

## PROJECT DEVELOPMENT AGREEMENT

THIS AGREEMENT made effective as of the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**BETWEEN:**

**[OWNER]**

a company incorporated under the laws of [jurisdiction],  
and having an office at the City of [city], [state/province]  
(the "Owner")

**OF THE FIRST PART**

**- and -**

**[DEVELOPER]**

a company incorporated under the laws of [jurisdiction],  
and having an office at the City of [city], [state/province]  
(the "Developer")

**OF THE SECOND PART**

**WHEREAS:**

- A. The Owner was incorporated for the purposes of constructing a commercial and retail project on the Lands described on Schedule "A" hereto;
- B. The Developer is experienced in the co-ordination and supervision of the construction of such projects, and the Owner wishes to engage the Developer to provide such co-ordination and supervision.

**NOW THEREFORE THIS AGREEMENT WITNESSES** that in consideration of the mutual covenants and agreements contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, the parties hereby agree as follows:

### 1. DEFINITIONS

In this Agreement unless there is something in the context or subject matter inconsistent therewith:

- (a) "Architect" means [architects] or any successor thereto engaged with respect to the Project who shall be a member in good standing of the [architects' governing body] and engaged in the practice of architecture;
- (b) "Completion Date" means the date when:
  - (i) the Architect for the Project has certified that work on the Project is substantially complete; and
  - (ii) the City of [city] has issued a building occupancy permit certifying the Project as being available for occupancy for the commencement of construction of tenants' leasehold improvements;
- (c) "Developer" means [Developer];
- (d) "Development Budget" has the meaning ascribed to it in Clause 10 of this Agreement;
- (e) "Ground Lease" means a lease dated the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ whereby the Owner leased the Lands from [Owner], as amended from time to time;

- (f) "Lands" means the lands described in Schedule "A" hereto, which lands are held by the Owner as lessee under the Ground Lease;
- (g) "Management Committee" means the Management Committee established pursuant to the Management Agreement dated the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_;
- (h) "Owner" means the Owner;
- (i) "Project" means the first class commercial building to be developed, constructed, leased and operated on the Lands by the Owner;
- (j) "Services" means the total services required to be performed herein by the Developer pursuant hereto in connection with the development, construction and leasing of the Project.

## **2. PERFORMANCE OF THE SERVICES**

The Owner hereby engages the Developer as construction and development manager of the Project to perform the Services and the Developer hereby undertakes and agrees to perform the Services on behalf of the Owner and fulfil all of the obligations of the Developer pursuant to this Agreement, such engagement to continue until the later of:

- (a) the Completion Date; and
- (b) the date of completion of the leasing of all of the Project; provided that it is acknowledged and agreed that this sub-clause 2(b) shall be deemed to be satisfied upon the Developer securing binding lease commitments for space totaling ninety-five (95%) percent of the net rentable space in the Project;

provided that this Agreement is subject to earlier termination by the Owner pursuant to Clause 15 of this Agreement.