

LEASE AGREEMENT

This lease is made in duplicate between:

Dunsford Community Centre Inc.

(the "Landlord")

and

The Corporation of the City of Kawartha Lakes

(the "Tenant")

The Landlord and the Tenant hereby agree as follows:

1. The Landlord hereby grants the Tenant a lease of the interior premises being agreed by the parties to comprise of 1,237 square feet, and as outlined in pink on the floor plan attached as Schedule "A" located on the 1st floor of the Dunsford Community Centre, 26 Community Centre Road, Dunsford, Ontario K0M 1L0, City of Kawartha Lakes (the "Premises").
2. The term of this lease commences on January 1, 2018 and ends on December 31, 2018.

If the Tenant continues in occupation of the Premises with the consent of the Landlord after expiry of the term of this lease, the Tenant shall be deemed to be leasing the Premises on a month-to-month basis but otherwise on the same terms as set out in this lease.

3. The Tenant may use the Premises for a public library and all uses ancillary thereto and for no other purpose.
4. The Tenant shall pay to the Landlord rent on the following dates and times:

January 1, 2018 to December 31, 2018 – yearly rent of \$20,200.72;

Annual rent shall be paid as follows:

- a) 1st Month's rent - \$1,744.91, payable on or before January 31, 2018;
- b) Balance of January – June rent - \$8,389.00, payable on or before February 20, 2018; and
- c) July – December rent - \$10,066.81, payable on or before July 1, 2018.

The Landlord shall provide the Tenant with an invoice for the six month period 30 days in advance of the rent becoming due.

5. Time shall be of the essence of this Lease.

6. The following services and expenses are the sole responsibility and expense of the Tenant and the Tenant agrees to promptly pay for same:
 - a) Telephone for the Premises; and
 - b) Tenant's insurance to cover contents and liability as outlined in paragraph 14 below.
7. The following services and expenses are the sole responsibility and expense of the Landlord and the Landlord agrees to promptly pay for same:
 - a) Realty taxes;
 - b) Heating;
 - c) Hydro;
 - d) Snow removal;
 - e) Landlord's liability insurance;
 - f) Cleaning (interior and windows); and
 - g) Any other utilities that may now or in the future become applicable.
8. The Landlord agrees cleaning and snow removal shall be maintained at a commercially reasonable standard that is suitable, timely, and responsive to the needs of the Library, its patrons, and its hours of operation in order to ensure safe access to the facility by staff and patrons during branch hours as determined from time to time.
9. Cleaning shall be maintained at a commercially reasonable standard appropriate for the public use of the facility and same shall be conducted in such a way so as to not conflict with the reasonable use of the Premises by staff and the public. The Landlord shall be responsible for cleaning/replacement of carpeting and mats and cleaning supplies associated with the washroom facilities of the Library (as suggested by staff).
10. The Library shall have the use of the tables and chairs for programming purposes from time to time, subject to the provision that adequate and reasonable notice shall be given to the Landlord as to when the table and chairs are required. The Tenant acknowledges that the Landlord from time to time holds functions and the tables and chairs may not be available for use by the Tenant.
11. The Landlord shall also be solely responsible for the undertaking of and costs of all repairs or improvements to the structure and to the interior and exterior of the building including lighting and fixtures.
12. Any services and expenses undertaken by the Tenant without the Landlord's permission relevant to the use by the Tenant of the Premises and not mentioned in this lease are the responsibility and expense of the Tenant.
13. The Landlord covenants with the Tenant that so long as the Tenant complies with the terms of this lease, the Tenant may occupy and enjoy the Premises without any interruption or interference from the Landlord.
14. The Tenant shall purchase and maintain public liability insurance in the amount of no less than Two Million Dollars (\$2,000,000.00) and shall provide proof of this insurance to the Landlord on request.

15. The Landlord shall maintain public liability insurance in the amount of not less than Two Million Dollars (\$2,000,000.00) and if there is ever any claim made by a third party, then the Tenant and the Landlord shall be indemnified by the other party in relation to their actions, or their inaction if any liability attaches as a result of the foregoing.
16. Subject to paragraph 17 below, the Landlord may terminate this lease on sixty (60) days' notice for anyone of the following or any other cause permitted by law:
 - a) Fifteen days' arrears of rent or additional rent;
 - b) The bankruptcy or insolvency of the Tenant;
 - c) A material change in the use of the Premises by the Tenant and, in particular (without limiting the generality of this provision), any change of use by the Tenant that materially affects the Landlord's building insurance or that constitutes a nuisance;
 - d) Any unauthorized assignment or subletting of this lease by the Tenant;
 - e) Substantial damage to or destruction of the Premises;
 - f) Any sale or material change in the use of the building in which the Premises are located by the Landlord; or
 - g) Any significant willful or negligent damage to the Premises caused by the Tenant or by persons permitted on the Premises by the Tenant, which is not repaired by the Tenant.
17. The Landlord and the Tenant covenant and agree that if either party is in breach of any provision of this Lease Agreement, then the party who is not in breach shall provide to the other party who is in breach, the nature of the breach, and give that party thirty (30) days' notice to correct the breach. If the said breach is not corrected within thirty (30) days of receiving the notice as set out in paragraph 16 above, then the breach may be treated as grounds for termination of this Lease Agreement.
18. Subject to the terms of this Lease and appropriate notice, on the Landlord becoming entitled to re-enter and to take possession of the Premises for any of the grounds for termination set out in this Lease or for any other cause permitted by law, the Landlord, in addition to all other rights, will have the right to enter the Premises either by force or otherwise and with an accompanying right to change the door locks for the Premises and to re-let the Premises and to receive the rent therefore.
19. The Tenant may not assign or sublet the Premises, in whole or in part, or allow the Premises to be used by any other person without the written consent of the Landlord, which consent shall not be unreasonably withheld.
20. The Tenant shall not make improvements or alterations to the Premises without the written consent of the Landlord, which consent shall not be unreasonably withheld.
21. At the end of the lease, the Tenant shall deliver vacant possession to the Landlord of the Premises in the same condition as at the commencement of the lease, reasonable wear and tear excepted.
22. Any written notice require or permitted to be given by this lease is sufficiently given if sent in proper form by ordinary mail to the last known address of the party for whom

the notice is intended. Any written notice sent by ordinary mail in accordance with this paragraph is deemed, for the purposes of this lease, received by the addressee on the seventh day after mailing unless actually received before. Nothing in this paragraph prevents giving written notice in any other manner recognized by law.

Notice to the Landlord shall be given at:

Dunsford Community Centre Inc.
26 Community Centre Road
Dunsford, Ontario KOM 1L0

Notice to the Tenant shall be given at:

190 Kent Street West
Lindsay, Ontario K9V 6Y6
Attention: Library Director/CEO

23. In this lease, words importing the singular include the plural, and vice versa, and importing the masculine gender include the feminine, and importing an individual include a corporation and vice versa. This lease binds and benefits the parties and their respective heirs, successors, and permitted assigns.
24. If not in default under this lease, the Tenant has the right to renew this lease for a further term of two (2) years exercisable by giving written notice of renewal to the Landlord in the six month period immediately before the expiry of the original fixed term of this lease. The renewed lease is granted on the same terms as set out in this lease except as to base rent and without any further right of renewal. The base rent payable by the Tenant in the renewed term may be agreed between the Landlord and Tenant but, failing such agreement before commencement of the renewed term of the lease, the amount of the base rent shall be referred to and settled by a single arbitrator agreed upon by the parties or, in default of such agreement, to a single arbitrator appointed pursuant to the legislation governing submissions to arbitration in the jurisdiction whose laws govern this agreement. The decision of the arbitrator is final and binding on the parties with no right of appeal. If the Tenant does not give the notice of renewal within the six month period, then the Lease is terminated and at an end.

25. SEVERABILITY

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision.

26. ARBITRATION AND MEDIATION

- (1) Despite anything contained in this Agreement to the contrary, in the event that a dispute or difference arises with respect to this Agreement that cannot be resolved by negotiation between the parties and the parties agree that they do not wish to terminate this Agreement, then in such event the parties agree to use the services of an experienced, qualified mediator to attempt to resolve their dispute or difference and, failing agreement on the procedure to be followed, the mediation shall be conducted in accordance with the

"Rules of Procedure for the Conduct of Mediations" of the Arbitration and Mediation Institute of Ontario.

- (2) In the event that mediation does not result in a resolution of the dispute or difference and the parties agree that they do not wish to terminate this Agreement, then in such event any unresolved issue may be taken to any other appropriate dispute resolution process including a court of competent jurisdiction located at Lindsay, now in the City of Kawartha Lakes and Province of Ontario. Should arbitration be agreed upon, the arbitration will be conducted in accordance with the "Rules of Procedure for the Conduct of Arbitrations" of the Arbitration and Mediation Institute of Ontario pursuant to the Arbitration Act, 1991 (Ontario).

27. This Lease will be governed by the laws of the Province of Ontario.

28. Copies of this Lease will be treated as originals.

Executed at Dunsford on the 6 day of Sept., 2018

DUNSFORD COMMUNITY CENTRE INC.

Per: James L. Thurston
President

Per: W. Menley
~~Secretary~~ **VICE PRESIDENT**

We have authority to bind the Corporation

Executed at _____ on the _____ day of _____, 2018

**THE CORPORATION OF THE CITY OF
KAWARTHA LAKES**

Per: _____
Name: Andy Letham
Title: Mayor

Per: _____
Name: Cathie Ritchie
Title: City Clerk

We have authority to bind the Corporation

SCHEDULE "A"

