

## **RE: GM29.14**

### **Revised Appendix A**

#### **Terms and Conditions of a Counter Offer to the Offer to Purchase submitted by Daniels HR Corporation**

Property: Public Lane Extending Southerly from Adelaide Street West abutting the Westerly limit of 299 Adelaide Street West

Legal Description: Part of PIN 21412-0185 (LT), being a stratified portion of an Unnamed Lane, Plan City of Toronto, between Widmer Street and John Street & South of Adelaide limited to the lands described generally as extending one hundred and forty-six (146) metres from grade

Purchaser: Daniels HR Corporation

Recommended Sale Price: \$2,170,000.00

Deposit: \$217,000.00

Irrevocable Date: 90<sup>th</sup> day following execution of the Offer to Purchase by the Purchaser

Closing Date: Subject to 6.9 of the Offer, 30<sup>th</sup> day following enactment of the Closing By-law

Balance: \$1,953,000.00 from the Purchaser by irrevocable letter of credit, on terms and conditions satisfactory to the Chief Corporate Officer

The Letter of Credit to secure the conveyance to the City, or as it may direct, of a stratified fee simple ground floor parcel (the "City Parcel") by September 30, 2013. This obligation will be secured in a Section 37 Agreement under the Planning Act.

Lane Closing Requirements:

Purchaser to:

1. warrant that it is the adjacent registered owner;
2. provide, at its costs, the required strata reference plan;
3. pay City out-of-pocket expenses including registration costs; and
4. prior to commencement of road closing

Sale of Lane abutting the westerly limit of 299 Adelaide Street West

proceedings, pay for all costs related to relocation or decommissioning/abandonment of Bell Canada services, Rogers Cable Communications Inc. cable, and City storm sewer.

Additional Sale Conditions:

1. Purchase price calculated directly fixed to density of 14.09 GFA. In the event the Purchaser seeks to, prior to closing, amend density through site plan amendment or minor variance application to Committee of Adjustment, the City may delay closing to reconsider the Purchase Price using the changed density requested as the increase factor. City may terminate transaction.
2. Non-assignment: If the Purchaser seeks to assign the Agreement, then City consent is required. City, at its option, may reconsider the Purchase Price.
3. If the transaction hasn't closed within two years of the Acceptance Date, the Purchase Price to be paid on closing increases by the Toronto Real Estate Board Index (Average Price of Single Family Dwelling in the GTA). The Purchase Price cannot however decrease.
4. Purchaser obtains, on closing, fee simple stratified interest up to 146 metres from grade. City retains air rights above, in order to regulate height/density amendments post closing.
5. Prior to closing of the Lane, Purchaser shall execute and deliver to the City an agreement pursuant to Section 37 of the Planning Act, in a form satisfactory to the City Solicitor, which among other matters, secures the conveyance to the City of the City Parcel, having a total gross floor area of not less than 420 square metres, on the Widmer Street frontage of the development to be constructed by the Purchaser on the Lands, on the following terms and such other terms as may be satisfactory to the Chief Corporate Officer ("CCO"):
  - (1) The purchase price of the City Parcel shall be determined by independent valuation, the cost of which shall be borne by the Purchaser. Such appraisal shall determine the 2010 "at builder construction cost" value of the City Parcel, as defined in the Offer, which shall be deemed to be the Purchase Price;
  - (2) The City Parcel shall be conveyed to the City,

or as it may otherwise direct, on or before September 30, 2013;

- (3) The City Parcel shall be constructed by the Purchaser to Base Building Condition, as defined in the Offer, satisfactory to the CCO, acting reasonably;
- (4) The terms and financial implications of any and all agreements required, including but not limited to reciprocal agreements for shared facilities and services, shall be to the satisfaction of the CCO;
- (5) For a period of 15 years following the date the City Parcel is conveyed to the City, the City will have the option to put the City Parcel back to the Purchaser to purchase same for the 2010 "builder at cost" construction costs of the City Parcel (the purchase price of the City Parcel), plus the increase in the TREB Index since the closing date of the Lane sale transaction; the price to, in no event, be less than the purchase price of the City Parcel;
- (6) For a period of 15 years following the date of conveyance of the City Parcel, the Purchaser will have the right of first refusal to purchase the City Parcel from the City in the event that a bona fide fair market value offer is received from a third party to purchase the City Parcel which the City is prepared to accept;
- (7) The Purchaser shall pay on behalf of the City any and all taxes, including but not limited to land transfer tax, payable in connection with the transfer of the City Parcel to the City;
- (8) At the time of the conveyance of the City Parcel to the City, the Purchaser shall, at its expense, provide the City with its solicitor's title opinion, in a form and content satisfactory to the City Solicitor;
- (9) In the event that the Purchaser is unable to convey the City Parcel on or before September 30, 2013 and City delivers written notice to the Purchaser, the Purchaser shall pay \$1,953,000.00 to the City by certified cheque and be released from its obligations to complete and convey the City Parcel to the City. The City shall release the letter of credit. In the event that the Purchaser is unable or unwilling

to pay those monies, the City shall have the right to realize on the letter of credit.

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