

Appendix “A”
Major terms and conditions
Lease of 348 Unwin Avenue, Unit A for Solid Waste
Management Services from City of Toronto Economic
Development Corporation

1. Premises

Approximately 183,750 square feet of land at Unit A, Unwin Ave. as indicated on Appendix B of this report

2. Term:

Five (5) years from the Commencement Date.

3. Permitted Use:

For the operation of a wood chipping and garden waste processing facility for City of Toronto, Solid Waste Management.

4. Commencement Date: December 1, 2008

5. Termination Date: November, 2013

6. Option to Extend:

The Tenant shall have the option to extend the Term for an additional five (5) years, subject to the Landlord’s sole discretion and standard provisions. Minimum Rent payable during the extension term shall be greater of fair market value or the existing Minimum Rent.

7. Termination Notice:

Terminable by either party on six (6) months written notice.

8. Handover condition:

“As is, where is”

9. Minimum Net Rent

	Net rent p.s.f. per annum	Minimum Rent per month	Total minimum rent per annum
1st & 2nd year	\$1.30	\$19,906.25	\$238,875.00
3rd & 4th year	\$1.45	\$22,203.12	\$266,437.50
5th year	\$1.60	\$24,500.00	\$294,000.00

10. Additional Rent:

The tenant shall pay realty taxes attributable to the Premises in accordance with any changes in applicable law, acting reasonably and equitably, and utility changes applicable to the Premises

11. Municipal Capital Facility and Taxation Exemption:

The Landlord acknowledges that the Tenant has the right in its discretion to request Council to exempt the Property from taxation for municipal and school purposes if the Tenant considers that the Premises may be used as a municipal capital facility. Provided Council grants satisfactory approval to this effect, the Landlord agrees to enter into the necessary municipal capital facility agreement with the Tenant pursuant to Section 252 of the *City of Toronto Act, 2006*, as amended, in a form acceptable to the City Solicitor on behalf of the Tenant and legal counsel for the Landlord. The Landlord agrees to pass the full benefit of such tax exemption onto the Tenant during the entire period of any such exemption.

12. Asbestos and Hazardous Materials:

Within a reasonable period of time prior or after the execution of the Lease, but in any event no later than ninety (90) days thereafter, the Landlord may, at its sole option and discretion, cause the Commencement Audit to be performed, completed and delivered to the Tenant. The cost of the Commencement Audit shall be borne by the Landlord.

13. Overholding:

In the event that the Tenant remains in occupation of the Premises after the expiry of the Lease, or any extension thereof, the Tenant shall be deemed to be occupying the Premises as a monthly tenant as set forth in the Lease insofar as they are applicable to a monthly tenancy except the monthly Basic Rent shall be 120% the monthly Basic Rent payable during the last twelve months of the Term or any extension thereof.

14. Assign and Sublet:

The Tenant shall have the right to assign the Lease or sublet all or any part of the Premises, subject to the terms and conditions of the Lease and subject to the Landlord's prior approval, said approval not to be unreasonably withheld.

15. Landscaping Improvements

The Landlord shall deliver to the Tenant no later than March 15, 2009 a list of Landscape improvements and their estimated costs. Provided that the list is delivered as aforesaid, the Tenant shall be responsible for implementing and completing such landscape improvements at its earliest possible convenience but in any event, no later than June 30, 2009; provided that nothing herein obligates the Tenant to expend more than \$15,000.00 in implementing and completing such landscape improvements.

16. Zoning:

The Landlord warrants that the existing zoning classification for the property will permit the use permitted under section 3 above.

17. Landlord's Access to the Premises:

Except in the case of emergency perceived in good faith by the Landlord, the Tenant's local manager shall be provided with 48 hours' advance notice in the event that access to the Premises is required by the Landlord.

18. Approvals:

This proposal is subject to and conditional upon the approval of relevant City Authorities, including City Council, if necessary. In the event that such approval is not obtained within 120 days from the execution date by the Landlord, this Lease proposal shall be null and void.