

Shoreham LTC Lands which portion is depicted on the Schedule B Plan as Lot C and consisting of approximately 8542.3 sq. meters acres (the “**Apartments Acquired Lot**”)

AND WHEREAS the Apartment Properties Lands and the Shoreham LTC Lands require and share certain wells and related infrastructure and access easements (the “**Wells**” and “**Easements**”) which Wells are located approximately as denoted on the Schedule B Plan as PW 4, PW 5 and PW 6.

THEREFOR the parties hereby covenant and agree as follows:

1. LAND EXCHANGES

In consideration for and subject to the terms and conditions contained herein:

- (a) Shoreham Apartments shall convey to Shoreham LTC the LTC Acquired Lot;
- (b) Shoreham LTC shall convey to Shoreham Apartments the Apartments Acquired Lot;
- (c) the Land Exchanges shall be by warranty deeds free and clear of all encumbrances excepting utility and other easements for mutual access to the Wells and the Lots;
- (d) the parties shall enter into such easements as may be required to provide reasonable mutual access to the Wells and the Lots.

In addition to the conveyance as aforesaid, Shoreham LTC shall pay to Shoreham Apartments cash in the amount of the difference in the fair market value between the LTC Acquired Lot and the Apartments Acquired Lot as determined by appraisal.

2. CREATION OF THE LOTS

- (a) Shoreham LTC shall, at its sole expense, engage surveyors and engineers for the purpose of preparing plans of survey (the “**Survey Plans**”) which plans shall create, by subdivision and consolidation, the LTC Acquired Lot and the Apartments Acquired Lot, materially in a form and content as shown on the attached the Plans.
- (b) Prior to submission for municipal approval, the Survey Plans and legal descriptions shall be provided to the parties for their respective approvals.
- (c) The Survey Plans shall reflect all easements with respect to the Wells and access to the Lots.
- (d) Shoreham LTC shall, at its sole cost and expense, commission an appraisal to determine the difference in value in the fair market value (appraised as vacant land) between the Apartments Acquired Lot and the LTC Acquired Lot. In the event that Shoreham Apartments does not agree with such appraisal, it may, at its sole cost, commission an additional appraisal by an accredited appraiser. In such case. The difference in value shall be the average of the two appraisals.
- (e) The parties shall provide all reasonable cooperation and access to the properties as may be required to complete the Survey Plans and obtain municipal approvals.

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3. CONDITIONS OF SHOREHAM APARTMENTS

The obligations of Shoreham Apartments hereunder are subject to the following terms and conditions which are inserted for the sole benefit of Shoreham Apartments:

- (a) Its approval of the Survey Plans and legal descriptions, including with respect to the Wells and access, and all relevant municipal approvals;
- (b) Its satisfaction with the condition of the Apartments Acquired Lot, including with respect to environmental matters;
- (c) the conveyance by Shoreham LTC of the Apartments Acquired Lot in fee simple and unencumbered excepting existing or approved easements
- (d) the approval of its current mortgage lenders;
- (e) its approval of the state of the title to the Apartments Acquired Lot; and
- (f) the fulfillment by Shoreham LTC of its obligations hereunder.

4. CONDITIONS OF SHOREHAM LTC

The obligations of Shoreham LTC hereunder are subject to the following terms and conditions which are inserted for the sole benefit of Shoreham LTC:

- (a) the approval of the Province of Nova Scotia of this agreement, the Survey Plans and the budget for the construction and operation of the New LTC;
- (b) Its approval of the Survey Plans and legal descriptions, including with respect to the Wells and access, and all relevant municipal approvals; including approval for the construction of the New LTC;
- (c) Its satisfaction with the condition of the LTC Acquired Lot, including with respect to environmental matters;
- (d) the conveyance by Shoreham Apartments of the LTC Acquired Lot in fee simple and unencumbered excepting existing or approved easements
- (e) a satisfactory examination of the LTC Acquired Lot, including its environmental condition;
- (f) the approval of its current mortgage lenders;
- (g) its approval of the state of the title to the LTC Acquired Lot; and
- (h) the fulfillment by Shoreham Apartments of its obligations hereunder.

Excepting with respect to 3 (a) and 4 (a) and (b) above, each Party shall have ninety (90) days from the date of this Agreement (the "**Condition Date**") to advise of any concerns with respect to their respective Conditions Failing written notice thereof

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prior to the Condition Date (the “**Waiver**”), each party shall be deemed to be satisfied and shall be obligated to complete the transaction in accordance with the terms and conditions of this Agreement. Provided however, that, in the event that Shoreham LTC has not received all requisite approvals from the Province of Nova Scotia by the Condition Date, it shall be entitled to an extension of the Condition Date for an additional period of up to nine months. Shoreham LTC shall provide notice of provincial approvals to Shoreham Apartments immediately upon receipt. If no such approvals are received by this extended date, either party may terminate this Agreement. In such event, condition of the LTC Acquired Lot shall be returned to its current state at the sole cost of Shoreham LTC.

5. ACCESS TO THE LOTS

As of the date of execution of this Agreement:

- (a) Shoreham LTC may have access to the LTC Acquired Lot for the purposes of examination of its condition and commencement of site work necessary for construction of the New LTC. All such matters shall be at its sole risk and expense. Notwithstanding such interim access, Shoreham LTC shall not commence the construction of the New LTC prior to the Closing Date. In the event that this transaction is not completed for any reason, Shoreham LTC shall restore the Lot to its current condition.
- (b) Shoreham Apartments may have access to the Apartments Acquired Lot for the purposes of examination of its condition which shall be at its sole risk and expense. In the event that this transaction is not completed, Shoreham Apartments shall restore the Lot to its current condition.

6. CLOSING ARRANGEMENTS

- (a) The Closing Date for the conveyance of the LTC Acquired Lot and Apartments Acquired Lot shall be on or before 30 days following the Waiver of Conditions by Shoreham LTC and the receipt of all necessary approvals from the Province of Nova Scotia. The closing of the Apartments Acquired Lot shall be an escrow closing and subject to the terms set out below.
- (b) Shoreham Apartments shall hold the deed for the Apartments Acquired Lot in escrow pending (i) construction completion of the New LTC; and (ii) the relocation of the existing residents to the New LTC; and (iii) the demolition of the Existing LTC (the “**Escrow Terms**”). Following completion of the New LTC, Shoreham LTC undertakes to forthwith commence and complete the demolition of the Existing LTC and the relocation of its residents continuously and without interruption. Pending fulfillment of the Escrow Terms: (iv) Shoreham LTC shall not, in any

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- manner, further encumber or permit the further encumbering of the Apartments Acquired Lot; and (v) Shoreham Apartments shall not record its deed at the Land Registration Office until the Escrow Terms are fulfilled.
- (c) Shoreham LTC shall provide to Shoreham Apartments satisfactory evidence from Royal Bank of Canada and Housing Nova Scotia that each will provide a release of its mortgage on the Apartments Acquired Lot following fulfillment of the Escrow Terms and, following such fulfillment of the Escrow Terms, Shoreham LTC shall provide Releases of each of these charges.
 - (d) Shoreham LTC shall pay to Shoreham Apartments funds representing the difference in the fair market value between the two Lots.
 - (e) **Shoreham LTC shall pay to Shoreham Apartments its reasonable legal fees related to the transaction.**
 - (f) Subject to the terms hereof, the conveyances shall be by Warranty Deed transferring title in fee simple and unencumbered but for approved easements.
 - (g) The parties will enter into such easements and roadway access agreements as are necessary to provide mutual and reasonable access to the Wells and their shared use, and to the subject Lots. All of such easements will be reflected in the Survey Plans. Any damage to an existing Right of Way related to the construction activities of Shoreham LTC shall be repaired at its sole cost.

7. TERMINATION

In the event that this agreement is terminated pursuant to paragraphs 3 or 4, the parties shall have no further obligations to each other excepting with respect to any restorations TO the lands as contemplated by paragraph 5.

8. COVENANTS OF SHORHAM LTC

- (a) It has the capacity and authority to enter into and complete this Agreement in accordance with its terms. Each obligation shall be considered a covenant.
- (b) It shall, on the Closing Date and excepting with respect its existing mortgage security with RBC and Housing Nova Scotia, have marketable title to the Apartments Acquired Lot, subject to any easements for access to the Lots and sharing of the Wells and shall, following fulfillment of the Escrow Terms, provide releases of such security.
- (c) It shall, following the Closing Date, forthwith commence construction of the New LTC and, following completion, forthwith commence demolition of the Existing LTC and relocation of the residents without interruption or delay.

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9. COVENANTS OF SHOREHAM APARTMENTS

- (a) It has the capacity and authority to enter into and complete this Agreement in accordance with its terms. Each obligation shall be considered a covenant.
- (b) It shall, on the Closing Date, have marketable title to the LTC Acquired Lot, subject only to any easements for access to the Lots and sharing of the Wells.

10. GENERAL

- (a) Time shall, in all respects, be of the essence in this Agreement.
- (b) This Agreement shall be binding upon the parties and their successors and assigns.
- (c) This Agreement may be signed in counterparts and electronically, each of which, when read together, shall be deemed to constitute a single and complete agreement.
- (d) Any notice hereunder may be provided as follows:

If to Shoreham LTC
c/o Reinhard Jerabek
rjerabek@nwood.ns.ca

with a copy to:
John G. Stewart
jstewart@coxandpalmer.com

if to Shoreham Apartments
c/o Rick Casavant
rick,casavant@ns.sympatico.ca

with a copy to:
Derek Wells
dwells@chesterlaw.ca

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SIGNED IN COUNTERPARTS AS OF THE DATE FIRST ABOVE WRITTEN

SHOREHAM VILLAGE SENIOR CITIZENS ASSOCIATION

per _____

per _____

SHOREHAM VILLAGE SENIOR CITIZENS APARTMENT ASSOCIATION

per *[Signature]* Chair

per *Wendy LeBlanc* Vice Chair



