

Appendix 1

Terms of Lease Back of Stratified Portion of the Property

Landlord:	McDonald's Restaurants of Canada Limited or its wholly owned subsidiary taking title to the Property.
Tenant:	City of Toronto
Term:	Ten (10) years, commencing on the Closing Date.
Leased Premises:	Lands and premises comprising an upper stratified portion of the Property, with the lower limit commencing at an elevation of 100 metres above grade, and an unrestricted upper limit, to be delineated as part(s) on a reference plan prepared in accordance with the Offer to Purchase.
Rent:	Nominal rent of \$2.00
Gross Lease:	Completely gross lease; the Tenant is not required to pay any taxes, costs or expenses of any nature or kind whatsoever.
Use:	Open Space
Access to the Property:	The Tenant shall not have any rights of access to the Leased Premises, from the Property.
No Right of Termination:	The lease shall not contain any rights of termination whatsoever, in favour of the Landlord.
Registration on Title:	The lease shall be registered on title.
Form of Lease:	The lease, incorporating the terms herein, shall be prepared by the Tenant and shall be in form and content satisfactory to the City Solicitor and the Purchaser acting reasonably.
No Encroachment of Building(s):	There shall be no encroachment of building(s) whatsoever of the Leased Premises, at any time during the Term.
Temporary Licences for Construction Purposes:	Solely for the purposes of construction, the Tenant agrees to permit construction crane(s) in the Leased Premises, and will act reasonably to consider other temporary licences for parts of the Leased Premises for construction purposes only.