



**Development Services Agreement Summary of Terms
BMAHC and New Commons Development
BMAHC Board 26 August 2020**

Each Party bears responsibility for their own costs and expenses incurred in its connection to the agreement.

Project Steering Committee (PSC) will be established with representatives from each Party. Meetings will be held at least monthly and New Commons will be responsible for taking notes and recording decisions and actions. Written approval of both parties is required for all matters requiring PSC approval.

Exclusivity – BMAHC will not effect any lease, discussion of or disposition of the Lands with any other person except in accordance with this agreement or BMAHC leasing either commercial or residential units that are part of the Project.

Project Records - New Commons and BMAHC will jointly own, and New Commons will have care and stewardship of, all Project Records until the Substantial Completion of the Project. Should the Agreement be terminated, New Commons will transfer right , title and interest in and relevant copies of all such Project Records to BMAHC.

Management and control of the Lands - During the Feasibility Phase, the Pre-Development Phase and the Permitting Phase, the Lands will remain under the management and control of BMAHC or The Town of the Blue Mountains. During the construction phase, New Commons will take control of the Lands in accordance with an Access License.

Fee Structure	Revised Amount
Development Management Services Fixed Fee	New Commons: \$21,000 (paid \$3,500/month, for 6 months) BMAHC: Nil
Development Management Services Percentage Fee	New Commons: 3% BMAHC: 2% Total percentage fee 5% of Project Costs

The Development Management Percentage Fee will be earned by BMAHC and New Commons as follows:

- 25% at issuance of development permits,
- 25% at commitment of 90% of project financing,
- 25% at execution of the Design-Build Stipulated Price Contract, and
- 25% at the Substantial Completion.

The Development Management Percentage Fee will be paid to BMAHC and New Commons as follows:

- 50% at close of construction financing;
- 25% at Substantial Completion;
- 25% at Stabilized Occupancy.



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Working Capital

If required, New Commons can provide working capital to be repaid at 2% accrued simple interest at the closing on construction financing and the start of construction. Should New Commons working capital be provided in excess of \$200,000 and BMAHC agrees, BMAHC will execute and register security for New Commons.

Termination Conditions

Each development phase has identified workplan deliverables and responsibilities of both Parties. The agreement may be terminated at each development phase. Should Green Light for the Project not proceed to the subsequent phase, the following applies:

Feasibility Phase – No percentage development fee payable. Proportion of fixed fee is payable to New Commons according to duration of work provided.

For all other phases consisting of Pre Development, Permitting, Construction and Completion – no additional development fee is payable to New Commons or BMAHC should the Project be terminated.

On Project wrap up, New Commons will continue to be responsible for ensuring the fulfillment of any residual obligations of contractors and suppliers under the Construction Contracts, including those related to deficiencies and warranties, until the expiry of the warranty period under the primary Construction Contract, at which time this Agreement will terminate.