

April 28, 2020

Application Number: 5167661

Valesa Faria
City of Toronto
Metro Hall, 7th Floor
55 John Street
Toronto, ON
M5V 3C6

Dear Ms. Faria,

Re: Application by the City of Toronto (the “Applicant”) for Affordable Housing Innovation Fund (“AHIF”) funding in respect to the Toronto Modular Housing Pathways Initiative (the “Project”) for the construction of 250 modular units in the City of Toronto.

This letter confirms that Canada Mortgage and Housing Corporation (CMHC) is pleased to partner with the City of Toronto in rapidly delivering 250 affordable modular homes. CMHC's proposed support to the project will be \$18.75 million in funding under the Affordable Housing Innovation Fund (see Schedule A).

As part of the National Housing Strategy, the Affordable Housing Innovation Fund encourages new funding models and innovative building techniques in the affordable housing sector.

The City of Toronto's modular housing initiative aligns with the objectives of CMHC's Affordable Housing Innovation Fund in contributing to the fight against homelessness, creating inclusive and accessible communities and improving the housing outcomes for all Canadians.

Please note this funding is subject to an executed definitive agreement, its associated terms and conditions and CMHC's standard due diligence requirements. CMHC reserves the right to recommit all or part of the AHIF funding in the event that a definitive agreement is not executed by May 29, 2020.

Yours truly

Per: _____

Yannick Monaghan

Director, Innovation Fund and Federal Land Disposition

Schedule "A":

The Innovation Fund Funding Amount

Approved Activity	Maximum Amount Contribution ¹
Creation of 250 affordable modular units with at least 25 transitional units	\$12,500,000

Approved Activity	Maximum Amount Interest-Free Loan
Creation of 250 affordable modular units with at least 25 transitional units	\$6,250,000

1. Contribution may not be available if funding for AHIF is no longer available due to no or insufficient appropriations by the Government of Canada.