

West Building Lease - 6161 Gilpin Street to
The British Columbia Buildings Corporation
Lease No. 1617
January 7, 1986

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The increase of office space and the high vacancy rates have created a highly competitive rental market. Quoted rates have not changed drastically for a number of years, but high competition has resulted in increases in incentive packages. It is a tenants' market and firms are taking advantage of this fact.


NEGOTIATIONS:

Bearing in mind the current market situation, we have renegotiated the lease on the same terms and conditions as follows:

1. Term commencing January 1, 1986 and terminating December 31, 1989.
2. Lease rate \$8.75 per sq.ft. net, or \$82,250 per annum.
3. Area to be leased 9,400 sq.ft. or 41.8% of total rentable area.
4. That 41.8% of all operating costs be borne by the tenant.
5. That an option to renew the said lease for a further period of three years be granted.

CONCLUSION:

The negotiated rate is above the rates currently offered for office space in the 4900 Block on Canada Way. We would therefore recommend acceptance.


Patricia W. Fliieger
Municipal Solicitor

FAE:mc

c.c. Director Administrative & Community Services
Director Engineering
Director Finance
Director Planning and Building Inspection
Director Recreation and Cultural Services
Medical Health Officer