



DELEGATED APPROVAL FORM
DIRECTOR, REAL ESTATE SERVICES
MANAGER, REAL ESTATE SERVICES

TRACKING NO.: 2025-182

Approved pursuant to the Delegated Authority contained in Article 2 of City of Toronto Municipal Code Chapter 213, Real Property

Prepared By:	Jack Harvey	Division:	Corporate Real Estate Management
Date Prepared:	July 11, 2025	Phone No.:	(416) 397-7704
Purpose	To obtain authority to enter into a mortgagee acknowledge agreement (the "Mortgagee Acknowledgement Agreement") with CITIBANK, N.A. as administrative agent on behalf of itself and other lending institutions (the "Mortgagee") and BSREP II HOSPITALITY TORONTO GP INC., in its capacity as general partner of BSREP II HOSPITALITY TORONTO L.P. (the "Mortgagor" or the "Tenant") with respect to the Tenant's proposed first mortgage in the principal amount up to \$425,000,000.00 to be secured by a leasehold charge/mortgage on the leased premises municipally known as 123 Queen Street West, Toronto.		
Property	The leasehold interest in the lands located at 123 Queen Street West, Toronto, being the whole of PIN 21403-0005 (LT), as described in the legal description in Appendix "A" attached hereto and shown on the Location Map attached hereto as Appendix "B" (the "Property").		
Actions	1. Authority be granted to enter into the Mortgagee Acknowledgement Agreement substantially on the major terms and conditions set out below, and including such other terms as deemed appropriate by the approving authority herein, and in a form satisfactory to the City Solicitor.		
Financial Impact	There is no financial impact. The Chief Financial Officer and Treasurer has reviewed this DAF and agrees with the financial implications as identified in the Financial Impact section.		
Comments	<p>The Tenant is the current tenant of the Property under a ground lease dated August 18, 1968 (the "Ground Lease"), with an original term of ninety-five (95) years, commencing on June 1, 1973 to May 31, 2068.</p> <p>Pursuant to Item No. GL15.16, approved by City Council at its meeting on September 30, October 1 and 2, 2020, as amended by DAF Tracking No. 2022-160, Council authorized an extension of the Ground Lease for a period of 40 years, commencing on June 1, 2068 and expiring on May 31, 2108, amongst other amendments to the Ground Lease. In accordance with GL15.16 and DAF 2022-160, a ground lease extension and amending agreement was entered into on July 29, 2022 and a further ground lease amending agreement was entered into on January 24, 2025 (collectively, the "Amending Agreements").</p> <p>In accordance with Section 13.08 of the Ground Lease (as incorporated by the Amending Agreements), the Tenant has the right to charge or encumber the lease, its leasehold interest and the building thereon, provided that certain conditions are met, including without limitation, that the Mortgagee enter into a mortgagee acknowledgement agreement with the City.</p> <p>The Tenant is in good standing with respect to its obligations under the Ground Lease. The proposed Mortgagee Acknowledgement Agreement is in accordance with the requirements of the Ground Lease, as amended and extended.</p>		
Terms	<p>Mortgagor: BSREP II HOSPITALITY TORONTO GP INC., in its capacity as general partner of BSREP II HOSPITALITY TORONTO L.P.</p> <p>Mortgagee: CITIBANK, N.A. as administrative agent on behalf of itself and other lending institutions</p> <p>Principal Amount: Up to \$425,000,000.00 (first mortgage for the purpose of refinancing the leased Property)</p> <p>Mortgagee and Tenant's Covenants:</p> <ul style="list-style-type: none"> (i) the Mortgagee and Tenant agree to comply with the provisions of the Ground Lease pertaining to the leasehold mortgage; (ii) the Tenant will use reasonable efforts to close its open building permits (not subtenants), and agrees that the Mortgagee Acknowledgement Agreement in no way releases the Tenant from its obligation to close the open building permits; and (iii) the Mortgagee Acknowledgement Agreement and the leasehold mortgage shall not be construed in any way as to modify or amend the terms and conditions of the Ground Lease and the Mortgagee Acknowledgement Agreement shall in no way limit, reduce, cancel, nullify, or prejudice the City's rights and remedies under the Ground Lease and at law, unless specifically set out therein. 		
Property Details	Ward:	Spadina-Fort York	
	Assessment Roll No.:	19 04 063 120 002 00	
	Approximate Size:	3.090 acres or 12504.79 square metres	
	Approximate Area:	n/a	
	Other Information:	n/a	

A.	Manager, Real Estate Services has approval authority for:	Director, Real Estate Services has approval authority for:
<p>1. Acquisitions:</p> <p>2A. Expropriations Where City is Expropriating Authority:</p> <p>2B. Expropriations For Transit-Related Purposes Where City is Property Owner or Has Interest in Property Being Expropriated:</p> <p>3. Issuance of RFPs/REOIs:</p> <p>4. Permanent Highway Closures:</p> <p>5. Transfer of Operational Management to Divisions, Agencies and Corporations:</p> <p>6. Limiting Distance Agreements:</p> <p>7. Disposals (including Leases of 21 years or more):</p> <p>8. Exchange of land in Green Space System & Parks & Open Space Areas of Official Plan:</p> <p>9. Leases/Licences (City as Landlord/Licensor):</p> <p>10. Leases/Licences (City as Tenant/Licensee):</p> <p>11. Easements (City as Grantor):</p> <p>12. Easements (City as Grantee):</p> <p>13. Revisions to Council Decisions in Real Estate Matters:</p> <p>14. Miscellaneous:</p>	<p><input type="checkbox"/> Where total compensation does not exceed \$50,000.</p> <p><input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$50,000.</p> <p><input type="checkbox"/> (a) Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$50,000.</p> <p><input type="checkbox"/> (b) Request Hearings of Necessity.</p> <p><input type="checkbox"/> (c) Waive Hearings of Necessity.</p> <p>Delegated to more senior positions.</p> <p>Delegated to more senior positions.</p> <p>Delegated to more senior positions.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$50,000.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$50,000.</p> <p>Delegated to more senior positions.</p> <p><input type="checkbox"/> (a) Where total compensation (including options/ renewals) does not exceed \$50,000.</p> <p><input type="checkbox"/> (b) Where compensation is less than market value, for periods not exceeding three (3) months, including licences for environmental assessments and/or testing, etc.</p> <p>Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.</p> <p><input type="checkbox"/> Where total compensation (including options/ renewals) does not exceed \$50,000.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$50,000.</p> <p>Delegated to more senior positions.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$50,000.</p> <p>Delegated to more senior positions.</p> <p>Delegated to more senior positions.</p>	<p><input type="checkbox"/> Where total compensation does not exceed \$1 Million.</p> <p><input type="checkbox"/> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$1 Million.</p> <p><input type="checkbox"/> (a) Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed \$1 Million.</p> <p><input type="checkbox"/> (b) Request Hearings of Necessity.</p> <p><input type="checkbox"/> (c) Waive Hearings of Necessity.</p> <p><input type="checkbox"/> Issuance of RFPs/REOIs.</p> <p><input type="checkbox"/> Initiate process & authorize GM, Transportation Services to give notice of proposed by-law.</p> <p>Delegated to more senior positions.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$1 Million.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$1 Million.</p> <p><input type="checkbox"/> Exchange of land in Green Space System and Parks and Open Space Areas of Official Plan.</p> <p><input type="checkbox"/> (a) Where total compensation (including options/ renewals) does not exceed \$1 Million.</p> <p><input type="checkbox"/> (b) Where compensation is less than market value, for periods not exceeding six (6) months, including licences for environmental assessments and/or testing, etc.</p> <p>Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.</p> <p><input type="checkbox"/> Where total compensation (including options/ renewals) does not exceed \$1 Million.</p> <p><input type="checkbox"/> (a) Where total compensation does not exceed \$1 Million.</p> <p><input type="checkbox"/> (b) When closing roads, easements to pre-existing utilities for nominal consideration.</p> <p><input type="checkbox"/> Where total compensation does not exceed \$1 Million.</p> <p><input type="checkbox"/> Amendment must not be materially inconsistent with original decision (and subject to General Condition (U)).</p> <p><input type="checkbox"/> (a) Approvals, Consents, Notices and Assignments under all Leases/Licences</p> <p><input type="checkbox"/> (b) Releases/Discharges</p> <p><input type="checkbox"/> (c) Surrenders/Abandonments</p> <p><input type="checkbox"/> (d) Enforcements/Terminations</p> <p><input checked="" type="checkbox"/> (e) Consents/Non-Disturbance Agreements/ Acknowledgements/Estoppel Certificates</p> <p><input type="checkbox"/> (f) Objections/Waivers/Cautions</p> <p><input type="checkbox"/> (g) Notices of Lease and Sublease</p> <p><input type="checkbox"/> (h) Consent to regulatory applications by City, as owner</p> <p><input type="checkbox"/> (i) Consent to assignment of Agreement of Purchase/Sale; Direction re Title</p> <p><input type="checkbox"/> (j) Documentation relating to Land Titles applications</p> <p><input type="checkbox"/> (k) Correcting/Quit Claim Transfer/Deeds</p>

B. Director, Real Estate Services and Manager, Real Estate Services each has signing authority on behalf of the City for:

- Documents required to implement matters for which each position also has delegated approval authority.
- Expropriation Applications and Notices following Council approval of expropriation (Managers whose position includes responsibility for implementing Council-approved expropriations are the only Managers with such signing authority).

Director, Real Estate Services also has signing authority on behalf of the City for:

- Agreements of Purchase and Sale and all implementing documentation for purchases, sales and land exchanges not delegated to staff for approval.
- Community Space Tenancy Leases approved by delegated authority by the Deputy City Manager, Corporate Services and any related documents.

Pre-Condition to Approval

Complies with General Conditions in Appendix B of City of Toronto Municipal Code Chapter 213, Real Property

Consultation with Councillor(s)

Councillor:	Councillor Ausma Malik	Councillor:	
Contact Name:	Nora Cole	Contact Name:	
Contacted by:	Phone <input type="checkbox"/> E-Mail <input checked="" type="checkbox"/> Memo <input type="checkbox"/> Other <input type="checkbox"/>	Contacted by:	Phone <input type="checkbox"/> E-mail <input type="checkbox"/> Memo <input type="checkbox"/> Other <input type="checkbox"/>
Comments:	No comment as of July 15,2025	Comments:	

Consultation with Divisions and/or Agencies

Division:	n/a	Division:	Financial Planning
Contact Name:	n/a	Contact Name:	n/a
Comments:	n/a	Comments:	n/a

Legal Services Division Contact

Contact Name:	Shirley Chow
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DAF Tracking No.: 2025-182	Date	Signature
<input checked="" type="checkbox"/> Recommended by: Acting Manager, Real Estate Services Eric Allen	15-JUL-2025	Signed by Eric Allen
<input type="checkbox"/>		
<input checked="" type="checkbox"/> Approved by: Director, Real Estate Services Alison Folosea	15-JUL-2025	Signed by Alison Folosea

Appendix "A"
Legal Description

PIN 21403-0005 (LT) BEING PCL 6-21 LEASEHOLD SEC Y1; FIRSTLY: PT LT 6 N/S RICHMOND ST W PL TOWN OF YORK TORONTO; PT LT 7 N/S RICHMOND ST W PL TOWN OF YORK TORONTO; PT LT 8 N/S RICHMOND ST W PL TOWN OF YORK TORONTO PT 1, 2, R3970; T/W PT LOTS 5, 6 N/S RICHMOND ST W PL TOWN OF YORK DESIGNATED AS PT 3, R3970, S/T PT 2 R3970 IN FAVOUR OF PT 3 R3970 AS IN ES64884 (SEE B234606) S/T THE EXCEPTIONS AND QUALIFICATIONS IN THE LAND TITLES ACT AND IN PARTICULAR SEC 55; SECONDLY: LT 1 EXPROP PL MX25 TORONTO; LT 2 EXPROP PL MX25 TORONTO S/T THE EXCEPTIONS AND QUALIFICATIONS IN THE LAND TITLES ACT AND IN PARTICULAR SEC 55. EXCEPT THE PARTICULARS MENTIONED IN CLAUSES 2 AND 3 OF SUB SEC 1 OF SEC 51. R.S.O. 1960, FROM WHICH PARTICULARS THE SAID TITLE IS FREE; THIRDLY: PT TOWNLT 8 N/S RICHMOND ST PL TOWN OF YORK TORONTO TAKING YORK ST AS THE GOVERNING LINE AT A COURSE OF N 16 DEGREES W, THEN COMM ON THE ELY LIMIT OF YORK ST AT A POINT DISTANT 61 FT 3 1/2 INCHES NLY FROM THE N ELY ANGLE OF YORK AND RICHMOND STREETS; THENCE N 16 DEGREES W ALONG THE ELY LIMIT OF YORK ST 48 FT 10 1/2 INCHES TO THE N FENCE OF AN OLD FRAME BUILDING ON THE LAND HEREIN DESCRIBED; THENCE N 74 DEGREES 12 MINUTES E, 37 FT; THENCE S 15 DEGREES 14 MINUTES E 49 FT, 6 INCHES; THENCE S 75 DEGREES 10 MINUTES W 36 FT 4 INCHES TO THE POC, S/T THE EXCEPTIONS AND QUALIFICATIONS IN THE LAND TITLES ACT AND IN PARTICULAR SEC 55; TORONTO, CITY OF TORONTO.

Appendix "B"
123 Queen Street West
Location Map

