



THE CORPORATION OF THE CITY OF SAULT STE. MARIE

**CALL FOR SUBMISSIONS – ACCESS TO LAND
DISPOSITION OF DEVELOPMENT PROPERTY AND REDEVELOPMENT PROPOSALS
FOR 84-94 PARK STREET**

CLOSING DATE AND TIME REQUIREMENTS:

PLEASE SEND ELECTRONIC SUBMISSIONS ONLY to:

JAMIE COCCIMIGLIO, EXIT REALTY TRUE NORTH

bids@exitrealtytruenorth.com

no later than 4:00 p.m. local time on Friday, May 8, 2026.

March 10, 2026

Call for Submissions

The Corporation of the City of Sault Ste. Marie
Development Property Sale [84-94 Park Street]

SECTION 1 - INFORMATION TO PROPONENTS

1.1 Introduction

The Corporation of the City of Sault Ste. Marie (“the **City**”) has issued a “Call for Submissions” to bid on the disposition of the City Property known as **84-94 Park Street** (the “City Property”) for the purpose of development in accordance with the “Development Milestones” as described in Section 2 Terms of Reference.

1.2 Methodology for Submitting Proposals

ELECTRONIC PROPOSAL SUBMISSIONS ONLY shall be received by submitting same to the City’s Realtor, **Jamie Coccimiglio**, with the Subject Line as follows:

Email address: bids@exitrealtytruenorth.com

Subject Line: **Proposal – Access to Land – 84-94 Park Street**

Hardcopy submissions are **not** permitted and will **not** be accepted. Electronic Proposal Submissions **MUST** be received **by 4:00 p.m. on May 8, 2026** to be considered. Electronic Proposal Submissions received after 4:00 p.m. on **May 8, 2026** shall **not** be considered by the City.

Proponents are cautioned that the timing of their Proposal Submission is based on when the Proposal is **RECEIVED** by the Realtor **Jamie Coccimiglio**, not when a Proposal is submitted, as Proposal transmission can be delayed due to file transfer size, transmission speed, etc. It is recommended that sufficient time is allotted to complete the Proposal Submission. The date stamp provided by the Realtor **Jamie Coccimiglio’s** email server will be the official time of receipt.

Proponents should contact the Realtor **Jamie Coccimiglio** at least twenty-four (24) hours prior to the closing time and date, if they encounter any problems. The Realtor **Jamie Coccimiglio** will send a confirmation email to the Proponent advising that their Proposal was received successfully. If a Proponent does not receive a confirmation email, the Proponent should contact the Realtor **Jamie Coccimiglio**. The contact information for the Realtor **Jamie Coccimiglio** is: bids@exitrealtytruenorth.com, **Phone: 705-971-7824**

Proponents may edit or withdraw their Proposal Submission prior to the closing time and date. The Proponent is solely responsible to ensure the re-submitted proposal is received by the Realtor **Jamie Coccimiglio** no later than the stated closing time and date. The City reserves the right to reject any or all Proposals and the highest or any Proposal will not necessarily be accepted.

1.3 Errors, Omissions, Clarifications

It is the Proponent’s responsibility to clarify any questions before submitting a Proposal. Questions are to be submitted to the Realtor **Jamie Coccimiglio** by email to: bids@exitrealtytruenorth.com. The Realtor **Jamie Coccimiglio** shall liaise with relevant City Staff and respond to the questions raised.

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1.4 Withdrawal/Decline of Proposal

Proponents may edit or withdraw their Proposal Submission prior to the closing time and date. However, the Proponent is solely responsible to ensure the re-submitted Proposal is received by the Bidding System no later than the Proposal submission deadline.

A bid deposit in the amount of One Thousand Dollars (\$1000.00 CAD) must accompany each Proposal. The bid deposit shall be delivered to Realtor **Jamie Coccimiglio** and must be in the form of a cheque made payable to “**The Corporation of the City of Sault Ste. Marie.**”

Once the successful Proponent is selected, the bid deposit cheques will be returned to the Proponents whose Proposal was not selected.

The Bid Deposit cheque submitted by the successful Proponent shall be processed by the City and held in trust pending completion of the transaction by **July 25, 2026** in accordance with Section 1.8(E) herein. If the successful Proponent fails to finalize and execute the Agreement of Purchase and Sale, Project Milestone Agreement and Option Agreement by **July 25, 2026**, then the successful Proponent forfeits the Bid Deposit to the City as set out in Section 1.8 herein.

1.5 Proposal Evaluation

- A. The successful Proponent will be selected based on an evaluation of the Proposal submissions received on or before the submission deadline, utilizing a rating system which considers the requirements mentioned below. A committee composed of City staff will be used in the selection process (the “Committee”). The Proponent shall outline and be evaluated on the following criteria:
- 1) **Development Experiences of the Proponent and References:** Include particulars of key Team Members, expertise and their past experiences on similar projects, and any demonstrated expertise in real estate development.
 - 2) **Proposed Development Plan.** Include Project understanding of scope and requirements, detail proposed work plan and methodology to be undertaken, including any information or content relevant to the completion of the Project on the City Property. Provide particulars of the number of residential units to be developed, detail how the Project will integrate with the surrounding neighborhood and set out any additional value-added components such as innovative building design, barrier-free units beyond the minimum set out in the Ontario Building Code and any green/energy efficient design details. Consideration will also be given to how the Project will generate future tax assessment for the City and if the Project conforms to zoning and Official Plan requirements.
 - 3) **Schedule.** Include proposed development timelines and phases, and a schedule recognizing critical milestones, requirements and phases of development. Provide a Project Schedule Outline and identify major work components with approaches/steps to realize Project development.

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- 4) **Affordability Commitment:** Particularize how the Project contains units that are affordable or that exceed the City's expectations regarding the affordability period or rate. Set out the percentage of affordable units committed for 20 years and any further commitments to affordability (extended beyond the 20-year period).
- 5) **Offer Amount** – Amount the Proponent is prepared to pay to acquire the City Property.

- B. **Acceptance of City's Standard Terms.** The Proponent shall also advise in the Proposal if the Proponent accepts all of the City's Standard Terms as contained in Schedule "A" to this Call for Submissions which shall form part of the Agreement of Purchase and Sale ("APS") between the City and the successful Proponent. The Proponent shall identify any Standard Terms set out in Schedule "A" that the Proponent does not accept and any terms that the Proponent wishes to add as being part of the APS. The Proponent shall also advise in the Proposal if the Proponent accepts the terms set out in the Project Milestone Agreement set out in Schedule "B" and the Option Agreement set out in Schedule "C".

The City Committee shall complete an assessment of each Proponent's proposed variation (if any) to the City's Standard Terms, Project Milestone Agreement and Option Agreement as contained in Schedules "A", "B" and "C" respectively, to this Call to Submissions. The Proponent's proposed alternative terms (if any) shall form part of this evaluation.

- C. In the evaluation process, the City may consider the Proponent's past performance or conduct on previous contracts with the City or other institutions.

The above list of criteria represents areas which are to be specifically addressed in the Proposal. The evaluation process will not necessarily be limited to these areas. Other criteria not specifically listed above may also receive consideration. The order in which the criteria are listed does not indicate the weighting of the evaluation. To be eligible, Proponents must be in good standing with the City with no tax arrears or history with unresolved building code violations or charges.

The City reserves the right, in its sole and absolute discretion, to select a preferred Proponent with which to negotiate a final APS, terminate the Call for Submissions or reject any Proposal(s). Negotiations will not constitute a legally binding offer to enter into a contract on the part of the City or the Proponent.

The City will endeavor to complete the evaluation process within a reasonable time frame. The City reserves the right to contact Proponents to seek clarification of the Proposals, as submitted, to assist in the evaluation process. Interviews may be required. **Please see Paragraph 1.9 concerning no reimbursement for incurred costs associated with attendance at interviews.**

IMPORTANT: The decision of the City with respect to the Call for Submissions is considered final. In submitting a Proposal, Proponents agree that there is no recourse to the City for its decision.

1.6 Site Inspection and Requirements of Work

Proponents are required to submit their Proposals upon the condition that they shall satisfy themselves by personal examination of the City Property, and by such other means, as they may

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prefer, as to the actual conditions and requirements of the work.

1.7 Proposal Left Open

The Proponent shall keep their Proposal open for acceptance for **Sixty (60)** days after the closing date for the “Call for Submissions”.

1.8 Schedule

- (A) Release of “Call for Submission”: **March 10, 2026**
- (B) Closing Date for “Call for Submissions”: **May 8, 2026**
- (C) City Committee Evaluation of Proposals and Selection of Recommended Proponent: by **May 13, 2026**
- (D) Council Consideration and Approval of Proponent: **June 22, 2026**
- (E) Deadline for Finalizing and Executing a completed APS, Project Milestone Agreement and Option Agreement: **July 25, 2026**

The City reserves the right to alter the scheduling of items “C” to “E”. Proponents are asked to designate one contact person to whom any additional information deemed to be relevant to the Proposal may be communicated. Provide contact coordinates, including email addresses, in the Proposal.

IMPORTANT: If an APS, Project Milestone Agreement and Option Agreement are not executed and finalized by **July 25, 2026**, the City shall have the right to cancel this Call for Submissions and the City may reissue a Call for Submissions at its sole discretion. If the successful Proponent fails to finalize and execute the Agreement of Purchase and Sale, Project Milestone Agreement, and Option Agreement by **July 25, 2026**, then the successful Proponent forfeits the Bid Deposit provided to the City. The decision of the City in this regard is final and Proponents agree that there is no recourse to the City for its decision.

1.9 Incurred Costs

The City will not be liable for, nor reimburse any Proponent for costs incurred in the preparation of Proposals or any other costs such as preparation for, and attendance at interviews that may be required as part of the evaluation process. Whenever possible, at the sole determination of the City, additional information and/or clarifications will be obtained by telephone or other electronic means.

1.10 Alterations to Documents

No electronic reproduction or alteration of the original document will be permitted under any circumstance. The Proponent shall not change the wording of the Proposal after submission and no words or comments shall be added to the general conditions or detailed specifications unless requested by the City for the purpose of clarification.

1.11 Confidentiality & Post-Award Comment

No Proponent shall have the right to review or receive any information with respect to a Proposal,

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documentation, or information submitted by any other Proponent. The content of the Proposal, and all documentation, and information shall be held in confidence by the City subject only to the provision of freedom of information and privacy legislation, including without limitation, the *Municipal Freedom of Information and Protection of Privacy Act*.

Post-Award Comment by the City regarding this Call for Submissions may be limited to written notifications to all Proponents of the successful Proponent's name and address only. **In submitting a Proposal, Proponents acknowledge and agree to this provision.**

1.12 *Municipal Freedom of Information & Protection of Privacy Act*

The City is governed by the provisions of the *Municipal Freedom of Information and Protection of Privacy Act*. All documents submitted to the City in response to this Call for Submissions become the property of the City and as such will be subject to the disclosure provisions of the *Act*. The *Act* gives a person the right to access the information held by the municipality. The right of access is subject to exemptions contained in the *Act*.

1.13 *Indemnification*

The successful Proponent shall indemnify and save harmless the City against and from all actions, causes of action, interest, claims, demands, suits, costs, damages, expenses or loss of any nature which the City may bear, suffer, incur, become liable for, or be put to arising pursuant to the Property. The successful Proponent shall bear all risks regarding the future use and development of the City Property and shall have no claim whatsoever against the City for any defect in the Property.

The City sells the Property without any warranty as to the environmental or other condition of the Property or its suitability for use or development by the successful Proponent, and without any express or implied agreement, representation or warranty of any kind whatsoever as to the title, area physical characteristics, leasing, tenancies, income, profitability, use or zoning, the existence of latent defects, or as to the accuracy, currency or completeness of any information or documentation supplied or to be supplied in connection with the Property and without limiting the foregoing, any conditions or warranties, express or implied, pursuant to legislation or otherwise will not apply and are hereby waived by the successful Proponent.

The successful Proponent shall bear all risks regarding the future use and development of the Property following the Closing Date for the sale of the City Property, and the successful Proponent shall have no claim whatsoever against the City for any defect in the Property relating to any matter.

The successful Proponent acknowledges and agrees that the City makes no representations or warranties whatsoever, either expressed or implied, as to the existence or non-existence of any asbestos, PCBs, radioactive substances or any other substances, liquids or materials or contaminants which may be hazardous or toxic or require removal and disposal pursuant to the provisions of any applicable legislation (all of the foregoing being hereinafter called "**Environmental Matters**") and that the successful Proponent takes the Property "as is" and relies upon its own investigations, if any, in this regard. From and after the Closing Date, the Property shall be the sole risk of the successful Proponent, and the City, its successors and assigns, will have no further liability in respect of any Environmental Matters. The successful Proponent covenants and agrees that such

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covenant shall survive closing and not merge on closing of this transaction, to indemnify and save harmless the City in respect of any claims, demands, losses, damages, in any way related directly or indirectly to any Environmental Matters and in respect of orders or claims, charges or requirements whatsoever of any Municipal, Provincial, Federal or other governmental body, board, commission, authority, department or Ministry, or employees, officials or representatives thereof.

As of and from the Closing Date of the sale of this City Property, the successful Proponent shall release the City and its successors and assigns from and against all losses, damages, claims, fines liabilities, actions, suits, in any way arising, directly or indirectly by reason of the presence on the Property of any containment, pollutants, dangerous substance wastes (liquid or solid) or toxic substances or the escape thereof in the air or onto adjacent properties or lands including rivers, streams, and ground waters, (collectively the "**Substances**"), whether produced, created or generated before or after the Closing Date of the sale of this City Property, and such indemnity shall include any applicable order, decree, judgment or demand under law, regulation or order.

The rights to indemnity shall survive any termination of the APS resulting from this Call for Submissions. Further, the rights to indemnity shall survive the closing of the sale of the City Property and shall be a continuing obligation of the successful Proponent and its successors and assigns. The rights to indemnity forms part of the City's Standard Terms as contained in Schedule "A" to this Call for Submissions and shall form part of the APS between the City and the successful Proponent.

1.14 APS and Related Agreements

The successful Proponent shall be required to enter into the following Agreements by **July 25, 2026**:

- (a) APS for the City Property, which shall include the City's Standard Terms as contained in Schedule "A" to this Call for Submissions;
- (b) Project Milestones Agreement which confirms the Proponent's commitment to the development plan it has proposed for the City Property as contained in Schedule "B" to this Call for Submissions; and
- (c) Option Agreement as contained in Schedule "C" to this Call for Submissions.

Where the Proponent seeks to vary from the City's Standard Terms, Project Milestone Agreement and/or Option Agreement, the Proponent must directly state same and clearly detail the alternative terms being proposed in its Proposal, which alternative terms shall be evaluated against terms from other Proponents.

SECTION 2 – TERMS OF REFERENCE

2.1 Introduction

The Corporation of the City of Sault Ste. Marie ("the **City**") is seeking Proposals from qualified Proponents to acquire and develop the City Property known municipally as **84-94 Park Street**.

The City is seeking developers with financial capacity, proven track record, and the desire to undertake near-term development of the City Property. The lands are zoned R2 – Gentle Density Residential, which permits low- to medium-density residential development consisting of one or

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more residential structures with a maximum height of two (2) storeys.

While the Zoning By-law does not specify a fixed maximum number of residential units within the R2 zone; all proposed developments must comply with applicable zoning standards, including setbacks, lot coverage, parking, landscaping, and other regulatory requirements. Zoning details are available on the City's website: <https://saultstemarie.ca/government/city-by-laws/>.

This property is not currently connected to municipal services. The successful Proponent will be responsible for tying into the existing municipal servicing located on Park Street.

If the City Property is used for housing development or a condominium, a Record of Site Condition (RSC) is not required.

The property is located within Precinct 3 of the Housing Community Improvement Project Area. As such, grants may be available for eligible affordable residential developments, subject to program requirements. See the Housing CIP website for more details: <https://saultstemarie.ca/government/planning-policies/housing-action-plan/>.

The City has an interest in seeing the addition of affordable housing units in the community and encourages proponents to consider and outline any affordable units that will be constructed within the development. For the City, "Affordable", "Affordability" or "Affordable Housing" means:

- a. In the case of ownership housing, a unit would be considered affordable when the purchase price is at or below the lesser of:
 - i. Income-based purchase price: A purchase price would result in annual accommodation costs equal to 30% of a household's gross annual income for a household at the 60th percentile of the income distribution for all households in the City of Sault Ste. Marie as set out in the Affordable Residential Units bulletin; and
 - ii. Market-based purchase price: 90% of the average purchase price of a unit of the same unit type in the City of Sault Ste. Marie as set out in the Affordable Residential Units Bulletin.
- b. In the case of rental housing, a unit would be considered affordable when the rent is at or below the lesser of:
 - i. Income-based rent: Rent that is equal to 30% of gross annual household income for a household at the 60th percentile of the income distribution for rental households in the City of Sault Ste. Marie as set out in the Affordable Residential Units bulletin, as identified by the Minister of Municipal Affairs and Housing; and
 - ii. Market-based rent: Average market rent of a unit of the same unit type in the City of Sault Ste. Marie as set out in the Affordable Residential Units bulletin.

The City also encourages Proponents to highlight any steps the development will include related to green building concepts and methodologies.

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The City does not currently impose development charges for new residential or commercial development. Other applicable fees (e.g., permits, approvals) may still apply.

2.2 Project Milestones

To provide further clarity, the City's desire for the City Property is for the successful Proponent to have a plan to develop the City Property in accordance with the following "**Project Milestones**":

- A. The City's expectation is that the development of the City Property would begin in the immediate term.
- B. The City is seeking proponents that have a plan to develop the City Property and that plan shall include:
 - a. Closing Date for the City Property within **1 month** of the execution of the Agreement of Purchase and Sale;
 - b. submission of building permits within **6 months** of City Property closing; and
 - c. complete the development of the entire City Property (ie. City Property and interior/exterior of all buildings proposed on the City Property, occupancy permit issued) by **2 years** from the City Property closing.
- C. Should a successful Proponent not follow their commitment to develop the City Property in accordance with the Project Milestones set out herein, the City reserves the right to take the City Property back at the amount paid for the City Property.

2.3 Project Scope and Agreement of Purchase and Sale

The successful Proponent will be responsible for entering into an APS with the City for the future development of the City Property by **July 25, 2026**. The Agreement of Purchase and Sale between the City and the successful Proponent shall be a standard form APS prepared by the City which shall contain the City's Standard Terms as set out in Schedule "A" to this Call for Submissions. The successful Proponent shall also be required to enter into a Project Milestone Agreement in the form as set out in Schedule "B" to this Call for Submissions and an Option Agreement in the form as set out in Schedule "C" to this Call for Submissions, both by **July 25, 2026**.

The successful Proponent will operate in accordance with all applicable laws and undertake development in an appropriate manner.

The successful Proponent will also need to work with the City of Sault Ste. Marie, SSM PUC, as well as other utility providers to arrange appropriate utility services, easements, or the retirement of services as development plans are finalized.

2.4 Minimum Qualifications

An important evaluation criterion will be demonstrated development experience of the Proponent.

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Proposals shall include details of the Proponent's experience and past successful projects. The City may also examine the Proponent for responsibility. Responsibility shall include such measures as financial stability, references, and other information related to responsibility. Proponents should be prepared to satisfy the City, upon request, that they possess the financial ability to support the development project proposed.

SECTION 3 – SUBMISSION REQUIREMENTS

3.1 Overview of Proponent - Experience & References

Demonstrate your experience in completing a project of similar scope and size within the last five (5) years preferred.

- Include relevant past experience on similar projects and professional representative experience, providing relevant references (minimum of 3).
- Include a list of key personnel who will be involved in completing the project set out in the Proposal. For each personnel, please detail their role, skills, qualifications and certifications and provide a brief Curriculum Vitae (CV).

3.2 Proposed Development Plan and Vision for City Property

- Outline the key features of the Proposal and vision for the proposed development.
- State anticipated project phases and approach to be utilized to realize the development. Outline knowledge and comprehension of challenges and risks associated with the project.
- Outline the number of residential units that will be committed for the development proposed.
- Future tax assessment potential will be considered and assessed by the City.
- Set out any additional value-added components such as innovative building design, barrier-free units beyond the minimum set out in the Ontario Building Code and any green/energy efficient design details.

3.3 Project Schedule

- Detail the anticipated project phases and provide a Project Schedule Outline indicating how timelines established by the City will be met. Outline knowledge and comprehension of the challenges and risks associated with the project.
- Detail the proposed Closing Date.
- Detail the anticipated timelines to complete the development, including but not limited to (a) the timeline to submit for building permits; (b) the timeline to complete the development of the entire City Property (ie. City Property and interior/exterior of all buildings proposed on the City Property).

NOTE: The Proponent acknowledges that failure to meet timelines in the Project Milestone Agreement allows the City to trigger the option to repurchase the City Property at the purchase price as per the Option Agreement.

3.4 Affordability Commitment

- While the inclusion of affordable units is not mandatory, proposals that incorporate such units will be viewed favourably.
- Identify the percentage of residential units that will be secured as affordable for a minimum period of twenty (20) years and outline any additional commitments to maintain affordability

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beyond this initial term. Submissions should clearly state the total number of units that will meet the City's definition of "affordable," along with the duration (in years) for which each unit will remain affordable. Proponents are advised that, in order to qualify for any available affordable housing incentives under the Housing Community Improvement Plan, each affordable unit must remain affordable for a minimum of twenty (20) years.

- Please note that selection as the successful proponent does not guarantee eligibility for, or approval of, any incentive programs, which remain subject to separate application and approval processes.

3.5 Price

- Set out the price the Proponent is prepared to pay to acquire the City Property.
- It is preferred that the fee schedule be "All Inclusive" with HST shown as extra.

SECTION 4 – RELEVANT PROPERTY DETAILS

4.1 Legal Description

The legal description for the City Property is as follows:

PIN 31494-0098(LT) LT 15-17 PL 525 RANKIN LOCATION; S/T Q530; SAULT STE. MARIE, being 84-94 Park Street

4.2 Drawing – Property

A drawing for the City Property is located below:

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SCHEDULE "A"

CITY'S STANDARD TERMS - AGREEMENT OF PURCHASE AND SALE

The Proponent acknowledges that the following Standard Terms shall form part of the standard form Agreement of Purchase and Sale ("APS") that is to be prepared by the City and which APS shall be entered into with the successful Proponent. The Proponent shall specify in the Proposal if there any Standard Terms set out in Schedule "A" that the Proponent does not accept and any terms that the Proponent wishes to add to the APS.

CITY'S STANDARD TERMS

A. CITY'S STANDARD TERMS - SPECIFIC REQUIREMENTS FOR THIS PROPERTY

1. Special requirements for the Property from Circulation (ie. easements, any conditions):

There are no existing services installed to the property. The Purchaser will be required to install servicing from within municipal right of way of Park Street at their sole cost/expense.

The Purchaser shall acknowledge and agree that the land will be subject to an easement in favour of Bell Canada in the form of Bell's standard Schedule, to formalize and protect the existing aerial facilities, supply service to the property and to maintain service in the area. The costs will be the responsibility of the Purchaser.

B. CITY'S STANDARD TERMS – GENERAL

1. Relevant Definitions

- (a) **"Closing Date"** shall be the date specified by the Purchaser in the Purchaser's Proposal as submitted by the Purchaser in response to the Vendor's Call for Submissions, as being the Closing Date for the sale of the Property.
- (b) **"Permitted Assignee"** means an assignee that has been consented to by the Vendor, in the Vendor's sole discretion, in accordance with the terms and conditions of this Agreement and the Section 118 Restriction.
- (c) **"Permitted Encumbrances"** shall mean:
 - i. All reservations, limitations, provisos and conditions expressed in the original grant from the Crown.
 - ii. Liens for taxes, local improvements, assessments or governmental charges or levies not at the time due or delinquent;
 - iii. Undetermined, inchoate or statutory liens and charges (including the liens of public utilities, workers, suppliers, materials, builders, contractors, architects and unpaid vendors of moveable property) incidental to the current operation of the Property which relate to obligations not yet due or delinquent and which have not been registered in accordance with applicable law;
 - iv. All agreements with a governmental authority or public utilities including subdivision agreements, development agreements, engineering, grading or landscaping agreements, unregistered hydro easements and similar agreements provided that such agreements are complied with to the Closing Date.
 - v. The exceptions set out in Section 44(1) of the Land Titles Act.
 - vi. Other unregistered easements as of the execution date of this Agreement.
 - vii. Any rights of expropriation, access or use, or any other similar rights conferred or reserved by or in any statute of Canada or Ontario;

- viii. Minor title defects, irregularities or other matters relating to title that are of a minor nature and that in the aggregate do not materially impair the value, marketability or the use of the Property for the purpose for which it is currently used;
- ix. Any Notice of this Agreement;
- x. All instruments as registered on title.

(d) “**Project**” means the Purchaser’s proposed development concept to be constructed on the Property as set out in the Purchaser’s Proposal submitted by the Purchaser in response to the City’s Call for Submissions, including to the satisfaction of the Vendor, building schematics, conceptual plans and site plans.

(e) “**Purchase Price**” shall be the purchase price specified by the Purchaser in the Purchaser’s Proposal as submitted by the Purchaser in response to the Vendor’s Call for Submissions .

2. Acknowledgement of Purchaser as to Condition of Property

The Purchaser acknowledges and agrees that the Property is being purchased by the Purchaser on an "as is, where is" basis as of the Closing Date, subject to the Permitted Encumbrances and the Purchaser acknowledges and agrees that:

- (a) On Closing, title to the Property shall be subject to the Permitted Encumbrances;
- (b) In entering into this Agreement, the Purchaser has relied and will continue to rely upon its own inspections and investigations with respect to the Property and subject thereto the Purchaser acknowledges that it is not relying on any information furnished by the Vendor, the Vendor's real estate broker (if any) and/or any other person on behalf of or at the direction of the Vendor in connection therewith; and
- (c) The Purchaser acknowledges and agrees that no statements or representations by any person have induced or influenced the Purchaser to enter into this Agreement or to agree to any of its terms, or have been relied on in any way by the Purchaser as being accurate or have been taken into account by the Purchaser as being important to the Purchaser's decision to enter into this Agreement or to agree to any of its terms.

This Section shall survive Closing.

3. Future Development, Environmental

- (1) The Vendor sells the Property without any warranty as to the environmental or other condition of the Property or its suitability for use or development by the Purchaser, and without any express or implied agreement, representation or warranty of any kind whatsoever as to the title, area physical characteristics, leasing, tenancies, income, profitability, use or zoning, the existence of latent defects, or as to the accuracy, currency or completeness of any information or documentation supplied or to be supplied in connection with the Property and without limiting the foregoing, any and all conditions or warranties, express or implied, pursuant to legislation or otherwise will not apply and are hereby waived by the Purchaser.
- (2) The Purchaser shall bear all risks with regard to the future use and development of the Property following the Closing Date, and the Purchaser shall have no claim whatsoever against the Vendor for any defect in the Property relating to any matter.
- (3) The Purchaser acknowledges and agrees that the Vendor makes no representations or warranties whatsoever, either expressed or implied, as to the existence or non-existence of any asbestos, PCBs, radioactive substances or any other substances, liquids or materials or contaminants which may be hazardous or toxic or require removal and disposal pursuant to the provisions of any

applicable legislation (all of the foregoing being hereinafter called "**Environmental Matters**") and that the Purchaser takes the Property "as is" and relies upon its own investigations, if any, in this regard. From and after the Closing Date, the Property shall be the sole risk of the Purchaser, and the Vendor, its successors and assigns, will have no further liability in respect of any Environmental Matters. The Purchaser covenants and agrees that such covenant shall survive closing and not to merge on closing of this transaction, to indemnify and save harmless the Vendor in respect of any claims, demands, losses, damages, in any way related directly or indirectly to any Environmental Matters and in respect of orders or claims, charges or requirements whatsoever of any Municipal, Provincial, Federal or other governmental body, board, commission, authority, department or Ministry, or employees, officials or representatives thereof.

- (4) As of and from the Closing Date, the Purchaser shall release the Vendor and its successors and assigns from and against all losses, damages, claims, fines liabilities, actions, suits, in any way arising, directly or indirectly by reason of the presence on the Property of any containment, pollutant, dangerous substance wastes (liquid or solid) or toxic substance or the escape thereof in the air or onto adjacent properties or lands including rivers, streams, and ground waters, (collectively the "**Substances**"), whether produced, created or generated before or after the Closing Date and such indemnity shall include any order, decree, judgment or demand under law, regulation or order applicable thereto.

This Section shall survive Closing.

4. Project Milestone Agreement and Requirements for any Assignment

- (1) The Purchaser or a Permitted Assignee shall construct and develop the Project on the Property, subject to the following terms and conditions:
 - (a) The Purchaser or a Permitted Assignee thereof covenants and agrees to develop the Property substantially in accordance with the Project, subject only to those modifications as may be agreed to between the parties, acting reasonably. The parties acknowledge and agree that the Purchaser cannot sell, mortgage, assign, lease or otherwise deal with the Property unless the Purchaser obtains the advance written consent of the City, in accordance with the terms of this Agreement including Section 5(2)(a) and (b) and Section 8 herein (***as per this Schedule "A" which sections may adjust within the APS itself***).
 - (b) The Purchaser shall have a period of **six (6) months** from the Closing Date to make an application for building permits (within the meaning of the Building Code Act, 1992, S. 0. 1992 c. 23) to commence the development of the Property.
 - (c) The Purchaser shall have a period of **two (2) years** from the Closing Date to completely develop the Property in accordance with the Project, including the Property itself, the interior/exterior of all buildings proposed on the Property, occupancy permit issued, etc.
 - (d) The Purchaser shall be solely responsible for all costs related to the development of the Property and the Project, including any consulting and legal fees related to obtaining all requisite approvals.
 - (e) The execution of this Agreement of Purchase and Sale shall not constitute any approval by the Vendor to facilitate the Project or the development of the Property, nor any representations, warranty, or commitment in respect of same.
 - (f) The Purchaser acknowledges and agrees that nothing in the Agreement shall be construed as or have the effect of operating in any way to fetter the legislative discretion of the Vendor, or of any of its officers, employees, or agents, in the exercise of its statutory powers,

including, but not limited to, any decision or approval under the *Planning Act* or the *Building Code Act, 1992*.

ADD IN ANY OTHER RELEVANT PROJECT MILESTONES THAT THE PURCHASER SET OUT IN THE CALL FOR SUBMISSIONS (IF ANY)

- (2) This Section shall survive Closing and, on Closing, a Notice of Agreement evidencing the terms and conditions contained in this Section shall be registered on title to the Property in priority to all encumbrances on title (financial or otherwise) (the "**Project Milestone Agreement**"), which Project Milestone Agreement shall run with and bind the interest of the Purchaser in the Property, as an appurtenance to and for the benefit of the Vendor, provided that:
- (a) Notwithstanding anything else contained herein, until such time as the terms, conditions, and requirements of this Section have been completed to the sole satisfaction of the Vendor, the Purchaser may not sell, convey, transfer, mortgage, assign, or ground lease the whole or any part of the Property without the express written consent of the Vendor, which consent may be withheld by the Vendor in its sole and arbitrary discretion. If so consented to by the Vendor, then prior to any sale, transfer, assignment, mortgage or ground lease of the whole or any part the Property, the Purchaser shall obtain from and have executed by such transferee, assignee, mortgagee or ground tenant, as the case may be, and delivered to the Vendor (and so on, in the case of succeeding transfers) an Assumption Agreement in a form satisfactory to the Vendor (with such amendments thereto as may be reasonably requested by the transferee, assignee, mortgagee or ground tenant, as the case may be), such Assumption Agreement to be provided to the Vendor in the case of any future transferee, assignee, mortgagee or ground tenant concurrently with the grant of the applicable sale, transfer, assignment, mortgage or ground lease; but the foregoing shall not apply to tenants of parts of any buildings under leases made in the ordinary course of business, nor to any sale, transfer, assignment, mortgage or lease of any units in any condominium(s) created on the Property.
 - (b) In the event of any sale, transfer, assignment or other disposition pursuant to which the Purchaser disposes of its entire interest in the Property and provided that the Purchaser obtains the express written consent of the Vendor, which consent may be withheld in the Vendor's sole and arbitrary discretion, and further provided that the transferee executes an Assumption Agreement in a form satisfactory to the Vendor, as contemplated herein, the Purchaser shall, upon completion of such sale, transfer or other disposition, be released from all liability under the Project Milestone Agreement to the extent that such liability relates to the period after such disposition. For greater certainty, it is acknowledged that the foregoing shall be construed not to release the Purchaser from any obligations or liability that it has to the Vendor pursuant to the Project Milestone Agreement relating to the period prior to such disposition or pursuant to any other agreements made between the Purchaser and the Vendor which are then in force and effect.

5. Vendor's Option to Repurchase

On Closing the Purchaser covenants and agrees to execute and deliver in favor of the Vendor in registrable form the option agreement set out in Schedule B (the "Option Agreement") to the Call for Submissions (**Note to also be attached as a Schedule to the APS**), which shall provide the Vendor the option to repurchase the Property for the Purchase Price. The Option Agreement shall run with and bind the interest of the Purchaser in the Property, as an appurtenance to and for the benefit of the Vendor. This Section shall survive Closing and, on Closing, a Notice of Agreement, enclosing a copy of the fully executed Option Agreement, shall be registered on title to the Property in priority to all encumbrances on title (financial or otherwise).

6. Municipal Approval

Notwithstanding any other provisions of this Agreement of Purchase and Sale, the parties hereto agree with each other that none of the provisions of this Agreement (including a provision stating the parties' intention) is intended to operate, nor shall have the effect of operating in any way to fetter either the Council which authorized the execution of this Agreement, or any of its successor councils in the exercise of Council's discretionary powers, duties or authorities.

7. Applicable Law

This Agreement of Purchase and Sale shall be construed and enforced in accordance with the laws of the Province of Ontario and the laws of Canada applicable thereto and shall be treated in all respects as an Ontario contract.

8. Section 118 Registration

On the Closing Date, the Vendor shall register a restriction pursuant to Section 118 of the Land Titles Act, R.S.O. 1990, C.5 that restricts any transfer of the Property or the creation of a charge on the Property without the express consent of the Vendor, which consent may be withheld by the Vendor in its sole and arbitrary discretion. The Purchaser acknowledges and agrees that the Purchaser's advance consent to the registration of the Section 118 of the Land Titles Act R.S.O. 1990, C.5 restriction is not required and the Purchaser herein expressly consents to the registration of such restriction by the Vendor and the form of same as registered by the Vendor.

9. Indemnity

The successful Proponent shall indemnify and save harmless the City against and from all actions, causes of action, interest, claims, demands, suits, costs, damages, expenses or loss of any nature which the City may bear, suffer, incur, become liable for, or be put to arising pursuant to the Property. The Purchaser shall bear all risks with regard to the future use and development of the Property and shall have no claim whatsoever against the Vendor for any defect in the Property. This Section shall survive Closing.

**SCHEDULE “B”
PROJECT MILESTONE AGREEMENT**

THIS AGREEMENT made as of the _____ day of _____, 2026 (“**Execution Date**”).

B E T W E E N:

INSERT NAME OF SUCCESSFUL PROPONENT
(the “**Purchaser**”)

- and –

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
(the “**Vendor**”)

WHEREAS:

- A. Pursuant to an agreement of purchase and sale dated _____, 2026 (the “Purchase Agreement”) between the Vendor and the Purchaser, the Vendor agreed to sell the property particularly described in Appendix “A” attached hereto, (the “Property”) to and in favor of the Purchaser upon the terms and conditions more particularly set out in the Purchase Agreement.
- B. Pursuant to the Purchase Agreement, the Purchaser agreed with the Vendor to construct, and develop and operate the Project on the Property following Closing upon the terms and conditions more particularly set out in **ARTICLE** ___ of the Purchase Agreement.

NOW THEREFORE IN CONSIDERATION OF the mutual covenants herein contained and for other good and valuable consideration (the receipt and sufficiency of which are hereby conclusively acknowledged by each of the parties), the parties to this Agreement hereby agree as follows:

**ARTICLE 1
DEFINITIONS AND INTERPRETATION**

1.1 Definitions

In this Agreement, the words, phrases and expressions defined in this Section 1.1 have the meanings hereinafter set forth:

- (a) “**Assumption Agreements**” means, an assumption agreement in the form attached at Appendix “B” hereto (in the event the subject transfer is to any person other than a lender/mortgagee) or Appendix “C” hereto (in the event the subject transfer is to a person who is a lender/mortgagee), as the case may be.
- (b) “**Business Day**” means any day other than a Saturday, Sunday, statutory holiday, or day on which the Land Registry Office for the municipality in which the Property is located is closed.

- (c) “**Project Milestones**” means those obligations required to be achieved by the Purchaser, by the dates stipulated therein, as set out in **Section 2.1(a) to (f) (AMEND IF ADDITIONAL PROJECT MILESTONES)** of this Agreement.
- (d) “**Person**” means, any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative or any Authority.
- (e) “**Project**” means the Purchaser’s proposed development concept to be constructed on the Property as set out in the Purchaser’s Proposal submitted by the Purchaser in response to the City’s Call for Submissions, including to the satisfaction of the Vendor, building schematics, conceptual plans and site plans.

1.2 **Interpretation**

Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the Purchase Agreement.

ARTICLE 2 DEVELOPMENT OF THE PROJECT

- 2.1** The Purchaser shall construct and develop the Project on the Property, subject to the following terms and conditions:
- (a) The Purchaser or a Permitted Assignee as that term is defined in the Purchase Agreement, covenants and agrees to develop the Property substantially in accordance with the Project, subject only to those modifications as may be agreed to between the parties, acting reasonably. The parties acknowledge and agree that the Purchaser cannot sell, mortgage, lease or otherwise deal with the Property unless the Purchaser obtains the advance written consent of the City in accordance with the terms of the Purchase Agreement and the Section 118 Land Titles Act restriction.
 - (b) The Purchaser shall have a period of **6 months** from the Closing Date to make an application for building permits (within the meaning of the Building Code Act, 1992, S. 0. 1992 c. 23) to commence the development of the Property.
 - (c) The Purchaser shall have a period of **2 years** from the Closing Date to completely develop the Property in accordance with the Project, including the Property itself and the interior/exterior of all buildings proposed on the Property.
 - (d) The Purchaser shall be solely responsible for all costs related to the development of the Property, including any consulting and legal fees related to obtaining all requisite approvals.

- (e) The execution of this Agreement shall not constitute any approval by the Vendor to facilitate the development of the Property, nor any representations, warranty, or commitment in respect of same.
- (f) The Purchaser acknowledges and agrees that nothing in the Agreement shall be construed as or have the effect of operating in any way to fetter the legislative discretion of the Vendor, or of any of its officers, employees, or agents, in the exercise of its statutory powers, including, but not limited to, any decision or approval under the *Planning Act* or the *Building Code Act*, 1992.

ADD IN ANY OTHER RELEVANT PROJECT MILESTONES THAT THE PURCHASER SET OUT IN THE CALL FOR SUBMISSIONS (IF ANY)

2.2 This Agreement shall run with and bind the interest of the Purchaser in the Property, as an appurtenance to and for the benefit of the Vendor, provided that:

- (a) Notwithstanding anything else contained herein, until such time as the Project Milestones have been completed to the sole satisfaction of the Vendor, the Purchaser may not sell, convey, transfer, mortgage, assign, or ground lease the whole or any part of the Property without the express written consent of the Vendor, which consent may be withheld in the Vendor's sole and arbitrary discretion. If so consented to by the Vendor, then prior to any sale, transfer, assignment, mortgage or ground lease of the whole or any part the Property, the Purchaser shall obtain from and have executed by such transferee, assignee, mortgagee or ground tenant, as the case may be, and delivered to the Vendor (and so on, in the case of succeeding transfers) an Assumption Agreement in a form satisfactory to the Vendor (with such amendments thereto as may be reasonably requested by the transferee, assignee, mortgagee or ground tenant, as the case may be), such Assumption Agreement to be provided to the Vendor in the case of any future transferee, assignee, mortgagee or ground tenant concurrently with the grant of the applicable sale, transfer, assignment, mortgage or ground lease; but the foregoing shall not apply to tenants of parts of any buildings under leases made in the ordinary course of business, nor to any sale, transfer, assignment, mortgage or lease of any units in any condominium(s) created on the Property.
- (b) In the event of any sale, transfer, assignment or other disposition pursuant to which the Purchaser disposes of its entire interest in the Property and provided that the Purchaser obtains the express written consent of the Vendor, which consent may be withheld in the Vendor's sole and arbitrary discretion, and further provided that the transferee executes an Assumption Agreement in a form satisfactory to the Vendor, as contemplated by Section 2.2(a) of this Agreement, the Purchaser shall, upon completion of such sale, transfer or other disposition, be released from all liability under this Agreement to the extent that such liability relates to the period after such disposition. For greater certainty, it is acknowledged that the foregoing shall be construed not to release the Purchaser from any obligations or liability that it has to the Vendor pursuant to this Agreement relating to the period prior to such

disposition or pursuant to any other agreements made between the Purchaser and the Vendor which are then in force and effect.

- 2.3 In all matters respecting the requirements of this Article, the Vendor shall act reasonably in co-operation with the Purchaser to meet the timelines contained in this Article 2.

ARTICLE 3 GENERAL

3.1 Default and Remedies

- (a) If the Purchaser fails to comply with (each a “**Developer Event of Default**”) any term, condition or requirement of this Agreement, including meeting any Project Milestone, then without prejudice to any other right or remedy the Vendor may have, the Vendor can:
- (i) claim and the Purchaser shall pay to the Vendor all damages, costs, and expenses of the Vendor attributable to the failure of the Purchaser to comply with any term, condition or requirement of this Agreement;
 - (ii) pursue any legal remedy available to the Vendor; and/or
 - (iii) enforce the Option Agreement, for any non-compliance with any term, condition or requirement of this Agreement.

3.2 Indemnity

The Purchaser shall indemnify and hold harmless the Vendor, its directors, officers, employees, insurers, advisers, consultants, elected officials, successors and assigns, from and against any claims, demands losses, costs (including legal costs), damages, actions, causes of actions, suits or proceedings and all other liabilities losses and expenses, including bodily injury and property damages, that arise as a result of, or in respect of, the performance of this Agreement by the Purchaser.

3.3 Notices

Whenever notice is required to be given pursuant to this Agreement, the same shall be in writing, and either personally delivered, sent by a nationally recognized overnight delivery service or email and addressed to the parties at their respective addresses as follows:

- (a) Purchaser:
[Insert Notice Information]
Attention: Insert details
Email: Insert Details
- (b) Vendor:
The Corporation of the City of Sault Ste. Marie
99 Foster Drive,

Sault Ste. Marie, Ontario,
P6A 5X6
Attention: Assistant City Solicitor/Senior Litigation Counsel
Fax: 705-759-5405

or at such other addresses as any party, by written notice in the manner specified above to the other party hereto, may designate from time to time. Unless otherwise specified to the contrary in this Agreement, all notices shall be deemed to have been given if before 5:00 p.m. on a Business Day on such day, and if after 5:00 p.m. on the next Business Day.

3.4 Gender and Number

Any reference in this Agreement to gender includes all genders, and words importing the singular number only include the plural and vice versa.

3.5 Interpretation Not Affected by Headings, etc.

The division of this Agreement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the interpretation of this Agreement. The terms “this Agreement”, “hereof”, “hereunder” and similar expressions refer to this Agreement and not to any particular article, section or other portion hereof and include any agreement supplemental hereto. Save as expressly provided herein, references herein to “Articles” and “Sections” are to articles and Sections of this Agreement.

3.6 Successors and Assigns

The provisions of this Agreement are entered into by the parties with the intent and to the end that both the benefit and burden of this Agreement shall run with the lands and shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, successors, executors, administrators and assigns in title.

3.7 Partial Invalidity

If any provision of this instrument or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Agreement or the application of such provision to other persons or circumstances shall not be affected thereby and may be enforced to the greatest extent permitted by law. Further, without limiting the generality of the foregoing, if any provision of this Agreement is ineffective to create the easement or right which such provision purports to create, such ineffectiveness shall not preclude the creation of any other easement or right which any other provision of this Agreement purports to create, but each such other provision shall be given full force and effect to create all easements and rights which such provision would (absent the ineffectiveness of such invalid provision) be effective to create.

3.8 Time

Time is of the essence of this Agreement.

3.9 Amendment

No provision of this Agreement may be changed, modified, amended, restated, waived, supplemented, discharged, cancelled or terminated orally or by any course of dealing or in any other manner other than by a written agreement signed by the parties hereto.

3.10 Further Assurances

The parties shall promptly execute and deliver all such other and further documents, agreements, certificates and instruments necessary or desirable to implement this Agreement.

3.11 Counterparts

This Agreement may be executed and delivered in any number of counterparts with the same effect as if all parties had all signed and delivered the same document and all counterparts will be construed together to be an original and will constitute one and the same agreement. This Agreement may be executed and transmitted by electronic means, which electronic copy shall constitute an original and legally binding instrument.

3.12 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

3.13 Registration

This Agreement may be registered against title to the Property by any party hereto and each party shall reasonably cooperate with and shall execute and deliver such documents reasonably required by the registering party to effect such registration.

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

**THE CORPORATION OF THE CITY OF
SAULT STE. MARIE**

Per: _____

Name:

Title:

I/We have authority to bind the Corporation.

**INSERT NAME OF SUCCESSFUL
PROPONENT**

Per: _____
Name:
Title:

Insert details regarding signing authority.

SCHEDULE A
DESCRIPTION OF LANDS

The legal description for the City Property is as follows:

PIN 31494-0098(LT) LT 15-17 PL 525 RANKIN LOCATION; S/T Q530; SAULT STE.
MARIE, being 84-94 Park Street

SCHEDULE B

FORM OF ASSUMPTION AGREEMENT – TRANSFER OTHER THAN MORTGAGE

TO: The Corporation of the City of Sault Ste. Marie (the “Addressee”)

RE: **Project Milestone Agreement dated as of <*>, 2026 (as amended, assigned, supplemented or otherwise modified to the date hereof, the “Project Milestone Agreement”) between <*> (the “Transferor”) and the Addressee**

AND RE: [Insert details of the proposed transaction – sale, transfer, assignment, ground lease of <*>] (the “Transferred Lands”)

For good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the undersigned hereby confirms and ratifies the terms of the Project Milestone Agreement and covenants and agrees in favour of the Addressee to perform and observe all of the covenants and obligations of the Transferor contained in the Project Milestone Agreement from and after the day of **INSERT details**

This assumption agreement benefits each of the Addressee and its/their respective successors and assigns and shall bind the undersigned and its successors and assigns.

DATED the <*> day of <*>, <*>.

[TRANSFeree]

Per: _____
Name:
Title:

Per: _____
Name:
Title:
We have authority to bind the Corporation.

SCHEDULE C
FORM OF ASSUMPTION AGREEMENT –MORTGAGE

TO: The Corporation of the City of Sault Ste. Marie (the “Addressee”)

RE: **Project milestone agreement dated as of <*>, 2024 (as amended, assigned, supplemented or otherwise modified to the date hereof, the “Project Milestone Agreement”)** between, among others, <*> (the “Mortgagor”) and the Addressee

AND RE: **Mortgage registered as Instrument No. <*> on <*> (the “Mortgage”) by the Mortgagor in favour of the undersigned of [insert description of relevant lands] (the “Mortgaged Property”)**

For good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the undersigned hereby covenants as follows:

- (a) The rights of the undersigned under its Mortgage are postponed and subordinated to the Project Milestone Agreement and the rights of the Addressee thereunder.
- (b) If the undersigned:
 - (i) takes possession of the Mortgaged Property (either in the character of mortgagee in possession or by way of a receiver or a receiver and manager or agent); or
 - (ii) becomes by foreclosure or otherwise the owner of the Mortgaged Property;

then the undersigned will, only during such period of time as it is in possession as aforesaid or is the owner of the Mortgaged Property, observe and perform all of the obligations of the Mortgagor pursuant to the Project Milestone Agreement and for greater certainty, at such time as the undersigned is no longer in possession or the owner of the Mortgaged Property, the undersigned will have no further or other obligations under the Project Milestone Agreement and will be unconditionally released therefrom, in respect of the period from and after the date on which the undersigned is no longer in possession or the owner of the Mortgaged Property.

If the undersigned sells or causes the sale of the Mortgaged Property pursuant to the security of the undersigned, then concurrently with such sale the undersigned will cause the transferee to covenant with the Addressee, in each case as of the date of such sale, to observe and perform all of the obligations of the Mortgagor pursuant to the Project Milestone Agreement from and after the date of such sale.

Concurrently with the undersigned making any assignment or other disposition or encumbrance of its security by virtue of which the undersigned is the chargee of the Mortgaged Property, the

undersigned will cause the person to whom the assignment or other disposition or encumbrance is made to provide a similar covenant to this covenant in favour of the parties having the benefit hereof.

This assumption agreement benefits each of the Addressee and its/their respective successors and assigns and shall bind the undersigned and its successors and assigns.

DATED the <*> day of <*>, <*>.

[MORTGAGEE]<*>

Per: _____
Name:
Title:

Per: _____
Name:
Title:
We have authority to bind the Corporation.

62523601.7

SCHEDULE C

OPTION TO PURCHASE AGREEMENT

THIS AGREEMENT is made and effective as of _____, 2026 (the “**Agreement**”).

B E T W E E N:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE
(the “**City**”)

OF THE FIRST PART

- and -

INSERT NAME OF SUCCESSFUL PROPONENT
(the “**Owner**”)

OF THE SECOND PART

BACKGROUND TO THIS OPTION TO PURCHASE AGREEMENT

- A. By an agreement of purchase and sale dated _____, 2026 (the “**Purchase Agreement**”) between the City, as vendor, and the Owner, as purchaser, the Owner agreed to purchase all of the City’s right, title and interest in the lands described in Schedule “A” hereto (the “**Property**”); and
- B. Pursuant to the Purchase Agreement, the parties have agreed to enter into this Agreement in registrable form on the Effective Date in order to grant an option to purchase the Property in favor of the City for the Purchase Price if the Project Milestones are not achieved, all upon the terms more specifically set out herein;

NOW THEREFORE WITNESSETH in consideration of Ten Dollars (\$10.00) now paid by each party to the other (the receipt and sufficiency of which is hereby acknowledged) the parties agree as follows:

1. Definitions

- (a) “**Closing Date**” has the meaning ascribed thereto in Section 2(c).
- (b) “**Effective Date**” means **INSERT CLOSING DATE FROM AGREEMENT OF PURCHASE AND SALE**.
- (c) “**Notice of Exercise**” has the meaning ascribed thereto in Section 2(b).
- (d) “**Option to Purchase**” has the meaning ascribed thereto in Section 2(a).
- (e) “**Option to Purchase Period**” has the meaning ascribed thereto in Section 2(b).

- (f) “**Project Milestones**” means the covenants, agreements and conditions to be completed by the Owner with respect to the development of the Property as described in further detail in **SECTION ___** of the Purchase Agreement, and “**Project Milestone**” shall mean any one of them.
- (g) “**Property**” means the property particularly described in Appendix ‘A’ attached hereto.
- (h) “**Purchase Agreement**” means the Agreement of Purchase and Sale dated _____, 2026 between the City, as vendor, and the Owner, as purchaser, pursuant to which the Owner agreed to purchase all of the City’s right, title and interest in the Property.
- (i) “**Purchase Price**” means the purchase price set out in the Purchase Agreement.
- (j) “**Triggering Event**” or if more than one, “**Triggering Events**”, means the Owner fails to achieve the Project Milestones, collectively, or any Project Milestone, individually, in accordance with the terms and conditions of **SECTION ___** of the Purchase Agreement, as determined by the City.

2. **The City’s Option to Purchase**

- (a) The Owner grants to the City an irrevocable option to purchase the Property on the terms set out in this Section (the “**Option to Purchase**”).
- (b) If at any time during the period of **2 YEARS** following the Effective Date (the “**Option to Purchase Period**”) a Triggering Event or Triggering Events occurs or occur, the City may give notice (the “**Notice of Exercise**”) to the Owner of its intention to exercise the Option to Purchase. If a Triggering Event or Triggering Events has or have occurred within the Option to Purchase Period, but the City has not given written notice to the Owner of the occurrence of a Triggering Event or Triggering Events, as the case may be, within the Option to Purchase Period, the Option to Purchase Period shall be extended so that it expires thirty (30) days after the City has actual knowledge of the occurrence of the Triggering Event or Triggering Events, as the case may be.
- (c) If the City exercises the Option to Purchase, the parties shall enter into an agreement of purchase and sale for the Property (including any capital improvements or structures constructed on the Property by the Owner after the closing of the original Purchase Agreement) upon the City’s form and the date of closing shall be the date that is ninety (90) days from the date of the delivery of the City’s Notice of Exercise, as the case may be, (hereinafter called the “**Closing Date**”) and the purchase and sale of the Property shall be concluded upon the following terms:
 - (i) the Purchase Price shall be paid by the City to the Owner, by wire transfer on the Closing Date, which sum shall be held by the Owner’s solicitor in trust until title has issued in the name of the City;

- (ii) the agreement of purchase and sale shall be conditional upon the City satisfying itself in its sole discretion with respect to all aspects of the Property and shall provide the City a due diligence period of not less than ninety (90) days in respect thereof. During such due diligence period the City and its authorized representatives shall have access to the Property for the purposes of performing such inspections and tests of the Property (including surface, sub-surface and ground water testing of the Property by means of bore holes, test pits and other excavation) as the City deems prudent in its sole discretion. If the City is not satisfied for any reason whatsoever with any aspect of the Property, as determined by the City in its sole and absolute discretion, the City may elect to terminate the agreement of purchase and sale at any time during the due diligence period by delivery of written notice from the City or its solicitors to the Owner or its solicitors to this effect and such termination shall be without liability to the City.
 - (iii) all normal real estate adjustments, as applicable, shall be made to the Purchase Price.
 - (iv) on the Closing Date:
 - (1) the Owner shall, at the Owner's sole cost and expense, provide to the City, a duly executed Transfer of Land and all necessary conveyances and formal documents including all reasonable evidence requested to give effect to the representations, warranties, and covenants herein, in a form and substance satisfactory to the City's and the Owner's solicitors, acting reasonably;
 - (2) the Owner shall deliver good and marketable title to the Property free and clear of all encumbrances (including, but not limited to, any financial encumbrances, leases or licenses) except for the encumbrances which are set forth in Appendix "B" hereto;
 - (3) as a closing condition, the parties shall agree to discharge the Project Milestone Agreement from title to the Property; and
 - (4) the City shall provide to the Owner by wire transfer the full amount of the Purchase Price.
- (d) For greater certainty, the Owner acknowledges and agrees that the Option to Purchase in this Section 2 is a continuing irrevocable option, exercisable at any time during the period of **2 YEARS** next following the Effective Date of this Agreement in respect of each Triggering Event and that the Option to Purchase shall not cease as a result of the City failing to exercise the Option to Purchase with respect to any particular Triggering Event. For clarity, the failure by the City to exercise the Option to Purchase in response to any Triggering Event shall not be construed or operate as a waiver of the City's continuing and irrevocable Option to Purchase in response to any subsequent Triggering Event.

3. Expiry Date

If the City has not exercised its rights hereunder on or before the date that is **2 YEARS** from the Effective Date, this Agreement and the Option to Purchase contained herein shall automatically be null and void and of no further force and effect.

4. Binding Agreements/Time of the Essence

This Agreement, when executed by both parties, shall constitute a binding Agreement, and time shall in all respects be of the essence hereof.

5. Entire Agreement

It is agreed that there is no representation, warranty, collateral agreement or condition affecting this Agreement or supported thereby other than as expressed in this Agreement.

6. Tender

Any tender of documents under this Agreement may be made upon the solicitor acting for the party on whom tender is desired.

7. Headings

The headings used in this Agreement are for convenience of reference only, and shall not affect the interpretation of this Agreement.

8. Severability

If any provision in this Agreement is found to be unenforceable, such provision shall be severed from this Agreement, and the remainder of this Agreement shall continue to be in full force and effect.

9. Notices

All notices permitted or required to be delivered herein shall be delivered personally or transmitted by electronic communication (or such other addresses as may be provided in accordance with this Section):

To the Owner:: **INSERT DETAILS**
Attention: **INSERT DETAILS**
Email: **INSERT DETAILS**

and in the case of the City addressed to it at:

The Corporation of the City of Sault Ste. Marie

99 Foster Drive,
Sault Ste. Marie, Ontario,
P6A 5X6
Attention: Assistant City Solicitor/Senior Litigation Counsel
Fax: 705-759-5405

The date of the receipt of any such notice if delivered or transmitted by electronic communication shall be deemed to be the date of delivery or the date of transmission, provided that any such notice received on any day which is not a business day, or after 5:00 pm on any business day, shall be deemed to have been received on the next following business day. Either party may at any time give notice in writing to the other of any change of address of the party giving such notice, and from and after the giving of such notice the address therein specified shall be deemed to be the address of such party for the giving of notices. The word "notice" in this paragraph shall be deemed to include a request, statement and any other writing provided for in this Agreement or permitted to be given by the City or the Owner to the other.

10. Successors and Assigns

This Agreement shall enure to the benefit of and be binding upon the parties to this Agreement and their respective successors and assigns.

11. Currency

All references to currency in this Agreement, unless specified otherwise, shall be deemed to be references to amounts in Canadian dollars.

12. Performance on Business Days

If any action is required to be taken pursuant to this Agreement on or by a specified date that is not a business day, the action is valid if taken on or by the next succeeding business day.

13. Applicable Law

This Agreement shall be interpreted in accordance with the laws of the province of Ontario and the laws of Canada applicable in the province of Ontario.

14. Registration

The City shall be permitted to register notice of this Agreement on title to the Property, and the Owner shall take such steps and execute such documents as the City may reasonably require to make such registration possible. Upon the Expiry Date, the Owner may attend, at its sole cost and expense, to the registration of a discharge of this Agreement from title the Property in a form satisfactory to the City, acting reasonably.

15. Further Assurances

Except as provided in this Agreement, each of the parties shall, at the cost and expense of the other party, execute and deliver all such further documents and do such further acts and things that the other party may reasonably request from time to time to give full effect to this Agreement.

16. Amendment of Agreement

No supplement, modification or waiver (other than a deemed waiver in accordance herewith) of this Agreement shall be binding unless in writing and executed by the parties hereto.

17. Waiver

No waiver of any of the provisions of this Agreement shall constitute a waiver of any other provision (whether or not similar), nor shall any waiver constitute a continuing waiver unless expressly so stated.

18. PDF/Counterparts

This Agreement may be executed in separate counterparts, each of which when executed shall be deemed to be an original, and such counterparts taken together shall constitute one and the same agreement. The signature of any party to any counterpart shall be deemed to be a signature to and may be appended to any other counterpart. This Agreement may be executed and delivered by PDF or other electronic transmission, and, if so executed and transmitted, this Agreement shall be for all purposes as effective as if the parties had delivered an executed original Agreement.

[SIGNATURE PAGE FOLLOWS]

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

**THE CORPORATION OF THE CITY OF
SAULT STE. MARIE**

Per: _____
Name:
Title:

I/We have authority to bind the Corporation.

**INSERT NAME OF SUCCESSFUL
PROPONENT**

Per: _____
Name:
Title:

**INSERT DETAILS REGARDING SIGNING
AUTHORITY**

APPENDIX "A"

LEGAL DESCRIPTION OF THE PROPERTY

PIN 31494-0098(LT) LT 15-17 PL 525 RANKIN LOCATION; S/T Q530; SAULT STE.
MARIE, being 84-94 Park Street

APPENDIX “B”

PERMITTED ENCUMBRANCES

GENERAL ENCUMBRANCES

1. All reservations, limitations, provisos and conditions expressed in the original grant from the Crown;
2. Liens for taxes, local improvements, assessments or governmental charges or levies not at the time due or delinquent;
3. Undetermined, inchoate or statutory liens and charges (including the liens of public utilities, workers, suppliers of materials, builders, contractors, architects and unpaid vendors of moveable property) incidental to the current operation of the Property which relate to obligations not yet due or delinquent and which have not been registered in accordance with applicable law;
4. All agreements with a governmental authority or public utilities, including subdivision agreements, development agreements, engineering, grading or landscaping agreements, unregistered hydro easements and similar agreements provided that such agreements are complied with to the Closing Date;
5. The exceptions set out in Section 44(1) of the Land Titles Act.
6. Any rights of expropriation, access or use, or any other similar rights conferred or reserved by or in any statute of Canada or Ontario;
7. Minor title defects, irregularities or other matters relating to title that are of a minor nature and that in the aggregate do not materially impair the value, marketability or the use of the Property for the purpose for which it is currently used;
8. Any notice of this Agreement.

SPECIFIC ENCUMBRANCES

There are no existing services installed to the property. The Purchaser will be required to install servicing from within municipal right of way of Park Street at their sole cost/expense.

The Purchaser shall acknowledge and agree that the land will be subject to an easement in favour of Bell Canada in the form of Bell's standard Schedule, to formalize and protect the existing aerial facilities, supply service to the property and to maintain service in the area. The costs will be the responsibility of the Purchaser.