

**EXHIBIT "A"**  
**(Assignment)**

**ASSIGNMENT AND ASSUMPTION OF LEASE AGREEMENT**

**THIS AGREEMENT** is made as of May 27, 2011 (the "Effective Date").

**BETWEEN:**

**ZELLERS INC.**

(the "Assignor")

- and -

**TARGET CANADA CO.**

(the "Assignee")

**RECITAL:**

Pursuant to and subject to a Transaction Agreement dated January 12, 2011 among the Assignee, as purchaser, the Assignor, as vendor and certain other entities (as amended, the "Transaction Agreement"), the Assignor has agreed to assign and transfer to the Assignee the lease described on Schedule "A" hereto (as amended, restated, supplemented or modified from time to time, the "Assigned Lease") and the Assignor's interest in the leasehold lands, premises, buildings and leasehold improvements (excluding, for certainty, any trade fixtures and personal property) pertaining to the Assigned Lease (the "Leased Property"), and the Assignee has agreed to assume the Assignor's covenants and obligations in respect of the Assigned Lease to the extent provided herein.

**THEREFORE** in accordance with the Transaction Agreement and in consideration of the premises and of the mutual covenants and agreements contained herein and therein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Assignor and the Assignee, intending to be legally bound, hereby agree as follows:

**1. Assignment**

The Assignor does hereby grant, assign and set over unto the Assignee, effective as of 12:01 a.m. (Toronto time) on the Effective Date (the "Effective Time"), all of Assignor's right, title and interest in and to (a) the Assigned Lease, inclusive of (i) the unexpired residue of the terms of the Assigned Lease, (ii) any and all options to renew or extend contained therein, and (iii) all its rights, privileges, benefits and advantages to be derived therefrom, (b) the Leased Property, and (c) any option to purchase, right of first refusal or other similar right to acquire the landlord's interest in the Leased Property, whether or not contained in the Assigned Lease.

**2. Assumption by the Assignee**

The Assignee hereby (a) accepts the assignment contained in Section 1 hereof, and (b) assumes all of the obligations and liabilities of the tenant incurred or accruing under the Assigned Lease, and covenants to pay, perform or otherwise discharge all covenants, obligations and liabilities of the tenant to be performed under the Assigned Lease, in each case from and after the Effective Time and during the residue of the term of the Assigned Lease (and any renewal, extension or overholding thereof), including, for greater certainty, the obligation to pay all rents and amounts owing by the tenant pursuant to the Assigned Lease with respect to such period.

**3. Liabilities Not Assumed**

The Assignee shall not assume or be obligated to pay, perform or otherwise discharge any obligations or liabilities related to any event existing prior to the Effective Time which with the passage of time or the giving of notice or both would constitute a default or event of default under the Assigned Lease.

**4. "As-is"**

The Assignee acknowledges and agrees that it accepts the Assigned Lease and the Leased Property in the condition in which they exist on the Effective Date in an "as is, where is" condition without any representations or warranties save and except and only to the extent as expressly set out in the Transaction Agreement.

**5. Transaction Agreement**

- (a) Notwithstanding the foregoing or anything else contained herein or in any Registration Document (including any implied representation, warranty or covenant incorporated therein by law), the parties hereto acknowledge and agree that this Agreement is made pursuant to the Transaction Agreement and nothing contained herein or in any Registration Document (including any implied representation, warranty or covenant incorporated therein by law) shall alter, limit, restrict or derogate from any of the agreements, rights and/or obligations of the parties hereto contained in the Transaction Agreement.
- (b) No reference in this Agreement to the Transaction Agreement shall (i) confer or impose any right, privilege, duty or obligation on any third party (including, without limitation, the respective successors and assigns of Assignor and Assignee) relating to or arising under the Transaction Agreement, or (ii) limit or qualify the assignment contained in Section 1 hereof.
- (c) "Registration Document" means any document or instrument (including the legal description contained in such document) intended to register or record this Agreement or the assignment of the Assigned Lease to the Assignee, or

any notice thereof, against title to all or any part of the Leased Property, including any amendments thereto from time to time.

**6. Conflict**

In the event of any conflict or discrepancy between the terms of this Agreement and the terms of any Registration Document, the terms of this Agreement shall prevail.

**7. Enurement**

The provisions of this Agreement shall enure to the benefit of and be binding upon the successors and assigns of the parties hereto.

**8. Governing Law**

This Agreement shall be construed in accordance with and governed by the laws in accordance with the Applicable Laws of the Province in which the relevant Leased Property is located and the laws of Canada applicable therein.

**9. Further Assurances**

Each of the parties hereto shall, from time to time hereafter and upon any reasonable request of the other, execute and deliver and make or cause to be made all such further acts, deeds, assurances and things as may be required or necessary to more effectually implement and carry out the true intent and meaning of this Agreement at the reasonable cost and expense of the requesting party.

**10. Severability**

If any provision of this Agreement shall be deemed to be invalid or void, the remaining provisions shall not be affected thereby and shall remain enforceable and in full force and effect to the fullest extent permitted by law.

**11. Counterparts**

This Agreement may be executed by facsimile (or otherwise) and in one or more counterparts, and by the different parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement, and which shall become effective when one or more counterparts have been signed by each of the parties and delivered (by facsimile or otherwise) to the other parties.

IN WITNESS OF WHICH the parties have duly executed this Agreement with effect as of the Effective Date.

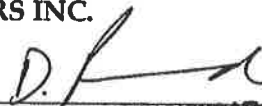
fb.us.6248048.05

*[The remainder of this page has intentionally been left blank; signature pages follow.]*

Store Z0109  
Forest Lawn Shopping Centre  
Calgary, Alberta

*[Signature Page of Zellers Inc. to Assignment and Assumption of Lease Agreement]*

ZELLERS INC.

By:   
Name: DAVID PICKWOOD  
Title: **VICE PRESIDENT, LEGAL SERVICES**

By: \_\_\_\_\_  
Name:  
Title:

Store Z0109  
Forest Lawn Shopping Centre  
Calgary, Alberta

*[Signature Page of Target Canada Co. to Assignment and Assumption of Lease Agreement]*

TARGET CANADA CO.

By:

Name: 

Title:

**Scott Nelson**  
*Authorized Signatory of*  
**Target Canada Co.**

**SCHEDULE "A"**  
**ASSIGNED LEASE**

Store Z0109 - Forest Lawn Shopping Centre, Calgary, Alberta

- Lease dated August 30, 2006 between Sun Life Assurance Company of Canada and Zeller's Inc., as amended, restated, supplemented or modified from time to time.

## AMENDMENT TO LEASE

This Amendment to Lease (this "**Amendment**") is entered into as of May 27, 2011 (the "**Effective Date**"), by and between Target Canada Co., a Nova Scotia unlimited liability company ("**Target Canada**") and Sun Life Assurance Company of Canada, a company incorporated under the laws of Canada ("**Landlord**").

### BACKGROUND

A. Zellers Inc. ("**Zellers**"), as tenant, and Landlord, as landlord, are parties to that certain Lease dated August 30, 2006 (as amended, restated, supplemented or modified from time to time, collectively the "**Lease**") relating to certain premises described in the Lease (the "**Premises**"), located in the Forrest Lawn Shopping Centre, located in the City of Calgary, in the Province of Alberta (the "**Shopping Centre**") and which are legally described on Exhibit A attached hereto.

B. Target Canada acquired the tenant's interest in the Lease (the "**Lease Assignment**") pursuant to an assignment agreement dated on or about the date hereof, in part based on Landlord's willingness to agree to certain modifications of the Lease requested by Target Canada in accordance with the terms and provisions set forth herein.

NOW, THEREFORE, for and in consideration of the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree that the Lease will be amended as follows as of the Effective Date:

1. Definitions. Unless specifically defined herein, all capitalized terms used in this Amendment have the same meaning as the capitalized terms in the Lease. The party holding the tenant's interest under the Lease from time to time (including Target Canada pursuant to the Lease Assignment referred to above) is referred to herein as "Tenant".

2. Landlord. Landlord represents and warrants to Tenant that Landlord is the registered owner of the Shopping Centre and is the landlord under the Lease. Landlord further represents and warrants to Tenant that, to the best of its knowledge and belief, Landlord has not assigned, subleased, transferred or pledged its interests in the Lease, or any of Landlord's rights thereunder, to any other entity except for a mortgage on real property within the Shopping Centre or a collateral assignment of the Lease in connection with such mortgage as set forth on Exhibit B attached hereto.

3. Lease Documentation. Landlord and Tenant agree that as of the Effective Date the Lease consists only of the instruments listed on Exhibit C and has not been amended, modified or supplemented except as set forth therein and constitutes the entire agreement between Landlord and Tenant with respect to the Premises. To the knowledge of the individual executing this Amendment on behalf of the Landlord, without personal liability and without any duty of inquiry, neither Zellers nor any other prior tenant has



waived any material right under the Lease except as set forth in the documents listed on Exhibit C.

4. Status of Lease. Landlord confirms to Target Canada that as of the Effective Date (i) to the Landlord's knowledge (without having sought legal advice) the Lease is valid, binding and in full force and effect, (ii) to the knowledge of the individual executing this Amendment on behalf of the Landlord (without personal liability), without any duty of inquiry, neither Landlord or Tenant is in material default of any of their obligations under the Lease, and there are no facts or circumstances which, with the giving of notice or lapse of time, or both, would constitute a material default by either Landlord or Tenant under the Lease (except as may be set forth on Exhibit C-1 attached hereto), (iii) to the knowledge of the individual executing this Amendment on behalf of the Landlord (without personal liability), without duty of inquiry, Landlord has no claims, defenses, demands or set-offs related to the occupancy, use of the Premises and/or enforcement of the Lease by Tenant except as generally set out in the Lease and except as specifically set forth on Exhibit C-1, if any, attached hereto, and (iv) Landlord has no right to purchase, option to purchase, right of first offer, right of first refusal or other similar right to acquire tenant's interest in the Premises, except as set out in the Lease.

5. Status of Operating Agreements. Landlord confirms to Target Canada that (i) there are no reciprocal operating agreements or other similar agreements governing the use and operation of the Shopping Centre except as may be disclosed on Exhibit D attached hereto (each an "**Operating Agreement**"), (ii) to the knowledge of the individual executing this Amendment on behalf of the Landlord (without personal liability), without any duty of inquiry, the Landlord is not in default of any of its obligations under any Operating Agreement and there are no existing facts or circumstances which, with the giving of notice or lapse of time, or both, would constitute a default by the Landlord under any Operating Agreement, and (iii) to the knowledge of the individual executing this Amendment on behalf of the Landlord (without personal liability), without duty of inquiry, Zellers is not in default of any of its obligations under any Operating Agreement and Landlord is not aware of any existing facts or circumstances which, with the giving of notice or lapse of time, or both, would constitute a material default by Zellers under any Operating Agreement.

6. Status of Premises. To the knowledge of the individual executing this Amendment on behalf of the Landlord (without personal liability), and except as may be set out on Exhibit H attached hereto and made a part hereof, Landlord has not, as of the Effective Date, received any notice from any governmental authority that (i) the Shopping Centre is in violation of any applicable laws, (ii) there are any hazardous materials on, in, under, or about the Shopping Centre in violation of applicable laws, and/or (iii) there are expropriation or condemnation or similar proceedings pending or threatened against the Shopping Centre.

7. Consent; Recognition; Responsibility Covenant to Open.

7.1 Consent to Assignment and Sublease. Landlord hereby (i) gives its consent to the assignment of all of Zellers' right, title and interest in and to the Lease (inclusive of (a) the unexpired residue of the term of the Lease and (b) any and all options to renew, extend, take additional space or purchase contained therein, if any, and subject to the express terms and conditions of the Lease) to Tenant, and (ii) gives its consent to the sublease, license or the occupation by Zellers (including any license or occupation by Zellers affiliates, licenses, existing subtenants and concessionaires) of all, part of or none of the Premises only for the operation of a Zellers store as carried on and permitted under the Lease as of the Effective Date (the "**Sublease**") provided that the term of the Sublease shall not extend beyond December 31, 2013 (the "**Scheduled Vacation Date**"), and (iii) waives any right to terminate the Lease and/or increase Tenant's obligations under the Lease (including any increase in rent of any type due under the Lease) solely due to the foregoing activities. Tenant shall provide Landlord with a copy of any sublease or other occupancy agreement with Zellers.

7.2 Recognition and Attornment. Landlord and Tenant agree that Target Canada (i) is the Tenant under the Lease, (ii) has attorned to Landlord, (iii) has assumed, subject to the provisions of Section 7.3 below, all of the obligations and liability of the Tenant under the Lease, and (iv) is (and its permitted successors and permitted assigns will be) the beneficiary of all rights and privileges granted to the tenant under the Lease, including those which are "personal" to any tenant thereunder except as otherwise provided in this Amendment.

7.3 Responsibility under Lease. Target Canada is not liable for any obligations and liabilities relating to, incurred or accruing and payable under the Lease before the Effective Date. Without limiting the generality of the foregoing, Target Canada has not assumed and will not be obligated to pay, perform or otherwise discharge any obligations or liabilities related to the Lease before the Effective Date which with the passage of time or the giving of notice or both would constitute a default or event of default under the Lease. Tenant acknowledges and agrees that the obligations of Landlord under the Lease shall not be increased, nor shall the Landlord be deemed to have assumed any additional liability under the Lease solely by virtue of the foregoing release.

7.4 Covenant to Open.

(i) Covenant to Open. Tenant will open the Premises, fully fixtured, stocked and staffed, for business to the general public as a "Target" store (or any variation thereof for particular stores, such as by example only, "City Target", and provided that the "Target" name appears therein) for at least one day (the "**Covenant to Open**") on or prior to the date that is twelve (12) months after the Scheduled Vacation Date (the "**Opening Deadline**"), provided that Landlord is not in material default under the Lease, as amended hereby, beyond any curative period provided for in the Lease and for which Landlord has received written notice from Tenant (the "**Covenant to Open Condition**"). In the event that the Covenant to Open Condition is not satisfied on the Opening Deadline, then the Opening Deadline

will be extended until Tenant's opening cycle next occurring (i.e. Tenant's chain wide opening date in March, July and October) that is more than ninety (90) days after the satisfaction of the Covenant to Open Condition.

(ii) Personal to Landlord. Landlord acknowledges and agrees that the Covenant to Open is personal to the person or entity who is the "Landlord" under the Lease from time to time, it may not be assigned to any third party and is not for the benefit of any other third party. Landlord agrees that it will not covenant with any party other than Landlord's lender to enforce the Covenant to Open.

(iii) Delays. If Tenant is prevented at any time by reason of acts of God(s) or other deities, war, civil commotion, riots, strikes, picketing or other labor disputes, unavailability of labor or materials (provided suitable alternatives are not available), damage to work in progress by reason of fire, or other casualty (save and except where intentionally caused by the Tenant), delays resulting from governmental action or inaction such as issuance of permits and approvals (so long as Tenant has applied for and is pursuing such permits and approvals), or any cause (excluding financial inability) beyond the reasonable control of Tenant (each a "Delay") from completing its obligation under this Section 7.4, then the Opening Deadline will be postponed by the duration of the delay experienced by Tenant. Tenant will notify Landlord in writing of any Delay forthwith after it becomes aware of the same and intends to extend the Opening Deadline based upon such Delay.

(iv) Failure to Open. If Tenant fails to comply with the terms of this Section 7.4, then Landlord will have the right, as its sole and exclusive right and remedy, to send a notice of lease termination to Tenant (the "**Termination Notice**"). In the event Tenant does not satisfy the Covenant to Open within ninety (90) days of Tenant's receipt of the Termination Notice, the Lease will automatically terminate upon the expiration of such ninety day period (the "**Lease Termination Date**") and neither party will have any obligation to the other by virtue of the Lease with respect to periods of time after the Lease Termination Date except as otherwise specifically provided in the Lease.

8. Lease Term; Additional Extensions of Lease. The original term ("**Term**") of the Lease expires on April 30, 2023. The Lease provides for four (4) options to extend the Term for five (5) year. Notwithstanding anything to the contrary in the Lease, the Landlord hereby grants to Tenant, in addition to the existing extension options, the additional right to extend the Term for six (6) consecutive periods of five (5) years each (for a total of ten (10) consecutive five (5) year extension options). In addition, the Lease is hereby amended to provide that, unless Tenant is then in material default under the Lease (for purposes of, and without limiting the provisions of, this Section 8, nonpayment of Rent and violation of any operating covenant that may be contained in the Lease will be considered material defaults under the Lease) pursuant to written notice from Landlord, each extension option will automatically be deemed to have been exercised by Tenant, and the Term automatically extended, unless (i) Tenant gives written notice to

Landlord stating that Tenant is not exercising an extension option no later than twelve (12) months' before the end of the then-current Term, or (ii) in the case of the 5<sup>th</sup> extension period, if Landlord and Tenant have not determined the Market Rental Value at least twelve (12) months prior to the end of the 4<sup>th</sup> extension period (the "**Rental Determination Date**"). The fixed annual rent set forth in Section 9.1 below, for the remainder of the original Term and each of the ten (10) consecutive five (5) year extension terms, shall not increase nor decrease, except as provided in Section 9.1 below.

9. Rent.

9.1 Base Rent. The current fixed annual rent under the Lease is \$385,000 (which is approximately \$3.74 per square foot of rentable area). Landlord and Tenant acknowledge and agree that at the Effective Date, the rentable area of the Premises is 102,922 square feet (which includes a 6,048 square foot mezzanine). Beginning on May 1, 2023 through and including April 30, 2043 the fixed annual rent will increase to \$700,000. Beginning on May 1, 2043 through the end of the term of the Lease, including all remaining extension options, the fixed annual rent will increase to the Market Rental Value (defined below) determined by Landlord and Tenant in accordance with Section 9.4 below. Tenant has paid all of the fixed annual rent due under the Lease through April 30, 2011 (except as may be set forth on Exhibit C-1). Tenant has not paid a security deposit to Landlord.

9.2 No Percentage Rent. Tenant will, after the date that Zellers vacates the Premises (the "**Zellers Vacation Date**"), not be obligated to pay any percentage rent, fee in lieu thereof, or similar rental based upon the amount of sales, profits, revenues or financial performance. In addition, Tenant will not, after the Zellers Vacation Date, be obligated to submit or provide any reports or other information with respect to the amount or nature of Tenant's sales, profits, revenues or financial performance.

9.3 Electronic Payment. Tenant may, in its sole discretion, and subject to availability to Landlord, elect to pay rent and other amounts due under the Lease to the Landlord via a pre-authorized electronic funds transfer system or similar system.

9.4 Market Rental Value. The term "Market Rental Value" means the then applicable market rental rates for premises in the City in which the Premises are located, leased for similar purposes and of the approximate similar size as the Premises, but excluding the value of the Tenant's improvements and any other non-structural improvements and additions to the Premises made by or on behalf of the Tenant. The Market Rental Value for the Premises beginning on May 1, 2043 through the end of the term of the Lease and all remaining extension options will be as mutually agreed by the Landlord and the Tenant in writing at least ninety (90) days prior to the Rental Determination Date, or failing agreement, as determined prior to the Rental Determination Date as follows:

- (i) the parties will attempt to agree on the Market Rental Value no later than ninety (90) days before the Rental Determination Date. If the parties are unable to agree on the Market Rental Value within that time, the matter will be determined by appraisers as set out herein. Either party may serve the other with a notice to arbitrate and each party will within fifteen (15) days after service of such notice, appoint an appraiser and advise the other party in writing of such appointment.
- (ii) If either party fails to so appoint an appraiser or to advise the other party of such appointment, the person who has been appointed appraiser may appoint a second appraiser to represent the party in default. The two appraisers will then promptly attempt to jointly establish the Market Rental Value for the Premises.
- (iii) If the two appraisers agree upon a Market Rental Value within thirty (30) days from the date of appointment of the second appraiser, then the Market Rental Value will be as determined by the two appraisers.
- (iv) If within thirty (30) days from the date of the appointment of the second appraiser and after attempting to do so, the two appraisers are unable to agree on the Market Rental Value, they will consult with each other and select a third appraiser. If the two appraisers cannot agree upon a third appraiser, then either party will have the right to request appointment of such third appraiser by any judge of the court having jurisdiction over the Shopping Centre, and the non-requesting party will not raise any question as to the judge's full power and jurisdiction to entertain the application and make the appointment.
- (v) If a third appraiser is appointed, the third appraiser will submit its appraisal to the parties within thirty (30) days following appointment. The third appraiser's valuation, and the previous appraiser's valuation which is closest by dollar amount to the third appraiser's valuation shall be added together and the total divided by two; the result shall be the Market Rental Value for the Premises. The determination of the Market Rental Value will be final and binding on the parties, absent fraud or gross error.
- (vi) The determination of the Market Rental Value will be final and binding on the parties, absent fraud or gross error. Landlord and Tenant will each bear the expense of their own appraiser and one-half of the fees and expenses of the third appraiser. All appraiser will be disinterested persons who are members in good standing of the Appraisal Institute of Canada, or its successor.

10. Tenant's Operations. Without limiting any of Tenant's existing rights under the Lease and in order to allow Tenant's operation of a department store within the Shopping Centre, Landlord agrees to the following terms and provisions:

10.1 Use of the Premises.

- (i) To the knowledge of the individual executing this Amendment on behalf of the Landlord (without personal liability), without duty of inquiry, there are no restrictive covenants or other limitations affecting the use of the Premises as a department store in any leases or other occupancy agreements affecting the Shopping Centre, except as specifically described in the Lease or in the documents described on Exhibit E attached hereto.
- (ii) Subject to the last sentence of this paragraph (ii), Landlord hereby releases, solely on its own behalf, any rights Landlord holds which would limit or prevent Tenant from operating the Premises as a Target department store (which store, subject to compliance with applicable laws as may exist from time to time, may, but is not obligated to include, restaurant and prepared food operations, optical operations, pharmacy operations, and food sales operations without restriction as to product types or size of areas devoted to such items), including as may be typically operated, from time to time, in North America (collectively, the "**Permitted Use**"). Tenant acknowledges and agrees that notwithstanding the foregoing, Tenant will comply with the terms of, and Tenant's use of the Premises will be subject to, those restrictions covenants and limitations applicable to Tenant or the Premises and contained in the documents listed on Exhibit E attached hereto.
- (iii) Landlord acknowledges that during the term of the Sublease, and in any event not beyond the Scheduled Vacation Date, Zellers may (a) conduct liquidation sales within the Premises for a period in the aggregate not to exceed twelve (12) weeks, provided there is no prohibition on liquidation sales in the Lease, (b) conduct winding-down and closure of Zellers' business and operations (including any action reasonably taken in connection therewith and in compliance with the provisions of the Lease) for a period in the aggregate not exceeding two (2) weeks, and (c) remove all inventory, trade fixtures (including all store shelving, racks, display cases and stockroom shelving systems) and other leasehold improvements (to the extent allowed by the terms of the Lease) from the Premises (collectively, "**Zellers Wind Down Activities**"). Tenant will promptly repair any damage caused to the Premises and/or the Shopping Centre by or arising out of Zellers Wind Down Activities. Landlord will not enforce any operating

covenant or exercise any right to terminate the Lease solely due to Zellers Wind Down Activities, except for Zellers or Tenant's failure to comply with this Subsection 10.1(iii) (after any notice and cure rights provided for in the Lease).

- (iv) Landlord will not enforce any operating covenant or exercise any right to terminate the Lease due solely to a reduction or cessation of business operations by Tenant during any period that Tenant is working to develop, remodel and/or redevelop the Premises and/or common areas as expressly permitted pursuant to this Section 10 (the "**Redevelopment Period**") provided that (a) if Tenant gives Zellers notice to vacate the Premises pursuant to the terms of the Sublease, Tenant will notify Landlord, contemporaneous with delivery of the notice to Zellers, that such notice has been sent and indicate the date by which Tenant expects Zellers to vacate the Premises (failure to send such notice to Landlord will not be a default under the Lease), (b) the Redevelopment Period shall not exceed nine (9) months, nor extend beyond the Opening Deadline; and Tenant will use its reasonable commercial efforts to expeditiously complete such redevelopment work during the Redevelopment Period; provided, however, the Redevelopment Period will be extended by the duration of any Delays (as defined in Section 7.4(iii) above) experienced by Tenant in remodeling and redeveloping the Premises and common areas as contemplated and expressly permitted by this Amendment.

#### 10.2 Redevelopment of Premises.

(a) Tenant will invest, within a one (1) year period after the Zellers Vacation Date, in the aggregate, at least \$70.00 per square foot of enclosed building area within the Premises in the repair, remodeling, replacement, reconstruction, construction and installation of new and existing building improvements, fixtures and building systems.

(b) On and after the Zellers Vacation Date, and prior to the Opening Deadline, subject to Delays, Tenant will:

- (i) Remodel and make alterations to the interior of the Premises that Tenant determines are desirable to allow for the operation of the Permitted Use, including the removal and relocation of vertical transportation and other structural elements, provided that to the extent the Lease requires Tenant to obtain Landlord's consent to any interior structural alterations, Tenant will obtain such consent in accordance with the terms of the Lease.
- (ii) Remodel and make alterations to the exterior of the building within which the Premises are located (including signage, branding, architectural details and elevations) as generally depicted on

Exhibit F attached hereto (the “**Approved Elevations**”) that Tenant determines are desirable in connection with the operation of the Permitted Use. Notwithstanding the foregoing, if Tenant desires to make any alterations to the exterior of the Premises that are not consistent with the Approved Elevations, then the provisions of the Lease with respect to Landlord’s right to approve exterior alterations will apply. To the extent the Lease requires Tenant to obtain Landlord’s consent to any exterior structural alterations, Tenant will obtain such consent in accordance with the terms of the Lease.

(c) On and after the Zellers Vacation Date, Tenant may, but shall not be obligated to:

- (i) Modify or make alterations, with the prior consent of the Landlord, such consent not to be unreasonably withheld, conditioned or delayed, to the exterior wall of the Premises that faces into the interior common area, if any, of the Shopping Centre, and modify, close or relocate entrances to the Premises from the exterior common areas of the Shopping Centre; provided however, that Tenant will maintain at least one (1) exterior entrance, and if Tenant modifies the location of such entrance the new location must be in a location approved by Landlord, such approval not to be unreasonably withheld.
- (ii) Modify, close or relocate entrances to the Premises from the interior common areas, if any, of the Shopping Centre, including the use of sliding doors at any such entrances; provided however, (a) Tenant must maintain at least one (1) entrance from the interior common to the Premises, but only if such an entrance currently exists (e.g. Tenant will not be required to create an entrance from the Premises to interior common area if one does not exist on the Effective Date), and (b) if Tenant modifies the location of any such entrance, the new location must be approved by Landlord, such approval not to be unreasonably withheld.
- (iii) Expand the Premises and construct building improvements (including loading docks, ramps and other appurtenances thereto) for Tenant’s exclusive use within the area marked as the “**Permitted Building Area**” on the site plan attached hereto as Exhibit G (the “**Site Plan**”); provided (1) the plans and specifications for any such expansion activities shall be subject to Landlord’s prior approval, which approval shall not be unreasonably withheld or delayed; (2) Tenant will deliver written notice to Landlord of its intent to undertake such expansion activities at least sixty (60) days prior to the commencement



thereof (the "**Expansion Notice**"), (3) within such 60-day period, Landlord and Tenant will negotiate in good faith a mutually acceptable amendment to the Lease, the sole purpose of which will be to redefine the Premises to include the expanded building and improvements, and provide that Tenant will pay Rent and Additional Rent on the expanded space at the current rates payable under the Lease for the rest of the Premises, and (4) subject to obtaining the Third Party Approvals (defined below), the parties will enter into the mutually acceptable lease amendment within the 60-day period. If Landlord and Tenant are not able to agree on a mutually acceptable Lease Amendment within sixty (60) days after delivery of the Expansion Notice, such notice shall be deemed to be rescinded and null and void. Tenant acknowledges that Landlord may be required, pursuant to existing agreements with other tenants within the Shopping Centre and required government approvals ("**Third Party Approvals**"), to obtain consents for any expansion by Tenant described in this clause. Furthermore, Tenant may not expand the Premises as provided above if such expansion results in a failure of the Landlord to comply with the greater of (i) the parking ratios required by any tenants pursuant to parking requirements in leases or agreements existing as of the Effective Date, or (ii) the parking ratio required by the applicable municipality, unless Tenant, at Tenant's sole cost, obtains municipal approval and builds or creates new parking spaces within the Tenant Branding Area, or with Landlord's approval, not to be unreasonably withheld, elsewhere in the Shopping Centre, to comply with the foregoing parking ratios. The Tenant acknowledges that the Landlord makes no warranty or representation that the zoning, site plan approval and other development approvals required to permit construction and/or expansion in the Permitted Building Area will be obtainable.

- (iv) Remodel and make alterations to the area(s) marked as the "**Tenant Branding Area**" on the Site Plan, including without limitation, sidewalks, bollards, planters, bike racks, and Tenant branding elements, which Tenant Branding Area shall be for Tenant's exclusive use (subject to general rights of ingress and egress by other occupants and patrons of the Shopping Centre); provided that such remodeling and alterations are in keeping with at least the standard of the Shopping Centre and do not cause Landlord to be in violation of the existing terms of any existing leases and/or occupancy agreements for the Shopping Centre or in breach of any applicable laws. No such remodeling or alterations will be permitted which reduce the number of parking spaces within the Tenant Branding Area (if any) or which affect traffic

flow upon the Shopping Centre or access to or egress from the entrances to the Shopping Centre including mall entrances. Tenant will be responsible for repairing any damage caused to the Shopping Centre by the remodeling and alterations done by or on behalf of Tenant in the Tenant Branding Area.

- (v) To the extent the Lease does not already contain a provision(s) relating to the installation, operation, maintenance, repair or replacement of roof-top systems of the type described in this paragraph, then the following will apply: Subject to any existing installations on the Premises roof, Tenant may exclusively use all or any portion of the Premises' roof to install, use, and maintain on such roof (a) HVAC, refrigeration, and other mechanical equipment serving the Premises, and (b) satellites, microwave dishes, or other telecommunications equipment serving the Premises, subject to Landlord's reasonable approval of the size, location and method of installation of such items and with Tenant liable for repair, maintenance and operation of such items at its sole risk and expense. Tenant shall repair all damages to the roof caused by the installation of such improvements. Landlord will notify Tenant of the existence of any warranty covering the roof and the length remaining on such warranty. To the extent there is a warranty for which Tenant has received notice, Tenant shall coordinate all repairs and alterations to the roof, or any part thereof, through Landlord's roofing contractor. If in exercising its rights under the Lease Tenant, its contractors or those for whom in law Tenant is responsible should cause the warranty for the Premises roof to become void, Tenant shall be responsible for all costs of repairs to the roof that were the subject of such warranty (unless caused by the negligence of Landlord) for what would otherwise have been the balance of the term of the roof warranty.

(d) Landlord hereby grants to Tenant, during the Redevelopment Period, a temporary license to use an area (the "**Staging Area**") of up to 100 feet by 150 feet (100' x 150') within the Protected Area (defined below) for the purposes of creating a construction staging area, installing temporary utility lines and storing, staging and transporting construction equipment and materials over and across such areas in connection with the activities contemplated by this Section 10, all in accordance with good construction practice and in a safe and secure manner having regard to the ongoing operation of the Shopping Centre and the safety and security of the employees, customers and invitees of the Shopping Centre. Tenant will, within thirty (30) days of the expiry of the Redevelopment Period, restore the Staging Area to a condition which is equal to or better than the condition which existed prior to the commencement of Tenant's use of the Staging Area failing which Landlord shall have the right, at its sole option and without limiting any other remedies available to Landlord, to complete such work for and on behalf of Tenant and at Tenant's sole cost and expense, and Tenant shall pay such

amounts to Landlord within thirty (30) days of receipt of invoice and supporting materials evidencing all expenses actually incurred by Landlord to make such repairs. All provisions in the Lease providing for liability and indemnification by the Tenant in respect of Tenant's operations within the Premises (if any) shall apply equally to Tenant's use of the Staging Area.

(e) All development activities described in this Section 10.2 will be of the type and quality typically found in Target stores in Canada and the United States.

(f) Tenant may only conduct the activities set forth in subsections (b) through (d) above so long as such remodelling, changes, alterations, modifications, closures, relocations, expansions or improvements are (1) not of a nature to endanger the structure or the building systems of the Premises or the Shopping Centre, (2) made in conformity with all statutes, regulations or by-laws of any federal, provincial or municipal authority applicable thereto, (3) paid for in full solely by Tenant, (4) not of a nature which would lessen the value of the Premises or the Shopping Centre, (5) made with the prior written consent of Landlord (such consent not to be unreasonably withheld, conditioned or delayed) if such activities will affect any building systems serving other tenants within the Shopping Centre. Tenant will defend, protect, indemnify and hold harmless Landlord from and against all claims, costs, expenses and liabilities resulting from or arising out of the bodily injury to or death of any person, or damage to property within the Shopping Centre, caused by Tenant's acts, negligence or willful misconduct or that of its employees, agents, consultants, contractors or those for whom Tenant is in law responsible, in performing the work contemplated by this Section 10.2.

(g) Tenant will defend, protect, indemnify and hold harmless Landlord from and against all claims costs, expenses and liabilities resulting from any liens asserted against the Premises, the Shopping Centre or any part thereof, due to the conduct of Tenant, its employees, agents, consultants or contractors in performing the work contemplated by this Section 10.2 and Section 10.3 below (a "Lien"). Tenant may contest the validity of any Lien in any manner Tenant chooses so long as such contest is pursued with reasonable diligence. If such contest is determined adversely (allowing for appeal to the highest appellate court), Tenant will promptly, but within fifteen (15) days after the entry of a final judgment, pay in full the required amount, together with any interest, penalty, cost, or other charge necessary to release such Lien of record. Within fifteen (15) days following receipt of written request from Landlord, Tenant shall cause such Lien to be released and discharged of record by posting a bond or other security as may be required by law to obtain such release and discharge. If the laws of the jurisdiction within which the Premises is located do not provide for a method to release real estate from a lien claim, then Tenant will deposit with the Landlord security (cash or other reasonably acceptable substitution) equal to 150% of the amount of the Lien. The security will be held until the contest provisions set above are completed and the Lien released; provided, however, that if either the Lien is not contested and then released as provided above, or Tenant elects to satisfy the claim, then the security will be used to pay the Lien claim and obtain the release of record. Landlord may, at any time, cause such

Lien to be vacated or released and discharged of record or, if Tenant has not caused such Lien to be vacated or discharged within the fifteen (15) day period provided above, may pay the amount claimed directly to the lien claimant, and Tenant shall forthwith reimburse Landlord for all costs, charges and expenses actually incurred by or on behalf of Landlord to discharge or pay out such lien including legal costs.

10.3 Protected Area, Interior Common Area and Signage.

- (a) Landlord agrees that:
- (i) Those portions of the exterior common areas cross hatched on the Site Plan (the “**Protected Area**”) will not (a) be changed, modified or altered (which for clarity, shall not prohibit Landlord from maintaining, repairing and replacing the existing installations within the Protected Area) without the Tenant’s approval, in its sole and absolute discretion, or (b) subject to any existing rights, be used by Landlord and/or any other party (other than Tenant to the extent permitted under the Lease and at law) for the display, storage, sale or lease of merchandise, equipment or services, including kiosks, carts, vending machines, promotional devices and similar items. If Tenant defaults in its covenants and obligations under Section 7.4 of this Amendment, the provisions of this subsection 10.3(i) shall be null and void, until Tenant cures such default.
  - (ii) On and after the Opening Deadline, the display, storage, sale or lease of merchandise, equipment or services, including kiosks, carts, vending machines, promotional devices and similar items, will not be permitted within the interior common area of the Shopping Centre within 50 feet of Tenant’s interior entrance(s).
  - (iii) On and after the Zellers Vacation Date, (i) Tenant will remove all of Zellers’ signage (including all pylon, monument and directional signage), sign fascia, logos, trademarks and other indicia of Zellers’ corporate identity within the Shopping Centre, and make any necessary repairs caused by such removal; and (ii) Tenant may, but is not obligated to, replace such signage with those depicting Tenant’s corporate identity, all in accordance with applicable laws.
  - (iv) On and after the Zellers Vacation Date, Tenant may, but is not obligated to, refurbish (including resurfacing, re-striping and changing the lighting) the Protected Area so long as such refurbishment will result in a design consistent with that depicted on the Site Plan, will be to a standard at least equal to that maintained by Landlord in the Shopping Centre, will not reduce

the number of parking spaces within the Protected Area, nor materially adversely impact access, traffic flow or parking of others within the Shopping Centre or cause Landlord to be in violation of the existing terms of any existing leases and/or occupancy agreements for the Shopping Centre. Notwithstanding the foregoing, if Tenant desires to make any refurbishments that would result in a design inconsistent with the Site Plan or would materially adversely impact access or parking of others within the Shopping Centre, then Tenant must obtain Landlord's prior approval, which approval Landlord may withhold in its sole and absolute discretion.

- (v) On and after the Zellers Vacation Date, subject to obtaining Landlord's prior approval, not to be unreasonably withheld or unduly delayed, Tenant may, but is not obligated to, install cart corrals within the Protected Area and may also install and maintain an electronic shopping cart containment system at the store entrances to the interior mall, if any, and the Protected Area. ANY PARKING SPACES LOST TO THE CART CORRALS OR ELECTRONIC SHOPPING CART CONTAINMENT SYSTEM WILL STILL BE INCLUDED IN CALCULATING ANY PARKING RATIO REQUIREMENTS SET OUT IN THE LEASE. Tenant will be responsible for repairing any damage caused to the Shopping Centre by the installation, maintenance or removal of any such cart corrals or electronic shopping cart containment systems.
  
- (vi) Tenant, at its option and expense, may, subject to compliance with applicable laws, mount cameras and associated wiring and controls on the exterior of the Premises (the "**Camera Installations**"), provided that Tenant will be responsible for all maintenance, repair, operation, replacement, insurance and supervision of the Camera Installations and all wiring associated therewith. Such Camera Installations will be Tenant's equipment and will be for the sole benefit of Tenant and Tenant's operations, and nothing contained herein will be construed or deemed as providing Landlord or any other occupant of the Shopping Centre with any rights or benefits in connection with such cameras or any electronic images captured thereon or transmitted and/or stored on any of Tenant's equipment. Tenant expressly disclaims any warranty or obligation to Landlord or any occupant, invitee or other person or entity in, on or about the Premises or the Shopping Centre in connection with such cameras except as may be provided for at law. Landlord and Tenant will cooperate in good faith in connection with Tenant's installation, maintenance, repair and operation of the Camera Installations. At the expiry or earlier

termination of the Term, at Landlord's request, Tenant shall promptly remove all Camera Installations and repair all damage caused to the Premises and the Shopping Centre arising from the installation and/or removal of such camera Installations.

(b) Tenant may only conduct the activities set forth in clauses (ii), (iii), (iv), (v) and (vi) above so long as such changes, alterations, modifications or improvements are (a) made in conformity with all statutes, regulations or by-laws of any federal, provincial or municipal authority applicable thereto and (b) paid for in full solely by Tenant. Tenant will defend, protect, indemnify and hold harmless Landlord from and against all claims, costs, expenses and liabilities resulting from the bodily injury to or death of any person, or damage to property within the Shopping Centre caused by Tenant's acts, negligence or willful misconduct or that of its employees, agents, consultants, contractors or those for whom in law Tenant is responsible, in performing the work contemplated by this Section 10.3.

10.4 Joinder. Landlord will, upon request by Tenant and at Tenant's sole cost and expense, where necessary join in the application for all permits, variances, special uses, licenses or authorizations in connection with the work described in this Amendment and deemed necessary or desirable by Tenant in connection with the use, remodeling, alteration and refurbishment of the Premises and Protected Area for the Permitted Use, provided that Landlord shall have the right to approve the form and content of any such application prior to being required to join in such application.

11. Intentionally Deleted.

12. Pharmacy. If at the Effective Date a pharmacy is currently being operated by Zellers, and subject to any restrictions or exclusives in any leases or other occupancy agreements for the Shopping Centre, Landlord will work in good faith with Tenant to provide Tenant (or an affiliate, licensee, subtenant or concessionaire, including Zellers), with at least 1,000 square feet and no more than 2000 square feet, of (i) other temporary space within the Shopping Centre for operation of a pharmacy during the Redevelopment Period, for which Tenant shall be required to pay rent at rates to be mutually agreed upon during such period of occupation, or (ii) space within the Protected Area to place a trailer or other similar temporary structure for use as a temporary pharmacy during the Redevelopment Period. Tenant shall be responsible for all utilities consumed in such temporary space, for obtaining all insurance required under the Lease as if such temporary premises were the Premises and for all permits, licenses and approvals required for such temporary pharmacy and the operation of such temporary pharmacy shall be carried out in compliance with all applicable laws. If requested by Landlord, prior to being entitled to occupy and carry on the pharmacy business from such temporary space outside of the Premises, Tenant will enter into a temporary license agreement mutually acceptable to Tenant and Landlord for the occupation and use of the temporary space, which license agreement will, amongst other provisions, contain a cross-default provisions.

13. Planning Act/Subdivision Legislation. Where a consent under the Planning Act (Ontario) or a consent or approval under other applicable legislation restricting the subdivision of land in the province in which the Shopping Centre is located (collectively, "**Subdivision Legislation**") was or is required for the granting of the Lease or this Amendment, until any such required consent or approval is obtained, the assignment of the Lease to Tenant hereunder will be deemed to create a new lease on the same terms and conditions as the Lease, as amended hereby, save and except that (i) the Commencement Date will be deemed to be the Effective Date and (ii) the term will not exceed twenty-one (21) years less one (1) day from the Effective Date in the case of Premises in Ontario and, in the case of Premises in any other province where the term of a lease may trigger a requirement for consent or approval under the Subdivision Legislation, the term will be shortened to the maximum period of term that will prevent the Lease or this Amendment from requiring such consent or approval and becoming void. Landlord covenants and agrees that, should consent or approval be required under the Subdivision Legislation in respect of the Lease or this Amendment, Landlord will forthwith, at Tenant's sole expense (unless the Lease provides otherwise), make application for such consent or approval and will pursue diligently the obtaining of such consent or approval and Tenant will act reasonably and co-operate with Landlord in fulfilling any requirements of the relevant approving authority at Landlord's reasonable cost.

14. Insurance Requirements.

(a) The insurance required by the Lease to be carried by Tenant may be carried under (i) a blanket policy (which shall not diminish Tenant's obligations to insure as set out in the Lease) with a reputable insurer licensed to carry on business in the Province in which the Premises is located that may cover other liabilities and Tenant locations in Canada; provided, however, in all other respects each of such policies shall comply with the provisions of the Lease, and/or (ii) a self insurance program maintained by Tenant, so long as (1) Tenant's right to self insure as provided herein does not violate any applicable laws, and (2) Tenant has and maintains a net worth of at least \$250,000,000.00 (calculated pursuant to International Financial Reporting Standards). If Tenant elects to self-insure pursuant to this paragraph, prior to self insuring, and upon written request of Landlord from time to time, Tenant shall provide Landlord with evidence reasonably satisfactory to Landlord that Tenant's net worth is at least \$250,000,000.00. Landlord acknowledges that a copy of Tenant's annual report that is audited by an independent certified public accountant will constitute reasonable evidence of Tenant's net worth.

(b) "Self-insurance" shall mean that Tenant is itself acting as though it were the insurance company providing the insurance (in the amounts and with the deductibles as required pursuant to the provisions of the Lease) required under the Lease and Tenant shall pay any amounts due in lieu of insurance proceeds which would have been payable if the insurance policies had been carried, which amounts shall be treated as insurance proceeds for all purposes under the Lease. This obligation includes Tenant's obligation to

provide Landlord, its mortgagee and any others designated by Landlord from time to time, with all of the protections, benefits, rights, indemnities and payments that would have been provided, had Tenant not elected to self-insure but had actually purchased such required insurance policies from an independent insurer.

(c) All amounts which Tenant pays or is required to pay and all loss or damage resulting from risks for which Tenant has elected to self-insure shall be subject to the waiver of subrogation provisions, if any, in the Lease and shall not limit Tenant's release or indemnification obligations.

(d) In the event that Tenant elects to self-insure and an event or claim occurs for which a defense and/or coverage might have been available from the insurance company had insurance been purchased, Tenant shall:

- (i) undertake the defense of any such claim, including a defense of Landlord at its sole cost and expense, and protect, indemnify and hold harmless Landlord; and
- (ii) use its own funds to pay any claim or replace any equipment or other physical property or otherwise provide the funding which may have been available from insurance proceeds but for such election by Tenant to self-insure.
- (iii) The intent of this subsection (d) is that Tenant's right to self-insure will not increase Landlord's liability under the Lease.

(e) In addition to the insurance requirements in the Lease, Tenant agrees, at Tenant's expense to obtain and maintain Builder's Risk insurance and, if not provided by the Province in which the Premises is located, worker's compensation or similar type insurance. The Builder's Risk insurance must be adequate to fully protect Landlord as well as Tenant from and against any and all liability for death or injury to any person, or damage to property, by reason of the construction of any Tenant's work described in this Amendment. Tenant may not self-insure for worker's compensation.

(f) Tenant covenants and agrees that if the Tenant is required to maintain comprehensive general liability insurance under the Lease, such policy shall extend to the Tenant's redevelopment or refurbishment work in the Permitted Building Area, Tenant Branding Area, Staging Area and the Protected Area, as applicable.

15. No Consent Requirement Implied; Subsequent Consents. To the extent that the Landlord consents, approves or agrees to any act, circumstance or event in this Amendment and such act, circumstance or event does not require the consent, approval or agreement of the Landlord under the Lease (and does not give rise to a default or breach under the Lease), such consent, approval or agreement is provided by the Landlord for



greater certainty only, and does not imply that the consent, approval or agreement of the Landlord is (or will hereafter be) required under the Lease as to any such act, circumstance or event. To the extent that Landlord's consent, approval or agreement to any such act, circumstance or event in this Amendment was required under the Lease, the issuance of such consent, approval or agreement will not operate as a waiver of Landlord's right to consent, approve or agree to any act, circumstance or event in the future to the extent such consent, approval or agreement is required pursuant to the terms of the Lease.

16. Authority; Approvals. Landlord and Tenant each warrant to the other that (i) it has the full capacity, right, power and authority to execute, deliver and perform this Amendment, (ii) no consents or approvals from third parties are required (or if required, have been obtained) for it to execute, deliver and perform this Amendment and (iii) the undersigned representative of Landlord and Tenant, respectively, is duly authorized and fully qualified to execute this Amendment on behalf of such party.

17. Registration. Tenant may not register the Lease or this Amendment. At the Tenant's request and its sole cost and expense, the Tenant may register a notice, short form, memorandum, memorial or caveat of the Lease and/or this Amendment which describes the parties, the Term, and the other minimum non-financial information required under the applicable legislation, but the notice, short form, memorandum, memorial or caveat, as the case may be, must be in form satisfactory to the Landlord, acting reasonably. The Landlord may, at the Landlord's expense, require the Tenant to execute promptly whatever document the Landlord reasonably requests for registration of the Lease and this Amendment on the title to the Shopping Centre lands or any part of them. Upon Landlord's request after the expiration or other termination of the Lease, Tenant will discharge or otherwise vacate any notice, short form, memorandum, memorial or caveat described above at its sole cost. If any part of the Shopping Centre (other than the Premises) are transferred to any City, Town, Municipality or federal, provincial or municipal authority for public use, Tenant shall forthwith at the request of Landlord discharge or otherwise vacate any such notice, short form or caveat as it relates to such part. Upon request by Landlord, if any part of the Shopping Centre (other than the Premises) are made subject to any easement, right-of-way or similar right, and Tenant in its sole and absolute discretion determines such easement, right-of-way or similar right does not impair or diminish Tenant's use and enjoyment of the Premises or the common areas of the Shopping Centre, then Tenant will, at Landlord's cost, postpone its registered interest to such easement, right-of-way or similar right.

18. Notices. All notices given to Tenant pursuant to the Lease, including all notices regarding default, exercise of rights or remedies and approvals, will be given to the following addresses:

Target Canada Co. c/o Target Corporation Target Property Development Attn: Real Estate Portfolio	Sun Life Assurance Company of Canada c/o Bentall Kennedy (Canada) LP North Hill Shopping Centre Administration Office, Suite 1665
---	--

<p>Management/Forest Lawn Z0109 1000 Nicollet Mall, TPN 12H Minneapolis, MN 55403</p>	<p>1632 -14th Avenue N.W. Calgary, Alberta, T2N 1M7 Attention: Leasing Department</p> <p>or to such other person at any other address that the Landlord designates by written notice</p>
---	--

19. Further Assurances; No Strict Construction; Language. Landlord will from time to time, upon reasonable requests from Tenant, and at Tenant's expense, execute and deliver such reasonably necessary documents, instruments, petitions and certifications, in forms acceptable to Landlord, acting reasonably, as may become necessary or appropriate to carry out the terms, provisions and intent of this Amendment, including Tenant's entry into and operation of a Target department store within the Shopping Centre. Tenant will from time to time, upon reasonable requests from Landlord, and at Landlord's expense, execute and deliver such reasonably necessary documents, instruments, petitions and certifications, in forms acceptable to Tenant, acting reasonably, as may become necessary or appropriate to carry out the terms, provisions and intent of this Amendment. This Amendment will not be construed strictly for or against either Landlord or Tenant. The words "including," "includes," and "include" are to be read as if they were followed by the phrase "without limitation."

20. Target Canada's Covenants: Target Canada hereby covenants and agrees with Landlord that:

(a) Notwithstanding anything in the Lease to the contrary, but subject to Section 7.1 of this Amendment, until satisfaction of the Opening Covenant in accordance with the terms of Section 7.4, Tenant will not be permitted to assign the Lease or its interest in the Lease or any part thereof, nor sublet or part with possession of all or any part of the Premises (except to an Affiliate) without Landlord's prior written consent. If the Lease is assigned or, subject to Section 7.1, any portion of the Premises is sublet by Tenant to anyone other than an Affiliate of Target Canada prior to satisfaction of the Opening Covenant, then Section 9.2, 10.2 and 10.3 of this Amendment will not apply as to such assignee or subtenant.

(b) Target Canada acknowledges that it has received a copy of the executed Lease and is familiar with the terms, covenants and conditions contained therein.

(c) Notwithstanding the assignment to Target Canada (or any disaffirmance or disclaimer of the within assignment), Tenant acknowledges that Landlord has not released Zellers from any liability under the Lease, either prior to the Effective Date or during the balance of the Term of the Lease for the observance and performance of all of the terms, covenants and conditions contained in the Lease.

(d) The consent to assignment of the Lease to Target Canada and sublease to Zellers provided in Section 7.1 above does not constitute a waiver of any right Landlord

may have to consent to any further transfer of the Lease (which for purposes of this Amendment includes any assignment, subletting, mortgaging or encumbering of the Lease or parting with or sharing possession of all or any part of the Premises). If Tenant proposes to effect a further transfer of the Lease, the terms of the Lease with respect to a transfer shall apply to any such further transfer.

(e) By giving its consent pursuant to this Amendment, Landlord does not hereby acknowledge or approve of any of the terms of the assignment agreement as between Zellers and Target Canada except for the assignment of the Lease itself and except for any amendments to the Lease agreed to hereunder.

(f) Upon request, Tenant will provide Landlord and Landlord's mortgagee(s) with (or will cause to be provided to the Landlord and its mortgagee(s)) certificates of insurance or memorandum(s) of insurance, or statement of self-insurance or the Web address where such insurance information is contained, from the primary, umbrella and excess carriers specifying the extent of insurance or self-insurance coverage carried by Tenant pursuant to the terms of the Lease, as amended

(g) Tenant acknowledges and agrees that (i) it is accepting possession of the Premises in an "as is" condition as of the Effective Date, subject to all of Landlord's maintenance, repair and replacement obligations under the Lease and this Amendment, and (ii) the Landlord has no responsibility or liability for making any renovations, alterations or improvements in or to the Premises except as expressly provided in the Lease as amended by this Amendment.

(h) Tenant will not carry out any work in or to the Premises or any other part of the Shopping Centre until it has obtained all required permits, licenses and approvals from all governmental authorities having jurisdiction for the carrying out of such work. Tenant will deliver copies of all such permits, licenses and approvals to Landlord upon request.

21. Brokers. Tenant and Landlord represent and warrant to each other that neither has had any dealings or discussions with any broker or agent, licensed or otherwise) in connection with this Amendment, other than Northwest Atlantic (Canada) Inc. (the "**Tenant's Broker**") and Bentall Kennedy (Canada) L.P. ("**Landlord's Broker**"). Landlord will (i) pay any and all fees due to Landlord's Broker in connection with this transaction and (ii) protect, defend, hold harmless and indemnify Tenant from and against any and all losses, liabilities, damages, costs and expenses (including reasonable legal fees) arising out of or in connection with any other claim by Landlord's Broker for brokerage commissions relating to this Amendment. Tenant will (i) pay any and all fees due to Tenant's Broker in connection with this transaction and (ii) protect, defend, hold harmless and indemnify Landlord from and against any and all losses, liabilities, damages, costs and expenses (including reasonable legal fees) arising out of or in connection with any other claim by Tenant's Broker for brokerage commissions relating to this Amendment. Landlord and Tenant each covenant to protect, defend, hold harmless and indemnify the other from and against any and all losses, liabilities, damages, costs and expenses (including reasonable

legal fees) arising out of or in connection with any other claim by any brokers (other than Tenant's Broker or Landlord's Broker) or agents for brokerage commissions relating to this Amendment alleged to be due because of dealings or discussions with the indemnifying party.

22. Conflicts; Ratification; Binding Effect. If there is any conflict between the provisions of the Lease and this Amendment, the provisions of this Amendment will control. Except as amended and supplemented by this Amendment, the Lease is ratified and confirmed by the parties and remains in full force and effect. This Agreement is and will be binding on the parties hereto and their respective successors and assigns.

23. Counterparts. This Amendment may be executed in counterparts, each of which shall be deemed an original and all of which shall together constitute a single instrument. Signature pages (including pages signed by facsimile) may be detached from individual counterparts and attached to a single original or to multiple originals of this Amendment.

24. No Offer. The submission of this Amendment by Landlord or Tenant is not an offer to amend the Lease, nor is it a request for consent to assignment or sublease of the Lease. Neither party will be bound, and no consent by Landlord shall be deemed to have been given, until both Landlord and Tenant have duly executed and delivered an original Amendment to each other.

25. Representations: Tenant acknowledges and agrees that any warranties and representation of Landlord provided for in this Amendment are personal to Target Canada and its Affiliates and may not be relied upon, nor will they benefit or extend to, any other party (including, without limitation, Zellers).

26. Confidentiality. The parties shall not disclose to any person or entity the financial or any other terms of this Amendment, except to their professional advisors (including, without limitation, property and/or asset managers), consultants and auditors, if any, and except as required by law or in connection with any sale or financing. Nothing in this paragraph will be deemed to limit Tenant's rights under Section 17 of this Amendment.

27. Governing Law. This Amendment shall be construed and enforced in accordance with the laws of the Province in which the Shopping Centre is located and/or the laws of Canada applicable therein.

*[SIGNATURE PAGE(S) FOLLOW]*

IN AGREEMENT, the parties hereto have executed this Amendment as of the date first above written.

LANDLORD:

SUN LIFE ASSURANCE COMPANY OF  
CANADA


By: its duly authorized Agent BENTALL  
KENNEDY (CANADA) LP

By its General Partner  
BENTALL KENNEDY (CANADA)  
G.P., LTD.

By:  \_\_\_\_\_

Name: ~~ANDREW CLYDESDALE~~  
AUTHORIZED SIGNATORY

Its: \_\_\_\_\_

By:  \_\_\_\_\_  
Name: JOHN ST-JOHN

Its: \_\_\_\_\_

TENANT:

TARGET CANADA CO.,  
a Nova Scotia unlimited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

IN AGREEMENT, the parties hereto have executed this Amendment as of the date first above written.

LANDLORD:

SUN LIFE ASSURANCE COMPANY OF  
CANADA

By: its duly authorized Agent BENTALL  
KENNEDY (CANADA) LP

By its General Partner  
BENTALL KENNEDY (CANADA)  
G.P., LTD.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

TENANT:

TARGET CANADA CO.,  
a Nova Scotia unlimited liability company

By: 

Name: **Scott Nelson**  
*Authorized Signatory of*  
**Target Canada Co.**

Its: \_\_\_\_\_

EXHIBIT A

LEGAL DESCRIPTION

Block Two (2) on Plan Forest Lawn, Calgary 6037JK (containing 10.28 acres, more or less

Also excepting thereout:

PLAN	NUMBER	HECTARES	(ACRES)
ROAD	8711275	0.002	(0.004)

Excepting thereout all mines and minerals

EXHIBIT B

None



EXHIBIT C

- 1) Lease dated August 30, 2006 between Sun Life Assurance Company of Canada as Landlord and Zellers Inc. as Tenant;
- 2) Letter dated May 4, 2011 and Lease Amending Agreement dated April 6, 2011.

EXHIBIT C-1

None.

EXHIBIT D

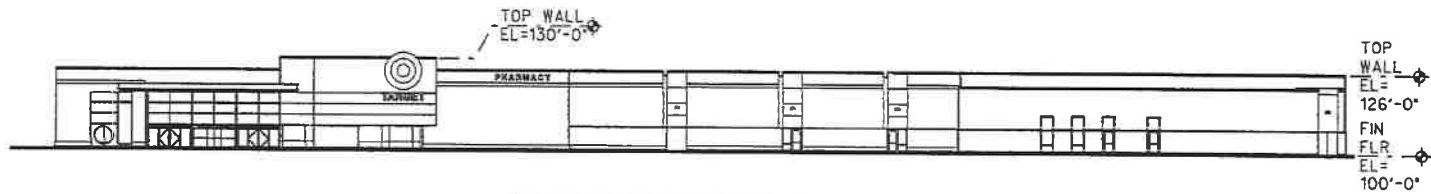
- 1) Five-Party Agreement dated August 3, 2006 between Sun Life Assurance Company of Canada, Zellers Inc., Sobeys Capital Incorporated, Domo Gasoline Corporation Ltd. and Canadian Tire Real Estate Limited.
- 2) Acknowledgment re: Five-Party Agreement dated July 13, 2007 by Sun Life Assurance Company of Canada, Zellers Inc., Sobeys Capital Incorporated, Domo Gasoline Corporation Ltd. and Canadian Tire Real Estate Limited.

EXHIBIT E

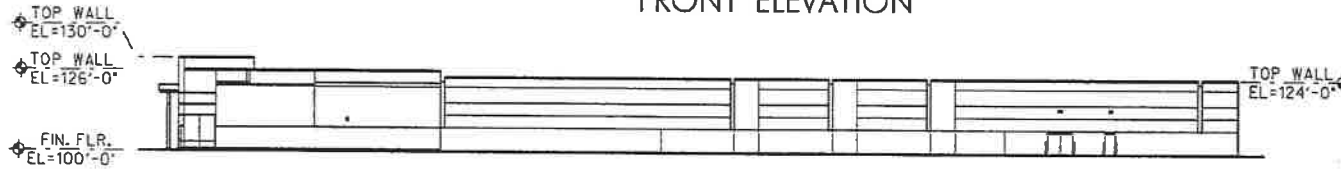
<b>TENANT</b>	<b>RESTRICTIONS ON USE</b>
<p><b><i>SOBEY'S</i></b>                      Lease made the 29 day of August, 2006 made between Sun Life Assurance Company of Canada ("Landlord") and Sobeys Capital Incorporated ("Tenant") (as assigned)</p>	<p>Caveat 071 025 849 registered January 17, 2007 re lease in favour of Crombie Property Holdings Limited (expires May 1, 2027; 3 x 5 renewals); restriction on LL from selling, transferring, assigning or otherwise disposing or its interest in the Lands to any person or corporation which has its primary business in the wholesale or retail business of selling, distributing or marketing of groceries, or to any person or corporation that is affiliated with any person or corporation having that business; provided Sobeys Premises is open for business as a grocery store, no portion of the Shopping Centre other than the Sobeys Premises shall be utilized for the sale of groceries, meat, fish, produce, baked goods or delicatessen items for off premises consumption, or for the operation of a pharmacy, except as specifically authorized in the Lease:</p>
<p><b><i>CANADIAN TIRE</i></b>                      Lease made as of the 15th day of September, 2006 made between Sun Life Assurance Company of Canada ("Landlord") and Canadian Tire Real Estate Limited ("Tenant") (as amended)</p>	<p>Caveat 081 441 259 registered November 27, 2008 re lease (term not indicated; 3 x 5 renewals); restriction on LL from using any premises in the Development for the primary or principal purpose of the sale of automotive parts and supplies; certain restrictions on LL in further developing or redeveloping the Property as set out in the lease.</p>

EXHIBIT F

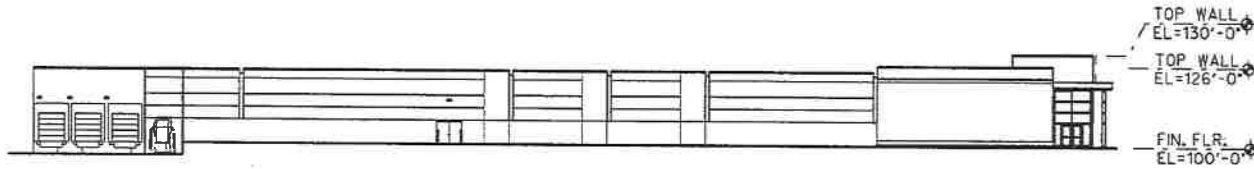
[EXTERIOR ELEVATIONS]



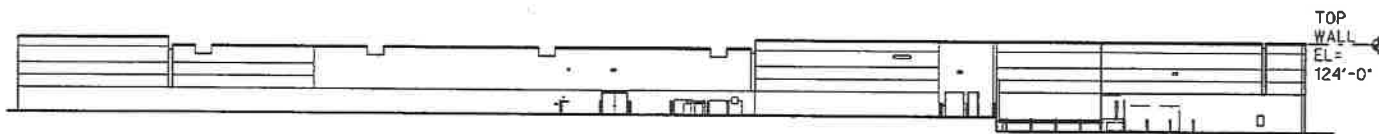
FRONT ELEVATION



RIGHT ELEVATION



LEFT ELEVATION



REAR ELEVATION

FOR ILLUSTRATION ONLY



**Exhibit F**

EXHIBIT G

[SITE PLAN]





EXHIBIT H

None.