

Gowling Lafleur Henderson LLP | Barristers & Solicitors | Patent & Trade Mark Agents |



One Main Street West
Hamilton, Ontario
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Phone 905 940-2476
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April 11, 2007

Delivered by Fax:

City of Toronto
Building Dept.

Att:

Re: Royal Bank of Canada Reference Number 01031178-002 Hussein
112 Commonwealth Avenue, Toronto, ON, M1K 4K5
DEMOLITION APPLICATION NO. 07 155723

We are solicitors for Royal Bank of Canada in connection with the above referenced mortgage sale proceedings.

This letter is intended to accompany an application for a permit to demolish the property at this address.

Royal Bank holds a first mortgage on this property. The Bank pursuant to the provisions in its mortgage, went into possession of the premises on December 16, 2005. At the time of taking possession, the property was discovered to have significant mould contamination. An environmental assessment was done at the property and I'm enclosing a copy of the report provided by Air Aware dated January 23, 2006. Repair estimates were obtained and CMCH, whom holds the mortgage insurance on this property, determined that it was more cost effective to demolish the property and sell it as vacant land rather than incur the cost of remediation and repair. It is contrary to Royal Bank policy to sell a property on an "as is" basis that has not been fully remediated where there is significant mould contamination. The concern here is that the purchaser may only do cosmetic repairs and not take the proper steps to remediate the mould contamination. The property could then be sold to an unsuspecting purchaser or rented to tenants who were not made aware of the potential serious health issues associated with toxic mould. The expectation in this instance is that the property will be purchased by a party who has the intention of building a new house thereon. Accordingly, I would appreciate it if you could have this demolition permit issued at the first possible opportunity.

Yours truly,
Gowling Lafleur Henderson LLP
per:

Brian W. McCluskey
BWM:jim
905 540-2476 Quota file number H182105
cc: Diane Hillard assistant to Councillor Adrian Heaps, Fax #416-338-5287

ATTACHMENT 1