

LEASE AGREEMENT

THIS LEASE is made as of the XX day of Month, Year.

B E T W E E N:

THE TOWNSHIP OF BROCK
(the "Landlord")

- and -

SUNDERLAND AGRICULTURAL SOCIETY
(the "Tenant")

WHEREAS The Landlord is the registered owner of certain land/buildings located in the Township of Brock, in the Regional Municipality of Durham, known as the Sunderland Fairgrounds; and

WHEREAS the Parties hereto wish to enter into an agreement with respect to the use of the said fairgrounds and buildings; and

WHEREAS Council hereby permit and acknowledge an exemption to its annual Fees and Charges By-law, by granting a reduced lease rate for the lease with Sunderland Agricultural Society for the term of the lease.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants and agreements herein contained and subject to the terms and conditions hereinafter set out, the Parties hereto agree as follows:

ARTICLE I

INTERPRETATION

Section 1.01 Definitions

In this Lease:

- (a) **"Business Day"** means any day of the week except Saturday, Sunday or any statutory or civic holiday observed in the Province of Ontario.
- (b) **"Building"** means the building located at 20 Park Street, Sunderland, Ontario situated on the Property, and municipally known as the Sunderland Memorial Arena.

- (c) **"Lease"** means this lease as it may be amended from time to time in accordance with the provisions hereof.
- (d) **"Leasehold Improvements"** improvements made to the Building or the Rentable Area within the Building as defined in this Agreement.
- (e) **"Outbuildings"** means structures owned by the Landlord and situated on the Property.
- (e) **"Property"** means the lands upon which the Building is located, including parking areas, in the following municipality, namely, and being composed of Park Lot Plan 100 PIN # 72000-90054, municipally known as 'Sunderland Memorial Arena and Fairgrounds' [20 Park Street, Sunderland], in the Township of Brock, in the Regional Municipality of Durham.
- (f) **"Rent"** means the rent payable by the Tenant pursuant to Section 4.01.
- (g) **"Term"** means the term of this Lease as set out in Section 3.01 and any extension or renewal thereof.

Section 1.02 Headings

The division of this Lease into articles, sections, subsections and schedules and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Lease.

Section 1.03 Severability

All of the provisions of this Lease are to be construed as covenants even where not expressed as such. If any such provision is held to be or rendered invalid, unenforceable or illegal, then it shall be considered separate and severable from this Lease and the remaining provisions of this Lease shall remain in force.

Section 1.04 Number

Wherever a word importing the singular number only is used in this Lease, such word shall include the plural. Words importing either gender or firms or corporations shall include the other gender and individuals, firms or corporation where the context so requires.

Section 1.05 Governing Law

This Lease shall be governed by, and interpreted and enforced in accordance with, the laws in force in the Province of Ontario.

Section 1.06 Entire Agreement

This Lease and the Schedules attached hereto constitute the entire agreement between the parties concerning the Property and may only be amended or supplemented by an agreement in writing signed by both parties.

ARTICLE II**GRANT AND USE****Section 2.01 Grant**

- a) In consideration of the performance by the Tenant of its obligations under this Lease, the Landlord leases to the Tenant the exclusive free use of the Property, Building and Outbuildings, on three (3) separate occasions per calendar year, when each of the Property, Building and Outbuildings are subject to availability.
- b) One of the permitted exclusive free uses, as noted in 2.01 (a), shall be for the annual Sunderland Fall Fair held during the month of September. This exclusive use shall commence on the Sunday prior to the annual fall fair dates and conclude on the Friday following the annual fall fair dates.
- c) The Tenant is permitted in using volunteers in the arena food booth during the fall fair dates, ensuring to meet any Region of Durham Health Department requirements in preparing and handling food.
- d) The remaining two (2) exclusive free uses, as noted in 2.01 (a), amounting to no more than one day per use, shall be booked with staff no less than 60 days prior to the proposed event and are subject to availability. Use will not be permitted if the space has previously been reserved for some other purposes or by another organization.
- e) The Tenant is permitted to operate amusement rides during the fall fair (i.e. Midway rides and/or bouncy castles), subject to providing appropriate insurance coverage separate from the Insurance requirements in this lease. During the fall fair the Tenant is permitted to drop off and/or set up amusement rides prior to fall fair dates, subject to arranging with the Landlord.
- f) The Landlord may commence early ice installation in consultation with the Tenant. The Landlord will attempt to provide one year lead time with respect to any early ice installation.
- g) To reserve use of the Meeting Room at the Sunderland Town Hall once a month for a total of twelve (12) uses annually, up to a maximum of 3 hours per use, for the purpose of the Tenant's board meetings. These meetings shall be booked in advance with staff and be subject to availability.

- h) To reserve the use of the Auditorium at the Sunderland Memorial Arena up to (3) uses up to a maximum of 3 hours per use, for the purpose of the Tenant's Fair Ambassador Competition. This shall be booked in advance with staff and be subject to availability.

Section 2.02 Parking

The Tenant, its employees, agents, licensees, and invitees/patients shall have right to use the parking areas on the Property at no additional cost or expense to the Tenant.

Section 2.03 Use of Property

The Building and Property shall be used to host a fall fair or other associated supported service, and for no other purpose.

Section 2.04 Nuisance

The Tenant shall not carry on any business or do or suffer any act or thing which constitutes a nuisance, or which is offensive or an annoyance to the Landlord or area residents.

ARTICLE III

TERM

Section 3.01 Term

The term of this Lease is for a term of five (5) years, to be computed from January 1, 2025, and ending on December 31, 2030.

Section 3.02 Early Termination

- a) The Landlord or the Tenant shall have the option to elect to terminate this agreement on one year's written notice to the other party.
- b) Termination with Cause – either the Landlord or Tenant may terminate this agreement at any time for a material breach of the agreement on thirty (30) days written notice to the other party.

ARTICLE IV

RENT

Section 4.01 Rent

- a) The Tenant shall have free use of the Property, Building and Outbuildings as outlined in Section 2.01 Grant.

- b) The Tenant shall have free use of the Sunderland Town Hall Meeting Room and Auditorium, as outlined in Section 2.01 (g) & (h). Any meetings in addition to the free uses, as outlined in Section 2.01 (g) & (h), shall be paid for, in accordance with the rate set out in the Municipal Fee's By-law.

ARTICLE V

UTILITIES AND COSTS OF OPERATION

Section 5.01 Utilities

- a) All charges for water, gas, electricity, waste collection, grass/property maintenance, of the Property & Building, throughout the Term shall be provided by and paid for by the Landlord.
- b) The Landlord shall provide the Tenant reasonable access to municipal water connection and hydro connections for the period of the fall fair.

ARTICLE VI

MAINTENANCE, REPAIRS AND ALTERATIONS

Section 6.01 Tenant's Maintenance and Repair

- a) The Tenant shall return the Building, Outbuildings and Property to a state of cleanliness and repair as soon as possible after the completion of the fall fair, including cleaning up after all livestock.
- b) The Landlord and its agents may at all reasonable times enter the Building, Outbuildings, and Property to inspect the state thereof provided the Landlord has given not less than 24 hours prior written notice to the Tenant. The Tenant shall, with reasonable diligence after notice from the Landlord, make all needed repairs in accordance with such notice.
- c) If the Tenant fails to make any repairs as herein before required, the Landlord and its agents may enter the Building, Outbuildings, and Property and make the repairs for the Tenant, which repairs shall be charged to the Tenant.

Section 6.02 Notice of Damage

The Tenant shall give the Landlord notice of any damage to or defect of which it becomes aware on the Property, Outbuildings, or in the Building.

Section 6.03 Alterations to Building or Property

- a) The Tenant shall obtain written consent from the Landlord, not to be

unreasonably withheld, prior to making any Leasehold Improvements and, upon request, shall supply the Landlord with copies of plans for the proposed Leasehold Improvements. Leasehold Improvements shall be at the Tenant's sole cost and expense. Leasehold Improvements will not be of a nature to endanger the structure or reduce the value of the Building, Outbuildings or Property, and provided further that they are made by the Tenant in conformity with the statutes, regulations or by-laws of any federal, provincial or municipal authority applicable thereto.

- b) Any work carried out by the Landlord, or the Tenant, their employees, agents or contractors shall be done in a workmanlike and professional manner and in compliance with all applicable governmental bylaws and codes governing the use of the Building, Outbuildings, or Property.

Section 6.04 Liens

The Tenant shall ensure that no lien or claim for lien is registered against any portion of the Property or against the Landlord's or the Tenant's interest therein for services or materials supplied at the request of the Tenant. If a lien or claim for lien is registered or filed, the Tenant shall, within thirty (30) days after it has received notice from the Landlord, or by any other means, procure the discharge thereof, failing which the Landlord, at its option, may discharge the lien or claim for lien by paying the amount claimed to be due into court and the amount so paid shall be paid forthwith by the Tenant to the landlord. Should the Tenant receive notice of any lien or claim by other means than from the Landlord, the Tenant shall forthwith give notice of such lien or claim to the Landlord.

Section 6.05 Removal of Leasehold Improvements

The Tenant, at its sole discretion, may remove any Leasehold Improvements which it has installed provided it restores the Building, Outbuildings and/or Property, as nearly as possible, to the state they were in before such Leasehold Improvements were made. It is also agreed that as it relates the Tenant's obligation that the Landlord may identify to the Tenant any Leasehold Improvements that they would like to remain in the Building, Outbuildings and/or on the Property, prior to expiry of the Term. Upon the expiry of the Term, all Leasehold Improvements remaining in the Building, Outbuildings, and/or on the Property, shall become the property of the Landlord without compensation to the Tenant.

ARTICLE VII

INSURANCE AND INDEMNITY

Section 7.01 Tenant's Insurance

The Tenant, at its sole cost and expense, shall take out and maintain:

- (a) Commercial general liability insurance, acceptable to the Landlord providing

coverage in respect of any one occurrence to the limit of at least Five Million Dollars (\$5,000,000.00) exclusive of interest and costs, against personal injury or loss or damage to property and that such policy will name the Landlord as additional insured thereunder and will protect the Landlord against all claims or damage or injury, including death to any person or persons, or damages to any property of the Tenant or any other public or private property allegedly or actually resulting from or arising out of any act or omission on the part of the Tenant their servants, contractors, employees, consultants or agents and persons permitted thereon by the Tenant and to provide a completed insurance certificate evidencing such coverage to the Landlord. Such insurance policy shall contain provisions for cross liability and severability of interest, waiver of subrogation and further that the policy will not be changed or amended in any way or cancelled until 30 days after written notice of such change or cancellation shall have been given to the Landlord.

- (b) All insurance certificates mentioned in this Section shall be provided to the Landlord annually on the renewal date, by the Tenant, and the Tenant shall ensure continuance of all insurance for the entire duration of the Term of the Lease.

Section 7.02 Landlord's Insurance

The Landlord, at its sole cost and expense, shall take out and maintain the following forms of insurance on or in respect of the Building, Outbuildings, and Property, in such amounts and with such deductibles as a prudent owner of a similar building would insure having regard for the Building's/Outbuildings' size, age and location:

- a) "all perils" insurance on the Property (including flood and earthquake) on the Building/Outbuildings (including the foundations and excavations and other parts of the structure of the Building/Outbuildings) and the equipment contained in or servicing the Building, Outbuildings, or Property, in an amount at least equal to the full replacement cost thereof, insuring all property of the Landlord, property for which the Landlord is legally liable or property installed by or on behalf of the Landlord and the leasehold improvements;
- b) commercial general liability insurance including personal injury, broad form contractual liability, owners' and contractors' protective, contingent employers' liability, employers' liability, medical payments, projects liability, completed operations, non-owned automobile liability, all coverages with respect to the Building/Outbuildings and the use of the common areas and facilities; and
- c) other forms of insurance as would be carried by a prudent owner of a similar building.

Section 7.03 Indemnification

The Tenant shall defend, indemnify and save harmless the Landlord from and against any and all actions, losses, damages, claims, costs and expenses (including solicitors' fees on a solicitor and client basis) to which the Landlord may become liable by reason of any breach, violation or non-performance by the Tenant so indemnifying of any covenant, term or provision of this Lease or by reason of any damage, injury or death occasioned to or suffered by any person or persons including the Landlord or the Tenant, as the case may be, or any property by reason of any wrongful act, neglect or default on the part of the Tenant or any of those persons for whom it is in law responsible.

ARTICLE VIII**DAMAGE AND DESTRUCTION****Section 8.01 Damage to Building(s)**

If at any time during the Term the Building/Outbuildings is wholly or partially destroyed by fire or other insurable peril so as to render them untenable or prevent reasonable or convenient access thereto, then either the Landlord or the Tenant may terminate this tenancy within thirty (30) days of such damage or destruction upon notice to the other party.

ARTICLE IX**ACCESS AND ENTRY****Section 9.01 Right of Entry**

The Tenant agrees to permit the Landlord and authorized representatives of the Landlord to enter the Building, Outbuildings, or the Property for the purpose of inspecting the same on prior notice to the Tenant (except in an emergency where no notice shall be required), and the Tenant shall arrange for such entry at a time convenient to both parties.

ARTICLE X**DEFAULT OF LEASE****Section 10.01 Default of Lease**

If there is non-performance of any obligation upon the Tenant pursuant to this Agreement for fifteen (15) days after the Tenant has received notice thereof, then it shall be deemed that this Agreement is considered null and void.

Section 10.02 Waiver

No condoning, excusing or overlooking by either party of any default, breach or

non-observance by the other at any time or times in respect of any covenant, obligation or agreement under this Lease shall operate as a waiver of such party's rights hereunder in respect of any continuing or subsequent default, breach or non-observance, or so as to defeat or affect in any way the rights of the Landlord or the Tenant herein 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 an express waiver in writing.

ARTICLE XI

PRIORITY OF LEASE

Section 11.01 Sale of Property

The Landlord shall not sell, assign or otherwise transfer all or any part of its interest in the Property unless such sale, assignment or transfer is made subject to this Lease and all of the rights of the Tenant hereunder.

ARTICLE XII

LANDLORD'S COVENANTS, REPRESENTATIONS AND WARRANTIES

Section 12.01 Landlord's Covenants

The Landlord shall:

- a) provide the following services and facilities for the Building, Outbuildings, and/or Property:
 - i. an adequate electrical system including fixtures and outlets in the Building, Outbuildings, and Property for use during the Sunderland Fall Fair.
 - ii. access code/key to the Sunderland Town Hall for the uses as outlined in Section 2.01 (g) & (h).
 - iii. provide reasonable access to municipal water connection for use by the Tenant for the Sunderland Fall Fair.

ARTICLE XIII

TENANT'S COVENANTS, REPRESENTATIONS AND WARRANTIES

Section 13.01 Use of Property and/or Building(s)

- a) The Tenant shall not carry on any business in the Building, Outbuildings, and/or Property which shall be deemed a nuisance, or be improper, noisy or contrary to law, or any by-law of the Township of Brock, during the Sunderland Fall Fair, and/or the uses outlined in Section 2.01.

- b) Ensure all vendors retained by the Tenant, will provide copies of the required insurance and obtain all required municipal licensing, where applicable.
- c) Any alcohol sales or consumption is to be in accordance with the Municipal Alcohol Policy and will require a liquor license through the Alcohol & Gaming Commission of Ontario.
- d) The Tenant acknowledges and agrees to abide by all Provincial legislation with regard to health and safety.
- e) The Tenant acknowledges that any additional support from the Landlord outside of the terms of this agreement, shall be made in writing in the form and manner as directed by municipal policies and procedures.

ARTICLE XIV

MISCELLANEOUS

Section 14.01 Rules and Regulations

The Tenant shall comply with all reasonable rules and regulations adopted by the Landlord in relation to the Property and Building/Outbuildings provided such rules and regulations (a) do not conflict with any of the provisions of this Lease and that to the extent of any conflict the provisions of this Lease shall prevail; and (b) are effective only upon notice to the Tenant.

Section 14.02 Compliance with Laws

The Tenant, at its sole cost and expense, shall comply with all legal requirements (including statutes, laws, by-laws, regulations, ordinances, orders, rules and regulations of every governmental authority having jurisdiction) which relate to the use or occupation of the Building, Outbuildings, and/or Property by the Tenant, or the making of any repairs or Leasehold Improvements to the Building, Outbuilding, and/or Property by the Tenant.

Section 14.03 Delay

Notwithstanding anything to the contrary contained in this Lease, if either party is bona fide delayed or hindered in or prevented from the performance of any term, covenant or act required hereunder by reason of strikes, labour troubles, inability to procure materials or services, power failure, restrictive governmental laws or regulations, riots, insurrection, sabotage, rebellion, war, act of God, or other reason whether of a like nature or not which is not the fault of the party delayed in performing work or doing acts required under the terms of this Lease, then performance of such term, covenant or act is excused for the period of the delay, and the party so delayed shall be entitled to perform such term, covenant or act within the appropriate time period after the expiration of the period of such delay.

Section 14.04 Notice

Any notice, demand or other communication (in this section, a "notice") required or permitted to be given or made under this Lease shall be in writing and shall be sufficiently given or made if:

- (a) delivered in person during normal business hours on a Business Day and left with a receptionist or other responsible employee of the relevant party at the applicable address set forth below;
- (b) sent by prepaid first class mail; or
- (c) sent by any electronic means of sending messages, including telex or facsimile transmission, which produces a paper record ("Electronic Transmission") during normal business hours on a Business Day or, if not sent on a Business Day, such notice shall be deemed to have been sent on the Business Day next following;

in the case of a notice to the Landlord, addressed to it at:

1 Cameron Street East, P.O. Box 10
Cannington, ON
L0E 1E0
Attention: Municipal Clerk
Email: Clerks@brock.ca
Phone #: 705-432-2355
Telecopier No.: 705-432-3487

and in the case of a notice to the Tenant, addressed to it at:

PO Box 370
Sunderland, ON
L0C 1H0
Attention: Debbie Brethour
Email: debbrethour@hotmail.com
sunderlandfallfair@gmail.com

Each notice sent shall be deemed to have been received:

- (a) on the day it was delivered.
- (b) on the third Business Day after it was mailed (excluding each Business Day during which there existed any general interruption of postal services due to strike, lockout or other cause); or
- (c) on the same day that it was sent by Electronic Transmission, or on the first Business Day thereafter if the day on which it was sent by Electronic Transmission was not a Business Day.

Either party may change its address for notice by giving notice to the other party as

provided in this section.

Section 14.05 Assignment and Subletting

The Tenant shall not assign this Lease or sublet all or any portion without the prior written consent of the Landlord.

Section 14.06 Landlord's Consent

Where the Landlord's consent or approval is required by this Lease to any act of the Tenant, such consent or approval shall not be unreasonably withheld and the response of the Landlord shall be communicated to the Tenant within ten (10) days of the receipt of a request for such consent or approval, failing which the Landlord shall be deemed to have been given such consent or approval.

Section 14.07 Reasonableness

The Landlord and any persons acting for or on behalf of the Landlord making a determination, designation, calculation, estimate, conversion or allocation under this Lease shall act reasonably, promptly and in good faith.

Section 14.08 Successors and Assigns

This Lease shall endure to the benefit of and be binding upon the parties and their respective successors (including any successor by reason of amalgamation or statutory arrangement) and permitted assigns.

Section 14.09 Electronic Documents

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Agreement may be executed and delivered by facsimile, e-mail, or other electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile or e-mail, as if the original had been received.

IN WITNESS WHEREOF the parties have executed this Lease.

TENANT:

Debbie Brethour, President
Sunderland Agricultural Society
I have the authority to bind the corporation

Carol St. John, Treasurer
Sunderland Agricultural Society
I have the authority to bind the corporation

LANDLORD:

The Corporation of the Township of Brock

Walter Schummer, Mayor
I have the authority to bind the corporation

Fernando Lamanna, Deputy CAO & Clerk
I have the authority to bind the corportaion