

BIANCHI PRESTA LLP

Barristers and Solicitors

9100 JANE STREET
3RD FLOOR, BUILDING A
VAUGHAN, ONTARIO
L4K 0A4

TELEPHONE:
FACSIMILE: (905) 738-0528

* Certified by the Law Society as a Specialist in Construction Law

REPLY TO:
E-MAIL:
ASSISTANT:

May 22, 2015

Arcturus Realty Corporation
304 The East Mall
Suite 900
Toronto, Ontario
M9B 6E2

Attention: _____

Dear Sir:

RE: Lease Agreement
Martis Investments Ltd (the "Landlord")
Lease to Bell Canada (the "Tenant")
Unit 18, 750 Oakdale Road, City of Toronto
Bell Canada Reference No. NBC461078

We are solicitors to the Landlord in connection with the above noted matter. The Landlord has asked us to confirm the terms of the renewal of the subject Lease.

Background The above noted property is subject to the Lease agreement made between the Landlord and Tenant dated October 31, 1995 (the "Lease") for a 10-year term expiring on the 30th day of June, 2005 with an option, in favour of the Tenant, to extend the term to two (2) successive five (5) year terms. The original term was extended until the 30th day of June, 2010 pursuant to letter of agreement made between the Landlord and the Tenant dated the 26th day of April, 2005. Such Lease was extended again until June 30th, 2015 by letter agreement dated April 14th, 2010.

Offer to Renew and Extend Lease This will serve to confirm that the parties have agreed to renewed the Lease once again for a further ten (10) years, commencing on the 1st day of July, 2015 and ending on the 30th day of June, 2025, subject to the following terms:

1. Basic Rent for the first year of the renewal term shall to be calculated and payable at the rate of \$7.75 per square foot of Leased premises and annually thereafter shall be increase over the previous year at the rate of two and one half per cent (2.5%) per annum, payable in equal monthly installments in accordance with the rent grid set out below.

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2. Estimated Monthly Additional Rent on account of property taxes, insurance, operating costs and common area charges in the amount of \$928.95.83 together with HST thereon in the amount of \$120.76 for a total current estimated additional Rent in the amount of \$1,049.71 per month.

3. For the first year of the renewal term commencing on the 1st day of July, 2015, the monthly payment will be calculated as follows:

Basic Monthly Rent plus HST	\$ 1,015.87
Estimated Additional Rent plus HST	\$ 1,049.71
Total monthly payment during the first year of the renewal term	\$ 2,065.58

4. The Additional Rent payable monthly will be adjusted annually in accordance with the terms of the Lease and based on the cost experienced by the Landlord.

5. The Tenant can indicate their acceptance of the foregoing by signing a copy of the enclosed letter and forwarding to the Landlord together with a cheque in the amount of the last month's rent and additional rent totaling \$2,065.58 (less any amount currently held by the landlord as a security deposit) to be held by the Landlord as a security deposit and to be credited towards the last month rent under the renewal term.

6. Provided that the Tenant is not in breach of the Lease, it shall have the option to further renew and extend the term of the Lease extended hereby for a further period of five (5) years after June 30th, 2025 at the then fair market rate for comparable space in comparable building and otherwise in accordance with the terms of paragraph 2 of the original Lease.

7. Save and except for the changes necessitated by the foregoing, all the terms and conditions contained in the original Lease dated October 31, 1995 shall remain unchanged.

8. The grid set out below summarizes the basic rent under the Lease as extended and the total rent for the first year of the renewal term. The total rent for all lease year after June 30, 2016 will depend on the cost experienced by the Landlord in such subsequent years.

Rent for the years set out below starting July 1st	Yearly Basic Rent Rate	Yearly Basic Rent	Monthly Basic Rent	2015 estimated Operating Cost	Total Monthly Rent	HST	Total 2015 Estimated Monthly Rent + HST
2015	\$7.75	\$10,788.00	\$899.00	\$928.95	\$1,827.95	\$237.63	\$2,065.58
2016	\$7.94	\$11,057.70	\$921.48				
2017	\$8.14	\$11,334.14	\$944.51				
2018	\$8.35	\$11,617.50	\$968.12				
2019	\$8.55	\$11,907.93	\$992.33				
2020	\$8.77	\$12,205.63	\$1,017.14				
2021	\$8.99	\$12,510.77	\$1,042.56				
2022	\$9.21	\$12,823.54	\$1,068.63				

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2023	\$9.44	\$13,144.13	\$1,095.34
2024	\$9.68	\$13,472.73	\$1,122.73

The parties may indicate their acceptance with the forgoing by signing and returning to us a copy of this letter.

Yours very truly,

BIANCHI PRESTA, LLP

RB:mf

The undersigned Tenant hereby approves and accepts the foregoing
Dated this 21st day of May, 2015.

BELL CANADA

PER: **Strategic Asset Planning**

ASO

I have authority to bind the Corporation

The undersigned Landlord hereby accepts the foregoing
Dated this _____ day of _____, 2015.

MARTIS INVESTMENTS LTD.

PER:

ASO

I have authority to bind the Corporation

Bp

2023	\$9.44	\$13,144.13	\$1,095.34
2024	\$9.68	\$13,472.73	\$1,122.73

The parties may indicate their acceptance with the forgoing by signing and returning to us a copy of this letter.

Yours very truly,

BIANCHI PRESTA, LLP

RB:mf

The undersigned Tenant hereby approves and accepts the foregoing
Dated this _____ day of _____, 2015.

BELL CANADA
PER:

ASO

I have authority to bind the Corporation

The undersigned Landlord hereby accepts the foregoing
Dated this 22nd day of May, 2015.

MARTIS INVESTMENTS LTD.
PER:

ASO

I have authority to bind the Corporation

Bp