

AFFORDABLE MULTIFAMILY HOUSING OPERATING AGREEMENT

THIS AGREEMENT dated _____ day of _____, 2023.

BETWEEN:

Efficiency Nova Scotia

OF THE FIRST PART:

- and –

(the “Applicant”)

OF THE SECOND PART:

WHEREAS the Applicant has requested technical support and/or financial assistance and whereas Efficiency Nova Scotia has agreed to provide technical support and/or financial assistance in whole to be earned over the term of this Agreement, provided that the owner complies with the prescribed conditions;

WHEREAS the owner is to undertake and complete all mandatory health and safety repairs to all non-eligible rental units and common areas in order to undertake and complete all mandatory repairs to all eligible rental units to an existing residential building comprising **One (1)** self-contained rental units, (the “Property”) situated at:

Civic Address of rental property:

WHEREAS technical support and/or financial assistance has been provided to the Applicant on the basis that for the term of this agreement, a minimum of four (4) and at least 30% of the rental units in the Property will be rented to tenants at rents at or below the rental thresholds established by the program.

WHEREAS the Applicant is required to make every effort to maintain affordable rental rates for their current or future tenants.

Therefore, in consideration of the provision of the technical support and/or financial assistance and of the terms and conditions in this document, the parties agree to the following:

1. RENT

- a) The landlord shall not increase rents except in a manner contemplated by this agreement. The first year, upon completion of repairs, a minimum of 30% of all self-contained rental units shall be rented at a monthly rent not in excess of the schedules in Appendix A – Maximum Rents in Year One. The completion date is estimated to be within 120 days from the preapproval document issued by Efficiency Nova Scotia.
- b) In subsequent years while this Agreement is in force, the Applicant shall only implement rent increases that do not exceed the Nova Scotia all-item Consumer Price Index (CPI) over the term of this agreement as set out in Section 11. All rental increases must comply with the Act respecting Residential Tenancies Chapter 401 of the Revised Statutes, 1989, Section 11 and all other provincial legislative and regulatory requirements.
- c) Any rent increases contemplated under this Agreement may occur annually or be compounded up to a maximum of three (3) years at one time.
- d) Where rent increases above the level set out in subclause 1(b) or subclause (c) herein are necessary because of increases in the eligible operating expenses, a Revenue and Expense Statement and a projected budget must be submitted to Efficiency Nova Scotia. These statements are required at least thirty (30) days before the Applicant wishes to enforce such rental increase and must also include the Applicant's plan to mitigate the need for additional increases for the duration of the term of this agreement. Efficiency Nova Scotia may request additional information to substantiate the requested rent increase. Upon review of the information supplied, Efficiency Nova Scotia, at its sole discretion, may approve the rent increase.
- e) Where provincial rent review/control legislation exists, the maximum rent that may be charged shall be the lesser of the amount approved by the provincial rent review board and the amount approved by the Minister.

2. DEFAULT/PREPAYMENT

- a) Should the Applicant be in default under the terms of the Agreement, Efficiency Nova Scotia shall have the right to declare any direct incentives received by the Applicant be repaid with interest from the date of default. The interest rate shall be the prime interest rate in effect at the time of loan approval. The Applicant must provide notice to tenants of any default within 30 days of providing notice of default to Efficiency NS.

3. LEASING

- a) The Applicant shall inform all new and existing tenants of the Applicant's participation in the Affordable Multifamily Housing Pilot in writing, using a form approved by Efficiency Nova Scotia. This notice must include the Applicant's commitment to limiting rental increases as set out in this Agreement, the contact information for Efficiency Nova Scotia, the term of the Operating Agreement and the consequences of default as set out in this Agreement. This notice must be provided at the time of entering into a rental agreement with the tenant.

- b) The Applicant will provide ample notice to tenants in order to gain access to operational spaces and tenant units at the property address set out herein for the purposes of energy audit(s) and verification visit(s), in accordance with requirements for written notice pursuant to the *Residential Tenancies Act*. The Applicant shall also provide Efficiency Nova Scotia and its affiliates with dedicated building staff for the purpose of energy audit(s) and verification visit(s).

4. REBATES

- (a) Any rebates available under this Agreement are strictly for new equipment and cannot be combined with any other Efficiency Nova Scotia offer. Any rebates provided under this Agreement are subject to change without notice. Efficiency Nova Scotia may, at its sole discretion, approve or reject any rebate at any time.
- (b) To be eligible for rebates, products must be installed in multifamily building(s) with four or more affordable units.
- (c) For greater clarity, the following items are not available for rebates under this Agreement:
 - i. Mixed-use and commercial spaces within multifamily properties;
 - ii. Cogeneration;
 - iii. Self-generation;
 - iv. Demand-limiting; and
 - v. Power factor correction
- (d) To be eligible for rebates and financing options (if applicable) under this Agreement, the Applicant is required to obtain pre-approval prior to purchase and installation of any equipment.
- (e) To obtain pre-approval, the Applicant must submit the following:
 - i. Application;
 - ii. Labour and product quote(s); and
 - iii. Applicable worksheets
- (f) To obtain a rebate payment, the Applicant must submit the following:
 - i. Proof of Purchase from the distributor or retailer on the eligible products installed; and
 - ii. Any other information deemed necessary by Efficiency Nova Scotia

For greater clarity, "Proof of Purchase" for the purposes of subclause 6(e) shall include any invoice(s) stating the size, type, manufacturer, model or part number, purchase date and vendor of the efficient equipment. Efficiency Nova Scotia reserves the right to verify sales transactions. The full rebate payment or a portion thereof may be made to the Applicant or to the installation contractor referenced in the application documents

- (g) The maximum rebate payment available under this Agreement will not exceed eighty percent (80%) net of the eligible equipment purchase and its associated installation costs and up to \$16,155 per affordable unit.
- (h) The Applicant is responsible for any and all tax liability associated with a rebate payment.

- (i) Applicant must allow thirty (30) days for delivery of payment. For greater clarity, the submission of an application with incomplete or missing information will delay processing of payment.

5. NO REPRESENTATION, WARRANTY OR GUARANTEE

Efficiency Nova Scotia does not provide any representation, warranty or guarantee, either expressly or implicitly, with respect to the quality of any of the following:

- (a) The performance of installed equipment; or
- (b) Any particular manufacturers, products or system designs.

6. PRIVACY AND CONFIDENTIALITY

- (a) Efficiency Nova Scotia may require the sharing and exchange of information between Efficiency Nova Scotia and third parties such as the Applicant's electricity provider. In applying and receiving rebates, the Applicant hereby irrevocably consents to the release, use, storage and exchange of information between Efficiency Nova Scotia and necessary third parties, including but not limited to name(s), addresses, energy usage history, and phone number for the purposes of administering rebates.
- (b) Efficiency Nova Scotia is a franchise operated by EfficiencyOne, official Licensee of the Province of Nova Scotia. By providing your consent you agree to release your personal information to the current and successive holders of the Efficiency Nova Scotia franchise.
- (c) By executing this Agreement, the Applicant hereby consents to the purposes for which Efficiency Nova Scotia is collecting, using and disclosing company information as set out in Efficiency Nova Scotia's Privacy Policy. More information on Efficiency Nova Scotia's Privacy Policy can be found online at efficiencyns.ca/privacy-policy or by email at privacy@efficiencyns.ca.

7. DISCRIMINATION

The Applicant agrees, in the renting of the Property, not to discriminate against any person by reason of race, national or ethnic origin, colour, religion, disability, sex, marital status, sexual orientation, or a conviction for which a pardon has been granted.

8. MAINTENANCE

- (a) The Applicant shall be responsible for ensuring that the units are maintained to a minimum level of health and safety.
- (b) Any contactor(s) hired by the Applicant will install at the property set out herein the energy construction measures agreed upon by the Applicant and the contractor. The contractor shall permanently disable all products replaced pursuant to this Agreement.
- (c) Applicants and/or contractors are responsible for all costs associated with sales tax, disposal and recycling.

9. MONITORING

The Applicant shall maintain the verification of rents and other such records in a form satisfactory to Efficiency Nova Scotia and shall permit Efficiency Nova Scotia to have access to the project and to have a

representative inspect such records at any reasonable time. The Applicant will supply such information as may be required by Efficiency Nova Scotia to confirm adherence to this agreement.

10. SALE OF PROPERTY

The Applicant agrees to notify Efficiency Nova Scotia in writing within twenty (20) working days prior to the closing date of sale of the Property.

The Applicant covenants that any purchaser shall agree to be bound by the terms and conditions of this Agreement and shall execute a new agreement in this form before consent to the sale in writing may be given by Efficiency Nova Scotia. Rent increases will continue to be permitted in accordance with the terms of the original agreement; no increase in rents will be permitted at the time of sale.

In the event that the Property is sold or otherwise disposed of without the prior knowledge and written consent of Efficiency Nova Scotia, any direct incentives received by the Applicant or Assignee or the applicants contractor will be repaid by the Applicant to Efficiency Nova Scotia, pro-rated over 144 months of the remaining agreement term, plus interest. The interest rate shall be the prime interest rate in effect at the time of loan approval.

11. TERM OF AGREEMENT

The Terms and Conditions of this Agreement shall come into effect upon payment of rebate and continue in force for a period of **Twelve (12)** years from the date of rebate payment. If the project is not completed and/or rebates are not paid, the Terms and Conditions of the Agreement will not be enforced.

12. NO LOSS OF RIGHTS AND RESPONSIBILITIES

This agreement should not be interpreted to derogate or deviate from the rights and responsibilities as between landlord and tenant under Residential Tenancies Act, except as required with respect to restrictions on rental increases.

13. APPLICABLE LAW

This Agreement (and all negotiations and any legal agreements prepared in connection herewith or other arrangements described herein) shall be governed by and construed in accordance with the laws of Province of Nova Scotia.

14. CURRENT RENTAL RATES

Please complete the table below:

[illegible]

*Please see “Appendix A – Rental Rates: Year 1” to verify unit affordability and Tier.

☐ I am coordinating funding with Housing Nova Scotia and/or CMHC and have enclosed a copy of the applicable documentation to support alternative rental rates as accepted by this agency.

If you require additional space to complete your rent roll, please submit a supplemental page.

15. SIGNATURE OF AUTHORIZED REPRESENTATIVE

IN WITNESS WHEREOF the said parties hereto have caused these presents to be signed on the day and year first above-mentioned.

Authorized Signature

Name (first, last)

MM/DD/YYYY

Business Name

16. SIGNATURE OF EFFICIENCYONE REPRESENTATIVE

SARAH CHIASSON
Director, Service Delivery

MM/DD/YYYY

Appendix A: 2023 Maximum Rental Rates in Year One

Tier 1: HRM, Wolfville, and the Town of Antigonish			
	<i>Includes No Utilities</i>	<i>Includes Heat Only</i>	<i>Includes Heat & Electricity</i>
Bachelor	\$766	\$806	\$841
1 Bedroom	\$864	\$910	\$949
2 Bedroom	\$1,082	\$1,140	\$1,192
3 Bedroom	\$1,313	\$1,382	\$1,445
4+ Bedroom	\$1,681	\$1,768	\$1,848

Tier 2: Town of Bridgewater and urban areas* of: CBRM, Antigonish County, Pictou County, Colchester County, Hants County, and Kings County			
	<i>Includes No Utilities</i>	<i>Includes Heat Only</i>	<i>Includes Heat & Electricity</i>
Bachelor	\$548	\$576	\$604
1 Bedroom	\$668	\$703	\$737
2 Bedroom	\$893	\$939	\$985
3 Bedroom	\$1,007	\$1,059	\$1,111
4+ Bedroom	\$1,525	\$1,601	\$1,681

Tier 3: All other areas			
	<i>Includes No Utilities</i>	<i>Includes Heat Only</i>	<i>Includes Heat & Electricity</i>
Bachelor	\$496	\$518	\$547
1 Bedroom	\$604	\$633	\$668
2 Bedroom	\$749	\$788	\$823
3 Bedroom	\$932	\$978	\$1,024
4+ Bedroom	\$1,336	\$1,404	\$1,469

Note: The monthly charge for **rooming houses** may not exceed 60% of the one bedroom maximum rental rate listed in the tables above.

*Urban Areas include – Truro, New Glasgow, Glace Bay, Kentville, North Sydney, Sydney Mines, Kingston – Greenwood, New Waterford, Windsor, Port Hawkesbury, Pictou, Eskasoni, Berwick, Indian Brook 14, Hantsport, Inverness, Centreville, Howie Centre, Hayes Subdivision, Port Williams, Stellarton, Westville, Trenton, Stewiacke, Dominion, Florence.