



May 15, 2007

York Region Rapid Transit Corporation
1 West Pearce Street
Richmond Hill, ON L4B 3K3

Attn: Mary-Frances Turner

Dear Ms. Turner:

RE: Expression of Interest – Intermodal Facility at Jane Street and Highway 407

180 Dundas Street West
Suite 300
Toronto, ON M5G 1Z8
telephone 416-594-0286

Thank you again for meeting with us to discuss the possibility and feasibility for Greyhound to be a part of the planned intermodal facility at Jane Street and Highway 407. We would like to reiterate our interest to be a part of this project.

Business Model:

We envision the intermodal at Jane Street and Highway 407 will serve as a regional hub for Greyhound's inter-city and commuter passenger services, as well as for our courier express services. This location will serve as both a destination/origin and transfer point for our inter-city passengers travelling between western and eastern Ontario, as well as a gateway to Quebec and the United States. This location will also serve our commuters from Barrie, Kitchener, Cambridge, Guelph, and Peterborough as a connection point to other modes of transportation to their final destination within the city. At this point, we project that that 8 inter-city and 24 commuter schedules will run out of this regional hub, with daily passenger flows of approximately 1,000.

Requirements:

It is estimated that this regional hub will require 2 to 3 dedicated bus lanes, and interior space of approximately 1,500 sq. ft., comprising 3 ticket counters, 1 office, a 20-seat passenger waiting area, washrooms, and a courier warehouse area of approximately 300 sq. ft.

Financial Terms:

Greyhound is prepared to commit to a long term lease with York Region for our use of this intermodal facility at a mutually agreed upon rental rate to ensure proper payback on the capital investment in our requirements. We can share with you models we have used in other cities where we have partnered with city transit and airport authorities, and develop a lease structure workable for both parties.



We are very excited about being part of this project, and we look forward to your response on next steps.

Yours truly,

GREYHOUND CANADA TRANSPORTATION CORP.

Brad Shephard
Senior Vice President, Canada