Report - Standing Policy Committee on Property and Development – May 1, 2007

Item No. 12 Consent to Assign Non-Profit Lease Agreements (5 Fermor Avenue and 454 Kimberly Avenue) to Toronto Dominion Bank for Financing Purposes
(St. Vital and Elmwood-East Kildonan Wards)
Files FI-2.2(33) and FI-2.2(35)

STANDING COMMITTEE RECOMMENDATION:

On May 9, 2007, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development and submits the following to Council:

1. That the assignment of the non-profit Lease Agreements in favour of the YM/YWCA to the Toronto Dominion Bank for financing purposes be approved in accordance with the terms and conditions of the forms of Consent outlined in the report from the Acting Director of Planning, Property and Development dated April 17, 2007.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Pursuant to Section 205(2) of The City of Winnipeg Charter, disposal of land owned or acquired by the City for park or cemetery purposes requires approval by two-thirds of all Members of Council.

Report - Standing Policy Committee on Property and Development – May 1, 2007

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On May 9, 2007, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On May 1, 2007, the Standing Policy Committee on Property and Development concurred in the administrative recommendation and submitted the matter to the Executive Policy Committee and Council.

RE: Consent to Assign Non-Profit Lease Agreements (5 Fermor Avenue and 454 Kimberly Avenue) From the YM/YWCA to Toronto Dominion Bank for Financing Purposes.

5 Fermor Avenue	**Riel Community** **St. Vital Ward**
454 Kimberly Avenue	**East Kildonan – Transcona Community** **Elmwood - East Kildonan Ward**

FOR SUBMISSION TO: **Standing Policy Committee on Property and Development**

ORIGINAL REPORT SIGNED BY: **Acting Director of Planning Property and Development**

REPORT DATE: **April 17, 2007**

RECOMMENDATION:

1. That approval be granted to assign the non-profit Lease Agreements in favour of the YM/YWCA to the Toronto Dominion Bank for financing purposes, in accordance with the terms and conditions of the attached forms of Consent.

2. That the proper officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Report Summary

Key Issues:

- The YM/YWCA's (the Y) lease agreements at 5 Fermor Avenue and 454 Kimberly Avenue are both long-term leases that are situated on City-owned lands zoned Parks and Recreation District.
- The Y has requested that the City consent to the assignment of its two lease agreements at 5 Fermor Avenue and 454 Kimberly Avenue (the Agreements) to the Toronto Dominion Bank for financing purposes.
- The said Agreements were structured for the Y, a non-profit organization, and therefore the terms and conditions of the Agreements are not necessarily reflective of the standard terms and conditions found in "normal" market-based lease agreements.
- The Toronto Dominion Bank (the Bank) is a for-profit organization; therefore, should the Y default under the terms and conditions of either Agreement, the Bank would have the right to assume either or both of the said Agreements with "very favourable" terms and conditions.
- Additional terms and conditions have been added to the City's Consent form in order to protect the interests of the City and the Y. Should the Y no longer

occupy or be entitled to occupy the subject properties (by way of default), the Bank will be required to renegotiate the terms and conditions of the lease to reflect a normal market-based lease with market rental rates (Clause (d) of the attached Consent forms).

- All parties have agreed to the terms and conditions of the Assignment Agreement and forms of Consent.

Implications of the Recommendation(s):

General Implications

(X) None

( ) For the organization overall and/or for other departments

( ) For the community and/or organizations external to the City

( ) Involves a multi-year contract

Policy Implications

(X) No

( ) Yes

Regulatory Implications

(X) None

( ) Eliminates or reduces regulatory impact

( ) Proposes regulatory impact

Environmental Implications

(X) No

( ) Yes

Comment(s): There are no environmental implications associated with this recommendation

Human Resources Implications

(X) No

( ) Yes

Financial Implications

(X) Within approved current and/or capital budget

( ) Current and/or capital budget adjustment required

Comment(s): No Financial Implications that affect the City.

Report

REASON FOR THE REPORT:

In accordance with the City's policy of leasing City-owned lands to non-profit organizations, any property that is leased at less than market value is to be approved by the Standing Policy Committee on Property and Development. The YM/YWCA, a non-profit organization, has requested the City to consent to the assignment of its "non-profit" Agreements, thus the Standing Policy Committee on Property and Development's approval is required.

In accordance with City policy, leases of parkland over five years in length are to be referred to Council for approval by at least two-thirds majority. Neither Agreement expires within the next 5 years. 5 Fermor Avenue expires in 2053, with an option to renew for an additional 99 years and 454 Kimberly Avenue expires in 2014, with an option to renew for an additional 49 years.

All parties have agreed to the terms and conditions of the Consent forms attached. This report seeks the Standing Policy Committee on Property and Development and City Council's approval of the proposed assignment of the YM/YWCA's Agreements.

HISTORY:

5 Fermor Avenue

In January 1954, the Young Men's Christian Association of Greater Winnipeg, the predecessor of the YM/YWCA (hereafter referred to as the "Y"), and the Rural Municipality of St. Vital formalized a lease agreement for the lands commonly known as 5 Fermor Avenue.

In summary, the terms of the 1954 agreement are:

Term:	99 years – January 1, 1954 to December 31, 2053.
Rent:	$1.00 per annum
Renewal:	Three months before the expiration of the said Lease, the Lessee upon written notice may renew the Lease for a further 99 years under the same terms and conditions and rental of the original Lease.
Cancellation:	The 1954 Lease does not contain any cancellation or amendment clause.

Since the commencement of the 1954 Lease, the Y has maintained a facility at this location.

In January 2003, the Y contacted the City and advised that due to increased public use of the facility and enrollment in offered programs, it would like to expand its facility at its Fermor location.

A Project Advisory Committee (PAC), consisting of representatives of the immediate neighourhood, the soccer community, the Louis Riel School Division, the City of Winnipeg and the Y, was formed to ensure that all stakeholders had an equal representation and input into the proposed project.

After much consultation, the PAC reached a consensus regarding the proposed concept plan and funding model that would enable the Y's expansion and the redevelopment of St. Vital Memorial Park.

Council at it June 28, 2006 meeting, among other things, considered and concurred with the St. Vital Memorial Park Redevelopment and YW/YMCA Expansion Project.

454 Kimberly Avenue

In December 1963, the Young Men's Christian Association of Greater Winnipeg, the predecessor of the YW/YMCA, and the City of East Kildonan formalized a lease agreement for the lands commonly know as 454 Kimberly Avenue.

In summary, the terms of the 1963 agreement are:

Term:	50 years – January 1, 1964 to December 31, 2014.
Rent:	$1.00 per annum
Renewal:	Three months before the expiration of the said Lease, the Lessee upon written notice may renew the Lease for a further 49 years under the same terms and conditions and rental of the original Lease.
Cancellation:	The 1963 lease does not contain any cancellation or amendment clause.

Since the commencement of the 1963 lease to present, the Y has maintained a facility at its Kimberly Avenue location.

Recently the Y contacted the City and advised that due to increased public use of the facility and enrollment in offered programs, it would like to expand and renovate its facility at this location.

The Y's proposed expansion and renovations at this location has no impact on its existing lease and adjacent properties.

DISCUSSION:

The Y has advised that it wishes to have all funding in place before the May 1, 2007 commencement date of the St. Vital Memorial Park Redevelopment Project and expansion projects at its 5 Fermor Avenue and 454 Kimberly Avenue locations.

The Y further advised that it has arranged partial funding for these projects through the Toronto Dominion Bank. The Bank has requested an assignment of its Agreements to secure this financing.

On March 6, 2007, the solicitor for the Y wrote the Planning, Property and Development Department requesting the City's consent to an assignment of the Y's Agreements to the Toronto Dominion Bank for financing purposes.

The Y's current Agreements are based on the fact that it is a non-profit organization. As a result, the terms and conditions of the Agreements are not considered representative of a normal market based lease, i.e. below market rent ($1.00/annum), 50 plus year term, etc. In a routine assignment, the Bank would have the right to take over the lease "as is", if the Y was to become in default under the terms and conditions of the lease agreement. This would result in a for-profit organization operating under the terms and conditions that the City reserves for non-profit organizations.

As long as the Y remains the occupant of the subject properties, the favourable terms and conditions of the assigned Agreements will remain. However, should the Y no longer occupy or is not entitled to occupy the subject properties by way of default, the Bank will be required to renegotiate the terms and conditions of the Agreements to reflect a typical market based lease and rental rates, as per Clause (d) of the attached Consent forms.

Therefore, in view of the above, the Planning, Property and Development Department is prepared to recommend that the assignment of the Y Agreements to the Bank for financing purposes be approved, in accordance to the terms and conditions outlined in the attached Consent forms.

Financial Impact Statement Date: April 11, 2007

Project Name:

Consent to Assign Non-Profit Lease Agreements (5 Fermor Avenue and 454 Kimberly Avenue) From the YM/YWCA to Toronto Dominion Bank for Financing Purposes

COMMENTS:

The recommendation in this report is that approval be granted to assign the non-profit Lease Agreements in favour of the YM/YWCA to the Toronto Dominion Bank for financing purposes, in accordance with the terms and conditions of the attached forms of Consent. There are no financial implications associated with this recommendation.

Should the YM/YWCA at any time be in default of their financing agreement with the Toronto Dominion Bank, the latter would be required to renegotiate the lease agreement(s) with the City to reflect "market rates". These lease agreements would be the subject of future reports.

"Original Signed By"
Mike McGinn, CA
Manager of Finance

IN PREPARING THIS REPORT THERE WAS:

Internal Consultation With and Concurrence By:

Legal Services, Corporate Services Department

External Consultation With:

N/A

THIS REPORT SUBMITTED BY:

Department:	Planning, Property and Development
Division:	Real Estate
Prepared by:	Stewart Anderson
PPD File No.;	5099/64 & 5099/37 Vol. 2

THIS SPECIFIC ASSIGNMENT OF LEASE dated as of the 14th day of March, 2007.

BETWEEN:

THE YOUNG MEN'S AND YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF WINNIPEG INCORPORATED,

(hereinafter called the "Assignor"),

- and -

THE TORONTO-DOMINION BANK,

(hereinafter collectively called the "Assignee").

WITNESSETH THAT WHEREAS the Assignor by Mortgage of Lease by way of Sublease dated as of the 14th day of March, 2007 (the "Mortgage") mortgaged to the Assignee all of its rights, title and interests in the following described land, namely:

The Northerly 68.58 meters of the most Westerly 60.96 meters of Lot 2 Plan 6191 WLTO in RL 87 to 89 Parish of Kildonan

to secure repayment of ONE MILLION ($1,000,000.00) DOLLARS and interest as therein provided; and

WHEREAS the aforesaid rights, title and interests of the Assignor are those of a tenant of said lands pursuant to that certain lease dated December 30, 1963 granted to the Assignor by The City of East Kildonan, now The City of Winnipeg (the "Lease") for a term of fifty (50) years, with the option to renew such term for further period of forty-nine (49) years; and

WHEREAS the Lease has not been modified or amended; and

WHEREAS a true copy of the Lease is attached hereto as Schedule "A"; and

WHEREAS it is a condition precedent to and a term of the making of an advance of the whole or any part of the sums secured that the Assignor enter into these presents.

NOW THEREFORE in consideration of the premises, the sum of ONE ($1.00) DOLLAR paid by the Assignee to the Assignor, and other good and valuable consideration, the receipt and sufficiency of all of which is hereby acknowledged, the Assignor hereby assigns, transfers and sets over unto the Assignee all of the rights, title and interests of the Assignor in, under, or by virtue of the Lease and any renewals thereof, and all benefits and advantages to be derived therefrom and all the rights and all remedies exercisable by the Assignor in respect thereof including without limiting the generality of the foregoing the right to arrange a renewal of the Lease as therein provided, TO HOLD AND RECEIVE the same unto the Assignee, its successors and assigns.

FOR THE CONSIDERATION aforesaid the Assignor further covenants and agrees with the Assignee that:

1. Nothing in these presents contained shall make or be construed to make the Assignee responsible for the performance or observance of any covenants, terms, agreements, obligations or conditions contained in or implied by the Lease, and the Assignee shall not be deemed an assignee-in-possession of said land merely by virtue of these presents.

2. Forthwith upon receipt by the Assignor of any notice from or on behalf of The City of Winnipeg, as landlord under the Lease, including without limitation any notice of default or termination of the Lease, the Assignor will forward a copy thereof to the Assignee at 201 Portage Avenue, Winnipeg, Manitoba R3C 2T2, or at such other address as the Assignee may from time to time in writing designate.

3. Default by the Assignor from time to time in the observance or performance of any covenant contained in this Assignment shall be a breach of the covenant for payment of the principal, interest and other sums unpaid under and secured by the Mortgage, and shall entitle the Assignee to exercise the power of sale and all other powers and rights and such other remedies as are expressed in or implied by the Mortgage, and hereunder.

4. Until the Assignee gives notice pursuant to this Assignment or the Mortgage, as the case may be, that a default has been made or has occurred under or by virtue of the Mortgage, the Assignor shall be entitled to continue to act under and enjoy all of the rights, privileges and benefits under and by virtue of the Lease. In the event of such default being made or having occurred, the Assignee shall, upon giving notice in writing to both the Assignor and The City of Winnipeg, exercise its rights and privileges under and by virtue of the Mortgage and this Assignment, which shall include the right (but not the obligation) to cure or remedy any default made or having occurred under or by virtue of the Lease on the part of the Assignor and, at the option of the Assignee, to take possession and control of the premises leased to the Assignor under and by virtue of the Lease in the place and stead of the Assignor.

5. Upon issuance of any notices aforesaid by the Assignee to the Assignor and The City of Winnipeg, The City of Winnipeg shall not be required to make any enquiries as to the right of the Assignee to give such notice or as to the sufficiency or validity thereof,

and The City of Winnipeg shall, pursuant hereto, act in accordance with and deal with the Assignee pursuant to any such notice.

6. Nothing in these presents contained shall or shall be construed to delay, hinder, prejudice, alter or affect any covenant, provision or stipulation in the Mortgage, all of which remain in full force, virtue and effect. Further, notwithstanding the execution and delivery of this Assignment or any action, step or proceeding taken hereunder by or on behalf of the Assignee, the Assignor shall nevertheless be and remain liable to observe, keep and perform all of its covenants, agreements, duties and obligations under and by virtue of the Lease.

7. The Assignor covenants with the Assignee that the Lease is a valid and subsisting lease in full force and effect, that the Assignor is not in default of any of its covenants, agreements or obligations under or by virtue of the Lease, and that during the term of the Lease or any renewal thereof the Assignor will not surrender the Lease or otherwise terminate the term granted by the Lease or the renewals thereof, or amend or agree to amend any of the provisions of the Lease without the prior written consent of the Assignee, such approval not to be unreasonably withheld, nor will a response by the Assignee to a request for such consent be unduly delayed.

8. All covenants and agreements in these presents shall enure to the benefit of the Assignee, its successors and assigns and shall extend to and be binding upon the Assignor and its successors and assigns.

9. This Specific Assignment of Lease may be executed in any number of counterparts, and all such counterparts shall for all purposes constitute one instrument

binding on the parties hereto even though both the parties are not signatories to the same counterpart.

IN WITNESS WHEREOF the Assignor has hereunto affixed its corporate seal attested by the hands of its proper officers in that behalf the day and year first above written.

THE YOUNG MEN'S AND YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF WINNIPEG INCORPORATED

Per: _____
Name:
Title:

Per: _____
Name:
Title:

THE TORONTO-DOMINION BANK hereby acknowledges, accepts and agrees with the terms and conditions of the foregoing Specific Assignment of Lease.

Dated at Winnipeg, Manitoba, the 14 day of March 2007.

THE TORONTO-DOMINION BANK

Per: Rene Bossette
Name: Rene Bossette
Title: Manager Commercial Credit

Witness

binding on the parties hereto even though both the parties are not signatories to the same counterpart.

IN WITNESS WHEREOF the Assignor has hereunto affixed its corporate seal attested by the hands of its proper officers in that behalf the day and year first above written.

THE YOUNG MEN'S AND YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF WINNIPEG INCORPORATED

Per: _____
Name: DAVID YOUNG
Title: CEO

Per: _____
Name: William Simpson
Title: General Manager Finance & Administration

THE TORONTO-DOMINION BANK hereby acknowledges, accepts and agrees with the terms and conditions of the foregoing Specific Assignment of Lease.

Dated at Winnipeg, Manitoba, the _____ day of March 2007.

THE TORONTO-DOMINION BANK

_____
Witness

Per: _____
Name:
Title:

THIS SPECIFIC ASSIGNMENT OF LEASE dated as of the 14th day of March, 2007.

BETWEEN:

THE YOUNG MEN'S AND YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF WINNIPEG INCORPORATED,

(hereinafter called the "Assignor"),

- and -

THE TORONTO-DOMINION BANK,

(hereinafter collectively called the "Assignee").

WITNESSETH THAT WHEREAS the Assignor by Mortgage of Lease by way of Sublease dated as of the 14th day of March, 2007 (the "Mortgage") mortgaged to the Assignee all of its rights, title and interests in the following described land, namely:

Parcel 1 Plan 5782 WLTO

Exc Firstly: Public Street Plan 8962 WLTO and

Secondly: Fermor Avenue Plan 39491 WLTO

in RL 111 to 115 Parish of St. Boniface

Parcel 2 Plan 5782 WLTO

Exc: Fermor Avenue Plan 39491 WLTO

in RL 113 and 114 Parish of St. Boniface

to secure repayment of TWO MILLION ($2,000,000.00) DOLLARS and interest as therein provided; and

WHEREAS the aforesaid rights, title and interests of the Assignor are those of a tenant of said lands pursuant to that certain lease dated January 1, 1954 granted to the Assignor by The Rural Municipality of St. Vital, now The City of Winnipeg (the "Lease") for a term of ninety-nine (99) years, with the option to renew such term for further period of ninety-nine (99) years; and

WHEREAS the Lease has not been modified or amended; and

WHEREAS a true copy of the Lease is attached hereto as Schedule "A"; and

WHEREAS it is a condition precedent to and a term of the making of an advance of the whole or any part of the sums secured that the Assignor enter into these presents.

NOW THEREFORE in consideration of the premises, the sum of ONE ($1.00) DOLLAR paid by the Assignee to the Assignor, and other good and valuable consideration, the receipt and sufficiency of all of which is hereby acknowledged, the Assignor hereby assigns, transfers and sets over unto the Assignee all of the rights, title and interests of the Assignor in, under, or by virtue of the Lease and any renewals thereof, and all benefits and advantages to be derived therefrom and all the rights and all remedies exercisable by the Assignor in respect thereof including without limiting the generality of the

foregoing the right to arrange a renewal of the Lease as therein provided, TO HOLD AND RECEIVE the same unto the Assignee, its successors and assigns.

FOR THE CONSIDERATION aforesaid the Assignor further covenants and agrees with the Assignee that:

1. Nothing in these presents contained shall make or be construed to make the Assignee responsible for the performance or observance of any covenants, terms, agreements, obligations or conditions contained in or implied by the Lease, and the Assignee shall not be deemed an assignee-in-possession of said land merely by virtue of these presents.

2. Forthwith upon receipt by the Assignor of any notice from or on behalf of The City of Winnipeg, as landlord under the Lease, including without limitation any notice of default or termination of the Lease, the Assignor will forward a copy thereof to the Assignee at 201 Portage Avenue, Winnipeg, Manitoba R3C 2T2, or at such other address as the Assignee may from time to time in writing designate.

3. Default by the Assignor from time to time in the observance or performance of any covenant contained in this Assignment shall be a breach of the covenant for payment of the principal, interest and other sums unpaid under and secured by the Mortgage, and shall entitle the Assignee to exercise the power of sale and all other powers and rights and such other remedies as are expressed in or implied by the Mortgage, and hereunder.

4. Until the Assignee gives notice pursuant to this Assignment or the Mortgage, as the case may be, that a default has been made or has occurred under or by virtue of the Mortgage, the Assignor shall be entitled to continue to act under and enjoy all of the rights, privileges and benefits under and by virtue of the Lease. In the event of such default being

made or having occurred, the Assignee shall, upon giving notice in writing to both the Assignor and The City of Winnipeg, exercise its rights and privileges under and by virtue of the Mortgage and this Assignment, which shall include the right (but not the obligation) to cure or remedy any default made or having occurred under or by virtue of the Lease on the part of the Assignor and, at the option of the Assignee, to take possession and control of the premises leased to the Assignor under and by virtue of the Lease in the place and stead of the Assignor.

5. Upon issuance of any notices aforesaid by the Assignee to the Assignor and The City of Winnipeg, The City of Winnipeg shall not be required to make any enquiries as to the right of the Assignee to give such notice or as to the sufficiency or validity thereof, and The City of Winnipeg shall, pursuant hereto, act in accordance with and deal with the Assignee pursuant to any such notice.

6. Nothing in these presents contained shall or shall be construed to delay, hinder, prejudice, alter or affect any covenant, provision or stipulation in the Mortgage, all of which remain in full force, virtue and effect. Further, notwithstanding the execution and delivery of this Assignment or any action, step or proceeding taken hereunder by or on behalf of the Assignee, the Assignor shall nevertheless be and remain liable to observe, keep and perform all of its covenants, agreements, duties and obligations under and by virtue of the Lease.

7. The Assignor covenants with the Assignee that the Lease is a valid and subsisting lease in full force and effect, that the Assignor is not in default of any of its covenants, agreements or obligations under or by virtue of the Lease, and that during the term of the Lease or any renewal thereof the Assignor will not surrender the Lease or otherwise terminate the term granted by the Lease or the renewals thereof, or amend or agree to amend any of the provisions of the Lease without the prior written consent of the

Assignee, such approval not to be unreasonably withheld, nor will a response by the Assignee to a request for such consent be unduly delayed.

8. All covenants and agreements in these presents shall enure to the benefit of the Assignee, its successors and assigns and shall extend to and be binding upon the Assignor and its successors and assigns.

9. This Specific Assignment of Lease may be executed in any number of counterparts, and all such counterparts shall for all purposes constitute one instrument binding on the parties hereto even though both the parties are not signatories to the same counterpart.

IN WITNESS WHEREOF the Assignor has hereunto affixed its corporate seal attested by the hands of its proper officers in that behalf the day and year first above written.

THE YOUNG MEN'S AND YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF WINNIPEG INCORPORATED

Per: _____
Name:
Title:

Per: _____
Name:
Title:

THE TORONTO-DOMINION BANK hereby acknowledges, accepts and agrees with the terms and conditions of the foregoing Specific Assignment of Lease.

Dated at Winnipeg, Manitoba, the 14 day of March 2007.

THE TORONTO-DOMINION BANK

Per: _____
Name: Rene Bessette
Title: Manager Commercial Credit

_____
Witness

Assignee, such approval not to be unreasonably withheld, nor will a response by the Assignee to a request for such consent be unduly delayed.

8. All covenants and agreements in these presents shall enure to the benefit of the Assignee, its successors and assigns and shall extend to and be binding upon the Assignor and its successors and assigns.

9. This Specific Assignment of Lease may be executed in any number of counterparts, and all such counterparts shall for all purposes constitute one instrument binding on the parties hereto even though both the parties are not signatories to the same counterpart.

IN WITNESS WHEREOF the Assignor has hereunto affixed its corporate seal attested by the hands of its proper officers in that behalf the day and year first above written.

THE YOUNG MEN'S AND YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF WINNIPEG INCORPORATED

Per: _____
Name: DAVID YOUNG
Title: CEO

Per: _____
Name: William Simonton
Title: General Manager Finance & Administration

THE TORONTO-DOMINION BANK hereby acknowledges, accepts and agrees with the terms and conditions of the foregoing Specific Assignment of Lease.

Dated at Winnipeg, Manitoba, the _____ day of March 2007.

THE TORONTO-DOMINION BANK

_____
Witness

Per: _____
Name:
Title:

CONSENT TO SPECIFIC ASSIGNMENT OF LEASE

TO: THE YOUNG MEN'S AND YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF WINNIPEG INCORPORATED (the ***"Assignor"***)

AND TO: THE TORONTO-DOMINION BANK (the ***"Assignee"***)

The City of Winnipeg (herein called the ***"City"***) hereby consents to the Assignor assigning to the Assignee effective the 14th day of March, 2007, a Lease Agreement, dated the 30th day of December, 1963, made between The City of East Kildonan (now the City) and the Assignor (which assignment agreement is herein called the ***"Assignment Agreement"*** and which lease agreement is herein called the ***"Lease Agreement"***) respecting the lease of land legally described as follows:

> The Northerly 68.58 meters of the most Westerly 60.96 meters of Lot 2 Plan 6191 WLTO in RL 87 to 89 Parish of Kildonan
>
> (herein called the ***"demised premises")***

and all rights, interests, obligations and liabilities of the Assignor in and under the said Lease Agreement, subject to the following conditions:

(a) This Consent in no way shall amend, alter, affect or waive any of the terms, conditions or provisions of the said Lease Agreement or the rights, interests, obligations or liabilities of the City in and under the said Lease Agreement, which shall continue unchanged and shall remain in full force and effect, save and except as set forth in item (b) below;

(b) This Consent shall not be deemed in any way to authorize any further or other assignment of all or any part of the said Lease Agreement or any of the rights, interests, obligations and liabilities of the Assignee thereunder;

(c) The City hereby acknowledges that this Consent is granted in favour of the Assignee for the purpose of permitting the Assignor to facilitate financing and security arrangements with the Assignee; and

(d) If in the future during the term of the Lease Agreement or renewal thereof, the Assignor no longer occupies or is entitled to occupy the demised premises, or the Assignee exercises its rights and privileges under and by virtue of the Assignment Agreement or the Mortgage by the Assignor to the Assignee of all the Assignor's rights, title and interest in the demised premises (herein call the ***"Mortgage"***) including but not limited to the power of sale or any other powers

and rights and remedies as are expressed or implied under the Assignment Agreement or the Mortgage, then the Assignee shall at that time renegotiate new terms for the Lease Agreement including but not limited to a new rent to reflect the then-current appraised value of the demised premises in recognition of the fact that the terms of the Lease Agreement were based on the Assignor being a non-profit organization.

IN WITNESS WHEREOF the City has duly executed this Consent this _____ day of _____, 2007.

THE CITY OF WINNIPEG

Per:

_____

Director, Planning, Property and
Development Department

Approved:

_____

Planning, Property and Development

Certified as to form:

_____

for City Solicitor/Manager of
Legal Services
[File No. R.12.1/82(3)

CONSENT TO SPECIFIC ASSIGNMENT OF LEASE

TO: THE YOUNG MEN'S AND YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF WINNIPEG INCORPORATED (the ***"Assignor"***)

AND TO: THE TORONTO-DOMINION BANK (the ***"Assignee"***)

The City of Winnipeg (herein called the ***"City"***) hereby consents to the Assignor assigning to the Assignee effective the 14th day of March, 2007, a Lease Agreement, dated the 1st day of January, 1954, made between The Rural Municipality of St. Vital (now the City) and the Assignor (which assignment agreement is herein called the ***"Assignment Agreement"*** and which lease agreement is herein called the ***"Lease Agreement"***) respecting the lease of land legally described as follows:

Parcel 1 Plan 5782 WLTO
Exc firstly: Public Street Plan 8962 WLTO and
Secondly: Fermor Avenue Plan 39491 WLTO
In RL 111 to 115 Parish of St. Boniface

Parcel 2 Plan 5782 WLTO
Exc: Fermor Avenue Plan 39491 WLTO
In RL 113 and 114 Parish of St. Boniface

(herein called the ***"demised premises")***

and all rights, interests, obligations and liabilities of the Assignor in and under the said Lease Agreement, subject to the following conditions:

(a) This Consent in no way shall amend, alter, affect or waive any of the terms, conditions or provisions of the said Lease Agreement or the rights, interests, obligations or liabilities of the City in and under the said Lease Agreement, which shall continue unchanged and shall remain in full force and effect, save and except as set forth in item (b) below;

(b) This Consent shall not be deemed in any way to authorize any further or other assignment of all or any part of the said Lease Agreement or any of the rights, interests, obligations and liabilities of the Assignee thereunder;

(c) The City hereby acknowledges that this Consent is granted in favour of the Assignee for the purpose of permitting the Assignor to facilitate financing and security arrangements with the Assignee; and

(d) If in the future during the term of the Lease Agreement or renewal thereof, the Assignor no longer occupies or is entitled to occupy the demised premises, or the Assignee exercises its rights and privileges under and by virtue of the Assignment Agreement or the Mortgage by the Assignor to the Assignee of all the Assignor's rights, title and interest in the demised premises (herein call the ***"Mortgage"***) including but not limited to the power of sale or any other powers and rights and remedies as are expressed or implied under the Assignment Agreement or the Mortgage, then the Assignee shall at that time renegotiate new terms for the Lease Agreement including but not limited to a new rent to reflect the then-current appraised value of the demised premises in recognition of the fact that the terms of the Lease Agreement were based on the Assignor being a non-profit organization.

IN WITNESS WHEREOF the City has duly executed this Consent this _____ day of _____, 2007.

THE CITY OF WINNIPEG

Per:

_____

Director, Planning, Property and
Development Department

Approved:

_____

Planning, Property and Development

Certified as to form:

_____

for City Solicitor/Manager of
Legal Services
[File No. R.12.1/82(3)