

FARM LEASE AGREEMENT

THIS AGREEMENT made as of this 1st day of January, 2020.

BETWEEN:

The Corporation of the Town of Tecumseh
hereinafter called the "Corporation"

Of the First Part;

AND:

Olinda Farms Inc.
A corporation incorporated pursuant to the laws of the Province of Ontario
hereinafter called the "Farmer"

Of the Second Part;

WHEREAS the Corporation is the owner of the lands and premises, being legally described in Schedule "A" hereto, hereinafter referenced to as the "Farmlands";

AND WHEREAS, the Farmer is conducting business in the general vicinity and neighborhood of the Farmlands;

AND WHEREAS, the parties hereto have agreed to the growing of crops on the Farmlands for the term hereof.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises and the covenants hereinafter contained, the Parties hereto mutually undertake and agree as follows:

1. That the term of this Agreement shall be from January 1, 2020 to December 31, 2020. The Farmer has the option to negotiate renewal terms for an additional two-year term, upon providing 90 days' notice in writing to the Corporation. If the parties are unable to agree to terms of renewal by January 1, 2021, then this agreement will terminate on December 31, 2020.
2. The Farmer shall grow on the Farmlands such crops as the Farmer and the Corporation shall determine during the term hereof, and the Farmer covenants and agrees to properly plow, till, disc and prepare the Farmlands for planting of such crops and to plant, grow and care for and harvest the said crops in a good and farmer-like manner, according to the prevailing customs relative to farm husbandry in the community;
3. The Farmer shall, at his own expense, furnish and supply all labor in connection with the due performance of this Agreement, and, without limiting the generality of the foregoing, for the plowing, tilling, discing and preparation of the Farmlands for the planting of the crops to be grown on the Farmlands, and for the growing, harvesting and handling of the said crops;
4. The Farmer shall, at his own expense, furnish and supply all farm equipment necessary for the due performance of this Agreement;
5. The Farmer shall, at his own expense, furnish and apply all materials, including seed, all fertilizers and herbicide sprays utilized by the Farmer in connection with the due performance of this Agreement. The Farmer shall pay all other expenses incurred in connection with the due performance of this Agreement, it being understood that this Agreement is to operate carefree and free of cost to the Corporation;

6. The Farmer hereby indemnifies and saves harmless the Corporation and its members of Council, directors, officers, employees, agents and representatives, harmless from and against, all losses, damages, expenses, obligations, liabilities (whether accrued, actual, contingent, latent or otherwise), fines, penalties, sanctions, claims, orders and demands of whatever nature or kind, including all reasonable legal fees and disbursements, whether in contract, tort, statute or otherwise, related to, resulting from, connected with or arising out of the Farmer's use of the Farmlands, including, without limiting the generality of the foregoing, arising as a result of the use by the Farmer of fertilizers and herbicide sprays on the Farmlands;
7. The Farmer hereby covenants and agrees to pay to the Corporation, the following:
 - (a) A total of **\$4,356.00**, plus HST (\$4,922.28) annually, as follows:
 - i. Fifty percent (50%) on June 1 = **\$2,178.00** plus HST (\$2,461.14) as applicable.
 - ii. Fifty per cent (50%) on October 1, = **\$2,178.00** plus HST (\$2,461.14) as applicable;
 - (b) Effective as at the end of the first year of this Lease and thereafter annually, the Base Rent due and payable under Section 7 (a) shall be increased in proportion to the increase, if any, in the Consumer Price Index (hereinafter CPI) as determined by Statistics Canada. In the event the compilation and / or publication of the CPI shall be transferred to any other governmental department or bureau or agency or shall be discontinued, then the index most nearly the same as the CPI shall be used to make such calculation.
8. The Farmer shall, in the Fall of each year, after all crops have been harvested, leave the Farmlands in good condition in accordance with proper farm husbandry ready for the next crop year;
9. The parties acknowledge and agree that, as of the date hereof, the Farmlands comprise eighteen (18) acres of arable land, more or less.
10. The parties further acknowledge and agree that the Corporation may, at any time or times during the term hereof, upon 90 days' written notice to the Farmer, terminate this Agreement or reduce the acreage subject to this Agreement and upon the giving of such notice any and all of the Farmer's rights with respect to the Farmlands or to the reduced acreage described in the notice as the case may be, shall terminate and be at end. In the event that, after a crop has been planted by the Farmer, the Corporation terminates this Agreement or reduces the acreage subject to this Agreement, the rent shall be adjusted to reflect the reduced acreage and the Corporation shall, upon receipt of evidence satisfactory to the Corporation, acting reasonably, reimburse the Farmer for all amounts properly expended by the Farmer with respect to the reduced acreage during the term of this Agreement in furtherance of the Farmer's obligations hereunder and the Corporation shall have no further obligation to the Farmer;
11. It is understood and agreed by and between the parties hereto that the relationship of partnership between them has not been created by this Agreement, and that there is no relationship of master and servant between them;

SCHEDULE "A"

North 18 acres of Part of Lots 14, 15 and 16, Concession 12 in the Town of Tecumseh, designated at Part 2 on Plan 12R-25526 registered in the Land Titles Office in Windsor, on August 11, 2013.