
(Company)
OFFER TO LEASE

(Date)

(Leasing Company)

(TENANT)

(Other Company)

Dear Sirs/Madam,

Re: _____, **OFFER TO LEASE FOR** _____

R. (The "Tenant") hereby offers to lease from (the "Landlord"), in consideration of the rents, covenants and agreements contained in this Offer to Lease (the "Offer"), the Leased Premises with the (hereinafter defined) upon the following terms and conditions:

Term: The Term of the Lease shall be _____

Commencement Date: _____ and terminating on _____

Fixturing Period/Free Rent Possession: _____. The Tenant shall have (_____) from _____ to do the necessary upgrades to the premises. The Tenant shall be responsible to obtain proper insurance before occupying or taking possession of the premises. Tenant shall be responsible for operating and taxes during the fixturing period. If the Tenant finishes its improvements before the end of the fixturing period,

Please Initial	
Landlord	Tenant

the period shall be considered a free rent period. The Tenant shall only be responsible to pay operating expenses and taxes.

Leased Premises: _____ and having a **gross square footage area of _____ plus _____ parking (parking on a separate agreement)** and the signage above the unit windows on the exterior of the building.

Permitted Use: The Tenant shall have the exclusive right to use the premises as _____. **The Tenant shall have exclusive right to assign or sublet any portion of the premises provided it adheres to municipal bylaws with the Landlord’s Written Consent which cannot be unreasonably withheld.** The Landlord assumes no liability as to the suitability for the use of the space. It is the Tenant’s responsibility to determine and comply with all municipal and governmental regulations.

Basic Rent: The Basic Rent plus GST/PST shall be payable monthly in advance on the first day of each month during the term to the Landlord.
Calculation of the lease shall be _____

LEASE YEAR	psf	Annual Amount	Monthly
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Operating Costs & Taxes: In addition to the Basic Rent herein provided, the Tenant agrees to pay to the Landlord, in twelve (12) equal monthly instalments, on the first day of each month during the Term, Additional Rent as defined in the Lease, Additional Rent shall include the following:

- (a) Tenant's proportionate share of property taxes as defined in the Lease; and
- (b) Tenant's proportionate share of operating expenses as defined in the Lease and shall include water, fuel oil, common maintenance and taxes.

The estimated operating cost and property taxes is estimated at _____ per square foot per annum, or _____ per month **plus applicable taxes for _____ plus a management fee of ____% of basic rent.**

TI Allowance **The Landlord shall provide a TI Allowance to the Tenant upon completion of the improvements and receipt proving payment, to the premises in the amount of _____**

Landlord’s Work: Prior to the Tenant taking possession of the Premises, the Landlord shall complete the Landlord’s Work as outlined herein as Schedule “C”. All other improvements shall be the sole responsibility of the Tenant.

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Tenant's Work

The Tenant shall complete, at its expense, its own leasehold improvements in the Premises in accordance with the municipal by-laws. Tenant shall complete the Tenant's Work as outlined herein as Schedule "D".

Rental Deposit:

The Tenant shall deliver within forty eight (48) hours of unconditional acceptance of this Offer, a cheque in the amount of _____ **plus GST (2 months gross rent)**, payable to the _____, in trust, as a deposit on account of the first month's gross rent under the Lease and the remainder is held as deposit for the term and renewals thereafter. If this Offer to Lease is accepted. There shall be no interest payable on the Rental Deposit. If this Offer to Lease is not approved by either the Landlord or Tenant, the Deposit will be returned immediately to the Tenant.

Landlord's Conditions:

Acceptance of this Offer to Lease shall be conditional upon the following:

(i) The Landlord approving the credit worthiness of the Tenant and its ability to meet the financial obligations arising as a result of this Offer to Lease.

The Tenant shall, within five (5) days after request from the Landlord, provide such information as to the Tenant's financial standing (the "Financial Information") and (if applicable) corporate organization as the Landlord requires, failing which the Tenant shall be in default of this Offer to Lease. The Landlord may make such enquiries and personal investigation as to the Tenant's financial standing and credit worthiness as the Landlord deems necessary for the purpose of deciding in respect of this Offer to Lease and the Tenant hereby consents to all such enquiries and personal investigation being made.

The above conditions are for the sole benefit of the Landlord and may be waived and/or satisfied by the Landlord at any time within five (5) business days from the date of receipt by the Landlord of the Financial Information.

Any personal information collected pursuant to this Landlord's condition shall be treated in accordance with the Personal Information Protection and Electronic Documents Act, or where applicable provincial personal information legislation and the information shall only be used and disclosed in accordance with the purposes for which it was collected.

Tenant's Conditions:

Acceptance of this Offer to Lease shall be conditional upon the following:

- (i) The Tenant approving the Landlord's standard form of lease.
- (ii) The Landlord agreeing at its cost and work to make the upgrades requested in Schedule C
- (iii) The Tenant and its Building Inspectors inspecting the condition of the building. The Landlord shall make available to the Tenant, access to the building during normal business hours to make inspections and obtain estimates for repairs to the building.

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(iv) The approval by the Tenant's Board of Directors

The above conditions are for the sole benefit of the Tenant and must be waived and/or satisfied by the Tenant at any time within ten (10) business days from conditional acceptance of this offer, failing which this Offer shall become null and void.

OTHER TERMS

The Tenant may sublet WITH Landlords written approval, which will not be arbitrarily or unreasonably withheld. Such approval would not be required for related companies or subsidiaries.

Lease Form:

The Lease shall be drawn by the Landlord, a copy of which shall be delivered to the Tenant within Five (5) business days following acceptance of this Offer to Lease; and shall be modified to include the provisions of this Offer to Lease. The Tenant shall have Ten (10) business days after receipt to review and approve the same.

Upon completion of the Tenant's review and approval, the Landlord shall prepare and deliver the Lease to the Tenant for execution. The Tenant shall execute the Lease and shall deliver the Lease to the Landlord forthwith upon receipt of the same, and in any event prior to taking possession of and commencing the business operations in the Premises. If the Tenant takes possession of the Premises without executing the Lease, the Tenant shall be deemed to have executed the same and shall be bound by all the provisions thereof, provided however the Tenant shall remain obligated to execute and deliver the Lease to the Landlord forthwith upon demand, and such failure to execute and deliver the Lease to the Landlord shall constitute a default under the terms of the Lease. The Landlord shall be obliged to deliver the Lease to the Tenant in a form acceptable for registration.

If written notice is not received by the Landlord within the specified time period, then the Tenant will be deemed to have waived the above condition and this Offer to Lease shall be a binding contract.

Option to Renew:

Provided the Tenant is not in breach of the Lease, the Tenant shall have the right to renew the Lease with respect to the Leased Premises for 1 additional term of Five(5) years on the same terms and conditions, save only for the Basic Rent, Free Rent, Fixturing Allowance, and there will be no further right of renewal. The rental during the renewal period will be the fair market rental **but not less than the last year of the previous term** agreed between the parties, and failing such agreement by the ninetieth (90th) day prior to the commencement of any renewal. To exercise this right, the Tenant shall provide written notice no later than six (6) months prior to the date of expiry of the Term

Binding Contract:

This Offer to Lease, if accepted, shall constitute a binding agreement to enter into the Lease upon the terms and conditions as herein contained and as contained and expanded upon in the Lease and the Schedules and riders thereto, if any.

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Disclosure:

The Landlord and Tenant acknowledge and agree that in accordance with the Code of Ethics of the Canadian Real Estate Association,

- (i) Alex Yuen (PREC) of Macdonald Realty Ltd. has disclosed that he is representing the Tenant in the transaction described in this Agreement (the "Tenant's Agent")
- (ii) Andrew Laurie of Cushman Wakefield have disclosed that they are representing the Landlord in the transaction described in this Agreement (the "Landlord's Agent")

The Landlord agrees that it shall pay the commissions of 3 months gross rent to the to the Tenant's agent which may be deducted from the deposits held upon completion of this transaction or upon signing of this lease whichever comes first.

Survival of Offer:

The provisions of this Offer to Lease shall survive the execution and delivery of the Lease, provided that such provisions shall be deemed to be, and survive only as covenants and not conditions, and provided further that in the event of any discrepancy as between the terms and conditions of this Offer and those contained in the Lease, the provisions contained in the Lease shall prevail.

The foregoing, once approved by the Landlord, shall become a binding Offer to Lease between the parties. This Offer is open for acceptance until 2:00 pm PACIFIC STANDARD TIME. August 17, 2012.

APPROVED ON THIS _____ DAY OF _____ 2012

Tenant: Re

Covenator: N

ACCEPTED ON THIS _____ DAY OF _____ 2012

Landlord:

Please Initial	
Landlord	Tenant

SCHEDULE "A"
Floor plan of Leased Premises

Please Initial	
Landlord	Tenant

SCHEDULE "B"

Standard Form of Lease

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Landlord	Tenant

SCHEDULE "C"
Landlord's Work

1. Landlord shall at its cost clean the entire building of all debris.
2. Landlord shall at its cost ensure that all electrical, HVAC systems, and plumbing be in good working order.
3. It will be the Landlord's responsibility and cost to obtain the necessary permits, to complete its work to repair the building to the municipal building standards.

SCHEDULE "D"
Tenant's Work

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Landlord	Tenant