

**REAL Lease Agreement Summary**

<b>Date</b>	July 6, 2021
<b>Submitted by:</b>	Gerry Fischer, VP Campus and Commercial Development
<b>Tenant</b>	YQR Distilleries
<b>Type of Business</b>	
<b>General Business Description</b>	Distillery/Warehouse/Retail Liquor/Culinary School/Restuarant

**Business Terms**

<b>Leased Area</b>	42,000 Sq/ft
<b>Term of Lease</b>	40 years
<b>Extension Term</b>	Two extension terms of 20 years
<b>Lease Rate</b>	\$10 sq/ft lesser
<b>Is Lease Rate at Market Value?</b>	Yes
<b>If no, provide explanation</b>	
<b>Escalation Rate on Lease Rate</b>	The lesser of a) increase in CPI or b) 3%
<b>Common Area Charges</b>	\$7263.39 annual
<b>Escalation Rate on Common Area Charges</b>	The lesser of a) increase in CPI or b)3%
<b>If no common area charges, provide explanation</b>	
<b>Concessions:</b>	
<b>Fixturing Period Details – if applicable</b>	Commencement date plus earlier of a) One year or b) Date of business commencement
<b>Signing Incentives – if applicable</b>	N/A
<b>Tenant Improvement Allowances – if applicable</b>	\$150,000 for common area wall construction

**Responsibilities**

<b>REAL</b>	Deliver building in current state. Meeting safety standards and regulations. Provide furniture, fixtures & equipment for Common Areas Provide stubbed in services for current capabilities. Additional capacity is the tenant's responsibility
<b>Tenant</b>	Renovate the building and construct leasehold improvements to carry on its business. All required permitting Pay all required fees and development levies

REAL acknowledges and agrees the following standard terms will be included in the lease agreement:

- A form of security deposit
- Termination clauses that favour the Landlord
- Industry standard insurance coverage, naming the City of Regina as co-insured
- Property taxes and utilities are the responsibility of the Tenant