

LAND LEASE AGREEMENT

This Agreement made on this _____ day of _____, 2024.

-BETWEEN-

THE CORPORATION OF THE CITY OF DRYDEN

Herein called the "LESSOR"

-AND-

K-Sports Marine Inc.

Herein called the "LESSEE"

AGREE AS FOLLOWS:

WHEREAS the Lessor is the owner of the unopened street allowance off Government Street;
and,

WHEREAS the Lessee is the owner of property adjoining the said street allowance; and,

WHEREAS the Lessor has the authority under the provisions of the Municipal Act of Ontario to lease property under its jurisdiction upon such terms and conditions as may be agreed, and further, to regulate and control its use;

NOW THEREFORE BE IT RESOLVED that in consideration of the rents and covenants contained in this lease, the Lessor leases to the Lessee, the lands and premises as described in this Agreement and as described in Schedule "A" to this Agreement.

1. Property Description

The Lessee agrees to lease from the City lands designated as approximately thirty (30) feet wide, and approximately three hundred and seventy (370) feet in length located North of the northern property line of 564 Government Street, and legally described as, CON 5 PT LOT 2 PCL 20955 and as shown on Schedule 'A' to this agreement.

2. Purpose

The Lessee agrees that the property shall be used only for access to the parking and display of products associated with the Lessee's business by the Lessee, subject to the covenants as provided in this Agreement.

3. Payment

The Lessee shall pay a sum of five hundred Dollars (\$500.00) annually to the Lessor, the sum of which is to be reviewed and negotiated, upon execution of this Agreement. The annual sum is due on or before the anniversary date thereof.

4. Late Payment

All payments in arrears shall bear interest from the due date to the date of payment at a rate per annum equal to the prime commercial lending rate of the City's current banking institution, plus two percent (2%).

5. Term

This Agreement shall commence November 12, 2024, for a period of five (5) years to November 12, 2029, except that at the option of the parties hereto, the Lessee may negotiate a further term of five (5) years for the continued occupation of the land.

6. Notices

a) Any notice or other communication required or permitted shall be given as follows:

For the Lessee:

K-Sports Marine Inc.
876 River Drive
Kenora, ON P9N 1K3

For the Lessor:

City Clerk
The Corporation of the City of Dryden
30 Van Horne Avenue
Dryden, Ontario P8N 2A7

b) Either party to this Agreement shall, at any time, give notice in writing to the other of any change of ownership or address, and the new owner or address specified shall be deemed to be the address of such party for the giving of future notices.

7. Termination

- a) This Agreement may be terminated by either party by giving notice in writing to the other party within thirty (30) calendar days in advance of the date the Agreement is to be terminated.
- b) The Lessor reserves the right to terminate the Agreement at any time, based on the following provisions:
 - i) Failure to meet the obligations under all the terms and conditions of the Agreement.
 - ii) The Lessee becoming bankrupt, insolvent, under receivership or selling of business or causing insurance to be cancelled.

Upon termination of the Agreement, the Lessor can re-enter the property and manage as it sees fit.

8. Lessee Covenants

- a) The Lessee shall pay all sums as specified in this Agreement.
- b) The Lessee shall be responsible for all maintenance that is required and shall maintain and keep the property in good condition for the term of this Agreement.
- c) The Lessee shall use the property for the display of recreational vehicles including trailers and campers for sales as part of the Lessee's business.
- d) All vehicles parking on this property shall not exceed fifteen (15) feet in height.
- e) The Lessee shall ensure that a clear line of sight from the Western approach on Highway 17 for the business sign (top A&W portion) of the adjacent property located to the East of the Lessee's eastern property line is maintained at all times.
- f) The Lessee has been granted permission through approval of a Minor Variance application #A11/23 on November 16, 2023, to install a mobile sign on the lands as described in this Agreement. As per the Committee of Adjustment decision, the sign has been approved to be installed for an unspecified period of time with the exception that upon expiry of this Agreement the sign shall be removed. An annual fee as per the fees and charges by-law is separately applicable.
- g) The Lessee shall not carry on or permit to be carried on, on the leased property any business of activity that shall be deemed by the Lessor as not falling within the requirements for usage as outlined in this Agreement or which the Lessor considers upon reasonable grounds to be a nuisance.
- h) The Lessee shall allow the employees, agents, and other persons acting under the direction of the Lessor the right to enter upon the leased property a may be required by the Lessor.
- i) The Lessee shall not use the property for any purpose that may increase the liability of the Lessor.

- j) The Lessee shall only perform noise generating activities on the leased land during the hours of 7:30 A.M. and 6:30 P.M.
- k) The Lessee performs all activities on the leased land under their own liability that remains in place until the term of this Agreement expires.

9. Lessor Covenants

- a) The lessor shall permit the Lessee, if all sums are paid and the covenants herein are complied with, the use of the leased property, which use shall be exclusive without interference from the Lessor or those claiming under the Lessor unless otherwise specified herein.
- b) Should the Lessor require the said leased property for future use, provision shall be given for the Lessee for continued access to the Lessee's property as negotiated between the parties hereto.

10. Insurance

The Lessee covenants to carry public liability insurance in the amount of not less than two million (\$2,000,000.00) dollars per occurrence, in the name both Lessor and Lessee, and to pay premiums for this insurance and to deposit certificates with respect to this insurance with the Lessor, all insurance to be carried in a company or companies satisfactory' to the Lessor and be of a type and form satisfactory to the Lessor; provided that if the Lessee fails to insure and keep insured as provided in the paragraph, the Lessor may effect insurance, at the cost and expense of the Lessee, and the sum so expended by the Lessor shall be added to the sums due and such an amount constitute sums under this lease.

11. Insolvency, etc.

If, during the term of this lease, the Lessee enters into any assignment for the benefit of creditors, bankruptcy, or if anything of the Lessee's is seized or taken in execution or attachment by any creditor, or an order is made for the winding up of the Lessee or if the leased property is no longer of use for any period of time, or the property is used by any other persons than those entitled, the term of the lease will be deemed to have expired and the Lessor may at any time thereafter enter onto the property or any part thereof in the name of the whole and repossess the former leased property.

12. Re-entry

The Lessor shall have the right to re-enter onto the property in the event of the non-payment of sums or non-performance of the covenants herein.

13. Condonation No Waiver of Subsequent Default

Any condoning, excusing, or overlooking by the Lessor of any default, breach, or non-performance by the Lessee at any time of any covenant, proviso or condition in this lease shall not operate to waive the Lessor's right under this lease so as to defeat in any way the

rights of the Lessor under this lease, and all rights and remedies of the Lessor shall be deemed to be cumulative and not alternative.

14. Overholding

If the Lessee continues to occupy the leased property with the consent of the Lessor after the expiration of this lease without a further written Agreement (or renewal), the Lessee shall be a monthly tenant at a sum of Fifty (\$50.00) dollars per month, plus applicable HST, and otherwise on the terms and conditions set out in the lease.

15. Indemnity

The Lessee shall fully indemnify and protect the Lessor from all liability from the use of the said leased property.

16. Whole Agreement

This Agreement constitutes the whole Agreement between the parties and supersedes all previous agreements, arrangements, or understandings whether written or oral in connection with or incidental to the Agreement. There are no warranties, conditions, or representations, save as herein contained.

17. Assignment

The Lessee shall not assign this lease or sublet the property without the written consent of the Lessor, which shall not be unreasonably withheld.

18. Severability

Every item and condition of this Agreement is intended to be severable. If any term or condition is illegal or invalid for any reason whatsoever, such illegality shall not affect the validity of the remainder of the Agreement.

IN WITNESS WHEREOF the parties to this Agreement have hereunto set their hands and seals
this _____ day of _____ A.D. 2024.

SIGNED, SEALED AND DELIVERED

In the presence of

For the Corporation of The City of Dryden

(seal)

Mayor

City Clerk

For the Lessee

John DeLeonardis

Owner/Agent – K Sports Marine Ltd.



Witness the signature of Owner/Agent

"Schedule A"



LEASED AREA
approx.
30'x370'