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August 20, 2010

WITHOUT PREJUDICE

Mayor David Miller and Members of Council
City of Toronto
Toronto City Hall
100 Queen Street West
2nd Floor
Toronto ON M5H 2N2

**Attention: Ms. Sharon Haniford
City Solicitor**

Your Worship and Members of Council:

Re: 10 and 14 Prince Arthur

Our clients hereby confirm that they are offering to settle their appeals respecting their applications for official plan amendment, zoning by-law, site plan approval and permit under the Ontario Heritage Act on the basis of the approval of a 7 storey, 7400 square metre building, with heights and setbacks generally as set out in our clients' latest plans and reports on file with the City, as amended by its discussions with Staff. Our clients are prepared to enter into a heritage easement agreement and section 37 agreement to secure the stabilization and conservation of 10 Prince Arthur Avenue in the context of the overall development.

We acknowledge receipt of the Recommendations you are proposing in reliance on the offer confirmed herein. We further acknowledge that the description of the built form and heritage matters therein fairly represents the fundamental terms of this offer in this regard, subject to our mutual agreement that there remain some matters to be worked out to the satisfaction of both our clients and the City.

Accordingly, upon the adoption and release to the public of the Recommendations by City Council in the form and context in which it has been provided to us, on behalf of our clients we hereby authorize you to make this communication public.

August 20, 2010

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Our clients thank all involved for their efforts in seeking a consensual resolution of these matters and look forward to finalizing same in the near future.

Yours very truly,

McCarthy Tétrault LLP

Per:

A handwritten signature in black ink, appearing to read 'D. Arsenosi', written over a horizontal line.

Daniel B. Arsenosi
Associate | Sociétaire

DA/
Enc.