

Rental Reduction Agreement

WHEREAS Canada Mortgage and Housing Corporation, as lessor, (the “**Landlord**”) has entered into a lease dated (the “**Lease**”) with , as lessee (the “**Tenant**”).

AND WHEREAS the Landlord intends to extend a rent reduction to the Tenant through the Granville Island Covid-19 Impacts Rent Reduction Program (“**Program**”).

AND WHEREAS the Landlord and the Tenant wish to enter into this Rent Reduction Agreement to amend the Lease in accordance with Program requirements.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged, the Landlord and Tenant agree as follows:

1. This Rent Reduction Agreement is conditional upon final approval of the Tenant’s application to the Program made by the Tenant (the “**Application**”), whereupon this Rent Reduction Agreement shall automatically become binding and effective. For greater certainty, this Rent Reduction Agreement shall have no force and effect unless and until the date on which the Application to the Program has received final approval (the “**Effective Date**”). Final approval of the Application is considered to occur upon the application of credits toward rent to the Tenant Account under the Program.
2. The term “Lease”^[1] as defined above and used herein means that agreement, regardless of how the parties may have described it, and any reference to the term “rent” when used in any context in this Rent Reduction Agreement means the corresponding payments by the Tenant to the Landlord for the use and occupancy of the premises under that agreement.
3. This Rent Reduction Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.
4. The Landlord hereby grants forgiveness of a percentage of the Tenant’s total gross rent, the determination of which will be based on eligibility criteria outlined below, otherwise payable to the Landlord under the Lease, before applicable sales taxes, in respect of the months (the “**Target Months**”) which include up to a maximum period of April 1st 2020 to March 30th 2021 inclusive (the “**Contract Rent for the Target Months**”), and the Tenant shall pay the gross rent so reduced for the Target Months, plus applicable sales taxes. However, if applicable, the Tenant shall nonetheless also pay, as rent, plus applicable sales taxes, an amount equal to a *pro rata* portion of business interruption insurance proceeds and/or non-repayable proceeds of federal or provincial government programs targeted at commercial rent assistance instituted in response to the COVID-19 emergency received or receivable, if any, by the Tenant in respect of the Lease for the Target Months. The Landlord and Tenant agree and acknowledge that the Contract Rent for the Target Months and the Tenant’s Reduced Rent are as set forth in the table below, subject to annual reconciliation of Additional Rent fees as outlined in the Lease:

Monthly Rent Reduction Categories

Monthly Gross Rent	Monthly Contract Rent for the Target Months (before applicable sales taxes)	Monthly Tenant’s Reduced Rent (before applicable sales taxes)

5. The Tenant remains liable for and, subject to Section 6 of this Rent Reduction Agreement, shall pay all rent that has not been reduced and forgiven (the “**Tenant’s Reduced Rent**”), plus applicable sales taxes, in accordance with the requirements of the Lease.
6. If the Tenant has already paid rent in excess of the amount of the Tenant’s Reduced Rent for the Target Months, then the Landlord will grant the Tenant a credit of the excess amount (plus applicable sales taxes) to be applied against rent next coming due.
7. If the Tenant has not paid all or any part of the Tenant’s Reduced Rent for the Target Months accruing due prior to the Effective Date, the Tenant will pay such unpaid amount to the Landlord within thirty (30) days after the Effective Date or such later date as may be agreed by the Landlord and the Tenant, terms of which must be accepted by the tenant within thirty (30) days after the Effective Date.



8. If the Landlord and Tenant have entered into a prior binding agreement for the reduction of any amount of the gross rent for the Target Months, such prior agreement is hereby confirmed and restated, or amended, as applicable, so that the reduction contemplated therein is made upon and subject to the terms of this Rent Reduction Agreement, with any such reduction being included in the amount of the reduction and forgiveness provided for in Section 4 of this Rent Reduction Agreement. In the event of any conflict between the terms of any such prior agreement and this Rent Reduction Agreement, the latter shall prevail.
9. Subject only to Section 11, the Landlord acknowledges that the rent that is forgiven and reduced by this Rent Reduction Agreement will never be recoverable by the Landlord, and accordingly the Landlord shall not attempt to use any means or mechanisms whatsoever, direct or indirect, to recover such reduced and forgiven amounts.
10. During the period from the commencement of the Target Months until the date on which the Tenant is no longer receiving any rent reduction or forgiveness or rent credit under this Rent Reduction Agreement (the "**Suspension Period**"), the Landlord shall not serve the Tenant with any default notice or seek to effect or proceed with an eviction, where the basis for such default notice or eviction is a Lease default in which the Tenant has been prevented from performing the obligation(s) in default because of the COVID-19 emergency (other than a failure to pay the Tenant's Reduced Rent). Any such proceeding initiated by the Landlord after the commencement of the Target Months and prior to the Effective Date is hereby suspended and stayed for the duration of the Suspension Period.
11. The Tenant confirms that, to the best of its knowledge, all information and declarations provided in any Tenant's Attestation required by the Program are true and correct and acknowledges that any false or misleading information in the Tenant's Attestation (including the Integrity Declaration) may result in a determination by the Landlord that the Tenant is not eligible to receive financial or other benefits through the Program. If this occurs, then, notwithstanding anything to the contrary contained in this Rent Reduction Agreement, the full gross rent for the Target Months less any amounts already paid by the Tenant, shall be due and owing to the Landlord no later than sixty (60) days from the date of notice by the Landlord of the Tenant's ineligibility. Non-payment of such amounts shall constitute arrears of rent under the Lease.
12. This Rent Reduction Agreement shall be governed by the laws of the province or territory in which the Lease premises are located and the laws of Canada applicable therein. In the event of a dispute, the parties agree that the courts of British Columbia shall exclusively hear any dispute related to the validity, interpretation or performance of this Rent Reduction Agreement and agree to be bound by a judgment of that court.
13. This Rent Reduction Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such respective counterparts shall together constitute one and the same instrument. Delivery of an executed counterpart of this Rent Reduction Agreement by contactless in-person delivery, mail or electronic mail or portal (including any electronic signature covered by applicable provincial or territorial law, e.g., OneSpan) or other electronic transmission method shall be equally as effective as delivery of an original executed counterpart of this Rent Reduction Agreement.
 - Electronic Delivery: covidrentrelief@granvilleisland.com
 - Contactless in-person delivery or Mail Delivery:
 - Granville Island Administration Office Drop Box
 - Attn: Rent Relief Program Administrator
 - Granville Island Administration Office
 - 2nd Floor 1661 Duranleau Street, Vancouver BC V6H 3S3
14. It is the express wish of the parties hereto that this Rent Reduction Agreement and any ancillary documents pertaining thereto shall be drafted in English. *Les parties ont exigé que la présente entente de réduction de loyer soit rédigée en langue anglaise.*

IN WITNESS WHEREOF the undersigned have executed this Rent Reduction Agreement.

Dated May 7, 2021

[1] Note that in this form, the concept of lease and all related concepts are used broadly to include the concept of licence and all related concepts. Accordingly, the word "lease" includes "licence", "sub-lease" includes "sub-licence", "tenant" includes "licensee", "sub-tenant" includes "sub-licensee", "landlord" includes "licensor", "sub-landlord" includes "sub-licensor", and so on.

CANADA MORTGAGE AND HOUSING CORPORATION



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Signed On: <https://admin.granvilleisland.com/>

Signed:

By:

Acting General Manager - Granville Island

Sabrina Lakos

Date:

Your signature and the document will be sent to CMHC for signing.

X _____



Signature Certificate

Document name: Rental Reduction Agreement

Unique Document ID: 991190218944780D7066C3AB9AC8AE3FD31F685C

LEGALLY SIGNED USING
WPsignature
Build. Track. Sign Contracts.

Timestamp

August 27, 2020 2:40 pm PDT

Audit

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This audit trail report provides a detailed record of the online activity and events recorded for this contract.

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