

Agreement

This AGREEMENT made in duplicate this _____ day of September, 2016.

BETWEEN:

THE CORPORATION OF THE TOWNSHIP OF NORTH HURON
(hereinafter called the "Landlord")

-and-

GLEN WARWICK and ROBERT WARWICK
(hereinafter collectively called the "Tenant")

WITNESSETH that in consideration of the rents, covenants and agreements hereinafter reserved and contained on the part of the Tenant, the Landlord doth demise and lease unto the Tenant all that parcel or tract of land situate, lying and being in the Municipality of Morris/Turnberry, in the County of Huron, and being composed of the lands more particularly described in Schedule 'A' hereto attached.

TO HAVE AND TO HOLD the said demised premises on the following terms:

Article 1.0 3 year lease for 230 acres

The Landlord hereby leases to the Tenant all of the workable acres on the lands described in Schedule 'A' hereto being the lands save and except those lands required by the Landlord for the Wingham Municipal Airport, the number of workable acres having been agreed to be 230 acres for the 2017, 2018 and 2019 calendar years. The annual rent shall be Two Hundred & Sixty Dollars (\$260.00) per acre plus applicable taxes for the 2017, 2018 and 2019 calendar years.

Article 2.0 Annual Rent Amount & Payment Plan

The aforementioned annual rent shall be payable in two installments with the first installment being SIX THOUSAND (\$6,000) DOLLARS plus applicable taxes to be paid on or before the 30th day of April of each year of this Lease and the second installment, being the balance of rent for such year being FIFTYTHREE THOUSAND EIGHT HUNDRED DOLLARS (\$53,800.00) plus applicable taxes, to be paid on or before the 30th day of November of each year of this Lease, such rent being based on a rate of \$260.00 per acre per year.

Article 3.0 Landlord request Tenant to vacate

In the event that the Landlord shall at any time require any portion of the rented lands for purposes of sale, or for its own purposes, during the term of this Lease, the Landlord shall by notice in writing to the Tenant describe such lands and the date on which it requires possession, and the Tenant agrees to surrender to the Landlord vacant possession of the lands described in such notice on or before the date set forth in such notice. In the event the date for giving possession is prior to any crops being planted in such lands or any part thereof, there shall be an abatement of rent determined on a per acreage basis for the year in which such vacant possession is to be given, and for any subsequent year of this Lease, as the case may be. In the event that crops have been planted and have not been harvested by the possession date referred to in the above described notice, the Landlord agrees to compensate the Tenant for the value of the crop on the said lands which has not been harvested, and to rebate rent paid for such portion of the lands, determined on a per acreage basis. In the event that such possession date is after the date that crop on such

lands has been harvested, there shall be no abatement of rent, and the full amount of rent for such year shall be payable by the Tenant to the Landlord, however rent shall abate on a per acreage basis for any subsequent year(s) of this Lease.

Article 4.0 *Landlord restrictions of types of crops*

The Tenant acknowledges that adjacent lands of the Landlord are used for the purposes of an airport, and that the Landlord may impose restrictions as to the types of crops that can be grown on the lands hereby rented. The Tenant agrees that he will follow instructions given on behalf of the Landlord from time to time with respect to the types of crops that can be grown in certain locations.

Article 5.0 *Tenant use of Fertilizer, Herbicides or Insecticides*

The Tenant agrees to advise the Landlord in advance of the application on the rented lands of the types of fertilizers, herbicides or insecticides that are to be applied on any part of the rented lands and of the rate of such applications. The Tenant agrees that the Landlord shall have the right to prohibit such applications if, in the opinion of the Landlord, the type or rate such applications would be detrimental to the lands hereby leased.

Article 6.0 *Noxious Weed Control*

The Tenant agrees that during the term of the Lease, he will pull up or otherwise destroy noxious weeds of all kinds which shall grow upon the leased lands, and will not sow, or permit to be sown any grain infected by smut or containing any foul seeds or noxious weeds, and will not suffer or permit any such foul seeds or noxious weeds to go to seeds on the said lands. In the event that the Tenant fails to observe the foregoing agreement, the Landlord may, on 48 hours prior notice in writing to the Tenant, enter upon the said lands and pull up or otherwise destroy or prevent from going to seed any noxious weeds or grasses growing thereon, and all costs, charges and expenses of the Landlord in so doing may be added by the Landlord to the rent for such year, and shall be recoverable in like manner as rent. This provision shall not amount to a re-entry by the Landlord, and shall not relieve the Tenant of any of his obligations pursuant to this agreement. This clause shall not supersede the provisions in the Weed Control Act and any amendments thereto.

Article 7.0 *Style or Position of Fences*

The Tenant agrees to keep up and not to alter or change the style or position of any fences on the said lands without prior written consent of the Landlord.

Article 8.0 *Cut Trees or Burn Crop Residue*

The Tenant agrees not to cut trees of any kind on the leased lands, for any purpose whatsoever, except with the prior written authorization from the Landlord, and not to burn crop residue such as straw or corn stalks or grass at any time.

Article 9.0 *Drains and Water flowing*

The Tenant agrees to keep the mouths of all underdrains on the said lands open and free from obstruction and in good running order at all times during the term of this Lease, and will not suffer or permit such drains, or the water-courses in any open ditches on the said lands, to become obstructed, but will constantly keep them free and clear for the escape of water flowing therein. The Landlord agrees to repair and maintain all existing municipal drains and tile drains located on said lands.

Article 10.0 *Non-Compliance*

The Tenant agrees that the Landlord may re-enter upon the said lands upon non-payment of rent or non-performance of covenants by the Tenant.

Article 11.0 *Non-transferable*

This agreement is not assignable by the Tenant without the express prior written consent of the Landlord.

Article 12.0 *Land Taxes*

The Tenant shall not be responsible for any property taxes that may be assessed against the property as a result of the Tenant occupying said property.

Article 13.0 *Nuisance Business*

The Tenant shall not carry on upon the premises any business that may be deemed a nuisance or by which the insurance on the premises will be increased.

Article 14.0 *Personal Injury to Tenant or Tenant employee*

The Landlord shall not be responsible for any personal injury which shall be sustained by the Tenant or any employee, customer or any other person who may be upon the premises or the entrances or appurtenances thereto. All risks of any such injury being assumed by the Tenant, who shall hold the Landlord harmless and indemnified therefrom.

Article 15.0 *Proof of Tenant Insurance*

The Tenant shall provide to the Landlord adequate proof of insurance (for liability and personal property) to the satisfaction of the Landlord on a yearly basis during the term of this Lease.

Article 16.0 *Termination of Agreement*

This agreement may be terminated by mutual agreement between the Landlord and the Tenant.

Article 17.0 *Terms of Renewal*

This Lease is not renewable except by further agreement of the parties.

Article 18.0 *Words of Singular and Plural, Masculine and Feminine gender*

In this agreement, words importing the singular shall include the plural and vice-versa and words importing the masculine gender shall include the feminine gender, and words importing persons shall include firms and corporations and vice-versa.

Article 19.0

It is hereby declared and agreed that this Indenture shall enure to the benefit of and be binding upon the parties hereto, their heirs, executors, administrators and assigns, respectively.

Article 20.0
The Landlord covenants with the Tenant for quiet enjoyment subject to the
aforementioned provisions of this Lease.

IN WITNESS WHEREOF the parties hereto have set their hands and seals.

**THE CORPORATION OF THE
TOWNSHIP OF NORTH HURON**

Per: _____
Neil Vincent, Reeve

Per: _____
Kathy Adams, Clerk
We have authority to bind the Township.

Witness

Glen Warwick

Witness

Robert Warwick

SCHEDULE 'A'

PROPERTY DESCRIPTION

Concession 1, Part Lots 7 to 14, Part Road Allowance Closed, formerly the Township of Morris now the Municipality of Morris/Turnberry.