

LEASE AGREEMENT

Made in duplicate the day of 2017.

IN PURSUANCE OF THE SHORT FORMS OF LEASES ACT

between

THE CORPORATION OF HALDIMAND COUNTY

(hereinafter called the "Landlord")

of the first part

and

GRAND ERIE BUSINESS CENTRE

(hereinafter called the "Tenant")

of the second part.

WITNESSETH that in consideration of the rents, covenants and agreements hereinafter reserved and contained.

The Landlord and Tenant agree as follows:

1. **DEFINITIONS**

Whenever in this Lease the following words or phrases are used, they shall have the following meanings.

- A. **"Facility"** means a portion of the lands known municipally as [insert legal description] (firstly described); Haldimand County being all of PIN [insert PIN#], and municipally known as XXX Thorburn Street in Cayuga, as described in Schedule "A";
- B. **"Common Facilities"** means all entrances and exits to the Facility, stairways, elevators, parking areas, public washrooms and such other areas as are designated by the Landlord from time to time.
- C. **"Leased Premises"** means the portion (approximately 535 square feet to be confirmed and amended as necessary prior to the Occupancy Date) of to-be-constructed space in the Facility, as shown highlighted on Schedule "B" including the interior surfaces of all boundary walls, floors, ceilings, windows and doors and where any such boundary wall separates the Leased Premises from the exterior of the Facility, that portion of the wall that extends from its centre to and including its interior surface shall be included in the Leased Premises. It is understood by both parties that future expansion by the Tenant, or future lease of the current leased space (to another tenant) may necessitate the moving of the Tenant to other space within the Facility. A minimum of 90 days notice shall be provided by either party in this case.
- D. **"Leasehold Improvements"** means all improvements, installations and alterations made, erected or installed by the Landlord on behalf of the Tenant in and on the Leased Premises to prepare the Leased Premises for the specific needs of the Tenant, over and above the basic open concept premises being constructed by the Landlord.

- E. **“Real Property Taxes”** means all real estate taxes, general taxes, local improvement rates, school taxes, levies, rates, duties, assessments and charges from time to time imposed against real property, buildings, structures and improvements by municipal or other governmental authorities having jurisdiction, and all taxes, levies, rates, duties assessments and charges.
- F. **“Rent”** includes all amounts payable by the Tenant under this Lease, calculated on an annual basis and payable monthly on the first day of the first month of Tenant’s occupancy.
- G. **“Occupancy Date”** The date of Tenant’s occupancy of the Leased Premises for the conduct of its business therein anticipated to be January 5, 2020.
- H. **“Stipulated Rate of Interest”** means that rate of interest that, at the time payment of any amount falls due under this Lease, is equal to the prime lending rate charged by a Canadian chartered bank selected by the Landlord to its most credit worthy customers at Toronto.

2. **GRANT OF LEASE**

The Landlord hereby leases and demises unto the Tenant the Leased Premises, as a single net lease, for the term and rent and subject to the conditions and covenants hereinafter provided.

Subject to its subsection c), the Landlord grants to the Tenant, its employees, agents, clerks, servants and all persons transacting business with the Tenant, in common with other persons, the right to use in accordance with the provisions of this Lease, all “Common Facilities” in the Facility.

The Common Facilities shall at all times be under the exclusive control and management of the Landlord. The Landlord shall be entitled to construct, alter, maintain, operate and police the Common Facilities, to change the area, location and arrangement thereof, to employ all personnel and to make all rules and regulations pertaining to and necessary for the proper operation and maintenance thereof, and to do and perform such other acts therein and with respect thereto as the Landlord shall determine to be advisable with a view to the improvement thereof and of the convenience and use thereof.

3. **TERM**

A) TO HAVE AND TO HOLD the said Leased Premises as outlined on Schedule “B” for and during the term of five (5) years, commencing the 5th day of January, 2020 and terminating the 4th day of January, 2025. The option to renew the lease for two separate and further terms of five years is available upon negotiations between both parties. Written notice outlining the intent to exercise this option will be required not less than ninety (90) days prior to the expiry of this agreement, or the first renewal agreement in the event of a second renewal term.

B) Should the Tenant remain in possession of the Leased Premises with the consent of the Landlord after the natural expiration of this Lease, a new tenancy from month to month will be created between the Landlord and Tenant which will be subject to all the terms and conditions of this Lease but will be terminable upon either party giving thirty (30) days notice to the other party.

C) This Lease may be cancelled by either party by providing sixty (60) days written notice.

4. **TENANT’S COVENANTS**

The Tenant covenants with the Landlord as follows:

A) From and after the Rent Commencement Date of this lease, the Tenant shall pay to the Landlord as Rent in lawful money of Canada and, subject to Section 9 B), without deduction, statement or setoff:

- i) Rent for the first year of the term calculated at \$14.00 per square foot (approximately 535 square feet).
 - ii) For the remainder of the term, the Tenant shall pay the Landlord Rent as per Clause 4 A) i) plus a percentage annual escalation rate increase based upon the Consumer Price Index for Ontario for rental accommodation as at December 31st in the previous year applied to the balance of the rate.
 - iii) For the period of the first year of the term to the seventh year of the term, Common Area Maintenance fees at \$10.00 per square foot (based on 535 square feet).
 - iv) Leasehold Improvements estimated in the amount of \$20,000.00 but to be calculated based on actual costs and based on additional or extra requirements specifically requested by the Tenant more specifically described as creating a secure office area for the Tenant. The Leasehold Improvements will be amortized over the duration of the Term, beginning on the Occupancy Date, and payable on a monthly basis, and will be subject to the stipulated rate of interest as set out by the Landlord. If at any time prior to the end of the term of the lease, the lease is deemed terminated by either or both parties, the unpaid principle balance of leasehold improvements will become due and payable within thirty (30) days of termination.
- B) All rent in arrears shall bear interest at the stipulated rate of interest from the date it is due to the date of payment.
- C) The Tenant shall pay all business taxes, Real Property Taxes, rates and license fees levied in respect of the business carried on by the Tenant in and upon or by reason of his occupancy of the Leased Premises.
- D) The Tenant covenants that the Leased Premises will not, during the term of this Lease, be used at any time for any purpose other than that of offices.
- E)
 - i) The Tenant covenants to keep and leave the Leased Premises in good repair (reasonable wear and tear and damage by fire, lightning and tempest only excluded). The Tenant further covenants that the Landlord may enter and view the state of repair and that the Tenant will repair according to the written notice of the Landlord (reasonable wear and tear and damage by fire, lightning and tempest only excepted).
 - ii) Subject to the obligations of the Tenant in this section to repair and maintain, the Landlord covenants to keep in good order and repair the structure of the Facility, the Common Facilities, all electrical lines and plumbing fixtures (except those installed by the Tenant) and all exterior walls, windows and roof save and except for any damage or injury caused by the fault or negligence of the Tenant, its contractors, agents or employees.
 - iii) The Tenant agrees that no trade fixtures, goods or chattels of any kind will, except in the ordinary course of business, be removed from the Leased Premises during the term hereby demised or at any time thereafter without the written consent of the Landlord. In removing such property, the Tenant shall do no damage to the Leased Premises or the Facility and shall make good any damage that may be occasioned thereto. On the expiration of the term, any such property not so removed shall be deemed to have become that of the Landlord.
- F) The Tenant shall refrain from storing any unsightly items, refuse, vehicles on the grounds of the Leased Premises.
- G) The Tenant and its contractors, agents and employees will at all times during the occupancy of the demised premises observe and conform to such reasonable rules and regulations as shall be made by the Landlord from time to time including the rules and regulations set forth in Schedule "B" hereto and of which the Tenant shall be notified,

such rules and regulations being deemed to be incorporated in and form part of these presents.

- H) The Tenant will not commit waste and will not do or omit to be done or omit anything upon or in respect of the property, the doing or omission of which shall result in a nuisance.
- I) The Tenant will not erect, construct or place or permit to be erected, constructed or placed or permit to continue in the Leased Premises, any structure or thing that would prevent or interfere with freedom of movement by foot between any hall, exit, entrance, passageway or walkway and the Leased Premises.
- J) The Tenant will not install in or on the Premises any special locks, apparatus for air conditioning, cooling or heating, illuminating, refrigerating or ventilating the Leased Premises without first obtaining the Landlord's written approval thereto.
- K) Locks and other security measures may not be added, removed or modified without the prior written agreement of both the Landlord and the Tenant.
- L) The Tenant will comply with all provisions of law including, without limitation, federal and provincial legislative enactments, building by-laws and any other governmental or municipal regulations which relate to the equipment, operation and use of and to the making of any repairs, replacements, alterations, additions, changes substitutions or improvements of or to the Leased Premises, and to comply with all police, fire and sanitary regulations imposed by any federal, provincial or municipal authorities and to observe and obey all governmental and municipal regulations or other requirements governing the conduct of any business conducted on the Leased Premises. In the event that the Tenant shall, at any time from time to time during the term, do or permit to be done or omit to do any act or thing which shall result in any such obligation being imposed upon the Landlord and, within a reasonable time after notice in writing from the Landlord to the Tenant, the Tenant shall not do the necessary work in order to comply with the relevant law, regulation, order or requirement, the Landlord may, at his option, without prejudice to any other rights which the Landlord may have hereunder, either do the necessary work or cause it to be done at the expense of the Tenant or forthwith, by notice in writing to the Tenant, terminate this Lease. In the event that the Landlord shall undertake any work to be done at the expense of the Tenant hereunder, the cost thereof, together with the Landlord's reasonable overhead and supervision charges in respect of such work shall be payable by the Tenant to the Landlord forthwith upon demand, and, if this Lease is terminated pursuant to the provisions of this paragraph, in addition to his other obligations on termination, the Tenant shall pay rent to the date of surrender of possession and shall moreover reimburse the Landlord for any costs which he has then incurred or may be under any obligation to incur under such law, regulation, order or requirement.
- M) The Tenant will not assign this lease or sublet the Leased Premises without the written consent of the Landlord, which consent may be arbitrarily withheld.
- N) The Tenant shall maintain throughout the duration of this Lease, a General Liability Insurance Policy covering the operations taking place on the Lands, in an amount not less than \$2,000,000 per occurrence from an insurer licensed to conduct business in the Province of Ontario, providing coverage, including but not limited to, bodily injury including death, property damage, contractual liability, and tenants' legal liability. The Landlord shall be named as an additional insured on the policy. The policy shall contain cross liability and severability of interest clauses and provide 30 days' prior written notice to the Landlord of cancellation or material change. Prior to the execution of this Lease and upon any renewal, the Tenant shall provide a Certificate of Insurance to the Landlord evidencing the policy as herein set out.

The Tenant is encouraged to maintain throughout the duration of the lease, a Contents Insurance Policy covering the assets of the Tenant. The Tenant agrees that the assets of

the Tenant are not insured by the Landlord for damage or loss, and the Landlord assumes no liability for such damage or loss.

- O) The Tenant will indemnify the Landlord from any and all liabilities, damages, costs, claims, suits or actions growing out of:
 - i) any breach, violation or non-performance of any covenant or proviso herein contained on the part of the Tenant or any of his invitees;
 - ii) any damage to anything whatsoever occasioned by the use and occupation of the Leased Premises, and;
 - iii) any injury to person or persons, including death, resulting at any time therefrom, occurring in or about the Leased Premises. Such indemnification in respect of any such breach, violation or non-performance, damage to property, injury or death occurring during the term of this Lease shall survive any termination of this Lease, anything in this Lease to the contrary notwithstanding.

- P) The Tenant agrees to permit the Landlord at any time in the event of any emergency, and otherwise at reasonable times, to take any and all measures, including inspections, repairs, alterations, additions and improvements to the Leased Premises as may be necessary or desirable for the safety, protection or preservation of the Leased Premises, or the Landlord's interest, or as may be necessary or desirable in the operation or improvement of the Leased Premises or in order to comply with all laws, regulations, orders and requirements of governmental or other authority and such measures may include the interruption of any services or utilities until such inspections, repairs, alterations, additions or improvements have been completed. The Landlord shall, except in the event of an emergency, give the Tenant reasonable notice of required entry to the Leased Premises.

- Q) If, because of any act or omission of the Tenant, its employees, agents, contractors, or subcontractors, any construction lien or other lien, charge or order for the payment of money shall be filed against the Landlord, or against all or a portion of the Leased Premises, the Tenant shall, at its own cost and expense, cause the same to be discharged within thirty (30) days after the filing thereof, and the Tenant shall indemnify and save harmless, the Landlord against and from all costs, liabilities, suits, penalties, claims and demands, including reasonable legal fees resulting therefrom.

5. **LANDLORD'S COVENANTS**

- A) So long as the Tenant shall observe and perform the covenants and agreements binding on it hereunder, the Tenant shall at all times during the term herein granted, peacefully and quietly have and enjoy possession of the Leased Premises without any encumbrance or hindrance by, from or through the Landlord, except as identified in Article 4 P).

- B) The Landlord shall maintain a General Liability insurance policy covering the Facility, in an amount not less than \$2,000,000 per occurrence from an insurer licensed to conduct business in the Province of Ontario.

- C) The Landlord reserves the right, when necessary by reason of accident or in order to make repairs, alterations or improvements relating to the Premises or to other portions of the Building to cause temporary obstruction to the Common Areas and Facilities as reasonably necessary and to interrupt or suspend the supply of electricity, water and other services to the Premises until the repairs, alterations or improvements have been completed. There will be no abatement in rent because of such obstruction, interruption or suspension provided that the repairs, alterations or improvements are made as expeditiously as is reasonably possible.

6. **LANDLORD'S CHATTELS/TENANT'S CHATTELS**

- A) The Landlord agrees to supply and the Tenant agrees to use and maintain in reasonable condition, normal wear and tear excepted, the following:
 - i. Office furniture including desks, chairs, meeting room table and chairs, lunchroom furniture and public seating.
- B) The Tenant agrees to supply the following:
 - i. Office equipment such as, but not limited to, printers, computers, fax machines, photocopiers, scanners, phone system, audio/visual equipment.
 - ii. Server room equipment, racking and accessories.
 - iii. Any other business equipment required to conduct regular operations.

7. **UTILITIES AND OTHER COSTS**

- A) The Landlord is responsible for the payment of the following utilities and other charges in relation to the Leased Premises:
 - i. Electricity, natural gas, water, sewer, janitorial services & supplies, maintenance.
 - ii. Snow clearing and winter control, lawn maintenance, parking lot maintenance, garbage removal.

The Tenant may obtain large print production jobs through the Economic Development & Tourism Manager or designate, for a fee stipulated by the Landlord, to be invoiced quarterly and payable in accordance with the Landlord's standard accounts receivable protocol.

8. **LANDLORD'S REMEDIES**

- A) If and whenever:
 - i) The Tenant fails to pay any rent or other sums due hereunder on the day or dates required (provided the Landlord first gives fifteen days written notice to the Tenant of such a failure);
 - ii) The Tenant is in default of any of its covenants, obligations or agreements under This Lease (other than its covenant to pay rent) and such default continues for a period of 15 consecutive days (or such longer period as may be reasonable in the circumstances) after written notice by the Landlord to the Tenant specifying with reasonable particularity the nature of such default and requiring it to be remedied;
 - iii) The Tenant or his agent falsifies any report required to be furnished to the Landlord, then, the landlord may:
 - a) Except in the case of non-payment of rent or other sums required to be paid by him under this Lease, remedy such default, and the cost thereof, together with interest at the stipulated rate of interest from the date of default be added to the next payment of minimum rent due under this Lease;
 - b) Without notice, re-enter upon the Leased Premises and repossess and enjoy them as of its former estate and remove all property from the Leased Premises. The Tenant may reclaim any property so removed within 30 days of their removal by paying to the Landlord any expenses incurred for removal and storage. If not so claimed the Landlord may

dispose of same as it deems advisable without becoming liable for any loss or damage caused thereby;

- c) Where it elects to re-enter the Leased Premises, either terminate this Lease by notice in writing or may from time to time without terminating the Lease, make such alterations and repairs as are necessary in order to relet the Leased Premises or any part thereof for such term or terms (which may be for a term extending beyond the term) and at such rent and upon such terms, covenants and conditions as the Landlord considers advisable.
- B) None of the remedies provided to the Landlord at law or under this section shall be exclusive or dependent upon any other remedy, but the Landlord may from time to time exercise any one or more of such remedies generally or in combination, such remedies being cumulative and not alternative.
- C) In case of removal by the Tenant of the goods or chattels of the Tenant from the Leased Premises, the Landlord may follow the same for 30 days in the same manner as provided for in The Commercial Tenancies Act, R.S.O. 1990, Chapter L.7, or any successor legislation or other statute that may hereafter be passed to take the place of it or to amend it.
- D) It is agreed that none of the goods or chattels of the Tenant at any time during the continuance of the term hereby created on the said Leased Premises shall be exempt from levy by distress for rent in arrears by the Tenant.

9. **PROVISOS**

Provided always, and it is hereby agreed between the Parties as follows:

- A) The Landlord, at any time and from time to time, may sell, transfer, lease, assign or otherwise dispose of the whole or any part of its interest in the Leased Premises.
- B) If during the term of any renewal, the Leased Premises or any part thereof shall be destroyed or damaged by fire or the elements then the following provisions shall apply:
 - i) If the Leased Premises or any part thereof is in the opinion of the Landlord, so badly damaged as to be unfit for occupancy, and as to be incapable of being repaired with reasonable diligence within one year of the happening of such damage, then the term hereby granted shall cease and be at an end to all intents and purposes from the date of such damage or destruction, and Tenant shall immediately surrender the same and yield possession of the premises to the Landlord, and the rent from time of such surrender shall be apportioned.
- C) It is agreed that no sign, advertisement or notice shall be inscribed, painted or affixed by the said Tenant on any part of the outside or inside of the Leased Premises whatsoever, unless of such manner, colour, size and style and in such places upon or in said Leased Premises as shall be first consented to in writing by the Landlord and, furthermore, the Tenant, on ceasing to be Tenant of the demised premises, will before removing his goods and fixtures from the said premises, cause any sign as aforesaid to be removed or obliterated at his own expense and in a workmanlike manner to the satisfaction of the Landlord.
- D) No condoning, excusing or overlooking by the Landlord or the Tenant of any default, breach or non-observance by the Landlord or the Tenant at any time in respect of any provision of this Lease shall operate as a waiver of the Landlord's or Tenant's rights hereunder in respect of any such continuing or subsequent default or breach, and no waiver shall be inferred from or implied by anything done or omitted by the Landlord or the Tenant save only express waiver in writing.

- E) The Landlord shall not, in any event whatsoever, be liable or responsible in any way for any personal injury or death that may be suffered or sustained by the Tenant, any employee of the Tenant or any other person who may be on the Leased Premises because of the Tenant, or for any loss of or damage or injury to any goods and chattels whatsoever belonging to the Tenant, his employees or any other person while such goods and chattels are on the Leased Premises and, in particular, the Landlord shall not be liable for any damage to any goods and chattels caused by fire, explosion or from any gas, steam, water, rain or snow which may leak into, issue or flow from any part of the Leased Premises or adjoining premises or from the water, sprinkler or drainage pipes or plumbing works of the buildings or from any other place or quarter or from any damage caused by or attributable to the condition or arrangement of any electrical or mechanical equipment or other utility; provided, however, that such non-liability of the Landlord shall in no event extend to the direct, primary and approximate results of the negligent, reckless or willful conduct of the Landlord, his agents, employees or representatives.
- F) In addition to the rights of the Landlord herein contained, if the Tenant shall be in default of any obligation under this Lease, the Landlord may perform such obligation on account of the Tenant and the Landlord shall not be liable for any loss or damage to the Tenant in so remedying the default of the Tenant. Any expense incurred by the Landlord in accordance with this paragraph shall be paid to the landlord forthwith on demand, and the Landlord, in addition to any other rights, shall have the same remedies and may take the same steps for the recovery of all such sums as if they were rent in arrears. All arrears of rent and any monies paid by the Landlord hereunder shall bear interest at the Stipulated Rate of Interest from the time such sums become due until paid to the Landlord.
- G) The Tenant covenants and agrees with the Landlord that the Tenant will not register this Lease in this form in the Land Registry Office. If the Tenant desires to make a registration for the purpose only of giving notice of this Lease, then the parties hereto shall, contemporaneously with the execution of this Lease, execute a form of notice of lease sufficient to permit registration under the Land Titles Act.
- H) If the term hereby granted shall be at any time seized or taken in execution or attachment, by any creditor of the Tenant, or if the Tenant shall make an assignment for the benefit of creditors, or becoming bankrupt or insolvent shall take the benefit of any Act that may be in force for bankrupt or insolvent debtors, the then current rent, together with the rent for three months thereafter, shall immediately become due and payable, all subject to the provisions of the Commercial Tenancies Act, as amended.
- I) Words importing the singular number only shall include the plural and vice versa, words importing the masculine gender shall include the feminine gender, and words importing persons shall include firms and corporations and vice versa. The headings to the clauses in this Lease have been inserted as a matter of convenience and for reference only and in no way define, limit or enlarge the scope or meaning of this Lease or of any provisions hereof.
- J) This Lease and everything herein contained shall extend to, bind and enure to the benefit of the heirs, executors, administrators, successors and assigns (as the case may be) of each of the parties hereto. All obligations herein contained shall be deemed joint and several, and all rights and powers reserved to the Landlord may be exercised by either the Landlord or his agents or representatives.
- K) That any notice which either of the parties is required or permitted to give pursuant to any provision of this Lease shall, if intended for the "Tenant" be given in writing left at the Leased Premises or mailed by registered mail addressed to the Tenant at the Leased Premises, and if intended for the Landlord, in writing left at the premises of the Landlord at:

Haldimand County
Attention: Manager, Support Services

XXX Thorburn Street
Cayuga, Ontario N0A 1E0

or mailed by registered mail addressed to the Landlord at the said address and such notice shall be deemed to have been given at the time it was delivered or mailed as the case may be.

L) All payments required to be made by the Tenant shall be made payable to:

Haldimand County
Finance Division
XXX Thorburn Street
Cayuga, Ontario N0A 1E0

or to such agent or agents of the Landlord or at such other place as the Landlord shall direct in writing from time to time.

- M) No amendment or modification may be made to this Lease except by instrument in writing signed by the Landlord and the Tenant.
- N) The Schedules to this Lease form part of this Lease.
- O) There is no representation, warranty or condition affecting the Leased Premises, or this Lease, or supported by this Lease other than as expressed in this Lease.
- P) This Lease does not in any way or for any purpose make the Landlord a partner of the Tenant in the conduct of its business or otherwise or a member of a joint venture or joint enterprise with the Tenant.
- Q) This Lease shall be construed in accordance with the laws of the Province of Ontario.
- R) Time shall be of the essence of this Lease.

IN WITNESS WHEREOF the parties have executed this Lease.

Authorized by
By-law No. /17

THE CORPORATION OF HALDIMAND COUNTY

Mayor Ken Hewitt

Evelyn Eichenbaum, Clerk

GRAND ERIE BUSINESS CENTRE

Witness

General Manager

I have the authority to bind the corporation.

SCHEDULE "B"

Leased Premises

