

**APPENDIX “A”
MAJOR TERMS AND CONDITIONS**

Licensed Premises:

1132 Leslie Street – Sunnybrook Park

Premises consists of: two barns/stables, one indoor riding ring, one outdoor riding ring and two residences, shown as Parts 1, 2, 3, 4, 6, & 7 on the attached Appendix “B”

Licensee:

Sunnybrook Stables Limited

Term:

Ten (10) years; having a Commencement Date of January 1, 2008 and ending on December 31, 2017.

Extension Option:

The Licensee will have an option to extend the License Agreement for five (5) years based on the same terms and conditions, except for the rental rate, which will be subject to negotiations.

Rental Rate:

The minimum fee shall be \$137,000.00 per year

Maintenance, Repairs & Operating Expenses:

The Licensee shall be responsible for (1) all applicable taxes (including property taxes), (2) all operating costs and utilities consumed by the operation, and (3) all maintenance and repairs of the buildings.

Capital Improvements:

The Licensee will also perform capital improvements on the premises of approximately \$128,000.00. The improvements will ensure that the buildings are maintained in a state of good repair in accordance to City standards. The final cost of these improvements will be amortized against the rent on a straight-line basis throughout the term (approximately \$12,800.00 per year). As a result, the net revenue to the City will be approximately \$124,200.00 per year.