

Date: _____

To: _____

**Re: Matching Down Deposit
Program loan on
Lot (Unit) _____, Block _____, Plan _____**

This letter confirms Canmore Community Housing Corporations (“CCHC”) terms and conditions for a loan (the “Loan”) to you under CCHC’s Matching Down Deposit Program (“MDDP”).

Loan Amount: _____

Interest Rate: One (1) per cent per annum

Borrower: _____

The Loan is to be secured by a demand second mortgage on the Borrower’s land (the “Land”) legally described as:

The second mortgage is to be subject only to a first mortgage in favour of _____ in the principal amount of \$_____. (the “First Mortgage”)

The purpose of the Loan is to fund one-half of the down payment on acquisition of the Land. Borrower must fund out of Borrower’s own resources an amount equal to the Loan Amount in completing Borrower’s purchase of the Lands.

The Loan is made subject to the policies and procedures of CCHC’s MDDP program. Borrower, on acceptance of this loan approval letter, represents and warrants to CCHC that the Borrower and the Loan qualify under such MDDP. In particular, the Borrower confirms that the Lands are being acquired by the Borrower for use as, and will in fact become and be, Borrower’s Primary Residence. Borrower also represent and warrants to CCHC that the Borrower(s) are over the age of eighteen (18) years, are Canadian Citizens or Permanent Residents of Canada and meet the Permanent Employment and Canmore Residency requirements of the MDDP.

The Loan and interest thereon are to be repaid in full on the earlier of Demand or _____ . Borrower acknowledges on acceptance hereof that CCHC may at its sole option extend

the term of the loan for up to a further five (5) years if the Borrower continues throughout the term to qualify under the MDDP.

Title to the Land must be acceptable to CCHC and its solicitors; and the mortgage shall be in form and content determined by CCHC and duly registered on title to the Lands as a second financial charge (subject only to a First Mortgage as described above).

Borrower shall provide to CCHC acceptable evidence of fire and extended perils coverage with an insurer acceptable to CCHC and with second loss payable to CCHC subject to standard mortgage clause, as well as evidence of the third-party comprehensive liability coverage for at least \$2,000,000.00.

At all times, title to the Land must be acceptable to CCHC and free of builders' liens and other financial encumbrances other than the First Mortgage and CCHC's mortgage.

All costs and expenses incurred by CCHC in connection with the Loan and security therefor, including without limitation CCHC's legal fees and disbursements on a solicitor-client full indemnity basis, shall be paid by the Borrower.

CCHC shall be entitled to do, or cause an agent to do, Land site inspections from time to time.

The Loan and this facility shall not be assignable by the Borrower and shall endure to the benefit of CCHC and its successors and assigns. If the Land is transferred or assigned in any way without CCHC's prior written consent, the Loan and all accrued interest shall, at CCHC's sole option, become immediately due and payable.

Waiver by CCHC of any breach or default by the Borrower under this agreement or any security shall not be construed as waiver of any subsequent breach or default by the Borrower. Nor shall failure by CCHC to exercise any rights or remedies hereunder or under the security constitute a waiver thereof.

CCHC's solicitors shall be: _____

Borrower's solicitors shall be: _____

Any notice hereunder may be given by delivery to or facsimile delivery to a party's last known address or to the party's said solicitors.

The Borrower acknowledges and agrees that the terms and conditions herein are confidential between themselves and CCHC, its solicitors and consultants. The Borrower agrees not to disclose the information contained herein to a third party, other than their solicitor and the First Mortgage holder, without CCHC's prior written consent. The Borrower consents to the release of information relating to the Borrower, including private information, to CCHC's affiliates and solicitors.

If you are in agreement with the foregoing terms and conditions, please indicate by signing and returning one (1) copy of this facility letter to CCHC by _____, 20____, failing which this letter shall be deemed null and void.

Yours truly,

CANMORE COMMUNITY HOUSING CORPORATION

Per: _____

Borrower hereby accepts the terms and conditions of the above facility letter and agrees to pay CCHC's fees and expenses and consent to credit checks by CCHC.

Dated the _____ day of _____, 20____.

