

CORPORATION OF THE TOWN OF GANANOQUE

BY-LAW NO. 2014-045

---

BEING A BY-LAW TO AUTHORIZE THE TOWN OF GANANOQUE TO  
ENTER INTO A LEASE AGREEMENT WITH  
1000 ISLANDS ANTIQUE BOAT MUSEUM TRUST.

---

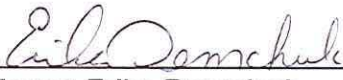
**WHEREAS** by Section 5 of the Municipal Act, 2001, S.O. 2001, c. 25, the powers of a municipal corporation are to be exercised by its Council;


**AND WHEREAS** the Municipal Act, 2001, S.O. 2001, c. 25, provides that the powers of every Council are to be exercised by Bylaw

**NOW THEREFORE** be it resolved that the Council of the Corporation of the Town of Gananoque enacts as follows;

1. That the Council hereby approves the lease with 1000 Islands Antique Boat Museum Trust as set out in Schedule 'A' attached hereto and forming part of this by-law.
2. That the Mayor and Clerk are hereby authorized to execute all documents in regard to said lease.
3. That this bylaw shall come into force and effect on the date of passing.

**READ THREE TIMES** and finally passed this 15<sup>th</sup> day of April 2014

  
\_\_\_\_\_  
Mayor, Erika Demchuk

  
\_\_\_\_\_  
Clerk, Bonnie Dingwall

**LEASE  
(COMMERCIAL)**

Made the 4 day of April 2014

BETWEEN

THE CORPORATION OF THE TOWN OF GANANOQUE

(the "Landlord")

-and-

1000 ISLANDS ANTIQUE BOAT MUSEUM TRUST

(the "Tenant")

Collectively referred to as the "Parties".

In consideration of the rents, covenants and obligations stipulated herein the Landlord and the Tenant have agreed to enter into a Lease of the premises described as those certain parcels or tracts of land and land covered by the waters of the St. Lawrence River and the Gananoque River described as Part Lot F, Part 1, Reference Plan 28R-6581 and Parts 3 & 4, Reference Plan 28R-8361, save and except for the building housing the "Arthur Child Heritage Museum", all being more particularly shown outlined on the reference plans attached to this Agreement as Schedule "A" (hereafter referred to as the "Premises").

The Parties further agree to enter into a lease of a water lot (more particularly described in Schedule "B" of this Agreement) conditional on all of the necessary approvals being obtained and predicated on the conditions as stated in paragraph 15(1) of this Lease having been met.

**1. GRANT OF LEASE**

- (1) The Landlord leases the Premises to the Tenant:
  - (a) at the Rent set forth in Section 2;
  - (b) for the Term set forth in Section 3; and
  - (c) subject to the conditions and in accordance with the covenants, obligations and agreements herein.
- (2) The Landlord covenants that it has the right to grant the leasehold interest in the Premises free from encumbrances except as disclosed on title.

**2. RENT**

- (1) Rent means the amounts payable by the Tenant to the Landlord pursuant to this Section and includes Additional Rent.
- (2) The Tenant covenants to pay to the Landlord, during the Term of this Lease, rent as follows:
  - (a) Twenty thousand dollars (\$20,000.00), less any costs of maintenance, repair, upkeep, or construction of or within the Premises or as required by this Agreement performed by the Tenant, plus an amount for HST on the annual rent after any deductions, such resulting total not to be less than zero (0), and in no event requiring the Landlord to reimburse or make payment to the Tenant.

- (3) The Tenant further covenants to pay all other sums required by this Lease to be paid by it and agrees that all amounts payable by the Tenant to the Landlord or to any other party pursuant to the provisions of this Lease shall be deemed to be additional rent ("Additional Rent") whether or not specifically designated as such in this Lease.
- (4) The Landlord and the Tenant agree that it is their mutual intention that this Lease shall be a completely carefree net lease for the Landlord and that the Landlord shall not, during the Term of this Lease, be required to make any payments in respect of the Premises other than charges of a kind personal to the Landlord (such as income and estate taxes and mortgage payments) and realty taxes, as provided in Section 9 hereof:
  - (a) and to effect the said intention of the parties the Tenant promises to pay the following expenses related to the Premises as Additional Rent;
    - (i) utilities (including but not limited to gas, electricity, water, heat, air-conditioning); and
    - (ii) services supplied to the Premises, provided that this does not in any way oblige the Landlord to provide any services, unless otherwise agreed in this Lease;
  - (b) and if any of the foregoing charges are invoiced directly to the Tenant, the Tenant shall pay same as and when they become due and produce proof of payment to the Landlord immediately if requested to do so, but the Tenant may contest or appeal any such charges at the Tenant's own expense;
  - (c) and the Tenant hereby agrees to indemnify and protect the Landlord from any liability accruing to the Landlord in respect of the expenses payable by the Tenant as provided herein; and
  - (d) if the Tenant fails to make any of the payments required by this Lease then the Landlord may make such payments and charge to the Tenant as Additional Rent the amounts paid by the Landlord, and if such charges are not paid by the Tenant on demand, the Landlord shall be entitled to the same remedies and may take the same steps for recovery of the unpaid charges as in the event of Rent in arrears.
- (5) The Tenant will pay all annual rental fees on or before January 1 of each calendar year, for rent accrued in the previous calendar year, to the Landlord at its municipal offices located at 30 King Street East, PO Box 100, Gananoque Ontario, K7G 2T6.
- (6) The Tenant shall provide to the Landlord all receipts, invoices and proof of payment necessary to demonstrate to the satisfaction of the Landlord the total cost of maintenance, repair, upkeep or construction of or within the Premises as required by this Lease for each calendar year; all of which shall be summarized in an annual Operations & Capital Expenditures Report to the Landlord. The parties agree that there shall be no deductions from Rent unless said deduction is supported by proof of payment acceptable to the Landlord in its discretion.
- (7) All Rent in arrears and all sums paid by the Landlord for expenses incurred which should have been paid by the Tenant shall bear interest from the date payment was due, or made, or expense incurred at a rate per annum equal to the prime commercial lending rate of the Landlord's bank plus two (2) per cent, provided that notice of such amounts are given to the Tenant forthwith after the Landlord receives the respective invoice for said amount.
- (8) The Tenant acknowledges and agrees that:
  - (a) the payments of Rent and Additional Rent provided for in this Lease shall be made without any deductions for any reason whatsoever

unless expressly allowed by the terms of this Lease or agreed to by the Landlord in writing; and

- (b) no partial payment by the Tenant which is accepted by the Landlord shall be considered as other than a partial payment on account of Rent owing and shall not prejudice the Landlord's right to recover any Rent owing.
- (9) The parties agree that notwithstanding the Term, the Landlord and Tenant shall review the Lease every five years with respect to whether the terms of this Lease are being complied with and to assess if any amendments to the Lease, including without limitation the calculation of the Rent, are necessary.

### 3. TERM AND POSSESSION

- (1) The Tenant shall have possession of the Premises for a period of forty nine (49) years, commencing on the 1<sup>st</sup> day of April, 2014 and ending on the 31<sup>st</sup> day of March 2063 (the "Term").
- (2) Subject to the Landlord's rights under this Lease, and as long as the Lease is in good standing the Landlord covenants that the Tenant shall have quiet enjoyment of the Premises during the Term of this Lease without any interruption or disturbance from the Landlord or any other person or persons lawfully claiming through the Landlord.
- (3) If the Tenant fails to take possession of the Premises or to open for business on or before the date specified for commencement of the Term of this Lease, the Landlord shall, in addition to any other remedies, have the right to terminate this Lease upon 24 hours written notice to the Tenant, and to recover from the Tenant the cost of any work done by the Landlord on behalf of the Tenant.
- (4) If for reasons beyond the Landlord's control, vacant possession of the Premises cannot be given to the Tenant on the commencement date of the Term of the Lease, the Lease shall remain in effect but the Tenant shall not be required to pay Rent until the date when possession is actually given to the Tenant;

### 4. ASSIGNMENT

- (1) The Landlord hereby authorizes the Tenant to assign this Lease or sublet the whole or any part of the Premises provided that such assignment is to a registered museum which holds the lease to the Lands only. No other assignment of this lease shall be permitted without the Landlord's written consent, which consent may be withheld.

### 5. USE

- (1) During the Term of this Lease the Premises shall not be used for any purpose other than the exhibition of antique boats and related artifacts, facilities for education regarding boating and boat building, children's Museum, facilities for the sale of concessions and souvenirs or facilities associated with the above approved uses without the express consent of the Landlord given in writing. Without limiting the generality of the foregoing, the Premises may be used for social events provided that said events are not the primary use of the Premises. The Tenant shall not do or permit to be done at the Premises anything which may:
  - (a) constitute a nuisance;
  - (b) cause damage to the Premises;
  - (c) cause injury or annoyance to occupants of neighbouring premises;

- (d) make void or voidable any insurance upon the Premises; or
  - (e) constitute a breach of any by-law, statute, order or regulation of any municipal, provincial or other competent authority relating to the Premises.
- (2) The Tenant agrees that all uses of the Premises shall conform to the Town Official Plan.
  - (3) The Tenant shall not erect any signs or advertising material or inscribe anything upon any part of the exterior of the Premises, or upon the exterior or interior surfaces of any exterior window or door to the Premises or upon the exterior of any demising walls, that is not in compliance with the Town's sign bylaw.

## 6. REPAIR AND MAINTENANCE

- (1) The Tenant covenants that during the term of this Lease and any renewal thereof the Tenant shall keep in good condition the Premises including all alterations and additions made thereto, and shall, with or without notice, promptly make all needed repairs and all necessary replacements as would a prudent owner, including without limitation all structural repairs or repairs attributable to damage caused by fire, lightning or storm to the structure of the Premises.
- (2) The Tenant is responsible for:
  - (a) any maintenance within the interior leased space;
  - (b) irrigating, preparing, planting, weeding and feeding in a consistent manner and to a high standard, all landscaping, including without limitation all flower beds, plantings and lawns, on the Premises and around the Arthur Child Heritage Museum;
  - (c) removing snow and ice from the Premises and on the premises of the Arthur Child Heritage Museum;
  - (d) maintaining and repairing all such infrastructure necessary for the installation and maintenance of all landscaping; and
  - (e) maintaining, stocking, and cleaning throughout the year, the public washroom on the Premises, and ensuring public access to the washroom in accordance with hours of operation as set through consultation with the Landlord.
- (3) The Tenant shall permit the Landlord or a person authorized by the Landlord to enter the Premises to examine the condition thereof and view the state of repair at reasonable times:
  - (a) and if upon such examination repairs are found to be necessary, written notice of the repairs required shall be given to the Tenant by or on behalf of the Landlord and the Tenant shall make the necessary repairs within the time specified in the notice;
  - (b) and if the Tenant refuses or neglects to keep the Premises in good repair the Landlord may, but shall not be obliged to, make any necessary repairs, and shall be permitted to enter the Premises, by himself or his servants or agents, for the purpose of effecting the repairs without being liable to the Tenant for any loss, damage or inconvenience to the Tenant in connection with the Landlord's entry and repairs, and if the Landlord makes repairs the Tenant shall pay the cost of them immediately as Additional Rent.
- (4) Upon the expiry of the Term or other determination of this Lease the Tenant agrees peaceably to surrender the Premises, including any alterations or

additions made thereto, to the Landlord in a state of good repair, reasonable wear only excepted.

- (5) The Tenant shall immediately give written notice to the Landlord of any substantial damage that occurs to the Premises from any cause.
- (6) During the Term of this Lease:
  - (a) The Tenant shall maintain the heating, ventilating, plumbing and air-conditioning equipment and systems serving the Premises so as to provide conditions of adequate comfort in the Premises and protect all mechanical systems within the Premises.
  - (b) The Landlord shall, at its expense, promptly comply with and conform to the requirements of every applicable statute, law, by-law, regulation, ordinance and order at any time or from time to time in force during the Term affecting the Premises except to the extent that same relate to the Tenant's use of the Premises or any part thereof and/or the business carried on therein.

## 7. ALTERATIONS AND ADDITIONS

- (1) If the Tenant, during the Term of this Lease or any renewal of it, desires to make any alterations or additions to the Premises, including but not limited to: erecting partitions, attaching equipment, and installing necessary furnishings or additional equipment of the Tenant's business, the Tenant may do so at his own expense, at any time and from time to time, if the following conditions are met:
  - (a) before undertaking any alteration or addition requiring a building permit or altering the façade of the building(s), the Tenant shall submit to the Landlord a plan showing the proposed alterations or additions, and items included in the plan which are regarded by the Tenant as "Trade Fixtures" shall be designated as such on the plan, and the Tenant shall not proceed to make any alteration or addition unless the Landlord has approved the plan, and the Landlord shall not unreasonably or arbitrarily withhold his approval;
  - (b) For greater certainty, if the Landlord has not delivered its approval to the Tenant within 45 business days after receiving the plan from the Tenant, the Landlord shall be deemed to have provided its approval with respect thereto; any and all alterations or additions to the Premises made by the Tenant must comply with all applicable building code standards and by-laws of the municipality in which the Premises are located.
- (2) The Tenant shall be responsible for and pay the cost of any alterations, additions, installations or improvements that any governing authority, municipal, provincial or otherwise, may require to be made in, on or to the Premises. Notwithstanding the generality of the foregoing, any additions to the structure of the Premises or alterations to the structure of the Premises necessitated by improvements conducted by the Tenant shall be the sole cost of the Tenant.
- (3) All alterations and additions to the Premises made by or on behalf of the Tenant, other than the Tenant's Trade Fixtures, shall immediately become the property of the Landlord without compensation to the Tenant.
- (4) The Tenant agrees, at his own expense and by whatever means may be necessary, to immediately obtain the release or discharge of any encumbrance that may be registered against the Landlord's property in connection with any additions or alterations to the Premises made by the Tenant or in connection with any other activity of the Tenant.

- (5) If the Tenant has complied with his obligations according to the provisions of this Lease, the Tenant may remove his Trade Fixtures at the end of the Term or other termination of this Lease and the Tenant covenants that he will make good and repair or replace as necessary any damage caused to the Premises by the removal of the Tenant's Trade Fixtures.
- (6) Other than as provided in Section 7(5) above, the Tenant shall not, during the Term of this Lease or anytime thereafter remove from the Premises any Trade Fixtures or other goods and chattels of the Tenant except in the following circumstances:
  - (a) the removal is in the ordinary course of business;
  - (b) the Trade Fixture has become unnecessary for the Tenant's business or is being replaced by a new or similar Trade Fixture; or
  - (c) the Landlord has consented in writing to the removal;but in any case the Tenant shall make good any damage caused to the Premises by the installation or removal of any Trade Fixtures, equipment, partitions, furnishings and any other objects whatsoever brought onto the Premises by the Tenant.
- (7) The Tenant shall not bring onto the Premises or any part of the Premises any machinery, equipment or any other thing that might, by reason of its weight, size or use, damage the Premises or overload the floors of the Premises, and if the Premises are damaged or overloaded the Tenant shall restore the Premises immediately or pay to the Landlord the cost of restoring the Premises.

## 8. INSURANCE

- (1) During the Term of this Lease and any renewal thereof the Landlord shall maintain with respect to the Premises insurance coverage insuring against:
  - (a) loss or damage by fire, lightning, storm and other perils that may cause damage to the Premises or the property of the Landlord in which the Premises are located as are commonly provided for as extended perils coverage or as may be reasonably required and obtained by the Landlord, and the insurance policy shall provide coverage on a replacement cost basis in an amount sufficient to cover the cost of all signs and leasehold improvements;
  - (b) liability for bodily injury or death or property damage sustained by third parties;
  - (c) rental income protection insurance with respect to fire and other perils to the extent of one year's Rent payable under this Lease;but such insurance and any payment of the proceeds thereof to the Landlord shall not relieve the Tenant of its obligations to continue to pay rent during any period of rebuilding, replacement, repairing or restoration of the Premises except as provided in Section 10.
- (2) The Tenant covenants to keep the Landlord indemnified against all claims and demands whatsoever by any person, whether in respect of damage to person or property, arising out of or occasioned by the maintenance, use or occupancy of the Premises or the subletting or assignment of same or any part thereof except to the extent caused by the negligence of the Landlord or its agents, employees or contractors. And the Tenant further covenants to indemnify the Landlord with respect to any encumbrance on or damage to the Premises occasioned by or arising from the act, default, or negligence of the Tenant, its officers, agents, servants, employees, contractors, customers, invitees or licensees and the Tenant agrees that the foregoing indemnity shall

survive the termination of this Lease notwithstanding any provisions of this Lease to the contrary.

- (3) The Tenant shall carry insurance in its own name to provide coverage with respect to the risk of business interruption to an extent sufficient to allow the Tenant to meet his ongoing obligations to the Landlord and to protect the Tenant against loss of revenues.
- (4) The Tenant shall carry insurance in its own name insuring against the risk of damage to the Tenant's property within the Premises caused by fire or other perils and the policy shall provide for coverage on a replacement cost basis to protect the Tenant's stock-in-trade, equipment, Trade Fixtures, decorations, improvements and the value of all artifacts, exhibits and other materials displayed within the museum.
- (5) The Tenant shall carry commercial general liability coverage in which policy the Landlord shall be specified as "additional insured" and the policy shall include a cross-liability endorsement, up to a limit of five million dollars (\$5,000,000.00) per incident;
- (6) The Tenant shall carry tenant's legal liability insurance (Broadform) to the full replacement cost of the units rented.
- (7) The Tenant shall provide the Landlord with a copy of the above policies.

## 9. TAXES

- (1) The Landlord shall pay when due to the taxing authority or authorities having jurisdiction all real property taxes attributable to the Premises, provided that the Landlord and Tenant enter into a Municipal Capital Facilities Agreement and that said agreement is valid and subsisting.
- (2) In the event that the Landlord and Tenant have not entered into a Municipal Capital Facilities Agreement, or the said agreement has elapsed or is no longer in effect, the Tenant agrees that it shall be responsible to pay all real property taxes levied or assessed with respect to the Premises.

## 10. DAMAGE TO THE PREMISES

- (1) If the Premises or the building in which the Premises are located, are damaged or destroyed, in whole or in part, by fire or other peril, then the following provisions shall apply:
  - (a) if the damage or destruction renders the Premises unfit for occupancy and impossible to repair or rebuild using reasonable diligence within 120 clear days from the happening of such damage or destruction, then the Term hereby granted shall cease from the date the damage or destruction occurred, and the Tenant shall immediately surrender the remainder of the Term and give possession of the Premises to the Landlord, and the Rent from the time of the surrender shall abate;
  - (b) If the Premises can with reasonable diligence be repaired and rendered fit for occupancy within 120 days from the happening of the damage or destruction, but the damage renders the Premises wholly unfit for occupancy, then the rent hereby reserved shall not accrue after the day that such damage occurred, or while the process of repair is going on, and the Tenant shall repair the Premises with all reasonable speed, and the Tenant's obligation to pay Rent shall resume immediately after the necessary repairs have been completed;
  - (c) If the leased Premises can be repaired within 120 days as aforesaid, but the damage is such that the leased Premises are capable of being



partially used, then until such damage has been repaired, the Tenant shall continue in possession and the Rent shall abate proportionately.

- (2) Any question as to the degree of damage or destruction or the period of time required to repair or rebuild shall be determined by an architect retained by the Landlord.
- (3) Apart from the provisions of Section 10(1) there shall be no abatement from or reduction of the Rent payable by the Tenant, nor shall the Tenant be entitled to claim against the Landlord for any damages, general or special, caused by fire, water, sprinkler systems, partial or temporary failure or stoppage of services or utilities which the Landlord is obliged to provide according to this Lease, from any cause whatsoever.

## 11. ACTS OF DEFAULT AND LANDLORD'S REMEDIES

- (1) An Act of Default has occurred when:
  - (a) the Tenant has failed to pay Rent for a period of 15 consecutive days, regardless of whether demand for payment has been made or not;
  - (b) the Tenant has breached his covenants or failed to perform any of his obligations under this Lease; and
    - (i) the Landlord has given notice specifying the nature of the default and the steps required to correct it; and
    - (ii) the Tenant has failed to correct the default as required by the notice;
  - (c) the Tenant has;
    - (i) become bankrupt or insolvent or made an assignment for the benefit of Creditors;
    - (ii) had its property seized or attached in satisfaction of a judgment;
    - (iii) had a receiver appointed;
    - (iv) committed any act or neglected to do anything with the result that a Construction Lien or other encumbrance is registered against the Landlord's property and not removed within 5 business days after receiving notice from the Landlord;
    - (v) without the consent of the Landlord, made or entered into an agreement to make a sale of its assets to which the Bulk Sales Act applies;
    - (vi) taken action if the Tenant is a corporation, with a view to winding up, dissolution or liquidation;
  - (d) any insurance policy is cancelled or not renewed by reason of the use or occupation of the Premises, or by reason of non-payment of premiums;
  - (e) the Premises;
    - (i) become vacant or remain unoccupied for a period of 180 consecutive days; or
    - (ii) are not open for business on more than 100 business days in any twelve (12) month period;
    - (iii) are used by any other person or persons, or for any other purpose than as provided for in this Lease without the written consent of the Landlord.
  - (f) The Tenant fails to comply in any material respect with the approved business and operations plan.

- (2) When an Act of Default on the part of the Tenant has occurred:
  - (a) the current month's rent together with the next three months' rent shall become due and payable immediately, without abatement for costs incurred by the Tenant for repair and maintenance of the Premises; and
  - (b) the Landlord shall have the right to terminate this Lease and to re-enter the Premises and deal with them as it may choose.
- (3) The Tenant covenants that notwithstanding any present or future Act of the Legislature of the Province of Ontario, the personal property of the Tenant during the term of this Lease shall not be exempt from levy by distress for Rent in arrears:
  - (a) and the Tenant acknowledges that it is upon the express understanding that there should be no such exemption that this Lease is entered into, and by executing this Lease:
    - (i) the Tenant waives the benefit of any such legislative provisions which might otherwise be available to the Tenant in the absence of this agreement; and
    - (ii) the Tenant agrees that the Landlord may plead this covenant as an estoppel against the Tenant if an action is brought to test the Landlord's right to levy distress against the Tenant's property.
- (4) If, when an Act of Default has occurred, the Landlord chooses not to terminate the Lease and re-enter the Premises, the Landlord shall have the right to take any and all necessary steps to rectify any or all Acts of Default of the Tenant and to charge the costs of such rectification to the Tenant and to recover the costs as Rent.
- (5) If, when an Act of Default has occurred, the Landlord chooses to waive his right to exercise the remedies available to him under this Lease or at law the waiver shall not constitute condonation of the Act of Default, nor shall the waiver be pleaded as an estoppel against the Landlord to prevent his exercising his remedies with respect to a subsequent Act of Default. No covenant, term, or condition of this Lease shall be deemed to have been waived by the Landlord unless the waiver is in writing and signed by the Landlord.

## **12. TERMINATION UPON NOTICE AND AT END OF TERM**

- (1) If the Premises are expropriated or condemned by any competent authority, other than the Landlord; the Landlord shall have the right to terminate this Lease by giving 90 clear days' notice in writing to the Tenant; or the Landlord may require the Tenant to vacate the Premises within 30 days from payment by the Landlord to the Tenant of a bonus equal to 3 months' rent.
- (2) The Tenant agrees to permit the Landlord during the last three months of the Term of this Lease to display "For Rent" or "For Sale" signs or both at the Premises and to show the Premises to prospective new tenants or purchasers and to permit anyone having written authority of the Landlord to view the Premises at reasonable hours.
- (3) If the Tenant remains in possession of the Premises after termination of this Lease as aforesaid and if the Landlord then accepts rent for the Premises from the Tenant, it is agreed that such overholding by the Tenant and acceptance of Rent by the Landlord shall create a monthly tenancy only but the tenancy shall remain subject to all the terms and conditions of this Lease except those regarding the Term.

### **13. RIGHT OF FIRST REFUSAL**

- (1) Should the Landlord at any time during the currency of this lease wish to sell the demised premises, including the building currently housing the Arthur Child Heritage Museum, it grants to the Tenant the right of first refusal to purchase the property for the average of two (2) independent AACI appraisals, on such terms and conditions to be determined by the parties at that time acting reasonably. .
- (2) The Parties further agree that in the event the existing tenant of the "Arthur Child Heritage Museum" surrenders its lease, declines to renew its lease and the property is available for lease, the Tenant shall have a right of first refusal to lease the "Arthur Child Heritage Museum" property for the average of two (2) independent AACI appraisals on such terms and conditions as may be agreed to by the Parties at that time. The Parties further acknowledge and agree that any such lease of the "Arthur Child Heritage Museum" property shall be carried out on the basis of an addendum to the within lease on such terms as the Parties may agree to at the time, acting reasonably.

### **14. ACKNOWLEDGEMENT BY TENANT**

- (1) The Tenant agrees that it will at any time or times during the Term, upon being given at least forty-eight (48) hours prior written notice, execute and deliver to the Landlord a statement in writing certifying:
  - (a) that this Lease is unmodified and is in full force and effect (or if modified stating the modifications and confirming that the Lease is in full force and effect as modified);
  - (b) the amount of Rent being paid;
  - (c) the dates to which Rent has been paid;
  - (d) other charges payable under this Lease which have been paid;
  - (e) particulars of any prepayment of Rent or security deposits; and
  - (f) particulars of any sub-tenancies.

**15. ACKNOWLEDGMENT BY THE LANDLORD AND TENANT**

- (1) The Landlord acknowledges that an integral part of the operation of the Tenant in the use of these lands will be to construct a yacht house (the "Yacht House" on the water lot adjacent to the Premises (the "Water Lot"). The Parties agree that entering into a lease for the Water Lot on terms acceptable to the Tenant and the Tenant satisfying itself that it can obtain the necessary approvals to construct the Yacht House are conditions precedent of this lease. In the event that a lease for the Water Lot cannot be entered into within 120 days of executing this lease or the Tenant is unable to satisfy itself that it can obtain the necessary approvals to construct the Yacht House, the Parties agree that this lease shall be of no force or effect and no parties shall have any obligations to the other.
- (2) The Parties further acknowledge and agree that notwithstanding the foregoing clause, the Tenant shall make its best efforts to occupy the Premises prior to May 31, 2014 so as to present an appealing visual display of the Premises prior to the commencement of the 2014 summer tourism season. In the event the Tenant is unable to satisfy itself as to the matters referred to in clause 15(1), the Parties agree that this lease shall be of no force or effect and each party shall have no further obligations to the other and the Tenant shall remove any of its property located on the Premises without delay.

**16. RULES AND REGULATIONS**

- (1) The Tenant agrees that during the currency of this Lease and any extensions hereof all actions of the Tenant, including but not limited to maintenance, upkeep, repair and construction shall adhere to the intent of the Lower Town vision, as stipulated in, but not limited to, the Lower Town Report, Official Plan and the Development Permit Bylaw.

**17. NOTICE**

- (1) Any notice required or permitted to be given by one party to the other pursuant to the terms of this Lease may be given

To the Landlord at:

The Corporation of the Town of Gananoque  
30 King Street East  
P.O. Box 100  
Gananoque, ON K7G 2T6

To the Tenant at:

- (2) The above addresses may be changed at any time by giving ten (10) days written notice.
- (3) Any notice given by one party to the other in accordance with the provisions of this Lease shall be deemed conclusively to have been received on the date delivered if the notice is served personally or five (5) business days after mailing if the notice is mailed.

**18. REGISTRATION**

- (1) The Tenant shall not at any time register a full copy of this Lease on title to the Property of which the premises form part without consent of the Landlord.

**19. INTERPRETATION**

- (1) The words importing the singular number only shall include the plural, and vice versa, and words importing the masculine gender shall include the feminine gender, and vice versa and words importing persons shall include firms and corporations and vice versa.
- (2) Unless the context otherwise requires, the word "Landlord" and the word "Tenant" wherever used herein shall be construed to include the executors, administrators, successors and assigns of the Landlord and Tenant, respectively.
- (3) When there are two or more Tenants bound by the same covenants herein contained, their obligations shall be joint and several.

In Witness of the foregoing covenants the Landlord and the Tenant have executed this Lease.

**THE CORPORATION OF THE TOWN OF GANANOQUE**

*Anne Warren*

---

I/We have the authority to bind the Corporation  
*ANNE WARREN* (Landlord)  
*DEPUTY MAYOR*

*Robert H Small*

---

I/We have the authority to bind the Corporation  
*Robert H Small* (Landlord)  
*Chief Administrative Officer*

**1000 ISLANDS ANTIQUE BOAT MUSEUM TRUST**

*Susanne Richter*

---

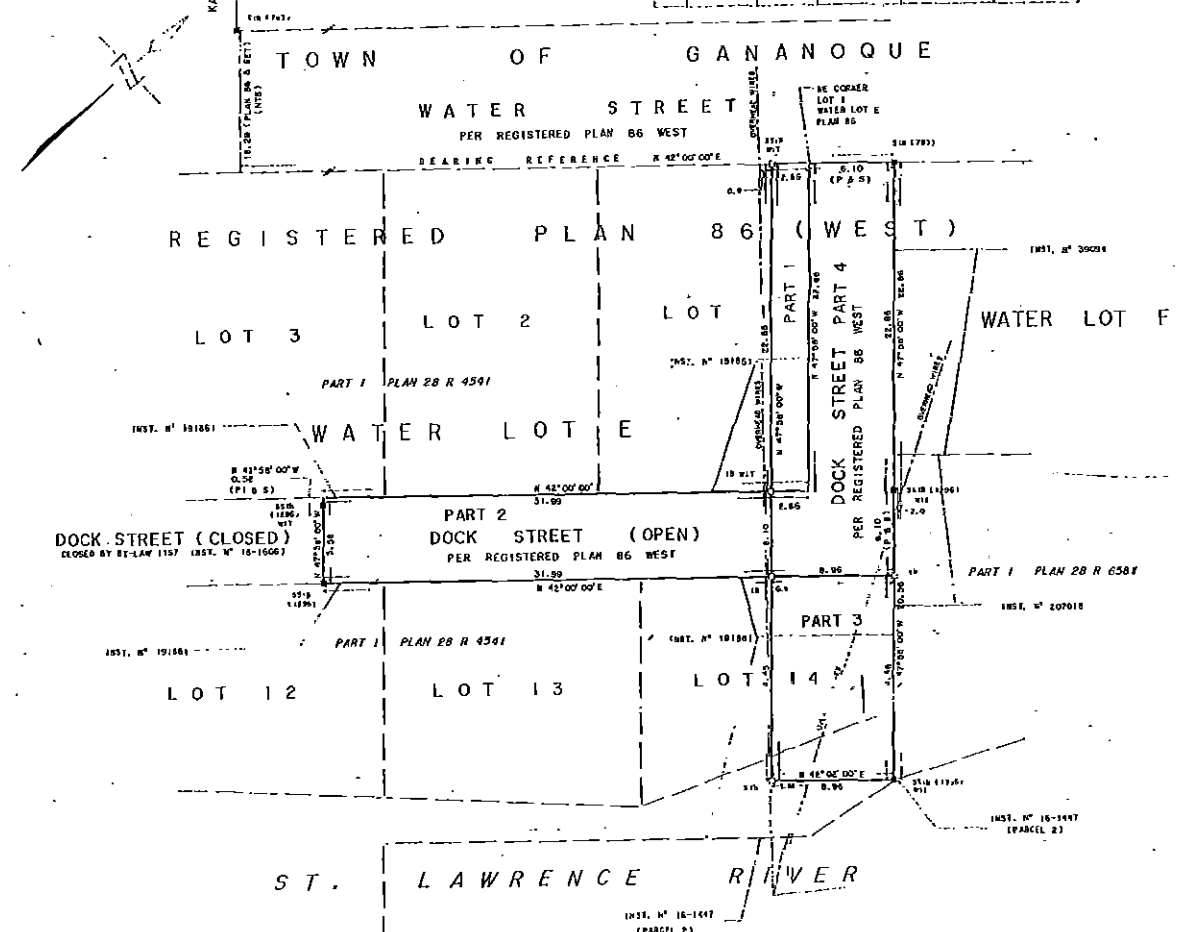
I have the authority to bind the Corporation  
*Susanne Richter* (Tenant)  
*Director of Strategic Planning*

DATED \_\_\_\_\_, 2014

SCHEDULE					
PART	LOT	PLAN/CON	INST. N°	AREA	REMARKS
1	LOT 1 WATER LOT E	86	101861	65.46 sq.m.	
2	DOCK ST.	86		195.03 sq.m.	OPEN
3	LOT 14 WATER LOT E ST. LAWRENCE RIVER Lying IN FRONT OF LOT 14 CON 1	86	191861	123.94 sq.m.	
4	DOCK ST.	86		193.95 sq.m.	OPEN

I REQUIRE THIS PLAN TO BE DEPOSITED UNDER THE REGISTRY ACT  
 (DATED) May 3, 1994  
*Ronald H. Smith*  
 RONALD H. SMITH  
 ONTARIO LAND SURVEYOR

PLAN 28R 2361  
 RECEIVED AND DEPOSITED (DATED) MAY 5, 1994  
*Quayle & Co.*  
 REGISTRAR FOR THE REGISTRY DIVISION OF LEEDS N° 28



PLAN OF SURVEY OF PARTS OF LOTS 1 AND 14 IN WATER LOT E, PART OF DOCK STREET (OPEN) REGISTERED PLAN 86 (WEST) TOWN OF GANANOQUE AND PART OF THE BED OF THE ST. LAWRENCE RIVER LYING IN FRONT OF LOT 14 CONCESSION 1 TOWNSHIP OF LEEDS MUNICIPALITY OF THE FRONT OF LEEDS AND LANSDOWNE COUNTY OF LEEDS

RONALD H. SMITH O.L.S. C.L.S. 1984

SCALE 1 : 200

NOTES

BEARINGS ARE ASTRONOMIC, DERIVED FROM EVIDENCE OF THE SOUTHERLY LIMIT OF WATER STREET, HAVING A BEARING OF N 42° 00' 00" E. PER PLAN 28 R 4541, AS SHOWN HEREON

THERE ARE NO FENCES OR BOUNDARIES UNLESS OTHERWISE INDICATED

INSUFFICIENT OVERSPREAD IN SOME LOCATIONS TO SET STANDARD IRON BARS

LEGEND

17 DENOTES MONUMENT PLANTED  
 18 DENOTES MONUMENT FOUND  
 75 IRON BAR  
 81B STANDARD IRON BAR  
 81D SHORT STANDARD IRON BAR  
 CP CONCRETE PIN  
 RPL ROCK PILING  
 RIRC ROUND IRON BAR WITH CAP  
 CC CUI CROSS  
 W WEASURED  
 NTS NOT TO SCALE  
 SU SOURCE UNKNOWN  
 WTS WITNESS  
 C.L.F. CHAIR LINK FENCE  
 P.W.F. POST AND WIRE FENCE  
 P1 PLAN 86 R 4541  
 P1 & S PLAN 86 R 4541 AND SET  
 186 RONALD H. SMITH O.L.S.  
 185 A.R. WISEMAN O.L.S.  
 P & S REGISTERED PLAN 86 WEST AND SET

CAUTION: THIS PLAN IS NOT A PLAN OF SUBDIVISION WITHIN THE MEANING OF THE PLANNING ACT

METRIC  
 DISTANCES SHOWN ON THIS PLAN ARE IN METRES AND CAN BE CONVERTED TO FEET BY DIVIDING BY 0.304 8

SURVEYOR'S CERTIFICATE

I HEREBY CERTIFY THAT:

(1) THIS SURVEY AND PLAN ARE CORRECT AND IN ACCORDANCE WITH THE SURVEYS ACT AND THE REGISTRY ACT AND THE REGULATIONS MADE THEREUNDER

(2) THE SURVEY WAS COMPLETED ON THE 3<sup>RD</sup> DAY OF MAY, 1994

May 3, 1994  
 (DATED)

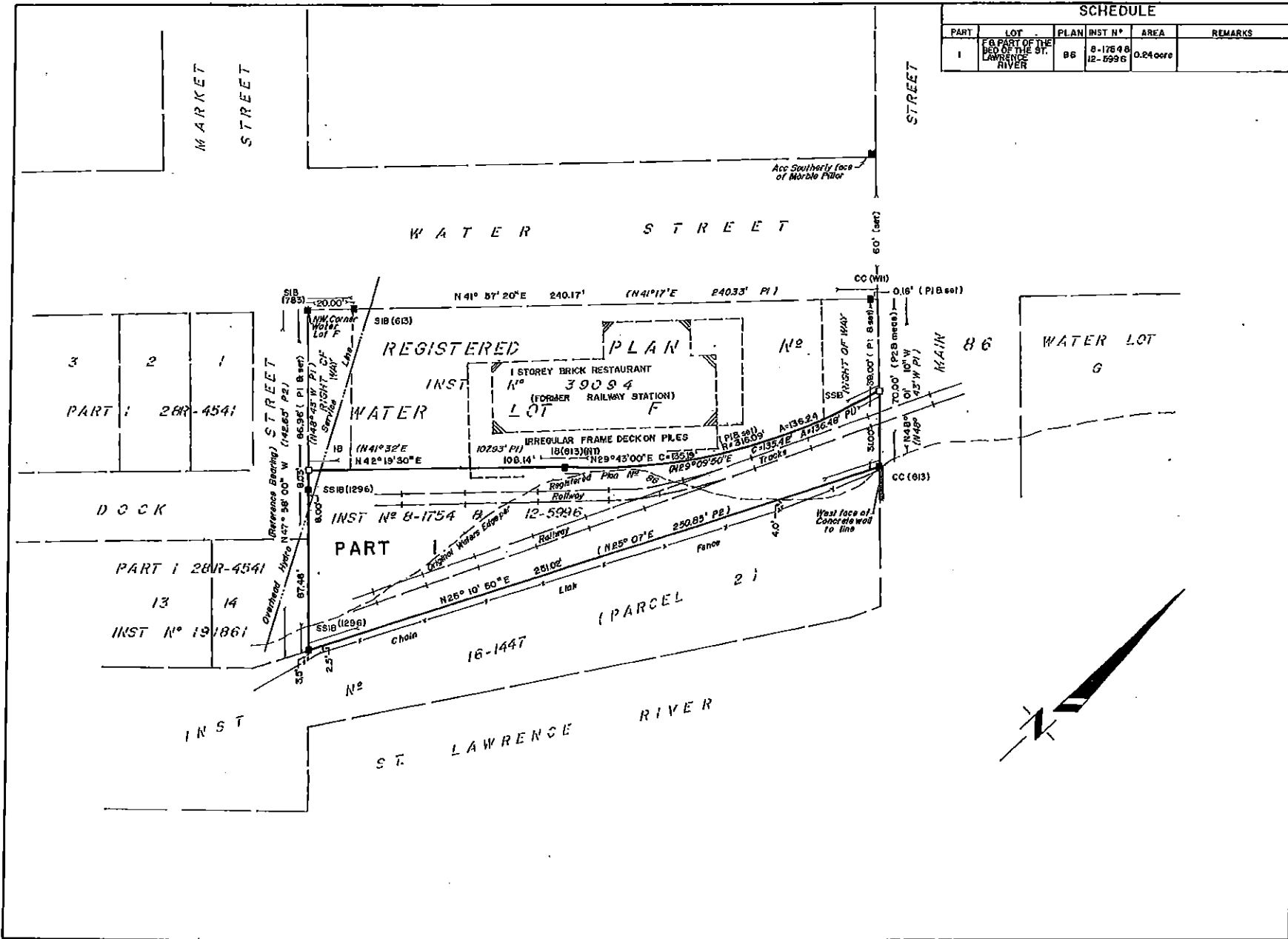
*Ronald H. Smith*  
 RONALD H. SMITH  
 ONTARIO LAND SURVEYOR

RONALD H. SMITH LTD.  
 ONTARIO LAND SURVEYORS  
 CANADA LANDS SURVEYORS

CONSULTATION OFFICE HEAD OFFICE  
 183 STDENHAM STREET 138-D ARLINGTON PARK PLACE  
 GANANOQUE, ONTARIO #1605700, ONTARIO  
 T 519 282-2274 F 519 282-2133

DISK # REFERENCE # 94-044

Schedule "A"



SCHEDULE					
PART	LOT	PLAN	INST N°	AREA	REMARKS
1	60 PART OF THE BED OF THE ST. LAWRENCE RIVER	86	8-17648 12-5996	0.2400ac	

I REQUIRE THIS PLAN TO BE DEPOSITED UNDER THE REGISTRY ACT.

PLAN 28R-6581

RECEIVED AND DEPOSITED

DATE December 13, 1989 DATE 1989-12-14

R.M. Jason LAND REGISTRAR FOR THE COUNTY OF LEEDS (N° 28)

PLAN OF SURVEY OF PART OF WATER LOT F WEST OF GANANOQUE RIVER AND PART OF THE BED OF THE ST. LAWRENCE RIVER IN FRONT OF LEEDS COUNTY REGISTERED PLAN N° 86 TOWN OF GANANOQUE COUNTY OF LEEDS SCALE 1 INCH = 30 FEET RON M. JASON, O.L.S. 1989

- NOTES
- BEARINGS SHOWN HEREON ARE ASTRONOMIC, DERIVED FROM THE BEARING N41°58'00"W AS SHOWN FOR THE NORTHEASTERLY LIMIT OF DOCK STREET ON PLAN 28R-4541.
- NT DENOTES NON TANGENTIAL
  - 783 DENOTES K.M. WISEMAN, O.L.S.
  - P2 DENOTES A PLAN OF SURVEY DATED MAY 19, 1947 ATTACHED TO INST N° 1497
  - P1 DENOTES A PLAN OF SURVEY BY R.F. MUCKLESTONE, O.L.S. DATED OCTOBER 20, 1970 AND ATTACHED TO INST N° 39094
  - 613 DENOTES R.H. MUCKLESTONE, O.L.S.
  - 1296 DENOTES R.H. SMITH, O.L.S.
  - (SU) DENOTES SOURCE UNKNOWN
  - # DENOTES SURVEY MONUMENT FOUND
  - DENOTES SURVEY MONUMENT PLANTED
  - S18 DENOTES STANDARD IRON BAR
  - 16 DENOTES IRON BAR
  - DENOTES ROUND
  - CC DENOTES CUT CROSS
  - WH DENOTES WITNESS
  - Acc DENOTES ACCEPTED
  - M60 DENOTES MEASURED
  - INST DENOTES INSTRUMENT
  - DENOTES FENCE

SURVEYOR'S CERTIFICATE

I CERTIFY THAT

- THIS SURVEY AND PLAN ARE CORRECT AND IN ACCORDANCE WITH THE SURVEYS ACT AND THE REGISTRY ACT AND THE REGULATIONS MADE THEREUNDER
- THE SURVEY WAS COMPLETED ON THE 6TH DAY OF DECEMBER, 1989.

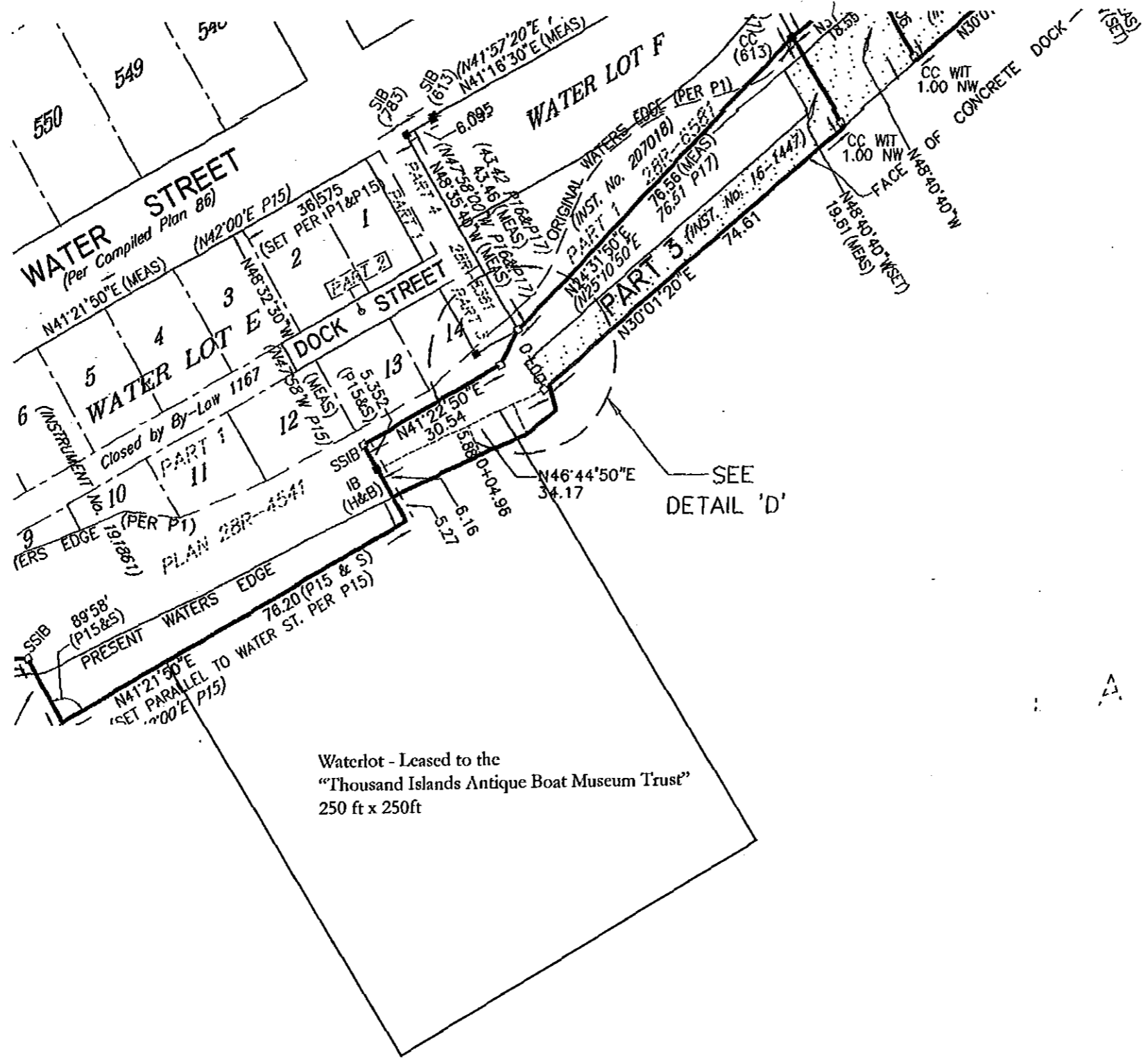
DATE December 13, 1989 R.M. Jason  
 DATE \_\_\_\_\_ RON M. JASON  
 ONTARIO LAND SURVEYOR

CAUTION THIS PLAN IS NOT A PLAN OF SUBDIVISION WITHIN THE MEANING OF THE PLANNING ACT

Arnott, Kennedy, Riddell & Jason Surveying Ltd.  
 ONTARIO & CANADA LAND SURVEYORS  
 OTTAWA KEMPTVILLE BROCKVILLE  
 Tel. 89-10-416

Schedule "A"

\* Subject to confirmation and approval by Council



Schedule "B"