



File: Sponsor File 133
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July 27, 2018

Christine Culham
Senior Manager, Capital Region Housing Corporation
Letter sent via email

Dear Christine Culham,

RE: Michigan Square and Calendonia Redevelopments

In response to your letter dated, June 28, 2018, BC Housing is will be pleased to confirm that CRHC is authorized to utilize \$2 million of the operating surplus to advance the redevelopment of Michigan Square and Caledonia, to preserve the RGI housing stock provided at these sites. BC Housing confirms point 1 and 2 noted in your letter.

Further to our discussions in March of 2018, BC Housing is happy to support this opportunity providing CRHC confirms:

1. That the utilization of the \$2 million will pose no risk to the ongoing operations and financial viability of the portfolio under the Umbrella Agreement under the existing fixed subsidy, and no increases will be required.

As mentioned in your letter dated, June 28, 2018 we note that the other aspects of the in-principle agreement have been included that: there will be no reduction to the number of RGI units, that the redeveloped projects would remain under the UOA, and that CRHC will have tenant relocation plans in place.

We look forward to hearing from you and supporting CRHC with the redevelopment.

Sincerely,

A handwritten signature in blue ink that reads "Hartman".

Heidi Hartman
Regional Director