

# **LEASE AGREEMENT**

**B E T W E E N**

**THE CORPORATION OF THE MUNICIPALITY OF SOUTH DUNDAS**

Hereinafter called the "Landlord"

- and -

**ST. LAWRENCE MEDICAL CLINIC LEASING CORPORATION**

Hereinafter called the "Tenant"

## **PART 1 - INTERPRETATION**

### **Definitions**

- 1.1 In this lease, the following words and phrases will have the meaning set out:
- a. "Commencement Date" has the meaning set out on Schedule "A".
  - b. "Premises" means the lands and buildings described in Schedule "B", as shown on the sketch attached as Schedule "C" and includes all buildings, structures, parking areas, improvements, fixtures, heating, ventilation, air conditioning and mechanical sprinkler and electrical equipment and machinery, and water, gas, sewage, telephone and other communications facilities and electrical power services and utilities, signage and other fixed equipment that may from time to time be located on those lands.
  - c. "Rent" means the rent payable in accordance with this lease as set out in Schedule "A."
  - d. "Term" means the term of this lease as set out in section 2.2 and any renewal or extension of the term.

## **Severability**

- 1.2 Except as expressly provided to the contrary in this lease, each section, part, term and/or provision of this lease will be considered severable. If for any reason any part of this lease is determined to be invalid and contrary to, or in conflict with, any existing or future statute or regulation by a court or government having valid jurisdiction, it will not impair the operation of, or have any other effect upon any other part of this lease.
- 1.3 All headings in this lease are intended solely for the convenience of the parties and no heading will be considered to affect the meaning or interpretation of any part of the lease.

## **Currency**

- 1.4 All dollar amounts referred to in this lease are in Canadian funds.

## **Entire Agreement**

- 1.5 This lease supersedes all prior agreements, arrangements and communications and constitutes the entire agreement between the parties. There are no understandings, inducements, representations, warranties, collateral agreements or conditions affecting or supported by this lease or upon which any party has relied in entering into this lease other than as expressed in this lease.

## **Schedules**

- 1.7 The following schedules are attached and incorporated into this lease by reference and are considered to be a part of this lease:

Schedule "A" - additional terms

Schedule "B" - description of Premises

Schedule "C" - sketch of Premises

## **PART 2 - LEASE OF PREMISES AND TERM**

### **Grant of Lease**

2.1 The Landlord leases the Premises to the Tenant and the Tenant leases the Premises from the Landlord for the Term, at the Rent, subject to the conditions and in accordance with the covenants obligations and agreements contained in this lease.

### **Term**

2.2 The term of this lease is as set out on Schedule "A". The term will commence on the Commencement Date and terminate on the date set out on Schedule "A".

### **Overholding**

2.3 If, at the expiration of the Term, the Tenant remains in possession of the Premises for any reason, save for written extensions in accordance with the provisions hereof, then the tenancy of the Tenant will be from month to month and will be on the same terms and conditions as set out in this lease.

## **PART 3 - RENT**

### **Rent**

3.1 Beginning on the Commencement Date and for the remainder of the Term the Tenant will pay to the Landlord the monthly rent for the Premises set out on Schedule "A".

## **PART 4 – TENANT’S COVENANTS**

4.1 The Tenant agrees to abide by each of the covenants set out in this article.

### **Rent**

- a. The Tenant will pay all Rent in the amount and at the times provided for in this lease.

## **Realty Taxes**

- b. The Tenant will pay to the Landlord upon request all taxes, rates (including local improvement rates), duties, assessments and licence fees (the "Taxes") that may levied, rated, charged or assessed against the Premises in accordance with the provisions of the Assessment Act, as amended or replaced. If the Term commences or terminates prior to the end of any calendar year, then Taxes will be prorated. If a separate assessment is not available for the Premises, then Taxes will be paid by the Tenant on such basis as the Tenant and Landlord agree upon.

## **Business and School Taxes**

- c. The Tenant will pay business and other government taxes, charges, rates, duties and assessments levied in respect of the Tenant's occupancy of the Premises or in respect of the personal property or business of the Tenant on the Premises. If the Tenant or any assignee or sub-tenant of the Tenant elects to have the Premises or any part, of the Premises assessed for Separate School taxes the Tenant will pay to the Landlord any amount by which the Separate School taxes exceed the amount which would have been payable for school taxes had such an election not been.

## **Utility Charges**

- d. The Tenant will pay all charges for telephone, internet, electricity, water, gas, light, heat or other similar, services used in connection with the Premises or the business carried on by the Tenant or any assignee or sub-tenant of the Tenant.

## **Maintenance of Premises**

- e. The Tenant will maintain the Premises to a reasonable standard. The Tenant will not be responsible for maintenance or repair necessitated by reasonable wear and tear, damage by fire; lightning; or storms,

structural repairs including roof components, repairs or maintenance that would be considered of a capital nature, or repairs necessitated by the willful or negligent acts of the Landlord (“the Repair Exclusions”). The Landlord may enter and view the state of repair of the Premises at all reasonable times upon 48 hours prior notice in writing. The Tenant will repair the Premises upon receipt of notice from the Landlord that such repairs are necessary, unless the repairs constitute Repair Exclusions as defined herein. Cleaning and other interior maintenance shall be the responsibility of the Tenant and shall be paid for by the Tenant.

### **Assignment/Sublet**

- f. The Tenant will not assign the lease without the Landlord’s prior consent, which consent may not be unreasonably withheld.

### **Use of Premises**

- g. The Tenant will use the Premises only for the purpose of a medical clinic together with any reasonably associated uses. The Tenant will not create or permit any nuisance on the Premises. The Tenant's use of the Premises will be lawful.

### **Damage**

- h. The Tenant will not cause any damage to the Premises.

### **Vacating Premises**

- i. The Tenant will, at the expiration of the Term or sooner in accordance with the termination provisions of this lease, vacate the Premises. The Tenant shall remove any machinery, equipment or fixtures installed by the Tenant upon vacating the Premises. The Tenant will repair any damage caused in the removal of its property from the Premises.

### **Insurance**

- j. The Tenant will take out and maintain during the Term commercial

liability insurance with respect to the Premises. Such insurance shall include coverage for bodily injury and property damage. The Tenant shall indemnify the Landlord, its employees, agents, contractors, councilors and save it harmless from and against all losses, expense, claims, debts, dues, actions, and damages in connection with any death, personal injury, or damage to property or any other loss or injury whatsoever arising from the Tenant's occupation and use of the Premises during the Term or any part thereof or occasioned wholly or in part by any act or omission of the Tenant or of any person or persons permitted by the Tenant to be upon the Premises including its employees, agents, contractors, clients, and any other person for whom the Tenant is responsible in law. If the Landlord is made a party to any litigation commenced by or against the Tenant, or against the Landlord in connection with the Premises, the Tenant shall indemnify the Landlord, save it harmless and pay all expenses and legal fees incurred by the Landlord in connection with such litigation.

### **Exhibiting Premises**

- k. The Tenant will permit the Landlord to exhibit the Premises to prospective tenants during normal business hours during the last three (3) months of the Term.

## **PART 5 - LANDLORD'S COVENANTS**

5.1 The Landlord agrees to abide by each of the covenants set out in this article.

### **Quiet Enjoyment**

- a. The Landlord covenants for quiet enjoyment of the Premises.

### **Repairs**

- b. The Landlord will perform all maintenance, repair and replacements of a capital or structural nature, including without limitation all maintenance, repairs or replacements to all roof components, exterior walls, foundations, drains, sewers, sidewalks, curbs, load bearing columns, beams and parking areas. All maintenance repairs or

replacements made by the Landlord will be conducted in such a manner and at such times as to minimize inconvenience to the Tenant and if the Landlord's repair obligations under this lease are not performed in a timely manner, the Tenant will have the option, after delivering notice in writing to the Landlord to perform such repairs and to set off the cost incurred in performing those repairs against the Rent.

### **Fire Insurance**

- c. The Landlord will maintain during the Term, fire insurance with extended coverage and endorsements on the Premises including the parking areas and sidewalks.

### **Parking**

- d. The number, size, location and designation of parking spaces available for use at the Premises will be in compliance with all government regulations. The Landlord will maintain all parking areas forming part of the Premises in a proper condition including snow removal and adequate lighting. The Landlord will allow the Tenant, its employees, agents, contractors and clients to use all of the parking areas located at the Premises without charge. The configuration of parking spots and access to the parking areas, will not be altered without the consent of the Tenant.

### **HVAC Equipment**

- e. The Landlord will provide in good working order heating and air conditioning equipment for the Premise adequate to provide proper heat and air-conditioning for the Premises. The Landlord will make all needed major repairs and replacements to such equipment. Major repairs are those that would constitute a capital expenditure. The Tenant shall be responsible for all minor repairs and/or routine maintenance of the HVAC equipment at the Premises.

### **Signage**

- f. The Tenant may erect and maintain without charge the Tenant's interior, exterior and pylon signage at the Premises.

### **Improvements**

- g. The Tenant may, at its own expense, improve the Premises.

### **Not to Disrupt Access**

- h. The Landlord will not make any change, alterations, erections, extensions or additions to the Premises which would interfere with the Tenant's business operations or obstruct the open vista in front of the Premises, or interfere with access to and from the Premises.

### **Right to Appeal Taxes**

- i. The Tenant may, at its option, in its own name or in the Landlord's name appeal any property tax assessment against the Premises. The Landlord will co-operate with the Tenant in the conduct of any such appeal. The Tenant will post adequate security for payment of the taxes under appeal prior to commencing its appeal.

### **Protective Covenant**

- j. The Landlord agrees for the duration of the Term not to lease or operate or allow to be leased or operated on the Premises or on any lands owned or controlled by the Landlord adjoining the Premises, any business that sells alcohol whether wholesale or retail.

## **PART 6 - DAMAGE TO PREMISES**

- 6.1 If during the Term the Premises are damaged then the following provisions will have effect.

### **Total Destruction**



- a. If in the opinion of the Landlord in consultation with the Tenant, the Premises are so badly damaged so as to render the Premises unfit for the Tenant's use or occupancy and are incapable, with reasonable diligence, of being repaired within 120 days from the happening of such damage then either the Landlord or the Tenant may declare the Term to be immediately terminated and in such event the insurance proceeds will become the property of the Landlord and the Tenant will immediately vacate the Premises and will pay Rent only to the time of such damage.

### **Partial Destruction**

- b. If, in the opinion of the Landlord in consultation with the Tenant, the Premises are capable with reasonable diligence, of being repaired and rendered fit for the Tenant's use and occupancy within 120 days from the happening of such damage, than the Landlord will immediately rebuild the Premises in a good and workmanlike manner with all due diligence. If the damage:
  - i. is such as to render the Premises wholly unfit for occupancy during the process of such repairs, then the Rent payable under this lease will not be payable after such damage or while the process of repair is continuing and the Rent will recommence immediately after such repairs have been completed; or,
  - ii. is such that the Premises are partially fit for occupancy and use for the purposes of the Tenant's business then until such damage has been repaired the Rent payable under this lease will be reduced in proportion to the extent that occupancy and use are interfered with and until such occupation and use are fully restored. If the Tenant disputes the amount of the suggested reduction in Rent, the amount of the reduction will be determined by an arbitrator satisfactory to the Landlord and the Tenant the appointment of an arbitrator the matter will be referred to arbitration pursuant to the provisions of the Arbitrations Act.

## **PART 7 - LANDLORD'S REMEDIES**

### **Re-Entry by Landlord**

7.1 The Landlord will be permitted to re-enter the Premises in the event of non-payment of Rent, non-performance by the Tenant of the covenants contained in this lease, or in the event that the Tenant's interest in this lease is taken in execution.

### **Notice Prior to Re-Entry**

7.2 The Landlord will not be entitled to exercise its right of re-entry under this lease unless;

- a. In the case of non-payment of Rent, the Landlord has given to the Tenant 15 days' written notice of the default and the Tenant fails to cure such default within that period; and,
- b. In the case of a breach of any other covenant, the Landlord has given to the Tenant written notice of the default complained of and the Tenant has failed to cure such default within 30 days or within such other period of time as may be reasonable in the circumstances.

### **Bankruptcy, Etc.**

7.3 If any of the goods and chattels of the Tenant are seized in execution or attached by any creditor of the Tenant or the Tenant makes any assignment or becomes bankrupt or insolvent or takes the benefit of any Act relating to bankrupt or insolvent debtors, or any order is made for the winding-up of the Tenant, then in any such case this lease will, at the option of the Landlord, terminate and the Term will immediately be forfeited, and the then-current Rent and the next ensuing three months; Rent will immediately become payable and the Landlord may immediately re-enter and take possession of the Premises.

## **Distress**

- 7.4 The Tenant waives the benefit of any statute limiting the Landlord's right of distress and agrees that none of the property of the Tenant or of any other person on the Premises will be exempt from distress for Rent in arrears.

## **Right of Termination**

- 7.5 The Tenant agrees that upon the Landlord becoming entitled to re-enter the Premises, the Rent will be paid in full to the date of such termination, and the Tenant will immediately vacate the Premises. The Landlord will also be entitled to recover from the Tenant Rent for a period equal to the balance of the Term.

## **PART 8 - GENERAL**

### **Notice**

- 8.1 Any notice to be given pursuant to this lease will be given in writing. Notices will be delivered personally or by registered mail to the address set out on Schedule "A" or to such other address or individual as may be designated by notice by either party. Any notice given by personal delivery will be considered to have been received on the date of delivery, or, if given by registered mail, on the third business day after mailing.

### **Notice of Lease**

- 8.2 The Tenant may register notice of this lease in the applicable land registry office.

### **Amendments**

- 8.3 Any amendment of this lease is invalid unless made in writing and signed by all parties.

### **Time Limits**

- 8.4 The parties agree that the time limits set out in this lease will be strictly

enforced.

### **Additional Documents and Acts**

8.5 Each of the parties agrees to do and cause to be done any other acts necessary or desirable in order to give full effect to this lease.

### **Deemed Approvals**

8.6 Whenever in this lease any matter requires the approval of a party, approval will be considered to have been given unless the party whose approval has been requested has delivered to the party requesting approval, within 30 days of the request for approval, written reasons for refusing its approval.

### **No Broker**

8.7 Each of the parties represents and warrants to the other that no person will be entitled to claim any form of broker's commission, finder's fee or other like charge in respect of this lease, and each of the parties will indemnify the other against any such claim.

### **Planning Act**

8.8 This lease is entered into subject to the express condition that it is to be effective only if the applicable provisions of the Planning Act, or any other applicable statute, are complied with and only if any consent required is granted on conditions acceptable to the Landlord.

### **Authorization**

8.9 Each of the Landlord and the Tenant represents and warrants to the other that it has all requisite power and entitlement to enable it to enter into this lease.

### **Waiver**

8.10 No waiver of any breach of this lease will be a waiver of any subsequent

breach nor will any failure to seek a remedy for any breach be a waiver of any rights and remedies with respect to that or any subsequent breach

### **Short Forms of Leases Act**

8.11 This lease is made in accordance with the *Short Forms of Leases Act*, and the provisions of that Act apply to this lease.

### **Benefit of Lease**

8.12 The rights and obligations set out in this lease will be for the benefit of and be binding upon the parties and their permitted successors and assigns.

### **Ownership of Lands**

8.13 The Landlord represents and warrants to the Tenant that the Landlord is the registered owner of the Premises with good and marketable title.

### **Zoning**

8.14 The Landlord represents and warrants to the Tenant that the Premises are properly zoned to permit the Tenant to use the Premises for the purposes specified in this lease.

### **Non-Disturbance Agreement**

8.15 The Landlord agrees that it will provide to the Tenant a non-disturbance agreement on terms reasonably satisfactory to the Tenant from any mortgagee or chargee of a mortgage or charge against the Premises as of the date of this lease providing that the possession by the Tenant of the Premises will not be disturbed even in the event of a default under such mortgage or charge for so long as the Tenant is not in default under this lease.

### **Postponement of Lease**

8.16 The Tenant agrees that, if requested by the Landlord, it will postpone this lease to any mortgage or charge which may affect the Promises, provided

however that the Tenant will not be obliged to postpone this lease unless the mortgagee or chargee grants to the Tenant a non-disturbance agreement, on terms reasonably satisfactory to the Tenant, providing that the possession by the Tenant of the Premises will not be disturbed even in the event of a default under such mortgage or charge for so long as the Tenant is not in default under this Lease.

**Counterparts**

8.18 This lease may be executed in counterparts, each of which will be considered an original, and all of which together will constitute one and the same lease.

8.19 The additional terms, if any, set out in Schedule "A" are incorporated in this lease by reference and are considered to be a part of this lease.

**Date of Execution**

8.20 The parties executed this lease on \_\_\_\_\_, 2021.

IN WITNESS WHEREOF the parties have hereunto affixed their corporate seals as attested by the hands of their officers thereunto duly authorized.

SIGNED, SEALED and DELIVERED )  
in the presence of )

ST. LAWRENCE MEDICAL  
CLINIC LEASING CORPORATION

)  
) Per:  
\_\_\_\_\_

)  
) Per:

\_\_\_\_\_  
)  
) (*We have authority to bind the Corporation*).

) THE CORPORATION OF THE  
) MUNICIPALITY OF SOUTH  
) DUNDAS

)  
) Per:

\_\_\_\_\_  
Mayor

)  
) Per: \_\_\_\_\_  
) Clerk

)  
) *(We have authority to bind the Corporation)*

## SCHEDULE "A"

### **Additional Terms**

#### Commencement Date (section 1.1a)

March 8, 2021.

#### Term (sections 1.1 f and 2.2)

Twelve (12) years, seven (7) months, and twenty-three (23) days.

#### Termination Date (section 2.2)

October 31, 2033.

#### Rent (section 3.1)

\$5,364.97 per month, together with HST in the amount of \$697.45 for a total minimum monthly rent of **\$6,062.42**:

#### Option to Renew

It is the intent of the parties to negotiate an extension of the term hereof which will allow for the Tenant to remain in possession at a yearly rental rate which is revenue neutral to the Landlord.

#### Option to Terminate

None.



## SCHEDULE "B"

### **Description of Premises**

Municipality of South Dundas, 34 Ottawa Street, Plan 29 BLK 22 Part Blk 23 Lot  
.: 31 and RP 8R1374 Part 2: 2.73 AC 266.61FR D.

SCHEDULE "C"

**Sketch of Premises**