

This AGREEMENT made this _____ day of _____ 2023

BETWEEN:

THE CORPORATION OF THE MUNICIPALITY OF KINCARDINE
(hereinafter called the “Lessor” of the First Part)

And

Terry Dalton
(hereinafter called the “Lessee” of the Second Part)

THIS AGREEMENT WITNESSETH THAT in consideration of the rents, covenants and agreements hereinafter reserved and contained on the part of the said Lessee, to be paid, observed and performed, the said Lessor has demised and leased and by these presents doth demise and lease unto the said Lessee the premises;

AND FURTHER that the Lessor and Lessee agree as follows:

1. The lands to be rented are more particularly described as part of Part Lot 17, Concession 2 having Roll #4108 2600 0109 800 and shown on Schedule “A” attached.
2. The Lessor shall rent 40 acres, more or less, of unused vacant land to the Lessee as pasture land.
3. The Lessee will have and hold the said lands for the term of January 1, 2024 to December 31, 2027.
4. The Lessee shall pay rent annually of \$2,064.84 plus HST due and payable in two equal installments of \$1,032.42 bi-annually, which shall be due on the first day of May and the first day of November, in each year of the agreement, with payment to be made by cheque or cash.
5. The Lessee shall not be responsible for any property taxes that may be assessed against the lands as a result of the Lessee occupying the lands.
6. The Lessee covenants to use the lands described for legal farming practices only. The Lessee covenants to use environmentally sound practices including, using diligence to prevent noxious weeds from going to seed on the lands and controlling soil erosion as completely as practicable.
7. The Lessee shall be responsible for maintaining the property including fences in a reasonable condition.
8. During the term of the lease, the Lessee agrees to undertake at his own expense any required revitalization of the pasture lands by means of brush or shrub removal, fertilization or seeding.
9. The Lessee shall obtain permission from the Manager of Environmental Services prior to removing, altering, or changing the position of any waterway, including grassed waterways; mature trees or any fence on the land.
10. The Lessee covenants that the Municipality, through its authorized agents, may enter and view the state of the lands during all reasonable hours.
11. If rent is not paid when due, the Lessee agrees to pay interest on the amount of unpaid rent at a month rate of 1.25% then charged by the Lessor for overdue property taxes.

12. The Lessee agrees to fully indemnify and hold harmless the Lessor from and against all suits, judgments, claims, demands, expenses, actions, causes of action and losses of any kind and for any and all liability for damages to property and injury to persons (including death) which the Lessor may incur, sustain or suffer as a result of, arising out of or in any way related to the matters addressed in this Agreement, unless such losses are caused solely by the Lessor's own gross negligence or willful misconduct.
13. The Lessee shall put in effect and maintain in his name, at his expense, all the necessary insurance that would be considered appropriate for a prudent Lessee undertaking this type of operation for the period during which the Agreement is in effect with insurers acceptable to the Lessor, including:

Farm Liability Insurance, for third party bodily injury, personal injury and property damage to an inclusive limit of not less than Two Million Dollars (\$2,000,000.00) per occurrence. The policy shall include:

- a. The Corporation of the Municipality of Kincardine as an additional insured
- b. Pollution Liability
- c. A thirty (30) day written notice of cancellation

The Lessee shall provide the Lessor with a valid Certificate of Insurance as evidence of the above coverages by January 1, 2024. The Lessee shall provide the Lessor with any renewal replacement certificates as may be necessary during the term of the Agreement.

14. This lease is not assignable by the Lessee without the express written consent of the Lessor.
15. This agreement may be terminated prior to December 31, 2027 by either party providing written notice is received prior to January 1st of the year to be terminated.
16. Provided this lease is and has remained in good standing, the Lessee shall have the first option to renew the lease by providing a written request to the Lessor on or before July 31, 2027. The terms and provisions of the renewal lease shall be satisfactory to the Lessor in its sole discretion. If a renewal lease has not been negotiated and executed by both parties on or before September 1, 2024, the Lessor shall be at liberty to tender the lease for the Lands or enter into negotiations with any other party for the lease of the Lands.
17. Unless the context otherwise requires, the word "Lessor" and "Lessee" wherever used herein shall be construed to include and shall mean the executors, administrators, successors and/or assigns of the said Lessor and Lessee, respectively, and where there are two or more Lessee bound by the same covenants herein contained, their obligations shall be joint and several.
18. Any notice which either of the parties is required or permitted to give pursuant to any provision of this lease shall be given in writing by hand delivery or by registered mail addressed as set out below. Such notice shall be deemed to have been given at the time it was delivered or mailed as the case may be.

To the Lessee at:

Terry Dalton
85035 Kingsbridge Line
RR # 7 Lucknow, On
N0G 2H0

To the Lessor at:

Office of the Clerk, Municipality of Kincardine,
[REDACTED] ssion 5, RR#5,
[REDACTED] Ontario,

[REDACTED]
[REDACTED]

[REDACTED]

Witness

The Corporation of the Municipality of Kincardine

Mayor – Kenneth Craig

Clerk – Jennifer Lawrie

We have the authority to bind the Corporation.

"Schedule A"

Part of Lot 725 Concession 2



 Approximate Area to be Leased