

GRANT AGREEMENT

This agreement consists of five pages

UPDATED TO VGRANT BANK

Name of Property Owner(s): Arctic Financial Ltd. Application No.

Address of Project: 1979 Otter Place, London, ON N5V OA3

Legal Description of Property (Lot and Plan Number):

Roll Number(s):

Mailing Address of Owner: 140 Fullarton Street Telephone: 519-645-1919

(If different from above) Suite 2002, London, ON Fax: 519-645-2060

N6A 5P2

Heritage Alteration Permit Information: N/A

Date Permit Approved (attach copy): N/A

Designating By-Law: N/A

PROJECT INFORMATION (Attach copy of Building Permit)

Building Permit Number: 06 031244 000 00 ID & 07 008985 000 00 ID

Date of Permit: Jan 2, 2007 & May 4, 2007

Value of Project (permit): \$630,000 + \$1,400,000 = \$2,030,000

*BANK ASSUMED
ALL ARCTIC
AGREEMENTS*

Application Tracking Information (for Staff use only)	Date and Staff Initials
Application Accepted	May 31, 2007
Pre-improved Assessment Value Determined	December 1, 2006 (\$ 0.00)
Commitment Letter Issued	June 26, 2007
Project Completion (applicant's written confirmation)	May 2, 2008
Request to Finance and Administration for Preparation of Schedules	January 20, 2012
Post-improved Assessed Value Determined	January 1, 2009 (\$1,619,000)
Planning Division Receives Grant Schedules from Finance & Admin.	January 25, 2012
Applicant Chooses Grant Schedule	N/A
Date of Lump Sum Payment (\$1,000 or less)	N/A
First Grant Cheque Issued	
Last Grant Cheque Issued - File Closed	

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GRANT CALCULATION:

Pre-improved assessed value: \$ 0.00 Date: Dec 1, 2006

Post-improved assessed value: \$ 1,619,000.00 Date: Jan 1, 2009

Increase in assessed value after adjustments: \$ 1,619,000.00

Applicable tax (mill) rate (municipal portion): 2.46

Annual tax increment: \$ 39,845.69

*EXPECTED
MAY OF FOLLOWING
YEAR*

Year	Year/Level Factor	Schedule 1 - Year 1=First Full Calendar Year After Completion
1	2009/100%	\$39,845.69
2	2010/100%	\$39,845.69
3	2011/100%	\$39,845.69
4	2012/100%	\$39,845.69
5	2013/100%	\$39,845.69
6	2014/100%	\$39,845.69
7	2015/100%	\$39,845.69
8	2016/100%	\$39,845.69
9	2017/100%	\$39,845.69
10	2018/100%	\$39,845.69

*cc # 00445464
2012-09-24
\$ 119,537.07
pd 11/18/13 Yr 1-3 inclusive
#38,280.49 Rec'd 7/7/14
1,565.20 8/13/14
- MARCH 15
MARCH 2/16
APR. 4/17*

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Conditions:

1. The term "Applicable Tax(Mill) Rate" refers to the General, or Municipal portion only of the total tax (mill) rate paid. It does not include such taxes/charges as Education, Transportation, Local Improvement, or other "area charges", Business Improvement Area (BIA) levy, or any Phase In, or Encroachment Fee. Changes in the tax (mill) rate or phased in assessment increases after the post-improvement date is established will not be incorporated into the calculation of the annual tax increment.
2. Grants are not payable by the City until such time as all additional assessment eligible for grant has been added to an assessment roll by the Ontario Property Assessment Corporation, all taxes eligible for grant have been billed by the City, and all taxes outstanding including billed taxes that have not yet become due are paid in full for all years by the taxpayer. Grants are also not payable by the City until such time as all possible assessment appeals relating to value of the land before the additional assessment or to the value of the additional assessment have been filed and decided. If property taxes are owing on a property for more than one full year, the City will have the option, without notice and at its own discretion, of terminating all future grant payments, thereby eliminating all grant obligations to the applicant.
3. Notwithstanding any other calculations relating to the grant amount, the City will not pay an annual grant which is greater than the municipal portion of the property tax collected for a property in any one year (i.e. if a general reassessment substantially reduces annual property taxes on a property, the annual grant amount will be capped at the municipal portion of the property tax collected for that property in any one year).
4. The applicant(s) for an Airport Area Tax Increment Grant Incentive must be the registered owner(s) of the subject property.
5. Separate applications must be made for each discrete property under consideration for a grant.
6. The annual tax grant is based upon changes in property taxes as a result of construction and improvement to the property, and is not based upon occupancy or changes in occupancy.
7. The total value of the grants provided under this program over the full term of the grant payment shall not exceed the value of the work done. Furthermore, the amount of the grant shall not exceed the municipal portion of the tax bill excluding transit and ignoring cap adjustments, phase-ins or claw back amounts.
8. Tax increases that result from a general reassessment, a change in tax legislation or an increase in the mill rate will be not be considered for the purposes of calculating the grant. The annual tax increment will be held constant over the ten-year grant period (i.e. changes in mill rate after the post-improvement date is established will not be incorporated into the calculation of the annual tax increment).
9. If a participating property is demolished in whole before the rebate grant elapses it shall cause the grant to be forfeited and be repayable to the municipality. It is to be repaid on, or before, the first day of municipal tax collection following the sale of the property. Demolition, in part, may be permitted entirely at the discretion of the City of London without a requirement for repayment, but only in those instances where a written request by the property owner is received and a corresponding letter of permission is granted by the City.

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10. The amount of the grants provided for a property over the life of this program will not exceed the value of the work done that resulted in the increased level of municipal tax assessment. For this reason the amount of grants may be monitored in relation to the total value of work done and the grants will cease if they equal the value of the work done.
11. The applicant will be responsible for ensuring that they can be contacted by the City for the purpose of delivering grant cheques. If applicants cannot be reached over a protracted period (greater than 2 years), the City will have the option, without notice and at its own discretion, of terminating all future grant payments, thereby eliminating all grant obligations to the applicant.
12. In those instances where the total value of the grant over the full term of the grant period is less than or equal to one thousand dollars (\$1,000), the City may exercise, at its own discretion, the option of issuing a one-time lump sum payment of the total grant amount.
13. Any portion of the property that is sold (including one or more condominium units) during a calendar year, will not be eligible for a grant rebate for that entire year or subsequent years of the grant schedule. The grant schedule included in this agreement will be modified each year, as necessary, to reflect the sale of the property or portions thereof.
14. Any appeals of the property's assessed value that result in a reduction in the assessed value of the property, will cause the entire 10-year grant schedule to be re-calculated recognizing the property's revised assessed value.

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- A. I/WE HEREBY AGREE TO ALL OF THE CONDITIONS IN THIS GRANT AGREEMENT (consisting of four pages), and the terms and conditions of the Airport Area Tax Increment Grant Program guidelines (as attached).
- B. I/WE HEREBY CERTIFY that the information given above is true, correct and complete in every respect and may be verified by the municipality. The City is relying upon the information provided by the applicant and if the information in this agreement, or the associated application, proves to be false or substantially inaccurate, the grant will be forfeited and be repayable to the City.
- C. I/WE HEREBY AGREE that in the event this property is demolished in whole prior to the expiration of the grant period, any funds paid under this Program shall immediately be forfeited and all previously received grant payments will become due and repayable to the City. Demolition, in part, may be permitted entirely at the discretion of the City of London without a requirement for repayment, but only in those instances where a written request by the property owner is received and a corresponding letter of permission is granted by the City.
- D. I/WE HEREBY AGREE that if the ownership of the lands described herein, and in receipt of a grant under this program, is transferred to any person other than the signatory of this agreement (Owner), by sale, assignment, or otherwise, then this agreement shall no longer apply. The City may enter into an agreement with any subsequent owner to continue the agreement pursuant to any conditions that the City may apply or may choose to discontinue the applicable grant schedule.

I, DADIA TAYLOR, agree to the above conditions, and have the authority bind the corporation named as property owner on page 1 of this agreement.

D. R. Taylor
SIGNATURE (TITLE) PRESIDENT + CEO

OCT. 3, 2012
DATE

CO-SIGNATURE (TITLE)

DATE

This agreement is hereby approved, subject to the above-specified conditions.

[Signature]
SIGNATURE

3 Oct / 12
DATE

Department of Planning and Development

[Signature]
SIGNATURE

25 / Oct / 12
DATE

City Treasurer