

SCHEDULE "A" – Lease Amending Agreement

THIS LEASE AMENDING AGREEMENT is dated as of August 3, 2018.

B E T W E E N:

I.F. PROPCO HOLDINGS (ONTARIO) 31 LTD.

(the "Landlord")

- and -

THE CORPORATION OF THE CITY OF LONDON

(the "Tenant")

WHEREAS the Landlord and the Tenant entered into an Office Lease dated July 11, 2016 for Premises known as Suite 248 in the Project located at premises municipally known as 355 Wellington Street, London, Ontario and known as CITI PLAZA (the "Lease"), which Lease has a current Term expiring as of March 31, 2022;

AND WHEREAS the Lease contained a Usable Area of the Premises being approximately 54,000 square feet, subject to measurement pursuant to section 3.02 (Adjustment of Area) of the Lease.

AND WHEREAS subsequent to the construction of the Premises, the Landlord did retain an Expert to certify the Usable Area of the Premises which certification determined that pursuant to the definitions and measurement standards incorporated in the Lease, the Usable Area of the Premises is 54,980 square feet (the "Certified Usable Area of the Premises").

AND WHEREAS the Landlord and Tenant have agreed to modify certain provisions of the Lease including to amend the Rentable Area of the Premises to a deemed amount for application in certain calculations under the Lease as further provided herein.

NOW THEREFORE in consideration of the premises and the covenants and agreements herein and for other good and valuable consideration the receipt and sufficiency of such is hereby acknowledged by the parties, the Landlord and the Tenant agree as follows:

1. Defined Terms

Unless otherwise defined herein, capitalized terms shall have the same meaning as defined in the Lease.

2. Recitals

The recitals herein are true in substance and in fact.

3. Usable Area of the Premises & Rentable Area of the Premises

The Lease is amended to provide as follows:

i) that the Usable Area of the Premises is equal to the Certified Usable Area of the Premises being 54,980 square feet;

ii) that the Rentable Area of the Premises is equal to 61,578 square feet; and

iii) that the following additional definition shall be incorporated into the Lease and apply as otherwise provided herein:

"Deemed Rentable Area of the Premises" shall mean exactly 61,029 square feet.

4. Minimum Rent

Sections 1.02(h) and 4.02 of the Lease are amended to provide that the Minimum Rent payable under the Lease shall be calculated by using the Deemed Rentable Area of the Premises.

As a result of the foregoing, the chart at Section 1.02(h) of the Lease is amended and re-stated as follows:

Years	Annual Rate Per Square Foot of Rentable Area	Per Year	Per Month
1	\$8.50	\$518,746.50	\$43,228.87
2	\$9.25	\$564,518.25	\$47,043.19
3	\$9.75	\$595,032.75	\$49,586.06
4	\$10.00	\$610,290.00	\$50,857.50
5	\$10.00	\$610,290.00	\$50,857.50

5. Additional Rent

Section 4.03 of the Lease is amended to include the following additional paragraph:

Notwithstanding the foregoing, the Landlord shall use the Deemed Rentable Area of the Premises in the calculation of the share of Operating Expenses attributable

to the Premises which are specifically on account of hydro and cleaning costs. For clarity, the Landlord shall use the Rentable Area of the Premises (as defined at section 3 herein) for all other calculations pertaining to Additional Rent payable for the Premises with the exception of the aforementioned hydro and cleaning costs.

6. Confirmation of Lease

The Landlord and the Tenant confirm that the Lease is and remains in full force and effect as hereby amended.

7. Counterparts

This Agreement may be executed in one or more counterparts which may be transmitted electronically or by facsimile and when taken together shall be deemed effective as an original document.

Chair and Members
 Corporate Services Committee

RE: Property Acquisition - Industrial Land Purchase Strategy
 (Subledger LD180045)
 Capital Project ID1145 - Future Industrial Land Acquisition
 2531 Bradley Avenue

FINANCE & CORPORATE SERVICES REPORT ON THE SOURCES OF FINANCING:

Finance & Corporate Services confirms that the cost of this purchase cannot be accommodated within the financing available for it in the Capital Works Budget and that, subject to the adoption of the recommendations of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the detailed source of financing for this purchase is:


ESTIMATED EXPENDITURES	Approved Budget	Additional Funding	Revised Budget	Committed To Date	This Submission
Land Acquisition	30,481,171	509,780	30,990,951	28,029,051	2,961,900
Other City Related	111		111	111	
NET ESTIMATED EXPENDITURES	\$30,481,282	\$509,780	\$30,991,062	\$28,029,162	\$2,961,900 1)
SOURCE OF FINANCING					
Capital Levy	\$1,100,000		\$1,100,000	\$1,100,000	
Debenture By-law No. W. 1716(e)-270	10,200,000		10,200,000	10,200,000	
Drawdown from Industrial Land Reserve Fund 2)	2,300,000	509,780	2,809,780	2,300,000	509,780
Debenture By-law No. W. 1716(e)-270 (Serviced through Industrial Land Reserve Fund)	16,881,282		16,881,282	14,429,162	2,452,120
TOTAL FINANCING	\$30,481,282	\$509,780	\$30,991,062	\$28,029,162	\$2,961,900

1) **Financial Note:**

Purchase Cost	\$2,708,100
Add: Land Transfer Tax	50,637
Add: Legal Fees	2,500
Add: Reference Plan	3,000
Add: Environmental Study	150,000
Add: HST @13%	352,053
Less: HST Rebate	(304,390)
Total Purchase Cost	\$2,961,900

2) The funding requirement of \$509,780 for this purchase is available as a drawdown from the Industrial Land Reserve Fund. The uncommitted balance in this reserve fund will be approximately \$11.5M with approval of this project.

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 Anna Lisa Barbon
 Managing Director, Corporate Services and
 City Treasurer, Chief Financial Officer