

UNDERTAKING

TO: Canadian Imperial Bank of Commerce (the “**Lender**”)

AND TO: Gowling Lafleur Henderson LLP (“**Gowlings**”)

RE: **Credit Agreement to be entered into between Toronto Waterfront Revitalization Corporation/La Corporation de Revitalisation du Secteur Riverain de Toronto (the “Borrower”), as borrower, and the Lender, as lender, based upon the Summary of Terms and Conditions dated September 9, 2015 presented by the Lender to the Borrower (as such credit agreement is amended, supplemented, extended, renewed, restated or replaced from time to time, the “Credit Agreement”)**

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the undersigned, the undersigned hereby undertakes to present the form of resolution attached hereto as Schedule “A” to the next meeting of the Board of Directors for approval (which meeting is scheduled to occur on October 26, 2015) and, assuming passage, to provide a certified copy thereof to you forthwith thereafter.

Dated: September 25, 2015

**TORONTO WATERFRONT
REVITALIZATION CORPORATION/
LA CORPORATION DE
REVITALISATION DU SECTEUR
RIVERAIN DE TORONTO**

Per: _____

Chad McCleave
Chief Financial Officer

Per: _____

Marisa Piattelli
Chief Administrative Officer

We have authority to bind the Corporation

SCHEDULE “A”
FORM OF RESOLUTION

See Attached.

Confidential Report

(In accordance with By-Law No. 2, Section 6.1.1(a) – The security of the property of the Corporation)

Summary

On August 12, 2015 Waterfront Toronto obtained tri-government consent to proceed with borrowing and encumbering assets.

Under By-Law No. 1, the Board prescribed CIBC as the designated bank of Waterfront Toronto and the Corporation has been in discussions with CIBC regarding the terms of borrowing. The following is a summary of the negotiated terms which are the same as presented to the September 9, 2015 meeting of the Board. CIBC has requested the additional resolution of the Board set out below to confirm the authority of management to negotiate and finalize the documentation for the loan.

Borrowing Terms:

Loan Amount:	- Up to a maximum of \$40M; - Initial sublimit of \$12M for initial tranche of borrowing.
Loan Drawdown:	Immediate requirement anticipated in September - October 2015 of up to approximately \$7.2M
Loan Rate:	- Banker's Acceptance rate (.67%) plus 75 – 125 bps; or - Prime rate (2.70%) less 0 – 50 bps
Loan Purpose:	To cover working capital shortfalls consistent with Waterfront Toronto's approved Annual Corporate Plan.
Loan Term:	Not later than March 31, 2020. Option to extend requires consent of the three orders of government
Lender:	CIBC
Security:	- A general security agreement that covers all floating assets but excludes funding under Contribution Agreements; - A charge on the properties identified as Quayside and 333 Lakeshore Blvd. East subject to release of \$12M Letters of Credit from Great Gulf; and - Non-recourse to governments.
Fees:	Confidential Commercially Sensitive Information

- Repayment:
- Interest is to be paid monthly; and
 - Principal to be repaid at the borrower's option at any time provided that Banker's Acceptance may be repaid on maturity.
- Reporting Requirements:
- Annual audited financial statements 120 days after year end;
 - Quarterly unaudited financial statements within 60 days starting in 2016;
 - Annual business plan and budget; and
 - Quarterly cash flow report when borrowing is required; consistent with FARM reporting.

Security and Loan Structure

CIBC is working with Waterfront Toronto to meet its immediate borrowing needs (required in September 2015). In order to expedite the process, Waterfront Toronto and CIBC have agreed to use the general security agreement as security for its initial borrowing. To allow sufficient time for the underwriting and credit review process for its medium to longer term needs, Waterfront Toronto is working with CIBC to utilize both the Quayside properties and 333 Lakeshore Blvd. as collateral for the loan. This approach allows Waterfront Toronto flexibility to move forward with its investment and development plans to collect the proceeds from Quayside Phase 1, and to use Quayside Phase 2 and 333 Lakeshore Blvd. as its longer term collateral.

Action Required

Approval of the Corporation's negotiated borrowing terms and encumbering of assets with CIBC and authorization for Management to complete all such arrangements.

Motion

ON MOTION duly made, seconded and carried, be it **RESOLVED** that the Board of Directors hereby approve and ratify the loan arrangements with CIBC as per the borrowing terms above and authorize Management to negotiate, finalize, execute and deliver all contracts and documentation required for the loan (including, but without limitation, the credit agreement, and all charges on the real and personal property described above).

Dated this 26th day of October, 2015.

Mark Wilson
Chair

Ann Landry
Corporate Secretary