

GUARANTEE

THIS GUARANTEE is made as of the 3rd day of October, 2024.

WHEREAS pursuant to the terms and conditions of a letter credit agreement dated as of October 3, 2024 (as the same may be amended, supplemented, extended, renewed, restated, replaced or superseded from time to time, the "**Credit Agreement**") between Desjardins Financial Security Life Assurance Company (the "**Lender**"), as lender, RioCan-HBC (Ottawa) Holdings Inc. (the "**Borrower**"), as borrower, RioCan-HBC (Ottawa) Limited Partnership, by its general partner, RioCan-HBC (Ottawa) GP, Inc., as beneficial owner, and RioCan Real Estate Investment Trust (the "**Guarantor**") and RioCan-HBC Limited Partnership by its general partner RioCan-HBC General Partner Inc. ("**RioCan-HBC**"), as guarantors, the Lender has agreed to make a mortgage loan in the sum of \$56,525,000.00 to the Borrower, secured by, *inter alia*, a charge/mortgage of land (the "**Mortgage**") against the property municipally known as 73, 85, 87 Rideau Street, Ottawa, Ontario K1N 5X1 (the "**Property**");

AND WHEREAS unless there is something in the subject matter or text that is inconsistent therewith, all capitalized terms used herein which are not otherwise defined herein shall have the meanings ascribed thereto in the Credit Agreement;

AND WHEREAS the Guarantor has agreed to provide the Lender with a guarantee of the obligations of the Borrower under the Credit Agreement and the Mortgage;

NOW THEREFORE THIS GUARANTEE WITNESSETH that in consideration of the premises and the covenants and agreements herein contained, the sum of \$2.00 now paid by the Lender to the Guarantor and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Guarantor covenants with the Lender as follows:

ARTICLE 1 **GUARANTEE**

1.1 Guarantee

The Guarantor, subject to the limitation on liability provided In Section 1.4, hereby unconditionally and irrevocably guarantee payment of all the debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Borrower to the Lender or remaining unpaid by the Borrower to the Lender pursuant to the Credit Agreement, the Mortgage and each of the other security documents delivered in connection therewith (hereinafter collectively referred to as the "**Obligations**"), together with interest thereon as provided in Section 4.2. The Guarantor acknowledges having received and reviewed a copy of the Credit Agreement, the Mortgage and each of the other security documents delivered in connection therewith.

1.2 Indemnity

If any or all of the Obligations are not duly performed by the Borrower and are not performed under Section 1.1 for any reason whatsoever, the Guarantor will as a separate and distinct obligation, subject to the limitation on liability provided In Section 1.4, indemnify and save harmless the Lender from and against all losses resulting from the failure of the Guarantor to perform such Obligations.

1.3 **Primary Obligation**

If any or all of the Obligations are not duly performed by the Borrower and are not performed under Section 1.1 or the Lender is not indemnified under Section 1.2, in each case, for any reason whatsoever, such Obligations will, as a separate and distinct obligation, subject to the limitation on liability provided In Section 1.4, be performed by the Guarantor as primary obligor.

1.4 **Limited Guarantee**

Notwithstanding anything to the contrary herein, the liability of the Guarantor under this Guarantee shall be limited to 21.9% of the obligations and liabilities outstanding at the time of first demand thereunder by the Lender plus 21.9% of any additional protective advances or other principal, interest costs and other obligations advanced, accrued or incurred after such date (plus any operating deficits and debt service shortfalls for the Property).

In addition, notwithstanding anything to the contrary herein, the liabilities and obligations of the Guarantor hereunder shall not be personally binding upon, nor shall resort be had to nor shall recourse or satisfaction be sought from, the private property of:

- (a) any holder of units of the Guarantor;
- (b) annuitants under a plan of which a holder of units of the Guarantor acts a trustee or carrier;
or
- (c) any trustee, officer, employee or agent of the Guarantor, but same may be satisfied out of the property of the Guarantor.

The recourse of the Lender to the Guarantor shall be limited as described above but, in addition to the Guarantor's obligations under this Guarantee, the Guarantor will fully indemnify the Lender for any losses, damages, claims and expenses that the Lender incurs as a result of:

- i) fraud by the Borrower, its agents or representatives in connection with the Loan, the Loan Offer, the Property or the Security;
- ii) any intentional misrepresentation by the Borrower in connection with the Borrower's application for the Loan, the Loan Offer agreement or the Security;
- iii) non-compliance with any applicable laws related to environmental matters in connection with the Property;
- iv) insurance and/or expropriation proceeds received by the Borrower but not paid over or applied in accordance with the Loan Offer or the Security;
- v) failure to apply security deposits, advances or prepaid rents, cancellation or termination payments and other similar sums received by the Borrower from tenants or other occupants of the Property for the purposes for which they were received or in accordance with the terms of the Credit Agreement;
- vi) any act of arson, malicious or intentional destruction by the Borrower in respect of the Property; and

- vii) application of revenue from the Property to amounts other than payments to the Lender or operating expenses or construction, leasing or capital costs properly incurred in respect of the Property. For greater clarity, application of surplus revenue to make distributions is permitted hereunder after the aforementioned payments and will not constitute an indemnifiable event.

1.5 **Obligations Absolute**

The liability of the Guarantor hereunder will be absolute and unconditional, subject to the limitation on liability provided In Section 1.4, and will not be affected by:

- (a) any lack of validity or enforceability of any agreements between the Lender and any Borrower Entity (as hereinafter defined), including any of the security documents delivered in connection with the Credit Agreement or the Mortgage; any change in the time, manner or place of payment of or in any other term of such agreements or the failure on the part of any Borrower Entity to carry out any of its obligations under such agreements;
- (b) any impossibility, impracticability, frustration of purpose, illegality, force majeure or act of government;
- (c) the bankruptcy, winding-up, liquidation, dissolution or insolvency of any Borrower Entity or any party to any agreement to which the Lender is a party;
- (d) any lack or limitation of power, incapacity or disability on the part of any Borrower Entity or the Lender or of the directors, partners or agents thereof or any other irregularity, defect or informality on the part of any Borrower Entity in its obligations to the Lender, including any change in the name, constitution or legal form of any Borrower Entity or the Borrower's amalgamation with another entity (in which case this Guarantee shall apply to the liabilities of the resulting legal entity, and the term "Borrower" shall include such resulting legal entity); or
- (e) any other law, regulation, order or other circumstance which might otherwise constitute a defence available to, or a discharge of, any Borrower Entity in respect of any or all of the Obligations, save due performance by the Borrower or the Guarantor.

(For the purpose of this Guarantee, "**Borrower Entity**" means the Borrower, each registered owner and beneficial owner of the Property, each indemnifier (if any) and any other guarantor of all or part of the Obligations.)

ARTICLE 2 **DEALINGS WITH BORROWER AND OTHERS**

2.1 **No Release**

The liability of the Guarantor hereunder shall not be released, discharged, limited or in any way affected by anything done, suffered or permitted by the Lender in connection with any duties or liabilities of the Borrower to the Lender or any security therefor, including any loss of or in respect of any security received by the Lender from the Borrower or other Borrower Entity, whether or not such loss to the security resulted from any action or inaction on the part of the Lender, except for gross negligence or wilful misconduct. Without limiting the generality of the foregoing and without

releasing, discharging, limiting or otherwise affecting in whole or in part the Guarantor's liability hereunder (whether as guarantor, indemnitor or primary obligor), without obtaining the consent of or giving notice to the Guarantor or any other Borrower Entity, the Lender, as the case may be, may discontinue, reduce, increase or otherwise vary the credit of the Borrower and/or any other Borrower Entity in any manner whatsoever and may:

- (a) make any change in the time, manner or place of payment under, or in any other term of, any agreement between the Borrower and/or any other Borrower Entity and the Lender, or waive the failure on the part of the Borrower to carry out any of its obligations under any such agreement;
- (b) grant time, renewals, extensions, indulgences, releases and discharges to the Borrower and/or any other Borrower Entity;
- (c) take or abstain from taking or enforcing securities or collateral from the Borrower and/ or any other Borrower Entity or from perfecting securities or collateral of the Borrower and/or any other Borrower Entity;
- (d) accept compromises from the Borrower and/or any other Borrower Entity;
- (e) apply all money at any time received from the Borrower and/or any other Borrower Entity or from securities upon such part of the Obligations as the Lender may see fit or change any such application in whole or in part from time to time as the Lender may see fit;
- (f) otherwise deal with the Borrower and/or any other Borrower Entity and all other persons and securities as the Lender may see fit.

In the event that the Lender is provided written notice that the Guarantor is no longer related to a beneficial owner of the Property, from and after the date of such notice to the Lender, the Guarantor shall not be liable for any increase in obligations or extension of the term, without its prior written approval.

2.2 **No Exhaustion of Remedies**

The Lender shall not be bound or obligated to exhaust its recourse against the Borrower, any other Borrower Entity or other persons or any securities or collateral it may hold or take any other action before being entitled to demand payment from the Guarantor hereunder.

2.3 **Prima Facie Evidence**

Any account settled or stated in writing by or between the Lender and the Borrower shall be *prima facie* evidence that the balance or amount thereof appearing due to the Lender is so due, absent manifest error.

2.4 **No Set-off**

In any claim by the Lender against the Guarantor, the Guarantor may not assert any set-off or counterclaim that either the Guarantor or the Borrower may have against the Lender.

ARTICLE 3

CONTINUING GUARANTEE

3.1 Continuing Guarantee

This Guarantee shall be a continuing guarantee of the Obligations and shall apply to and secure any ultimate balance due or remaining due to the Lender and shall not be considered as wholly or partially satisfied by the payment or liquidation at any time of any sum of money for the time being due or remaining unpaid to the Lender. This Guarantee shall continue to be effective or be reinstated even if at any time any payment of any of the Obligations is rendered unenforceable or is rescinded or must otherwise be returned by the Lender upon the occurrence of any action or event including the insolvency, bankruptcy or reorganization of the Borrower or otherwise, all as though such payment had not been made.

ARTICLE 4

DEMAND

4.1 Demand

The Lender shall be entitled to make demand upon the Guarantor at any time upon the occurrence of any Event of Default (as defined in the Mortgage) which is continuing, and upon and during the continuance of such Event of Default, the Lender may treat all Obligations as due and payable and may forthwith collect from the Guarantor the total amount guaranteed hereunder whether or not such Obligations are yet due and payable at the time of demand for payment hereunder. The Guarantor shall make payment to the Lender of the total amount guaranteed pursuant to Section 1.1 hereunder, subject to the limitation on liability provided In Section 1.4, forthwith after demand therefor is made to the Guarantor. The Guarantor shall pay all reasonable costs and expenses incurred by the Lender in enforcing this Guarantee.

4.2 Interest

In addition to the Obligations, the Guarantor shall pay interest to the Lender at the interest rate applicable to advances under the Loan as set out in the Credit Agreement on the unpaid portion of all amounts payable by the Guarantor under this Guarantee, such interest to accrue from and including the date of demand by the Lender on the Guarantor.

ARTICLE 5

ASSIGNMENT, POSTPONEMENT AND SUBROGATION

5.1 Assignment and Postponement

All debts and liabilities, present and future, of the Borrower to the Guarantor are hereby assigned to the Lender and postponed to the Obligations, and all money received by the Guarantor in respect thereof following an Event of Default which is continuing shall be held in trust for the Lender and forthwith upon receipt shall be paid over to the Lender, the whole without in any way lessening or limiting the liability of the Guarantor hereunder, and this assignment and postponement is independent of the guarantee contained herein and shall remain in full force and effect until, in the case of the assignment, the liability of the Guarantor under this Guarantee has been discharged or terminated and, in the case of the postponement, until all Obligations are performed and paid in full.

5.2 **Subrogation**

The Guarantor will not be entitled to an interest in the Obligations by way of subrogation until the Obligations have been performed and paid in full.

ARTICLE 6 **GENERAL**

6.1 **Benefit of the Guarantee**

This Guarantee will enure to the benefit of the Lender and its successors and assigns and shall be binding upon the Guarantor and its successors and permitted assigns, provided that the Guarantor may not assign its obligations hereunder without the prior written consent of the Lender.

6.2 **Entire Agreement**

This Guarantee constitutes the entire agreement between the Guarantor and the Lender with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between such parties with respect thereto. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the parties except as expressly set forth herein. The Lender shall not be bound by any representations or promises made by the Borrower to the Guarantor, and possession of this Guarantee by the Lender shall be conclusive evidence against the Guarantor that the Guarantee was not delivered in escrow or pursuant to any agreement that it should not be effective until any condition precedent or subsequent has been complied with.

6.3 **Amendments and Waivers**

No amendment to this Guarantee will be valid or binding unless set forth in writing and duly executed by the Guarantor and the Lender. No waiver of any breach of any provision of this Guarantee will be effective or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided in the written waiver, will be limited to the specific breach waived.

6.4 **Severability**

If any provision of this Guarantee is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability will attach only to such provision or part thereof, and the remaining part of such provision and all other provisions hereof will continue in full force and effect.

6.5 **Notices**

Any notice, demand, request, consent, agreement or approval (a "**Notice**") which may or is required to be given pursuant to this Guarantee shall be in writing and shall be sufficiently given or made if delivered personally (including prepaid courier) upon the party for whom it is intended, or transmitted by email or facsimile transmission, or (except in the case of an actual or pending disruption of postal service) mailed by registered mail, and in the case of:

The Guarantor, addressed as follows:

RioCan Real Estate Investment Trust
c/o RioCan REIT
2300 Yonge Street, Suite 500
Toronto, ON M4P 1E4

Attention: Barbara Ridgway
Email: bridgway@riocan.com

The Lender, addressed as follows:

Desjardins Financial Security Life Assurance Company
Real Estate Financing Group
95 St. Clair Avenue West, Suite 700
Toronto, Ontario M4V 1N7

Attention: Mortgage Administration
Email: Toronto@desjam.com

Any such Notice, (i) if delivered personally, shall be deemed to be delivered on the date of delivery thereof, (ii) if transmitted by email or facsimile transmission prior to 4:00 p.m. on any Business Day shall be deemed to have been delivered on the date of transmission and if delivered by email or facsimile transmission after 4:00 p.m. on any Business Day shall be deemed to have been delivered on the next following Business Day or (iii) if mailed as aforesaid, the fourth (4th) Business Day following the date of mailing. For the purposes hereof, personal delivery, including delivery by way of a courier service, shall be made by delivery to an officer, director or responsible employee of the entity for whom it is intended at its address set out above. If on the date of mailing or on or before such fourth (4th) Business Day thereafter there is a general interruption in the operation of postal service in Canada, Notices shall be delivered personally or by email or facsimile transmission. Each entity listed above may, from time to time, change its address or stipulate an address different from the address set out above by giving Notice thereof to each other entity listed above in the manner provided in this Section 6.5. For purposes hereof, "**Business Day**" means a day, excluding Saturday and Sunday, on which banks are open for commercial business in Toronto, Ontario.

6.6 **Discharge**

The Guarantor will not be discharged or released from any of its obligations hereunder except upon payment in full of the total amount guaranteed hereunder, together with any interest thereon as provided in Section 4.2.

6.7 **Additional Security**

This Guarantee is in addition to, and without prejudice to nor in substitution for, any security of any kind (including without limitation other guarantees) now or hereafter held by the Lender and any other rights or remedies that the Lender might have.

6.8 **Governing Law**

This Guarantee will be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

6.9 **Paramountcy**

In the event of any inconsistency or conflict between the terms of this Guarantee and the Credit Agreement, the terms of the Credit Agreement shall govern. Notwithstanding the foregoing, in the event that this Guarantee contains remedies which are in addition those set forth in the Credit Agreement, the existence of such additional remedies in this Guarantee shall not constitute a conflict or inconsistency with the provisions of the Credit Agreement.

6.10 **Executed Copy**

The Guarantor acknowledges receipt of a fully executed copy of this Guarantee.

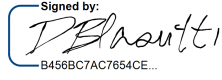
6.11 **Counterparts**

This Guarantee may be executed electronically and executed by the parties in counterparts. Each executed counterpart shall be deemed to be an original and all counterparts taken together shall constitute one and the same agreement. This Guarantee may be transmitted by fax or pdf/email and the reproduction of signatures (electronic or otherwise) by way of fax or pdf/email will be treated as though such reproductions were executed originals. The parties consent and agree to the use of electronic signatures pursuant to the *Electronic Commerce Act, 2000* (Ontario), as amended from time to time, with respect to this Guarantee.

[Remainder of page intentionally blank, signature page follows]

IN WITNESS WHEREOF the Guarantor has executed this Guarantee as of the date first written above.

**RIOCAN REAL ESTATE INVESTMENT
TRUST**

Per: 
Name: Dennis Blasutti
Title: Chief Financial Officer

Per: 
Name: Rocky Kim
Title: Vice President FP&A and Treasury

I/We have authority to bind the above.