

THIS LEASE MADE THIS 25 DAY OF AUGUST, 2003,

BETWEEN

CORPORATION OF THE TOWNSHIP OF BONNECHERE VALLEY

(Hereinafter called the "Lessor" of the First Part)

- and -

BONNECHERE ARTS AND HISTORICAL SOCIETY

(Hereinafter called the "Lessee" of the Second Part)

Whereas:

1. The Lessee is a community organization in the Township of Bonnechere Valley.
2. The Lessee has significant community support and has successfully operated a museum in the premises hereinafter described.
3. The Lessor and Lessee are desirous to provide a location of some permanence for the museum in order that the Lessee organization may grow and flourish.
4. The Lessor is the owner of the lands described in Schedule "A", together with all buildings and structures erected thereon;
5. The Lessor has agreed to lease a significant portion of the building located on the lands described in Schedule "A", on the terms and conditions hereinafter set out;

In consideration of the rents, covenants and agreements reserved and contained on the part of the Lessee to be paid, observed and performed, the Lessor and the Lessee agree as follows:

**1. Premises**

(1) The Lessor doth demise and lease unto the Lessee and the Lessee doth lease and take from the Lessor, for the purpose of operating a museum, said museum to include Arts and History related presentations or performances, for the term mentioned, and upon the terms and conditions set out in this indenture, all those certain premises, in the Village, being a portion of the Village Center containing 3900 square metres and located on the lands described in Schedule "A" attached hereto.

The area and rear entrance currently being used by the O.P.P and NEIGHBOURHOOD WATCH is hereby excepted. The Lessee acknowledges that access to the said museum areas is through the main doors of the building and expressly agrees that the Directors of the Society and the Lessor will have keys to the building. The lessor will have access to all areas of the building because of the Lessor's obligations herein and will not be required to give notice for entry, unless the entry will interfere with the operations of the Lessee. .

(2) To have and to hold the demised premises for a term of twenty (20) years commencing on the 1st day of January, 2003 and terminating on the 31st day of December, 2022, subject to the right of termination as set out in clause 3.

## **2. Rents**

(1) Yielding and paying for the first year of the term unto the Lessor the sum of \$1.00 per annum in advance on the first day of each and every year of the said term.

(2) The Lessor agrees to pay all of the following expenses during the said term:

- (a) all **utilities**
- (b) major maintenance that may be required for the building, building equipment and premises
- (c) care of roofs, walks, snow removal, ramp care, door and window adjustment, periodic cleaning, furnace cleaning, maintenance, and **de-humidification control**
- (d) maintenance of museum internet publicity as agreed upon on Municipal website
- (e) **installation and maintenance of electronic security to the building and premises**

(3) The Lessee agrees to comply with the following matters during the said term:

- (a) to set reasonable hours that the museum will be open to the public on a day-to-day basis, seasonally, or by appointment, responding to traffic count and community events
- (b) to provide a list of its officers following each annual general meeting, and to provide the name of any advisory, non-voting member who may be elected to a mutual contact role;
- (c) to share museum financial statements and information to the Lessor as part of budgeting and partnering

### **3. Termination**

At any time after five (5) years if either party wishes to terminate this lease, then it shall have the right to so terminate this lease upon giving the other party at least twenty-four (24) months' written notice of its desire to do so.

### **4. Renewal**

In the event the lease continues to the end of the term and the Lessee is desirous of renewing the lease, the Lessee agrees to give the Lessor a minimum of three (3) year's written notice prior to the end of the term of its wish to renew the said lease. The Lessor and Lessee agree to immediately commence negotiations which may continue up to and including two years before the end of the term. In the event the Lessor and Lessee have not reached an agreement prior to two year's before the end of the said term, the Lessee agrees, unless written confirmation otherwise is provided by the Lessor, to immediately develop and implement plans for the vacating the premises at the end of the said term.

The purpose of this paragraph is to recognize that there will be a significant number of artifacts in the museum and to allow the Lessor and the Lessee to make and implement plans for moving the artifacts if necessary.

### **5. Parking**

The Lessee shall be entitled to the use of all parking spaces on the lands upon which the demised premises are constructed, such spaces to be assigned by the Lessor to the Lessee.

## **6. Payment of Rent**

The Lessee covenants with the Lessor to pay the rent.

## **7. Quiet Enjoyment**

The Lessor covenants with the Lessee for quiet enjoyment, subject to the terms herein.

## **8. Taxes**

In the event that the demised premises are liable for municipal taxes, the **Lessor shall pay** any and all municipal taxes, including local improvements assessed against the demised premises at any time during the term.

## **9. Assignment**

The Lessor and the Lessee covenant and agree that the Lessee shall not at any time assign this lease or sublet any part or parts of the premises without the written consent of the Lessor. The Lessee agrees that the Lessor may demand very stringent conditions if such an assignment is requested and may refuse such an assignment having regard to the fact that the Lessor is paying virtually all of the expenses relating to the demised premises. In the event that such an assignment is requested, notwithstanding paragraph 3, the Lessor may accelerate the notice required to terminate this lease and the lessor may terminate such lease upon six (6) month's written notice at any time during the said term. In the case that the existing tenant, i.e. Neighbourhood watch, should vacate its basement office premises and separate rear entrance, the Lessor agrees to first offer said premises to the Lessee of this agreement for reasons of storage and security of housed artifacts.

## **10. Lessee's Default**

This indenture provides for re-entry by the Lessor on non-payment of rent or non-

performance of covenants.

## **11. Liability and Indemnity of Landlord**

(1) The Lessor and Lessee covenant and agree that the Lessor shall not be liable or responsible in any way for personal or consequential injury of any kind whatsoever that may be suffered or sustained by the Lessee, or any employee, agent or invitee of the Lessee, or any other persons who may be upon the lands and premises or for any loss, theft, damage or injury to any property upon the lands and premises however caused.

(2) With the exception of claims arising as a result of the Lessor's negligence or arising as a result of the Lessor's failure to fulfil its obligations set out in this agreement, the Lessee covenants to indemnify the Lessor against all claims including construction lien claims by any person arising from any want of maintenance thereof or anything done or admitted on or in the vicinity of the demised lands and premises or any other thing whatsoever, whether arising from any breach or default or from any negligence by the Lessee, its agents, contractors, employees, invitees or licensees, or from any accident, injury or damage or any other cause whatsoever, and such indemnity shall extend to all costs, counsel fees, expenses and liabilities which the Lessor may incur with respect to any such claim.

## **12. Insurance**

(1) The Lessor shall insure the building against insurable risks.

(2) The Lessee shall be responsible for placing insurance upon the contents of the demised premises.

(3) The Lessee agrees to provide by way of self-insurance comprehensive public liability insurance pertaining to the demised premises in the amount of \$3,000,000.00 with the Lessor as an additional name insured and a provision for cross-liability under the insurance policy, and to furnish the Lessor with an updated certificate of insurance throughout the term.

## **13. Repairs**

(1) The Lessor covenants with the Lessee:

- (a) to repair, and maintain the building in such a condition that the premises can be used as a museum. The foregoing would include all major maintenance service that will be required to operate the building including the roof and any other structural repair, as well as the exterior of the demised premises and any common internal areas.

(2) The Lessee covenants with the Lessor:

- (a) that the Lessor may enter and view the state of repair
- (b) to provide adequate supervision at all times the building is open to ensure that the building is not damaged by third parties during hours of operation

#### **14. Maintenance**

(1) The Lessor shall maintain the grounds.

(2) The Lessor agrees to provide, throughout the term of this Lease, such utilities as the Lessee may reasonably require including water, gas, electric power or energy, steam or hot water; but the Lessor shall not be liable for the failure to provide such utilities when such failure is beyond the Lessor's control.

#### **15. Alterations, Partitions, Improvements**

(1) If the Lessee during the term desires to affix or erect partitions, counters or fixtures in any part of the walls, floors or ceilings of the demised premises, it may do so at its own expense at any time and from time to time provided that the Lessee's rights to make such alterations to the demised premises shall be subject to the conditions contained herein.

(2) Before undertaking any permanent alterations, the Lessee shall submit to the Lessor a plan showing the proposed alterations and shall obtain the approval and consent of the Lessor to the

same.

(3) All such alterations shall conform to all building regulations then in force affecting the demised premises.

(4) Such alterations will not be of such kind or extent so as to in any manner weaken the structure of the building after the alterations are completed or reduce the value of the building.

(5) At the expiration of the term hereby granted or any renewal thereof, the Lessee shall have the right to remove its fixtures (but not the leasehold or structure improvements which shall remain the property of the Lessor) provided the Lessee makes good all damage occasioned to the demised premises by the taking down or removal thereof.

(6) It is understood and agreed that, notwithstanding the other provisions of this lease, if the building is damaged or destroyed by fire, lightning or tempest or by other casualty against which the Lessor is insured, so as to render the demised premises unfit for the purpose of the Lessee or incapable of access, the rent hereby reserved or a proportionate part thereof, according to the nature of the damage to the demised premises, shall abate until the demised premises are rebuilt. The Lessor agrees that it will with reasonable diligence repair the demised premises and make the same capable of access, unless the Lessee is obliged to repair under the terms hereof or unless this lease is terminated as hereinafter provided. If the demised premises are damaged or destroyed by any cause whatsoever such that in the opinion of the architects of the Lessor the demised premises cannot be rebuilt or made fit for the purposes of the Lessee within 120 days of the damage or destruction, the Lessor instead of making the demised premises fit for the Lessee may at its option determine this lease by giving to the Lessee within 120 days after such damage or destruction, notice of termination and thereupon rent and any other payment for which the Lessee is liable under this Lease shall be apportioned and paid to the date of such damage and the Lessee shall immediately deliver up possession of the demised premises to the Lessor.

## **16. Termination**

It is mutually agreed that if the Lessee defaults in any payment of rent when due or in performing any of the terms, covenants or provisions of this lease, the Lessor may forward notice in writing of such default to the Lessee. Failure of the Lessee to cure such default to the satisfaction of the Lessor within 90 days after the date of receipt of such notice shall, at the option of the Lessor,

work as a forfeiture of the lease and shall give the Lessor the right, at its option, to treat this lease as cancelled and terminated. The term and estate vested in the Lessee, as well as all other rights of the Lessee under this lease, shall immediately cease and expire as fully and with like effect as if the entire term provided for in this lease had expired, and the Lessor may enter the demised premises, with or without process of law, and take possession together with any and all improvements which may have been erected thereon, the Lessee waiving any demand for possession thereof; and all improvements made upon the premises shall be forfeited and become the property of the Lessor as liquidated damages without compensation therefore to the Lessee.

#### **17. Notice**

Any notice to be given pursuant to this lease shall be sufficiently given if served personally upon the party or an officer of the party for whom it is intended, or mailed, prepaid and registered; in the case of the Lessor addressed to it care of the Chief Administrative Officer, the Corporation of the Township of Bonnechere Valley, 49 Bonnechere Street , P.O. Box 100, Eganville, Ontario K0J 1T0, and, in the case of the Lessee, Bonnechere Arts and Historical Society care of Preston O'Grady 193 Sand Rd. Box 275, Eganville, ON K0J 1T0, or such other address as the parties may designate by notice in writing. The date of receipt of any such notice shall be deemed to be the date of delivery, if such notice is served personally or, if mailed, three (3) days after such mailing.

#### **18. Payments**

All payments under this lease shall be made to the Lessor, the Corporation of the Township of Bonnechere Valley, to the attention of the Chief Administrative Officer.



**19. Time of Essence**

Time shall be of the essence, save as otherwise provided in this lease.

In witness whereof the parties have affixed their respective corporate seals attested by the hands of their respective officers duly authorized in that behalf.

Corporation of the  
Township of Bonnechere Valley

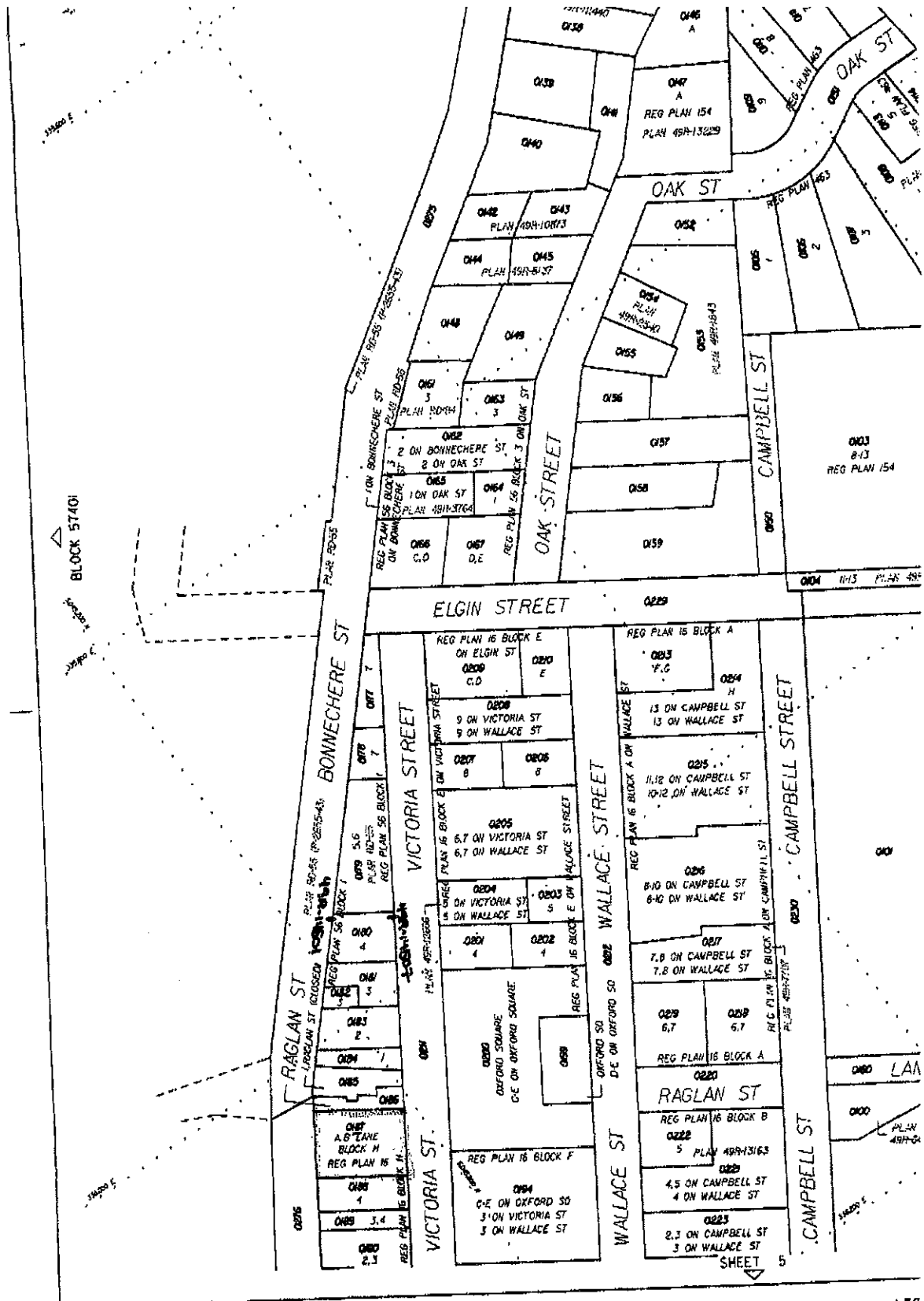
Per: *Arlene Felhaber*  
Reeve: Arlene Felhaber

*Bryan Martin*  
Chief Administrative Officer: Bryan Martin

Bonnechere Arts and Historical Society

Per: *M.P.O. Grady*  
\_\_\_\_\_

We have the authority to Bind the Corporation



MINISTRY OF  
 CONSUMER AND  
 COMMERCIAL  
 RELATIONS  
 ONTARIO

THIS INDEX MAP SHOWS ALL  
 PROPERTIES EXISTING IN  
 BLOCK 57413 - SHEET 4  
 ON FEBRUARY 1, 1999

PROPERTY INDEX MAP  
 BLOCK 57413  
 VILLAGE OF EGANVILLE &  
 TOWNSHIP OF  
 WILBERFORCE

- LEG
- PRESEHOULD PROPERTY BOUNDARY
  - LEASEHOLD PROPERTY BOUNDARY
  - NATURAL RESOURCE PROPERTY TO PRESEHOULD PROPERTY NUMBER
  - LEASEHOLD PROPERTY NUMBER
  - NATURAL RESOURCE PROPERTY NUMBER
  - TOWNSHIP FABRIC
  - STREAMS, RIVERS
  - EASEMENTS
  - 49, 00000 XIP NUMBER

\* CERTIFIED BY LAND REGISTRAR IN ACCORDANCE WITH LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

NOTE: DESCRIPTION: 1/2 A CORNER OF BONDSCHEDE ST & LAKE BUK II PL. 1/6 WITH REFERENCE; 1/2 B CORNER OF VICTORIA ST & LAKE BUK II PL. 1/6 WITH REFERENCE; VILLAGE OF EGANVILLE

PROPERTY REMARKS:

REGISTRY

EXPLOITATION

FIRST CONVERSION

FROM BOOK

PIII CREATION DATE

1999/03/08

OWNER'S NAMES

THE CORPORATION OF THE VILLAGE OF EGANVILLE

CAPACITY SHARE

BEMO

PROPERTY QUALIFIED

REGISTRY 10000729 THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1999/03/08 ON THIS PVI

AS REPLACED WITH THE "NEW CREATION DATE" OF 1999/03/08

WHICH INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1999/03/08

SUBJECT ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:

SUBSECTION 4(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPHS 11, PARAGRAPHS 14, PROVINCIAL SUCCESSION OUNES

AND ESCHEATS OR FORFEITURE TO THE CROWN,

THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF

IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY

CONVENTION,

ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.

DATE OF CONVERSION TO LAND TITLES: 1999/03/08

1977/03/28

TRANSFER

5

19,000

1977/09/01

BEZAM

THE CORPORATION OF THE VILLAGE OF EGANVILLE

C

C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.

2

MINISTRY OF  
CONSUMER AND  
BUSINESS  
SERVICES

LAND  
REGISTRY  
OFFICE #49  
\* CREDITED BY LAND REGISTRAR IN ACCORDANCE WITH LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN COLOR GRANT \*

RECENTLY  
FIRST CONVERSION FROM BOOK  
GARRETT SHANE  
BRO

PARCEL REGISTRY (ABBREVIATED) FOR PROPERTY IDENTIFIER

57413-0186 L51

PARCEL REGISTRY (ABBREVIATED) FOR PROPERTY IDENTIFIER

PAGE 1 OF 1  
PREPARED FOR darlene.dum  
ON 2003/03/17 AT 14:17:45

17.00

TOTAL P. 04

FILE DESCRIPTION:

LAND E1 E6 WILDERNESS ON THE E SIDE OF LT 1, SEK 1, BVR VICTORIA ST & SONNECHERE SF, EXCEPT ET CLOSED BY BILAN R169049, LOCALLY KNOWN AS BEGIAN ST ; VILLAGES OF ESNAVILLE

NOT RECORDED:

RECENTLY  
FIRST CONVERSION FROM BOOK  
GARRETT SHANE  
BRO

S. NAMES  
ORIGINATOR OF THE VILLAGE OF ESNAVILLE

GARRETT SHANE  
BRO

REGISTRATION OF THE VILLAGE OF ESNAVILLE

GARRETT SHANE  
BRO

EXEMPT FROM

PAYMENTS TO

CHGC/  
CHRD

NO. DATE RESERVATION TYPE AMOUNT

2000/07/23 THE ACQUISITION OF THE "BLOCK IMPLEMENTATION DATE" OF 1999/03/08 ON THIS FID\*\*

AS REPLACED WITH THE "PIN CREATION DATE" OF 1999/03/08\*\*

PLANBOOK INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) \*\*

DETECT, OR FIRST REGISTRATION UNDER THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DEVIAS \*

AND ASSUMES OR FORFEITS TO THE CROWN.

THE RIGHTS OF ANY PERSON WHO HAD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF

IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, RUCSCRIPTION OR BOUNDARIES SETTLED BY

CONVENTION.

ANY LEASE TO WHICH THIS SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.

DATE OF CONVERSION TO LAND TITLES: 1999/03/08 \*\*

166 1974/10/08 PLAN SUBDIVISION

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.  
NOTE: NUMBER THAT YOUR PRINTOUT STARTS THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.