

# **EXHIBIT "B"**

## LIMITED GUARANTY OF LEASE

This Limited Guaranty of Lease (this "Guaranty") is made as of this 21 day of May, 2011, by Target Corporation, a Minnesota corporation ("Guarantor") to and in favor of 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, were 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").

B. Target Canada Co. (the "Tenant") wishes to acquire Zellers' interest in the Lease and the Guarantor has agreed to provide this limited guaranty to the Landlord.

NOW THEREFORE, for and in consideration of \$10.00 and for other good and valuable consideration:

1. Guaranty. Guarantor hereby unconditionally, absolutely, continuingly and irrevocably guarantees to Landlord, as primary obligor and not as surety, in accordance with and subject to the terms of this Guaranty, the timely payment and performance by Tenant of its obligations and liabilities arising under or pursuant to the Lease whether direct or indirect, absolute or contingent, now or hereafter existing, or due or to become due (collectively, "Tenant's Liabilities"). Guarantor's performance under this Guaranty with respect to the Tenant's Liabilities does not, in any way, change or affect the contractual relationship between Landlord and Tenant under the terms of the Lease, and, subject to the transfer and assignment provisions of the Lease, Tenant shall retain interest in the Lease and shall remain tenant under the Lease. Further, Landlord agrees to accept any such cure by or on behalf of the Guarantor as though such cure has been directed and effected by Tenant.

2. Waivers.

2.1 General Waivers. Landlord shall not be required to prosecute collection or seek to enforce or resort to any remedies against the Tenant or any other person liable to the Landlord on account of Tenant's Liabilities. The Guarantor's liabilities shall in no way be impaired, affected, reduced or released by reason of (i) the failure or delay by the Landlord to proceed against Tenant or pursue any rights or remedies with respect to the Lease, (ii) the voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all the assets of the Tenant (or its permitted assignees) or the marshalling of assets and liabilities,

receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition with creditors or readjustment of, or other similar proceedings or any other inability to pay or perform affecting, the Tenant (or its permitted assignees) or any of its respective assets, or (iii) any allegation concerning, or contest of, the legality or validity of the indemnification obligations under the Lease.

2.2 Waiver of Suretyship Defenses. Guarantor hereby expressly waives the right to interpose all substantive and procedural defences of the law of guaranty and suretyship, except the defences of prior payment or prior performance.

2.3 Waivers Relating to Lease. Without limiting the waivers set forth above, the liability of Guarantor under this Guaranty is absolute and unconditional and shall not be deemed to have been waived, released, discharged, impaired or affected by (i) the granting of any indulgence or extension of time to the Tenant, (ii) the assignment of the Lease, or the subletting of the Premises, by Tenant with or without the Landlord's consent, (iii) the expiration of the term of the Lease, (iv) the Tenant holding over beyond the term of the Lease, (v) the disaffirmance, disclaimer, repudiation, rejection, termination or unenforceability of the Lease or by any other event or occurrence, except due to a default by Landlord, which would have the effect at law of terminating any obligations of the Tenant prior to the natural expiry of the Lease whether pursuant to court proceedings or otherwise (v) any defect or invalidity of the Lease, (vi) surrender of the Lease to which the Landlord has not provided its written consent, or (vii) any amendment, supplement or replacement of the Lease.

3. Tenant Default Notice. Landlord does, by its acceptance of this Guaranty, hereby agree to deliver to Guarantor a true, correct and complete copy of any notice of default to Tenant ("**Tenant Default Notice**") to Guarantor at the same time and in the same manner as notice to Tenant is required or provided to be given under the Lease, and Landlord shall afford Guarantor the same amount of time as such Tenant is provided under the Lease to cure any such default or event of default or to cause the same to be cured (and Landlord agrees to accept any such cure by or on behalf of Guarantor as though such cure has been effected directly by Tenant).

4. Governing Law. This Guaranty shall be governed by and construed in accordance with the laws of the Province in which the Shopping Centre is located.

5. Removal of Limitations. Notwithstanding the provisions of the *Limitations Act, 2002* (Ontario) or any other statute, a proceeding in respect of a claim under this Guaranty may be commenced on or before the second anniversary of the date on which demand for payment of the Tenant's Liabilities under this Guaranty is made.

6. Expiration of Guaranty. This Guaranty shall expire and be deemed automatically released by Landlord and of no further force and effect on the earlier to occur of: (1) the date (the “**Expiry Date**”) that is five (5) years next following the Execution Date (as defined below); (2) subject to the provisions of Section 2.3 hereof, the date of expiration of the term of the Lease (as the same may have been renewed or extended by the Tenant from time to time) excluding any expiration that is deemed to occur as a result of default by the Tenant under the Lease; (3) the date upon which the Lease is terminated or Tenant is otherwise released from obligations under the Lease, as a result of default by the Landlord; and (4) the date on which the Tenant is released by the Landlord, in writing, from its obligations under the Lease. Notwithstanding the foregoing, this Guaranty shall continue with respect to any valid notice of claim given to the Guarantor under this Guaranty in accordance with Section 8 hereof prior to the Expiry Date in respect of a failure to pay or perform an obligation that was due prior to the Expiry Date or a failure to pay a liability arising from an event which occurred prior to the Expiry Date. The Landlord has the right to enforce this Guaranty regardless of the acceptance of additional security from the Tenant.

7. Successors and Assigns.

- (a) This Guaranty shall be binding upon and enure to the benefit of Guarantor and Landlord and their respective successors and permitted assigns.
- (b) Neither this Guaranty nor any of the rights or obligations under this Guaranty are assignable or transferable by the Landlord, without the prior written consent of the Guarantor, acting reasonably; provided that Landlord may assign this Guaranty to (i) a lender in connection with an assignment of the Lease, or sublease, as security for Landlord’s obligations to such lender, and (ii) any transferee of Landlord’s interest in all or any part of the Shopping Centre who has agreed in writing with the Tenant to perform the Landlord’s obligations under the Lease and who is a transferee permitted by the terms of the Lease, without consent of the Guarantor but on not less than 10 days prior written notice to the Guarantor. For clarity, any assignment by the Landlord of any of its interests in the Lease (to a party who has agreed in writing with Tenant to perform Landlord’s obligations under the Lease and who is a transferee permitted by the terms of the Lease) operates automatically as an assignment to such assignee of the benefit of this Guaranty. Notwithstanding the foregoing, a mortgagee shall only be required to assume Landlord’s obligations under the Lease so long and only so long as the mortgagee is the successor to the interest of the Landlord under the Lease (“successor to the Landlord” meaning that the lender or mortgagee has foreclosed, become an owner or taken possession or control of the Shopping Centre); provided however that the mortgagee shall require any purchaser who acquires ownership of the Shopping Centre through a realization process undertaken by the

mortgagee to agree with the Tenant to observe and perform the Landlord's obligations which arise from and after the date such purchaser becomes the owner.

8. Notices. Any notice, direction or other communication (a "Notice") given to Guarantor or Landlord pursuant to the Guaranty, including all notices regarding default, exercise of rights or remedies and approvals, must be in writing, sent by personal delivery, courier, facsimile (but not electronic mail) and addressed to:

<p>to the Guarantor at:</p> <p>Target Corporation  Target Property Development  Attn: Real Estate Portfolio  Management/Forest Lawn  Z0109  1000 Nicollet Mall, TPN 12H  Minneapolis, MN 55403  Fax No.: (612) 761-3727</p>	<p>to the Landlord at:</p> <p>Sun Life Assurance Company of Canada  c/o Bentall Kennedy (Canada) LP  North Hill Shopping Centre  Administration Office, Suite 1665  1632 -14th Avenue N.W.  Calgary, Alberta, T2N 1M7  Attention: Leasing Department</p>
---	--

A Notice is deemed to be given and received (i) if sent by personal delivery or same-day courier, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day, (ii) if sent by overnight courier, on the next Business Day, or (iii) if sent by facsimile, on the Business Day when receipt thereof is confirmed. A party may change its address for service from time to time by providing a notice in accordance with the foregoing. Any subsequent notice must be sent to the party at its changed address. Any element of a party's address that is not specifically changed in a notice will be assumed to be changed. "Business Day" means any day of the year, other than a Saturday, Sunday or any day on which major banks are closed for business in Toronto, Ontario or Minneapolis, Minnesota.

9. Guarantor's Warranties and Representations. Guarantor hereby represents and warrants to and covenants and agrees with the Landlord that:

- (a) Guarantor has full power and authority to enter into this Guaranty and to perform the Guarantor's obligations contained herein; and
- (b) this Guaranty is valid and binding upon the Guarantor and enforceable against the Guarantor in accordance with its terms.

10. No Bar or Defense to Future Proceedings. No action or proceedings brought or instituted under this Guaranty and no recovery in pursuance thereof shall be a bar or defense to any further action or proceeding which may be brought under this

Indemnity by reason of any further default or default hereunder or in the performance and observance of the terms, covenants and conditions contained in the Lease.

11. Further Assurances. The parties will take such actions, including execution and delivery of such documents, instruments, petitions and certifications as may become necessary or appropriate to carry out the terms, provisions and intent of this Guaranty.

12. Governing Law. This Guaranty 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. The parties agree to attorn to the Courts of the Province in which the Shopping Centre is located.

13. Counterparts. This Guaranty may be executed in counterparts, and any executed counterpart shall be deemed an executed original for all purposes.

IN WITNESS WHEREOF, this Guaranty has been duly executed this 27<sup>th</sup> day of May, 2011 (the "Execution Date").

TARGET CORPORATION

By: John Mulligan

Name: John Mulligan  
SVP, Treasury & Accounting

Title: \_\_\_\_\_

The Landlord accepts the terms of this Guaranty this 27<sup>th</sup> day of May, 2011.

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 GLYDE~~  
AUTHORIZED SIGNATORY

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

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

Name: JOHN ST-ONGE

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