

ATTACHMENT 1 - PROPOSED LEASE TERMS AND CONDITIONS

The following is a summary of the recommended major terms and conditions for the Lease with St. Clare's for 877 Yonge Street

Proposed	Terms and Conditions
Tenant	St. Clare's Multifaith Housing Society
Landlord	City of Toronto
Leased Premises	<p>The residential portion of the property municipally known as 877 Yonge Street (being Floors 2-15) and a portion of the ground and basement levels.</p> <p>Legal Description: Part of PIN 21110-0157(LT): LT 4-5 PL 235E TORONTO; PT LT 1, B, C, D, E PL 241 TORONTO; PT YORKVILLE PARK DR PL 241 TORONTO (FORMERLY LANE PL 104) (AKA GIBSON'S LANE, 20 FT PUBLIC HWY RUNNING ELY FROM YONGE ST) CLOSED BY EM38683 AS IN CA693267; S/T CA576802; CITY OF TORONTO</p>
Term	50 years less a day
Commencement Date	On or about June 15, 2021
Landlord's Work	<p>The Landlord will complete renovations to 127 units on or before June 30, 2021 and the remaining 102-125 units on or before December 31, 2021, unless agreed to by the parties.</p> <p>Landlord's Work shall mean the construction and repairs of the Leased Premises to make it suitable for its intended use, including any required capital improvements necessary to bring the Leased Premises in compliance with all applicable codes and governing legislation.</p>
Basic Rent	\$2.00 per annum plus applicable taxes.

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Additional Rent	The Tenant is responsible for the cost of all utilities, the cost of the Tenant's insurance, all applicable costs, charges, expenses and outlays of any nature whatsoever arising from or relating to the use and occupancy of the Leased Premises, including its share of capital expenses related to maintaining the Subject Property, and all of the other costs and expenses of maintaining and operating the Leased Premises, its services, equipment and facilities.
Net Lease	The Landlord shall not be responsible during the Term for any costs, charges, expenses and outlays of any nature whatsoever arising from or relating to the Leased Premises including, without limitation, the use and occupancy thereof, or the contents thereof or the business or operation carried on therein, and the Tenant shall pay all charges, impositions, costs and expenses of every nature and kind whatsoever relating to the Leased Premises and the use thereof by the Tenant including, without limitation, the costs of all insurance and all Taxes, save and except as is otherwise provided for in the Lease to be entered into with the City and/or the Contribution Agreement, as well as all costs and expenses incurred with respect to any shared facilities or reciprocal agreement affecting the Leased Premises. Any obligation which is not stated to be that of the Landlord shall be the Tenant's responsibility
Use	The Tenant shall use, manage and operate the Leased Premises solely, continuously and actively for the sole purpose of providing affordable rental housing, together with all ancillary uses including the provision of support services for tenants.
Tenant's Right to Mortgage	The Tenant shall not mortgage the Leased Premises without the consent of the Landlord, which consent may be unreasonably withheld.
Assignment/Subletting	The Tenant shall not Transfer or sublet all or any part of the Leased Premises for the whole or any part of the Term without obtaining the prior written consent of the City. The Tenant may transfer all or part of the Leased Premises to another entity associated with or controlled by the Tenant and acceptable to the City. No assignment by the Tenant shall be effective until the Transferee has entered into an agreement directly with the City, in a form satisfactory to the City, whereby the assignee expressly agrees to assume all of the obligations and liabilities.

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Indemnity	<p>The Tenant shall indemnify and save harmless the Landlord from any and all costs, expenses, claims, actions and losses of every nature and kind whatsoever and of and from all liabilities of every nature and kind whatsoever in connection with the Leased Premises and the Lease to be entered into with the Tenant, whether accrued, actual, contingent.</p>
Insurance	<p>The Tenant shall acquire insurance as required by the City. The Tenant shall, at all times during the Term, insure and keep insured the Leased Premises in an amount not less than the amount equal to that which would be required to replace or repair any loss or damage (the "Replacement Cost") thereof against loss or damage by perils of "all risks" (being the perils from time to time included in the standard "all risks" policy issued by insurers from time to time).</p> <p>The Tenant shall, at all times during the Term, maintain or cause to be maintained comprehensive general liability insurance in such amounts and to such extent as a prudent owner of such a Leased Premises would, from time to time, carry (which amount shall initially be not less than Ten Million Dollars (\$10,000,000.00) for any personal or bodily injury, death, property damage or other claim in respect of any one accident or occurrence) and with provisions for cross liability and severability of interests.</p>
Building Condition Assessment (BCA) and Reserve Fund	<p>Prior to the Commencement Date, a BCA of the Leased Premises will be conducted and the BCA will be updated every five (5) years during the Term.</p> <p>The Tenant shall open a Reserve Fund Account and shall deposit sufficient funds to establish at the end of each Lease Year the annual amount required in the most recent BCA, or if a BCA has not been conducted within five (5) years, shall deposit an amount not less than five per cent (5%) of the aggregate annual effective gross income (including all subsidies) from the Leased Premises.</p> <p>The Tenant may, with the prior written approval of the Landlord, withdraw amounts from the Reserve Fund Account to fund capital repairs.</p>

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Environmental Matters	<p>The Tenant shall not cause or allow any Hazardous Materials to be used, generated, stored, or disposed of on, under or about, or transported to or from, the Leased Premises except in strict compliance, at the Tenant's expense, with all applicable Environmental Laws and using all necessary and appropriate precautions which a prudent operator would exercise.</p> <p>The Landlord shall not be liable to the Tenant for any Hazardous Materials Activities conducted on the Leased Premises during the Term however caused, whether or not consented to by the Landlord.</p> <p>The Tenant shall indemnify, defend with counsel, and hold the Landlord harmless from and against any claims, damages, costs and liabilities arising out of any and all such Hazardous Materials Activities.</p>