

THIS AGREEMENT dated this 1st day of October, 1997

BETWEEN:

THE CORPORATION OF THE TOWN OF PELHAM

Hereinafter referred to as the "Landlord"

- and -

LAND CARE NIAGARA

Hereinafter collectively referred to as the "Tenant"

WHEREAS the Landlord and the Tenant have agreed to enter into a lease of the room known as the Workshop in the Old Pelham Town Hall, 491 Canboro Road, Ridgeville, Ontario and more particularly shown on the sketch attached as Schedule "A" (the Leased Premises);

NOW THEREFORE THIS AGREEMENT WITNESSTH that in consideration of the mutual rents, covenants, and obligations stipulated herein the parties covenant, promise and agree to as follows:

1. GRANT OF LEASE

1.1 The Landlord leases the Leased Premises to the Tenant:

- (a) at the Rent set forth in section 3;
- (b) for the Term set forth in section 2; and
- (c) subject to the conditions and in accordance with the covenants, obligations and agreements herein.

2. TERMS AND POSSESSION

2.1 The Tenant shall, subject to any earlier termination of this lease, have possession of the Leased Premises for a period of three (3) years, commencing from the 1st day of October, 1997 and ending on the 30th day of September, 2000 (the "Term").

2.2 Provided that this lease has not been earlier terminated, the Tenant is not in default pursuant to this lease and provided that the Landlord consents, the Tenant shall have the option to renew this lease for a further three (3) year period upon the same terms and conditions, except that there shall be no further right to renewal and subject to rent being renegotiated. If the Tenant wishes to exercise the option he shall notify the Landlord in writing no later than six (6) months prior to the expiry of the Term. If the Landlord consents to the renewal, and if the rent has been successfully renegotiated in a manner satisfactory to all parties prior to the expiry of the Term, then this lease shall be renewed on the terms as provided for herein.

2.3 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 Leased Premises during the Term or any renewal thereof without any interruption or disturbance from the Landlord or any other person or persons lawfully claiming through the Landlord.

2.4 Provided the Tenant is not in default pursuant to this lease it shall have the privilege of using the bathroom and kitchen located in the Old Pelham Town Hall for normal uses in this regard the kitchen shall only be used for the following:

- (a) coffee

- (b) for storage of perishable items
- 2.5 The Landlord shall provide two sets of keys to the Tenant for the Leased Premises. The Tenant shall not without the written consent of the Landlord place any additional locks upon the door(s) to the Leased Premises and shall not permit any duplicated keys to be made therefor, but shall use only additional keys obtained from the Landlord at the expense of the Tenant. The Tenant shall surrender all keys to the Landlord on termination of this lease.
3. RENT
- 3.1 Rent means the amounts payable by the Tenant to the Landlord pursuant to this section.
- 3.2 The Tenant covenants to pay to the Landlord during the Term the sum of Six Dollars and Fifty Cents per square foot (\$6.50) for 210 square feet, plus taxes. The Tenant shall pay monthly payments of \$122.85 (including taxes) commencing on the 1st day of October 1997, and continuing monthly thereafter on the first day of each month.
- 3.3 All payments to be made by the Tenant to the Landlord pursuant to this lease shall be delivered to the Landlord's address as set out in Section 13 or to such other place as the Landlord may from time to time direct in writing.
- 3.4 The Tenant acknowledges and agrees that the payments of Rent provided for in this lease shall be made without any deduction for any reason whatsoever unless expressly allowed by the terms of the lease or agreed to by the Landlord in writing and 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 rights to recover any Rent owing.
4. PAYMENT OF TAXES
- 4.1 The Tenant covenants to pay any and all rates, taxes, etc. that may be levied against the portion of the lands and premises leased to the Tenant by the Landlord under the laws of the Province of Ontario and such levies shall be paid when rendered.
5. ASSIGNMENT
- 5.1 The Tenant shall not be permitted to assign the lease or sublet the whole or any part of the Leased Premises.
6. USE
- 6.1 During the Term the Leased Premises shall not be used for any purpose other than for an office without the express consent of the Landlord in writing.
- 6.2 It is understood that the office hours for the public will be Monday to Friday from 9:00 a.m. to 4:00 p.m.
- 6.3 The Tenant shall not do or permit to be done at the Lease Premises anything which may:
- (a) constitute a nuisance;
 - (b) cause damage to the Leased Premises
 - (c) cause injury or annoyance to occupants of neighbouring premises;

- (d) make void or voidable any insurance upon the Leased Premises.
- (e) constitute a breach of any by-law, statute, order or regulations of any municipal, provincial or any other competent authority relating to the Leased Premises.

7. REPAIRS AND MAINTENANCE

- 7.1 The Tenant covenants that during the term it shall, at its own expense, maintain in good order and condition the Leased Premises and all fixtures, equipment contained in or servicing the Leased Premises, including all alterations and additions made thereto, and shall promptly make all needed repairs and all necessary replacements as would a prudent owner and as required by the Landlord.
- 7.2 The Tenant acknowledges that the Landlord or a person authorized by the Landlord has the right to enter the Leased 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;
- 7.3 Upon the expiry of the Term, or any earlier termination of this lease, the Tenant agrees peaceably to surrender the Leased Premises, including any alterations or additions made thereto, to the Landlord in a state of good repair, reasonable wear and tear and damage by fire, lightning or storm only accepted.
- 7.4 The Tenant shall immediately give written notice to the Landlord of any substantial damage that occurs to the Leased Premises from any cause.

8. ALTERATIONS AND ADDITIONS

- 8.1 If the Tenant, during the term, desires to make any alterations or additions to the Leased Premises including but not limited to, erecting partitions, attaching equipment, and installing necessary furnishings or additional equipment, the Tenant may do so at its own expense at any time from time to time if the following conditions are met:
- (a) before undertaking any alteration or addition the Tenant shall submit to the Landlord a plan showing the proposed alterations or additions and the Tenant shall not proceed to make any alterations or additions unless the Landlord has approved the plan, and
 - (b) any and all alterations or additions to the Leased Premises made by the Tenant must comply with all applicable building code standards and by-laws of the Landlord and any other competent authority.
- 8.2 The Tenant shall be responsible for and pay the costs 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 Leased Premises.

- 8.3 All alterations and additions done to the Leased Premises made by or on behalf of the Tenant shall immediately become the property of the Landlord without compensation to the Tenant except as provided for herein.
- 8.4 The Tenant agrees, at its own expense by whatever means may be necessary, immediately to obtain the release or discharge of any encumbrance that may be registered against the Landlord's property in connection with any addition or alterations to the Leased Premises made by the Tenant or in connection with any other activity of the Tenant.
- 8.5 The Tenant shall, at its expense, if requested by the Landlord, remove any or all additions or improvements made by the Tenant to the Leased Premises during the Term or any renewal thereof and shall repair all damages caused by the installation or the removal or both.
- 8.6 The Tenant shall not bring onto the Leased Premises or any part of the Leased Premises any machinery, equipment or any other thing that might in the opinion of the Landlord, by reason of its weight, size or use, cause damage to the Leased Premises or overload the floors of the Leased Premises and if the Leased Premises are damaged or overloaded, the Tenant shall restore the Leased Premises immediately or pay the Landlord the cost of restoring the Leased Premises.

9. INSURANCE

- 9.1 Throughout the Term, the Tenant shall carry insurance in its own name insuring against the risk of damage to the Tenant's property in the Leased Premises caused by fire or other perils and the policy shall provide for coverage on a replacement cost basis to protect the Tenant's fixtures, equipment, chattels, improvements, additions or decorations.
- 9.2 Throughout the Term, the Tenant shall carry public liability and property damage insurance, which the Landlord shall be a named insured and which said property shall include a cross liability endorsement. The policy shall be in an amount not less than One Million Dollars (\$1,000,000.00) and the Tenant shall provide the Landlord with a copy of the policy.

10. ACTS OF DEFAULT AND LANDLORD'S REMEDIES

- 10.1 An Act of Default has occurred when:
- (a) the Tenant has failed to pay Rent for a period of 45 consecutive days, regardless whether demand of 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 to correct it; and
 - (ii) the Tenant has failed to correct the default as required by the notice;
 - (c) any insurance policy is cancelled or not renewed by reason of the use or occupation of the Leased Premises, or by reason of non-payment of premiums; or
 - (d) the Leased Premises;

- (i) become vacant or remain unoccupied for a period of thirty (30) consecutive days; or
 - (ii) are in use 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.
- 10.2 When an Act of Default on the part of the Tenant has occurred the Landlord shall have the right to terminate this lease and to re-enter the Leased Premises and deal with it as it may choose.
- 10.3 If, when an Act of Default has occurred, the Landlord chooses not to terminate the lease and re-enter the Leased 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.
- 10.4 If, when an Act of Default has occurred, the Landlord chooses to waive its right to exercise the remedies available to it under this lease or at law the waiver shall not constitute condonation of the Act of Default, not shall the waiver be pleaded as an estoppel against the Landlord to prevent it exercising its remedies with respect to the 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.

11. TERMINATION UPON NOTICE AND AT END OF TERM

- 11.1 The Landlord may terminate this lease at any time for any reason upon giving the Tenant six (6) months notice in writing. The Tenant may terminate this lease at any time for any reason upon giving the Landlord sixty (60) days notice in writing.
- 11.2 The Tenant covenants and agrees that upon the end of the Term or any renewal thereof, or upon any earlier termination as provided for in this lease, they will surrender this lease, including any unexpired remainder of the Term or any renewal thereof, and vacate the Leased Premises and give the Landlord possession.

12. RULES AND REGULATIONS

- 12.1 The Tenant covenants and agrees on their behalf and on behalf of all persons entering the Leased Premises with the Tenants' authority or permission will abide by such reasonable rules and regulations that form part of this lease and as the Landlord may take from time to time.

13. NOTICE

- 13.1 Any notice required or permitted to be given by one party to the other pursuant to the terms of this lease shall be delivered or mailed by registered mail:

To the Landlord at: 20 Pelham Town Square
P.O. Box 400
Fonthill, Ontario, LOS 1EO

To the Tenant at: 447 Niagara Street, Suite 405
Welland, Ontario, L3C 1L6

The above address may be changed at any time by giving ten (10) days written notice. 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 serviced personally, or seventy-two (72) hours after mailing if the notice is mailed by registered mail.

14. REGISTRATION

14.1 The Tenant shall not at any time register notice of or a copy of this Lease on title to the property which the Leased Premises form part.

15. MISCELLANEOUS

15.1 This agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof and there are no other written or verbal agreements or representations between the parties hereto pertaining to the subject matter hereof. Any amendments to this agreement shall be in writing signed by both parties hereto.

15.2 Both parties agree that each of them shall and will, upon reasonable request of the other party, make, do execute or cause to be made, done or executed all such further and other lawful acts, deeds, things, devices and assurances whatsoever for the further and more perfect and absolute perfection of the terms, conditions and covenants of this agreement.

15.3 If any term, clause or provision of this agreement shall be adjudged to be invalid, the validity of any other term, clause or provision shall not be affected, and such invalid term, clause or provision shall be deleted from this agreement.

15.4 This agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

16. INTERPRETATION

16.1 The words importing the singular number shall only 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.

16.2 Unless the context otherwise required, the word "Landlord" and the word "Tenant" wherever used herein shall be construed to include the successors and assigns of the Landlord and Tenant, respectively.

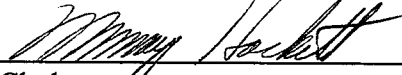
IN WITNESS WHEREOF the parties have executed this agreement
as of the date first above written.

SIGNED, SEALED AND DELIVERED

) THE CORPORATION OF THE TOWN OF
) PELHAM

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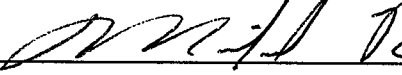
) Mayor

) 

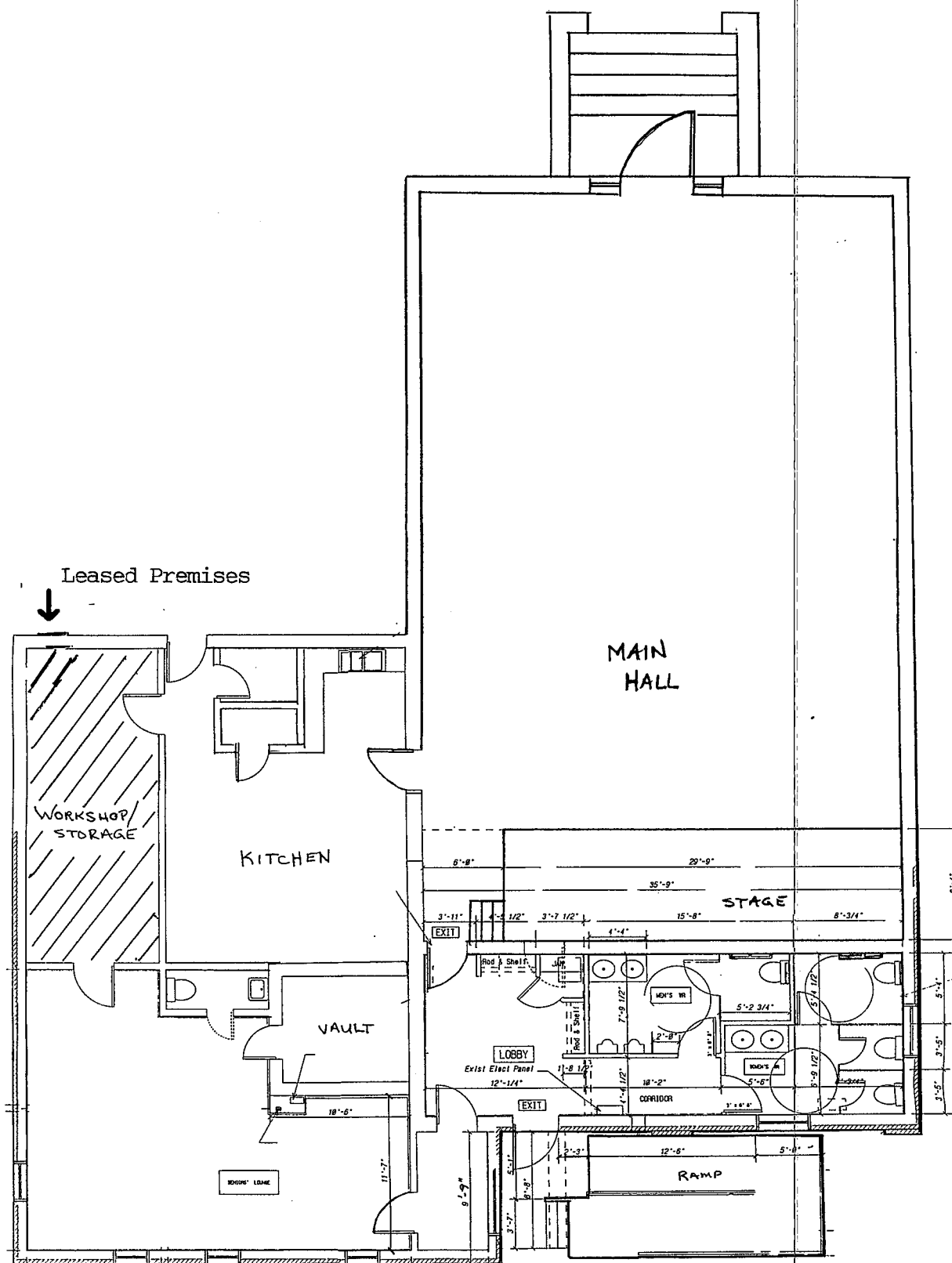
) Clerk

) LAND CARE NIAGARA

) Fredrick R. Hagg - chair

)  - co-ordinator

- Schedule "A" -



FLOOR PLAN (N.T.S.)
PELHAM TOWNSHIP HALL

491 Canboro Road
Ridgeville, Ontario