



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 – Joint Maintenance Facility

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 VIVA's search for a new maintenance facility. We would like to reiterate and solidify our interest to be a part of this project.

Business Model:

Greyhound currently owns a maintenance facility at 680 Lakeshore Blvd. E. where we provide daily servicing for 80 to 100 coaches that run out of our Toronto main terminal. Over the years we have outgrown this facility and we are facing capacity issues and space shortage. As such, we are actively searching for a new maintenance facility with increased capacity to service and store Greyhound coaches, as well as opportunities to provide servicing for other carriers under a joint facility scenario.

Requirements:

It is estimated that Greyhound will require approximately 4 acres of land to accommodate its coach and driver parking, in addition to 38,000 sq. ft. of interior space for service areas, parts and tools storage, body shop, tire shop, administration, and drivers dorms. The geographic location needs to be in close proximity to one of our regional terminals within the Greater Toronto Area. At present, we have plans for regional hubs in Vaughan (Jane St. and Hwy 407), Kipling (TTC station), and downtown Toronto.

Financial Terms:

Greyhound is prepared to commit to a long term lease for our use of this joint maintenance 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 arrangements with other carriers to service their vehicles.



Corporate Office:

As discussed at our meeting, Greyhound will consider the possibility of relocating our corporate office to York Region to support the development of mixed use communities along the new Spadina Subway Extension. We project our office requirement to range between 12,000 to 13,000 sq. ft.

We are very excited about being part of your plans for a new maintenance facility, and we look forward to your response on next steps.

Yours truly,

GREYHOUND CANADA TRANSPORTATION CORP.

A handwritten signature in dark ink, appearing to read "Brad Shephard". The signature is fluid and cursive.

Brad Shephard
Senior Vice President, Canada