

<p>4b.</p>	<p><b>Interim Resets every 20 years during the initial Term and any extension term:</b></p>	<p>Base Rent during each interim reset period (commencing on every 20th anniversary of the Commencement Date or, if applicable, the Extension Term Commencement date (“Reset Date”)) during the Term of the Lease, shall be established as follows:</p> <p><b>1. First Reset Period (Year 21 to Year 40):</b></p> <p>a. The Base Rent for the First Reset Period shall be calculated as the most recent Base Rent multiplied by:</p> <p>i. In the case of the residential buildings, one plus the cumulative percent increase in the Ontario residential Rent Increase Guideline rate measured from the date of completion of the buildings to the Reset Date;</p> <p>ii. In the case of office and retail components, one plus the cumulative percent increase in the Consumer Price Index (CPI), (Ontario, All Items) as published by Statistics Canada measured from the date of completion of each building to the Reset Date; and in the case of Canadian Tire Corporation space, one plus the cumulative percent increase in the annual rent based on contractual rent steps in the lease.</p> <p><b>2. Subsequent Reset Period (Year 41 and beyond):</b></p> <p>a. The Base Rent for each 20-year period subsequent to the First Reset Period shall be calculated as the most recent Base Rent multiplied by:</p> <p>i. One plus 85% of the 20-year cumulative percent change in net operating income (NOI) as determined on a building by building basis.</p> <p>For example, if the cumulative NOI growth over the 20-year period is 160%, the calculation is as follows: <math>1 + [85\% \times ((1.60 - 1))] = 1.51</math> (or 151%).</p> <p>Beginning in the 21st year post the Commencement Date, the Tenant will provide the annual net operating income for the prior year with the associated management prepared accounting statements. The City may, at its discretion, require such statements be audited by a third party accounting firm appointed jointly by the Landlord and the Tenant.</p>
<p>4c.</p>	<p><b>Rent Reset if Fee Purchase Option is exercised:</b></p>	<p>The primary intent is to pursue the development of rental residential, however, if in the future the “Fee Purchase Option” is exercised to purchase land for condominium development, the Base Rent will be adjusted, if required, to reflect the decrease in density, if any, on the leasehold property in accordance with the methodology set out in items above.</p>