

File No.: 04-1000-20-2018-412

November 16, 2018

s.22(1)

Dear s.22(1)

Re: **Request for Access to Records under the Freedom of Information and Protection of Privacy Act (the "Act")**

I am responding to your request of July 30, 2018 for:

The notes on the Property Acquisition under Contingencies and Commitments on page 23 of the 2016 Statement of Financial Information states that "The City has entered into an agreement to purchase a property for \$38.0 million should the owner not be able to proceed with their intended development of the property. The agreement expires May 9, 2017." <https://vancouver.ca/files/cov/2016-statement-of-financial-information.pdf>. Request is for records related to the agreement stated above, including the actual release of the agreement record and any amendments to the stated agreement as well as the records related to City's purchase of the property only if the City purchased the property.

Date Range: January 1, 2007 to July 30, 2018.

All responsive records are attached.

Under section 52 of the Act, and within 30 business days of receipt of this letter, you may ask the Information & Privacy Commissioner to review any matter related to the City's response to your FOI request by writing to: Office of the Information & Privacy Commissioner, info@oipc.bc.ca or by phoning 250-387-5629.

If you request a review, please provide the Commissioner's office with: 1) the request number (#04-1000-20-2018-412); 2) a copy of this letter; 3) a copy of your original request; and 4) detailed reasons why you are seeking the review.

Yours truly,



Barbara J. Van Fraassen, BA
Director, Access to Information & Privacy

Barbara.vanfraassen@vancouver.ca
453 W. 12th Avenue Vancouver BC V5Y 1V4

*If you have any questions, please email us at foi@vancouver.ca and we will respond to you as soon as possible. Or you can call the FOI Case Manager at 604.871.6584.

Encl.

:ag

FOURTH MODIFICATION OF PURCHASE AGREEMENT

STATION AND PRIOR STREETS DEVELOPMENT SITE, VANCOUVER, B.C.

This Agreement, made with effect as of May 6, 2014,

BETWEEN:

PROVIDENCE HEALTH CARE SOCIETY, a British Columbia society, having a business address c/o 1081 Burrard Street, Vancouver, British Columbia, V6Z 1Y6

("Providence")

AND:

VANCOUVER ESPERANZA SOCIETY, a British Columbia society, having its registered and records office address at 3000 – 1055 West Georgia Street, Vancouver, British Columbia, V6E 3R3

("Esperanza")

AND:

CITY OF VANCOUVER, 453 West 12th Avenue, Vancouver, British Columbia, V5Y 1V4

(the "City")

AND FOR THE BENEFIT OF:

ROYAL BANK OF CANADA, 1000 – 1025 West Georgia Street, Vancouver, British Columbia, V6E 3N9

("Royal Bank")

WITNESSES THAT WHEREAS:

A. All terms defined in the Purchase Agreement, made with effect as of March 10, 2004 between Providence and the City, as modified by a Modification Agreement dated March 30, 2004, a Second Modification Agreement made with effect as of March 8, 2008 and a Third Modification made as of May 6, 2011 (the Purchase Agreement, as modified, is hereinafter described as the "**Purchase Agreement**"), and used herein shall have the respective meanings

ascribed to them in the Purchase Agreement, unless the context otherwise requires or unless otherwise defined, modified or stated herein;

B. Esperanza is the registered owner of certain assets comprising the Property Interests (which are the subject of the Purchase Agreement) and, pursuant to an Assignment and Assumption Agreement, dated for reference March 30, 2004, Providence assigned to Esperanza all of its right, title and interest in and to the Purchase Agreement;

C. Providence and Esperanza have requested, and the City has agreed, that the Purchase Agreement be further extending the time for delivery to the City of the Transfer Notice; and

D. As the holder of security interests granted by Esperanza in the same, Royal Bank is the assignee from Esperanza of certain assets comprising the Property Interests,

NOW THEREFORE, in consideration of the mutual covenants, agreement and acknowledgements herein set forth, and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), Providence, Esperanza and the City covenant, agree and acknowledge as follows:

1. MODIFICATION OF PURCHASE AGREEMENT

Effective as of the date first above written, the Purchase Agreement shall be modified by the deletion from Section 2.1 thereof of the date "May 9, 2014" and by substitution therefor of the date "May 9, 2017".

2. NO OTHER MODIFICATION

All other terms and conditions of the Purchase Agreement shall remain unamended and in full force and effect and, without limiting the generality of the foregoing, time where mentioned in the Purchase Agreement as hereby modified, shall remain of the essence.

3. ENUREMENT AND BINDING EFFECT

This Agreement shall enure to the benefit of and be binding upon the respective successors and assigns of the parties, as applicable.

4. EXECUTION IN COUNTERPARTS

This Agreement may be executed by facsimiled counterparts, each of which shall constitute an original and together shall constitute one and the same Agreement.

5. ACKNOWLEDGMENT OF SECURITY INTERESTS

Providence, Esperanza and the City hereby acknowledge to Royal Bank as follows:

- (a) Royal Bank is a Mortgagee of Esperanza, as defined in the Purchase Agreement, and hereafter may acquire further security interests in the Property Interests as security for the payment of amounts owing by Esperanza to Royal Bank and the performance of other obligations of Esperanza to Royal Bank; and

- (b) upon payment of the Transfer Price as contemplated in the Purchase Agreement, all amounts owing by Esperanza to Royal Bank shall be paid and all other obligations of Esperanza to Royal Bank shall be performed in accordance with Section 7.2(b)(ii) of the Purchase Agreement, in order for Royal Bank to grant a discharge of the security interests it holds in the Property Interests.

IN WITNESS WHEREOF, Providence, Esperanza and the City have executed this Agreement, with effect as of the date and year first above written.

PROVIDENCE HEALTH CARE SOCIETY

Per: _____
Authorized Signatory
Print Name:

VANCOUVER ESPERANZA SOCIETY

Per: _____
Authorized Signatory
Print Name:

CITY OF VANCOUVER

Per:  _____
Authorized Signatory
Print Name: JERRY EVANS
Real Estate Services

**APPROVED BY VANCOUVER CITY COUNCIL ON
April 15, 2014**

SCANNED

MAR-30-2004 11:46

P.02/03

MODIFICATION OF PURCHASE AGREEMENT

RE: Contract of Purchase and Sale (the "Purchase Agreement") dated March 10, 2004 between Providence Health Care Society ("Providence") and City of Vancouver (the "City") with respect to 1000 Dunlevy Street, Vancouver, BC, 250 to 298 Prior Street, Vancouver, BC, and 310 Prior Street, Vancouver, British Columbia (collectively, the "Property")

FOR ONE DOLLAR (\$1.00) AND OTHER GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, Providence and the City hereby agree that the Purchase Agreement is hereby modified as follows:

1. the following paragraph is added as an additional paragraph:

7. OWNER MAY MORTGAGE

7.1 The City Acknowledges that in connection with acquiring the Lands, or from time to time during the term of this Agreement, Providence or any other Transferor may wish to grant a mortgage of the Lands. In this regard, the City hereby consents to the granting a mortgage of the Lands, provided the principal amount of all such mortgages does not exceed \$24,500,000.

7.2 If Providence or any other Transferor grants a mortgage of the Lands, provided the principal amount of all such mortgages is less than \$24,500,000 (the "Mortgage"), the City hereby agrees that it will, on written request, but at the cost and expense of Providence or any other Transferor, grant priority to the Mortgage over the rights granted to the City under this Agreement, on the following terms:

- (a) this Agreement shall be postponed, subordinated and subject to the rights of the mortgagee (the "Mortgagee") under the Mortgage;
- (b) the City hereby covenants and agrees that if it receives a Transfer Notice pursuant to the terms hereof:
 - (i) it will forthwith provide written notice of receipt of the Transfer Notice to the Mortgagee; and
 - (ii) the Transfer Price paid by the City for the Lands shall be applied against any and all amounts due and owing under the Mortgage. In this regard, Providence and any other Transferor hereby authorizes the City to pay to the Mortgagee the net sale proceeds from the purchase and sale of the Lands, or the appropriate portion thereof;
- (c) the City covenants and agrees to, upon request from the Mortgagee, enter into such further and other documents as may be necessary to implement and carry out the intent of this section 7.2, including without limitation, a separate agreement containing similar provisions as are contained in this section 7.2."

RMC/1190774

MODIFICATION OF PURCHASE AGREEMENT

RE: Contract of Purchase and Sale (the "Purchase Agreement") dated March 10, 2004 between Providence Health Care Society ("Providence") and City of Vancouver (the "City") with respect to 1000 Dunlavy Street, Vancouver, BC, 250 to 288 Prior Street, Vancouver, BC, and 310 Prior Street, Vancouver, British Columbia (collectively, the "Property")

FOR ONE DOLLAR (\$1.00) AND OTHER GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, Providence and the City hereby agree that the Purchase Agreement is hereby modified as follows:

1. the following paragraph is added as an additional paragraph:

7. OWNER MAY MORTGAGE

7.1 The City Acknowledges that in connection with acquiring the Lands, or from time to time during the term of this Agreement, Providence or any other Transferor may wish to grant a mortgage of the Lands. In this regard, the City hereby consents to the granting a mortgage of the Lands, provided the principal amount of all such mortgages does not exceed \$24,500,000.

7.2 If Providence or any other Transferor grants a mortgage of the Lands, provided the principal amount of all such mortgages is less than \$24,500,000 (the "Mortgage"), the City hereby agrees that it will, on written request, but at the cost and expense of Providence or any other Transferor, grant priority to the Mortgage over the rights granted to the City under this Agreement, on the following terms:

- (a) the Agreement shall be postponed, subordinated and subject to the rights of the mortgagee (the "Mortgagee") under the Mortgage;
- (b) the City hereby covenants and agrees that if it receives a Transfer Notice pursuant to the terms hereof:
 - (i) it will forthwith provide written notice of receipt of the Transfer Notice to the Mortgagee; and
 - (ii) the Transfer Price paid by the City for the Lands shall be applied against any and all amounts due and owing under the Mortgage. In this regard, Providence and any other Transferor hereby authorizes the City to pay to the Mortgagee the net sale proceeds from the purchase and sale of the Lands, or the appropriate portion thereof;
- (c) the City covenants and agrees to, upon request from the Mortgagee, enter into such further and other documents as may be necessary to implement and carry out the intent of this section 7.2, including without limitation, a separate agreement containing similar provisions as are contained in this section 7.2.

2. For greater clarity, sections 7 and 8 of the Purchase Agreement are renumbered sections 8 and 9.
3. The Purchase Agreement, as modified hereby, is acknowledged to continue in full force and effect and all other terms and conditions of the Purchase Agreement shall remain unamended and time, where mentioned therein, shall remain of the essence.
4. This Modification Agreement may be executed by facsimiled counterparts, each of which shall constitute an original and together shall constitute one and the same Modification Agreement.
5. This Modification Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF the parties hereto have executed this Agreement this 30th day of March, 2004.

PROVIDENCE HEALTH CARE SOCIETY

Per: 
Authorized Signatory

CITY OF VANCOUVER

Per: _____
Authorized Signatory

2. For greater clarity, sections 7 and 8 of the Purchase Agreement are renumbered sections 8 and 9.
3. The Purchase Agreement, as modified hereby, is acknowledged to continue in full force and effect and all other terms and conditions of the Purchase Agreement shall remain unamended and time, where mentioned therein, shall remain of the essence.
4. This Modification Agreement may be executed by facsimiled counterparts, each of which shall constitute an original and together shall constitute one and the same Modification Agreement.
5. This Modification Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF the parties hereto have executed this Agreement this 30th day of March, 2004.

PROVIDENCE HEALTH CARE SOCIETY

Per. _____
Authorized Signatory

CITY OF VANCOUVER

Per.  _____
Authorized Signatory

NOTICE OF ASSIGNMENT

**BY COURIER
AND BY FAX: 604.873.7445**

December 18, 2015

City of Vancouver
Legal Services Department
453 West 12th Avenue
Vancouver, British Columbia
V5Y 1V4

Attention: Frances J. Connell, Director Legal Services

Dear Sirs/Mesdames:

We refer to the Purchase Agreement dated for reference March 10, 2004 between Providence Health Care Society ("**Providence**") and the City of Vancouver (the "**City**"), as modified by a Modification Agreement dated March 30, 2004, as further modified by a Second Modification of Purchase Agreement made with effect as of March 8, 2008, as further modified by a Third Modification of Purchase Agreement made with effect as of May 6, 2011 and as further modified by a Fourth Modification of Purchase Agreement made with effect as of May 6, 2014 (collectively, the "**Purchase Agreement**"). Pursuant to an Assignment and Assumption Agreement dated March 30, 2004 (the "**2004 Assignment**"), Providence assigned unto Vancouver Esperanza Society ("**VES**") all the right, title and interest of Providence in, to, under and in respect of the Purchase Agreement and pursuant to a Notice of Assignment dated March 31, 2004, Providence and VES gave to the City notice of the 2004 Assignment.

In connection with the purchase by Providence from VES of the Lands (as defined in the Purchase Agreement), VES has assigned to Providence all the right, title and interest of VES in, to, under and in respect of the Purchase Agreement, which assignment was made effective as of December 18, 2015.

Providence hereby confirms for the benefit of the City that effective December 18, 2015, it has assumed all of the obligations of VES under the Purchase Agreement.

Please provide any notices required to be given to VES under the Purchase Agreement from and after December 18, 2015 to Providence at the following address:

Providence Health Care Society
1081 Burrard Street
Vancouver, British Columbia V6Z 1Y6
Attention: Zulie Sachedina

Yours truly,

VANCOUVER ESPERANZA SOCIETY

Per: 

Authorized Signatory

Per: _____

Authorized Signatory

PROVIDENCE HEALTH CARE SOCIETY

Per: 

Authorized Signatory

Per: 

Authorized Signatory

PURCHASE AGREEMENT

STATION AND PRIOR STREETS DEVELOPMENT SITE, VANCOUVER, B.C.

This Agreement, made with effect as of March 10, 2004,

BETWEEN:

PROVIDENCE HEALTH CARE SOCIETY, a British Columbia
society, having a business address c/o 1081 Burrard Street,
Vancouver, British Columbia, V6Z 1Y6

("Providence")

AND:

CITY OF VANCOUVER, 453 West 12th Avenue, Vancouver,
British Columbia, V5Y 1V4

(the "**City**")

WITNESSES THAT WHEREAS:

- A. Capitalized terms used in these Recitals and defined in this Agreement will have the meanings respectively ascribed to them in Section 1.1 of this Agreement;
- B. Pursuant to the Tech-Park Purchase Agreement, Providence or (as determined by Providence) a Providence Assignee is entitled to become registered owner of the Lands;
- C. Providence is a charitable organization providing health care to a broad segment of the Vancouver community and is contemplating the acquisition of the Lands for the purposes of the Redevelopment Project to significantly upgrade and consolidate Providence's various health care operations and to more effectively provide such health care services in the future;
- D. Providence has limited resources available to carry out its charitable objects, including its core health care operations and is accordingly concerned that its available assets not be put at unnecessary risk by the acquisition of the Lands;
- E. With the authority of City Council, the City has confirmed its willingness to assist Providence with respect to the matters described above through the possible purchase by the City of the Lands if the Redevelopment Project cannot or does not proceed; and
- F. Providence and the City have agreed to enter into this Agreement to more fully express their respective understandings and agreements with respect to the possible acquisition by the City of the Lands,

NOW THEREFORE, in consideration of the mutual covenants and agreements herein set forth, Providence and the City acknowledge, covenant and agree as follows:

1. DEFINITIONS

1.1 In this Agreement:

- (a) **"Affiliate"** has the meaning ascribed to it in the *Canada Business Corporations Act*;
- (b) **"Business Day"** means any day other than a Saturday, Sunday or statutory holiday in the Province of British Columbia;
- (c) **"City Council"** means the Council of the City of Vancouver as constituted from time to time;
- (d) **"City's Solicitors"** means the Director of Legal Services for the City of Vancouver, 401 - 515 West 10th Avenue, Vancouver, British Columbia, V5Y 1V4;
- (e) **"Director of Legal Services"** means the Director of Legal Services of the City of Vancouver or her authorized designate;
- (f) **"Environmental Laws"** means any law, bylaw, order, ordinance, ruling, regulation or directive of any applicable federal, provincial or municipal government or governmental department, agency or regulatory authority or any court of competent jurisdiction relating to environmental matters and/or regulating the import, manufacture, storage, distribution, labelling, sale, use, handling, transport or disposal of Hazardous Materials, as are in force as of the Transfer Date;
- (g) **"GST"** means goods and services taxes payable pursuant to the *Excise Tax Act* (Canada), as amended;
- (h) **"Hazardous Materials"** means any underground storage tanks, any explosive or radioactive materials, pollutants, contaminants, hazardous, corrosive or toxic substances or special waste, including without limitation, compounds known as chlorobiphenyls, and any other substance or material the storage, manufacture, disposal, treatment, generation, use, transportation, remediation or release into the environment of which is prohibited, controlled, regulated or licensed under Environmental Laws;
- (i) **"Land Title Office"** means the Vancouver/New Westminster Land Title Office;

- (j) **"Lands"** means, collectively, those parcels of land located in the City of Vancouver, in the Province of British Columbia and legally described as:
- (i) Parcel Identifier: 018-550-185
Lot A
District Lots 196 and 2037
Plan LMP14138;
 - (ii) Parcel Identifier: 010-813-217
Lot 19
District Lots 181, 196 and 2037
Plan 6780;
 - (iii) Parcel Identifier: 008-776-300
Lot C
Blocks 15 to 18
District Lots 196 and 2037
Plan 12884;
 - (iv) Parcel Identifier: 008-776-326
Lot D
Blocks 15 to 18
District Lots 196 and 2037
Plan-12884;
 - (v) Parcel Identifier: 008-126-780
Lot E
District Lots 196 and 2037
Plan 13449; and
 - (vi) Parcel Identifier: 008-126-798
Lot F
District Lots 196 and 2037
Plan 13449;
- (k) **"Permitted Encumbrances"** means:
- (i) those legal notations and encumbrances in respect of each legal parcel of the Lands respectively listed in Schedule "A" hereto;
- together with:
- (ii) (if in effect and as applicable on the Transfer Date) the Sign Lease;
 - (iii) any other charges registered or granted in favour of the City;
 - (iv) any other liens, charges or encumbrances approved in writing by the Director of Legal Services; and

- (v) any reservations or exceptions contained in any original Crown grant or implied by statute;
- (l) **"Property Interests"** means all interests of Providence and any Transferor, as the case may be, in and to or appurtenant to the Lands on the Transfer Date, including without limitation and to the extent then effective, the RFR Interests and the Sign Lease;
- (m) **"Providence Assignee"** means an entity designated by Providence as the assignee of the interests of Providence, as Purchaser, under the terms of the Tech-Park Purchase Agreement and which is a non-profit society whose function is to purchase the Lands and construct or arrange for the construction of a health care facility thereon;
- (n) **"Providence's Solicitors"** means Bull, Housser & Tupper, Barristers and Solicitors (Attn: Larry Sandrin), 3000 - 1055 West Georgia Street, Vancouver, British Columbia, V6E 3R3;
- (o) **"Redevelopment Project"** means the proposed redevelopment of the Lands for the purposes of, *inter alia*, upgrading and consolidating Providence's health care operations;
- (p) **"RFR Interests"** means Rights of First Refusal Nos. BW87334 and BW87335 (and/or any relevant extension, modification or replacement thereof as of the Transfer Date) registered against title to those lands and premises located in the City of Vancouver, in the Province of British Columbia, legally described as:

Parcel Identifier: 010-813-357
 Lot A (Reference Plan 2883) of Lot 20
 District Lots 181, 196 and 2037
 Plan 6780;
- (q) **"Sign Lease"** means, if and to the extent in effect as of the Transfer Date, the property lease agreement made between Tech-Park.Com Limited Partnership and Pattison Outdoor, a Division of Jim Pattison Industries Ltd., made as of October 2, 2002, as may be amended, extended or replaced from time to time, PROVIDED THAT the Landlord has a right to terminate same upon thirty (30) days written notice;
- (r) **"Tech-Park Purchase Agreement"** means that Agreement of Purchase and Sale dated for reference November 25, 2003 made among Tech-Park.Com Inc., as Vendor therein, Tech-Park.Com Limited Partnership, as Beneficial Owner therein, IRP Canada Debt Holdings II, LP and IRP Canada General Corporation, as Lender, and Providence Health Care Society, as Purchaser therein, as such Agreement of Purchase and Sale may be amended from time to time;
- (s) **"Transfer"** means a Freehold Transfer, prepared in the form prescribed under the *Land Title Act*, conveying each legal parcel of the Lands to the City;

- (t) **"Transfer Date"** means, if a Transfer Notice is delivered, the date for completion of the purchase and sale of the Lands, which date will be the first Business Day which is sixty (60) days following the receipt by the City of a Transfer Notice;
- (u) **"Transfer Price"** means the price to be paid by the City to the Transferor for the transfer to the City of all of the Property Interests, which will be the aggregate (without duplication) of the following:
 - (i) TWENTY-FOUR MILLION FIVE HUNDRED THOUSAND DOLLARS (\$24,500,000.00) plus
 - (ii) all documented out-of-pocket expenses incurred by Providence, any Providence Assignee or any Transferor after April 1, 2004 in connection with reports and studies relating to the environmental assessment and remediation of the Lands, but only to the extent that the City wishes to have such reports and studies assigned to the City; plus
 - (iii) all documented out-of-pocket expenses incurred by Providence, any Providence Assignee and any Transferor following April 1, 2004 in connection with environmental remediation of the Lands, but only to the extent that the City agrees, prior to the date of commencement of such remediation, that any such costs will be included in the Transfer Price; plus
 - (iv) all documented out-of-pocket expenses incurred by Providence, any Providence Assignee or any Transferor after April 1, 2004 in connection with reports and studies in connection with the design and construction of civil works upon or in respect of the Lands, but only to the extent that the City wishes to have such reports, studies and designs assigned to the City;
- (v) **"Transfer Notice"** means any notice delivered by Providence or any other Transferor to the City stating that Providence and/or such Transferor have determined not to proceed with the Redevelopment Project and requiring the City to acquire the Property Interests as contemplated in Section 2.1 hereof;
- (w) **"Transferor"** means the registered owner of the Lands upon the date at which a Transfer Notice is delivered to the City as contemplated in Section 2.1 hereof and which is Providence or a Providence Assignee; and
- (x) **"Vancouver Charter"** means the *Vancouver Charter*, S.B.C., 1953, Ch.55, as amended.

2. PURCHASE AND SALE OF THE LANDS

2.1 If Providence or any other Transferor should, at any time on or before March 9, 2008, deliver to the City a Transfer Notice, then:

- (a) the Transferor will transfer to the City and the City will purchase the Property Interests from the Transferor;
- (b) the completion of the sale and purchase of the Property Interests will take place on the Transfer Date;
- (c) on the Transfer Date, the Transferor will convey to the City good and marketable title to the Property Interests, in each case free and clear of all liens, charges or encumbrances other than the Permitted Encumbrances;
- (d) the City will accept the Lands on the Transfer Date "as is" and without any representations or warranties on the part of Providence nor any Providence Affiliate, nor any Providence Assignee, nor any Transferor, except as the state of title to the Lands as contemplated in Section 2.1(c) above; and
- (e) without limiting the generality of the foregoing, the City acknowledges and agrees that the Lands may contain Hazardous Substances potentially requiring remediation under Environmental Laws.

3. CLOSING PROCEDURES

3.1 The closing of the sale and purchase of the Property Interests will take place at the offices of the City's Solicitors at 10:00 a.m. on the Transfer Date.

3.2 No later than one Business Day before the Transfer Date, the Transferor will deliver to the City's Solicitors, properly executed and acknowledged, all documents reasonably required by the City's Solicitors to give effect to the provisions of this Agreement which will be prepared by the City's Solicitors, and will be in form and substance approved by Providence's Solicitors, acting reasonably (and delivered to Providence's Solicitors at least five (5) Business Days prior to the Transfer Date), in order to complete this transaction in accordance with its terms, including:

- (a) Transfers, conveying each parcel of the Lands to the City, free and clear of all liens, charges and encumbrances, save and except the Permitted Encumbrances and any relevant charges agreed to be discharged or released following the Transfer Date upon undertakings provided by Providence's Solicitors and approved by the City's Solicitors, each acting in a commercially-reasonable manner;
- (b) an assignment of the RFR Interests (if in effect as of the Transfer Date) in favour of the City and in registrable form, free and clear of all liens, charges or encumbrances, save and except the Permitted Encumbrances;

- (c) an assignment of the Sign Lease (if in effect as of the Transfer Date) to the City;
- (d) a statement of adjustments approved by the Transferor;
- (e) a statutory declaration of a senior officer of the Transferor stating that the Transferor is not a non-resident of Canada for the purposes of Section 116 of the *Income Tax Act* of Canada; and
- (f) such other documents as the City's Solicitors may reasonably require to effect the transfer to the City of good and marketable title to the Property Interests.

3.3 On or before the Transfer Date, the City will deliver to the City's Solicitors the following:

- (a) a statement of adjustments approved by the City;
- (b) an agreement pursuant to which the City assumes the Sign Lease (if in effect as of the Transfer Date);
- (c) INTENTIONALLY DELETED; and
- (d) a cheque payable to (or to the order of) the Transferor for the Transfer Price, adjusted in accordance with the statement of adjustments approved by the Transferor.

3.4 On the Transfer Date, if all documents and funds have been delivered as provided in Sections 3.2 and 3.3, the Transfers and any discharges of encumbrances not constituting Permitted Encumbrances (and not otherwise agreed to be discharged following the Transfer Date upon undertakings settled between the City's Solicitors and Providence's Solicitors), will be tendered for registration in the Land Title Office.

3.5 Upon acceptance for registration of the Transfers and receipt by the City's Solicitors of post-filing index searches in respect of all parcels comprising the Lands indicating that, in the normal course of Land Title Office routine, title to each parcel of the Lands will be issued in the name of the City, subject only to the Permitted Encumbrances (and any other charges agreed to be discharged following the Transfer Date upon undertakings settled between the City's Solicitors and Providence's Solicitors), the City's Solicitors will deliver the adjusted Transfer Price to Providence's Solicitors with authority for Providence's Solicitors to pay all or any portion of such adjusted balance of the Transfer Price to or to the order of the Transferor.

If the City is unable to comply, or to cause the City's Solicitors to comply, with such registration and payment requirements, other than by reason of default by the Transferor, the City will cause the City's Solicitors to return the Transfers to Providence's Solicitors or, if the City's Solicitors have then submitted the Transfers for registration, to apply immediately to withdraw the Transfers from the Land Title Office and, upon receipt, to return it to Providence's Solicitors. The Transferor and the City instruct Providence's Solicitors and the City's Solicitors respectively to otherwise conduct the closing according to the customary practices of real estate lawyers

having experience in such matters, except that Providence's Solicitors will not require the City's Solicitors to provide any undertaking, and the Transferor will rely on the City's closing covenants set out in this Section 3.

3.6 The Property will be at the risk of the Transferor until the date and time of submission of the Transfer for registration at the Land Title Office and at the risk of the City thereafter.

3.7 All adjustments which would normally be made between a transferor and transferee in respect of real property similar to the Lands (including, without limitation, with respect to rents and property taxes) will be made between the City and Transferor as of the Transfer Date.

4. COSTS AND TAXES

4.1 All costs of conveyance of the Property, including the costs of registration of any transfer, and any property transfer tax (if any), will be paid by the City.

4.2 The cost of obtaining and registering any documents required to clear title to the Lands of any charges, liens or encumbrances not constituting Permitted Encumbrances will be borne by the Transferor. The parties will each pay their own legal costs.

4.3 The City represents and warrants to the Transferor that the City is and will be on the Transfer Date registered for GST purposes and the City will account to Canada Customs and Revenue Agency for any GST payable in respect of the purchase of the Lands.

4.4 The Transferor and the City will each deliver to or cause to be delivered to the other all such further documents and assurances as may be reasonably required to give full effect to the intent and meaning of this Agreement. All of the matters of payment and delivery of documents by each party to the other will be deemed to be concurrent requirements so that nothing will be deemed to be completed until everything has been paid, delivered and registered, as applicable.

5. NOTICES

5.1 Any notice or other communication to be given under the provisions of this Agreement by any party will be delivered by nationally recognized overnight courier:

To Providence at:

PROVIDENCE HEALTH CARE SOCIETY
c/o 1081 Burrard Street
Vancouver, British Columbia
V6Z 1Y6

Attention: Carl Roy, Chief Executive Officer

Fax No.: (604) 806-8135;

with copies (which may be by courier or by fax) to Providence's Solicitors at:

BULL HOUSSEY & TUPPER
Barristers & Solicitors
3000 Royal Centre
1055 West Georgia Street
Vancouver, British Columbia

V6E 3R3

Attention: Larry Sandrin

Fax No.: (604) 641-4949.

To the City at:

CITY OF VANCOUVER
453 West 12th Avenue
Vancouver, British Columbia
V5Y 1V4

Attention: Bruce Maitland, Director, Real Estate Services

Fax No.: (604) 873-7064;

with a concurrent copy (which may be by courier or by fax) to the City's Solicitors at:

CITY OF VANCOUVER
LEGAL SERVICES DEPARTMENT
453 West 12th Avenue
Vancouver, British Columbia
V5Y 1V4

Attention: Frances J. Connell, Director Legal Services

Fax No.: (604) 873-7445.

5.2 The date of receipt of any such notice or communication will be deemed to be the date of delivery if delivered on a Business Day in the place of business of the recipient, and if otherwise delivered, on the next Business Day of the recipient following the date of such delivery.

5.3 Either party may at any time give notice in writing to the other of any change of address of the party giving such notice to be given in the manner aforesaid, and from and after giving such notice, the address therein specified will be deemed to be the address of such party for the giving of such notice.

6. ASSIGNMENT BY PROVIDENCE

6.1 If Providence assigns its interests in the Tech-Park Purchase Agreement, or in the Property Interests, then:

- (a) Providence will deliver to the City written confirmation of such assignment, together with the name, address and facsimile number of the Providence Assignee or Transferor, as applicable, as well as the names of any appropriate persons to whom any future notices should be addressed;
- (b) following delivery of any such notice of assignment, any notices otherwise to be delivered to Providence hereunder will be delivered to such Providence Assignee or Transferor, with concurrent copies to Providence's Solicitors.

7. NO FETTERING OF CITY DISCRETION OF POWERS

7.1 Except as expressly stated herein, nothing contained or implied herein will derogate from the obligations of Providence under any other agreement with the City or, if the City so elects, prejudice or affect the City's rights, powers, duties or obligations in the exercise of its functions pursuant to the *Vancouver Charter* and the rights, powers, duties and obligations of the City under all public and private statutes, bylaws, orders and regulations, which may be, if the City so elects, as fully and effectively exercised in relation to all lands described in this Agreement as if this Agreement had not been executed and delivered by Providence and the City.

8. MISCELLANEOUS PROVISIONS

8.1 This Agreement and any agreements, instruments and other documents to be entered into pursuant to this Agreement set forth the entire agreement and understanding of the parties with respect to the subject matter hereof and supersede all prior agreements and understandings among the parties hereto with respect to the matters herein. There are no oral or written agreements, promises, warranties, terms, conditions, representations or collateral agreements whatsoever, express or implied, other than those contained in this Agreement.

8.2 This Agreement will enure to the benefit of and be binding upon the respective successors and assigns of the parties, as applicable.

8.3 Time, where mentioned herein, will be of the essence of this Agreement.

8.4 Both before and after the Transfer Date, the parties hereto will execute, do and provide all such further deeds, acts, things and assurances as may be reasonably required to carry out the full meaning and intent of this Agreement.

8.5 This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia.

8.6 This Agreement may be executed by facsimiled counterparts, each of which shall constitute an original and together shall constitute one and the same Agreement.

IN WITNESS WHEREOF, Providence and the City have executed this Agreement with effect as of the date and year first above written.

PROVIDENCE HEALTH CARE SOCIETY

Per: 
 Authorized Signatory - CARL ROY,
 Chief Executive Officer

CITY OF VANCOUVER

Per: _____
 Authorized Signatory - BRUCE MAITLAND,
 Director, Real Estate Services

**APPROVED BY VANCOUVER CITY COUNCIL ON
 MARCH 9, 2004**

ATTACHMENT: SCHEDULE A - PERMITTED ENCUMBRANCES

8.5 This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia.

8.6 This Agreement may be executed by facsimiled counterparts, each of which shall constitute an original and together shall constitute one and the same Agreement.

IN WITNESS WHEREOF, Providence and the City have executed this Agreement with effect as of the date and year first above written.

PROVIDENCE HEALTH CARE SOCIETY

Per: _____
Authorized Signatory - CARL ROY,
Chief Executive Officer

CITY OF VANCOUVER

Per:  _____
Authorized Signatory - BRUCE MAITLAND,
Director, Real Estate Services

**APPROVED BY VANCOUVER CITY COUNCIL ON
MARCH 9, 2004**

ATTACHMENT: SCHEDULE A - PERMITTED ENCUMBRANCES

SCHEDULE A
PERMITTED ENCUMBRANCES

1. **Lot A, District Lots 196 and 2057, Plan LMP14138**
 - (a) Reservation No. 749M;
 - (b) Reservation No. 1118M;
 - (c) Easement No. 15517M;
 - (d) Easement and Indemnity Agreement No. GC64088;
 - (e) Covenant No. BG466237;
 - (f) Easement and Indemnity Agreement No. BG466224;
 - (g) Statutory Right of Way No. BG466230;
 - (h) Statutory Right of Way No. BG466232;
 - (i) Covenant No. BG466234;
 - (j) Covenant No. BG466235
 - (k) Covenant No. BG466236;
 - (l) Statutory Right of Way No. BL119275;
 - (m) Covenant No. BL119277;
 - (n) Statutory Right of Way No. BL119279; and
 - (o) Equitable Charge No. BL119281.
2. **Lot 19, District Lots 181, 196 and 2037, Plan 6780**
NIL.
3. **Lot C, Blocks 15 to 18, District Lots 196 and 2037, Plan 12884**
NIL.
4. **Lot D, Blocks 15 to 18, District Lots 196 and 2037, Plan 12884**
NIL.

5. **Lot E, District Lots 196 and 2037, Plan 13449**

- (a) Statutory Right of Way No. BH79201A;
- (b) Option to Purchase No. BR11537 in respect of approximately 149 square metres fronting on Prior Street; and
- (c) Covenant No. BR11538.

6. **Lot F, District Lots 196 and 2037, Plan 13449**

- (a) Statutory Right of Way No. BH79201A;
- (b) Option to Purchase No. BR11537 in respect of approximately 343 square meters fronting on Prior Street; and
- (c) Covenant No. BR11538.

SCANNED

SECOND MODIFICATION OF PURCHASE AGREEMENT

**STATION AND PRIOR STREETS DEVELOPMENT SITE,
VANCOUVER, B.C.**

This Agreement, made with effect as of March 8, 2008,

BETWEEN:

PROVIDENCE HEALTH CARE SOCIETY, a British Columbia
society, having a business address c/o 1081 Burrard Street,
Vancouver, British Columbia, V6Z 1Y6

("Providence")

AND:

VANCOUVER ESPERANZA SOCIETY, a British Columbia
society, having its registered and records office address at 3000 –
1055 West Georgia Street, Vancouver, British Columbia, V6E 3R3

("Esperanza")

AND:

CITY OF VANCOUVER, 453 West 12th Avenue, Vancouver,
British Columbia, V5Y 1V4

(the "City")

AND FOR THE BENEFIT OF:

ROYAL BANK OF CANADA, 1000 – 1025 West Georgia Street,
Vancouver, British Columbia, V6E 3N9

("Royal Bank")

WITNESSES THAT WHEREAS:

A. All terms defined in the Purchase Agreement, made with effect as of March 10, 2004
between Providence and the City, as modified by a Modification Agreement dated March 30,
2004 and a letter agreement dated February 29, 2008 (the Purchase Agreement, as modified, is
hereinafter described as the "**Purchase Agreement**"), and used herein shall have the



respective meanings ascribed to them in the Purchase Agreement, unless the context otherwise requires or unless otherwise defined, modified or stated herein;

B. Esperanza is the registered owner of certain assets comprising the Property Interests (which are the subject of the Purchase Agreement) and, pursuant to an Assignment and Assumption Agreement, dated for reference March 30, 2004, Providence assigned to Esperanza all of its right, title and interest in and to the Purchase Agreement;

C. Providence and Esperanza have requested, and the City has agreed, that the Purchase Agreement be further modified by increasing the Transfer Price, further extending the time for delivery to the City of the Transfer Notice; and

D. As the holder of security interests granted by Esperanza in the same, Royal Bank is the assignee from Esperanza of certain assets comprising the Property Interests,

NOW THEREFORE, in consideration of the mutual covenants, agreement and acknowledgements herein set forth, and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), Providence, Esperanza and the City covenant, agree and acknowledge as follows:

1. MODIFICATION OF PURCHASE AGREEMENT

Effective as of the date first above written, the Purchase Agreement shall be modified as follows:

- (a) by the deletion from the definition of "Transfer Price" in Section 1.1(u)(i) thereof of the words and figures "TWENTY-FOUR MILLION FIVE HUNDRED THOUSAND DOLLARS (\$24,500,000.00)" and by substitution therefor of the words and figures "THIRTY-EIGHT MILLION DOLLARS (\$38,000,000.00)";
- (b) by the deletion from Section 2.1 thereof of the date "May 8, 2008" and by substitution therefor of the date "May 9, 2011";
- (c) by the deletion from the definition of the figures "\$24,500,000.00" from the last line of Section 7.1 thereof and by substitution therefor of the words and figures "THIRTY-TWO MILLION DOLLARS (\$32,000,000.00)"; and
- (d) by the deletion from the definition of the figures "\$24,500,000.00" from the first line of Section 7.2 thereof (immediately prior to the definition of "Mortgage") and by substitution therefor of the words and figures "THIRTY-TWO MILLION DOLLARS (\$32,000,000.00)".

2. NO OTHER MODIFICATION

All other terms and conditions of the Purchase Agreement shall remain unamended and in full force and effect and, without limiting the generality of the foregoing, time where mentioned in the Purchase Agreement as hereby modified, shall remain of the essence.

3. ENUREMENT AND BINDING EFFECT

This Agreement shall enure to the benefit of and be binding upon the respective successors and assigns of the parties, as applicable.

4. EXECUTION IN COUNTERPARTS

This Agreement may be executed by facsimiled counterparts, each of which shall constitute an original and together shall constitute one and the same Agreement.

5. ACKNOWLEDGMENT OF SECURITY INTERESTS

Providence, Esperanza and the City hereby acknowledge to Royal Bank as follows:

- (a) Royal Bank is a Mortgagee of Esperanza, as defined in the Purchase Agreement, and hereafter may acquire further security interests in the Property Interests as security for the payment of amounts owing by Esperanza to Royal Bank and the performance of other obligations of Esperanza to Royal Bank;
- (b) upon payment of the Transfer Price as contemplated in the Purchase Agreement, all amounts owing by Esperanza to Royal Bank shall be paid and all other obligations of Esperanza to Royal Bank shall be performed in accordance with Section 7.2(b)(ii) of the Purchase Agreement, in order for Royal Bank to grant a discharge of the security interests it holds in the Property Interests; and
- (c) the letter agreement dated March 29, 2004 between the City and Royal Bank (a copy of which is attached hereto as Schedule "A"), remains valid and in effect, provided that references to "PA" therein shall mean the Purchase Agreement as defined and described herein, and the reference in item 2. of the letter to the principal amount of the mortgage shall be interpreted to reflect the increased principal amount of \$32,000,000 described in section 1 above.

IN WITNESS WHEREOF, Providence, Esperanza and the City have executed this Agreement, with effect as of the date and year first above written.

PROVIDENCE HEALTH CARE SOCIETY

Per: _____

Authorized Signatory

Print Name:

Mary Procter

VANCOUVER ESPERANZA SOCIETYPer: 

Authorized Signatory

Print Name: Hugh A. Magee, Chairman

CITY OF VANCOUVER

Per: _____

Authorized Signatory – Michael Flanigan,
Director of Real Estate Services**APPROVED BY VANCOUVER CITY COUNCIL ON
APRIL 1, 2008**

VANCOUVER ESPERANZA SOCIETY

Per: _____
Authorized Signatory
Print Name:

CITY OF VANCOUVER

Per:  _____
Authorized Signatory – Michael Flanigan,
Director of Real Estate Services

**APPROVED BY VANCOUVER CITY COUNCIL ON
APRIL 1, 2008**

THIRD MODIFICATION OF PURCHASE AGREEMENT

STATION AND PRIOR STREETS DEVELOPMENT SITE, VANCOUVER, B.C.

This Agreement, made with effect as of May 6, 2011,

BETWEEN:

PROVIDENCE HEALTH CARE SOCIETY, a British Columbia
society, having a business address c/o 1081 Burrard Street,
Vancouver, British Columbia, V6Z 1Y6

("Providence")

AND:

VANCOUVER ESPERANZA SOCIETY, a British Columbia
society, having its registered and records office address at 3000 –
1055 West Georgia Street, Vancouver, British Columbia, V6E 3R3

("Esperanza")

AND:

CITY OF VANCOUVER, 453 West 12th Avenue, Vancouver,
British Columbia, V5Y 1V4

(the "City")

AND FOR THE BENEFIT OF:

ROYAL BANK OF CANADA, 1000 – 1025 West Georgia Street,
Vancouver, British Columbia, V6E 3N9

("Royal Bank")

WITNESSES THAT WHEREAS:

A. All terms defined in the Purchase Agreement, made with effect as of March 10, 2004 between Providence and the City, as modified by a Modification Agreement dated March 30, 2004 and a Second Modification Agreement made with effect as of March 8, 2008 (the Purchase Agreement, as modified, is hereinafter described as the "**Purchase Agreement**"), and

used herein shall have the respective meanings ascribed to them in the Purchase Agreement, unless the context otherwise requires or unless otherwise defined, modified or stated herein;

B. Esperanza is the registered owner of certain assets comprising the Property Interests (which are the subject of the Purchase Agreement) and, pursuant to an Assignment and Assumption Agreement, dated for reference March 30, 2004, Providence assigned to Esperanza all of its right, title and interest in and to the Purchase Agreement;

C. Providence and Esperanza have requested, and the City has agreed, that the Purchase Agreement be further extending the time for delivery to the City of the Transfer Notice; and

D. As the holder of security interests granted by Esperanza in the same, Royal Bank is the assignee from Esperanza of certain assets comprising the Property Interests,

NOW THEREFORE, in consideration of the mutual covenants, agreement and acknowledgements herein set forth, and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), Providence, Esperanza and the City covenant, agree and acknowledge as follows:

1. MODIFICATION OF PURCHASE AGREEMENT

Effective as of the date first above written, the Purchase Agreement shall be modified by the deletion from Section 2.1 thereof of the date "May 9, 2011" and by substitution therefor of the date "May 9, 2014".

2. NO OTHER MODIFICATION

All other terms and conditions of the Purchase Agreement shall remain unamended and in full force and effect and, without limiting the generality of the foregoing, time where mentioned in the Purchase Agreement as hereby modified, shall remain of the essence.

3. ENUREMENT AND BINDING EFFECT

This Agreement shall enure to the benefit of and be binding upon the respective successors and assigns of the parties, as applicable.

4. EXECUTION IN COUNTERPARTS

This Agreement may be executed by facsimiled counterparts, each of which shall constitute an original and together shall constitute one and the same Agreement.

5. ACKNOWLEDGMENT OF SECURITY INTERESTS

Providence, Esperanza and the City hereby acknowledge to Royal Bank as follows:

- (a) Royal Bank is a Mortgagee of Esperanza, as defined in the Purchase Agreement, and hereafter may acquire further security interests in the Property Interests as security for the payment of amounts owing by Esperanza to Royal Bank and the performance of other obligations of Esperanza to Royal Bank; and

- (b) upon payment of the Transfer Price as contemplated in the Purchase Agreement, all amounts owing by Esperanza to Royal Bank shall be paid and all other obligations of Esperanza to Royal Bank shall be performed in accordance with Section 7.2(b)(ii) of the Purchase Agreement, in order for Royal Bank to grant a discharge of the security interests it holds in the Property Interests.

IN WITNESS WHEREOF, Providence, Esperanza and the City have executed this Agreement, with effect as of the date and year first above written.

PROVIDENCE HEALTH CARE SOCIETY

Per: _____
Authorized Signatory
Print Name:

VANCOUVER ESPERANZA SOCIETY

Per: _____
Authorized Signatory
Print Name:

CITY OF VANCOUVER

Per:  _____
Authorized Signatory – Michael Flanigan,
Director of Real Estate Services

APPROVED BY VANCOUVER CITY COUNCIL ON
[May 5, 2011]

- (b) upon payment of the Transfer Price as contemplated in the Purchase Agreement, all amounts owing by Esperanza to Royal Bank shall be paid and all other obligations of Esperanza to Royal Bank shall be performed in accordance with Section 7.2(b)(ii) of the Purchase Agreement, in order for Royal Bank to grant a discharge of the security interests it holds in the Property Interests.

IN WITNESS WHEREOF, Providence, Esperanza and the City have executed this Agreement, with effect as of the date and year first above written.

PROVIDENCE HEALTH CARE SOCIETY



Per:

Authorized Signatory
Print Name: Zulie Sachedina

VANCOUVER ESPERANZA SOCIETY



Per:

Authorized Signatory
Print Name: HUGH A. MAGEE, CHAIRMAN

CITY OF VANCOUVER

Per: _____

Authorized Signatory – Michael Flanigan,
Director of Real Estate Services

APPROVED BY VANCOUVER CITY COUNCIL ON
[_____, 2011]

- (b) upon payment of the Transfer Price as contemplated in the Purchase Agreement, all amounts owing by Esperanza to Royal Bank shall be paid and all other obligations of Esperanza to Royal Bank shall be performed in accordance with Section 7.2(b)(ii) of the Purchase Agreement, in order for Royal Bank to grant a discharge of the security interests it holds in the Property Interests.

IN WITNESS WHEREOF, Providence, Esperanza and the City have executed this Agreement, with effect as of the date and year first above written.

PROVIDENCE HEALTH CARE SOCIETY

Per: _____

Authorized Signatory

Print Name: Zulie Sachedina

VANCOUVER ESPERANZA SOCIETY

Per: _____

Authorized Signatory

Print Name:

CITY OF VANCOUVER

Per: _____

Authorized Signatory – Michael Flanigan,
Director of Real Estate Services

APPROVED BY VANCOUVER CITY COUNCIL ON
[_____, 2011]