to the provisions specified herein.
4. Upon the Head Lessee terminating the Prepaid Residential Lease due to non-payment of the Extension Rent, or in the event that the Prepaid Residential Lease is disclaimed in any bankruptcy, insolvency or similar proceeding, but subject always to the Lessee complying with its obligations pursuant to Section 3 hereof, and subject to any modifications or amendments referred to in Section 8 hereof, provided that the representations and warranties set out in Section 6 hereof are true and correct at and as of the date of termination or disclamation of the Prepaid Residential Lease and with the same effect as if made at and as of the date of termination or disclamation of the Prepaid Residential Lease, so long as the Lessee is not then in material default under the Prepaid Homeowner Lease and subject to the other provisions of this Non-Disturbance Agreement, the Head Lessee will accept and acknowledge the attornment of the Lessee under the Prepaid Homeowner Lease and permit the Lessee to continue in quiet possession of the Unit(s) under the Prepaid Homeowner Lease throughout the remainder of the term of the Prepaid Homeowner Lease and any renewals thereof, without interruption or disturbance from the Head Lessee or any person claiming by, through or under the Head Lessee, subject to the following:
 - (a) the Head Lessee shall not be or become liable to remedy any default of the Lessor under the Prepaid Homeowner Lease which occurs or commences prior to the termination or disclamation of the Prepaid Residential Lease and the attornment by the Lessee to the Head Lessee pursuant to Section 3 hereof;
 - (b) the Head Lessee shall not be or become liable for any breach of any representation or warranty given by the Lessor in respect of the Unit(s);

- (c) the attornment of the Lessee to the Head Lessee shall be in respect of the Prepaid Homeowner Lease and, except as set out in Section 8 hereof, the Head Lessee shall not be required to acknowledge nor shall the Head Lessee be bound by any modifications or amendments to the Prepaid Homeowner Lease made between the date of execution of this Non-Disturbance Agreement and the date of termination or disclamation of the Prepaid Residential Lease, and the Lessee shall be bound to the Head Lessee as subtenant under the Prepaid Homeowner Lease as if such modifications or amendments to the Prepaid Homeowner Lease which have not been approved by the Head Lessee pursuant to Section 8 hereof had not been made;
 - (d) the Head Lessee shall not be required to acknowledge any deposit by way of security or otherwise given by the Lessee to the Lessor in respect of any obligations of the Lessee arising during the period of time after the attornment of the Lessee to the Head Lessee as sublessor under the Prepaid Homeowner Lease, except to the extent that such deposit or other security shall have been paid to the Head Lessee and accepted by the Head Lessee as sublessor under the Prepaid Homeowner Lease; and
 - (e) the Head Lessee shall not be required to acknowledge any contributions to a Reserve Fund (as defined under the Prepaid Residential Lease), Operating Account (as defined under the Prepaid Residential Lease), Homeowner Extension Rent or other payment made by the Lessee to the Lessor under the Prepaid Homeowner Lease, except to the extent that such contributions to a Reserve Fund, Operating Account, Homeowner Extension Rent or other payment made by the Lessee to the Lessor under the Prepaid Homeowner Lease have been paid to the Head Lessee and accepted by the Head Lessee as sublessor under the Prepaid Homeowner Lease.
5. Save and except as hereinafter provided including pursuant to Section 9, from and including the date the Lessee attorns to the Head Lessee as sublessor under the Prepaid Homeowner Lease, the Head Lessee will be bound as sublessor under the terms and conditions of the Prepaid Homeowner Lease; provided that the Head Lessee shall not be or become liable to remedy any default by the Lessor under the Prepaid Homeowner Lease which occurs or arises prior to the termination or disclamation of the Prepaid Residential Lease and the attornment by the Lessee to the Head Lessee.
6. The Lessee represents and warrants that, as of the Effective Date:
- (a) the Prepaid Homeowner Lease has been duly executed and delivered by the Lessee;
 - (b) the Prepaid Homeowner Lease constitutes the whole of the legal relationship between the Lessee and the Lessor in relation to the sub-subletting of the Unit(s);
 - (c) the Lessee is not in material default of its covenants or obligations under the Prepaid Homeowner Lease and no notice of default has been served on the Lessee in respect of any outstanding claim by the Lessor or the Head Lessee; and
 - (d) the Prepaid Homeowner Lease has not been modified or amended except as set out in the above recitals.

7. The Lessee acknowledges that the Head Lessee is relying upon the Lessee's representations and warranties set out in Section 6 hereof and will forthwith provide notice to the Head Lessee if any of the representations or warranties are no longer true together with sufficient details giving rise to matters affecting the veracity of the representations and warranties set out in Section 6 hereof.
8. The Head Lessee shall acknowledge and upon attornment by the Lessee shall be bound by modifications of or amendments to the Prepaid Homeowner Lease made between the date of execution of this Non-Disturbance Agreement and the date of termination or disclamation of the Prepaid Residential Lease, provided that:
 - (a) a fully executed copy of such modifications or amendments has been provided to the Head Lessee;
 - (b) such modifications or amendments are acceptable to the Head Lessee, acting reasonably; and
 - (c) such modifications or amendments have been acknowledged by the Head Lessee, either by a separate written instrument or by an amendment to this Non-Disturbance Agreement or by a new non-disturbance agreement.
9. Notwithstanding anything to the contrary contained herein, the Head Lessee may enter into a new prepaid residential lease (the "**Replacement Lease**") with a person (the "**Replacement HC**") who shall have the same rights and obligations as the Homeowner Condo Corporation under the Prepaid Residential Lease, in which case the Lessee shall attorn to the Replacement HC to the same extent as it is obligated to attorn to the Head Lessee under this Non-Disturbance Agreement and the Replacement HC shall be bound by all of the obligations of the Head Lessee under this Non-Disturbance Agreement. The Lessee agrees to provide all further assurances, including reinstating the Prepaid Homeowner Lease as a sublease under the Replacement Lease, to give effect to the foregoing.
10. The rights under this Non-Disturbance Agreement shall not, in any way, alter, affect or prejudice any of the rights or remedies available to the Head Lessee against the Lessor.
11. The Lessee may not assign this Non-Disturbance Agreement in whole or in part except to an assignee pursuant to an assignment of the Lessee's interest under the Prepaid Homeowner Lease in accordance with the provisions of the Prepaid Homeowner Lease. The Lessee agrees that it will not assign this Non-Disturbance Agreement in whole or in part without requiring such assignee to agree with the Lessor (or its assignee in accordance with the Prepaid Residential Lease and the Prepaid Homeowner Lease) and the Head Lessee to assume and to perform all of the Lessee's covenants, obligations and agreements under this Non-Disturbance Agreement in the same manner and to the same extent as if originally named as a party to this Non-Disturbance Agreement. An assignee to whom the Lessee has assigned this Non-Disturbance Agreement and the Prepaid Homeowner Lease and who has agreed to assume and to perform all of the Lessee's covenants, obligations and agreements under this Non-Disturbance Agreement as set out in this Section 11 is a

permitted assignee for the purposes of Section 13 hereof. The Lessee shall forthwith provide to the Head Lessee an executed copy of any assignment of the Prepaid Homeowner Lease and of any assignment of this Non-Disturbance Agreement. The Lessee shall not otherwise assign this Non-Disturbance Agreement under any circumstances and any such purported assignment of this Non-Disturbance Agreement by the Lessee shall be void.

12. All notices under this Agreement must be given in writing and delivered in accordance with this section 12. The addresses for delivery are as follows, unless and until another address for delivery is specified in accordance with this section:

To the Head Lessee:

- Attention:•

with a copy to:

-

To the Lessor:

- Attention:•

with a copy to:

-

To the Lessee:

-

A notice to a party will be deemed to be received:

- (a) if delivered, or received by registered mail, on or before 4:00 p.m. on a Business Day, on receipt; and
- (b) if delivered, or received by registered mail, on a day that is not a Business Day or after 4:00 p.m. on a Business Day, on the next Business Day.

Any party may change its address to another address by informing the other parties of the new address, and such change will take effect 10 days after the notice is received and the Agreement will automatically be amended to reflect such change.

13. This Non-Disturbance Agreement will enure to the benefit of and will be binding upon the successors and permitted assigns of the parties.

14. The failure of either party at any time to require performance by the other party of any provision hereof shall in no way affect its right thereafter to enforce such provision, nor shall the waiver by either party of any breach of any covenant, condition or proviso hereof be taken or held to be a waiver of any further breach of the same covenant, condition or proviso.
15. Time is of the essence of this Non-Disturbance Agreement.
16. This Non-Disturbance Agreement may be executed and delivered in any number of counterparts, each of which when executed and delivered is an original but all of which taken together constitute one and the same instrument.
17. To evidence the execution of this Non-Disturbance Agreement or any one of its counterparts, a party may transmit a copy of its original or e-signature on the execution page hereof to the other party by email or another form of electronic transmission contemplated by the parties and such transmissions shall constitute effective delivery of an executed copy of this Agreement to the receiving party for all purposes.

[Signature page follows.]

IN WITNESS WHEREOF the parties hereto have executed this Non-Disturbance Agreement as of the Effective Date.

Head Lessee:

TSUUT'INA-CANDEREL LAND DEVELOPMENT LIMITED PARTNERSHIP, by its general partner, TTN-C LAND DEVELOPMENT GP INC.
by its duly authorized signatory(ies):

Per: _____

Per: _____

Lessor:

•
by its duly authorized signatory(ies):

Per: _____

Per: _____

Lessee:

Name: **[HOMEOWNER]**

SCHEDULE F
ASSIGNMENT AND ASSUMPTION OF PREPAID HOMEOWNER LEASE

THIS AGREEMENT is made as of the • day of •, 20• (the “**Effective Date**”)

AMONG:

- [Name]
- [Address]

(the “**Assignor**”)

AND:

- [Name]
- [Address]

(the “**Assignee**”)

AND:

**[DEVELOPER / HOMEOWNER CONDO
CORPORATION]**
[Address]

(the “**Lessor**”)

WHEREAS:

- A. By a Prepaid Homeowner Lease (Taza Park) (the “**Homeowner Lease**”) dated as of •, 20• between the Lessor, as sub-lessor, and the Assignor, as sub-sublessee, and registered in the Indian Lands Registry (the “**Registry**”) under instrument number(s) •, the Lessor leased to the Assignor the unit(s) legally described as follows:

●

(the “**Unit(s)**”);

- B. The Homeowner Lease was made in furtherance of a head lease dated September 28, 2018 in respect of the Head Lease Lands issued by His Majesty the King in right of Canada as represented by the Minister of Indigenous Services (“**His Majesty**”) in favour of Tsuut’ina Land Development Limited Partnership, by its general partner, Tsuut’ina Land Development GP Inc. (the “**Original Lessee**”) and registered in the Registry under instrument number 6109935, as assigned by the Original Lessee to Tsuut’ina-Canderel Land Development Limited Partnership, by its general partner, TTN-C Land Development GP Inc. (the “**Partnership**”) pursuant to an assignment registered in the Registry under

number 6110316, and as further amended at any time and from time to time (the “**Head Lease**”), and a prepaid residential lease dated the [●] in respect of the Development Lands (as defined therein) between the Partnership and the Lessor (as [assigned to the Lessor and] may hereafter be amended and assigned from time to time in accordance therewith, the “**Prepaid Residential Lease**”);

- C. As set out in this Agreement, the Assignor has agreed to assign its interest in the Homeowner Lease to the Assignee for the remainder of the Term from and after the date of this Agreement (the “**Effective Date**”); and
- D. The Homeowner Lease provides that, prior to completing any assignment of the Homeowner Lease or any interest therein and prior to any such assignment being effective as against the Lessor, the Assignor must obtain from the proposed assignee and deliver to the Lessor a written agreement in the form contemplated in the Homeowner Lease, signed by the Assignor and its assignee pursuant to which the proposed assignee covenants and agrees in favour of the Lessor that the assignee will observe and perform the covenants, agreements, duties and obligations of the Assignor under the Homeowner Lease.

THEREFORE in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by all of the parties, the parties hereby agree as follows:

1. **Definitions.** Capitalized terms used in this Agreement and not defined herein have the meanings assigned to such terms in the Homeowner Lease. In this Agreement, “**Lessee’s Covenants**” means all covenants, agreements, duties and obligations of the “Lessee” under the Homeowner Lease, as set out in the Homeowner Lease or established by law, whether arising before, on or after the Effective Date, and, without limiting the generality of the foregoing, includes all obligations under the Homeowner Lease to pay Rent and all other payments to the Lessor whether characterized as Rent or not, and all other obligations of the “Lessee” under the Homeowner Lease, whether constituting covenants, agreements, conditions, indemnities, releases, waivers, representations or warranties, and whether made in favour of the Lessor, His Majesty, or any other person.
2. **Assignment.** As of and from the Effective Date, the Assignor hereby assigns to the Assignee the Homeowner Lease and all privileges and appurtenances thereto, together with the unexpired residue of the Term, and all benefits and advantages to be derived therefrom.
3. **Acknowledgment and Agreement.** The Lessor hereby acknowledges and agrees to the assignment of the Homeowner Lease from the Assignor to the Assignee in accordance with this Agreement. The Lessor has joined in the making of this Agreement for the purpose of granting the acknowledgment and agreement given herein and that by joining this Agreement, the Lessor does not otherwise

acknowledge or approve of, and shall not be bound by, any of the provisions of the within assignment as between the Assignor and the Assignee.

4. Confirmations and Agreements.

- (a) The Assignor and the Assignee hereby covenant and agree with the Lessor that, as of the Effective Date:
 - (i) the Assignor has assigned, transferred and set over to the Assignee all of the Assignor's right, title and interest in and to the Homeowner Lease, to have and to hold unto the Assignee;
 - (ii) the assignment of the Homeowner Lease to the Assignee is in compliance with Applicable Laws; and
 - (iii) the Assignor no longer has rights of any kind whatsoever under the Homeowner Lease.

- (b) For greater certainty, the Assignor confirms to and agrees with the Lessor that, notwithstanding the assignment of the Homeowner Lease to the Assignee:
 - (i) the Assignor will remain liable for all of the Lessee's Covenants, to the extent that they arose prior to the date of this Agreement and have not been fulfilled as of the date of this Agreement; and
 - (ii) in no event will the assignment of the Homeowner Lease to the Assignee or this Agreement limit or alter any continuing duties and obligations of the Assignor arising up to the time of the assignment under any Applicable Law, including any Environmental Law.

- (c) The Assignor further confirms to and agrees with the Lessor that the Assignor has delivered to the Assignee true and complete copies of the Homeowner Lease and the Prepaid Residential Lease. The Assignee confirms to the Lessor that the Assignee has received such copies of the Homeowner Lease and the Prepaid Residential Lease and is familiar with the provisions contained therein.

- (d) The Assignor hereby confirms, represents and warrants to the Assignee and the Lessor as follows, as of the Effective Date:
 - (i) the Assignor has good right, full power and absolute authority to assign the Homeowner Lease to the Assignee and there are no Sub-interests in respect thereto except as follows (nil if not completed);

- (ii) that the Homeowner Lease has not been amended except as set out in the above recitals;
- (iii) that, to the best of the Assignor's knowledge, the Homeowner Lease is in good standing and neither the Lessor nor the Assignor are in default of any provision of the Homeowner Lease except as follows (nil if not completed);
- (iv) that the Homeowner Lease has not been amended except as set out in the above recitals;
- (v) that, to the best of the Assignor's knowledge, the Homeowner Lease is in good standing and neither the Lessor nor the Assignor are in default of any provision of the Homeowner Lease, except as follows (nil if not completed):

5. **Assignee's Covenants.**

- (a) The Assignee hereby confirms and accepts the assignment of the Homeowner Lease to the Assignee, assumes all Lessee's Covenants, attorns to the Lessor as Lessee under the Homeowner Lease.
- (b) The Assignee covenants and agrees with and in favour of the Assignor and the Lessor that the Assignee will, from and including the date of this Agreement and during all of the residue of the term granted by the Homeowner Lease and every extension or renewal thereof (if any), pay the Rent reserved at the times and in the manner provided in the Homeowner Lease and perform all Lessee's Covenants as if the Assignee had executed and delivered the Homeowner Lease in the place of and in the stead of the Assignor.
- (c) The Assignee acknowledges and agrees that the Assignee shall become a member of the Homeowner Condo Corporation and agrees to be a party to, and comply with the provisions in, the Unanimous Members Agreement.
- (d) The Assignee hereby applies for membership in the Homeowner Condo Corporation and **[the Developer agrees to cause]**² the Homeowner Condo Corporation **[agrees]**³ to grant such membership effect as of the Effective Date
- (e) The Assignee acknowledges and confirms that it has received a copy of the current form of the Homeowner Condo Constating Documents (which are posted on the **[Website details]**).

² Delete if Developer is not a party.

³ Delete if Homeowner Condo Corporation is not a party.

- (a) The Assignee acknowledges and agrees that: (i) the rights and obligations of the Assignee and the Homeowner Condo Corporation are set forth in the *Canada Not For Profit Act* and the Homeowner Condo Constating Documents; (ii) it has been encouraged to and should obtain independent legal, tax and investment advice with respect to the Homeowner Lease and its membership in the Homeowner Condo Corporation; (iii) it has read and understands fully the provisions of such Homeowner Condo Constating Documents; (iv) in its capacity as a member of the Homeowner Condo Corporation as at the Effective Date, agrees to comply with the obligations of members under the Homeowner Condo Constating Documents; and (v) the Assignee's voting rights in the Homeowner Condo Corporation shall be commensurate with the Unit Factor(s) of the Unit(s).
- (f) The Assignee agrees to observe and perform the covenants, agreements, duties and obligations of the Assignor under the Homeowner Constating Documents.
- (g) The Assignee covenants with the Assignor that the Assignee will indemnify and save harmless the Assignor from and against any Damages arising out of any non-observance or non-performance of any of Lessee's Covenants from and including the Effective Date.

6. Informational Communications.

- (a) The Assignee agrees to provide to the Partnership and the Taza Governing Body, to the extent in existence, accurate and up-to-date contact information, including an email address and phone number, by filling out the appropriate documentation as of the Effective Date and shall update this contact information whenever it changes to maintain continuous communication regarding the management of the Homeowner Lease and residency.
- (b) By executing this Agreement, the Assignee consents to receive informational emails from the Partnership and the Taza Governing Body that are necessary for the management of the Homeowner Lease and residency, including but not limited to service updates, building notices, and emergency notifications. This consent specifically pertains to non-marketing communications.

7. Release of Assignor. The Lessor agrees that the Assignor is released from all Lessee's Covenants under the Homeowner Lease which arise from and after the Effective Date, provided that the Assignor will remain liable for all of the Lessee's Covenants to the extent that they arose prior to the date of this Agreement and have not been fulfilled as of the Effective Date.

8. Fees. This Agreement is given on the express understanding that the Assignor shall be responsible for and pay to the Lessor, the reasonable administrative

charges and reasonable direct out-of-pocket costs and expenses (including any reasonable legal or other consulting fees) incurred by the Lessor in respect of the negotiation of any changes to this Agreement from the form attached to the Homeowner Lease.

9. **Notices.** The Assignee agrees with the Lessor that any notice to be given to the Assignee under the Homeowner Lease is to be given to the following address for delivery:

•

Attention: •

with a copy to:•

until such time (if ever) that the Assignee specifies another address for delivery in accordance with the Homeowner Lease.

10. **Survival of Provisions.** The provisions of the Homeowner Lease will survive the execution and delivery of this Agreement and will not merge in this Agreement and, without limiting the generality of the foregoing, time will remain of the essence of the Homeowner Lease. The parties confirm that the Homeowner Lease remains in full force and effect, unchanged and unmodified except in accordance with this Agreement.
11. **Enurement.** This Agreement will enure to the benefit of, and be binding upon, the Lessor and the Assignor and their respective successors and assigns and the Assignee and its successors and permitted assigns under the Homeowner Lease.
12. **Counterparts.** This Agreement may be executed and delivered in any number of counterparts, each of which when executed and delivered is an original but all of which taken together constitute one and the same instrument.
13. **Electronic Transmission.** To evidence the execution of this Agreement or any one of its counterparts, a party may transmit a copy of its original or e-signature on the execution page hereof to another party by email or another form of electronic transmission contemplated by the parties and such transmissions shall constitute effective delivery of an executed copy of this Agreement to the receiving party for all purposes.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first above written.

Assignor:

•
by its duly authorized signatory(ies):

Per: _____

Per: _____

Assignee:

•
by its duly authorized signatory(ies):

Per: _____

Per: _____

Lessor:

[DEVELOPER / HOMEOWNER CONDO CORPORATION]

by its duly authorized signatory(ies):

Per: _____

Per: _____

**SCHEDULE G
LESSOR MORTGAGE AGREEMENT**

THIS AGREEMENT is made as of the • day of •, 20• (the “**Effective Date**”)

BETWEEN:

•

(the “**Mortgagee**”)

AND:

[DEVELOPER (the “Developer”)]¹

and

[HOMEOWNER CONDO CORPORATION]

(**[together with the Developer,]** the “**Lessor**”)

WHEREAS:

- A. By a Prepaid Homeowner Lease (Taza Park) (the “**Homeowner Lease**”) dated as of •, 20• between the Lessor, as sub-lessor, and the Lessee, as sub-sublessee, and registered in the Indian Lands Registry (the “**Registry**”) under instrument number(s) •, the Lessor leased to the Assignor the unit(s) legally described as follows:
-
- (the “**Unit(s)**”);
- B. By a mortgage [**and assignment of rents**] (**[together,]** the “**Mortgage**”) dated as of •, 20• between the Lessee, as mortgagor, and the Mortgagee, and registered in the Registry under instrument number(s) •, the Lessee did demise and assign by way of mortgage unto the Mortgagee all of the Lessee’s right, title, and interest in the Homeowner Lease, the Unit(s); and
- C. The Lessee has requested, pursuant to the terms of the Homeowner Lease, that the Lessor enter into this Agreement with the Mortgagee.

THEREFORE in consideration of \$10.00 paid by the Lessee and the Mortgagee to the Lessor and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties, the parties agree as follows:

¹ **NTD: if still involved**

1. **Definitions.** Capitalized terms used in this Agreement and not defined herein have the meanings assigned to such terms in the Homeowner Lease.
2. **Confirmations re: Homeowner Lease.** The Lessor hereby confirms, represents and warrants to the Mortgagee as follows, as of the Effective Date:
 - (a) that the Homeowner Lease has not been amended except as set out in the above recitals; and
 - (b) that to the knowledge of the Lessor (without investigation), the Homeowner Lease is in good standing and the Lessee is not in default of any provision of the Homeowner Lease except as follows (nil if not completed):
3. **Right to Notice.** The Lessor agrees to provide to the Mortgagee written notice of any default of the Lessee under the Homeowner Lease at the same time as, or within a reasonable time after, the Lessor delivers notice of the default to the Lessee under the Homeowner Lease.
4. **Right to Cure.** The Lessor agrees that, subject to Applicable Laws:
 - (a) the Lessor will not take any action to enforce the Lessor's rights against the Lessee under the Homeowner Lease unless the Lessor provides notice to the Mortgagee in accordance with section 3 and neither the Mortgagee nor any other person (including a receiver) has cured or caused to be cured the default that gave rise to the Lessor's right to take any action to enforce the Lessor's rights against the Lessee under the Homeowner Lease; and
 - (b) the Mortgagee will have the same rights as the Lessee in respect of any default of the Lessee under the Homeowner Lease, including any right to cure or cause to be cured any default, or to commencing the curing of any default, of the Lessee under the Homeowner Lease, as applicable, within the period afforded to the Lessee under the Homeowner Lease, commencing as of the date of receipt by the Mortgagee of the written notice of the default, as set out in section 3 hereof, plus a further 30 days or such lesser time period as may be required to ensure the Lessor is not in default under the Prepaid Residential Lease and the Head Lessee is not in default under the Head Lease.
5. **Mortgagee's Right to Enforce.** The Lessor covenants and agrees with the Mortgagee that, subject to the Mortgagee's compliance with section 6 hereof:
 - (a) the Mortgagee will be entitled to enforce the Mortgage to the fullest extent and to acquire the Lessee's sub-subleasehold estate under the Homeowner Lease in any lawful way, including as against the Lessor; and

- (b) the Mortgagee will be entitled, by its representative or receiver, as the case may be, to take possession of and use the Unit(s) in accordance with the Homeowner Lease and administer the Unit(s) applicable to the sub-subleasehold estate against all parties (including the Lessor and the Lessee), and upon foreclosure of the Mortgage, to sell or assign the Homeowner Lease in accordance with the provisions of the Homeowner Lease and the purchaser or assignee of the sub-subleasehold estate shall be liable to perform the obligations imposed upon the Lessee under the Homeowner Lease,

without the necessity of obtaining any consent from the Lessor.

6. **Restrictions on Exercise of Mortgagee's Rights.** Notwithstanding anything contained in this Agreement, any enforcement by the Mortgagee of the Mortgage will be subject to the following conditions:

- (a) prior to the Mortgagee, or any representative or receiver of the Mortgagee, as the case may be acquiring the Lessee's interest in the Homeowner Lease (including by way of order absolute in foreclosure proceedings against the Lessee), the Mortgagee, representative or receiver, as the case may be, must attorn to the Lessor under the Homeowner Lease and agree to perform and observe all the Lessee's covenants and agreements under the Homeowner Lease (as though such covenants and agreements were incorporated in and formed a part of this Agreement), pursuant to an agreement in writing with the Lessor, but only for the period of time that the Mortgagee, representative or receiver, as the case may be, is or was the registered owner of title to the sub-subleasehold interest of the Homeowner Lease and until the Homeowner Lease is duly assigned or otherwise transferred to, and assumed by, an assignee or transferee in accordance with the Homeowner Lease and this Agreement; and
- (b) prior to the completion of any assignment of the Homeowner Lease by the Mortgagee or pursuant to the enforcement of the Mortgage, the Mortgagee must cause any assignee of the Lessee's interest in the Homeowner Lease to covenant and agree in writing to attorn to the Lessor as sub-lessor under the Homeowner Lease, to observe and perform the Lessee's covenants and agreements as if the assignee had executed and delivered the Homeowner Lease in the place of and in the stead of the Lessee, to be responsible for the Lessee's duties and obligations under the Homeowner Lease, and to bring any arrears of Rent under the Homeowner Lease into good standing and cure any other defaults capable of being cured, all in accordance with the Homeowner Lease.

7. **Restrictions on Surrender and Amendment.** The Lessor hereby covenants and agrees with the Mortgagee that:

- (a) the Lessor will not accept a surrender of the Homeowner Lease or of any of the Lessee's rights thereunder, in whole or in part, without the prior written consent of the Mortgagee; and
 - (b) the Lessor will not agree to any amendment to the Homeowner Lease:
 - (i) which would increase any financial obligations of the Lessee, including with respect to the amount of rent payable;
 - (ii) which would shorten the length of the term of the Homeowner Lease; or
 - (iii) which may otherwise adversely affect the Mortgagee's security,without the prior written consent of the Mortgagee. The Mortgagee agrees to respond in writing to any written request from the Lessor for its consent to any proposed amendment to the Homeowner Lease within 60 days after receipt of any such request from the Lessor or the Lessee. the Mortgagee does not reply to a request for consent within sixty (60) days, it shall be deemed to have provided its consent.
8. The Lessor hereby agrees that the Mortgagee shall be afforded all the rights of a Unit Mortgagee who has notified the Homeowner Condo Corporation of a Unit Mortgage in accordance with the Homeowner Condo Corporation Bylaws.
9. **Bankruptcy and Insolvency of the Lessee.** The rights of the Mortgagee under the Mortgage and this Agreement will not be restricted by:
- (a) the bankruptcy, insolvency, receivership or winding-up of the Lessee or any assignment for the benefit of the creditors of the Lessee; or
 - (b) any execution, attachment or distress or similar process taking effect against any of the assets of the Lessee.
10. **Receipt of Copy of Head Lease, Prepaid Residential Lease and Homeowner Lease.** The Mortgagee hereby acknowledges that it has received copies of the Head Lease, Prepaid Residential Lease and the Homeowner Lease and is familiar with the provisions contained therein.
11. **Assignment by Mortgagee.** The Mortgagee will be entitled to assign the Mortgagee's rights under this Agreement to any person to whom the Mortgagee assigns the Mortgage without the prior consent of the Lessor, provided that the Mortgagee causes such other person to enter into a written agreement with the Lessor and the Lessee wherein such other person assumes the Mortgagee's obligations under this Agreement, and upon the execution and delivery to the Lessor of such an agreement the Mortgagee will cease to have any obligations to

the Lessor under this Agreement except for any obligations under this Agreement arising prior to the date of such assignment.

12. **Assignment by Lessor.** The Lessor will not assign or otherwise transfer its interest in the Homeowner Lease [except, in the case of a Developer, to the Homeowner Condo Corporation in accordance with the Prepaid Residential Lease, in which case, the Developer shall have no further rights under this Agreement and shall automatically be released from all of its obligations hereunder arising from and after such assignment,]² unless the Lessor causes the assignee or transferee to execute and deliver to the Mortgagee an agreement with the Lessor, the Mortgagee and the Lessee, assuming the obligations of the Lessor under this Agreement, and upon the execution and delivery to the Mortgagee of such an agreement the Lessor will cease to have any obligations to the Mortgagee under this Agreement.
13. **Termination.**
 - (a) This Agreement will terminate and be of no further force and effect at such time as the Mortgage has been repaid in full in accordance with the provisions therein and the Mortgage has been released or discharged from the Registry. The Mortgagee will promptly file a discharge in the Registry when the Homeowner Lease is no longer subject to the Mortgage.
 - (b) In the event that the Mortgagee determines not to advance any monies pursuant to the Mortgage and cancels the Mortgage, the Mortgagee shall provide the Lessor and Lessee with written notice thereof and this Agreement shall be considered absolutely null and void and of no force and effect whatsoever.
14. **Fees.** This Agreement is given on the express understanding that the Lessee shall be responsible for and pay to the Lessor, the reasonable administrative charges and reasonable direct out-of-pocket costs and expenses (including any reasonable legal or other consulting fees) incurred by the Lessor in respect of the negotiation of any changes to this Agreement from the form attached to the Homeowner Lease.
15. **Effect of Agreement.** Notwithstanding anything stated herein, the parties hereto hereby acknowledge and agree that the effectiveness of this Agreement and each of the terms, covenants and obligations contained herein shall be conditional upon the delivery and receipt of a fully executed copy of this Agreement by the parties hereto on or before the first (1st) anniversary of the date of this Agreement; and in the event a fully executed copy of this Agreement is not received by the parties hereto, on or before the first (1st) anniversary of the date of this Agreement, none

² If the Developer is still involved.

of the covenants or obligations herein shall be binding on the other party and this Agreement shall be deemed and rendered void and shall have no force or effect.

- 16. **Notices.** All notices under this Agreement must be given in writing and delivered in accordance with this section 16. The addresses for delivery are as follows, unless and until another address for delivery is specified in accordance with this section:

To the Lessor:

- Attention: •

with a copy to:

-

To the Mortgagee:

- Attention: •

with a copy to:

-

A notice to a party will be deemed to be received:

- (a) if delivered, or received by registered mail, on or before 4:00 p.m. on a Business Day, on receipt; and
- (b) if delivered, or received by registered mail, on a day that is not a Business Day or after 4:00 p.m. on a Business Day, on the next Business Day.

Any party may change its address to another address by informing the other parties of the new address, and such change will take effect 10 days after the notice is received and the Agreement will automatically be amended to reflect such change.

- 17. **Enurement.** This Agreement will enure to the benefit of and will be binding upon the successors and assigns of the parties.
- 18. **Counterparts.** This Agreement may be executed and delivered in any number of counterparts, each of which when executed and delivered is an original but all of which taken together constitute one and the same instrument.

19. **Electronic Transmission.** To evidence the execution of this Agreement or any one of its counterparts, a party may transmit a copy of its original or e-signature on the execution page hereof to another party by email or another form of electronic transmission contemplated by the parties and such transmissions shall constitute effective delivery of an executed copy of this Agreement to the receiving party for all purposes.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the Effective Date.

Mortgagee:

•
by its duly authorized signatory(ies):

Per: _____

Per: _____

Lessor:

[DEVELOPER]³
by its duly authorized signatory(ies):

Per: _____

Per: _____

[HOMEOWNER CONDO CORPORATION]
by its duly authorized signatory(ies):

Per: _____

Per: _____

³ NTD: if still involved

**SCHEDULE H
UNIT FACTOR SCHEDULE**

[To be inserted]

Schedule D - Lessee's Environmental Mitigation Measures

All mitigation measures outlined in the Taza Developments - Detailed Environmental Review Report dated July 2018 prepared by Stantec Consulting Ltd. and attached as Schedule B to the Head Lease as those mitigation measures relate to the Development must be followed by the Lessee, in addition to any other mitigation measures that His Majesty may reasonably require.

Schedule E - Assignment and Assumption of Prepaid Residential Lease

THIS AGREEMENT is made as of the • day of •, 20•

AMONG:

- [Name]
- [Address]

(the “**Assignor**”)

AND:

- [Name]
- [Address]

(the “**Assignee**”)

AND:

TSUUT’INA-CANDEREL LAND DEVELOPMENT LIMITED PARTNERSHIP,
by its general partner, TTN-C LAND DEVELOPMENT GP INC.
[Address]

(the “**Lessor**”)

WHEREAS:

A. By a Prepaid Residential Lease (Taza Park) (the “**Residential Lease**”) dated as of •, 20• between the Lessor, as sublessor and the Assignor, as sublessee, and registered in the Indian Lands Registry (the “**Registry**”) under instrument number(s) •, the Lessor leased to the Assignor the lands legally described as follows:

Lot 153, Canada Lands Survey Records Plan 113913

(the “**Development Lands**”);

B. The Residential Lease was made in furtherance of a head lease dated September 28, 2018 in respect of the Head Lease Lands issued by His Majesty the King in right of Canada as represented by the Minister of Indigenous Services (“**His Majesty**”) in favour of Tsuut’ina Land Development Limited Partnership, by its general partner, Tsuut’ina Land Development GP Inc. (the “**Nation Partnership**”) and registered in the Registry under instrument number 6109935, as assigned by the Nation Partnership to the Lessor pursuant to an assignment registered in the Registry under number 6110316, and as further amended at any time and from time to time (the “**Head Lease**”);

C. As set out in this Agreement, the Assignor has agreed to assign its interest in the Residential Lease to the Assignee for the remainder of the Term from and after the date of this

Agreement (the “**Effective Date**”), subject to obtaining the Lessor’s consent to such assignment; and

D. The Residential Lease provides that, prior to completing any assignment of the Residential Lease or any interest therein and prior to any such assignment being effective as against the Lessor, the Assignor must obtain the Lessor’s consent and obtain from the proposed assignee and deliver to the Lessor a written agreement in the form contemplated in the Residential Lease, signed by the Assignor and its assignee pursuant to which the proposed assignee covenants and agrees in favour of the Lessor that the assignee will observe and perform the covenants, agreements, duties and obligations of the Assignor under the Residential Lease.

THEREFORE in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by all of the parties, the parties hereby agree as follows:

1. **Definitions.** Capitalized terms used in this Agreement and not defined herein have the meanings assigned to such terms in the Residential Lease. In this Agreement, “**Lessee’s Covenants**” means all covenants, agreements, duties and obligations of the “Lessee” under the Residential Lease, as set out in the Residential Lease or established by law, whether arising before, on or after the Effective Date, and, without limiting the generality of the foregoing, includes all obligations under the Residential Lease to pay Rent and all other payments to the Lessor whether characterized as Rent or not, and all other obligations of the “Lessee” under the Residential Lease, whether constituting covenants, agreements, conditions, indemnities, releases, waivers, representations or warranties, and whether made in favour of the Lessor, His Majesty or any other person.¹
2. **Assignment.** As and from the Effective Date, [**subject to Section 5,**]² the Assignor hereby assigns to the Assignee the Residential Lease and all privileges and appurtenances thereto, together with the unexpired residue of the Term, and all benefits and advantages to be derived therefrom.
3. **Consent [Acknowledgment and Agreement]**³. The Lessor hereby consents [**acknowledges and agrees**] to the assignment of the Residential Lease from the Assignor to the Assignee in accordance with this Agreement. The Lessor has joined in the making of this Agreement for the purpose of granting the consent [**acknowledgment and agreement**] given herein and that by joining this Agreement, the Lessor does not otherwise acknowledge or approve of, and shall not be bound by, any of the provisions of the within assignment as between the Assignor and the Assignee.
4. **Confirmations and Agreements.**

¹ Delete this sentence if an assignment to the Homeowner Condo Corporation

² Insert if an assignment to the Homeowner Condo Corporation

³ Insert bolded, square bracketed wording and remove consent language throughout, if consent is not required on the Effective Date of the assignment (i.e. for assignment to Homeowner Condo Corporation), in accordance with the Residential Lease

- (a) The Assignor and the Assignee hereby covenant and agree with the Lessor that, as of the Effective Date:
- (i) **[Subject to Section 5,]**⁴ the Assignor has assigned, transferred and set over to the Assignee all of the Assignor's right, title and interest in and to the Residential Lease, to have and to hold unto the Assignee;
 - (ii) the Assignor no longer has rights of any kind whatsoever under the Residential Lease; and
 - (iii) the assignment of the Residential Lease from the Assignor to the Assignee is in compliance with all Applicable Laws.
 - (iv) **[Pursuant to Section 5.4(b) of the Residential Lease, the Assignor and the Assignee will register this Agreement in the Registry on the Effective Date, following which the Assignor and the Assignee will provide the Lessor with a copy of the registered Agreement.]**⁵
- (b) For greater certainty, the Assignor confirms to and agrees with the Lessor that, notwithstanding the assignment of the Residential Lease to the Assignee:
- (i) **[the Assignor will remain liable for all of the Lessee's Covenants, regardless of whether they arose prior to or after the date of this Agreement;]**⁶
 - (ii) in no event will the assignment of the Residential Lease to the Assignee or this Agreement limit or alter any continuing duties and obligations of the Assignor arising up to the time of the assignment under any Applicable Law, including any Environmental Law.
 - (iii) **[Notwithstanding the assignment to the Assignee as Homeowner Condo Corporation, the Assignor will remain liable for all of the obligations of the Developer under the Residential Lease, to the extent that they have not been fulfilled as of the date of this Agreement.]**⁷
- (c) The Assignor further confirms to and agrees with the Lessor that the Assignor has delivered to the Assignee true and complete copies of the Residential Lease and the Head Lease. The Assignee confirms to the Lessor that the Assignee has received such copies of the Residential Lease and the Head Lease and is familiar with the provisions contained therein.
- (d) The Assignor hereby confirms, represents and warrants to the Assignee and the Lessor as follows, as of the Effective Date:

⁴ Insert if an assignment to the Homeowner Condo Corporation

⁵ Include if an assignment to the Homeowner Condo Corporation.

⁶ Delete if an assignment to the Homeowner Condo Corporation.

⁷ Include if an assignment to the Homeowner Condo Corporation.

- (i) the Assignor has good right, full power and absolute authority to assign the Residential Lease to the Assignee;
- (ii) that the Residential Lease has not been amended except as set out in the above recitals;
- (iii) that, to the best of the Assignor's knowledge, the Residential Lease is in good standing and neither the Lessor nor the Assignor are in default of any provision of the Residential Lease, except as follows (nil if not completed):
_____;
- (iv) that there are no Prepaid Homeowner Leases or Purchase Agreements with respect to any Units in the Premises except as set out in Appendix I hereto; and
- (v) there are no Developer Prepaid Homeowner Leases except as set out in Appendix II hereto.
- (vi) **[the Assignor has provided the deliveries to the Assignee required under Section 5.4(c) of the Residential Lease, copies of which are attached as Appendix III hereto.]⁸**

5. **Assignee's Covenant.** The Assignee hereby confirms and accepts the assignment of the Residential Lease to the Assignee, assumes all Lessee's Covenants, attorns to the Lessor as Lessee under the Residential Lease and the Assignee covenants and agrees with and in favour of the Assignor and the Lessor that the Assignee will, from and including the date of this Agreement and during all of the residue of the term granted by the Residential Lease and every extension or renewal thereof (if any), pay the Rent reserved at the times and in the manner provided in the Residential Lease and perform all Lessee's Covenants as if the Assignee had executed and delivered the Residential Lease in the place of and in the stead of the Assignor. The Assignee further covenants with the Assignor that the Assignee will indemnify and save harmless the Assignor from and against any loss, costs, and damages arising out of any non-observance or non-performance of any of Lessee's Covenants from and including the Effective Date.

[The Assignee covenants and agrees with and in favour of the Assignor and the Lessor that the Assignee assumes all covenants, agreements, duties and obligations of the Lessee and the Homeowner Condo Corporation under the Residential Lease, as set out in the Residential Lease, whether arising before, on or after the Effective Date, and does not assume any covenants, agreements, duties and obligations that are exclusively that of the Developer under the Residential Lease.]⁹

6. **Fees.** This Agreement is given on the express understanding that the Assignor shall be responsible for and pay to the Lessor, the reasonable administrative charges and reasonable direct out-of-pocket costs and expenses (including any reasonable legal or other consulting fees)

⁸ Include if an assignment to the Homeowner Condo Corporation.

⁹ Include if an assignment to the Homeowner Condo Corporation and delete body of foregoing paragraph.

incurred by the Lessor in respect of the negotiation of any changes to this Agreement from the form attached to the Residential Lease.

7. **Notices.** The Assignee agrees with the Lessor that any notice to be given to the Assignee under the Residential Lease is to be given to the following address for delivery:

- Attention:•

with a copy to:

until such time (if ever) that the Assignee specifies another address for delivery in accordance with the Residential Lease.

8. **Survival of Provisions.** The provisions of the Residential Lease will survive the execution and delivery of this Agreement and will not merge in this Agreement and, without limiting the generality of the foregoing, time will remain of the essence of the Residential Lease. The parties confirm that the Residential Lease remains in full force and effect, unchanged and unmodified except in accordance with this Agreement.
9. **Enurement.** This Agreement will enure to the benefit of, and be binding upon, the Lessor and the Assignor and their respective successors and assigns and the Assignee and its successors and permitted assigns under the Residential Lease.
10. **Counterparts.** This Agreement may be executed and delivered in any number of counterparts, each of which when executed and delivered is an original but all of which taken together constitute one and the same instrument.
11. **Electronic Transmission.** To evidence the execution of this Agreement or any one of its counterparts, a party may transmit a copy of its original or e-signature on the execution page hereof to another party by email or another form of electronic transmission contemplated by the parties and such transmissions shall constitute effective delivery of an executed copy of this Agreement to the receiving party for all purposes.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the Effective Date.

Assignor:

•
by its duly authorized signatory(ies):

Per: _____

Per: _____

Assignee:

•
by its duly authorized signatory(ies):

Per: _____

Per: _____

Lessor:

**TSUUT'INA-CANDEREL LAND DEVELOPMENT
LIMITED PARTNERSHIP, by its general partner,
TTN-C LAND DEVELOPMENT GP INC.**

by its duly authorized signatory(ies):

Per: _____

Per: _____

Appendix I - Prepaid Homeowner Leases and Purchase Agreements

[To be inserted]

Appendix II – Developer Prepaid Homeowner Leases

[To be inserted]

Appendix III - Deliverables

[To be inserted.]

Schedule F - Lessor Mortgage Agreement

THIS AGREEMENT is made as of the • day of •, 20• (the “**Effective Date**”)

AMONG:

•

(the “**Mortgagee**”)

AND:

**TSUUT’INA-CANDEREL LAND DEVELOPMENT
LIMITED PARTNERSHIP**, by its general partner,
TTN-C LAND DEVELOPMENT GP INC.

(the “**Lessor**”)

AND:

•

(the “**Lessee**”)

WHEREAS:

A. By a Prepaid Residential Lease (Taza Park) (the “**Residential Lease**”) dated as of •, 20• between the Lessor, as sublessor, and • (the “**Lessee**”), as sublessee, and registered in the Indian Lands Registry (the “**Registry**”) under instrument number(s) •, the Lessor leased to the Lessee the lands legally described as follows:

Lot 153, Canada Lands Survey Records Plan 113913

(the “**Development Lands**”);

B. By a mortgage [**and assignment of rents**] (together, the “**Mortgage**”) dated as of •, 20• between the Lessee, as mortgagor, and the Mortgagee, and registered in the Registry under instrument number(s) •, the Lessee did demise and assign by way of mortgage unto the Mortgagee all of the Lessee’s right, title, and interest in the Residential Lease, the Development Lands and the Premises; and

C. The Lessee has requested, pursuant to the terms of the Residential Lease, that the Lessor enter into this Agreement with the Mortgagee.

THEREFORE in consideration of \$10.00 paid by the Lessee and the Mortgagee to the Lessor and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties, the parties agree as follows:

1. **Definitions.** Capitalized terms used in this Agreement and not defined herein have the meanings assigned to such terms in the Residential Lease.
2. **Confirmations re: Residential Lease (Lessor).** The Lessor hereby confirms, represents and warrants to the Mortgagee as follows, as of the Effective Date:
 - (a) the Residential Lease is a good, valid and subsisting lease, in full force and effect and in good standing and is legally binding upon the Lessor, and the Residential Lease has not been terminated, surrendered, altered, forfeited or cancelled in whole or in part, except as set out in the above recitals;
 - (b) the Lessee has paid all rents and all other amounts payable pursuant to the Residential Lease;
 - (c) the Lessor and, to the knowledge of the Lessor, without having conducted any searches or made any particular enquiries, the Lessee is not in default of any of its covenants and obligations under the Residential Lease. The Lessor has not issued any notice to the Lessee alleging default by the Lessee pursuant to the Residential Lease, or purporting to terminate the Residential Lease, and the Lessor has not received any notice from the Lessee alleging default by the Lessor under the Residential Lease, or purporting to terminate the Residential Lease; and
 - (d) it has not received any notice respecting any assignment by the Lessee of any of its rights, title, estate or interests pursuant to the Residential Lease.
3. **Confirmations re: Residential Lease (Lessee).** The Lessee hereby confirms, represents and warrants to the Mortgagee as follows, as of the Effective Date:
 - (a) the Residential Lease is a good, valid and subsisting lease, in full force and effect and in good standing and is legally binding upon the Lessee, and the Residential Lease has not been terminated, surrendered, altered, forfeited or cancelled in whole or in part, except as set out in the above recitals;
 - (b) the Lessee has paid all Rent and all other amounts payable pursuant to the Residential Lease;
 - (c) neither the Lessor nor the Lessee are in default of any of their respective covenants and obligations under the Residential Lease. The Lessee has not issued any notice to the Lessor alleging default by the Lessor pursuant to the Residential Lease, or purporting to terminate the Residential Lease, and the Lessee has not received any notice from the Lessor alleging default by the Lessee under the Residential Lease, or purporting to terminate the Residential Lease;
 - (d) the Lessee has not granted any lien, charge or encumbrance to any person over the Residential Lease or the Development Lands, except to the Mortgagee as it relates to the Mortgage;

- (e) the Lessee has not received any notice respecting any assignment by the Lessor of any of its rights, title, estate or interests pursuant to the Residential Lease;
 - (f) there is no claim by the Lessee for any set-off or abatement in rent, nor has the Lessor provided the Lessee with any indication that there remain unfulfilled conditions on the part of the Lessee pursuant to the Residential Lease; and
 - (g) the Lessee will not terminate the Residential Lease, nor surrender the Residential Lease while the Mortgage is in existence and registered against the title to the Residential Lease.
4. **Right to Notice.** The Lessor agrees to provide to the Mortgagee written notice of any default of the Lessee under the Residential Lease at the same time as, or within a reasonable time after, the Lessor delivers notice of the default to the Lessee under the Residential Lease.
5. **Right to Cure.** The Lessor agrees that, subject to Applicable Laws:
- (a) the Lessor will not terminate or suspend the Residential Lease, or take any action to enforce the Lessor's rights against the Lessee under the Residential Lease unless the Lessor provides notice to the Mortgagee in accordance with section 4 and neither the Mortgagee nor any other person (including a receiver) has cured or caused to be cured the default that gave rise to the Lessor's right to terminate or suspend the Residential Lease or to take any action to enforce the Lessor's rights against the Lessee under the Residential Lease;
 - (b) the Mortgagee will have the same rights as the Lessee in respect of any default of the Lessee under the Residential Lease, including any right to cure or cause to be cured any default, or to commencing the curing of any default, of the Lessee under the Residential Lease, as applicable, within the period afforded to the Lessee under the Residential Lease, commencing as of the date of receipt by the Mortgagee of the written notice of the default, as set out in section 4 hereof, plus a further 30 days or lesser time period as may be required to ensure the Lessor is not in default under the Head Lease. If such default cannot reasonably be cured within such time period, but can be cured, the Mortgagee shall have such further period of time as may reasonably be required to remedy such default with diligence. If the Mortgagee remedies or is proceeding to remedy with diligence any default of the Lessee in the manner and within the time frames required in this section 5, the Lessor agrees not to exercise its right to terminate the Residential Lease and to accept performance by or on behalf of the Mortgagee as performance of the obligations required by the Lessee under the Residential Lease;
 - (c) the Mortgagee shall in the event of default by the Lessee in respect of its obligations under the Residential Lease or the Mortgage be permitted access to the Development Lands, subject to the rights of Homeowners and Residential Tenants, for the purpose of curing any such default; and
 - (d) the Mortgagee shall accept the payment by the Lessor of all amounts due and payable under the Mortgage, and upon the prepayment of all amounts owing by the Lessee to the Mortgagee in accordance with the provisions of the Mortgage, the Lessor shall become

subrogated to all the rights of, and stand in the position of and be entitled to all equities and securities of the Mortgagee so paid whether such Mortgage or other charge or encumbrance has or has not been discharged and the Lessor may retain any discharge unregistered for six months and thereafter as long as it may think proper.

6. **Continuing Obligations.** No entry upon the Development Lands by the Mortgagee pursuant to section 8 hereof for the purpose of curing any default of the Lessee shall release or impair the continuing obligations of the Lessee.
7. **Mortgagee's Right to Enforce.** The Lessor covenants and agrees with the Mortgagee that, subject to the Mortgagee's compliance with section 8 hereof:
 - (a) the Mortgagee will be entitled to enforce the Mortgage to the fullest extent and to acquire the Lessee's subleasehold estate under the Residential Lease in any lawful way, including as against the Lessor; and
 - (b) the Mortgagee will be entitled, by its representative or receiver, as the case may be, to take possession of and use the Development Lands in accordance with the Residential Lease and administer the Development Lands applicable to the subleasehold estate against all parties (including the Lessor and the Lessee), and upon foreclosure of the Mortgage, to sell or assign such subleasehold interest in the Residential Lease in accordance with the provisions of the Residential Lease and the purchaser or assignee of the subleasehold estate shall be liable to perform the obligations imposed upon the Lessee under the Residential Lease,

without the necessity of obtaining any consent from the Lessor except to the extent, if any, expressly required under the Residential Lease.

8. **Restrictions on Exercise of Mortgagee's Rights.** Notwithstanding anything contained in this Agreement, any enforcement by the Mortgagee of the Mortgage will be subject to the following conditions:
 - (a) prior to the Mortgagee, or any representative or receiver of the Mortgagee, as the case may be acquiring the Lessee's interest in the Residential Lease (including by way of order absolute in foreclosure proceedings against the Lessee), the Mortgagee, representative or receiver, as the case may be, must attorn to the Lessor under the Residential Lease and agree to perform and observe all the Lessee's covenants and agreements under the Residential Lease (as though such covenants and agreements were incorporated in and formed a part of this Agreement), pursuant to an agreement in writing with the Lessor, but only for the period of time that the Mortgagee, representative or receiver, as the case may be, is or was the registered owner of title to the subleasehold interest of the Residential Lease and until the Residential Lease is duly assigned or otherwise transferred to, and assumed by, an assignee or transferee in accordance with the Residential Lease and this Agreement;
 - (b) prior to the completion of any assignment of the Residential Lease by the Mortgagee or pursuant to the enforcement of the Mortgage, the Mortgagee must cause any assignee of the Lessee's interest in the Residential Lease to covenant and agree in writing to attorn to

the Lessor as sublessor under the Residential Lease, to observe and perform the Lessee's covenants and agreements as if the assignee had executed and delivered the Residential Lease in the place of and in the stead of the Lessee, to be responsible for the Lessee's duties and obligations under the Residential Lease, and to bring any arrears of Rent under the Residential Lease into good standing and cure any other defaults capable of being cured, all in accordance with the Residential Lease; and

- (c) upon either the Mortgagee or any assignee of the Residential Lease through the Mortgagee acquiring the Lessee's interest under the Residential Lease, the Mortgagee or such assignee shall recognize and be bound by any existing Prepaid Homeowner Lease then in existence.

9. **Restrictions on Surrender and Amendment.** The Lessor and the Lessee hereby covenant and agree, each on its own behalf, with the Mortgagee that: (a) each shall not allow the surrender of, or otherwise materially change, alter or amend the Residential Lease in a manner that materially affects the Mortgage, without the written consent of the Mortgagee first having been obtained, which consent shall not be unreasonably withheld; and (b) any attempted or purported surrender or material change, alteration or amendment in a manner that materially affects the Mortgage shall be absolutely null and void and of no force and effect whatsoever as against the Mortgagee, unless made with the prior written consent of the Mortgagee. If the Mortgagee does not reply to a request for consent within sixty (60) days, it shall be deemed to have provided its consent.
10. **Insurance.** The Lessor and the Lessee covenant and agree that, until the first Homeowner Closing Date, notwithstanding the provisions of the Lease, in the event of damage or destruction to the Premises that exceeds fifty percent (50%) of the total insurable value of the Premises, the proceeds of any insurance policy obtained by the Lessee and applicable to the Premises shall, at the option of the Mortgagee and as determined by the Mortgagee in its sole discretion, first be applied to repay the indebtedness owing under the Mortgage. In the case that the damage to the Premises totals fifty percent (50%) or less of the total insurable value of the Premises, then the proceeds of any insurance policy obtained by the Lessee and applicable to the Premises shall be applied to repair and rebuild the Improvements. After the first Homeowner Closing Date, all proceeds of insurance shall be applied to repair and rebuild the Improvements if the Improvements are to be repaired and rebuilt in accordance with this Lease and, if not, applied to fulfilling any obligations to remove the Improvements and restore the Development Lands and thereafter to repay the indebtedness under the Mortgage. For greater certainty, nothing in this section shall alter any responsibility of the Lessee under the Lease to repair, replace or reconstruct Improvements or demolish and construct replacement Improvements or restore the Development Lands under the Lease. All parties hereto acknowledge and agree that such repair, replacement, construction, reconstruction or demolition responsibilities shall not apply under any circumstances to the Mortgagee, except in the event the Mortgagee acquires title to the subleasehold estate in the Lease, in which case it shall be responsible for such repair, replacement and restoration obligations for such period of time as it is or was the registered owner of the title to the subleasehold interest of the Lease.
11. **Participation in Arbitration Proceedings.** If the Lessee or the Lessor submits the determination of any matter to arbitration pursuant to the arbitration provisions of the Residential Lease, the Lessor agrees to give the Mortgagee written notice of such arbitration proceedings;

and if in the reasonable opinion of the Mortgagee such proceedings may affect its Mortgage security, the Mortgagee will be given a reasonable opportunity to participate in the arbitration proceedings.

12. **Bankruptcy and Insolvency of the Lessee.** If the Residential Lease shall be liable to become terminated or forfeited pursuant to the terms thereof by reason of any Event of Insolvency of the Lessee, the default deemed to have occurred thereby shall be deemed to have been sufficiently cured by the Mortgagee if the Mortgagee shall, as against the Lessee, take possession and control of the Premises and, subject to the provisions of this Agreement, assume and covenant with the Lessor to perform all the obligations of the Lessee under the Residential Lease, and within any period of time herein provided for the curing of any other defaults by the Lessee, shall have cured such defaults.
13. **Receipt of Copy of Head Lease and Residential Lease.** The Mortgagee hereby acknowledges that it has received copies of the Head Lease and the Residential Lease and is familiar with the provisions contained therein.
14. **Assignment by Mortgagee.** The Mortgagee will be entitled to assign the Mortgagee's rights under this Agreement to any person to whom the Mortgagee assigns the Mortgage, without the prior consent of the Lessor, provided that the Mortgagee causes such other person to enter into a written agreement with the Lessor and the Lessee wherein such other person assumes the Mortgagee's obligations under this Agreement, and upon the execution and delivery to the Lessor of such an agreement the Mortgagee will cease to have any obligations to the Lessor under this Agreement except for any obligations under this Agreement arising prior to the date of such assignment.
15. **Assignment by Lessor.** The Lessor will not assign or otherwise transfer its interest in the Residential Lease, unless the Lessor causes the assignee or transferee to execute and deliver to the Mortgagee an agreement with the Lessor, the Mortgagee and the Lessee, assuming the obligations of the Lessor under this Agreement, and upon the execution and delivery to the Mortgagee of such an agreement the Lessor will cease to have any obligations to the Mortgagee under this Agreement.
16. **Termination.**
 - (a) This Agreement will terminate and be of no further force and effect at such time as the Mortgage has been repaid in full in accordance with the provisions contained therein and the Mortgage has been released or discharged from the Registry. The Mortgagee will promptly file a discharge in the Registry when the Residential Lease is no longer subject to the Mortgage.
 - (b) In the event that the Mortgagee determines not to advance any monies pursuant to the Mortgage and cancels the Mortgage, the Mortgagee shall provide the Lessor and Lessee with written notice thereof and this Agreement shall be considered absolutely null and void and of no force and effect whatsoever and the Mortgagee shall forthwith cause the Mortgage to be discharged from the Registry.

- 17. **Fees.** This Agreement is given on the express understanding that the Lessee shall be responsible for and pay to the Lessor, the reasonable administrative charges and reasonable direct out-of-pocket costs and expenses (including any reasonable legal or other consulting fees) incurred by the Lessor in respect of the negotiation of any changes to this Agreement from the form attached to the Residential Lease.
- 18. **Notices.** All notices under this Agreement must be given in writing and delivered in accordance with this section 18. The addresses for delivery are as follows, unless and until another address for delivery is specified in accordance with this section:

To the Lessor:

- Attention:•

with a copy to:

-

To the Mortgagee:

- Attention:•

with a copy to:

-

To the Lessee:

- Attention:•

with a copy to:

-

A notice to a party will be deemed to be received:

- (a) if delivered, or received by registered mail, on or before 4:00 p.m. on a Business Day, on receipt; and
- (b) if delivered, or received by registered mail, on a day that is not a Business Day or after 4:00 p.m. on a Business Day, on the next Business Day.

Any party may change its address to another address by informing the other parties of the new address, and such change will take effect 10 days after the notice is received and the Agreement will automatically be amended to reflect such change.

19. **Enurement.** This Agreement will enure to the benefit of and will be binding upon the successors and assigns of the parties.
20. **Counterparts.** This Agreement may be executed and delivered in any number of counterparts, each of which when executed and delivered is an original but all of which taken together constitute one and the same instrument.
21. **Electronic Transmission.** To evidence the execution of this Agreement or any one of its counterparts, a party may transmit a copy of its original or e-signature on the execution page hereof to another party by email or another form of electronic transmission contemplated by the parties and such transmissions shall constitute effective delivery of an executed copy of this Agreement to the receiving party for all purposes.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the Effective Date.

Mortgagee:

•
by its duly authorized signatory(ies):

Per: _____

Per: _____

Lessor:

**TSUUT'INA-CANDEREL LAND DEVELOPMENT
LIMITED PARTNERSHIP, by its general partner,
TTN-C LAND DEVELOPMENT GP INC.**

by its duly authorized signatory(ies):

Per: _____

Per: _____

Lessee:

•
by its duly authorized signatory(ies):

Per: _____

Per: _____

Schedule G - Arbitration

Any matter submitted to binding arbitration in accordance with a specific provision of the Lease that calls for such arbitration, or any other matter under or in connection with the Lease which is submitted to binding arbitration with the written agreement of the parties in each of their discretion, will be submitted to and determined by binding arbitration in accordance with the provisions of this Schedule.

Capitalized terms used in this Schedule and not defined herein have the meanings assigned to such terms in the Lease.

Arbitration proceedings in accordance with a specific provision of the Lease that calls for such arbitration may be commenced by the party desiring arbitration giving written notice to the other party in accordance with the Lease, specifying the matter to be arbitrated and requesting an arbitration in respect thereof. Any other arbitration will be subject to the written agreement of the parties. Any arbitration will be carried out as follows, unless otherwise agreed to by the parties in writing:

1. The rules (the “**Rules**”) applicable to the arbitration will be the then most recent Arbitration Rules of the ADR Institute of Canada, Inc. or such other replacement body as may be in place at that time (the “**Institute**”). If agreed to in writing by all parties to the arbitration, the Simplified Arbitration Rules of the Institute will apply to the arbitration.
2. The arbitrator will be a single arbitrator agreed upon by the parties in writing, or, failing agreement on the arbitrator within 21 days after the giving of the notice requiring arbitration or after agreement to proceed with arbitration, as applicable, an arbitrator appointed by the Institute upon the written request of any party. Once an arbitrator is appointed, no party may revoke such appointment.
3. The place of the arbitration will be the location within the City of Calgary as determined by the arbitrator, and the language of the arbitration will be English. Subject to this Schedule, the applicable laws of the arbitration will be the laws applicable to the Lease. The seat of the arbitration will be the City of Calgary.
4. The arbitrator will have the qualifications and experience relevant and material to the issues that are the subject matter of the arbitration, unless otherwise agreed to by the parties in writing.
5. Once an arbitration has commenced, the arbitration may not be terminated except with the written agreement of all parties to the arbitration but may be suspended in accordance with Section 34.1. Until the arbitrator issues their award with respect to a disputed matter, performance under the Lease shall continue in the manner and form existing prior to the rise of such disputed matter.
6. The parties acknowledge and agree that they have provided for arbitration so as to promote the efficient and expeditious resolution of the relevant disputes. The parties will cooperate with the arbitrator and agree to act at all times so as to facilitate, and not frustrate nor delay, such efficient and expeditious resolution of disputes. The arbitrator is authorized and directed to make orders,

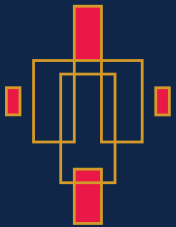
on the arbitrator's initiative or upon application of any party to the arbitration, to ensure that the arbitration proceeds in an efficient and expeditious manner, and in particular, to enforce strictly the time limits provided for in the Rules or set by order of the arbitrator, unless the arbitrator considers it inappropriate to do so. The parties acknowledge and agree that it is their intention that arbitration hearings will commence and be completed as soon as reasonably possible. The arbitrator is directed to make all reasonable efforts to make his or her award as soon as reasonably possible following the completion of arbitration proceedings and no later than 60 days after the completion of arbitration proceedings.

7. If the date for the doing of any act or thing under this Schedule falls on a day that is not a Business Day, such date will automatically be extended to the next Business Day.
8. The award of the arbitrator will be rendered in writing and will contain a recital of the facts upon which the award is made and the reasons for the award.
9. The award of the arbitrator with respect to a disputed matter will be final and binding upon the parties to the arbitration, subject to section 45 of the *Arbitration Act (Alberta)*, as amended, superseded and replaced at any time and from time to time, without reference to the Rules.
10. The arbitrator has jurisdiction to award the costs of the arbitration, including the fees of the arbitrator, as the arbitrator sees fit. The costs need not be on any Court-approved tariff basis and may be on a complete indemnity basis and include interest and actual legal and other professional costs and disbursements incurred. In making an award of costs, the arbitrator will take into account delays or increased costs incurred as a result of a party failing to comply with its obligations under section 6 above.
11. The parties agree that the arbitration will be kept confidential and that the existence of the proceeding and any element of it (including any pleadings, briefs or other documents submitted or exchanged, any testimony or other oral submissions and any awards) will not be disclosed beyond the arbitrator, the parties, their counsel and any person necessary to the conduct of the arbitration, except as required by law or required to enforce the arbitrator's decision.

In all other respects, the arbitration will be governed by the Rules, and in the event of any conflict between a provision of this Schedule and a provision of the Rules, the provision in this Schedule will prevail to the extent of the conflict. For clarity, notwithstanding section 2, the Institute will not be administering the arbitration and any Rules with respect to the Institute administering the Arbitration shall not apply.

The procedures specified in this Schedule are the only procedures for the resolution of any such matter, unless otherwise agreed by the parties. If any party attempts to have issues resolved in Court that should properly be resolved pursuant to this Schedule, the parties agree that this Schedule can be used to stay any such proceedings.

Schedule H - Architectural Guidelines
[See attached.]



TAZA PARK

ARCHITECTURAL GUIDELINES

March, 2025

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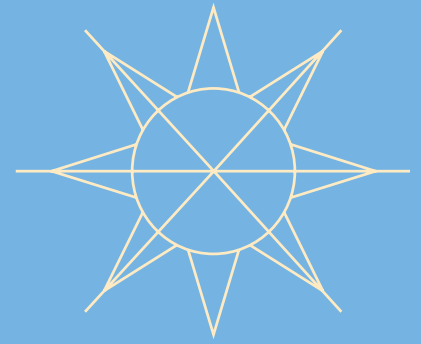
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CHAPTER 1

INTRODUCTION



Preface

The Tsuut'ina Nation and the Province of Alberta signed an agreement in November 2013 which allowed for the southwest extension of the Calgary Ring Road through Tsuut'ina land. This pivotal agreement opened the door for a partnership between the Tsuut'ina Nation and The Candere Group to build one of the largest First Nations developments in North America. Master planned to embrace culture, sustainability, and forward-thinking solutions, Taza includes new cultural, social, and business centres on the eastern edge of Tsuut'ina Nation. High-value retail, office, residential and rental, hospitality, entertainment venues, along with innovation and wellness centres are just some of the new development opportunities afforded by Taza at Tsuut'ina Nation.

The word Taza is derived from the Tsuut'ina story of the Starboy, where it is defined as an "amazed expression – that something wondrous is coming." Like its namesake, the Taza development is envisioned as something amazing for all people. Taza– totaling over 1,200 acres and stretching ten kilometers along Tsuut'ina Trail, situated directly adjacent to the city of Calgary's southwestern border, the Municipal District of the Foothills, and Rocky View County – will be a dynamic place that welcomes and connects tenants, customer, and visitors to the Tsuut'ina Nation, to the land and to each other.

The vision for Taza is grounded in authenticity. It begins with a design that conveys the importance of the land it engages, the culture that it reflects, and the people that it exemplifies. This includes the philosophical concepts of connectivity and interdependence, and the Tsuut'ina value of connection to the land. The ideal interconnectivity between the built and natural environment is informed by the Tsuut'ina's respect for the land. The overall success of each development is measured by its incorporation of the Taza values.

Development partners and tenants should engage the Taza Development Corp. (TDC) Design team committee early to ensure an integrative process. This will result in a more holistic design process and will set performance targets for the development. This includes strategizing goals on a macro to micro level, beginning with the initial concept stage, through the urban planning, the expression of the buildings, the landscape, the building materials, signage and details.



TAZA VILLAGES

Set against the backdrop of vast natural landscapes, and a rich, colourful history, Taza is master planned to be a bustling business, lifestyle, shopping, and entertainment destination to experience, connect with, and reside in. The Taza site comprises more than 1,200 acres of area and is divided into the following three Villages.



TAZA PARK

TAZA PARK

Taza Park spans 388 acres and has been meticulously designed as a versatile mixed-use community, conveniently located between Glenmore Trail Southwest and the Stoney Trail/Tsuut'ina Trail Ring Road, just a seven-minute drive from downtown Calgary. The community incorporates retail, office, and residential spaces, as well as an array of recreational and entertainment offerings. Enhancing the community is the Retail Main Street—an inviting, pedestrian-friendly hub for shopping, dining, and socializing—along with a network of cycling paths and over 20 acres of green spaces that seamlessly connect to the nearby 585-acre Weaselhead Flats Natural Environment Park and the Glenmore Reservoir. With picturesque views of the Rocky Mountains and feature elements such as the Central Wetlands, the Greenway Slope, Stormwater Park, Pedestrian Parkway and Central Ponds Promenade, Taza Park offers both enhanced aesthetic and function for its residents and visitors alike.



THE CROSSING

THE CROSSING

The Crossing serves as a pivotal point for the intersection of health, wellness, and innovation. This expansive 360-acre village acts as a focal point for entrepreneurial and high-tech industries, providing a plethora of new job opportunities and educational advancements for both Tsuut'ina and the Calgary region. The development places a strong emphasis on promoting health and wellness, as it embraces both western methodologies and traditional healing and culture. This convergence of tradition and innovation uniquely positions The Crossing as a powerhouse for driving progress and prosperity in the surrounding area. By fostering an environment where traditional practices and modern advancements coexist harmoniously, The Crossing is not just a development, but a movement towards a brighter and healthier future for all involved.



BUFFALO RUN

BUFFALO RUN

Buffalo Run is a 390-acre space that provides a one-of-a-kind blend of retail, office, and tourism offerings. Positioned at the intersection of the Stoney Trail/Tsuut'ina Trail Ring Road and Calgary's Southwest communities of Cedarbrae and Woodbine, this expansive community serves as a major hub for high-quality shopping, dining, and recreation. The Shops at Buffalo Run offer over 50,000 square feet of retail space and is infused with the rich history, culture, and storytelling of the Tsuut'ina Nation. The community's commitment to preserving and showcasing the history and culture of the Tsuut'ina Nation adds a layer of depth and authenticity to the village, making it more than just a commercial space—It's not just a place to shop or dine; it's an experience that immerses visitors in the vibrant culture of the Tsuut'ina Nation.



Purpose of this Document

Taza Park is envisioned to be a dynamic destination that welcomes and connects residents, tenants, customers, and visitors to the Tsuut'ina Nation, the land, and each other. The village of Taza Park is intended to be distinct to the region, grounded in the Tsuut'ina peoples' culture, aspirations, traditions, and values, and provide tangible legacies and economic opportunities for future generations.

The Architectural Guidelines were developed to compliment and be used in conjunction with both the Tsuut'ina Developments Designated Lands Zoning Law and the Village Development Plan (VDP). The Architectural Guidelines provide the necessary parameters for developments so that they achieve the intent of Taza Park, while allowing for site-specific design responses. The Development Authority (TDA) and TDC will use the guideline when evaluating and approving development applications as part of the multi-stage Development Design Review Process as outlined.

Certain aspects of the guidelines provide flexibility in the interpretation and implementation, and use terms such as "desired" or "encouraged." Other parts of the guidelines are mandatory and require that they be achieved through site design on a project-by-project basis. Where design elements and guidelines are to be applied and implemented in all situations, unless it can be clearly demonstrated that it is not reasonable, practical, or feasible in a specific situation, the term "should" is used. Design elements and guidelines that use the terms "shall", "will" or "is required" are mandatory and must be implemented in all situations.

The Architectural Guidelines are to be read in conjunction with the VDP. The VDP outlines the vision, goals and desired characteristics for Taza Park. Four project pillars provide direction for culture, language, and identity to be integrated into each development and contribute to a shared understanding of the Tsuut'ina Nation.

These Architectural Guidelines only refer to Taza Park.

TERMINOLOGY

Entities:

The Partnership: *Tsuut'ina-Canderel Land Development Limited Partnership*

Taza Development Corp. (TDC): the Developer

Tsuut'ina Development Authority (TDA): the review and approval body

Traditional Knowledge Keepers: Elders within the Tsuut'ina Nation

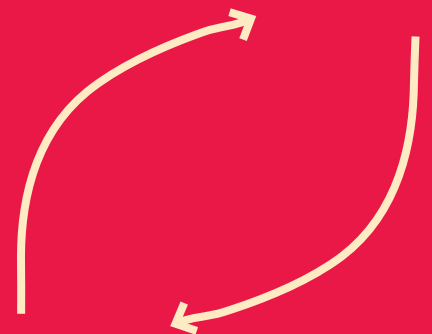
Tsuut'ina Museum: Tsuut'ina historical preservation and training

Tsuut'ina Gunaha Institute: Tsuut'ina language institute

Cultural Committee: review body for art, ceremony and language

CHAPTER 2

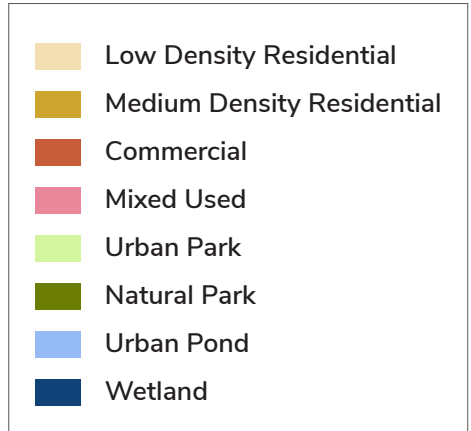
REVIEW PROCESS



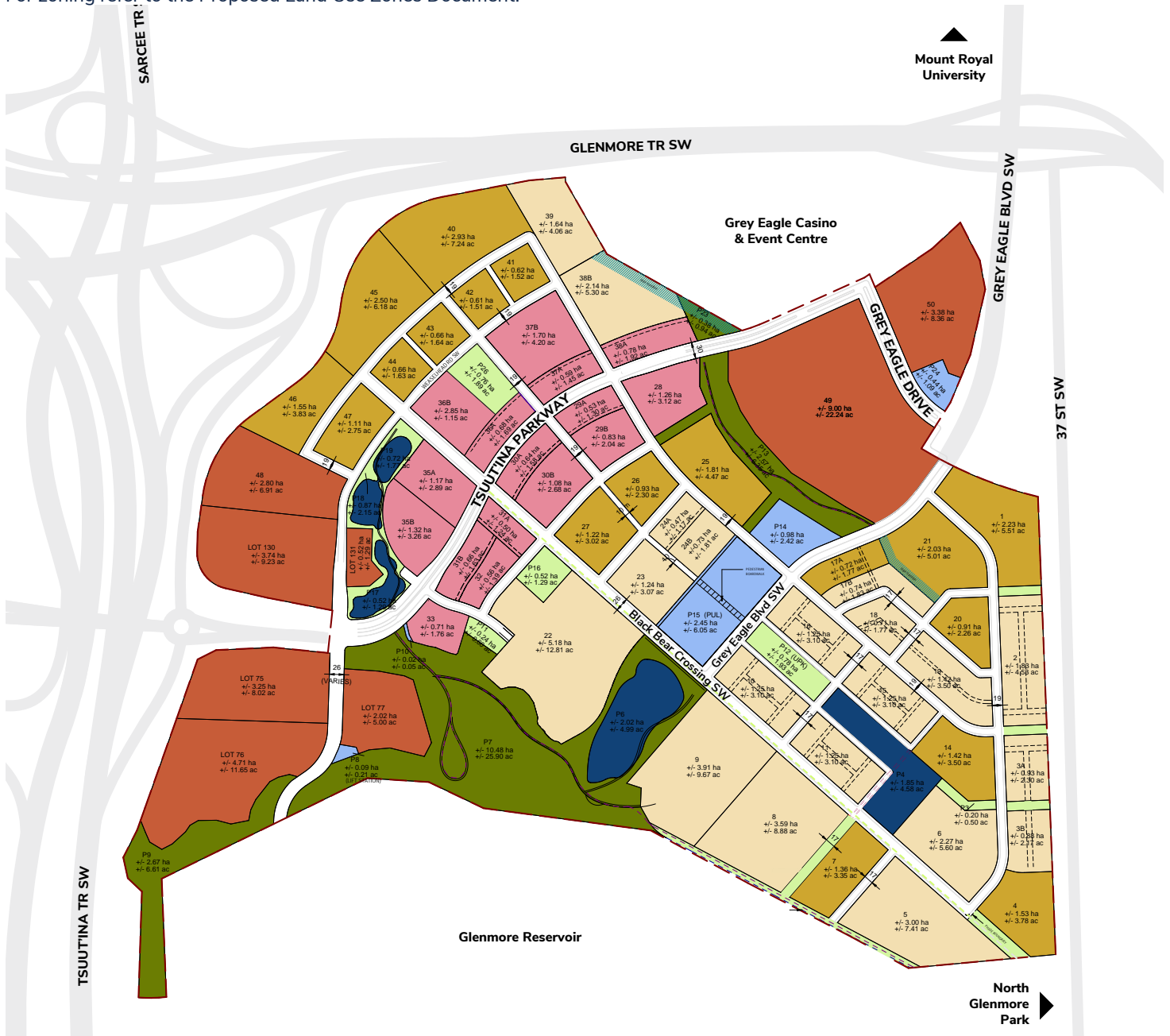


Proposed Development Plan

Taza Park is a mixed-use entertainment district for southern Alberta. Its uses include multi-purpose culture, arts, and entertainment complexes complemented by a variety of retail, service, and office. It features an activated Retail Main Street and a series of mixed-use residential developments. This dynamic, vibrant place intends to bring together people of all ages to experience a range of entertainment opportunities, from high-energy activities to quiet reflective spaces. Taza Park's defining feature is an ecological corridor that connects with the existing natural system while providing public amenity space. Taza Park emphasizes the pedestrian scale of the street in order to create a unifying public realm stitching together a variety of uses and neighbourhood nodes.



For zoning refer to the Proposed Land Use Zones Document.



Design Review Process

To ensure that developments meet the intent of the Taza Architectural Guidelines and the Taza Village Development Plan, the TDA will review development applications on an individual basis during the Development Design Review Process. This review process is intended to align the development of individual parcels with the vision of Taza, as well as the character of the individual Villages. The Development Design Review Process works in combination with the [Taza Development Approval Process Law](#) and Taza Development Technical Guidelines and applies to development permits but will also be applied to land use amendment and zoning applications.

The two reviewing entities:

TDC

- ◇ initial review for conceptual design approval and general compliance

TDA

- ◇ detailed review

The Development Guideline Review Process will be conducted in four stages with individual approvals.

TDC

- ◇ Stage 1: Pre-Design

TDA

- ◇ Stage 2: Development Permit
- ◇ Stage 3: Building Permit
- ◇ Stage 4: Occupancy

STAGE 1: PRE-DESIGN

PART A: DUE DILIGENCE

As part of the development initiation, the Applicant will execute the necessary research and due diligence into their preferred site. This will include a detailed review of the Village Development Plan and an understanding of how the development will adhere to the six values and the four pillars (Introduction). During this stage, the Applicant will also read through and understand the *Taza Sustainability Requirements*, *Taza Development Process Law* and *Taza Development Technical Guidelines*.

PART B: DESIGN STATEMENT

A Design Statement shall be prepared by the Applicant and submitted to the TDC that explains the planning context, the sustainability strategy and how the proposed concept responds to the Taza values and the pillars. The length and detail of the Design Statement should reflect the scale and complexity of the development and will support the design drawing submission. Depending on the breadth of the individual submission, this may require a working session(s) with the TDC to achieve the desired results. Ensure the Design Statement captures the essence of the Taza values and pillars, including the following:



SITE CONTEXT

Include an overview of the site's natural land forms, key environmental attributes, built features, interface with adjacent areas (e.g. public streetscape character, open spaces, active frontages, corridor frontages, or adjacent uses), and any significant cultural value associated with the site. This should include opportunities and constraints related to the specific development site.

VILLAGE CONTEXT

Include an overview of the key elements that make up the larger Village (Taza Park, Buffalo Run, or The Crossing), including the public realm, movement, built form, and natural and cultural environment. This may or may not include supporting text, existing site photos, and architectural renderings to support the development.

TAZA DESIGN PRINCIPLES RESPONSE

Including a rationale for how the Applicant intends to respond to each of the development values and what aspects of the development pillars are employed in achieving their development. This rationale will provide a summary of how the development will be grounded in the Taza vision and values. As noted, the length and detail of the response should reflect the scale and complexity of the development.

INNOVATIVE THINKING

Is encouraged in the approach to each development. Applicants should explore creative solutions that have not been explicitly stated within this document, provided they expand on the Taza values and reinforce the Taza vision and sustainability approach.

PRE-DESIGN REVIEW MEETING

At this point a meeting with the TDA is required to review direction.

STAGE 2: DEVELOPMENT PERMIT

PRE-APPLICATION MEETING

The Applicant will contact the TDA once a Design Statement is developed to schedule a pre-application meeting. The Design Statement, along with supporting drawings, shall be submitted to the TDA before the pre-application meeting in accordance with the TDC Process Flow Chart. During the pre-application meeting, the TDA will provide feedback on the alignment of the Design Statement with the overall Taza vision. The TDA will also identify any supporting technical studies, plans, and documents to be submitted to the TDA for the formal submission.

DOCUMENTATION

Once completed, the Design Statement, supporting drawings and fees are to be submitted to the TDA. To ensure completeness, refer to Appendix D for the Development Permit Checklists and Application Forms. Within a reasonable timeframe, a review will be completed to confirm the completeness of an application and provide notice to the Applicant that the application is deemed complete.

TECHNICAL REVIEW AND CIRCULATION

The TDA will review and determine whether the Applicant's submission is consistent with the district Village character, the Zoning Law, VDP, Technical and Architectural Guidelines. Note that this review will include an examination of whether the development has embodied the spirit of the Architectural Guidelines and has responded to the four pillars. In addition, a detailed technical review of all required technical studies, plans, documents will be completed to evaluate the merits of the application in a time sensitive manner. The TDA, at their discretion, may request additional documentation, information and/or modifications be provided to support the application.

DETAILED TEAM RESPONSE

A detailed team response will be provided at the completion of the circulation period including an approval, required modifications or refusal of each application. The TDA may request further information based on the circulation comments including Prior to Release conditions which must be completed prior to release of the development permit. Note that as part of

the Prior to Release conditions, Applicants will be required to provide a digital 3D model which also may include a physical model at a 1:500 scale. These models will be inserted into a master model for the three Taza Villages.

REVISIONS OF APPLICATION

The Applicant shall respond, revise, and resubmit the application within appropriate timelines unless the Applicant provides the TDA a written notice requesting an extension. If there is no activity on the application after 90 calendar days, the application will be deemed inactive and a letter to that effect will be sent to the Applicant.

TIMELINES

Associated timelines for review and approval of Development Permit submissions will vary based on scale and complexity. However, the TDA will make every effort to provide the Detailed Team Response and respond to Prior to Release conditions within the timelines stated in the TDC Permit Process Flow Chart within this section.

STAGE 3: BUILDING PERMIT SUBMISSION

Once a Development Permit has been issued by the TDA, the Applicant can proceed to the Building Permit Submission stage.

PART A: APPLICATION SUBMISSION

DOCUMENTATION

The Building Permit fees and stipulated number of sets from the Development Permit Checklists are to be submitted to the TDA and must be completed in accordance with the relevant bylaws, regulations and building codes. Construction must comply with the National Building Code unless a Provincial or Tsuut'ina Nation Code or Law, or part thereof, provides a more stringent standard. If this is the case, the more stringent code or law, or part thereof, shall apply. Within a reasonable time frame, the TDA will complete a review to confirm the completeness of an application and provide notice to the Applicant that the application is deemed complete.

TECHNICAL REVIEW AND CIRCULATION

The TDA will review and determine whether the Applicant's submission meets relevant codes. Applicant will be advised of any non-complying items in a timely manner. This stage will examine and confirm how the VDP values and pillars have been integrated into the design of the development and if the Sustainability Scorecard requirements have been met.

REVISIONS OF APPLICATION

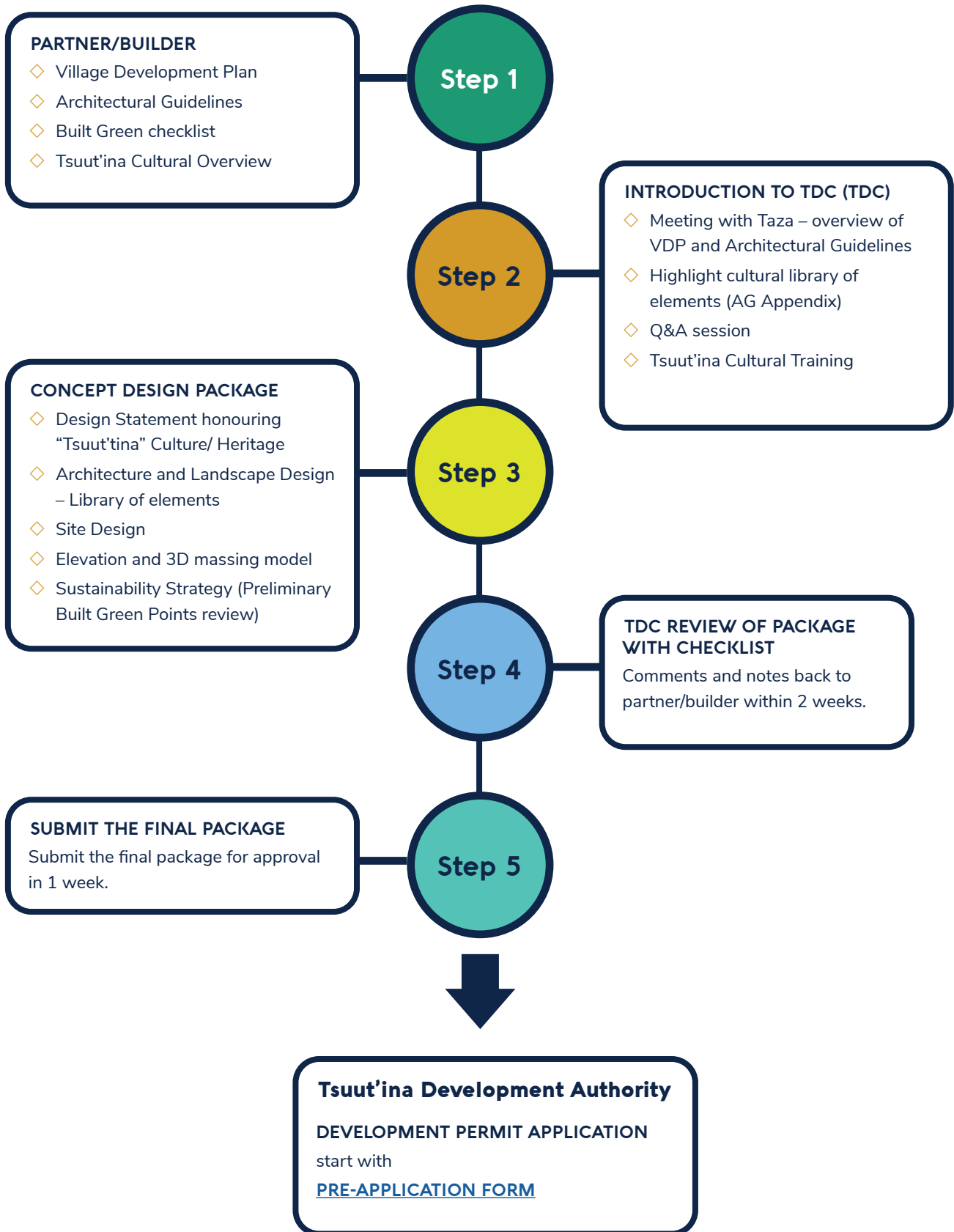
The Applicant shall respond, revise, and resubmit the Building Permit application within appropriate timelines unless the Applicant provides the TDA a written notice requesting an extension. If there is no activity on the application for 90 calendar days, the application will be deemed inactive and a letter to that effect will be sent to the Applicant. The TDA may require re-work and resubmission if the submission does not adequately address relevant Building Codes, the sustainability rating or the Taza Village Plan. A Building Permit may be issued, refused or issued with conditions based on the completeness, accuracy and design response of the submission.

STAGE 4: BUILDING OCCUPANCY

Construction may begin upon the issuance of the Building Permit. A Building Occupancy Permit will be issued after it is deemed that construction deficiencies have been corrected.



TDC. PRE-DESIGN REVIEW



CHAPTER 3

ARCHITECTURAL GUIDELINES





Part 1: Use & Adaptability

Taza Park provides opportunities for diverse and complementary uses that will appeal to a wide range of businesses and users. Taza Park will realize long-term prosperity through the creation of an authentic public realm that embraces best practices in planning and design, while integrating with the natural environment. Developments will contribute to and build on existing economic successes in the Nation. Four season design and active public spaces will draw in visitors year-round. Taza Park developments contain diverse and complementary uses that can adjust to market conditions.

ADAPTABLE DEVELOPMENTS

Creating a flexible, dynamic development plan that evolves with market demands will ensure success now and in the future. Developments that can adapt to a variety of uses can anticipate change in the market and will provide numerous benefits to Taza.

Buildings designed for adaptability enable more efficient functioning, remain in service longer, can reduce the consumption and waste of materials over time, and are able to take advantage of technological innovations.

The following adaptability applications apply to all developments:

- ◇ Design for flexibility so that buildings can be easily extended or subdivided into different functional entities, where appropriate.
- ◇ Anticipate changes in building uses and allow for integration of future uses into the building design if required.
- ◇ Design roads, sidewalks, and pathways to accommodate possible future expansions.
- ◇ Specify equipment in the building for efficiency that results in long term savings rather than compromising on inefficient systems that will be out-performed in a short period of time.
- ◇ Integrate technology for monitoring and data-sharing capabilities that increase energy efficiency and occupant comfort. This can be done through the integration of smart building systems like smart lighting and smart mechanical equipment.
- ◇ Integrate smart lighting into the pathway and street lighting to increase energy efficiency.

FOUR SEASON DESIGN

Embracing the climate and the four seasons is a key value for Taza Park. To be considered truly vibrant, the Village Development requires active streets, pedestrian activity, and animated outdoor public spaces during all seasons of the year, including winter. Designing for all seasons will enhance the social and economic outcomes for Taza Park, and promote it as an exciting, year-round destination.

The following four-season design applications shall apply to all developments:

- ◇ Create a welcoming environment that enhances the outdoor experience through embellishments such as landscaping, artworks, sculptures, furniture, lighting, and fountains (which can be turned off and lit creatively in winter).
- ◇ Design strong indoor/outdoor relationships between buildings and their surroundings to allow people who need to warm up to remain connected to the outdoor activities.
- ◇ Develop methods to adapt park features for winter activities, such as ice skating, skiing, tobogganing, and snow-tubing.
- ◇ Situate activities in close proximity to retail locations whenever possible, to provide opportunities for the local economy during warm-up breaks.
- ◇ Consider providing infrastructure for space-activating activities such as outdoor rinks, ice ribbons or skating pathways.
- ◇ If the project scale is of sufficient size, a Human Comfort Study is recommended to better understand how to provide a sense of well-being for visitors for all four seasons.
- ◇ Early in the design process, create a snow management plan to ensure pedestrian streets and active public areas are clear of snow and ice.



Photo: Ref 1



CULTURAL GUIDELINES

Tsuut'ina culture and traditional ways of knowing do not only exist in the past, they exist today in our present, and in our collective future. Indigenous wisdom transcends time through shared beliefs, histories, language, and ceremonial practices.

Any expression, whether it is architectural, public art, landscape architectural elements, signage, and branding has a cultural reference. To reflect respect of the land and the culture of the Tsuut'ina Nation, an active way of engagement with all the stakeholders at the TDA and TDC. is paramount.

DESIGN ELEMENTS

A catalogue of Design Elements can be found in the appendix. The Design Elements are meant to guide and give examples of expression for form, materiality, and character.

BRANDING

Developments that wish to develop their own unique branding including naming of the development, shall consult with the Cultural Committee to fully understand the impact a proposed brand may have on the existing culture and history of the Tsuut'ina Nation.



SUSTAINABILITY REQUIREMENTS

INTRODUCTION

Environmental sustainability has not only become a prominent global issue, but it is also a concept that is deeply rooted in the culture of the Tsuut'ina Nation. Taza Park developments shall attempt to maintain an ecological balance in our planet's natural environment and conserve natural resources to support the well-being of current and future generations. Environmental sustainability aims to improve the quality of human life without putting unnecessary strain on the earth's supporting ecosystems. All developments must therefore choose a certification path to ensure the sustainability goals of Taza Park will be met:

- ◇ Built Green Canada
- ◇ LEED Gold or Platinum

The chosen certification path must be identified at the pre-design stage.

BUILT GREEN CANADA

Following the principles of environmental sustainability, all Taza Park developments will be part of the Canadian Built Green Certification program.

Built Green an industry-driven organization committed to working with builders interested in sustainability practices in the residential and small commercial building sector that has been created to encourage and facilitate sustainable building practices. The program addresses eight key areas of sustainable building: energy & envelope, materials & methods, indoor air quality, ventilation, waste management, water conservation, occupant wellness, and building practices.

Refer to a checklist of requirements in the appendix for more detail.

LEED

As an alternative to the Built Green Canada certification, developments may pursue LEED Gold or Platinum certification. Certification can be achieved by submitting applications to the Canada Green Building Council (CAGBC).

TAZA'S COMMITMENT TO COMMUNITY ENHANCEMENT THROUGH SUSTAINABILITY PRACTICES

TDC. is committed to community enhancement through sustainability practices, verified through the BUILT GREEN® third-party certification programs (detailed below). This voluntary commitment represents another step forward in their commitment to collaboration, innovation, and sustainability—a commitment that will shape the future of this area for generations to come.

These programs guide builders and developers through a holistic approach to sustainable building practices, focused on eight pillars of sustainability. The result is healthier, more durable homes and communities with a lower environmental impact: during the build and in day-to-day operations. These homes are more affordable with a reduction in monthly operating costs, automatic rebate eligibility, improved resale value, and more.

With this third-party certification, builders will demonstrate to their customers they are ahead of building code: going the extra mile, while verifying their energy performance and green features. This is in keeping with TDC's commitment to respect, honesty, and transparency as they work to bring about profound and lasting positive change for this emerging community within The Three Taza Villages—comprised of Buffalo Run, Taza Park, and The Crossing.



BUILT GREEN CANADA AND THIRD-PARTY CERTIFICATION

Built Green Canada is a national, non-profit organization committed to working with builders interested in responsible sustainability practices, primarily in the residential building sector.

The organization was established in 2003 (in Calgary), when builders wanted a means to progress and showcase their sustainability efforts through rigorous, relevant, and practical third-party certification programs that addressed the Canadian climate and industry needs. Built Green Canada was formed in collaboration with the Canadian Home Builders' Association, Canada Mortgage and Housing Corporation, the Alberta Research Council, Natural Resources Canada, Climate Change Central, and other key stakeholders.

While energy efficiency is a fundamental component of these programs, Built Green Canada goes beyond energy, moving the industry toward a more holistic approach to sustainability practices. The BUILT GREEN® programs are contained within a checklist, organized around eight pillars of sustainable building: Energy & Envelope, Materials & Methods, Indoor Air Quality, Ventilation, Waste Management, Water Conservation, Occupant Wellness, and Business Practices.



These programs are updated annually through industry input, code changes, new technologies, alongside the organization's Technical Standards Committee and the Board of Directors.

Certification verifies the project has been built sustainably with third-party verification of the energy efficiency and green features of the build. There are levels of achievement—Bronze, Silver, Gold, Platinum, and Net Zero Energy+—each requiring incremental increases in both energy performance scores and overall checklist points based on the other sections of the checklist. Taza has committed to minimum certification levels of BUILT GREEN® Gold and Platinum.

BUILT GREEN® SINGLE FAMILY CERTIFICATION

The Single Family New Construction program is applicable to Part 9 builds (MURB checklist also available).

This program requires completion of the BUILT GREEN® Checklist, based on those green features the builder chooses to integrate into the build, plus energy performance results (EnerGuide). The checklist guides the builder through the program's eight sections, offering options on green features to integrate into the project—once the features have been chosen, this tool calculates the project's proposed certification level, based on the energy performance results (EnerGuide) and the other checklist items earned in the other areas of the program.

Building performance is modelled and verified by a licensed Natural Resources Canada (NRCAN) Energy Advisor, and the resulting EnerGuide label is required for certification—alongside a completed BUILT GREEN® Checklist, with all section minimums met. This tool also includes a GHG Calculator, where greenhouse gas emissions' reductions can be calculated based on the energy modelling report.

All projects then undergo quality assurance through NRCAN's portal system and review with Built Green Canada. Select projects are randomly chosen for onsite audits. Once the project has been approved, a BUILT GREEN® Single Family label is issued. Builders are asked to affix the BUILT GREEN® label to the electrical panel.

BUILT GREEN® GOLD & PLATINUM LEVEL REQUIREMENTS

Based on the 2024 Single Family Program

Taza requires a minimum certification level of BUILT GREEN® Gold or Platinum. The energy requirement for each certification level is based on the percent improvement over the reference house (detailed below). Beyond energy requirements, each project must also meet minimum point requirements across the other seven program sections.

- ◇ Gold certification: house rating is 20% lower than reference house earning 40 points, plus 80 points across the other sections.
- ◇ Platinum certification: house rating is 30% lower than reference house earning 45 points, plus 100 points across the other sections.



A NOTE ON ENERGY MODELLING: ENERGUIDE RATING / ENERGY TIER CODE

** EnerGuide remains a requirement; however, should a builder prefer to use the step code requirement results instead of the ERS score, this will be accepted for Built Green's Section 1 energy requirements.

To create alignment with the incoming Energy Tier Code, as an alternate energy compliance pathway to going with the % improvement for Part 9 buildings, Built Green offers builders the option to use the tier code scores for Built Green's energy requirement.

Tier 1 – Bronze certification

Tier 2 – Silver certification

Tier 3 – Gold certification

Tier 4/5 – Platinum certification

Tier 5 – Net Zero Energy+ certification

As-Built Compliance Reports required by your municipality must also be submitted to Built Green Canada for verification.

BUILT GREEN® HIGH DENSITY CERTIFICATION

The High Density New Construction program is applicable to Part 3 builds (multi-storey, residential tower, and mixed-use buildings).

This program requires completion of the BUILT GREEN® Checklist, based on the green features the builder chooses to integrate into the build, plus energy performance results. The checklist guides the builder through the program's eight sections, offering options on green features to integrate into the project—once the features have been chosen, this tool calculates the project's proposed certification level based on the energy performance results and the other checklist items earned in the other the other areas of the program.

Building performance is modelled and verified by a professional engineer using NECB or ASHRAE, and the resulting energy modelling report with the engineer's stamp is required for certification—alongside a completed BUILT GREEN® Checklist, with all section minimums met. While this tool does not include a GHG Calculator, carbon reductions are encouraged and are awarded for points. The engineer can do this work.

All projects have a BUILT GREEN® High Density Verifier, who works alongside the builder / developer to collect documentation and verification photos required for auditing purposes; Verifiers are on-site on average three times through the process, though this depends upon the complexity of the project. Once the project has passed the audit, a BUILT GREEN® High Density plaque is awarded for display in the lobby, acknowledging certification.

BUILT GREEN® GOLD & PLATINUM LEVEL REQUIREMENTS

Based on the 2024 High Density Program

Taza has committed to minimum certification level requirements of BUILT GREEN® Gold or Platinum. The energy requirement for each certification level is based on the percent improvement over the reference building (detailed below). Beyond energy requirements, each project must also meet minimum point requirements across the other seven program sections.

Over NECB 2020:

- ◇ Gold certification: building rating is 25% improvement earning 40 points, plus 80 points across the other sections.
- ◇ Platinum certification: building rating is 35% improvement earning 45 points, plus 100 points across the other sections

Projects pursuing NECB 2017 compliance to meet the requirements of their local jurisdictions may subtract 5% to the equivalent performance, as measured against NECB 2020.

Over ASHRAE 90.1 2019:

- ◇ Gold certification: building rating is 25% energy improvement earning 40 points plus 80 points required across the other sections
- ◇ Platinum certification: building rating is 35% energy improvement earning 45 points plus 100 points required across the other sections.

Projects pursuing ASHRAE 90.1 2016 compliance to meet the requirements of their local jurisdictions may subtract 5% to the equivalent performance, as measured against ASHRAE 90.1. 2019.

BUILT GREEN® COMMERCIAL CERTIFICATION

This program is under development. As with Built Green's other programs, the program will take a holistic approach and include an energy requirement, and minimum points across the other sections of the checklist.

While energy efficiency is a fundamental component of these programs, Built Green Canada goes beyond energy, moving the industry toward a more holistic approach to sustainability practices. The BUILT GREEN® programs are contained within a checklist, organized around eight pillars of sustainable building: Energy & Envelope, Materials & Methods, Indoor Air Quality, Ventilation, Waste Management, Water Conservation, Occupant Wellness, and Business Practices.

These programs are updated annually through industry input, code changes, new technologies, alongside the organization's Technical Standards Committee and the Board of Directors.

Certification verifies the project has been built sustainably with third-party verification of the energy efficiency and green features of the build. There are levels of achievement—Bronze, Silver, Gold, Platinum, and Net Zero Energy+—each requiring incremental increases in both energy performance scores and overall checklist points based on the other sections of the checklist. Taza has committed to minimum certification levels of BUILT GREEN® Gold and Platinum.



Part 2: Building Form

ARTICULATION

The connection to the land is essential for the Tsuut'ina Nation. The building articulation and height will be designed to maximize connections to the landscape by respecting views and maximizing sunlight on parks and open spaces to allow for optimal use in all seasons.

MASSING AND HEIGHT

- ◇ Establish a compact development form to maximize open spaces that preserve the vitality of the ecosystem and support a close-knit community. Use podiums under tall buildings to retain a human-scale at grade. Their minimum height should be 9 meters and maximum height should not exceed 50% of the total of right-of-way width plus setbacks.
- ◇ Break up building mass by integrating building stepbacks, fenestrations, undulations in building facades, change in materials and other design elements, to create interesting building form, while maximizing efficient interior layouts and cost-effective construction.
- ◇ Transition building heights to be respectful of the scale of adjacent buildings.
- ◇ Transition buildings fronting open spaces to allow for maximum sunlight exposure.
- ◇ Design buildings with simplified, compact massing and fewer complex junctions to minimize building envelope heat loss. Prioritize simple shifts in massing and changes in exterior colors and textures to articulate facades.
- ◇ Shadow studies will be required for buildings taller than 12 m

SETBACKS AND STEPBACKS

- ◇ Set back buildings to create generous walking zones and forecourt spaces that support active healthy lifestyles and reflect the importance of nature for the Tsuut'ina Nation.
- ◇ If a pollinator corridor is proposed, provide a minimum building setback of 5 m from the property line to ensure an ample planting area.

- ◇ Provide a minimum building setback of 3 m from the property line to allow patios at the ground level and balconies on the upper levels within residential building setbacks. No setbacks are required on lanes.
- ◇ Stepback a minimum of 3 m on upper-storeys of buildings to maintain a desired two to three (2-3) storey street wall, to create a comfortable "human scale" pedestrian environment and to maximize solar exposure and minimize shading on adjacent open spaces and pedestrian connections. A minimum 3 m stepback also allows for usable upper-level terrace space.
- ◇ When amenity pavilions on podium roofs are proposed, a 3 m setback from the building edge is recommended.
- ◇ Setbacks must be carefully considered to accommodate the full canopy growth of street trees and to provide buffer and enhanced landscaping where desirable.
- ◇ Setbacks for Retail: no setbacks are required towards a street or lane. 3 m setback is required if the adjacent site is a residential use site.

BUILDING FRONTAGE, ORIENTATION AND VIEWS

- ◇ Locate and design landmark buildings to accommodate animated, amenity, and destination-oriented uses.
- ◇ Orient buildings and stepbacks to maximize sunlight, increase visibility and enhance sightlines and wayfinding, incorporate weather protection features to provide protection from the wind in the public realm.
- ◇ Align buildings to front onto and frame street edges, open spaces, and pedestrian pathways, with generous entrances and glazing to provide transparency from interior to exterior.
- ◇ Provide connections and transitional spaces to the public realm for all sides of a building. Careful considerations should be given to all frontages, including back-of-house, loading and servicing areas.
- ◇ Avoid designing blank walls along streets. Where large blank walls are unavoidable (for example, in back-of-house, loading, and servicing areas) they should be screened and/or treated as canvasses for Tsuut'ina public art.

- ◇ Weather protection and shading elements should be designed as integral elements of a building’s architecture. Canopies must be at least 3 m in depth across the length of building façades when adjacent to public spaces or walkways.
- ◇ Buildings are to optimize daylight and views to support well-being and biophilia for occupants. Building designs shall balance this objective with controlling unwanted solar gain and glare and maximizing building envelope performance.
- ◇ Maximize view opportunities onto the public realm at the ground level of buildings by providing a high level of building transparency.
- ◇ Create opportunities to connect with the changing seasons, the weather, and the light when both inside and outside of buildings.
- ◇ Provide grade separation from the street for all multi-family buildings by including steps or a slightly elevated entrance experience.
- ◇ Building facades should include a minimum of 20% Tsuut’ina Nation art work.

SOLAR

- ◇ Consider incorporating solar energy into the project, such as rooftop solar panels building-integrated photovoltaics, solar canopies, or solar facades.



Photo: Ref 2





Part 3: Architectural Expression

INTENT

The architectural and landmark design guidelines are intended to ensure high-quality buildings that visually cue the unique places and experiences offered at Taza Park. Architectural language should be sensitive to the location, function, sustainability, and longevity of the building.

Modern, contemporary appearance with meaningful areas, or spaces deemed indicative of Tsuut'ina culture, will be delineated as landmarks with the guidance of the TDA.

The Village Development Plan outlines in detail the vision and goals for Taza Park and shall be considered for any building. The the Taza Park characteristics (included in the VDG) provide a narrative for the desired experience and expression of all developments. All submissions will be evaluated against these principals.

PUBLIC ARTWORK

Public artwork should be strongly considered and could be in the form of, sculpture or other unique landscaping elements that denote an area of significance, gathering and/or public space.

When using artwork consider structural elements, UV, pollution, corrosion, vandalism, and maintenance costs in the choice of materials.

Ensure that the key community organizations (e.g. Tsuut'ina Museum) are engaged for artwork to ensure acknowledgement of the historical, social, and physical context of the site.

STREET FRONTAGE RELATIONSHIP

All buildings should relate directly to the streets on which they front or as defined with all businesses and other community services on ground floor accessible directly from sidewalks along a public space (e.g. street, square or plaza) but not a parking lot. All mixed use buildings along Tsuut'ina Parkway shall include ground-floor retail along at least 60% of the street-level facade. All building facades along sidewalks should avoid blank walls by having windows and/or doors incorporated to create interest and enhance the pedestrian experience. At a maximum no more than 40% or 15 m (whichever is less) of a building length should be blank. In

all cases, the setback should ensure a strong streetwall and pedestrian environment.

RESIDENTIAL:

Ground floor dwellings shall address the street through the use of front door entrances, gates and entry courtyards. Porches, patios or decks should be designed to establish a semi-private zone in support of a "porch culture" along the street. Windows and balconies at upper floor levels should face outward, adding to a sense of safety and security for the public domain.

Entrances should create identity and a sense of address for buildings, dwelling units and stores.

If no maximum setback is designated, those building facades which are street-facing should be set back no more than 5 m.

Where a townhouse or attached residential development ends on the corner or is an end unit, a sensitive transition through height, massing, and setbacks is required.

Units combined in a row or townhouse configuration should be designed parallel to the street with unit entrances oriented toward, and directly accessible from the street. Where a building is proposed perpendicular to the street, the end unit should be oriented toward and interact with the street.

- ◇ Each unit should have a clearly identified primary entrance, including lighting (main door soffit lighting is encouraged) and address signs.
- ◇ Incorporating low fences and hedges, patios, landscaped front yards, and front porches to define and create an identity for each unit is encouraged.
- ◇ Significant changes in elevation between the street level and primary entrances should be avoided. Where a change in elevation is unavoidable, landscaping elements should ensure a gradual transition in elevation without hard edges at the street edge.
- ◇ Fences against a public space or another private space are a max. of 1830 mm (6 ft) tall, of simple horizontal wood board to create a continuous intentional pattern

RETAIL MAIN STREET:

- ◇ Retail entrances should create an address and identity for the building. See sections “Definition of Retail Streets” and “Retail Frontages and Storefront Visibility” for further details.
- ◇ The form of buildings along the retail street should strongly define the street space. Upper floor setbacks for building along the retail street can be utilized to create a human-scaled environment.
- ◇ Canopies should be utilized to create a pedestrian friendly and protected environment. Soffit lighting must be included in canopies.
- ◇ Canopies must be designed and constructed to withstand the weight of snow and prevent the creation of icicles or dripping onto the sidewalk.
- ◇ Retail frontages should be expressed through many stores of narrow frontages with high quality storefront displays rather than wide and uninviting solid walls. Placement of signage, lighting, or architectural detail and indentation of the facade is encouraged.
- ◇ All ground level retail entrances must face a street, not an adjacent parking lot. There should be at 60% clear glazing between 1.0m and 2.3 m in the facade design. Ground level retail must be unshuttered at night.



Photo: Ref 3

MIXED-USE DEVELOPMENT:

- ◇ Office uses at grade should activate the street in which they front. This can be done by utilizing the architectural layout of the building. A minimum of 50% of the office buildings should include ground-floor retail along 60% of the length of the street level facade.

LARGE FORMAT RETAIL:

- ◇ Large format retail structures shall maximize their frontage onto a street and are encouraged to provide street facing entrances- large format retail developments must address the street through landscaping elements, creating a pedestrian scale environment that offers protection from the elements as well as a safe and pleasant environment.
 - Loading docks should be screened and not face a public pedestrian pathway-
 - a variety of architectural expression including clear glazing in large facades is encouraged

ROOFTOPS

RESIDENTIAL

Roofs and terraces should be used, where practical, for private and communal outdoor patios, decks, and roof gardens. Active roofs are encouraged and green roofs can be used as a means of retaining storm water from smaller storm events and to add visual interest. Where active uses are not available, roofs should be designed attractively.



Photo: Ref 4

COMMERCIAL

- ◇ Roof tops should be considered for either solar panel arrays, green roofs or activations such as roof top patios where possible
- ◇ Lower roof tops adjacent to residential developments should be addressed to be pleasant to look at (green roofs or partial green roofs). All rooftop units and equipment must be screened if visible from street-level or from an adjacent residential unit.



UTILITIES & MECHANICAL EQUIPMENT

Utility fixtures, such as natural gas, exhaust vents, and connection boxes for telecommunications, should be located away from publicly exposed views, and whenever possible, installed in the side yard. When they cannot be located out of public view, utility fixtures, mechanical equipment and transformers should be screened or integrated into the building design, to minimize their visual impact. Air conditioning units, where provided, should not be in the front yard or in the side yard adjoining the street on a corner lot. Exterior units will be required to be screened from view subject to compliance with the standards of the utility companies.

BUILDING MATERIALS

The Tsuut'ina Nation have a deep relationship with the land that goes back thousands of years. As such, beyond the utilization of natural resources for sustenance and spiritual practices it also encompasses their approach to building materials and construction methods. Building practices are deeply rooted in their cultural heritage and their understanding of the land's resources and ecosystems.

When selecting building materials for Taza Park, the key objective is to prioritize the use of local, sustainable materials with low embodied carbon. This approach aligns with modern principles of environmentally conscious construction and demonstrates a commitment to reducing the project's overall carbon footprint and environmental impact.

Here are some key factors to explore when selecting materials:

- ◇ Durability and Longevity
- ◇ Renewable and Recyclable Materials
- ◇ Low Embodied Energy
- ◇ High Insulation and Thermal Mass
- ◇ High-Quality Waterproofing and Sealants
- ◇ Life Cycle Assessment (LCA)
- ◇ Low Maintenance Requirements
- ◇ Local Sourcing
- ◇ Flexibility and Adaptability
- ◇ Authentic and High-Quality Materials on ground level

Material selection should consider a natural palette with special consideration of texture and warmth on the ground floor of the buildings. Preference will be given to brick but other materials with a finer grained texture will be considered. Layering of materials should be explored to create variety and human scaled interest.



Photo: Ref 5



Photo: Ref 6

DESIGN RESPONSE

- ◇ Use building materials that embrace and celebrate both traditional and contemporary Tsuut'ina Nation culture. This approach will not only honor the community's heritage but also showcase its modern identity and aspirations.
- ◇ Utilize wood frame construction wherever possible. And explore using mass timber and cross laminated timber (CLT) construction to celebrate the traditional building materials of the Tsuut'ina Nation.
- ◇ Honour the historic use of these materials.
- ◇ Use durable and versatile materials for cladding. Some examples include: wood soffits, wood composite, natural stone veneer, brick, pre-cast concrete, metal panel, terra-cotta, and/or fiber-cement.
- ◇ Incorporate human scale, tactile materials, and fine-grained detailing for lower levels of buildings is a design approach that enhances the overall experience and connection between occupants and the built environment.
- ◇ Use a maximum of four materials in a facade, the ground level should receive high quality and durable materials.
- ◇ Explore using materials that are environmentally responsible, economically viable, and durable enough to withstand the challenges of changing climates and the test of time.
- ◇ Use a textured finish for exposed concrete. Such as, exposed aggregate finish, sandblasted finish or brushed finish.
- ◇ Design bird friendly buildings by increasing visibility of glass, reducing the appearance of clear passage to the sky and if the design allows apply markers to the glass. These strategies are especially important to the fourth floor.
- ◇ Avoid exposed fasteners and the use plastic as cladding materials.



Photo: Ref 7



Photo: Ref 8





BUILDING LIGHTING

Buildings should include exterior lighting to highlight specific features as well as ensure a safe and inviting environment after dark.

Use design features such as

- ◇ soffit lighting
- ◇ entrance lighting
- ◇ pathway lighting

While creating interesting and welcoming developments through building lighting, following responsible lighting practices, passing Dark Sky friendly legislation should be considered to reduce light pollution.

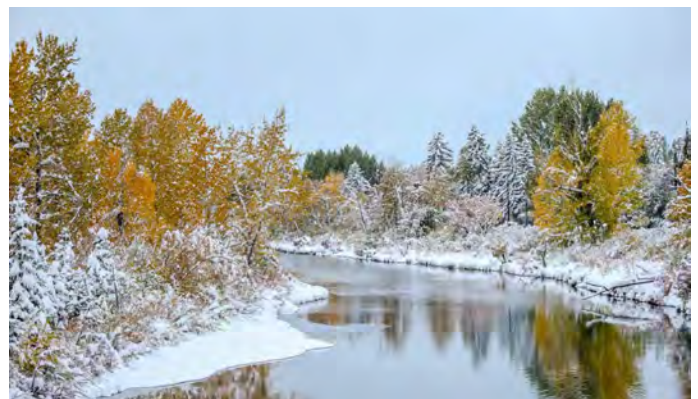
COLOUR PALETTE

Drawing inspiration from the colors found in the land can create a design palette that reflects the natural beauty and cultural significance of their surroundings. The color palette should be earthy, warm, and harmonious, mirroring and accentuating the landscapes, flora, and fauna that hold cultural importance to the Tsuut'ina people.

The key is to create a palette that not only celebrates the beauty of the Tsuut'ina Nation's land but also honors their cultural heritage and deep connection to the environment.



Photo: Ref 9



Part 4: Residential Livability

BUILDING SETBACKS

Privacy for grade level units should be enhanced through low walls, hedges and changes in elevation. Buildings should be separated by a layering of landscaping elements such as low walls, hedges and/or tree rows. Buildings should be designed to avoid overlook problems between units facing one another. Windows located in sideyards should take into account those located in existing or approved adjacent developments.

CHILDREN'S PLAY AREAS

Children of all ages should have easy access to appropriately located, designed and landscaped outdoor play areas suited to their developmental and play needs. Where a site is providing a play area as part of the common property, the total outdoor play area shall be a minimum of 130 square metres in size and shall be visually accessible from amenity areas and residential units. Outdoor play areas shall be situated to maximize sunlight access and also provide areas of shade. There should be a minimum of two hours of sunlight between the hours of 10:00 a.m. and 5:00 p.m. on December 21st and adequate artificial lighting shall be provided. The anticipated demographic of a building will impact the encouragement of a play area.



Photo: Ref 10

PRIVACY OF OUTDOOR SPACES

Each dwelling unit should have direct access to a private outdoor space in the form of a balcony, patio or roof deck. Adjoining balconies should be separated with a privacy screen. Where outdoor spaces are terraced, screening should be employed to minimize the extent of overlook from one patio to another. Courtyard spaces should be usable by building residents as communal outdoor spaces.

IDENTITY

The ground floors of all buildings should be designed to express the individuality of units through architectural expression and the inclusion of entrance doors and windows addressing the street.

Private outdoor spaces should be capable of being customized by residents through their choice of plant materials, potted plants, window boxes and furnishings.



Photo: Ref 11

SAFETY AND SECURITY

Residential developments and unit designs should be safe and secure from on-street access. Public and semi-private outdoor spaces should have some degree of overlook from residential units and good visibility from the street. Landscaping should be illuminated to enhance security. CPTED (Crime Prevention through Environmental Design) principles should be incorporated into building and site design. To raise the sense of security and comfort within parking garages, they should be well illuminated, painted with light colours, have good view lines throughout, and make use of glazing in lobbies and at entrances.

ACCESSIBILITY AND ADAPTABILITY

Many older people prefer to remain in their home for as long as possible. To this end, housing units should be designed to be adaptable to the future needs of residents as they age. Particular consideration should be given to CMHC "Flex Housing" design guidelines. Access to all residential common spaces and primary external circulation routes should be designed to be accessible to those persons impaired by vision, hearing, or mobility. Street-oriented units elevated above the sidewalk grade can be an exception to this requirement, but should provide opportunity for adaptability for accessibility requirements to not preclude aging in place and future users of these units.



SOLAR ORIENTATION, LIGHT AND VENTILATION

Habitable rooms in dwelling units should have access to daylight and direct sunlight. Private and semi-private outdoor spaces should receive direct sunlight during most days of the year. Outdoor spaces related to north-facing units will require careful design for sun access. Each external facing residential room shall have operable windows for increased natural ventilation.

MULTI-LEVEL UNITS

Inclusion of some two- or three-storey units, particularly at street level, will afford the opportunity for residents to have units that are more “house-like”. This unit type also lends itself to flexibility of use for the ground floor, allowing for the inclusion of a home office or studio space.



Photo: Ref. 12

Part 5: Site Management

PROPERTY MANAGEMENT

RECYCLING AND GARBAGE COLLECTION

Residential garbage should be separated into three streams: Organics, Recycling and Waste. Appropriate size of waste bins must be provided on the property, either inside the building or in form of an outside buried system. Garbage and recycling bins must be located within the building or on the property to facilitate easy and frequent collection. Property owners may choose their preferred collection service ensuring collection is scheduled frequently enough to avoid overflowing of waste bins.

Outside waste collection systems should be screened with landscaping elements or decorative screens. All garbage enclosures not within a building must be animal proof.

SNOW REMOVAL

Property owners are responsible for their own snow removal. For larger sites, sufficient areas for snow removal and storage should be considered.

LOADING AREAS

All residential and commercial developments must provide appropriate loading areas.

Commercial loading areas must not be adjacent to the main retail street. Architectural screening or landscaping around larger loading dock areas should be considered if the area is located within a high visibility context.

Loading areas should not be placed crossing major pedestrian pathways.

PARKING AREAS

SURFACE PARKING LOTS

Access to parking lots shall be clear and a reasonable distance from any intersection to avoid traffic incidents. There shall be no access to a surface parking lot from the Retail Main Street along Tsuut'ina Parkway.

Landscaping elements such as high hedges must frame the preliminary edges of large surface parking areas. Native planting and trees should be considered where possible. Safe pedestrian connections from parking stalls to a door or a sidewalk should be considered.

Accessible stalls shall be located near an entry and must be clearly labeled.

STRUCTURED PARKING

An effort should be made to conserve land and consider structured parking instead of surface parking lots. Structured parking should be integrated into the overall development and be addressed architecturally. There is an opportunity for cultural references or artwork on the facade of parking structures. Parking to be buffered by landscaping to enhance the natural surroundings.

BELOW GROUND PARKING:

Below ground parking structures can take parking demand off the surface. Access to below ground parking should be clearly labeled. Ramps must not be steeper than 10% if exposed and unheated. If inside a building and heated, ramps can be a maximum of 15% slope with transitions. The maximum grade change for any ramp is 10%.





TAZA PARK

ARCHITECTURAL GUIDELINES

March, 2025

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