

Attachment 2

Term Sheet Summary

Re: Block 22 at 180 Sackville St., Regent Park, Phase 2

Borrower	Toronto Community Housing Corporation (TCHC)
Lender	Ontario Infrastructure and Lands Corporation (OILC)
Credit Facility	\$10,000,000 Non-revolving Fixed Interest Rate Term Loan
Purpose	To provide permanent/long term financing of a mid-rise building and town houses known as Block 22 (the "Property") in Regent Park.
Term/Amortization	30 years term and amortization period; principal and interest payable on the first day of each month and in arrears.
Interest Rate	As per Infrastructure Ontario rate for 30-year loans (currently 3.50%).
Drawdown	Total Lender Advances for the full amount of the Credit Facility shall be made to the Borrower's solicitor in trust, subject to solicitor's undertaking that all Conditions Precedent and all required documentation have been met and completed.
The Property	Block 22 is an 11-storey building with 86 mid-rise units, 32 rental town houses and one level of underground parking. Out of the total of 118 units, 78 are RGI units while the remaining 40 are affordable rental units. Based on approved budgets, total construction cost is \$32.4 million. As per cost consultant's report, actual costs as of Nov 2014 stood at \$25.8 mil or 80% of the total budgeted cost.
Security & Documentation Financing Agreement	<p>The following security shall be provided to support all present and future indebtedness and liability of the Borrower under the Credit Facility and shall be registered in first position unless otherwise note below, and shall be on the Lender's standard form as modified to be consistent with the security agreed upon in connection with the loan Financing Agreement dated October 18, 2013 (the "Prior OILC Loan Agreement"), supported by resolutions and legal opinion, all acceptable to the Lender acting reasonably:</p> <ol style="list-style-type: none"> a) Financing Agreement b) Promissory Note(s) c) 1st Charge/Mortgage registered on the Property d) 1st Assignment of rents and leases registered site specific over the Property on title and under the PPSA for the duration of the loan. e) 1st General Security Agreement f) Creditor Acknowledgement Agreement executed by all creditors identified with the Master Covenant Agreement dated May 11, 2007. g) Assignment of Specific Account(s) and Set-Off Agreement in respect of Capital Expenditures Reserve Account. h) Title Insurance acceptable to the Lender site specific to the Property and shall be based on 75% of the Lender's estimated value of the Project to reflect the 75% loan to value for the financing. i) Certificate of Property Insurance with Lender showing as 1st loss payee to the satisfaction of the Lender

	<p>j) Capital Expenditure Investment Account Agreement between the Borrower and the Lender</p> <p>This transaction will be secured by a guarantee from the City of Toronto.</p>
Conditions Precedent	<p>In addition to the Lender's standard conditions precedent, the Borrower shall provide to the satisfaction of the Lender prior to the loan drawdown the following:</p> <ul style="list-style-type: none"> a) Building and Zoning By-laws. The Borrower shall have provided to the satisfaction of the Lender evidence that the Property comply and will comply in all respects with all municipal and provincial by-laws and statutes. b) Occupancy Permit. The Borrower shall have provided to the satisfaction of the Lender a certified true copy of Occupancy Permit for the Property as issued by the City of Toronto.
Solicitor's Report	All necessary legal documentation and relevant legal opinions customary for this type of transaction shall have been executed and registered.
Other	All other security documentation as may be required from time to time in the sole discretion of the Lender to protect the interests of the Lender.
Representations and Warranties	Lender's standard form.
Events of Default	Lender's standard form.
Covenants	<p>Lender's standard covenants plus:</p> <ul style="list-style-type: none"> a) Properties to be maintained in accordance with the Residential Tenancies Act (where applicable); b) Building Condition Assessment may be required seven years after advance date; c) No cross-default provisions with any other loan documentation related to the Properties; d) No further corporate debt instruments that could reduce Borrower's ability to achieve financial covenants without Lender consent; e) Compliance with Property specific Debt Service Coverage Ratios; and f) Distributions to Shareholder only permitted if all covenants are satisfied before and immediately after distribution.
Security Substitution	At the Lender's reasonable discretion, substitution of property of same or similar age and characteristics so as to provide equal or greater value permitted/required in order to maintain the principal loan balance unaffected without the necessity of a principal pay down in the event of a Property sale, environmental concern, Property condition concern or redevelopment.