

THIS LICENCE dated with effect from the 29th day of March, 1996 although actually executed this 8<sup>th</sup> day of July, 1998;

BETWEEN

**BRITISH COLUMBIA BUILDINGS CORPORATION**

3350 Douglas Street,  
Victoria, British Columbia V8Z 3L1

(hereinafter referred to as the "Owner")

OF THE FIRST PART

AND

**477020 B.C. LTD.,**

Box 48412 Bentall Station,  
595 Burrard Street,  
Vancouver, British Columbia, V7X 1A2

(hereinafter referred to as the "Licensee")

OF THE SECOND PART

**WITNESS THAT WHEREAS** the Owner has agreed to grant to the Licensee a License over a portion of that parcel of land described as:

those lands and amenities located at 4125 West 8th Avenue,  
Vancouver, British Columbia and cross-hatched on the  
attached Schedule "A", legally described as part of Block A,  
except that part in reference plan 14457, District Lot 176,  
Plan 18336 and part of Block C, District Lot 176, Plan  
19402, City of Vancouver

(hereinafter referred to as the "Lands")

**NOW THEREFORE**, in consideration of the fee to be paid by, and the covenants of, the Licensee, the Parties agree as follows:

ARTICLE I  
GRANT OF LICENSE

Section 1.01 The Owner, on the terms set forth herein, hereby grants to the Licensee a License to enter on the surface of the Lands to use the site for **recreation and parking**,

**including without limitation use in association with a preschool, kindergarten, primary, secondary, and an international (e.g. E.S.L.) school.**

Section 1.02 The Owner, through its Property Management Group, will provide those services as listed in Schedule "D".

## ARTICLE II TERM

Section 2.01 The term of this License shall be for a period of **Six (6) years and Two (2) months** commencing on the **1st day of May 1996**, and ending at 12:00 p.m. (midnight) on the **30th day of June, 2002** (the "**Term**") unless otherwise terminated in accordance with the terms hereof.

## ARTICLE III LICENSE FEE AND OPERATIONS AND MAINTENANCE COSTS

Section 3.01 The Licensee shall pay to the Owner, a license fee of **\$1.00 per year plus G.S.T.**

Section 3.02 In addition to the license fee, the Licensee shall be responsible for its payment of proportionate operations and maintenance costs as stated in Schedule "D".

## ARTICLE IV LICENSEE'S COVENANTS

Section 4.01 The Licensee covenants with the Owner:

- (a) to pay the license fee at the address of the Owner above written; **Attention: Treasury;**
- (b) to obtain, maintain and pay for Comprehensive Liability Insurance, for an amount acceptable to the Owner, but not less than **One Million Dollars (\$1,000,000.00)** per occurrence. Such insurance shall include the Owner as a named insured, and shall contain a standard form of cross liability clause and shall also provide for **Thirty (30)** days prior notice of notice of cancellation, lapse or material change. The Licensee agrees that certificates of insurance or, if required by the Owner, certified copies of such insurance policy, will be delivered to the Owner as soon as practicable after the placing of the required insurance. The Licensee further agrees that if there be a breach of the insurance requirements of this Article, the Owner may obtain the necessary insurance coverage on the Licensee's behalf and recover the costs thereof;
- (c) to observe, abide by and comply with all laws, by-laws, orders, directions, ordinances and regulations of any competent governmental authority in any way affecting the Lands and improvements situate thereon, or their use;

- (d) to use the Lands solely for the purposes of **recreation and parking** as set out in paragraph 1.01 of this License Agreement, and for access to and egress from the Premises. Any other use must be requested in writing to the Owner.
- (e) not to commit or suffer any willful or voluntary waste, spoil or destruction on the Lands or do or suffer to be done thereon anything that may be or become a nuisance or annoyance to owners or occupiers of adjoining land;
- (f) to indemnify and save the Owner harmless against all loss, damage, costs and liabilities caused directly or indirectly by reason of the Licensee's use of the Lands;
- (g) to keep the Lands in a clean and tidy condition satisfactory to the Owner and to remove any improvement placed on the Lands by Licensee that the Owner may direct by notice in writing to the Licensee. Schedule "C" lists proposed improvements by the Licensee to the Lands;
- (h) without the prior consent of the Owner, not to construct, erect, or place any improvements on the Lands;
- (i) on the expiration or at the earlier cancellation of this License;
  - (i) if required by notice from the Owner, to remove any improvements placed on lands by the Licensee;
  - (ii) to leave the surface of the Lands in a clean and tidy condition,
 and to the extent necessary, this covenant shall survive the expiration or termination of this License;
- (j) not to interfere with the activities of any other person to enter on and use the Lands under a prior, or concurrent, or subsequent license granted by the Owner.

Section 4.02 The Owner shall be responsible for its actions during the Term as those actions relate to compliance with all applicable laws, statutes, by-laws, ordinances, regulations or other lawful requirements of any governmental authorities having jurisdiction.

## ARTICLE V ASSIGNMENT

Section 5.01 The Licensee shall not assign its rights and benefits under this License Agreement without the prior written consent of the Owner. The Owner's consent shall not be unreasonably withheld if the Licensee wishes to assign its rights and benefits under this License Agreement to an affiliate company or society.

## ARTICLE VI CANCELLATION

Section 6.01 The Licensee may terminate this License effective July 1, 2000 or thereafter provided that the Licensee has given a minimum of six months' advance written notice exercising its right to this early termination.

Upon approval-in-principle of a rezoning application for the comprehensive development of the site owned by the Owner on which the Lands are located being granted by the Vancouver City Council following the conclusion of the public hearing, or upon registration at the Land Title Office of the subdivision plan with respect to the comprehensive development of the site, the Owner may terminate this License effective July 1, 2000 or thereafter provided the Owner has given a minimum six months' advance written notice exercising its right to this early termination.

Section 6.02 The Term herein granted will expire by effluxion of time without notice from either party to the other. If:

- (a) the Licensee continues to occupy the Lands after expiration of the Term; and,
- (b) the Licensee pays the new license fee required as set out below; and,
- (c) the Owner accepts such license fee; and,
- (d) the Licensee is not in default of any provision of the License,

then the Licensee will be deemed to occupy the Lands on a month to month basis at a monthly license fee of 130% of the license fee for the last month of the Term payable in advance on the first day of each month overheld. All of the other terms and conditions of this agreement will continue to apply as set out insofar as the same are applicable to a month to month license.

Section 6.03 The Licensee shall not be entitled to any compensation, whether for damages or otherwise, in respect of a cancellation of this License provided that such cancellation is in accordance and in compliance with the provisions of this License Agreement. Provided however that if the cancellation is not made due to default by the Licensee, the license fee or portion thereof shall be returned to the Licensee on a pro rata basis.

## ARTICLE VII NOTICE

Section 7.01 Any written notice to be served upon or given to either the Owner or the Licensee pursuant to this License shall be sufficiently served and given if delivered or mailed, prepaid and registered, in the case of the Owner, addressed to him at:

477020 B.C. Ltd.  
 Box 48412 Bentall Station,  
 595 Burrard Street,  
 Vancouver, British Columbia, V7X 1A2

and if the notice is mailed, the date of receipt shall be deemed to be **four (4) days** after mailing.

Section 7.02 In case of emergency, the Owner designates the **District Director, Vancouver**, telephone number (604) **660-3021** as its representative, and the Licensee designates the **Head Master, West Point Grey Academy**, telephone number (604) **222-8750** as its representative.

#### ARTICLE VIII MISCELLANEOUS

Section 8.01 No term, condition, covenant or other provision herein shall be considered to have been waived by the Owner unless such waiver is in writing. The waiver by the Owner of any breach by the Licensee of any term, condition, covenant or other provision herein shall not be construed as or constitute a waiver of any further or other breach of the same or any other term, condition, covenant, or other provision, and the consent or approval of the Owner to any act by the Licensee requiring the consent or approval of the Owner shall not be considered to waive or render unnecessary such consents or approvals to any subsequent similar act by the Licensee.

Section 8.02 This License shall not entitle the Licensee to exclusive possession of the Lands and the Owner may grant licenses to others to use the Lands for the purposes permitted herein or any other purpose provided that the Owner shall not grant any license to any other person, corporation, society, or other entity for any purpose or use which would interfere with the Licensee's use of the Lands hereunder.

Section 8.03 The Owner shall provide and maintain access to the Lands.

Section 8.04 DELETED.

Section 8.05 The terms and provisions of this License shall extend to, be binding upon and enure to the benefit of the parties hereto and their successors and permitted assigns.

Section 8.06 Notwithstanding anything in this License to the contrary, the Licensee shall not be entitled to any compensation, whether for damages or otherwise, resulting from an act of God, or of the Owner, its agents, employees, or anyone authorized by the Owner except that the Owner shall indemnify the Licensee against all claims, actions, causes of action, damages, expenses, costs, or losses arising out of or resulting directly from the Owner's negligence or the negligence of the Owner's servants.

Section 8.07 Time is of the essence of this License.

## ARTICLE IX INTERPRETATION

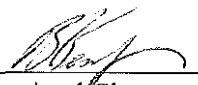
Section 9.01 This License shall be interpreted according to the laws of the Province of British Columbia.

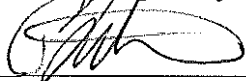
Section 9.02 If any section of this License or any part thereof is found to be illegal or unenforceable, that part or section, as the case may be, shall be considered separate and severable and the remaining parts or sections, as the case may be, shall not be affected thereby and shall be enforceable to the fullest extent permitted by law.

Section 9.03 All of the Schedules to this Agreement, including "A", "B", "C", and "D" shall form an integral part of this Agreement.

IN WITNESS WHEREOF the Parties have executed this License as of the day and year first above written.

The corporate seal of the Owner was )  
affixed in the presence of: )


  
\_\_\_\_\_)  
Authorized Signatory )

  
\_\_\_\_\_)  
Authorized Signatory )

c/s

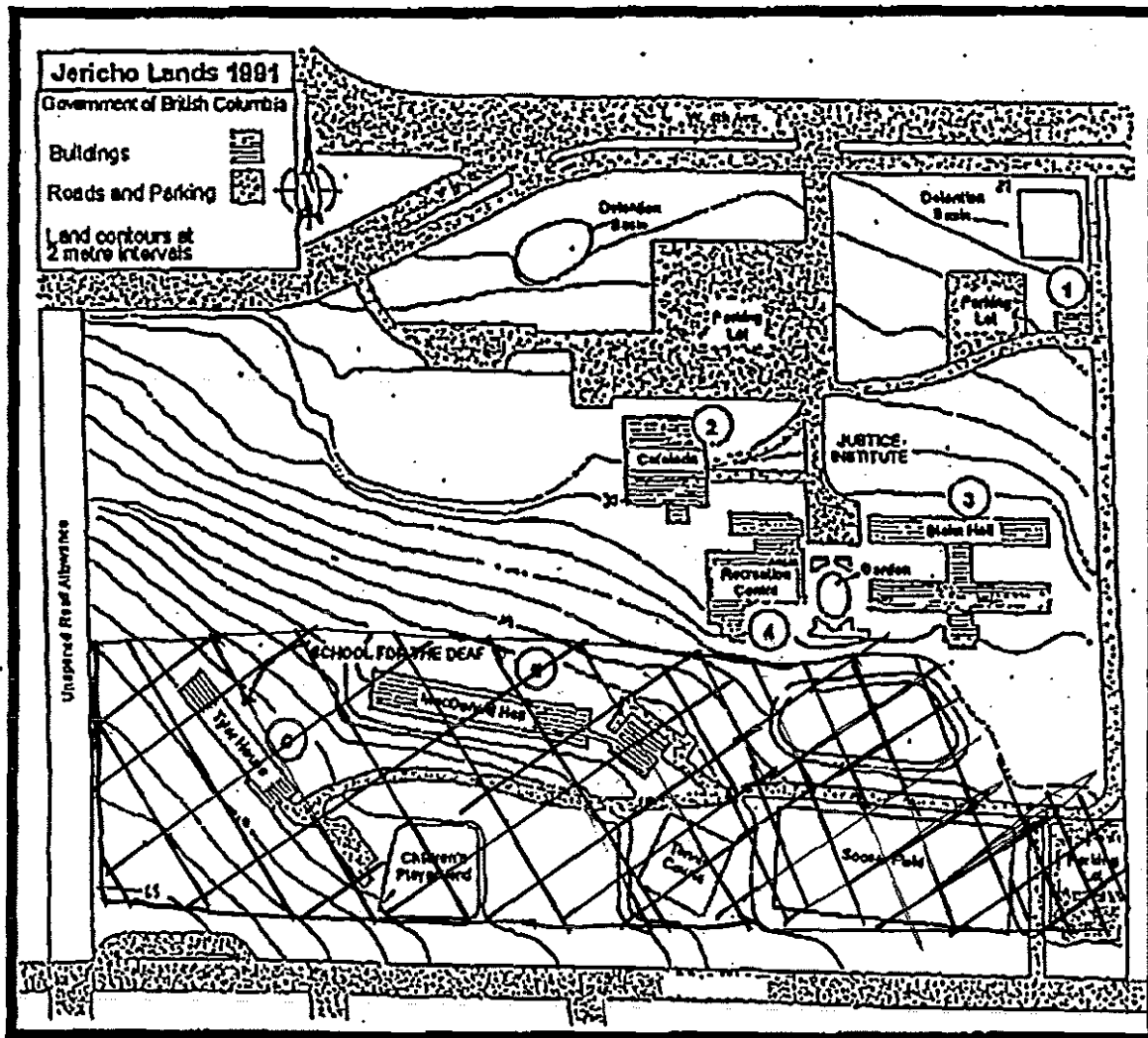
The corporate seal of the Licensee was )  
affixed in the presence of: )

  
\_\_\_\_\_)  
Authorized Signatory )

  
\_\_\_\_\_)  
Authorized Signatory )

c/s

SCHEDULE "A"  
PLAN OF THE LANDS



1. HEATING PLANT - Demolished 1995/96
2. CAFETERIA BUILDING
3. BLAKE HALL - Demolished 1995/96
4. RECREATION CENTRE
5. MACDONALD HALL
6. TYLER HOUSE

SCHEDULE "B"  
RENEWAL AT DISCRETION OF OWNER

Provided this License has not been terminated early for cause or pursuant to Article 6.01 and further Provided that the Licensee is not in breach of any provision of this License, if the Licensee wishes to continue using the Lands after the Term has expired on June 30, 2002, the Licensee must give notice to the Owner of the Licensee's wish to continue using the Lands. This notice must be in writing and must be delivered to the Owner on or before 12:00 noon December 31, 2001. Upon receipt of the notice the Owner may either accept or reject the request to continue using the Lands. The decision to accept or reject the request to continue using the Lands is in the sole discretion of the Owner. The Owner may, but will not be obligated to provide reasons for its decision to accept or reject the Licensee's request to continue using the Lands.

If the Owner accepts the Licensee's request to continue using the Lands, the new license will be on terms and under conditions to be determined solely by the Owner. The Owner will prepare a license for the use of the Lands by the Licensee and provide the license for the Licensee's review. If the Licensee does not agree to be bound by all of the terms contained in the Landlord's license, the Licensee will not sign the license, the Licensee will not be obligated to continue the License past June 30, 2002 and the License will terminate on June 30, 2002 without further notice, unless terminated earlier pursuant to the License. If the Licensee does sign the license, the Licensee will be bound by all of the provisions of the license.

Nothing in this agreement will be construed as giving the Licensee a right or option, to renew or extend either this License or the Licensee's occupation of the Lands.



SCHEDULE "C"  
PROPOSED IMPROVEMENTS TO THE LANDS (AT LICENSEE'S COST)

Items	Estimated Cost
Pre-School Playground Addition	\$5,000
Field Renovation (track, soccer field)	\$2,500
Tennis Court Renovation	\$2,500
Existing Playground Renovation	\$5,000

NOTE: Costs may vary, as contractor and procurement bids have not been tendered. This list is not final and is subject to change. 477020 B.C. Ltd. has not completed a thorough quantity survey, feasibility study or submitted a formal renovation plan for its Board to review and approve.

SCHEDULE "D"

1996/97 FISCAL YEAR OPERATIONS AND MAINTENANCE BUDGET FOR THE LANDS

Services agreed to be Provided by BCBC Property Management	Fixed Property Mgmt. Fee in Lieu of Markups
Grounds/Snow Removal/Parking Lot	\$24,000 + GST Maximum, fixed for first fiscal year
Outdoor Lampage and site electrical	\$2,000 + GST Maximum, fixed for first fiscal year

LAND TITLE ACT

FORM C

(Section 219.81)

Province of  
British Columbia

GENERAL INSTRUMENT - PART 1

(This area for Land Title Office use)

PAGE 1 of pages

1. APPLICATION: (Name, address, phone number and signature of applicant, applicant's solicitor or agent)

\_\_\_\_\_  
Signature of Solicitor

2. PARCEL IDENTIFIER(S) AND LEGAL DESCRIPTION(S) OF LAND: \*  
(PID) (LEGAL DESCRIPTION)

See Schedule

3. NATURE OF INTEREST: \*  
DESCRIPTION

DOCUMENT REFERENCE  
(page and paragraph)

PERSON ENTITLED TO INTEREST

Lease

Pages 4 to 20 inclusive

Transferee

4. TERMS: Part 2 of this Instrument consists of (select one only)

(a) Filed Standard Charge Terms

X

D.F. No.

(b) Express Charge Terms

Annexed as Part 2

(c) Release

There is no Part 2 of this Instrument

A selection of (a) includes any additional or modified terms referred to in Item 7 or in a schedule annexed to this instrument. If (c) is selected, the charge described in Item 3 is released or discharged as a charge on the land described in Item 2.

5. TRANSFEROR(S): \*

**BRITISH COLUMBIA BUILDINGS CORPORATION**

6. TRANSFEREE(S): (including postal address(es) and postal code(s)) \*


**477020 B.C. LTD.**, Incorporation No. 477020

Box 48412 Bentall Station, 595 Burrard Street, Vancouver, British Columbia, V7X 1A2

7. ADDITIONAL OR MODIFIED TERMS: \*

None


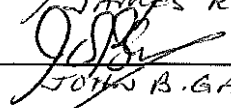
8. EXECUTION(S): This Instrument creates, assigns, modifies, enlarges, discharges or governs the priority of the interest(s) described in Item 3 and the Transferor(s) and every other signatory agree to be bound by this Instrument, and acknowledge(s) receipt of a true copy of the filed standard charge terms, if any.

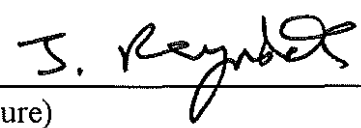
**Officer Signature(s)**  
  
 (Signature) PERRY M. FAIRSTEIN  
*Barrister & Solicitor*  
 (Print Name) 3350 Douglas Street  
 Victoria, B.C. V8Z 3L1  
 (Address) (As to both signatures)  
 (Professional Capacity)  
 (as to both signatures)

Execution Date		
Y	M	D
98	07	08

**Party(ies) Signature(s)**  
 (ALL SIGNATURES TO  
 BE IN BLACK INK)

**BRITISH COLUMBIA BUILDINGS  
 CORPORATION by its authorized  
 signatories:**

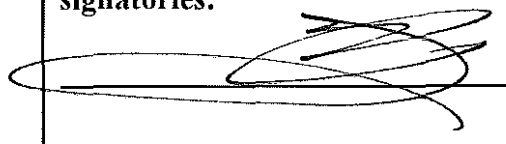
  
 JAMES R. RUBIN  
  
 JOHN B. GARRISON

**Officer Signature(s)**  
  
 (Signature) JAMES ISAAC REYNOLDS  
 (Print Name) ADVIS & COMPANY  
*BARRISTERS & SOLICITORS*  
 (Address) 666 BURNARD STREET  
 VANCOUVER, B.C. V6C 2Z7  
 (Professional Capacity) TELEPHONE No.: 687-9444  
 (as to both signatures)

Execution Date		
Y	M	D
98	07	14

**Party(ies) Signature(s)**  
 (ALL SIGNATURES TO  
 BE IN BLACK INK)

**477020 B.C. LTD., by its authorized  
 signatories:**



**OFFICER CERTIFICATION:**

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1979, c. 116, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

- \* If space insufficient, enter "SEE SCHEDULE" and attach schedule in Form E.  
 \*\* If space insufficient, continue on additional page(s) in Form D.

SCHEDULE

ENTER THE REQUIRED INFORMATION IN THE SAME ORDER AS THE INFORMATION MUST APPEAR ON THE FREEHOLD TRANSFER FORM, MORTGAGE FORM OR GENERAL DOCUMENT FORM.

2. **PARCEL IDENTIFIER(S) AND LEGAL DESCRIPTION OF LAND:**  
**(PID) (LEGAL DESCRIPTION)**

That portion of:

007-225-491                      Block A, except part in Reference Plan 14457,  
D.L. 176, Plan 18336

007-020-961                      Block C, D.L. 176, Plan 19402

as shown outlined on Reference Plan VAP \_\_\_\_\_ prepared by

\_\_\_\_\_, B.C.L.S. on the \_\_\_\_\_ day of

\_\_\_\_\_, 199\_\_.

THIS LEASE dated with effect from the 29th day of March, 1996, although actually executed this 8th day of July, 1998;

BETWEEN

**BRITISH COLUMBIA BUILDINGS CORPORATION**, a company duly incorporated pursuant to an Act of the Legislature of the Province of British Columbia and having an office situated at 3350 Douglas Street, Victoria, British Columbia V8Z 3L1

(hereinafter referred to as the "Landlord")

OF THE FIRST PART

AND

**477020 B.C. LTD.**,  
Box 48412 Bentall Station,  
595 Burrard Street,  
Vancouver, British Columbia, V7X 1A2

(hereinafter referred to as the "Tenant")

OF THE SECOND PART

IN CONSIDERATION of the covenants, agreements and conditions herein contained, the Parties agree as follows:

### **ARTICLE 1 - PREMISES AND TERM**

#### **1.1 DEMISE**

The Landlord does hereby lease to the Tenant the following buildings; (both buildings are situated upon a certain parcel of land which is municipally described as 4125 West 8th Avenue, Vancouver, and legally described as part of Block A, except that part in reference plan 14457, District Lot 176, Plan 18336 and part of Block C, District Lot 176, Plan 19402, City of Vancouver):

- (a) a building known as McDonald Hall and Annex comprising an area of approximately 39,826 square feet, more or less, and shown as outlined in red on the attached Schedule "B", and
- (b) a building known as Tyler House comprising an area of approximately 22,092 square feet, more or less, and shown as outlined in green on the attached Schedule "B",

(the "Premises").

SOL:206981-8

## **1.2 HABENDUM AND COMMENCEMENT, EARLY TERMINATION**

To have and to hold the Premises for a term of Six years and two months to be computed from the 1st day of May, 1996 (the "Commencement Date") and to be fully completed at 12:00 p.m. on the 30th day of June, 2002 (the "Term"). The Tenant may terminate this Lease effective July 1, 2000 or thereafter provided that the Tenant has given a minimum of six months advance written notice exercising its right to this early termination.

Upon approval-in-principle of a rezoning application for the comprehensive development of the site owned by the Landlord which includes the Premises being granted by the Vancouver City Council following the conclusion of the public hearing, or upon registration at the Land Title Office of the subdivision plan with respect to the comprehensive development of the site, the Landlord may terminate this Lease effective July 1, 2000 or thereafter provided the Landlord has given a minimum of six months advance notice exercising its right to this early termination.

## **ARTICLE 2 - DEFINITIONS**

### **2.1 Deleted**

### **2.2 Deleted**

### **2.3 FISCAL YEAR**

"Fiscal year" means each One (1) year period commencing on the 1st day of April of one year and running one full year to the 31st of March of the subsequent year. If the Commencement and termination of the Lease occur on a day other than the 1st of April, or 31st of March, such period of time shall be referred to as a Broken Fiscal Year, and there may be a reconciliation, as required, of any costs attributable, be it Taxes or Operating Costs, or some other.

### **2.4 PROPERTY TAXES**

"Property Taxes" means all taxes, rates, duties, assessments and grants-in-lieu of taxes whether municipal, provincial, federal or otherwise, charged upon the lands and improvements of which the Premises forms a part.

### **2.5 OPERATING COSTS**

"Operating Costs" means the direct cost of ordinary non-capital expenditures incurred only in connection with the operation of the Premises as itemized in Schedules "A" and "E" attached hereto, which may include, but will not be limited to, costs for:

1. heating (gas is to be separately metered and reconciled);

2. water (to be separately metered and reconciled) and sewer rates and other utilities;
3. electric power (to be separately metered by the Tenant);
4. preventative servicing and minor repairs of the heating, ventilating and air-conditioning (HVAC) system;
5. garbage removal;
6. preventative servicing and minor repairs of elevator;
7. window cleaning (interior and exterior);
8. janitorial services and supplies;
9. lamp, tube, and ballast replacement;
10. not applicable;
11. taxes and grants in lieu of taxes (if applicable);
12. insurance and plate glass replacement;
13. security, fire and safety;
14. property management, supervision and administration; and excluding costs for: structural maintenance and amounts normally charged to depreciation, interest on debt or capital retirement of debt shall not be included in calculating Operating Costs.

From May 1, 1996 to August 31, 1996, which is a portion of the net rent free period for McDonald Hall and Annex, the Tenant will be responsible for and will pay Operating Costs which are agreed to be fixed at \$2.00 per square foot per annum or \$6,637.66 plus G.S.T. per month.

If the Tenant wishes to contract and pay directly for its Heating (Natural Gas), Water, Garbage Disposal, Electrical, Janitorial (including window cleaning, lamp replacement) and Interior and Exterior Fabric Maintenance these services may be provided directly by the Tenant on 90 days written notice to the Landlord and the Operations and Maintenance budget as shown in Schedule "E" will be reduced accordingly. At the Landlord's option the Tenant may be required to provide meters at the Tenant's cost to measure consumption of utilities. The Property Management Services, as shown under Column "C" of Schedule "A" will be provided by the Landlord at the Tenant's cost as shown in Schedule "E", Operations and Maintenance budget for the Premises and these charges will be recovered monthly as additional rent. All maintenance and cleaning which is carried out, contracted or supervised by the Tenant shall be to industry accepted standards. The Landlord shall have the right



to inspect the maintenance and cleaning carried out, contracted or supervised by the Tenant and if necessary to request improvements to the Property Management Services provided by the Tenant. If the maintenance and or cleaning is not done to an acceptable level either party shall have the right following written notification to the other party to carry out the required work and Schedules "A", and "E" will be amended accordingly if required.

Within 90 days following each fiscal year the Landlord agrees to provide the Tenant with a reconciliation of the prior fiscal year's operating costs for the services provided by the Landlord and the Landlord will provide the Tenant with a credit if the actual operating costs were less than operating costs which were recovered from the Tenant.

The Landlord will be responsible for the Premises' structural integrity including cyclical replacement of the roof; however, should such costs exceed \$75,000 for each of McDonald Hall and Tyler House in any calendar year, the Landlord at its option may terminate this Lease on 12 months written notice to the Tenant. Prior to exercising the Landlord's right to terminate the Lease the Landlord will use its best efforts to work with the Tenant to achieve a mutually acceptable arrangement with respect to structural costs in excess of \$75,000 for each building in any calendar year. The right to terminate the Lease pursuant to this clause is in addition to any other right to terminate this Lease.

### **ARTICLE 3 - RENT AND OTHER CHARGES**

#### **3.1 NET RENT, DEPOSIT, AND PREPAID RENT SECURITY DEPOSIT**

##### **(a) McDonald Hall and Annex**

The net rent, deposit and prepaid rent security deposit for McDonald Hall and Annex shall be as set out in this paragraph 3.1(a).

A net rent free period shall run May 1st, 1996 until October 31st, 1996. During this net rent free period the Tenant will be responsible for Operating Costs which are agreed to be fixed at \$2.00 per square foot per annum or \$6,637.66 per month until August 31st, 1996 and taxes as applicable for the Premises. For the twenty two month period commencing November 1st, 1996 and ending August 31st, 1998 the net rent shall be \$100,000 annually (\$8,333.33 monthly due on the first of each and every month) plus GST and other taxes as applicable.

For the one year period commencing September 1st, 1998 and ending August 31st, 1999 the net rent shall be \$190,000 annually (\$15,833.33 monthly due on the first of each and every month) plus GST and other taxes as applicable.

For the one year period commencing September 1st, 1999 and ending August 31st, 2000 the net rent shall be \$240,000 annually (\$20,000.00 monthly due on the first of each and every month) plus GST and other taxes as applicable.

For the twenty two month period commencing September 1st, 2000 and ending June 30th, 2002 the net rent shall be \$300,000 annually (\$25,000.00 monthly due on the first of each and every month) plus GST and other taxes as applicable.

A non-refundable deposit of \$2,000 was paid to the Landlord on the acceptance of the Offer to Lease and will be applied to the first months net rent free period payment. To guarantee performance of the provisions of this Lease, the Tenant will, on the commencement date, deposit with the Landlord a security deposit of \$150,000 being on account of prepaid rent for part of the period September 1, 1998 to August 31, 1999 with interest on the balance outstanding to the credit of the Tenant. Should the Tenant not perform any of the provisions of the Lease the Landlord may on written notice to the Tenant, use the Prepaid Rent Security Deposit to satisfy the provisions of the Lease. The Tenant shall then be obligated to immediately pay any shortfall in the Prepaid Rent for the period September 1, 1998 to August 31, 1999. Should the Lease be terminated by the Landlord prior to August 31, 1999 the portion of the Security Deposit/Prepaid Rent if any, which has not been used to satisfy the Tenant's obligations under this Lease shall be returned to the Tenant.

(b) Tyler House

The net rent for Tyler House shall be as set out in this paragraph 3.1(b).

A net free period shall run from May 1, 1998 to October 31, 1998.

For the ten month period commencing November 1, 1998 and ending August 31, 1999 the net rent shall be \$46,025 (\$4,602.50 monthly due on the first day of each and every month) plus GST and other taxes as applicable.

For the twelve month period commencing September 1, 1999 and ending August 31, 2000 the net rent shall be \$66,276 (\$5,523 monthly due on the first day of each and every month) plus GST and other taxes as applicable.

For the twelve month period commencing September 1, 2000 and ending August 31, 2001 the net rent shall be \$88,368 (\$7,364 monthly due on the first day of each and every month) plus GST and other taxes as applicable.

For the ten month period commencing September 1, 2001 and ending June 30, 2002 the net rent shall be \$138,075 (\$13,807.50 monthly due on the first day of each and every month) plus GST and other taxes as applicable.

**3.2 TAXES**

The Tenant shall pay all Property Taxes assessed against the Premises. If applicable prior to the beginning of each year of the Term, the Landlord will estimate the amount of Property Taxes, if any to be levied against the Premises. The Tenant shall, with each monthly rental payment, pay to the

Landlord as additional rent, a sum equal to 1/12 of the Landlord's estimate if any as aforementioned. At the end of each year of the term the Landlord will reconcile Property Taxes actually paid, if any by the Landlord, to the amount paid as Additional Rent, if any by the Tenant. Any surplus of funds paid by the Tenant shall be refunded to the Tenant and any deficiency of funds shall be immediately paid by the Tenant to the Landlord.

In the event that there is no separate assessment for Property Taxes made against the Premises, the Landlord shall calculate the proportionate share of taxes if any to be attributed to the Premises.

### **3.3 ADDITIONAL RENT**

In addition to the above-mentioned net rent the Tenant shall be responsible for its payment so proportionate operating costs and property taxes as stated in Article 2.5 and 3.2 herein and shall also be responsible for payment of goods and services tax.

### **3.4 INTEREST ON ARREARS**

The Tenant shall pay to the Landlord all charges as set out in the Lease. Any amounts unpaid after the due date shall bear interest at the rate of eighteen (18) percent per annum, at the time such fees become outstanding, compounded monthly from the date that such charges become due, to and including the date of payment.

### **3.5 PAYMENT VIA DIRECT ELECTRONIC FUNDS TRANSFER**

All amounts payable by the Tenant under this Lease shall be payable via Direct Electronic Funds Transfer (DEFT - see customer Authorization Form attached) or via post-dated cheques.

## **ARTICLE 4 - GENERAL COVENANTS**

### **4.1 DIRECTIONS AS TO EMERGENCY**

In case of emergency, the Landlord designates the District Director, Vancouver, telephone number (604) 660-3021 as its representative, and the Tenant designates the Head Master of West Point Grey Academy, telephone number (604) 222-8750 as its representative.

### **4.2 ACCESS**

The Tenant, its servants, students, agents, employees, licensees and invitees shall have the right to access the Premises from West 8th Avenue for the purpose of ingress, egress and full enjoyment of the Premises.

#### **4.3 USE OF PREMISES**

The Premises shall be used only for educational purposes including a preschool, kindergarten, primary, secondary and international (e.g. E.S.L.) school and including ancillary uses such as residential facility and cafeteria. Any change in use shall require the consent of the Landlord in writing.

#### **4.4 TENANT IMPROVEMENTS AND CODE UPGRADES**

Subject to the Landlord's obligations, representations, and warranties in this Lease, the Tenant accepts the Premises in an as is where is condition. All Tenant Improvements and Code Upgrades shall be set forth in Schedule "C" attached and will be subject to the approval in writing by the Landlord and shall be at the Tenant's sole cost and Tenant Improvements and Code Upgrades exceeding \$100,000 shall be amortized over a term of 74 months. The first \$100,000 of Tenant Improvements and Code Upgrades will not be subject to amortization and the maximum amount subject to this amortization is \$250,000. In the event that the Landlord terminates this Lease prior to the end of the term the Landlord will pay to the Tenant the simple (no cost of capital used), unamortized balance of the Tenant Improvements and Code Upgrades. For example: should the Landlord exercise its right to terminate this Lease effective July 1, 2000, 24 months of unamortized improvements would remain, a maximum payment based on  $\$250,000/74 \text{ months} = \$3,378.38$  per month  $\times 24$  remaining months = \$81,081.12 maximum payment by the Landlord to the Tenant for terminating the Lease July 1, 2000. As a condition of receiving payment, the Tenant shall provide the Landlord with an accounting of the unamortized balance of the Tenant Improvements and Code Upgrades. If the Tenant elects to terminate the Lease, the Landlord will not be liable to make any payments under this clause.

#### **4.5 COMPLY WITH LAWS**

The Tenant shall at all times during the Term hereof comply with all applicable laws, statutes, by-laws, ordinances, regulations or other lawful requirements of any governmental authority having jurisdiction.

Subject to the cost limitations set out in paragraph 2.5, the Landlord shall be responsible for its actions during the Term as those actions relate to compliance with all applicable laws, statutes, bylaws, ordinances, regulations or other lawful requirements of any governmental authority having jurisdiction.

The Tenant acknowledges that the drinking water was analysed on August 4, 1994, and, in the opinion of the Landlord, the results indicated that the quality of the water is well within the "maximum acceptable concentrations" as defined by the guidelines for Canadian drinking water quality. The Landlord has no reason to suspect that there has been any change in the quality since this analysis was conducted.

The Landlord hereby informs the tenant that the asbestos material still present in the building is being regularly inspected and contained in accordance with the pertinent regulations and, in the opinion of the Landlord, presents no health hazards for persons using the facility.

#### **4.6 ALTERATIONS**

The Tenant may, with the prior written consent of the Landlord, make such alterations or additions to the Premises as it may from time to time request in writing and as are required for the conduct of its business.

#### **4.7 SUBLETTING AND ASSIGNMENT**

The Tenant shall not assign its interest or sublet the Premises without the prior written consent of the Landlord. However, the Landlord's consent shall not be unreasonably withheld if the Tenant wishes to sublet the Premises, or a part thereof, to an affiliated company or society for the same use.

#### **4.8 QUIET ENJOYMENT**

Provided the Tenant is not in default hereunder, the Tenant shall have quiet enjoyment of the Premises.

### **ARTICLE 5 - INSURANCE AND REPAIRS**

#### **5.1 LANDLORD'S COVENANT TO INSURE**

The Landlord shall obtain and maintain insurance on the Premises, excluding all chattels of the Tenant, against loss or damage by fire and extended coverage perils. At the Landlord's option it may self insure against these perils.

#### **5.2 TENANT'S COVENANT TO INSURE**

The Tenant shall obtain, maintain and pay for Comprehensive General Liability Insurance, for an amount acceptable to the Landlord, but not less than \$5,000,000.00 per occurrence. Such insurance shall include the Landlord as a named insured, and shall contain a standard form of cross liability clause and shall also provide for Thirty (30) days prior notice of cancellation, lapse or material change. The Tenant covenants and agrees to provide evidence of such insurance prior to occupancy. The Tenant further agrees that if there be breach of the insurance requirements of this Article the Landlord may obtain the necessary insurance coverage on the Tenant's behalf and recover the costs thereof as Additional Rent.

### **5.3 TENANT NOT TO AFFECT INSURANCE**

The Tenant shall not do or permit anything to be done which causes the Landlord's cost of insuring the Premises to increase. Any increase in insurance costs to the Landlord resulting from a breach of this covenant shall be borne by the Tenant, and may be recovered by the Landlord as Additional Rent.

### **5.4 LANDLORD'S COVENANT TO REPAIR**

The Landlord covenants, subject to the provisions of Article 5.05, and subject to the Tenant choosing to carry out certain building maintenance and repairs, to maintain the Premises' structural components in a good and tenantable condition. The Landlord will be responsible for the Premises' structural integrity including cyclical replacement of the roof; however, should such costs exceed \$75,000 for each of McDonald Hall and Tyler House in any calendar year, the Landlord, at its option, may terminate this Lease on 12 months written notice to the tenant. Prior to exercising the Landlord's right to terminate the Lease the Landlord will use its best efforts to work with the Tenant to achieve a mutually acceptable arrangement with respect to structural costs in excess of \$75,000 for each building in any calendar year. The right to terminate the Lease pursuant to this clause is in addition to any other right to terminate this Lease.

### **5.5 REPAIR IN THE EVENT OF SEVERE DAMAGE**

If the Premises are damaged by fire or any other hazard such that the Premises are rendered untenable or convenient access is prevented, the Landlord in its sole discretion may elect not to repair the damage, and the Lease granted hereby shall be terminated as at the day of the fire. If the damage to the Premises is capable of repair within Ninety (90) days, the Landlord may initiate such repair and forthwith allow an abatement of Base Rent which recognizes the nature and extent of the damage, until such time as the Premises have been rebuilt or access restored. If the damage is such as to preclude the reoccupation of the Premises by the Tenant for a period in excess of Ninety (90) days, either party may, within Thirty (30) days of the occurrence of the original damage, serve notice upon the other of immediate termination of this Lease.

### **5.6 TENANT'S COVENANT TO REPAIR**

The Tenant shall maintain and keep in repair (reasonable wear and tear excepted) the Premises other than repairs to be performed by the Landlord pursuant to the terms of this Lease and shall not overload any floors, commit or permit any waste. The Tenant shall allow the Landlord to enter the Premises at any reasonable time for the purpose of inspecting the Premises and making necessary major repairs.

### **5.7 NOTIFICATION OF DEFECTS**

The Tenant shall give the Landlord immediate written notice of any accident, defect or damage within the Premises, systems or services for which the Landlord has an obligation under this Lease.

## **ARTICLE 6 - DEFAULT**

### **6.1 RIGHT TO RE-ENTER**

Without limiting the generality of the foregoing, if:

- (a) the Tenant fails to pay any rent or other sums hereunder on the day or dates appointed for the payment thereof (provided the Landlord first gives ten (10) days written notice to the Tenant of any such failure); or
- (b) the Tenant fails to perform any other of the terms, covenants, or conditions of this Lease to be observed or performed by the Tenant (provided the Landlord first gives the Tenant fourteen (14) days written notice of any such failure to perform and the Tenant within such period of fourteen (14) days fails to commence diligently and thereafter to proceed diligently to cure any such failure to perform); or
- (c) the Tenant or any agent of the Tenant falsifies any report required to be furnished to the Landlord pursuant to this Lease; or
- (d) the Tenant or any person occupying the Premises or any part thereof and operating a business in the Premises becomes bankrupt or insolvent or takes the benefit of any act now or hereafter in force for bankrupt or insolvent debtors or files any proposal or makes any assignment for the benefit of creditors; or
- (e) a receiver or a receiver manager is appointed for all or a portion of the Tenant's property or any such Indemnifier's, occupant's, licensee's, concessionaire's, or franchisee's property; or
- (f) any steps are taken or any action or proceedings are instituted by the Tenant or by any other party including without limitation, any court or governmental body of competent jurisdiction for the dissolution, winding-up or liquidation of the Tenant or its assets; or
- (g) the Tenant makes a sale in bulk; or
- (h) the Tenant abandons or attempts to abandon the Premises, or sells or disposes of the goods and chattels of the Tenant or removes them from the Premises so that there would not in the event of such sale or disposal be sufficient goods on the Premises subject to distress to satisfy all rent due and accruing hereunder; or
- (i) after August 30, 1996 the Premises become and remain vacant for a period of thirty (30) consecutive days other than due to damage which renders the Premises

SOL:206981-8

untenantable or if the Premises are used by any other persons than such as are entitled to use them hereunder; or

- (j) the Tenant assigns, transfers, encumbers, sublets or permits the occupation or use or the parting with or sharing possession of all or any part of the Premises by any one except in a manner permitted by this Lease; or
- (k) this Lease or any of the Tenant's assets are taken under any writ of execution; or
- (l) re-entry is permitted under any other terms of this Lease;

Then the Landlord, in addition to any other rights or remedies it has pursuant to this Lease or by law, has, to the extent permitted by law, the immediate right of re-entry upon the Premises and it may remove all persons and property from the Premises and such property may be removed and stored in a public warehouse or elsewhere at the cost and for the account of the Tenant, all without service or notice or resort to legal process and without the Landlord being considered guilty of trespass or becoming liable for any damage which may be occasioned thereby.

## **6.2 RIGHT TO RELET**

If the Landlord elects to re-enter the Premises as herein provided, or if it takes possession pursuant to legal proceedings or pursuant to any notice provided for bylaw, it may either terminate this Lease or it may from time to time without terminating this Lease, make such alterations and repairs as are necessary in order to relet the Premises, or any part thereof for such term or terms (which may be for a term extending beyond the Term) and at such rent and upon such other terms, covenants and conditions as the Landlord in its sole discretion considers advisable. Upon each such reletting all rent received by the Landlord from such reletting shall be applied, first to the payment of any indebtedness other than rent due hereunder from the Tenant to the Landlord; second, to the payment of any costs and expenses of such reletting including brokerage fees and solicitor's fees and of costs of such alternations and repairs; third, to the payment of rent due and unpaid hereunder; and the residue, if any, shall be held by the Landlord and applied in payment of future rent as the same becomes due and payable hereunder. If such rent received from such reletting during any month is less than that to be paid during that month by the Tenant hereunder, the Tenant shall pay any such deficiency which shall be calculated and paid monthly in advance on or before the first day of each and every month. No such re-entry or taking possession of the Premises by the Landlord shall be construed as an election on its part to terminate this Lease unless a written notice of such intention is given to the Tenant. Notwithstanding any such reletting without termination the Landlord may at any time thereafter elect to terminate this Lease for such previous breach. If the Landlord at any time terminates this Lease for any breach, in addition to any remedies it may have, it may recover from the Tenant all damages it incurs by reason of such breach, including the cost of recovering the Premises, solicitor's fees (on a solicitor and his client basis) and including the worth at the time of such termination of the excess, if any, of the amount of rent and charges equivalent to rent reserved in this Lease for the remainder of the stated Term over the then reasonable rental value of the Premises for the remainder of the



stated Term, all of which amounts shall be immediately due and payable by the Tenant to the Landlord.

### **6.3 EXPENSES**

If legal action is brought for recovery of possession of the Premises, for the recovery of rent or any other amount due under this Lease, or because of the breach of any other terms, covenants or conditions herein contained on the part of the Tenant to be kept or performed, and a breach is established, the Tenant shall pay to the Landlord all reasonable expenses incurred therefore, including a solicitor's fee (on a solicitor and his client basis), unless a Court shall otherwise award.

### **6.4 LANDLORD MAY CURE TENANT'S DEFAULTS**

If the Tenant fails to pay, when due, any amounts or charges required to be paid pursuant to this Lease, the Landlord, after giving ten (10) days notice in writing to the Tenant, may, but shall not be obligated to, pay all or any part of the same. If the Tenant is in default in the performance of any of its covenants or obligations hereunder (other than the payment of rent or other sums required to be paid pursuant to this Lease) the Landlord may from time to time after giving such notice as it considers sufficient (or no notice in the case of an emergency) having regard to the circumstances applicable, perform or cause to be performed any of such covenants or obligations, or any part thereof, and for such purpose may do such things as may be requisite, including, without limitation, entering upon the Premises and doing such things upon in respect of the Premises or any part thereof as the Landlord reasonably considers requisite or necessary. All expenses incurred and expenditures made by or on behalf of the Landlord under this Section 6.04 plus a sum equal to fifteen (15) percent thereof representing the Landlord's overhead shall be paid by the Tenant as Additional Rent forthwith upon demand. The Landlord shall have no liability to the Tenant for any loss or damages resulting from any such action or entry by the Landlord upon the Premises and the same shall not be deemed a re-entry or a breach of any covenant for quiet enjoyment.

### **6.5 LIEN ON TRADE FIXTURES**

If the Tenant at any time during the term or at the expiration of other termination of the Term is in default under any covenant or obligation contained herein, the Landlord has a lien on all stock-in-trade, inventory and fixtures, equipment and facilities of the Tenant as security against loss or damage resulting from any such default by the Tenant and said stock-in-trade, inventory, fixtures, equipment or facilities shall not be removed by the Tenant until such default is cured, unless otherwise so directed by the Landlord.

## **ARTICLE 7 - GENERAL TERMS**

### **7.1 TERMINATION AND HOLDING OVER**

The Term herein granted will expire by effluxion of time without notice from either party to the other. If:

- (a) the Tenant continues to occupy the Premises after expiration of the Term; and,
- (b) the Tenant pays the new rent required as set out below; and,
- (c) the Landlord accepts such rent; and
- (d) the Tenant is not in default of any provision of this Lease,

then the Tenant will be deemed to occupy the Premises as a tenant from month to month at a monthly rental of 130% of the monthly rent for the last month of the Term payable in advance on the first day of each month overheld. All of the other terms and conditions of this agreement will continue to apply as set out insofar as the same are applicable to a month to month tenancy.

### **7.2 ANNEXATION OF TENANT'S FIXTURES**

The Tenant agrees that any alterations, improvements and fixtures made to or installed upon the Premises by or at the expense of the Tenant, other than reasonably movable fixtures, shall immediately upon affixation be deemed to be annexed to the Premises. Such fixtures shall remain upon and be surrendered with the Premises upon the expiration or earlier termination of this Lease except that:

- (a) the Tenant may remove its trade fixtures at the expiration of the Term with the consent of the Landlord in the usual or normal course of its business, provided such trade fixtures have become excess for the Tenant's purposes or the Tenant is substituting new and similar trade fixtures therefore, and provided that in each case:
  - (i) such removal is done at the Tenant's sole cost and expense;
  - (ii) the Tenant is not in default under this Lease;
  - (iii) the Tenant first notified the Landlord in writing of such proposed removal;
- (b) the Tenant shall, at the expiration of the Term, at its own cost and expense remove such of its leasehold improvements and fixtures as the Landlord requires to be removed.

The Tenant shall, in the case of every such installation or removal either during or at the expiration of the Term effect the same at times designated by the Landlord and promptly make good any damage caused to the Premises by the installation or removal of any such alternation, addition or improvement.

### **7.3 SURRENDER**

The Tenant shall surrender the Premises to the Landlord at the expiration or sooner termination, of the Term, in good repair, reasonable wear and tear, damage from fire, storm, tempest and other casualty, removal of chattels and repairs for which the Landlord is responsible under the terms of this Lease only excepted, and the Tenant shall be liable either to pay compensation to the Landlord in respect of restoration thereof or repair the Premises.

### **7.4 NO WAIVER**

It is understood and agreed that the remedies of the Landlord under this Lease are cumulative and that the exercise or non-exercise by the Landlord of any right or remedy for the breach by the Tenant of any covenant or agreement herein contained, or the acceptance of any monies owing hereunder, shall not be deemed to be a waiver or to alter, affect or prejudice the right or remedy to which the Landlord may be lawfully entitled and that any waiver granted in one case shall not be deemed to be a waiver of any subsequent default or breach.

## **ARTICLE 8 - MISCELLANEOUS**

### **8.1 INDEMNITY**

The Tenant agrees to indemnify the Landlord against all claims, actions, causes of actions, damages, expenses, costs, or losses arising out of or resulting directly or indirectly and whether by reason of negligence or otherwise, from the acts or omissions of the Tenant or any of the Tenant's servants, agents, licensees and invitees.

The Landlord agrees to indemnify the Tenant against all claims, actions, causes of actions, damages, expenses, costs, or losses arising out of or resulting directly from the Landlord's negligence or the negligence of the Landlord's servants.

### **8.2 NOTICES**

Any notices required pursuant to the terms of this Lease shall be deemed to have been properly delivered by one party to the other firstly on that date upon which registered prepaid mail was effected against the other party at his or its address first recited above, or Three (3) days after the posting thereof, whichever shall be the earlier or secondly, by personal service. Notices sent during a strike, lockout or other labour disturbance at the post office shall be delivered and not mailed.

## 8.9 DEVELOPMENT PROCESS

The Landlord will apprise the Tenant of its plans for redevelopment or sale of the Premises. As the anticipated land use and planning for the site will involve a public process the Tenant will have an opportunity to participate in that process.



## 8.10 SCHEDULES

All of the Schedules to this Agreement, including Schedule "A", Schedule "B", Schedule "C", Schedule "D", Schedule "E", and Schedule "F" shall form an integral part of this Agreement.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands and seals and where a party is a corporate entity the corporate seal of the said company has been affixed in the presence of its duly authorized officers on the day and year first recited above.

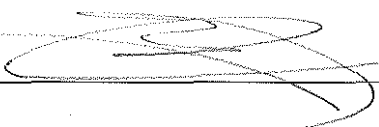
### **BRITISH COLUMBIA BUILDINGS CORPORATION**

by its authorized signatories:

Per:  \_\_\_\_\_  
Per:  \_\_\_\_\_

### **477020 B.C. LTD.**

by its authorized signatories:

Per:  \_\_\_\_\_  
Per: \_\_\_\_\_

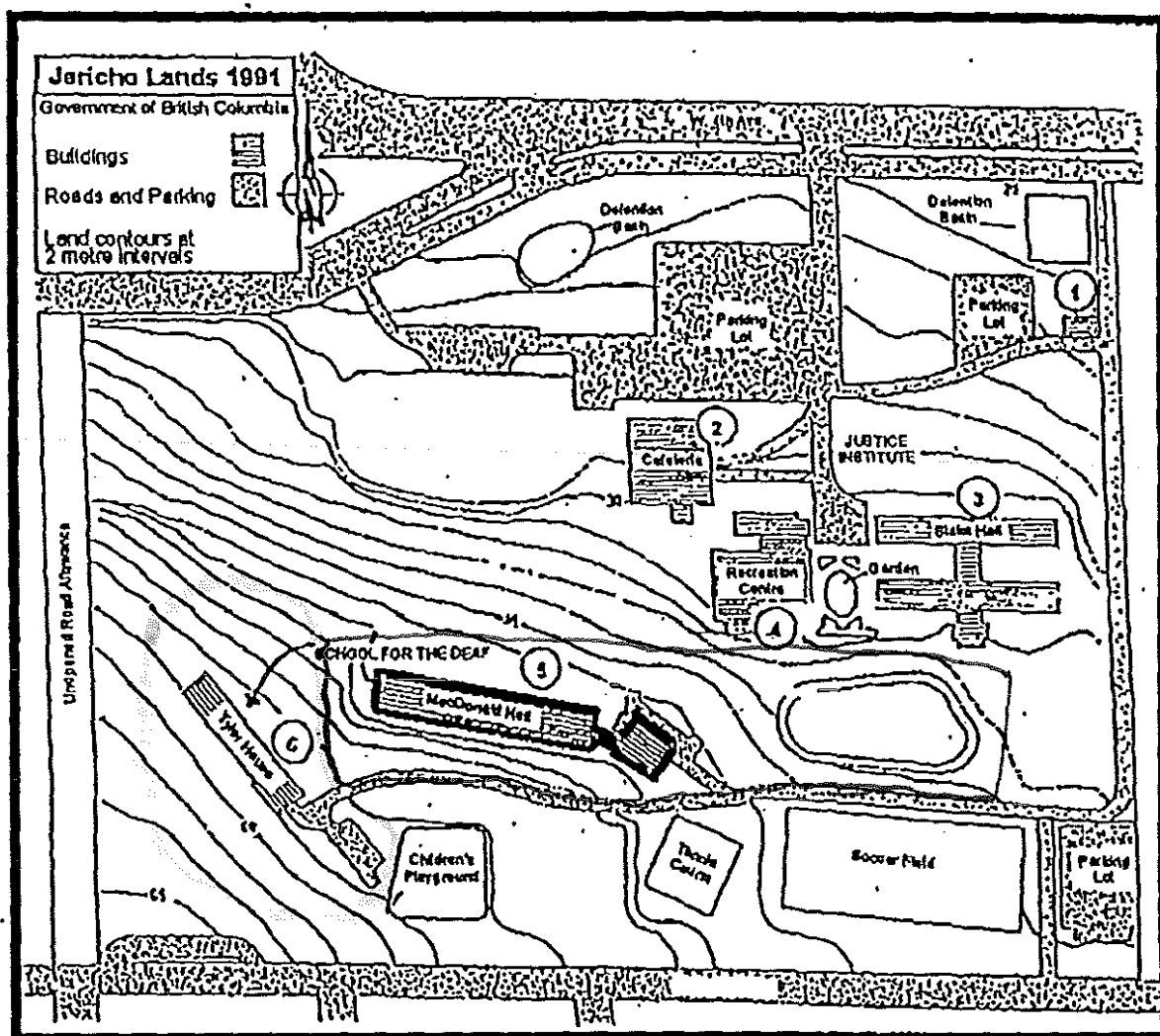
**SCHEDULE "A"**  
**RESPONSIBILITY FOR BUILDING SERVICES**

(a)	(b)	(c)	(d)	(e)
ITEM	TO BE PROVIDED BY LANDLORD COST INCLUDED IN RENT	TO BE PROVIDED BY LANDLORD COST BORNE BY TENANT	TO BE PROVIDED BY AND COST BORNE BY TENANT	DOES NOT APPLY
1 (240) Heating		X 1		
2(310) Water & Sewage		X 1		
3 (230) Electricity		X (outdoor lights, McDonald Hall & Tyler House)		1
4 (250) Preventive Servicing and Minor Repairs of Elevator(s)		X		
5 (270) Garbage Removal		X		
6 (290) Deleted				
7 (270) Interior & Exterior Fabric Maintenance			X	
8 (320) Preventive Servicing and Minor Repairs of Elevator(s)		X		
9 (360) Window Cleaning -Interior		X		
10 (350) Window Cleaning -Exterior		X		
11 (300) Parking	X			
12 (210) Janitorial Service & Supplies		X Tenant's custodial to do Building's sidewalks and stairs to Recreation Building		
13 (260) Lamp, Tube and Ballast Replacement		X		
14 Tenant Improvements			X	
15 (220) Taxes		X		
16 (340) Insurance - Fire and Extended Coverage Perils, P.L. & P.D.		X X X	Comprehensive General Liability Tenant's Chattels X	
17 Security, Fire and Safety		X		
18 Prop. Management, Supervision, Administration		X		

LL = Landlord

NOTE: 1 At the Landlord's option Heating (Gas), Water and Electrical to be metered by the Tenant at Tenant's Cost.

# **SCHEDULE "B"** **SITE PLAN**



1. HEATING PLANT - Demolished 1995/96
2. CAFETERIA BUILDING
3. BLAKE HALL - Demolished 1995/96
4. RECREATION CENTRE
5. MACDONALD HALL
6. TYLER HOUSE



SCHEDULE "C"  
PROPOSED TENANT IMPROVEMENT AND CODE UPGRADES (AT TENANT'S COST)

ITEMS	ESTIMATED COST
Pre-School Playground Addition	\$5,000
Pre-School Classroom Renovations	\$16,000
Other Classroom Renovations	\$80,000
Washroom Up-Grade for Children	\$34,000
Alarm & PA System Up-Grade	\$1,000
8th Grade Science Lab Up-Grade	\$30,000
Field Renovation (track, soccer field)	\$2,500
Tennis Court Renovation	\$2,500
Existing Playground Renovation	\$5,000
Classroom to Reception Area Conversion	\$10,000
General Renovations (painting halls, re-finishing, molding, lighting, carpeting, etc.)	\$40,000

NOTE: Costs may vary, as contractor and procurement bids have not been tendered. This list is not final and is subject to change. 477020 B.C.Ltd. has not completed a thorough quantity survey, feasibility study or submitted a formal renovation plan for its Board to review and approve.

SCHEDULE "D"

- Deleted



SCHEDULE "E"

OPERATIONS AND MAINTENANCE BUDGET FOR THE PREMISES

1. **McDonald Hall and Annex**

	Bldg.	Area Sq.Ft.	Fixed Property Management Fee in Lieu of Markups
	39,676		
	\$psf	\$total	
Services agreed to be Provided by BCBC Property Management:			
Security	\$0.13	\$5,000	Maximum, fixed for first fiscal year
Minor Servicing HVAC	\$0.43	\$17,000	Maximum, fixed for first fiscal year
Electrical/Elevators	\$0.11	\$4,500	Maximum, fixed for first fiscal year
Fire & Safety	\$0.03	\$1,000	Maximum, fixed for first fiscal year
Heating, Natural Gas	\$0.46	\$18,400	To be metered by Tenant at Tenant's cost
Water, Sewage, Garbage	\$0.06	\$2,500	Water to be metered by Tenant at Tenant's cost
Electrical Power	\$0.63	\$25,000	To be metered by Tenant at Tenant's cost
Janitorial, Int./Ext. Windows	\$1.13	\$45,000	See note 1: Allowance, service level to be determined.
Lamps			
Insurance	\$0.08	\$3,000	Maximum, fixed for first fiscal year
Property Mgmt., Admin.	\$0.43	\$17,000	Note: Fixed for first fiscal year, additional services may increase property mgmt. fee
Supervision			
PROPOSED BCBC O & M	\$3.49	\$138,400	
Services provided and paid for directly by the Tenant (BCBC's estimated costs)			
Interior Fabric Maintenance	\$0.45	\$18,000	
Projected Tenant O & M	\$0.45	\$18,000	

2. Tyler House

	Bldg. 22,092	Area Sq.Ft. \$psf \$total	Fixed Property Management Fee in Lieu of Markups
Services agreed to be Provided by BCBC Property Management:			
Security	\$0.13	\$2,871.96	Maximum, fixed for first fiscal year
Minor Servicing HVAC	\$0.43	\$9,499.56	Maximum, fixed for first fiscal year
Electrical/Elevators	\$0.11	\$2,430.12	Maximum, fixed for first fiscal year
Fire & Safety	\$0.03	\$662.76	Maximum, fixed for first fiscal year
Heating, Natural Gas	\$0.46	\$10,162.32	To be metered by Tenant at Tenant's cost
Water, Sewage, Garbage	\$0.06	\$1,325.52	Water to be metered by Tenant at Tenant's cost
Electrical Power	\$0.63	\$13,917.96	To be metered by Tenant at Tenant's cost
Janitorial, Int./Ext. Windows	\$1.13	\$24,963.96	See note 1: Allowance, service level to be determined.
Lamps			
Insurance	\$0.08	\$1,767.36	Maximum, fixed for first fiscal year
Property Mgmt., Admin.	\$0.43	\$9,499.56	Note: Fixed for first fiscal year, additional services may increase property mgmt. fee
Supervision			
PROPOSED BCBC O & M	\$3.49	\$77,101.08	
Services provided and paid for directly by the Tenant (BCBC's estimated costs)			
Interior Fabric Maintenance	\$0.45	\$9,941.40	
Projected Tenant O & M	\$0.45	\$9,941.40	

\* Allowance only, at Landlord's option, electrical, water and gas meters to be installed by Tenant at Tenant's cost and electrical, water and gas consumption would be reconciled at the end of fiscal year.

NOTE 1: Janitorial allowance is subject to service levels, occupancy loads, hours of operation and use.

#### SCHEDULE "F"

- A. The Parties entered into a lease dated for reference the 29th day of March, 1996, lease number D652, with respect to premises located at 4125 West 8th Avenue, Vancouver, British Columbia (the "Previous Lease") and the parties agree and acknowledge that this Lease replaces and supersedes the Previous Lease; and
  
- B. The Landlord acknowledges that at the date of execution of this Lease, the Tenant has complied with all the terms and provisions of the Previous Lease and is not in default thereunder.



# AN OFFER TO OUR VALUED CUSTOMERS:

*We would like to make things DEFT for you!*

**deft:** skillful, in a quick, sure, and easy way.




(Webster's Dictionary)

We would like to introduce you to the convenience, certainty and ease of DEFT:

## Direct Electronic Funds Transfer

BCBC is introducing DEFT service for the convenience of its valued rental/lease customers, both individuals and organizations.

Through our new DEFT service, you save time and money:

-  You save time and effort.
-  You save the cost of stamps and cheques.
-  You save the cost of late payment charges.

All you have to do is complete the DEFT Customer Authorization (*see over*) and mail it back to us. For convenience, you could simply enclose it with your next payment.

Through our DEFT service, your rental payment will be automatically debited to your bank account on *the first working day of every month*. For your recordkeeping, this debit will be denoted on your bank statement as "BCBC Rent." (upon request, an invoice can still be mailed to you every month.)

We are planning to begin operation of our DEFT service soon, but will notify you well in advance of our actual start of operation and confirm your authorization to participate in this service.

If you have any questions about our DEFT service or the Customer Authorization, please contact Lori Marsh, Accounting Services, BC Buildings Corporation at (604) 387-7275.

*Please be assured that, if for any reason and at any time you wish to discontinue taking advantage of our DEFT service, simply contact Lori Marsh at (604) 387-7275.*

Buildings  
for a Better  
British  
Columbia

3350 Douglas St.  
P.O. Box 1112  
Victoria, B.C.  
Canada V8W 2T4

Tel: (604) 387-7211  
Fax: (604) 387-0024

**T** HIS LICENSE dated for reference the 26<sup>th</sup> day of NOVEMBER, 1998.

**BETWEEN:**

**BRITISH COLUMBIA BUILDINGS CORPORATION,**  
a company duly incorporated pursuant to an Act of the Legislature  
of the Province of British Columbia and having an office situated at  
3350 Douglas Street, Victoria, British Columbia V8Z 3L1  
(hereinafter referred to as the "Owner")

**OF THE FIRST PART**

**AND:**

**VANCOUVER BOARD OF PARKS AND RECREATION**  
2099 Beach Avenue  
Vancouver, British Columbia V6G 1Z4  
(hereinafter referred to as the "Licensee")

**OF THE SECOND PART**

**W** ITNESS THAT WHEREAS the Owner has agreed to grant to the Licensee a License over that parcel of land described as:

Block C, District Lot 176, Vancouver Assessment District, Plan 19402

(hereinafter referred to as the "Lands")

**I** N CONSIDERATION of the covenants, agreements and conditions herein contained, the Parties agree as follows:

### **ARTICLE I GRANT OF LICENSE AND TERM**

**SECTION 1.01** The Owner, does hereby grant to the Licensee a License to enter onto the Premises more particularly described as the Jericho Hill Lands;

- (i) Pool: 5,100 square feet
- (ii) Gymnasium: 19,000 square feet
- (iii) Field: located on those lands legally described as Block C, District Lot 176, Vancouver Assessment District, Plan 19402 as shown on Schedule "A" to this License.

**SECTION 1.02** To have the non exclusive use of the Premises for the period of **Two (2) years** commencing on the **1st day of September, 1998**, and to be fully completed at **12:00 p.m.** on the **31<sup>st</sup> day of August, 2000**, (the "Term") unless earlier terminated in accordance with the terms hereof.

## ARTICLE II DEFINITIONS

**SECTION 1.02 LICENSE IMPROVEMENTS** - "Licensee Improvements" means the improvements to be made to the Premises as may be more particular set forth in Schedule "C", if any, attached hereto.

## ARTICLE III FEES AND OTHER CHARGES

**SECTION 3.01** The Licensee shall pay to the Owner, License fees over the whole of the Term as set out in Schedule "B" to this License.

## ARTICLE IV GENERAL COVENANTS

### **SECTION 4.01 DIRECTIONS AS TO EMERGENCY**

In case of emergency, the Owner designates the **District Director, Vancouver District Office, telephone number (604) 482-5650** as its representative, and the Licensee designates Doug Newshead, West Pt. Grey, telephone number 257-8161, as its representative. Community Centre Coordinator

### **SECTION 4.02 ACCESS**

The Licensee, its servants, agents, employees, licensees and invitees shall (during normal business hours) have the right in common with any other Licensees or occupants of the Building to pass, repass and utilize all common areas including corridors, lobbies, washrooms, stairways, elevators and passages and over the land of the Building for the purpose of ingress, egress and full enjoyment of the Premises, and other facilities.

### **SECTION 4.03 USE OF PREMISES**

The Licensee shall use the Premises for the purpose of **Leisure and Recreation Activities**, including such related uses as rentals, child minding and other ancillary uses. The Owner may in its sole discretion permit the alternation of the use to which the Premises are put. The parties shall mutually agree as to those times that the Licensee shall have access and use of the Premises.

### **SECTION 4.04 OWNER'S SERVICES**

The Owner covenants to maintain the Building at those standards specified in the Occupational Environment Regulations of the Workplace Act, S.B.C. 1985, c.34. The Owner will not be responsible for direct, indirect or consequential damages arising out of any breach of this paragraph.

### **SECTION 4.05 COMPLY WITH LAWS**

The Licensee shall at all times during the Term hereof comply with all applicable laws, statutes, by-laws, ordinances, regulations or other lawful requirements of any governmental authority having jurisdiction.

**SECTION 4.06     ALTERATIONS**

The Licensee may, with the prior written consent of the Owner, make such alterations or additions to the Premises as it may from time to time request in writing and as are required for the conduct of its business.

**SECTION 4.07     SUB-LETTING AND ASSIGNMENT**

The Licensee shall not assign or sub-let the Premises without the prior written consent of the Owner but may rent time and space to the West Point Grey Community Association and other routine user groups, provided advance written notice of these arrangements is given to the Owner.

## **ARTICLE V INSURANCE AND REPAIRS**

**SECTION 5.01     OWNERS COVENANT TO INSURE**

The Owner shall obtain, maintain and pay for insurance on the Building, excluding all chattels of the Licensee, against loss or damage by fire and extended coverage perils and the Owner shall be responsible for any deductible amounts under the policy.

**SECTION 5.02     LICENSEE'S COVENANT TO INSURE**

- (a) The Licensee shall obtain, maintain and pay for Comprehensive General Liability Insurance, for an amount acceptable to the Owner, but not less than **\$2,000,000.00** per occurrence. Such insurance shall include the Owner as a named insured, and shall contain a standard form of cross liability clause and shall also provide for **Thirty (30)** days prior notice of cancellation, lapse or material change. The Licensee covenants and agrees to provide evidence of such insurance upon the written request of the Owner. The Licensee further agrees that if there be breach of the insurance requirements of this Article the Owner may obtain the necessary insurance coverage on the Licensee's behalf and recover the costs thereof as Additional Rent.
- (b) In lieu of the insurance described in paragraph 5.02(a), the Licensee may self-insure liability risks associated with its activities under its self-insurance program. Evidence of such self-insurance shall be provided to the Owner by means of a letter from the Director of Risk Management.

**SECTION 5.03     LICENSEE NOT TO AFFECT INSURANCE**

The Licensee shall not do or permit anything to be done which causes the Owner's cost of insuring the Building to increase. Any increase in insurance costs to the Owner resulting from a breach of this covenant shall be borne by the Licensee, and may be recovered by the Owner as Additional Rent.

**SECTION 5.04     OWNER'S COVENANT TO REPAIR**

The Owner shall use its best efforts to maintain the Building to the Standard then enjoyed by the Licensee at the commencement of this License.

**SECTION 5.05      REPAIR IN THE EVENT OF SEVERE DAMAGE**

If the Building and/or the Premises are damaged by fire or any other hazard such that the Building and/or the Premises are rendered untenable or convenient access is prevented, the Owner in its sole discretion may elect not to repair the damage, and the License granted hereby shall be terminated as at the day the damage occurred. If the damage to the Premises and/or the Building is capable of repair within **Ninety (90)** days, the Owner may initiate such repair and forthwith allow an abatement of Base Rent which recognizes the nature and extent of the damage, until such time as the Building and/or the Premises have been rebuilt or access restored. If the damage is such as to preclude the reoccupation of the Premises by the Licensee for a period in excess of **Ninety (90)** days, either party may, within **Thirty (30)** days of the occurrence of the original damage, serve notice upon the other of immediate termination of this License.

**SECTION 5.07      NOTIFICATION OF DEFECTS**

The Licensee shall make reasonable efforts to give the Owner immediate written notice of any accident, defect or damage within the Building, which the Licensee has knowledge of and for which the Owner has an obligation under this License.

## ARTICLE VI GENERAL TERMS

**SECTION 6.01      TERMINATION AND HOLDING OVER**

The Term herein granted shall expire by effluxion of time without notice from either party to the other, **PROVIDED ALWAYS** that in the event that the Licensee shall continue to occupy the Premises after the expiration of the Term, there shall be no tacit renewal of this License and Term, and the Licensee shall be deemed to occupy the Premises as a Licensee from month to month at a monthly rental to be negotiated and payable in advance on the first day of each month overheld, and otherwise upon the same terms and conditions herein set out insofar as the same are applicable to a month to month tenancy. Notwithstanding this Clause 6.01 or any other Clause within this License, both parties shall have the right to terminate this License upon thirty (30) days prior written notice to the other party.

**SECTION 6.02      ANNEXATION OF LICENSEE'S FIXTURES**

The Licensee agrees that any alterations, improvements and fixtures made to or installed upon the Premises by or at the expense of the Licensee, other than reasonably movable fixtures, shall immediately upon affixation be deemed to be annexed to the Building. Such fixtures shall remain upon and be surrendered with the Premises upon the expiration or earlier termination of this License.

**SECTION 6.03      SURRENDER**

The Licensee shall surrender the Premises to the Owner at the expiration or sooner termination, of the Term, in good repair, reasonable wear and tear, damage from fire, storm, tempest and other casualty, removal of chattels only excepted, and the Licensee shall be liable either to pay compensation to the Owner in respect of restoration thereof or repair the Premises.



**SECTION 6.04    NO WAIVER**

It is understood and agreed that the remedies of the Owner under this License are cumulative and that the exercise or non-exercise by the Owner of any right or remedy for the breach by the Licensee of any covenant or agreement herein contained, or the acceptance of any monies owing hereunder, shall not be deemed to be a waiver or to alter, affect or prejudice the right or remedy to which the Owner may be lawfully entitled and that any waiver granted in one case shall not be deemed to be a waiver of any subsequent default or breach.

**ARTICLE VII  
MISCELLANEOUS****SECTION 7.01    INDEMNITY**

The Licensee agrees to indemnify the Owner against all claims, actions, causes of actions, damages, expenses, costs, or losses arising out of or resulting directly or indirectly and whether by reason of negligence or otherwise, from the acts or omissions of the Licensee or any of the Licensee's servants, agents, licensees and invitees.

**SECTION 7.02    NOTICES**

Any notices required pursuant to the terms of this License shall be deemed to have been properly delivered by one party to the other firstly on that date upon which registered prepaid mail was effected against the other party at his or its address first recited above, or **three (3)** days after the posting thereof, whichever shall be the earlier or secondly, by personal service. Notices sent during a strike, lockout or other labour disturbance at the post office shall be delivered and not mailed.

**SECTION 7.03    COVENANTS AND AGREEMENTS**

The Owner and the Licensee agree that all the provisions of this License are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each provision hereof. Should any provision or provisions of this License be illegal or not enforceable, it or they shall be considered separate and severable from the License and its remaining provisions as though the said illegal or unenforceable provision(s) had never been included.

**SECTION 7.04    TIME**

Time shall be of the essence in this License.

**SECTION 7.05    ENTIRE AGREEMENT**

No other stipulation, agreement or undertaking, oral or otherwise, of the parties or of their agents shall be valid or enforceable unless made in writing, initialed by both parties and incorporated by reference into this License.

**SECTION 7.06    INTERPRETATION**

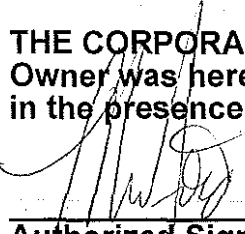
Wherever the singular, masculine or neuter is used in this License, that gender shall be deemed to include the plural or the feminine or body politic or corporate and the respective heirs, executors, administrators, successors and permitted assigns of the parties hereto and each of them where the context or the parties so require.


**SECTION 7.07    SUCCESSORS**

This License shall inure to the benefit of and be binding upon the parties hereto, their respective heirs, executors, administrators, successors and permitted assigns as the case may be.

**I** **N WITNESS WHEREOF** the Parties hereto have hereunto set their hands and seals and where a party is a corporate entity the corporate seal of the said company has been affixed in the presence of its duly authorized officers on the day and year first recited above.

THE CORPORATE SEAL of the  
Owner was hereunto affixed  
in the presence of:


  
\_\_\_\_\_  
Authorized Signatory

  
\_\_\_\_\_  
Authorized Signatory

c/s

Vancouver Board of Parks and Recreation by its authorized signatory:

~~THE CORPORATE SEAL of the~~  
~~licensee was hereunto affixed~~  
~~in the presence of:~~

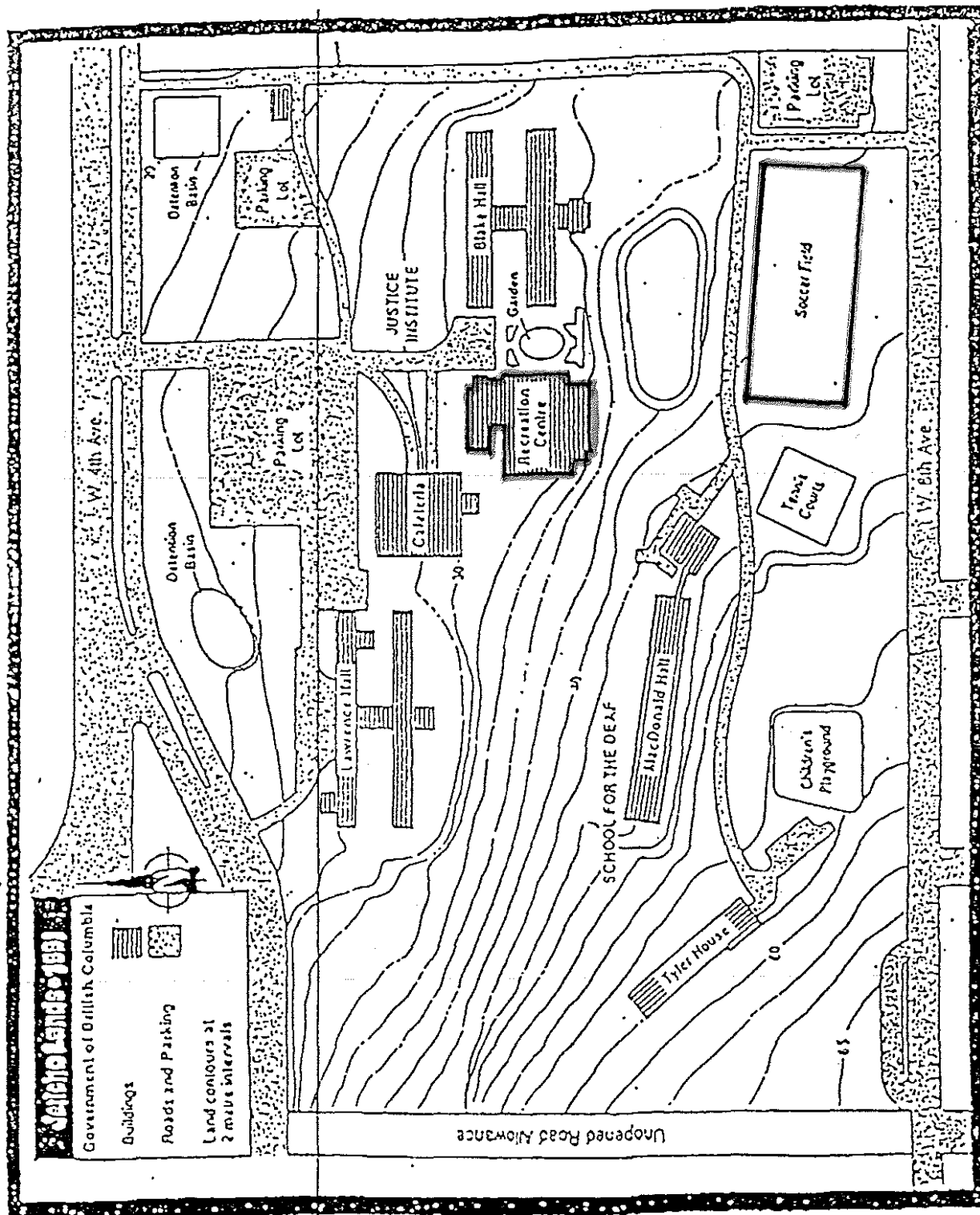
  
\_\_\_\_\_  
Authorized Signatory

Susan Mundick  
General Manager

\_\_\_\_\_  
Authorized Signatory

c/s

**SCHEDULE "A" TO A LICENSE DATED \_\_\_\_\_**  
**PLAN OF PREMISES**



**SCHEDULE "B" TO A LICENSE DATED \_\_\_\_\_**  
**PREMISES, RENT AND OCCUPANCY**

**1. POOL**

- 5,100 square feet
- To be operated and administered by Licensee.
- Payment for the use of this facility will be \$30.00 per hour to be paid to the Owner on the last day of each month of the Term. If the pool has major costs which the Owner is not willing to pay, the Owner may give 30 days notice to terminate this License for the pool use.

**2. GYMNASIUM**

- 19,000 square feet
- To be operated and administered by the Licensee, subject to the availability with the Justice Institute having first rights to 50% of the available times.
- Payment for the use of the facility will be \$16.00 per hour to be paid to the Owner on the last day of each month of the Term.

**3. FIELD**

- Refer to Schedule "A"
- To be operated and administered by the Licensee.
- The Owner will be responsible for the maintenance and care of this field as per the current standard and shall make all necessary repairs.
- Payment for the use of this facility will be \$300.00 per month to be paid to the Owner on the last day of each month of the Term.

The parties agree that they will mutually agree as to those times that the Licensee wishes the use of the Premises and failing said agreement, the Owner shall be the final determinator of the said times.

## SCHEDULE "C" TO A LICENSE DATED \_\_\_\_\_

The Licensee has the use of these premises "as is", "where is", with no Owner obligations for improvements whatsoever.

2014

1. The first part of the document is a list of the names of the members of the committee who have been appointed to the position of members of the committee.

2. The second part of the document is a list of the names of the members of the committee who have been appointed to the position of members of the committee.

3. The third part of the document is a list of the names of the members of the committee who have been appointed to the position of members of the committee.



2000.08.10

Mr. Gordon Lindal  
Vancouver Board of Parks and Recreation  
2099 Beach Avenue  
Vancouver, British Columbia V6B 1Z4

Dear Mr. Lindal

**Subject: British Columbia Buildings Corporation and  
Vancouver Board of Parks and Recreation  
4180 West 4<sup>th</sup> Avenue, Vancouver  
Client Agreement No.:105989**

It has come to our attention that the above lease expires August 31, 2000. By way of this letter we offer to extend this lease on a month to month basis under the same terms and conditions as per the lease agreement dated September 1, 1995, including rent, save and except the right of further renewal.

Please acknowledge your acceptance of these terms and conditions by signing all three copies of this letter, retaining one (1) copy for your records and returning the remaining two (2) copies to my attention at your earliest convenience.

Yours truly,

**REAL ESTATE DEVELOPMENT GROUP**

Mike Simmons  
Lease Manager

Direct Telephone: (250) 952-8428  
Facsimile: (250) 952-8288

**TERMS ACKNOWLEDGED AND ACCEPTED**

this 17<sup>th</sup> day of August, 2000.

**Vancouver Board of Parks and Recreation**

Buildings  
for a Better  
British  
Columbia

3350 Douglas St.  
Victoria BC V8Z 3L1

Tel (250) 952-8500  
Fax (250) 952-8295

pc: J. Heide, Planning  
T. Simpson, Vancouver District Office  
B. Duckworth, Vancouver District Office  
S. Campbell, Revenue

STANDARD FORM LEASE - CORPORATE OWNED PROPERTY

**T**HIS LEASE dated for reference the 1st day of SEPTEMBER, 1995.

BETWEEN

**BRITISH COLUMBIA BUILDINGS CORPORATION, "BCBC"**  
a company duly incorporated pursuant to an Act of the  
Legislature of the Province of British Columbia and having  
an office situated at 3350 Douglas Street, P.O. Box 1112,  
Victoria, British Columbia V8W 2T4

(hereinafter referred to as the "Landlord")

OF THE FIRST PART

AND

**CITY OF VANCOUVER as represented by**  
**BOARD OF PARKS & RECREATION, "VBP&R"**  
30 East 30th Avenue  
Vancouver, British Columbia V5V 2T9

(hereinafter referred to as the "Tenant")

OF THE SECOND PART

**I**N CONSIDERATION of the covenants, agreements and conditions herein contained, the Parties agree as follows:

**ARTICLE 1 - PREMISES AND TERM**

**1.01 DEMISE**

The Landlord does hereby demise and lease to the Tenant the Premises more particularly described as:

All that portion comprising an area of 31,231 square feet, more or less, (the "Premises") situated at 4180 West 4th Avenue, Vancouver, British Columbia, and otherwise known as the Cafeteria Building, as outlined in red on the attached plan (Schedule "B").

**1.02 HABENDUM AND COMMENCEMENT, TERM, EARLY TERMINATION**

To have and to hold the Premises for a term of five year(s) to be computed from the 1st day of September, 1995 (the "Commencement Date") and to be fully completed at 12:00 p.m. on the 31st day of August, 2000 (the "Term"). Either party to this agreement shall have the right on six months written notice to terminate this tenancy after September 1, 1998.



**1.03 TENANT FIX-UP PERIOD**

Not applicable

**ARTICLE 2 - DEFINITIONS****2.01 BASE YEAR (OPERATING COSTS)**

Not applicable

**2.02 BUILDING**

"Building" means the land and building(s) of which the Premises form a part.

**2.03 FISCAL YEAR**

"Fiscal Year" means each One (1) year period commencing on the 1st day of April of one year and running one full year to the 31st of March of the subsequent year. If the Commencement and termination of the Lease occur on a day other than the 1st of April, or 31st of March, such period of time shall be referred to as a Broken Fiscal Year, and there may be a reconciliation, as required, of any costs attributable, be it Taxes or Operating Costs, or some other.

**2.04 PROPERTY TAXES**

"Property Taxes" means all taxes, rates, duties, assessments and grants-in-lieu of taxes whether municipal, provincial, federal or otherwise, charged upon the lands and improvements of which the Leased Premises forms a part.

**2.05 OPERATING COSTS**

"Operating Costs" means the direct cost to the Landlord of ordinary non-capital expenditures incurred only in connection with the operation of the Building as itemized in column (b) of Schedule "A" attached hereto, and the costs of services provided by the Landlord but paid for by the Tenant as itemized in column (c) of Schedule "A", including, but not limited to, costs for:

- (a) preventative servicing and minor repairs of the heating, ventilating and air-conditioning (HVAC) system;
- (b) water and sewer rates;
- (c) electric power, save and except for power factor surcharges;
- (d) heating;
- (e) snow and garbage removal;
- (f) landscaping and common area maintenance;
- (g) cleaning and maintenance of the interior of the Building;
- (h) preventative servicing and minor repair of elevator(s);
- (i) maintenance of parking lot;
- (j) security services;

and amounts normally charged to depreciation, interest on debt or capital retirement of debt shall not be included in calculating Operating Costs.

It is agreed that the operating costs for the first three years of this agreement are fixed at \$68,081 per annum (\$5,673.41 per month) and that the operating costs for years four and five will be based on actual operating costs plus overheads and administration. Operating costs will be paid by the Tenant monthly on the first day of each month.

**2.06 PROPORTIONATE SHARE**

"Proportionate Share" means a fraction, the numerator of which is the square footage area of the Premises, and the denominator of which is the total rentable area of the Building, and which is 100 percent.

**2.07 REMEDIAL WORK / TENANT IMPROVEMENTS**

"Remedial work" amounting to \$40,000 will be carried out by BCBC and amortized over three years and on the first of each month \$1,340 will be paid by VBP&R to BCBC for 36 months as repayment. Any "Tenant Improvements" or alterations to be made to the Premises by VBP&R must first be approved in writing by BCBC and will be at the cost of VBP&R.

**ARTICLE 3 - RENT AND OTHER CHARGES****3.01 PERCENTAGE RENT**

By September 15th of the following year the Tenant shall pay once annually as Percentage Rent to the Landlord 60% of the net revenue received. Net revenue is defined as the gross revenue the Tenant receives under all subleases, licenses or similar arrangements from subletting space in the premises less the Tenant's annual administration costs (\$25,000 annually), less operating costs (\$68,081 annually for years 1-3), less the amortized capital repairs (\$16,080 annually years 1-3). The Tenant shall provide financial statements to verify the Percentage Rent calculation and the Landlord shall be accorded the opportunity to review the Tenant's financial records in the event of a dispute over the payment of Percentage Rent.

**3.02 TAXES**

The Tenant shall pay all applicable Property Taxes assessed against the Leased Premises. Prior to the beginning of each year of the Term, the Landlord will estimate the amount of Property Taxes to be levied against the Leased Premises. The Tenant shall, with each monthly rental payment, pay to the Landlord as additional rent, a sum equal to 1/12 of the Landlord's estimate as aforementioned. At the end of each year of the term the Landlord will reconcile Property Taxes actually paid by the Landlord, to the amount paid as Additional Rent by the Tenant. Any surplus of funds paid by the Tenant shall be refunded to the Tenant and any deficiency of funds shall be immediately paid by the Tenant to the Landlord.

In the event that there is no separate assessment for Property Taxes made against the Leased Premises, the Landlord shall calculate the Proportionate share of taxes to be attributed to the Leased Premises.

**3.03 OPERATING COSTS - PROPORTIONATE SHARE**

See paragraph 2.05

**3.04 INTEREST ON ARREARS**

The Tenant shall pay to the Landlord all charges as set out in the Lease. Any amounts unpaid after the due date shall bear interest at the rate of **eighteen (18%) percent** per annum, at the time such fees become outstanding, compounded monthly from the date that such charges become due, to and including the date of payment.

**3.05 PAYMENT VIA DIRECT ELECTRONIC FUNDS TRANSFER**

All amounts payable by the Tenant under this lease shall be payable via Direct Electronic Funds Transfer (DEFT - see Customer Authorization Form attached ) or via post-dated cheques.

## ARTICLE 4 - GENERAL COVENANTS

### **4.01 DIRECTIONS AS TO EMERGENCY**

In case of emergency, the Landlord designates the **Property Manager, Property Management Unit # 6**, telephone number 660-1670 as its representative, and the Tenant designates **Gord Lindal**, telephone number 257-8400, as its representative.

### **4.02 COVENANT TO SERVICES**

The Landlord and Tenant covenant to provide and /or pay for those services as set out in Schedule "A".

### **4.03 ACCESS**

The Tenant, its servants, agents, employees, licensees and invitees shall (during normal business hours) have the right in common with any other tenants or occupants of the Building to pass, repass and utilize all common areas including corridors, lobbies, washrooms, stairways, elevators and passages and over the land of the Building for the purpose of ingress, egress and full enjoyment of the Premises, and other facilities.

### **4.04 USE OF PREMISES**

The Tenant shall use the Premises only for the purpose of **Community Recreation Centre and related uses**. Any other use must be requested of the Landlord in writing. The Landlord may in its sole discretion permit the alteration of the use to which the Premises are put.

### **4.05 COMPLY WITH LAWS**

The Tenant shall at all times during the Term hereof comply with all applicable laws, statutes, by-laws, ordinances, regulations or other lawful requirements of any governmental authority having jurisdiction.

### **4.06 ALTERATIONS**

The Tenant may at its cost, with the prior written consent of the Landlord, make such alterations or additions to the Premises as it may from time to time request in writing and as are required for the conduct of its business.

### **4.07 SUB-LETTING AND ASSIGNMENT**

The Tenant may not assign this Lease but may sub-let the Premises with the prior written consent of the Landlord.

### **4.08 QUIET ENJOYMENT**

Provided the Tenant is not in default hereunder, the Tenant shall have quiet enjoyment of the Premises.

## **ARTICLE 5 - INSURANCE AND REPAIRS**

### **5.01 LANDLORD'S COVENANT TO INSURE**

The Landlord shall obtain, maintain and pay for insurance on the Building, excluding all chattels of the Tenant, against loss or damage by fire and extended coverage perils.

### **5.02 TENANT'S COVENANT TO INSURE**

Notwithstanding the provisions stated in this Clause 5.02, the Tenant may at its sole discretion elect to self-insure the requirements stated herein and provide notice of such election to the Landlord.

### **5.03 TENANT NOT TO AFFECT INSURANCE**

The Tenant shall not do or permit anything to be done which causes the Landlord's cost of insuring the Building to increase. Any increase in insurance costs to the Landlord resulting from a breach of this covenant shall be borne by the Tenant, and may be recovered by the Landlord as Additional Rent.

### **5.04 LANDLORDS COVENANT TO REPAIR**

The Landlord covenants, subject to the provisions of Article 5.05, to maintain the Building in a good and tenable condition.

### **5.05 REPAIR IN THE EVENT OF SEVERE DAMAGE**

If the Building and/or the Premises are damaged by fire or any other hazard such that the Building and/or the Premises are rendered untenable or convenient access is prevented, the Landlord in its sole discretion may elect not to repair the damage, and the Lease granted hereby shall be terminated as at the day of the fire. If the damage to the Premises and/or the Building is capable of repair within **Ninety (90)** days, the Landlord may initiate such repair and forthwith allow an abatement of Base Rent which recognizes the nature and extent of the damage, until such time as the Building and/or the Premises have been rebuilt or access restored. If the damage is such as to preclude the reoccupation of the Premises by the Tenant for a period in excess of **Ninety (90)** days, either party may, within **Thirty (30)** days of the occurrence of the original damage, serve notice upon the other of immediate termination of this Lease.

### **5.06 TENANT'S COVENANT TO REPAIR**

The Tenant shall maintain and keep in repair (reasonable wear and tear excepted) the Premises and shall not overload any floors, commit or permit any waste. The Tenant shall allow the Landlord to enter the Premises at any reasonable time for the purpose of inspecting the Premises and making necessary structural repairs. . If the Landlord determines that structural repairs are necessary during the term of the Lease, the Landlord shall advise the Tenant of such costs and the Tenant shall have the right to either pay for such repairs over the remaining term of the Lease or to terminate the Lease upon sixty (60) days prior written notice. If the Tenant elects not to pay for such repairs, the Landlord may (at its option) terminate the Lease upon sixty (60) days prior written notice to the Tenant.

### **5.07 NOTIFICATION OF DEFECTS**

The Tenant shall give the Landlord immediate written notice of any accident, defect or damage within the Building, Premises, systems or services. However, it is the intent of this lease that the Tenant will pay for all non structural repairs. If the Landlord determines that structural repairs are necessary during the term of the Lease, the Landlord shall advise the Tenant of such costs and the Tenant shall have the right to either pay for such repairs over the remaining term of the Lease or to terminate the Lease upon sixty (60) days prior written notice. If after discussion and negotiation with the Landlord, the Tenant is unable to satisfy itself as to the suitability of the financial terms relating to the expenditure on such structural repairs or the recovery of costs of such

structural repairs (from sub-tenants), the Tenant may elect not to pay for such repairs; in which case the Landlord may (at its option) terminate the Lease upon sixty (60) days prior written notice to the Tenant.

## **ARTICLE 6 - DEFAULT**

### **6.01 RIGHT TO RE-ENTER**

Without limiting the generality of the foregoing, if:

- (a) the Tenant fails to pay any rent or other sums hereunder on the day or dates appointed for the payment thereof (provided the Landlord first gives five (5) days written notice to the Tenant of any such failure); or
- (b) the Tenant fails to perform any other of the terms, covenants, or conditions of this Lease to be observed or performed by the Tenant (provided the Landlord first gives the Tenant ten (10) days written notice of any such failure to perform and the Tenant within such period of ten (10) days fails to commence diligently and thereafter to proceed diligently to cure any such failure to perform); or
- (c) the Tenant or any agent of the Tenant falsifies any report required to be furnished to the Landlord pursuant to this Lease; or
- (d) Deleted
- (e) Deleted
- (f) any steps are taken or any action or proceedings are instituted by the Tenant or by any other party including without limitation, any court or governmental body of competent jurisdiction for the dissolution, winding-up or liquidation of the Tenant or its assets; or
- (g) the Tenant makes a sale in bulk; or
- (h) the Tenant abandons or attempts to abandon the Premises, or sells or disposes of the goods and chattels of the Tenant or removes them from the Premises so that there would not in the event of such sale or disposal be sufficient goods on the Premises subject to distress to satisfy all rent due and accruing hereunder; or
- (i) the Premises become and remain vacant for a period of thirty (30) consecutive days or are used by any other persons than such as are entitled to use them hereunder; or
- (j) the Tenant assigns, transfers, encumbers, sublets or permits the occupation or use or the parting with or sharing possession of all or any part of the Premises by any one except in a manner permitted by this Lease; or
- (k) this Lease or any of the Tenant's assets are taken under any writ of execution; or
- (l) re-entry is permitted under any other terms of this Lease,

Then the Landlord, in addition to any other rights or remedies it has pursuant to this Lease or by law, has, to the extent permitted by law, the immediate right of re-entry upon the Premises and it may remove all persons and property from the Premises and such property may be removed and stored in a public warehouse or elsewhere at the cost and for the account of the Tenant, all without service or notice or resort to legal process and without the Landlord being considered guilty of trespass or becoming liable for any damage which may be occasioned thereby.

### **6.02 RIGHT TO RELET**

If the Landlord elects to re-enter the Premises as herein provided, or if it takes possession pursuant to legal proceedings or pursuant to any notice provided for by law, it may either terminate this Lease or it may from time to time without terminating this Lease, make such alternations and repairs as are necessary in order to relet the Premises, or any part thereof for such term or terms (which may be for a term extending beyond the Term) and at such rent and upon such other terms, covenants and conditions as the Landlord in its sole discretion considers advisable. Upon each such reletting all rent received by the Landlord from such reletting shall be applied, first to the payment of any indebtedness other than rent due hereunder from the Tenant to the Landlord; second, to the payment of any costs and expenses of such reletting including brokerage fees and solicitor's fees

and of costs of such alternations and repairs; third, to the payment of rent due and unpaid hereunder; and the residue, if any, shall be held by the Landlord and applied in payment of future rent as the same becomes due and payable hereunder. If such rent received from such reletting during any month is less than that to be paid during that month by the Tenant hereunder, the Tenant shall pay any such deficiency which shall be calculated and paid monthly in advance on or before the first day of each and every month. No such re-entry or taking possession of the Premises by the Landlord shall be construed as an election on its part to terminate this Lease unless a written notice of such intention is given to the Tenant. Notwithstanding any such reletting without termination the Landlord may at any time thereafter elect to terminate this Lease for such previous breach. If the Landlord at any time terminates this Lease for any breach, in addition to any remedies it may have, it may recover from the Tenant all damages it incurs by reason of such breach, including the cost of recovering the Premises, solicitor's fees (on a solicitor and his client basis) and including the worth at the time of such termination of the excess, if any, of the amount of rent and charges equivalent to rent reserved in this Lease for the remainder of the stated Term over the then reasonable rental value of the Premises for the remainder of the stated Term, all of which amounts shall be immediately due and payable by the Tenant to the Landlord.

### **6.03 EXPENSES**

If legal action is brought for recovery of possession of the Premises, for the recovery of rent or any other amount due under this Lease, or because of the breach of any other terms, covenants or conditions herein contained on the part of the Tenant to be kept or performed, and a breach is established, the Tenant shall pay to the Landlord all expenses incurred therefore, including a solicitor's fee (on a solicitor and his client basis), unless a Court shall otherwise award.

### **6.04 LANDLORD MAY CURE TENANT'S DEFAULTS**

If the Tenant fails to pay, when due, any amounts or charges required to be paid pursuant to this Lease, the Landlord, after giving five (5) days notice in writing to the Tenant, may, but shall not be obligated to, pay all or any part of the same. If the Tenant is in default in the performance of any of its covenants or obligations hereunder (other than the payment of rent or other sums required to be paid pursuant to this Lease) the Landlord may from time to time after giving such notice as it considers sufficient (or no notice in the case of an emergency) having regard to the circumstances applicable, perform or cause to be performed any of such covenants or obligations, or any part thereof, and for such purpose may do such things as may be requisite, including, without limitation, entering upon the Premises and doing such things upon in respect of the Premises or any part thereof as the Landlord reasonably considers requisite or necessary. All expenses incurred and expenditures made by or on behalf of the Landlord under this Section plus a sum equal to fifteen (15) percent thereof representing the Landlord's overhead shall be paid by the Tenant as Additional Rent forthwith upon demand. The Landlord shall have no liability to the Tenant for any loss or damages resulting from any such action or entry by the Landlord upon the Premises and the same shall not be deemed a re-entry or a breach of any covenant for quiet enjoyment.

### **6.05 LIEN ON TRADE FIXTURES**

If the Tenant at any time during the Term or at the expiration of other termination of the Term is in default under any covenant or obligation contained herein, the Landlord has a lien on all stock-in-trade, inventory and fixtures, equipment and facilities of the Tenant as security against loss or damage resulting from any such default by the Tenant and said stock-in-trade, inventory, fixtures, equipment or facilities shall not be removed by the Tenant until such default is cured, unless otherwise so directed by the Landlord.

## **ARTICLE 7 - GENERAL TERMS**

### **7.01 TERMINATION AND HOLDING OVER**

The Term herein granted shall expire by effluxion of time without notice from either party to the other, **PROVIDED ALWAYS** that in the event that the Tenant shall continue to occupy the Premises after the expiration of the Term, there shall be no tacit renewal of this Lease and Term, and the Tenant shall be deemed to occupy the Premises as a tenant from month to month at a monthly rental equal to **1/6 of the prior years percentage rent and operating costs** to be negotiated and payable in advance on the first day of each month overheld, and otherwise upon the same terms and conditions herein set out insofar as the same are applicable to a month to month tenancy.

### **7.02 ANNEXATION OF TENANT'S FIXTURES**

The Tenant agrees that any alterations, improvements and fixtures made to or installed upon the Premises by or at the expense of the Tenant, other than reasonably movable fixtures, shall immediately upon affixation be deemed to be annexed to the Building. Such fixtures shall remain upon and be surrendered with the Premises upon the expiration or earlier termination of this Lease.

### **7.03 SURRENDER**

The Tenant shall surrender the Premises to the Landlord at the expiration or sooner termination, of the Term, in good repair, reasonable wear and tear, damage from fire, storm, tempest and other casualty, removal of chattels only excepted, and the Tenant shall be liable either to pay compensation to the Landlord in respect of restoration thereof or repair the Premises.

### **7.04 NO WAIVER**

It is understood and agreed that the remedies of the Landlord under this Lease are cumulative and that the exercise or non-exercise by the Landlord of any right or remedy for the breach by the Tenant of any covenant or agreement herein contained, or the acceptance of any monies owing hereunder, shall not be deemed to be a waiver or to alter, affect or prejudice the right or remedy to which the Landlord may be lawfully entitled and that any waiver granted in one case shall not be deemed to be a waiver of any subsequent default or breach.

## **ARTICLE 8 - MISCELLANEOUS**

### **8.01 INDEMNITY**

The Tenant agrees to indemnify the Landlord against all claims, actions, causes of actions, damages, expenses, costs, or losses arising out of or resulting directly or indirectly and whether by reason of negligence or otherwise, from the acts or omissions of the Tenant or any of the Tenant's servants, agents, licensees and invitees.

### **8.02 NOTICES**

Any notices required pursuant to the terms of this Lease shall be deemed to have been properly delivered by one party to the other firstly on that date upon which registered prepaid mail was effected against the other party at his or its address first recited above, or **Three (3)** days after the posting thereof, whichever shall be the earlier or secondly, by personal service. Notices sent during a strike, lockout or other labour disturbance at the post office shall be delivered and not mailed.

**8.03 COVENANTS AND AGREEMENTS**

The Landlord and the Tenant agree that all the provisions of this Lease are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each provision hereof. Should any provision or provisions of this Lease be illegal or not enforceable, it or they shall be considered separate and severable from the Lease and its remaining provisions as though the said illegal or unenforceable provision(s) had never been included.

**8.04 TIME**

Time shall be of the essence in this Lease.

**8.05 ENTIRE AGREEMENT**

No other stipulation, agreement or undertaking, oral or otherwise, of the parties or of their agents shall be valid or enforceable unless made in writing, initialed by both parties and incorporated by reference into this Lease.

**8.06 INTERPRETATION**

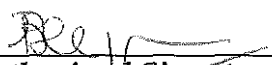
Wherever the singular, masculine or neuter is used in this Lease, that gender shall be deemed to include the plural or the feminine or body politic or corporate and the respective heirs, executors, administrators, successors and permitted assigns of the parties hereto and each of them where the context or the parties so require.

**8.07 SUCCESSORS**

This Lease shall inure to the benefit of and be binding upon the parties hereto, their respective heirs, executors, administrators, successors and permitted assigns as the case may be.

**I**N WITNESS WHEREOF the parties hereto have hereunto set their hands and seals and where a party is a corporate entity the corporate seal of the said company has been affixed in the presence of its duly authorized officers on the day and year first recited above.

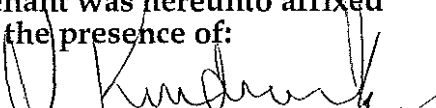
THE CORPORATE SEAL of the  
Landlord was hereunto affixed  
in the presence of:

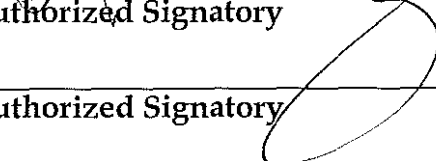
  
Authorized Signatory

  
Authorized Signatory

c/s

THE CORPORATE SEAL of the  
Tenant was hereunto affixed  
in the presence of:

  
Authorized Signatory

  
Authorized Signatory

c/s



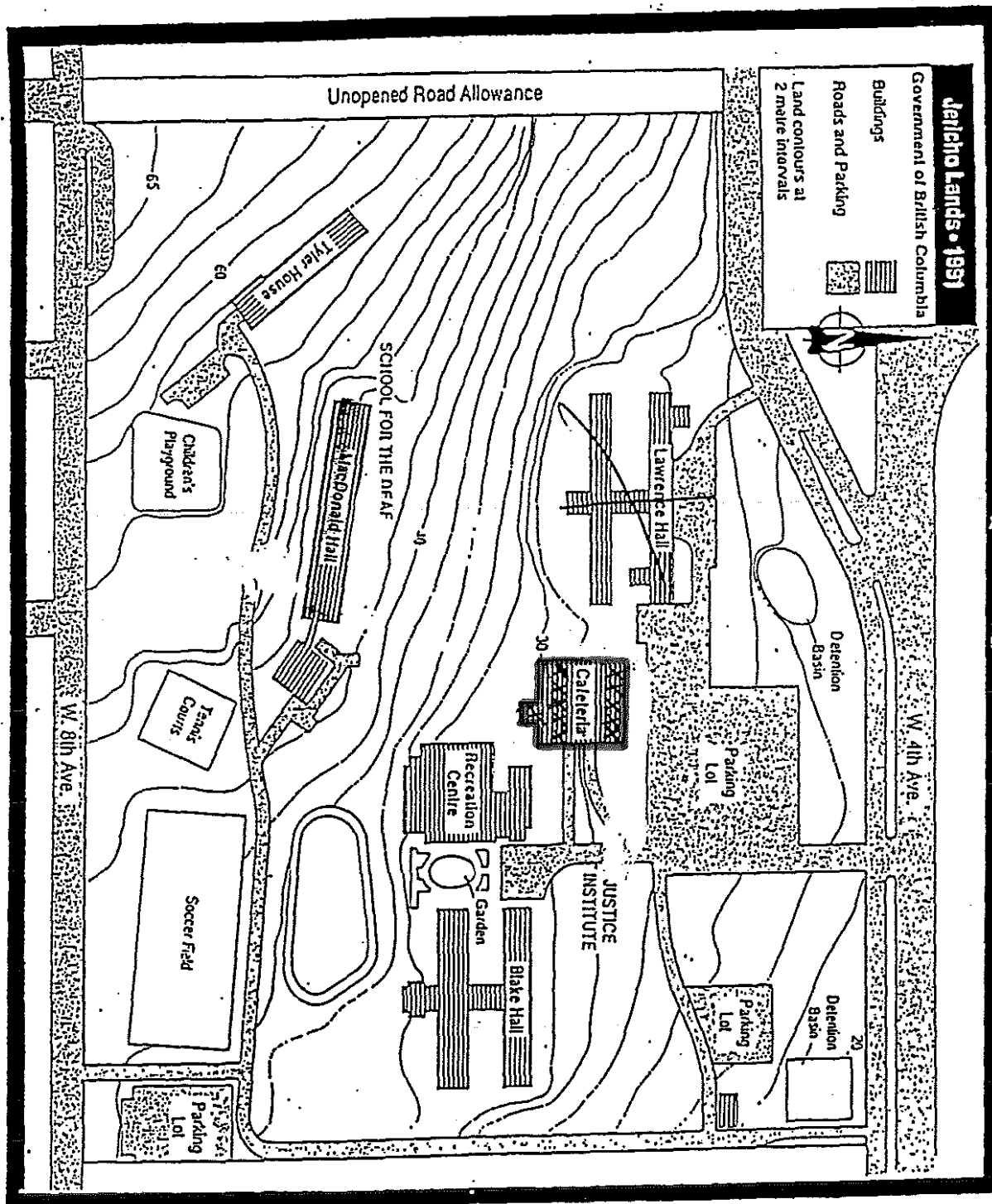
**SCHEDULE "A" TO A LEASE DATED \_\_\_\_\_**  
**RESPONSIBILITY FOR BUILDING SERVICES**

	(a)	(b)	(c)	(d)	(e)
	ITEM	TO BE PROVIDED BY LANDLORD COST INCLUDED IN RENT	TO BE PROVIDED BY LANDLORD COST BORNE BY TENANT	TO BE PROVIDED BY AND COST BORNE BY TENANT	DOES NOT APPLY
1 (240)	Heating		X		
2 (310)	Water & Sewage		X		
3 (230)	Electricity		X		
4 (250)	Preventive Servicing and Minor Repairs of HVAC system		X		
5 (270)	Garbage Removal		X		
6 (290)	Snow Removal		X		
7 (280)	Maintenance of Landscaping and Common Areas		X		
8 (320)	Preventive Servicing and Minor Repairs of Elevator(s)		X		
9 (360)	Window Cleaning -Interior		X		
10 (350)	Window Cleaning -Exterior		X		
11 (300)	Parking				X
12 (210)	Janitorial Service & Supplies		X **		
13 (260)	Lamp, Tube and Ballast Replacement		X		
14 (330)	Tenant Improvement			X	
15 (220)	Taxes			X if applicable	
16 (340)	Insurance - ***	Fire and Extended Coverage Perils, P.L. & P.D.  X		Comprehensive General Liability Tenant's Chattels  X	

\*\* Areas used exclusively by a sub-tenant are the responsibility of that sub-tenant

\*\*\* The tenant may at its sole discretion elect to self-insure as noted in paragraph 5.02

SCHEDULE "B1" TO A LEASE DATED \_\_\_\_\_  
PLAN OF PREMISES

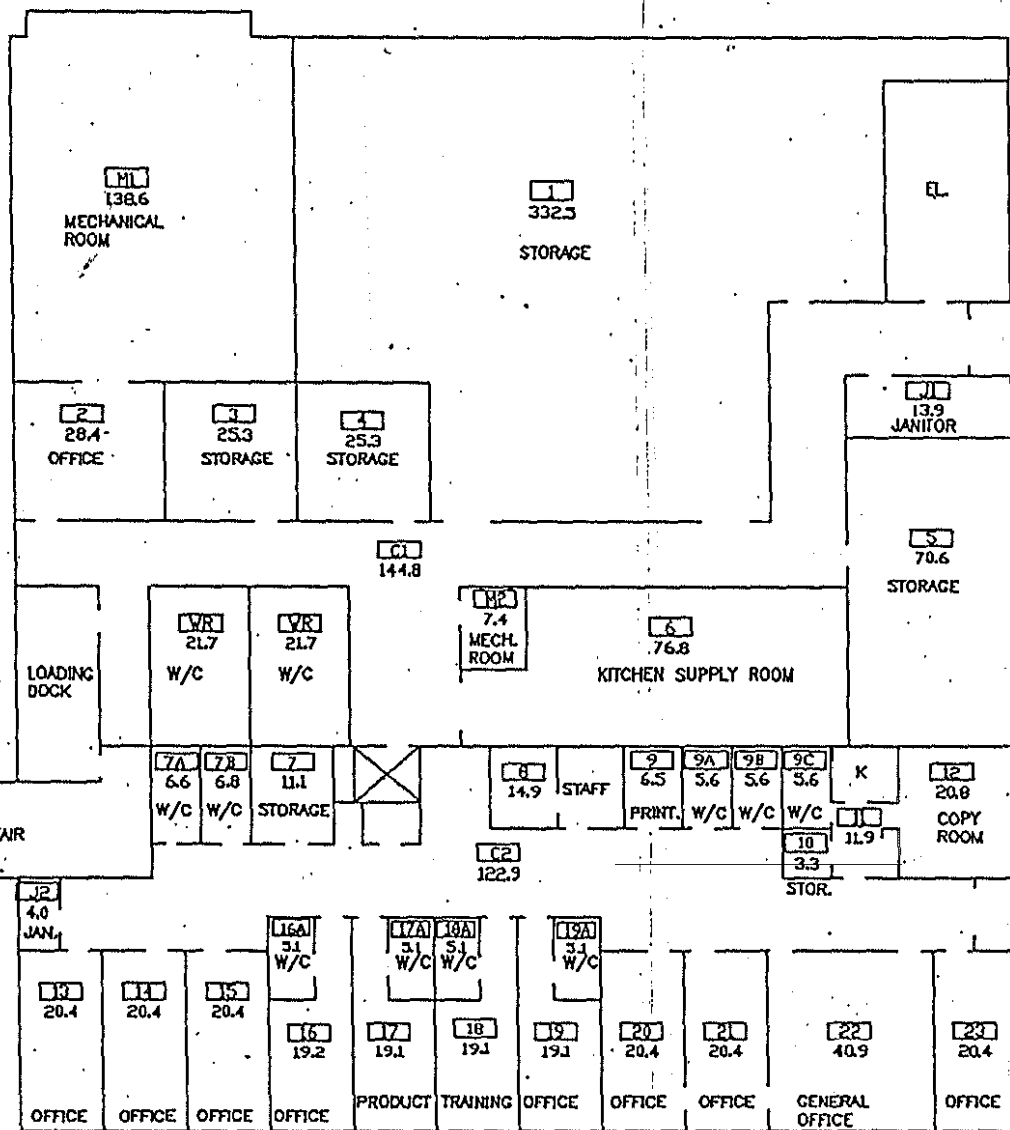


Legend  
X = Subject

EXISTING SUBJECT IMPROVEMENTS

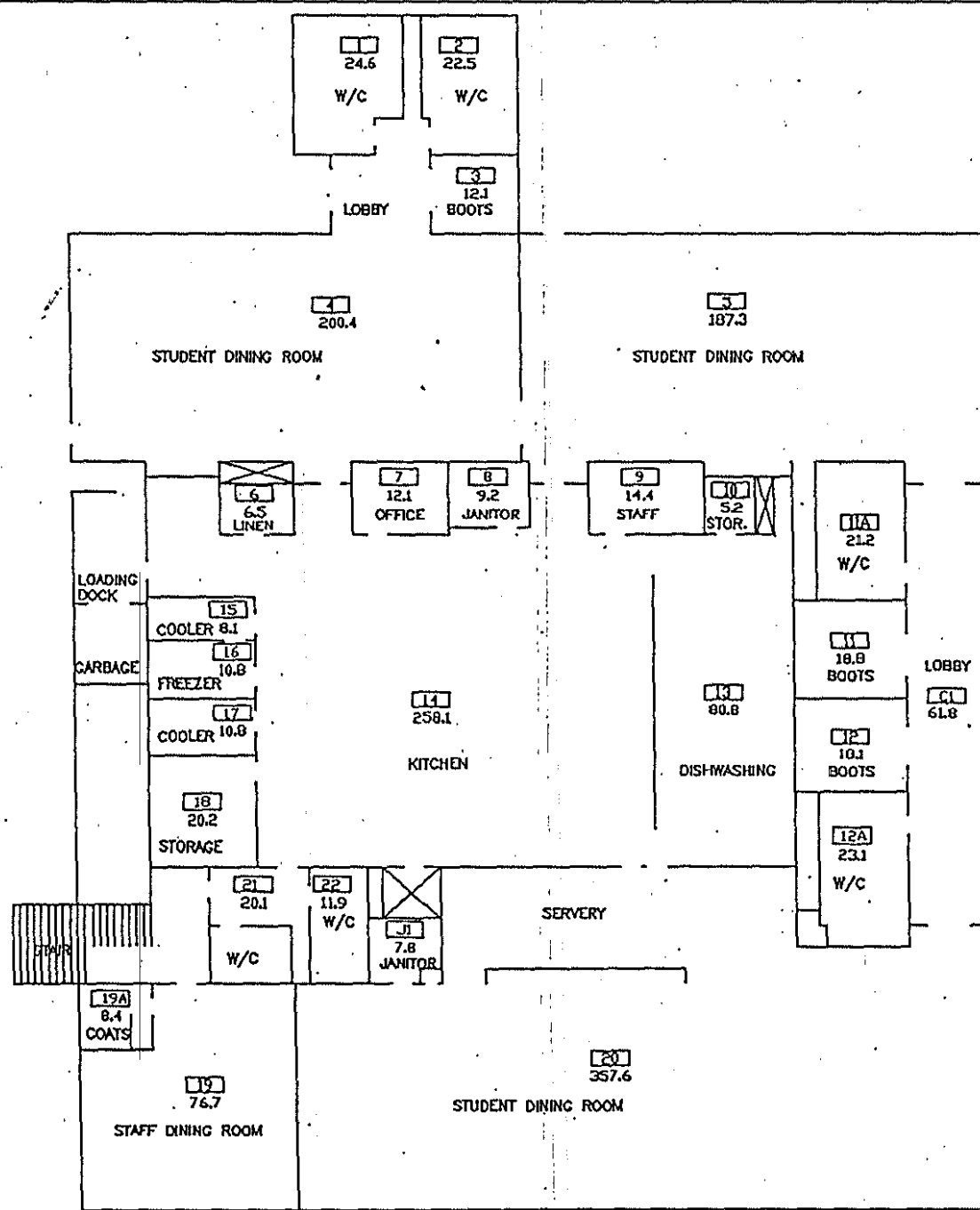
CUMBERTLAND CONSULTING CORPORATION  
Real Estate Consultants

SCHEDULE "B2" TO A LEASE DATED  
PLAN OF PREMISES



		DESCRIPTION/ADDRESS JERICO SCHOOL CAFETERIA 4180 WEST 4TH AVENUE VANCOUVER, B.C.			
SPACE INVENTORY SINGLE LINE DRAWING		SHEET 1	OF 2	STATUS OWNED	FLOOR B01
DRAWN BY D. O'NEILL	DATE 1991 12 12	REG 2	PMU 6	B 16832	

SCHEDULE "B2" TO A LEASE DATED  
PLAN OF PREMISES



		DESCRIPTION/ADDRESS JERICHO HILL, CAFETERIA 4180 WEST 4TH AVENUE VANCOUVER, B.C.			
SPACE INVENTORY SINGLE LINE DRAWING		SHEET	OF	STATUS	FLOOR
DRAWN BY: D. O'NEILL		2	2	OWNED	001
DATE 1991 12 12		REG	PMU	B 16832	
		2	6		



# AN OFFER TO OUR VALUED CUSTOMERS:

*We would like to make things DEFT for you!*

**deft:** skillful, in a quick, sure, and easy way.

(Webster's Dictionary)

We would like to introduce you to the convenience, certainty and ease of DEFT:

## Direct Electronic Funds Transfer

BCBC is introducing DEFT service for the convenience of its valued rental/lease customers, both individuals and organizations.

Through our new DEFT service, you save time and money:



You save time and effort.



You save the cost of stamps and cheques.



You save the cost of late payment charges.

All you have to do is complete the **DEFT Customer Authorization** (*see over*) and mail it back to us. For convenience, you could simply enclose it with your next payment.

Through our DEFT service, your rental payment will be automatically debited to your bank account on *the first working day of every month*. For your recordkeeping, this debit will be denoted on your bank statement as "BCBC Rent." (upon request, an invoice can still be mailed to you every month.)

We are planning to begin operation of our DEFT service soon, but will notify you well in advance of our actual start of operation and confirm your authorization to participate in this service.

If you have any questions about our DEFT service or the Customer Authorization, please contact **Lori Marsh, Accounting Services**, BC Buildings Corporation at (604) 387-7275.

*Please be assured that, if for any reason and at any time you wish to discontinue taking advantage of our DEFT service, simply contact Lori Marsh at (604) 387-7275.*

## AMENDMENT OF LEASE

**T****HIS AMENDMENT OF LEASE**dated for reference the 7<sup>th</sup> day of September, 2001.

BETWEEN

**BRITISH COLUMBIA BUILDINGS CORPORATION,**a company duly incorporated pursuant to an Act of the  
Legislature of the Province of British Columbia and having  
an office situated at 3350 Douglas Street, Victoria,  
British Columbia V8Z 3L1

(hereinafter referred to as the "Landlord")

OF THE FIRST PART

AND

**477020 B.C. LTD.**2100 – 1111 West Georgia Street  
Vancouver, British Columbia  
V7X 1K9

(hereinafter referred to as the "Tenant")

OF THE SECOND PART

**W**

HEREAS:

- A. By Lease (the "**Lease**") dated March 29, 1996, the Landlord did demise unto the Tenant **61,918** square feet of space in the following buildings located at 4125 West 8<sup>th</sup> Avenue, Vancouver, British Columbia:

**39,826** square feet (approximately) of space in a building known as McDonald Hall and Annex;

**22,092** square feet (approximately) of space in a building known as Tyler House.

- B. The Landlord and the Tenant have agreed to extend the Term of the Lease on the terms and conditions as hereinafter set forth;

**N**

**OW THEREFORE** this indenture witnesses that in consideration of the covenants herein contained, the Landlord and the Tenant agree as follows:

1. The Lease is hereby amended as follows::

British Columbia Buildings Corporation

Revision Date: August 16, 2001

Approved to

form

Page 1 of 3

Landlord

Tenant

GM

Page 62

CTZ-2014-00180

**Clause 1.2** First paragraph is deleted and replaced with the following:

"To have and to hold the Premises for a term of Eight (8) years and Two (2) months to be computed from the 1<sup>st</sup> day of May, 1996 (the "Commencement Date") and to be fully completed at 12:00 p.m. (midnight) on the 30<sup>th</sup> day of June, 2004 (the "Term"). The Tenant may terminate this Lease effective July 1, 2000 or thereafter provided that the Tenant has given a minimum of six (6) months advance written notice exercising its right to this early termination."

**Clause 3.1** The following paragraphs are inserted in:

Sub-paragraph (a) under the heading "Macdonald Hall and Annex", immediately before the last sub-paragraph:

"For the twelve (12) month period commencing July 1, 2002 and ending June 30, 2003 the net rent shall be \$306,000.00 per annum, payable in equal monthly payments of \$25,500.00, plus GST and all other applicable taxes, on the first day of each and every month, and;

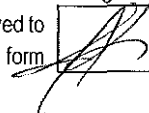
For the twelve (12) month period commencing July 1, 2003 and ending June 30, 2004 the net rent shall be \$312,120.00 per annum payable in equal monthly payments of \$26,010.00, plus GST and all other applicable taxes, on the first day of each and every month."


Sub-paragraph (b) under the heading "Tyler House", immediately after the last sub-paragraph:

"For the twelve (12) month period commencing July 1, 2002 and ending June 30, 2003 the net rent shall be \$140,836.00 per annum payable in equal monthly payments of \$11,736.38 plus GST and all other applicable taxes, on the first day of each and every month, and;

For the twelve (12) month period commencing July 1, 2003 and ending June 30, 2004 the net rent shall be \$143,653.23 per annum payable in equal monthly payments of \$11,971.10, plus GST and all other applicable taxes, on the first day of each and every month."

2. Except as specifically provided herein, the terms and conditions of the Lease are confirmed and continue in full force and effect.



GM	
----	---

3. The indenture shall be binding on the heirs, administrators, successors and permitted assigns, as the case may be, of the parties hereto.

**I** **N WITNESS WHEREOF** the parties hereto have hereunto set their hands and seals and where a party is a corporate entity the corporate seal of the said company has been affixed in the presence of its duly authorized officers effective the day and year first recited above.

**BRITISH COLUMBIA BUILDINGS CORPORATION**

by its authorized signatories:

Per: George McKay

Per: [Signature]

Witness: \_\_\_\_\_

**477020 B.C. Ltd.**

by its authorized signatories:

Per: [Signature]

Per: PRESIDENT

Witness: [Signature]



AMENDMENT OF LICENCE

**T**HIS AMENDMENT OF LICENCE  
dated for reference the 7<sup>th</sup> day of September, 2001.

BETWEEN

**BRITISH COLUMBIA BUILDINGS CORPORATION,**

a company duly incorporated pursuant to an Act of the  
Legislature of the Province of British Columbia and having  
an office situated at 3350 Douglas Street, Victoria,  
British Columbia V8Z 3L1

(hereinafter referred to as the "Owner")

OF THE FIRST PART

AND

**477020 B.C. LTD.**

2100 – 1111 West Georgia Street  
Vancouver, BC  
V7X 1K9

(hereinafter referred to as the "Licencee")

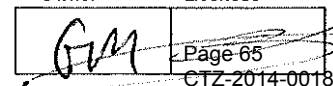
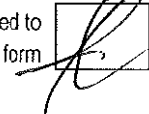
OF THE SECOND PART

**W**HEREAS:

- A. By Lease (the "Licence") dated the 29<sup>th</sup> day of March, 1996 the Owner did grant unto the Licencee a Licence over a portion of that parcel of land and amenities located at 4125 West 8<sup>th</sup> Avenue, Vancouver, BC on the terms and conditions therein set forth;
- B. As set out in the letter agreement of February 13, 2001, the Owner and the Licencee have agreed to extend the Term of the Licence Agreement on the terms and conditions as hereinafter set forth;

**N**OW THEREFORE this indenture witnesses that in consideration of the covenants herein contained, the Owner and the Licensee agree as follows:

1. The Licence is hereby amended as follows:



**Section 2.01** is hereby deleted and replaced with the following:

"The term of this Licence shall be for a period of Eight (8) Years and Two (2) Months commencing on the first day of May, 1996 and ending at 12:00 p.m. (midnight) on the 30<sup>th</sup> day of June, 2004 (the "Term") unless otherwise terminated in accordance with the terms hereof."

**Section 3.01** is hereby amended by adding the following sentence:

"The Licencee shall pay to the Owner a licence fee of \$10,000.00 per annum, plus GST, payable in equal monthly payments of \$833.33 plus GST, on the first day of each and every month of the last 2 years of the Term of the Licence."

2. Except as specifically provided herein, the terms and conditions of the Licence are confirmed and continue in full force and effect.
3. The indenture shall be binding on the heirs, administrators, successors and permitted assigns, as the case may be, of the parties hereto.

**I** **N WITNESS WHEREOF** the parties hereto have hereunto set their hands and seals and where a party is a corporate entity the corporate seal of the said company has been affixed in the presence of its duly authorized officers effective the day and year first recited above.

**BRITISH COLUMBIA BUILDINGS CORPORATION**

by its authorized signatories:

Per: George Mikay

Per: [Signature]

Witness: \_\_\_\_\_

**477020 B.C. Ltd.**

by its authorized signatories:

Per: [Signature]

Per: [Signature]

Witness: [Signature]

**T** HIS LICENSE dated for reference the 16<sup>th</sup> day of July, 2002.

**BETWEEN:**

**BRITISH COLUMBIA BUILDINGS CORPORATION,**  
a company duly incorporated pursuant to an Act of the Legislature  
of the Province of British Columbia and having an office situated at  
3350 Douglas Street, Victoria, British Columbia V8Z 3L1  
(hereinafter referred to as the "Owner")

**OF THE FIRST PART**

**AND:**

**VANCOUVER BOARD OF PARKS AND RECREATION**  
2099 Beach Avenue  
Vancouver, British Columbia V6G 1Z4  
(hereinafter referred to as the "Licensee")

**OF THE SECOND PART**

**W** HEREAS the Owner has agreed to grant to the Licensee a License over that parcel of land described as:

Block C, District Lot 176, Vancouver Assessment District, Plan 19402

hereinafter referred to as the "**Lands**" and in particular, for the Premises located on the Lands in which the Gymnasium and Field is located (the "Gymnasium and Field Premises").

**NOW THIS AGREEMENT WITNESSES THAT IN CONSIDERATION** of the covenants, agreements and conditions herein contained, the Parties agree as follows:

**ARTICLE I  
GRANT OF LICENSE AND TERM**

**SECTION 1.01** The Owner, does hereby grant to the Licensee a License to enter onto the Gymnasium and Field Premises more particularly described as the Jericho Hill Lands;

- (i) Gymnasium Premises: 19,000 square feet
- (ii) Field: located on those lands legally described as Block C, District Lot 176, Vancouver Assessment District, Plan 19402 as shown on Schedule "A" to this License.



**SECTION 1.02** To have the non exclusive use of the Gymnasium and Field Premises for the period of **Three (3) years** commencing on the **1st day of September, 2001**, and to be fully completed at **12:00 p.m. on the 31st day of August, 2004**, (the "Term") unless earlier terminated in accordance with the terms hereof.

## ARTICLE II DEFINITIONS

**SECTION 1.02 LICENSE IMPROVEMENTS** - "Licensee Improvements" means the improvements to be made to the Gymnasium and Field Premises as may be more particular set fort in Schedule "C", if any, attached hereto.

## ARTICLE III FEES AND OTHER CHARGES

**SECTION 3.01** The Licensee shall pay to the Owner, License fees over the whole of the Term as set out in Schedule "B" to this License.

## ARTICLE IV GENERAL COVENANTS

### **SECTION 4.01 DIRECTIONS AS TO EMERGENCY**

In case of emergency, the Owner designates **the District Director, Vancouver District Office, telephone number (604) 482-5650** as its representative, and the Licensee designates **Doug Newstead, Community Centre Coordinator, West Point Grey Community Centre, telephone number (604) 257-8161**, as its representative.

### **SECTION 4.02 ACCESS**

The Licensee, its servants, agents, employees, licensees and invitees shall (during normal business hours) have the right in common with any other Licensees or occupants of the Building to pass, repass and utilize all common areas including corridors, lobbies, washrooms, stairways, elevators and passages and over the land of the Building for the purpose of ingress, egress and full enjoyment of the Gymnasium and Field Premises, and other facilities.

### **SECTION 4.03 USE OF PREMISES**

The Licensee shall use the Gymnasium and Field Premises for the purpose of **Leisure and Recreation Activities**, including such related uses as rentals, child minding and other ancillary uses. The Owner may in its sole discretion permit the alternation of the use to which the Gymnasium and Field Premises are put. The parties shall mutually agree as to those times that the Licensee shall have access and use of the Gymnasium and Field Premises.

### **SECTION 4.04 OWNER'S SERVICES**

The Owner covenants to maintain the Building at those standards specified in the Occupational Environment Regulations of the Workplace Act, S.B.C. 1985, c.34. The Owner will not be responsible for direct, indirect or consequential damages arising out of any breach of this paragraph.



**SECTION 4.05    COMPLY WITH LAWS**

The Licensee shall at all times during the Term hereof comply with all applicable laws, statutes, by-laws, ordinances, regulations or other lawful requirements of any governmental authority having jurisdiction.

**SECTION 4.06    ALTERATIONS**

The Licensee may, with the prior written consent of the Owner, make such alterations or additions to the Gymnasium and Field Premises as it may from time to time request in writing and as are required for the conduct of its business.

**SECTION 4.07    SUB-LETTING AND ASSIGNMENT**

The Licensee shall not assign or sub-let the Gymnasium and Field Premises without the prior written consent of the Owner but may rent time and space to the West Point Grey Community Association, West Point Grey Academy and other routine user groups, provided advance written notice of these arrangements is given to the Owner.

## ARTICLE V INSURANCE AND REPAIRS

**SECTION 5.01    OWNERS COVENANT TO INSURE**

The Owner shall obtain, maintain and pay for insurance on the Building, excluding all chattels of the Licensee, against loss or damage by fire and extended coverage perils and the Owner shall be responsible for any deductible amounts under the policy.

**SECTION 5.02    LICENSEE'S COVENANT TO INSURE**

- (a) The Licensee shall obtain, maintain and pay for Comprehensive General Liability Insurance, for an amount acceptable to the Owner, but not less than **\$2,000,000.00** per occurrence. Such insurance shall include the Owner as a named insured, and shall contain a standard form of cross liability clause and shall also provide for **Thirty (30)** days prior notice of cancellation, lapse or material change. The Licensee covenants and agrees to provide evidence of such insurance upon the written request of the Owner. The Licensee further agrees that if there be breach of the insurance requirements of this Article the Owner may obtain the necessary insurance coverage on the Licensee's behalf and recover the costs thereof as Additional Rent.
- (b) In lieu of the insurance described in paragraph 5.02(a), the Licensee may self-insure liability risks associated with its activities under its self-insurance program. Evidence of such self-insurance shall be provided to the Owner by means of a letter from the Director of Risk Management.

**SECTION 5.03    LICENSEE NOT TO AFFECT INSURANCE**

The Licensee shall not do or permit anything to be done which causes the Owner's cost of insuring the Building to increase. Any increase in insurance costs to the Owner resulting from a breach of this covenant shall be borne by the Licensee, and may be recovered by the Owner as Additional Rent.



**SECTION 5.04     OWNER'S COVENANT TO REPAIR**

The Owner shall use its best efforts to maintain the Building to the Standard then enjoyed by the Licensee at the commencement of this License.

**SECTION 5.05     REPAIR IN THE EVENT OF SEVERE DAMAGE**

If the Building and/or the Gymnasium and Field Premises are damaged by fire or any other hazard such that the Building and/or the Gymnasium and Field Premises are rendered untenable or convenient access is prevented, the Owner in its sole discretion may elect not to repair the damage, and the License granted hereby shall be terminated as at the day the damage occurred. If the damage to the Gymnasium and Field Premises and/or the Building is capable of repair within **Ninety (90)** days, the Owner may initiate such repair and forthwith allow an abatement of Base Rent which recognizes the nature and extent of the damage, until such time as the Building and/or the Gymnasium and Field Premises have been rebuilt or access restored. If the damage is such as to preclude the reoccupation of the Gymnasium and Field Premises by the Licensee for a period in excess of **Ninety (90)** days, either party may, within **Thirty (30)** days of the occurrence of the original damage, serve notice upon the other of immediate termination of this License.

**SECTION 5.07     NOTIFICATION OF DEFECTS**

The Licensee shall make reasonable efforts to give the Owner immediate written notice of any accident, defect or damage within the Building, which the Licensee has knowledge of and for which the Owner has an obligation under this License.

## ARTICLE VI GENERAL TERMS

**SECTION 6.01     TERMINATION AND HOLDING OVER**

The Term herein granted shall expire by effluxion of time without notice from either party to the other, **PROVIDED ALWAYS** that in the event that the Licensee shall continue to occupy the Gymnasium and Field Premises after the expiration of the Term, there shall be no tacit renewal of this License and Term, and the Licensee shall be deemed to occupy the Gymnasium and Field Premises as a Licensee from month to month at a monthly rental to be negotiated and payable in advance on the first day of each month overheld, and otherwise upon the same terms and conditions herein set out insofar as the same are applicable to a month to month tenancy. Notwithstanding this Clause 6.01 or any other Clause within this License, both parties shall have the right to terminate this License upon thirty (30) days prior written notice to the other party.

**SECTION 6.02     ANNEXATION OF LICENSEE'S FIXTURES**

The Licensee agrees that any alterations, improvements and fixtures made to or installed upon the Gymnasium and Field Premises by or at the expense of the Licensee, other than reasonably movable fixtures, shall immediately upon affixation be deemed to be annexed to the Building. Such fixtures shall remain upon and be surrendered with the Gymnasium and Field Premises upon the expiration or earlier termination of this License.

**SECTION 6.03     SURRENDER**

The Licensee shall surrender the Gymnasium and Field Premises to the Owner at the expiration or sooner termination, of the Term, in good repair, reasonable wear and tear, damage from fire, storm, tempest and other casualty, removal of chattels only excepted, and the Licensee shall be liable either to pay compensation to the Owner in respect of restoration thereof or repair the Gymnasium and Field Premises.

**SECTION 6.04     NO WAIVER**

It is understood and agreed that the remedies of the Owner under this License are cumulative and that the exercise or non-exercise by the Owner of any right or remedy for the breach by the Licensee of any covenant or agreement herein contained, or the acceptance of any monies owing hereunder, shall not be deemed to be a waiver or to alter, affect or prejudice the right or remedy to which the Owner may be lawfully entitled and that any waiver granted in one case shall not be deemed to be a waiver of any subsequent default or breach.

**ARTICLE VII  
MISCELLANEOUS**

**SECTION 7.01     INDEMNITY**

The Licensee agrees to indemnify the Owner against all claims, actions, causes of actions, damages, expenses, costs, or losses arising out of or resulting directly or indirectly and whether by reason of negligence or otherwise, from the acts or omissions of the Licensee or any of the Licensee's servants, agents, licensees and invitees.

**SECTION 7.02     NOTICES**

Any notices required pursuant to the terms of this License shall be deemed to have been properly delivered by one party to the other firstly on that date upon which registered prepaid mail was effected against the other party at his or its address first recited above, or **three (3)** days after the posting thereof, whichever shall be the earlier or secondly, by personal service. Notices sent during a strike, lockout or other labour disturbance at the post office shall be delivered and not mailed.

**SECTION 7.03     COVENANTS AND AGREEMENTS**

The Owner and the Licensee agree that all the provisions of this License are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each provision hereof. Should any provision or provisions of this License be illegal or not enforceable, it or they shall be considered separate and severable from the License and its remaining provisions as though the said illegal or unenforceable provision(s) had never been included.

**SECTION 7.04     TIME**

Time shall be of the essence in this License.



**SECTION 7.05    ENTIRE AGREEMENT**

No other stipulation, agreement or undertaking, oral or otherwise, of the parties or of their agents shall be valid or enforceable unless made in writing, initialed by both parties and incorporated by reference into this License.

**SECTION 7.06    INTERPRETATION**


Wherever the singular, masculine or neuter is used in this License, that gender shall be deemed to include the plural or the feminine or body politic or corporate and the respective heirs, executors, administrators, successors and permitted assigns of the parties hereto and each of them where the context or the parties so require.

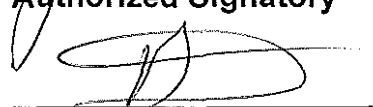
**SECTION 7.07    SUCCESSORS**

This License shall inure to the benefit of and be binding upon the parties hereto, their respective heirs, executors, administrators, successors and permitted assigns as the case may be.

**I** **N WITNESS WHEREOF** the Parties hereto have hereunto set their hands and seals and where a party is a corporate entity the corporate seal of the said company has been affixed in the presence of its duly authorized officers on the day and year first recited above.


THE CORPORATE SEAL of the  
Owner was hereunto affixed  
in the presence of:

  
\_\_\_\_\_  
Authorized Signatory

  
\_\_\_\_\_  
Authorized Signatory

c/s

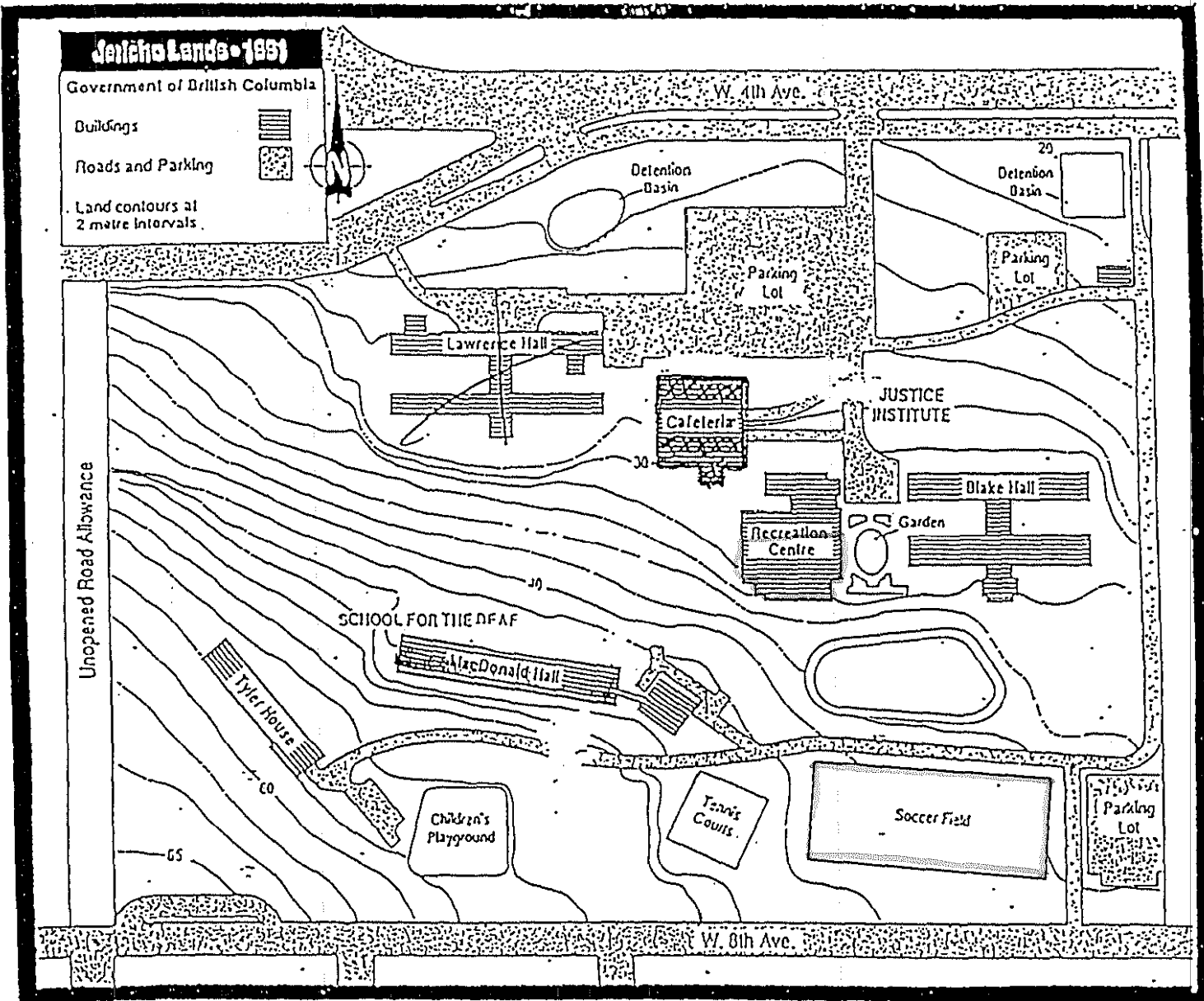
Vancouver Board of Parks and  
Recreation by it's authorized  
Signatory:

  
\_\_\_\_\_  
Susan Mundick, General Manager





SCHEDULE "A" TO A LICENSE DATED  
PLAN OF PREMISES



EXISTING SUBJECT IMPROVEMENTS

CUMBERLAND CONSULTING CORPORATION  
Real Estate Consultants

**SCHEDULE "B" TO A LICENSE DATED \_\_\_\_\_**  
**PREMISES, RENT AND OCCUPANCY**

**1. GYMNASIUM**

- 19,000 square feet
- To be operated and administered by the Licensee.
- Payment for the first year of this Agreement for the use of this portion of the Premises shall be \$17.60 per hour to be paid to the Owner on the last day of each month of the Term.
- The hourly payment shall be increased by Ten Percent (10%), of the amount paid in the previous year, on the first day of September for each subsequent year of the term of this Agreement.

**2. FIELD**

- Refer to Schedule "A"
- To be operated and administered by the Licensee.
- The Owner will be responsible for the maintenance and care of this field as per the current standard and shall make all necessary repairs.
- Payment for the first year of this Agreement for the use of this portion of the Premises shall be \$300.00 per month to be paid to the Owner on the last day of each month of the Term.
- The monthly payment shall be increased by Ten Percent (10%), of the amount paid in the previous year, on the first day of September for each subsequent year of the term of this Agreement.

The parties agree that they will mutually agree as to those times that the Licensee wishes the use of the Gymnasium and Field Premises and failing said agreement, the Owner shall be the final determinator of the said times.



## SCHEDULE "C" TO A LICENSE DATED \_\_\_\_\_

The Licensee has the use of Gymnasium and Field  
Premises "as is", "where is", with no Owner obligations for  
improvements whatsoever.

STANDARD FORM LEASE - CORPORATE OWNED PROPERTY

HIS LEASE dated for reference the <sup>16<sup>th</sup></sup> day of July, 2002.

**BETWEEN**

**BRITISH COLUMBIA BUILDINGS CORPORATION, "BCBC"**  
 a company duly incorporated pursuant to an Act of the Legislature  
 of the Province of British Columbia and having an office situated  
 at 3350 Douglas Street, P.O. Box 1112, Victoria, British Columbia  
 V8W 2T4 V8Z 3L1

(hereinafter referred to as the "Landlord")

**OF THE FIRST PART****AND**

**CITY OF VANCOUVER as represented by**  
**BOARD OF PARKS & RECREATION, "VBP&R"**  
 30 East 30th Avenue  
 Vancouver, British Columbia V5V 2T9

(hereinafter referred to as the "Tenant")

**OF THE SECOND PART**

**IN CONSIDERATION** of the covenants, agreements and conditions herein contained, the Parties agree as follows:

**ARTICLE 1 - PREMISES AND TERM****1.01 DEMISE**

The Landlord does hereby demise and lease to the Tenant the Premises more particularly described as:

All that portion comprising an area of 31,231 square feet, more or less, (the "Premises") situated at 4180 West 4th Avenue, Vancouver, British Columbia, and otherwise known as the Cafeteria Building, as outlined in red on the attached plan (Schedule "B").

**1.02 HABENDUM AND COMMENCEMENT, TERM, EARLY TERMINATION**

To have and to hold the Premises for a term of 3 year(s) to be computed from the 1st day of September, 2001 (the "Commencement Date") and to be fully completed at 12:00 p.m. on the 31st day of August, 2004 (the "Term"). Either party to this agreement shall have the right on six months written notice to terminate this tenancy.

**1.03 TENANT FIX-UP PERIOD**

Not applicable

**ARTICLE 2 - DEFINITIONS****2.01 BASE YEAR (OPERATING COSTS)**

Not applicable

**2.02 BUILDING**

"Building" means the land and building(s) of which the Premises form a part.

**2.03 FISCAL YEAR**

"Fiscal Year" means each **One (1)** year period commencing on the 1st day of April of one year and running one full year to the 31st of March of the subsequent year. If the Commencement and termination of the Lease occur on a day other than the 1st of April, or 31st of March, such period of time shall be referred to as a Broken Fiscal Year, and there may be a reconciliation, as required, of any costs attributable, be it Taxes or Operating Costs, or some other.

**2.04 PROPERTY TAXES**

"Property Taxes" means all taxes, rates, duties, assessments and grants-in-lieu of taxes whether municipal, provincial, federal or otherwise, charged upon the lands and improvements of which the Leased Premises forms a part.

**2.05 OPERATING COSTS**

"Operating Costs" means the direct cost to the Landlord of ordinary non-capital expenditures incurred only in connection with the operation of the Building as itemized in column (b) of Schedule "A" attached hereto, and the costs of services provided by the Landlord but paid for by the Tenant as itemized in column (c) of Schedule "A", including, but not limited to, costs for:

- (a) preventative servicing and minor repairs of the heating, ventilating and air-conditioning (HVAC) system;
- (b) water and sewer rates;
- (c) electric power, save and except for power factor surcharges;
- (d) heating;
- (e) snow and garbage removal;
- (f) landscaping and common area maintenance;
- (g) cleaning and maintenance of the interior of the Building;
- (h) preventative servicing and minor repair of elevator(s);
- (i) maintenance of parking lot;
- (j) security services;

and amounts normally charged to depreciation, interest on debt or capital retirement of debt shall not be included in calculating Operating Costs.

It is agreed that the operating costs for the first year of this agreement are fixed at \$75,000 per annum (\$6,250.00 per month) and that the operating costs for each successive year be increased by 10% per year. Operating costs will be paid by the Tenant monthly on the first day of each month.

**2.06 PROPORTIONATE SHARE**

"Proportionate Share" means a fraction, the numerator of which is the square footage area of the Premises, and the denominator of which is the total rentable area of the Building, and which is 100 percent.

**2.07 REMEDIAL WORK / TENANT IMPROVEMENTS**

Any "Tenant Improvements" or alterations to be made to the Premises by VBP&R must first be approved in writing by BCBC and will be at the cost of VBP&R.

**ARTICLE 3 - RENT AND OTHER CHARGES****3.01 PERCENTAGE RENT**

By September 15th of the following year the Tenant shall pay once annually as Percentage Rent to the Landlord 60% of the Net Revenue received. Net Revenue is defined as the gross revenue the Tenant receives under all subleases, licenses or similar arrangements from subletting space in the premises less the Tenant's annual administration costs (not to exceed \$25,000 annually), and less Operating Costs as per Clause 2.05 of the Lease. The Tenant shall provide financial statements to verify the Percentage Rent calculation and the Landlord shall be accorded the opportunity to review the Tenant's financial records in the event of any disagreement over the payment of Percentage Rent by the Tenant.

**3.02 TAXES**

The Tenant shall pay all applicable Property Taxes assessed against the Leased Premises. Prior to the beginning of each year of the Term, the Landlord will estimate the amount of Property Taxes to be levied against the Leased Premises. The Tenant shall, with each monthly rental payment, pay to the Landlord as additional rent, a sum equal to 1/12 of the Landlord's estimate as aforementioned. At the end of each year of the term the Landlord will reconcile Property Taxes actually paid by the Landlord, to the amount paid as Additional Rent by the Tenant. Any surplus of funds paid by the Tenant shall be refunded to the Tenant and any deficiency of funds shall be immediately paid by the Tenant to the Landlord.

In the event that there is no separate assessment for Property Taxes made against the Leased Premises, the Landlord shall calculate the Proportionate share of taxes to be attributed to the Leased Premises.

**3.03 OPERATING COSTS - PROPORTIONATE SHARE**

See paragraph 2.05

**3.04 INTEREST ON ARREARS**

The Tenant shall pay to the Landlord all charges as set out in the Lease. Any amounts unpaid after the due date shall bear interest at the rate of **eighteen (18%) percent** per annum, at the time such fees become outstanding, compounded monthly from the date that such charges become due, to and including the date of payment.

**3.05 PAYMENT VIA DIRECT ELECTRONIC FUNDS TRANSFER**

All amounts payable by the Tenant under this lease shall be payable via Direct Electronic Funds Transfer (DEFT - see Customer Authorization Form attached ) or via post-dated cheques.

**ARTICLE 4 - GENERAL COVENANTS****4.01 DIRECTIONS AS TO EMERGENCY**

In case of emergency, the Landlord designates <sup>DISTRICT DIRECTOR, VANCOUVER S.O.</sup> ~~the Property Manager, Property Management Unit #6~~, telephone number ~~660-1670~~ as its representative, and the Tenant designates Liane McKenna, telephone number ~~257-8691~~, as its representative.

(604)-492-5650

**4.02 COVENANT TO SERVICES**

The Landlord and Tenant covenant to provide and /or pay for those services as set out in Schedule "A".

**4.03 ACCESS**

The Tenant, its servants, agents, employees, licensees and invitees shall (during normal business hours) have the right in common with any other tenants or occupants of the Building to pass, repass and utilize all common areas including corridors, lobbies, washrooms, stairways, elevators and passages and over the land of the Building for the purpose of ingress, egress and full enjoyment of the Premises, and other facilities.

**4.04 USE OF PREMISES**

The Tenant shall use the Premises only for the purpose of Community Recreation Centre and related uses. Any other use must be requested of the Landlord in writing. The Landlord may in its sole discretion permit the alteration of the use to which the Premises are put.

**4.05 COMPLY WITH LAWS**

The Tenant shall at all times during the Term hereof comply with all applicable laws, statutes, by-laws, ordinances, regulations or other lawful requirements of any governmental authority having jurisdiction.

**4.06 ALTERATIONS**

The Tenant may at its cost, with the prior written consent of the Landlord, make such alterations or additions to the Premises as it may from time to time request in writing and as are required for the conduct of its business.

**4.07 SUB-LETTING AND ASSIGNMENT**

The Tenant may not assign this Lease but may sub-let the Premises with the prior written consent of the Landlord.

**4.08 QUIET ENJOYMENT**

Provided the Tenant is not in default hereunder, the Tenant shall have quiet enjoyment of the Premises.

## **ARTICLE 5 - INSURANCE AND REPAIRS**

### **5.01 LANDLORD'S COVENANT TO INSURE**

The Landlord shall obtain, maintain and pay for insurance on the Building, excluding all chattels of the Tenant, against loss or damage by fire and extended coverage perils.

### **5.02 TENANT'S COVENANT TO INSURE**

Notwithstanding the provisions stated in this Clause 5.02, the Tenant may at its sole discretion elect to self-insure the requirements stated herein and provide notice of such election to the Landlord.

### **5.03 TENANT NOT TO AFFECT INSURANCE**

The Tenant shall not do or permit anything to be done which causes the Landlord's cost of insuring the Building to increase. Any increase in insurance costs to the Landlord resulting from a breach of this covenant shall be borne by the Tenant, and may be recovered by the Landlord as Additional Rent.

### **5.04 LANDLORDS COVENANT TO REPAIR**

The Landlord covenants, subject to the provisions of Article 5.05, to maintain the Building in a good and tenantable condition.

### **5.05 REPAIR IN THE EVENT OF SEVERE DAMAGE**

If the Building and/or the Premises are damaged by fire or any other hazard such that the Building and/or the Premises are rendered untenable or convenient access is prevented, the Landlord in its sole discretion may elect not to repair the damage, and the Lease granted hereby shall be terminated as at the day of the fire. If the damage to the Premises and/or the Building is capable of repair within **Ninety (90)** days, the Landlord may initiate such repair and forthwith allow an abatement of Base Rent which recognizes the nature and extent of the damage, until such time as the Building and/or the Premises have been rebuilt or access restored. If the damage is such as to preclude the reoccupation of the Premises by the Tenant for a period in excess of **Ninety (90)** days, either party may, within **Thirty (30)** days of the occurrence of the original damage, serve notice upon the other of immediate termination of this Lease.

### **5.06 TENANT'S COVENANT TO REPAIR**

The Tenant shall maintain and keep in repair (reasonable wear and tear excepted) the Premises and shall not overload any floors, commit or permit any waste. The Tenant shall allow the Landlord to enter the Premises at any reasonable time for the purpose of inspecting the Premises and making necessary structural repairs. . If the Landlord determines that structural repairs are necessary during the term of the Lease, the Landlord shall advise the Tenant of such costs and the Tenant shall have the right to either pay for such repairs over the remaining term of the Lease or to terminate the Lease upon sixty (60) days prior written notice. If the Tenant elects not to pay for such repairs, the Landlord may (at its option) terminate the Lease upon sixty (60) days prior written notice to the Tenant.

### **5.07 NOTIFICATION OF DEFECTS**

The Tenant shall give the Landlord immediate written notice of any accident, defect or damage within the Building, Premises, systems or services. However, it is the intent of this lease that the Tenant will pay for all non structural repairs. If the Landlord determines that structural repairs are necessary during the term of the Lease, the Landlord shall advise the Tenant of such costs and the Tenant shall have the right to either pay for such repairs over the remaining term of the Lease or to terminate the Lease upon sixty (60) days prior written notice. If after discussion and negotiation with the Landlord, the Tenant is unable to satisfy itself as to the suitability of the financial terms relating to the expenditure on such structural repairs or the recovery of costs of such structural repairs (from sub-tenants), the Tenant may elect not to pay for such repairs; in which case the Landlord may (at its option) terminate the Lease upon sixty (60) days prior written notice to the Tenant.



## **ARTICLE 6 - DEFAULT**

### **6.01 RIGHT TO RE-ENTER**

Without limiting the generality of the foregoing, if:

- (a) the Tenant fails to pay any rent or other sums hereunder on the day or dates appointed for the payment thereof (provided the Landlord first gives five (5) days written notice to the Tenant of any such failure); or
- (b) the Tenant fails to perform any other of the terms, covenants, or conditions of this Lease to be observed or performed by the Tenant (provided the Landlord first gives the Tenant ten (10) days written notice of any such failure to perform and the Tenant within such period of ten (10) days fails to commence diligently and thereafter to proceed diligently to cure any such failure to perform); or
- (c) the Tenant or any agent of the Tenant falsifies any report required to be furnished to the Landlord pursuant to this Lease; or
- (d) Deleted
- (e) Deleted
- (f) any steps are taken or any action or proceedings are instituted by the Tenant or by any other party including without limitation, any court or governmental body of competent jurisdiction for the dissolution, winding-up or liquidation of the Tenant or its assets; or
- (g) the Tenant makes a sale in bulk; or
- (h) the Tenant abandons or attempts to abandon the Premises, or sells or disposes of the goods and chattels of the Tenant or removes them from the Premises so that there would not in the event of such sale or disposal be sufficient goods on the Premises subject to distress to satisfy all rent due and accruing hereunder; or
- (i) the Premises become and remain vacant for a period of thirty (30) consecutive days or are used by any other persons than such as are entitled to use them hereunder; or
- (j) the Tenant assigns, transfers, encumbers, sublets or permits the occupation or use or the parting with or sharing possession of all or any part of the Premises by any one except in a manner permitted by this Lease; or
- (k) this Lease or any of the Tenant's assets are taken under any writ of execution; or
- (l) re-entry is permitted under any other terms of this Lease,

Then the Landlord, in addition to any other rights or remedies it has pursuant to this Lease or by law, has, to the extent permitted by law, the immediate right of re-entry upon the Premises and it may remove all persons and property from the Premises and such property may be removed and stored in a public warehouse or elsewhere at the cost and for the account of the Tenant, all without service or notice or resort to legal process and without the Landlord being considered guilty of trespass or becoming liable for any damage which may be occasioned thereby.

### **6.02 RIGHT TO RELET**

If the Landlord elects to re-enter the Premises as herein provided, or if it takes possession pursuant to legal proceedings or pursuant to any notice provided for by law, it may either terminate this Lease or it may from time to time without terminating this Lease, make such alternations and repairs as are necessary in order to relet the Premises, or any part thereof for such term or terms (which may be for a term extending beyond the Term) and at such rent and upon such other terms, covenants and conditions as the Landlord in its sole discretion considers advisable. Upon each such reletting all rent received by the Landlord from such reletting shall be applied, first to the payment of any indebtedness other than rent due hereunder from the Tenant to the Landlord; second, to the payment of any costs and expenses of such reletting including brokerage fees and solicitor's fees and of costs of such alternations and repairs; third, to the payment of rent due and unpaid hereunder; and the residue, if any, shall be held by the Landlord and applied in payment of future rent as the same becomes due and payable hereunder. If such rent received from such reletting during any month is less than that to be paid during that month by the Tenant hereunder, the Tenant shall pay any such deficiency which shall be calculated and paid monthly in advance on

or before the first day of each and every month. No such re-entry or taking possession of the Premises by the Landlord shall be construed as an election on its part to terminate this Lease unless a written notice of such intention is given to the Tenant. Notwithstanding any such reletting without termination the Landlord may at any time thereafter elect to terminate this Lease for such previous breach. If the Landlord at any time terminates this Lease for any breach, in addition to any remedies it may have, it may recover from the Tenant all damages it incurs by reason of such breach, including the cost of recovering the Premises, solicitor's fees (on a solicitor and his client basis) and including the worth at the time of such termination of the excess, if any, of the amount of rent and charges equivalent to rent reserved in this Lease for the remainder of the stated Term over the then reasonable rental value of the Premises for the remainder of the stated Term, all of which amounts shall be immediately due and payable by the Tenant to the Landlord.

### **6.03 EXPENSES**

If legal action is brought for recovery of possession of the Premises, for the recovery of rent or any other amount due under this Lease, or because of the breach of any other terms, covenants or conditions herein contained on the part of the Tenant to be kept or performed, and a breach is established, the Tenant shall pay to the Landlord all expenses incurred therefore, including a solicitor's fee (on a solicitor and his client basis), unless a Court shall otherwise award.

### **6.04 LANDLORD MAY CURE TENANT'S DEFAULTS**

If the Tenant fails to pay, when due, any amounts or charges required to be paid pursuant to this Lease, the Landlord, after giving five (5) days notice in writing to the Tenant, may, but shall not be obligated to, pay all or any part of the same. If the Tenant is in default in the performance of any of its covenants or obligations hereunder (other than the payment of rent or other sums required to be paid pursuant to this Lease) the Landlord may from time to time after giving such notice as it considers sufficient (or no notice in the case of an emergency) having regard to the circumstances applicable, perform or cause to be performed any of such covenants or obligations, or any part thereof, and for such purpose may do such things as may be requisite, including, without limitation, entering upon the Premises and doing such things upon in respect of the Premises or any part thereof as the Landlord reasonably considers requisite or necessary. All expenses incurred and expenditures made by or on behalf of the Landlord under this Section plus a sum equal to fifteen (15) percent thereof representing the Landlord's overhead shall be paid by the Tenant as Additional Rent forthwith upon demand. The Landlord shall have no liability to the Tenant for any loss or damages resulting from any such action or entry by the Landlord upon the Premises and the same shall not be deemed a re-entry or a breach of any covenant for quiet enjoyment.

### **6.05 LIEN ON TRADE FIXTURES**

If the Tenant at any time during the Term or at the expiration of other termination of the Term is in default under any covenant or obligation contained herein, the Landlord has a lien on all stock-in-trade, inventory and fixtures, equipment and facilities of the Tenant as security against loss or damage resulting from any such default by the Tenant and said stock-in-trade, inventory, fixtures, equipment or facilities shall not be removed by the Tenant until such default is cured, unless otherwise so directed by the Landlord.

## **ARTICLE 7 - GENERAL TERMS**

### **7.01 TERMINATION AND HOLDING OVER**

The Term herein granted shall expire by effluxion of time without notice from either party to the other, **PROVIDED ALWAYS** that in the event that the Tenant shall continue to occupy the Premises after the expiration of the Term, there shall be no tacit renewal of this Lease and Term, and the Tenant shall be deemed to occupy the Premises as a tenant from month to month at a monthly rental equal to **1/6 of the prior years percentage rent and operating costs** to be negotiated and payable in advance on the first day of each month overheld, and otherwise upon the same terms and conditions herein set out insofar as the same are applicable to a month to month tenancy.

### **7.02 ANNEXATION OF TENANT'S FIXTURES**

The Tenant agrees that any alterations, improvements and fixtures made to or installed upon the Premises by or at the expense of the Tenant, other than reasonably movable fixtures, shall immediately upon affixation be deemed to be annexed to the Building. Such fixtures shall remain upon and be surrendered with the Premises upon the expiration or earlier termination of this Lease.

### **7.03 SURRENDER**

The Tenant shall surrender the Premises to the Landlord at the expiration or sooner termination, of the Term, in good repair, reasonable wear and tear, damage from fire, storm, tempest and other casualty, removal of chattels only excepted, and the Tenant shall be liable either to pay compensation to the Landlord in respect of restoration thereof or repair the Premises.

### **7.04 NO WAIVER**

It is understood and agreed that the remedies of the Landlord under this Lease are cumulative and that the exercise or non-exercise by the Landlord of any right or remedy for the breach by the Tenant of any covenant or agreement herein contained, or the acceptance of any monies owing hereunder, shall not be deemed to be a waiver or to alter, affect or prejudice the right or remedy to which the Landlord may be lawfully entitled and that any waiver granted in one case shall not be deemed to be a waiver of any subsequent default or breach.

## **ARTICLE 8 - MISCELLANEOUS**

### **8.01 INDEMNITY**

The Tenant agrees to indemnify the Landlord against all claims, actions, causes of actions, damages, expenses, costs, or losses arising out of or resulting directly or indirectly and whether by reason of negligence or otherwise, from the acts or omissions of the Tenant or any of the Tenant's servants, agents, licensees and invitees.

### **8.02 NOTICES**

Any notices required pursuant to the terms of this Lease shall be deemed to have been properly delivered by one party to the other firstly on that date upon which registered prepaid mail was effected against the other party at his or its address first recited above, or **Three (3)** days after the posting thereof, whichever shall be the earlier or secondly, by personal service. Notices sent during a strike, lockout or other labour disturbance at the post office shall be delivered and not mailed.

**8.03 COVENANTS AND AGREEMENTS**

The Landlord and the Tenant agree that all the provisions of this Lease are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each provision hereof. Should any provision or provisions of this Lease be illegal or not enforceable, it or they shall be considered separate and severable from the Lease and its remaining provisions as though the said illegal or unenforceable provision(s) had never been included.

**8.04 TIME**

Time shall be of the essence in this Lease.

**8.05 ENTIRE AGREEMENT**

No other stipulation, agreement or undertaking, oral or otherwise, of the parties or of their agents shall be valid or enforceable unless made in writing, initialed by both parties and incorporated by reference into this Lease.

**8.06 INTERPRETATION**

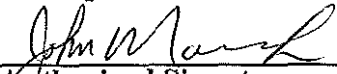
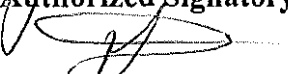
Wherever the singular, masculine or neuter is used in this Lease, that gender shall be deemed to include the plural or the feminine or body politic or corporate and the respective heirs, executors, administrators, successors and permitted assigns of the parties hereto and each of them where the context or the parties so require.

**8.07 SUCCESSORS**

This Lease shall inure to the benefit of and be binding upon the parties hereto, their respective heirs, executors, administrators, successors and permitted assigns as the case may be.


**IN WITNESS WHEREOF** the parties hereto have hereunto set their hands and seals and where a party is a corporate entity the corporate seal of the said company has been affixed in the presence of its duly authorized officers on the day and year first recited above.

THE CORPORATE SEAL of the  
Landlord was hereunto affixed  
in the presence of:

  
\_\_\_\_\_  
Authorized Signatory  
  
\_\_\_\_\_  
Authorized Signatory

c/s

THE CORPORATE SEAL of the  
Tenant was hereunto affixed  
in the presence of:

  
\_\_\_\_\_  
Authorized Signatory SUSAN  
MUNDICK  
\_\_\_\_\_  
Authorized Signatory

c/s

**SCHEDULE "A" TO A LEASE DATED \_\_\_\_\_**  
**RESPONSIBILITY FOR BUILDING SERVICES**

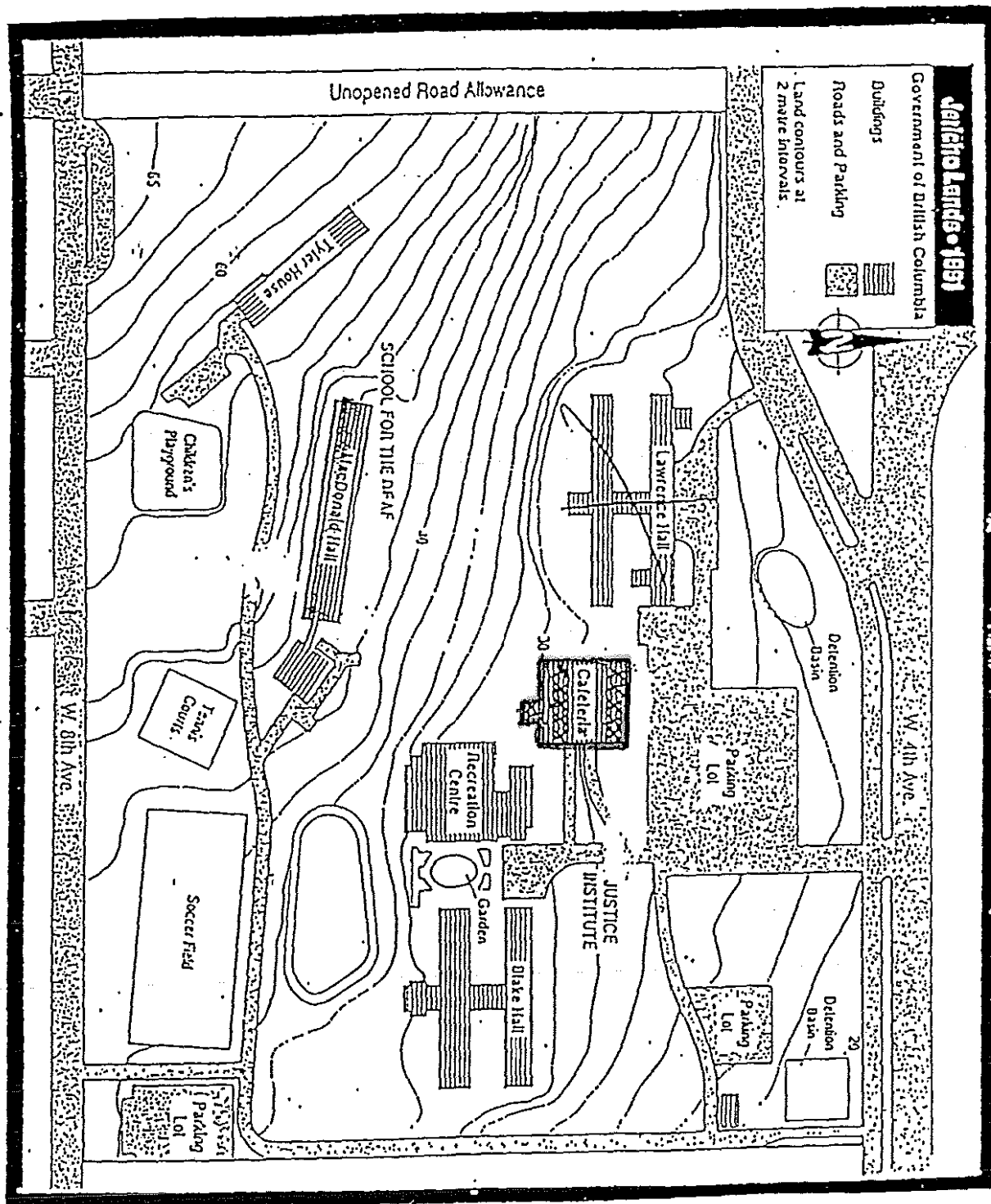
(a)	(b)	(c)	(d)	(e)
ITEM	TO BE PROVIDED BY LANDLORD COST INCLUDED IN RENT	TO BE PROVIDED BY LANDLORD COST BORNE BY TENANT*	TO BE PROVIDED BY AND COST BORNE BY TENANT	DOES NOT APPLY
1 (240)	Heating	X		
2 (310)	Water & Sewage	X		
3 (230)	Electricity	X		
4 (250)	Preventive Servicing and Minor Repairs of HVAC system	X		
5 (270)	Garbage Removal	X		
6 (290)	Snow Removal	X		
7 (280)	Maintenance of Landscaping and Common Areas	X		
8 (320)	Preventive Servicing and Minor Repairs of Elevator(s)	X		
9 (360)	Window Cleaning -Interior	X		
10 (350)	Window Cleaning -Exterior	X		
11 (300)	Parking			X
12 (210)	Janitorial Service & Supplies	X **		
13 (260)	Lamp, Tube and Ballast Replacement	X		
14 (330)	Tenant Improvement			X
15 (220)	Taxes		X if applicable	
16 (340)	Insurance - ***	Fire and Extended Coverage Perils, P.L. & P.D.  X	Comprehensive General Liability Tenant's Chattels  X	

\* Subject to the further provisions of Article 2.05

\*\* Areas used exclusively by a sub-tenant are the responsibility of that sub-tenant

\*\*\* The tenant may at its sole discretion elect to self-insure as noted in paragraph 5.02

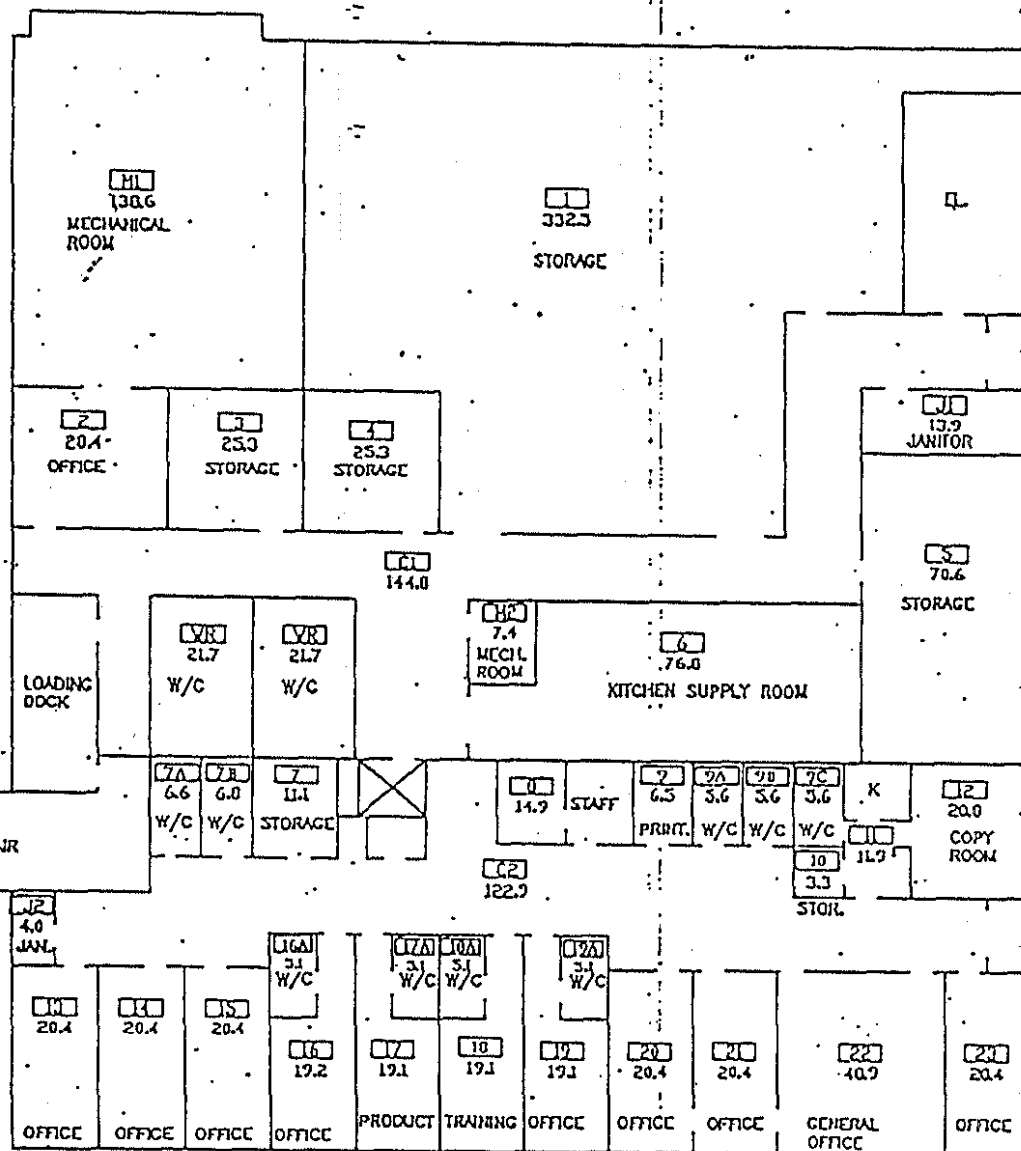
SCHEDULE "B1" TO A LEASE DATED \_\_\_\_\_  
PLAN OF PREMISES



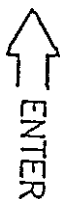
EXISTING SUBJECT IMPROVEMENTS

CUMBERTLAND CONSULTING CORPORATION  
Real Estate Consultants

SCHEDULE "B2" TO A LEASE DATED  
PLAN OF PREMISES



	British Columbia Buildings Corporation	DESCRIPTION/ADDRESS JERICHO SCHOOL CAFETERIA 4100 WEST 4TH AVENUE VANCOUVER, B.C.			
SPACE INVENTORY SINGLE LINE DRAWING		SHEET 1	OF 2 STATUS OWNED FL 80		







3350 Douglas Street  
Victoria, BC, Canada V8Z 3L1  
(250) 352-8500

# Direct Electronic Funds Transfer (DEFT) Customer Authorization

**CUSTOMER**

Customer Name: \_\_\_\_\_

Address: \_\_\_\_\_

Tel.: \_\_\_\_\_ Fax: (if applicable) \_\_\_\_\_

## For Project Accounting Use:

Agreement# \_\_\_\_\_ Customer# \_\_\_\_\_

End Date (optional) \_\_\_\_\_ Void cheque attached: Y / N

Name of Bank/  
Financial Institution: \_\_\_\_\_

Branch Address: \_\_\_\_\_

Account number \_\_\_\_\_

Type of Account \_\_\_\_\_

Maximum Debit  
Amount (optional): \_\_\_\_\_

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CTZ-201

**DEFT FORM**

## DEFT Terms & Conditions

1. I/we will notify BC Buildings Corporation of any changes to my/our account information.
2. I/we will provide a voided cheque to BCBC (mandatory).
3. I may still receive a monthly invoice and will be responsible to pay any amounts outstanding over and above the maximum debit amount each month.
4. This agreement can be terminated upon written or verbal notification at any time by either the customer or BC Buildings Corporation. Upon termination, payment of invoices will be made to BC Buildings Corporation in the normal fashion.
5. Under any of the following conditions, and upon written notification by me/us to BC Buildings Corporation, items charged will be reimbursed within 45 days of receipt of such written notice:
  - I/we never provided authorization to BC Buildings Corporation;
  - The debit was not made in accordance with my/our authorization;
  - My/our authorization was revoked; or
  - The debit was posted to the wrong account due to invalid/incorrect account information supplied to BC Buildings Corporation.

I/we, the undersigned, hereby authorize BC Buildings Corporation and my/our above-noted bank/financial institution to debit my/our account to cover payment to BC Buildings Corporation for Agreement charges due, pursuant to the terms & conditions specified in the above-referenced Agreement. I/we acknowledge that this authorization constitutes delivery by me/us to the above-noted bank/financial institution.

Date: \_\_\_\_\_

Authorized Signature(s): \_\_\_\_\_

THIS LICENSE dated for reference the 23<sup>rd</sup> day of July, 2002.

**BETWEEN:**

**BRITISH COLUMBIA BUILDINGS CORPORATION,**

a company duly incorporated pursuant to an Act of the Legislature of the Province of British Columbia and having an office situated at 3350 Douglas Street, Victoria, British Columbia V8Z 3L1

(hereinafter referred to as the "Owner")

**AND:**

**477020 B.C. LTD.**

2100-1111 West Georgia Street  
Vancouver, British Columbia V7X 1K9

(hereinafter referred to as the "Licensee")

Collectively hereinafter referred to as the "Parties"

**WHEREAS** the Owner has agreed to grant to the Licensee a License over that parcel of land described as:

Block C, District Lot 176, Vancouver Assessment District, Plan 19402

hereinafter referred to as the "Lands" and in particular, for the Premises located on the Lands in which the Swimming Pool is located (the "Pool Premises")

**NOW THIS AGREEMENT WITNESSES THAT IN CONSIDERATION** of the covenants, agreements and conditions herein contained, the Parties agree as follows:

**ARTICLE I  
GRANT OF LICENSE AND TERM**

**SECTION 1.01** The Owner, does hereby grant to the Licensee a License to enter onto the Pool Premises more particularly described as the Jericho Hill Lands;

(i) Pool: 5,100 square feet

**SECTION 1.02** To have the exclusive use of the Pool Premises, subject to the conditions set forth in Schedule B of this Agreement, for the period of **Two (2) years Ten (10) months** commencing on the **1st day of September, 2001**, and to be fully completed at **12:00 p.m.** on the **30th day of June, 2004**, (the "Term") unless earlier terminated in accordance with the terms hereof.

## ARTICLE II DEFINITIONS

**SECTION 1.02**    **LICENSE IMPROVEMENTS** - "Licensee Improvements" means the improvements to be made to the Pool Premises as may be more particular set forth in Schedule "C", if any, attached hereto.

## ARTICLE III FEES AND OTHER CHARGES

**SECTION 3.01**    The Licensee shall pay to the Owner, License fees over the whole of the Term as set out in Schedule "B" to this License.

## ARTICLE IV GENERAL COVENANTS

### **SECTION 4.01**    **DIRECTIONS AS TO EMERGENCY**

In case of emergency, the Owner designates the **District Director, Vancouver District Office, telephone number (604) 482-5650** as its representative, and the Licensee designates **Headmaster, West Point Grey Academy, telephone number (604) 222-8750**, as its representative.

### **SECTION 4.02**    **ACCESS**

The Licensee, its servants, agents, employees, licensees and invitees shall (during normal business hours) have the right to pass, repass and utilize all common areas including corridors, lobbies, washrooms, stairways, elevators and passages and over the land of the Pool Premises for the purpose of ingress, egress and full enjoyment of the Pool Premises, and other facilities.

### **SECTION 4.03**    **USE OF PREMISES**

The Licensee shall only use the Pool Premises for the purpose of **Leisure and Recreation Activities**, including such related uses as rentals, child minding and other ancillary uses. The Owner may in its sole discretion permit the alternation of the use to which the Pool Premises are put. The Parties shall mutually agree as to those times that the Licensee shall have access and use of the Pool Premises.

### **SECTION 4.04**    **OWNER'S SERVICES**

The Owner covenants to maintain the Pool Premises at those standards specified in the Occupational Environment Regulations of the Workplace Act, S.B.C. 1985, c.34. The Owner will not be responsible for direct, indirect or consequential damages arising out of any breach of this paragraph.

### **SECTION 4.05**    **COMPLY WITH LAWS**

The Licensee shall at all times during the Term hereof comply with all applicable laws, statutes, by-laws, ordinances, regulations or other lawful requirements of any governmental authority having jurisdiction.

**SECTION 4.06    ALTERATIONS**

The Licensee may, with the prior written consent of the Owner, and at the sole cost of the Licensee make such alterations or additions to the Pool Premises as it may from time to time request in writing and as are required for the conduct of its business.

**SECTION 4.07    SUB-LETTING AND ASSIGNMENT**

The Licensee shall not assign or sub-let the Pool Premises without the prior written consent of the Owner but may rent time and space to the West Point Grey Community Association and other routine user groups, provided advance written notice of these arrangements is given to the Owner.

**ARTICLE V  
INSURANCE AND REPAIRS**

**SECTION 5.01    OWNERS COVENANT TO INSURE**

The Owner shall obtain, maintain and pay for insurance on the Pool Premises, excluding all chattels of the Licensee, against loss or damage by fire and extended coverage perils and the Owner shall be responsible for any deductible amounts under the policy.

**SECTION 5.02    LICENSEE'S COVENANT TO INSURE**

The Licensee shall obtain, maintain and pay for Comprehensive General Liability insurance, for an amount acceptable to the Owner, but not less than **\$2,000,000.00** per occurrence. Such insurance shall include the Owner as a named insured, and shall contain a standard form of cross liability clause and shall also provide for **Thirty (30)** days prior notice of cancellation, lapse or material change. The Licensee covenants and agrees to provide evidence of such insurance upon the written request of the Owner. The Licensee further agrees that if there be breach of the insurance requirements of this Article the Owner may obtain the necessary insurance coverage on the Licensee's behalf and recover the costs thereof as Additional Rent.

**SECTION 5.03    LICENSEE NOT TO AFFECT INSURANCE**

The Licensee shall not do or permit anything to be done which causes the Owner's cost of insuring the Pool Premises to increase. Any increase in insurance costs to the Owner resulting from a breach of this covenant shall be borne by the Licensee, and may be recovered by the Owner as Additional Rent.

**SECTION 5.04    OWNER'S COVENANT TO REPAIR**

The Owner shall use its best efforts to maintain the Pool Premises to the standard then enjoyed by the Licensee at the commencement of this License.

## SECTION 5.05    REPAIR IN THE EVENT OF SEVERE DAMAGE

If the the building in which the Pool Premises are located or the Pool Premises are damaged by fire or any other hazard such that the the Pool Premises are rendered untenable or convenient access is prevented, the Owner in its sole discretion may elect not to repair the damage, and the License granted hereby shall be terminated as at the day the damage occurred. If the damage to the Pool Premises is capable of repair within **Ninety (90)** days, the Owner may initiate such repair and forthwith allow an abatement of Base Rent which recognizes the nature and extent of the damage, until such time as the the Pool Premises have been rebuilt or access restored. If the damage is such as to preclude the reoccupation of the Pool Premises by the Licensee for a period in excess of **Ninety (90)** days, either party may, within **Thirty (30)** days of the occurrence of the original damage, serve notice upon the other of immediate termination of this License.

## SECTION 5.07    NOTIFICATION OF DEFECTS

The Licensee shall make reasonable efforts to give the Owner immediate written notice of any accident, defect or damage within the Pool Premises, which the Licensee has knowledge of and for which the Owner has an obligation under this License.

# **ARTICLE VI GENERAL TERMS**

## SECTION 6.01    TERMINATION AND HOLDING OVER

The Term herein granted shall expire by effluxion of time without notice from either party to the other, **PROVIDED ALWAYS** that in the event that the Licensee shall continue to occupy the Pool Premises after the expiration of the Term, there shall be no tacit renewal of this License and Term, and the Licensee shall be deemed to occupy the Pool Premises as a Licensee from month to month at a monthly rental to be negotiated and payable in advance on the first day of each month overheld, and otherwise upon the same terms and conditions herein set out insofar as the same are applicable to a month to month tenancy. Notwithstanding this Clause 6.01 or any other Clause within this License, both parties shall have the right to terminate this License upon **Six (6)** months prior written notice to the other party.

## SECTION 6.02    ANNEXATION OF LICENSEE'S FIXTURES

The Licensee agrees that any alterations, improvements and fixtures made to or installed upon the Pool Premises by or at the expense of the Licensee, other than reasonably movable fixtures, shall immediately upon affixation be deemed to be annexed to the Pool Premises. Such fixtures shall remain upon and be surrendered with the Pool Premises upon the expiration or earlier termination of this License.

## SECTION 6.03    SURRENDER

The Licensee shall surrender the Pool Premises to the Owner at the expiration or sooner termination, of the Term, in good repair consistent with the current state of repair, reasonable wear and tear, damage from fire, storm, tempest and other casualty, removal of chattels only excepted, and the Licensee shall be liable either to pay compensation to the Owner in respect of restoration thereof or repair the Pool Premises.

#### **SECTION 6.04    NO WAIVER**

It is understood and agreed that the remedies of the Owner under this License are cumulative and that the exercise or non-exercise by the Owner of any right or remedy for the breach by the Licensee of any covenant or agreement herein contained, or the acceptance of any monies owing hereunder, shall not be deemed to be a waiver or to alter, affect or prejudice the right or remedy to which the Owner may be lawfully entitled and that any waiver granted in one case shall not be deemed to be a waiver of any subsequent default or breach.

### **ARTICLE VII MISCELLANEOUS**

#### **SECTION 7.01    INDEMNITY**

The Licensee agrees to indemnify the Owner against all claims, actions, causes of actions, damages, expenses, costs, or losses arising out of or resulting directly or indirectly and whether by reason of negligence or otherwise, from the acts or omissions of the Licensee or any of the Licensee's servants, agents, licensees and invitees.

#### **SECTION 7.02    NOTICES**

Any notices required pursuant to the terms of this License shall be deemed to have been properly delivered by one party to the other firstly on that date upon which registered prepaid mail was effected against the other party at his or its address first recited above, or **three (3)** days after the posting thereof, whichever shall be the earlier or secondly, by personal service. Notices sent during a strike, lockout or other labour disturbance at the post office shall be delivered and not mailed.

#### **SECTION 7.03    COVENANTS AND AGREEMENTS**

The Owner and the Licensee agree that all the provisions of this License are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each provision hereof. Should any provision or provisions of this License be illegal or not enforceable, it or they shall be considered separate and severable from the License and its remaining provisions as though the said illegal or unenforceable provision(s) had never been included.

#### **SECTION 7.04    TIME**

Time shall be of the essence in this License.

#### **SECTION 7.05    ENTIRE AGREEMENT**

No other stipulation, agreement or undertaking, oral or otherwise, of the parties or of their agents shall be valid or enforceable unless made in writing, initialed by both parties and incorporated by reference into this License.

#### **SECTION 7.06    INTERPRETATION**

Wherever the singular, masculine or neuter is used in this License, that gender shall be deemed to include the plural or the feminine or body politic or corporate and the respective heirs, executors, administrators, successors and permitted assigns of the parties hereto and each of them where the context or the parties so require.

**SECTION 7.07    SUCCESSORS**

This License shall inure to the benefit of and be binding upon the parties hereto, their respective heirs, executors, administrators, successors and permitted assigns as the case may be.

**IN WITNESS WHEREOF** the Parties hereto have executed this agreement as of the day and year first recited above.

**BRITISH COLUMBIA BUILDINGS CORPORATION**

THE CORPORATE SEAL of the  
Owner was hereunto affixed  
in the presence of:

  
\_\_\_\_\_  
Authorized Signatory

  
\_\_\_\_\_  
Authorized Signatory

c/s

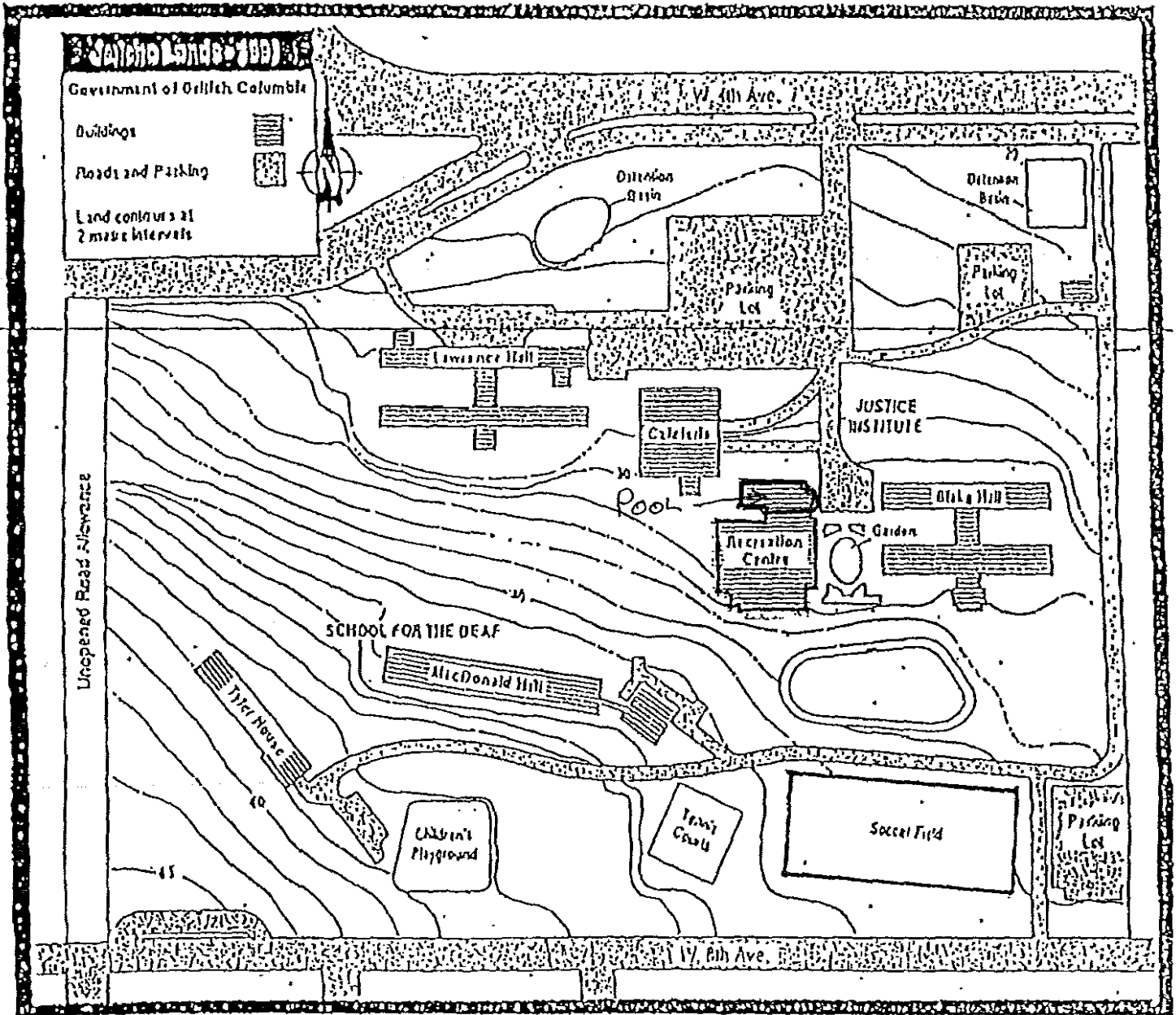
**477020 B.C. LTD.**

By Its Authorized Signatories:

Per: 

Per: PETER K.K. WONG  
PRESIDENT.

**SCHEDULE "A" TO A LICENSE DATED \_\_\_\_\_**  
**PLAN OF PREMISES**





**SCHEDULE "B" TO A LICENSE DATED \_\_\_\_\_**  
**PREMISES, RENT AND OCCUPANCY**

**1. POOL PREMISES**

- 5,100 square feet
- To be operated and administered by Licensee;
- Rental Payments for the Pool Premises for the first year of this Agreement shall be Seventy Six Thousand Five Hundred Sixty and 00/100 Dollars (\$76,560.00) per annum plus the Goods and Services Tax (G.S.T) payable in advance in equal monthly installments of Six Thousand Three Hundred Eighty and 00/100 Dollars (\$6,380.00) plus the G.S.T. The Rental Payment represents the actual cost to the Owner of operating the Pool Premises and the Licensee shall be responsible for any increase in costs for the Pool Premises in subsequent years.
- If the Pool Premises has major costs which the Licensee is not willing to pay, the Owner may give Thirty (30) days notice to terminate this License for the Pool Premises.

The Licensee hereby agrees to provide use of the Pool Premises to current users of the Pool Premises and hereby agrees that the hourly charge for such use during the first year of this Licence shall not exceed Thirty Three Dollars (\$33.00) per hour. The Licensee further agrees that such costs will not increase by more than Ten Percent (10%) per annum for such users.

**SCHEDULE "C" TO A LICENSE DATED \_\_\_\_\_**

The Licensee accepts and has the use of the Pool Premises on an "as is", "where is" basis. Further, the Licensee hereby agrees that the Owner has no obligations for improvements whatsoever except as provided in Section 4.04.

**INDENTURE OF LEASE**

**BETWEEN**

**BRITISH COLUMBIA BUILDINGS CORPORATION**

**3350 Douglas Street  
Victoria, British Columbia V8Z 3L1**

**("Landlord")**

**AND**

**WEST POINT GREY ACADEMY PROPERTY SOCIETY**

**2100 – 1075 West Georgia Street  
Vancouver, British Columbia V6E 3G2**

**("Tenant")**

**Dated as of July 1, 2004**

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**THIS LEASE** is dated as of the 1st day of July, 2004

**BETWEEN:**

**BRITISH COLUMBIA BUILDINGS CORPORATION**, a company  
duly incorporated pursuant to an Act of the Legislature of the Province of  
British Columbia, and having an office situated at 3350 Douglas Street,  
Victoria, British Columbia V8Z 3L1

(the "Landlord")

**AND:**

**WEST POINT GREY ACADEMY PROPERTY SOCIETY**  
2100 – 1075 West Georgia Street  
Vancouver, British Columbia V6E 3G2

(the "Tenant")

**WHEREAS:**

- (A) By a lease dated with effect from the 29th day of March, 1996 (the "Original Lease") the Landlord did demise and lease unto 477020 B.C. Ltd. ("477020") the Buildings (hereinafter defined) for a term of six (6) years and two (2) months commencing on the 1st day of May, 1996 and expiring on the 30th day of June, 2002 on the terms and conditions contained in the Original Lease.
- (B) By an amendment of lease dated for reference the 7th day of September, 2001 (the "Lease Amendment"), the Landlord and 477020 agreed to extend the term of the Original Lease for a further two (2) years commencing on the 1st day of July, 2002 and expiring on the 30th day of June, 2004 on the terms and conditions contained in the Lease Amendment.
- (C) By a license agreement dated with effect from the 29th day of March, 1996 (the "Original License"), the Landlord did grant to 477020 the non-exclusive license to use that portion of the Land (hereinafter defined) cross-hatched in Schedule A attached hereto for a period of six (6) years and two (2) months commencing on the 1st day of May, 1996 and expiring on the 30th day of June, 2002 on the terms and conditions contained in the Original License.

- (D) By an amendment of license dated for reference the 7th day of September, 2001 (the "License Amendment"), the Landlord and 477020 agreed to extend the term of the Original License for a further period of two (2) years commencing on the 1st day of July, 2002 and expiring on the 30th day of June, 2004 on the terms and conditions contained in the License Amendment.
- (E) By a license agreement dated for reference the 23<sup>rd</sup> day of July, 2002 (the "Pool License"), the Landlord did grant to 477020 an exclusive license (subject to the right of current users to continued use) to use that 5,100 square feet (approximately) portion of the building described as the Recreation Centre in Schedule A hereto in which the swimming pool is located (the "Pool Premises") for a period expiring on the 30<sup>th</sup> day of June, 2004 on the terms and conditions contained in the Pool License.
- (F) 477020 has agreed, with the consent of the Landlord, to assign all of its right, title and interest in and to the Original Lease, as amended by the Lease Amendment, the Original License, as amended by the License Amendment and the Pool License to the Tenant.
- (G) The Landlord and the Tenant have agreed to extend the term of the Original Lease, as amended by the Lease Amendment, the Original License, as amended by the License Amendment and the Pool License for a further period of five (5) years commencing on the 1st day of July, 2004 and expiring on the 30th day of June, 2009, on the terms and conditions contained herein.

**NOW THEREFORE IN CONSIDERATION** of the covenants, agreements and conditions herein contained, the above parties agree as follows:

#### DEFINITIONS

- 1.1 (a) **"Additional Rent"** means all amounts paid hereunder by the Tenant save and except for Base Rent.
- (b) **"Base Rent"** means the sum set out in §3.1(a) and (b).
- (c) **"Buildings"** means McDonald Hall and Annex, Tyler House and the Pool Premises.
- (d) **"Cost of Living Adjustment"** means the most recent consumer price index published by Statistics Canada (or such other index as may be substituted for it by Statistics Canada, or the then recognized statistical branch of the Government of Canada) for the City of Vancouver All Items (or if no such index is published for the City of Vancouver then a similar index designated by the Landlord, acting reasonably) on or prior to the date on which the Base Rent increase is to take effect divided by the last similar index published on or prior to July 1, 2004 or to the date of the previous Base Rent increase as the case may be. If the index has increased during the period, then the Base Rent for the next 12 month period shall be increased by reference to the following formula:

Increase in Base Rent = Base Rent for immediately preceding period x Cost of Living Adjustment.



- (e) **"Environmental Laws"** means any statutes, laws, regulations, orders, bylaws, standards, guidelines, protocols and other lawful requirements of any governmental authority having jurisdiction over the Buildings or the Land now or hereafter in force relating in any way to the environment, environmental assessment, health, occupational health and safety, protection or any form of plant or animal life or transportation of dangerous goods, including the principles of common law and equity.
- (f) **"Fiscal Year"** means each one (1) year period commencing on the 1st day of April of a given year and running twelve consecutive months to and including the 31st of March of the subsequent year.
- (g) **"Hazardous Materials"** means any organic or inorganic substance or material that may pose a risk to the health or safety of any living person or animal.
- (h) **"Land"** means the 38 acre (approximately) parcel of land civically described as 4125 West 8th Avenue, Vancouver, BC and legally described as:

PID: 007-225-491 Block A Except part in Reference Plan 14457 District Lot 176 Plan 18336

- and -

PID: 007-020-961 Block C District Lot 176 Plan 19402

- (i) **"Landlord"** means the British Columbia Buildings Corporation.
- (j) **"Lease Year"** means a twelve (12) month period commencing on July 1st and expiring on June 30th in each year of the Term;
- (k) **"License Area"** means that portion of the Land shown cross-hatched on Schedule A hereto;
- (l) **"License Fee"** means the annual fee set out in § 3.1(c) and (d);
- (m) **"McDonald Hall and Annex"** means that building shown outlined in heavy bold on Schedule A hereto and having an area of approximately 39,826 sq ft;
- (n) **"Operating Costs"** means the direct cost of ordinary non-capital expenditures incurred only in connection with the operation of the Buildings and a portion of the Land as itemized in Schedules B and E attached hereto, which may include, but will not be limited to, costs for:
  - (i) heating (gas is to be separately metered and reconciled);
  - (ii) water (to be separately metered and reconciled) and sewer rates and other utilities;

- (iii) electric power (to be separately metered and reconciled);
- (iv) preventative servicing and minor repairs of the heating, ventilating and air-conditioning (HVAC) system;
- (v) preventative servicing and repairs to plumbing systems
- (vi) garbage removal;
- (vii) preventative servicing and minor repairs of elevator;
- (viii) window cleaning (interior and exterior);
- (ix) janitorial services and supplies;
- (x) lamp, tube and ballast replacement;
- (xi) taxes and grants in lieu of taxes (if applicable) referred to in §3.3;
- (xii) insurance and plate glass replacement;
- (xiii) security, fire and safety; and
- (xiv) property management, supervisions and administration,

provided that costs for structural maintenance and amounts normally charged to depreciation, interest on debt or capital retirement of debt shall not be included when calculating Operating Costs and provided further that costs for heating, water and electric power not separately metered shall be calculated and reconciled.

- (o) **"Pool Premises"** means that portion of the Building containing the swimming pool shown in heavy bold on Schedule "A" attached hereto.
- (p) **"Prime Rate"** means the rate of interest per annum (regardless of how or when calculated) designated from time to time by the Royal Bank of Canada (or its successor) (the "Bank") as being the prime commercial lending rate (now commonly known as the Bank's prime rate) charged by the Bank for demand loans in Canadian funds made at the main branch of the Bank in Vancouver, British Columbia (and if at any time there is more than one prime commercial lending rate of the Bank then the Prime Rate shall be the highest prime commercial lending rate of the Bank);
- (q) **"Rent"** means the Base Rent, Additional Rent and all other money payable by the Tenant to the Landlord under this Lease whether or not designated as "Rent".
- (r) **"Taxes"** means all taxes, rates, duties, assessments and grants-in-lieu of taxes whether municipal, provincial, federal or otherwise, charged upon the Buildings ) referred to in §3.3.

- (s) **"Tenant Improvements"** means the improvements, if any, made to the Buildings, the License Area or the Pool Premises by the Tenant with the approval of the Landlord. For the purposes of this Lease, the term Tenant Improvements includes all items generally considered as tenant improvements, including without limitation all fixtures, improvements, installations, alterations and additions from time to time made, erected or installed by or on behalf of the Tenant including all partitions however affixed, and whether or not moveable, and all wall-to-wall carpeting other than carpeting laid over finished floors and affixed so as to be readily removable without damage with the exception of trade fixtures and furniture and equipment not of the nature of fixtures.
- (t) **"Tyler House"** means that building shown in heavy bold on Schedule A hereto and having an area of approximately 22,092 square feet.

## PART 2

### BUILDINGS AND TERM

#### Demise and Term

- 2.1 The Landlord does hereby demise and lease the Buildings to the Tenant for a term of five (5) years (the **"Term"**) commencing the 1st day of July, 2004 (the **"Commencement Date"**) and expiring the 30th day of June, 2009.
- 2.2 The Landlord does hereby grant to the Tenant a License to enter onto the Lands (including, without limitation, the License Area) and the Pool Premises as set out in § 4.11.

## PART 3

### BASE RENT AND OTHER CHARGES

#### Base Rent

- 3.1 The Tenant shall pay to the Landlord Base Rent and License Fees during the Term as follows:

(a) McDonald Hall and Annex

For the period commencing July 1, 2004 and expiring June 30, 2005 the annual Base Rent shall be \$312,120.00 plus GST payable in equal monthly instalments of \$26,010.00 in advance on the first day of each and every month from July 1, 2004 to June 1, 2005;

(b) Tyler House

For the period commencing July 1, 2004 and expiring June 30, 2005 the annual Base Rent shall be \$143,653.23 plus GST payable in equal monthly instalments of \$11,971.10 in advance on the first day of each and every month from July 1, 2004 to June 1, 2005;

(c) License Area

For the period commencing July 1, 2004 and expiring June 30, 2005, the License Fee shall be the sum of \$10,000 plus GST per annum payable in equal monthly instalments of \$833.33 on the first day of each and every month.

(d) Pool Premises

For the period commencing July 1, 2004 and expiring June 30, 2005, the annual License Fee shall be the actual cost to the Landlord of operating the Pool Premises currently estimated to be \$76,560 plus GST per annum in equal monthly instalments of \$6,380. Any increase in the actual costs incurred by the Landlord in subsequent years shall be paid by the Tenant.

(e) Cost of Living Adjustment

Commencing July 1, 2005, the Base Rent for each of McDonald House and Annex, Tyler House and the License Area will be adjusted effective July 1st in each Lease Year during the Term by the Cost of Living Adjustment. The Landlord will advise the Tenant of the Base Rent payable for each Lease Year during the Term on or before May 1st of such Lease Year and the Tenant shall pay such adjusted Base Rent for such Lease Year to the Landlord in equal monthly instalments in advance on the 1st day of each month during such Lease Year.

- 3.2 All payments of Base Rent and License Fees shall be made to British Columbia Buildings Corporation at the address first above written, attention Treasury Department, or at such other address or such other payee as British Columbia Buildings Corporation may advise in writing.

**Taxes**

- 3.3 The Tenant shall pay all Taxes, if any, assessed against the Buildings, the License Area and the Pool Premises. If applicable prior to the beginning of each Lease Year during the Term, the Landlord shall estimate the amount of Taxes, if any to be levied against the Buildings, the License Area and the Pool Premises. The Tenant shall, with each monthly payment of Base Rent, pay to the Landlord as Additional Rent, a sum equal to 1/12 of the Landlord's estimate of Taxes, if any, as aforementioned. At the end of each Lease Year during the Term the Landlord will reconcile Taxes actually paid, if any, by the Landlord to the amount paid as Additional Rent, if any, by the Tenant. Any surplus of funds paid by the Tenant shall be immediately refunded to the Tenant and any deficiency of funds shall be immediately paid by the Tenant to the Landlord. In the event that there not be a separate assessment for Taxes made against the Buildings, the Tenant shall pay on demand to the Landlord a share of the Taxes, if any, which may be levied, rated, charged, assessed or paid by any lawful authority against or with respect to the Buildings, the License Area and the Pool Premises as determined by the Landlord, acting reasonably.

### Operating Costs

- 3.4 In accordance with Schedule B attached hereto, the Tenant shall also pay to the Landlord, with each payment of Base Rent and License Fees, as Additional Rent, its monthly estimated Operating Costs for the relative Fiscal Year or the pro rata portion thereof. Within ninety (90) days next following the expiration of the relative Fiscal Year, the Landlord shall provide a reconciliation of the Operating Costs and the difference shall be paid by or credited to the Tenant within thirty (30) days of receipt of such reconciliation.

### Tenant's Operating Costs

- 3.5 If the Tenant wishes to contract and pay directly for its Heating (Natural Gas), Water, Garbage Disposal, Electrical, Janitorial (including window cleaning, lamp replacement) or Interior and Exterior Fabric Maintenance these services may be provided directly by the Tenant upon ninety (90) days written notice to the Landlord. The Property Management Services, as shown under Column C of Schedule B, will be provided by the Landlord at the Tenant's cost and these charges will be recovered monthly as Additional Rent. All maintenance and cleaning which is carried out, contracted or supervised by the Tenant shall be to industry accepted standards. The Landlord shall have the right to inspect the maintenance and cleaning carried out, contracted or supervised by the Tenant and if necessary to request improvements to the Property Management Services provided by the Tenant. If the maintenance and or cleaning is not done to an acceptable level either party shall have the right following written notification to the other party to carry out the required work and Schedule B attached hereto will be amended accordingly if required.

### Interest On Arrears

- 3.6 The Tenant shall pay to the Landlord all charges as set out in this Lease. Any amounts unpaid after the due date shall bear interest at the rate of Prime Rate plus four (4) percent at the time such fees become outstanding, compounded monthly from the date that such charges become due, to and including the date of payment.

## PART 4

### GENERAL COVENANTS

#### Directions As To Emergency

- 4.1 In case of emergency, the Landlord designates the Director, Property Services Vancouver telephone number (604) 660-3021 as its representative, and the Tenant designates the Head Master of West Point Grey Academy, telephone number (604) 222-8750 as its representative.

#### Access

- 4.2 The Tenant, its servants, agents, employees, licensees and invitees shall have the right of access to the Buildings, the License Area and the Pool Premises over the Land for the purpose of ingress, egress and full enjoyment thereof.

#### Use of Buildings, License Area and Pool Premises

- 4.3 The Tenant shall use the Buildings, License Area and Pool Premises only for educational purposes including a preschool, kindergarten, primary, secondary and international (ie. ESL) school including ancillary uses such as a cafeteria, a school clothing shop and recreational uses. Any change in use shall require the consent of the Landlord in writing.
- 4.4 There shall be permitted no use of Hazardous Materials in or around the Buildings.

#### Comply With Laws

- 4.5 The Tenant shall at all times during the Term hereof comply with all applicable laws, statutes, by-laws, ordinances, regulations or other lawful requirements of any governmental authority having jurisdiction. Subject to §4.9 hereof, the Landlord shall be responsible for its actions during the Term as those actions relate to compliance with all applicable laws, status, bylaws, ordinances, regulations or other lawful requirements of any governmental authority having jurisdiction.

#### Alterations

- 4.6 The Tenant may, with the prior written consent of the Landlord, make such alterations or additions to the Buildings, the License Area and the Pool Premises as it may from time to time request in writing and as are required for the conduct of the school operations carried on by West Point Grey Independent School Society.

#### Sub-Letting and Assignment

- 4.7 The Tenant may not assign its interest in the Lease or sublet any portion of the Buildings without the prior written consent of the Landlord; provided that the Landlord shall not unreasonably withhold its consent to a subletting of the Buildings and a sublicense of the License Area and the Pool Premises to West Point Grey Independent School Society, The West Pint Grey Community Association and other routine user groups for the uses as permitted by §4.3 hereof.

#### Quiet Enjoyment

- 4.8 Provided the Tenant is not in default under the terms of this Lease, the Tenant shall have quiet enjoyment of the Buildings, the License Area and the Pool Premises.

### Structural Repairs

- 4.9 The Landlord shall be responsible for the structural integrity of the Buildings including cyclical replacement of the roof of the Buildings ; however should the cost to the Landlord exceed \$75,000 for each of the Buildings in any calendar year, the Landlord at its option may terminate this Lease on twelve (12) months written notice to the Tenant. Prior to exercising the Landlord's right to terminate this Lease, the Landlord shall use its best efforts to work with the Tenant to achieve a mutually acceptable arrangement with respect to structural costs and/or roof repairs in excess of \$75,000 for each of the Buildings in any calendar year. The right to terminate this Lease pursuant to this §4.9 is in addition to any other right to terminate this Lease.

### Landlord's Representations

- 4.10 The Landlord represents and warrants to the Tenant as follows:

- (a) the drinking water at the Buildings was analyzed on August 4, 1994 and, in the reasonable opinion of the Landlord, the results indicated that the quality of the water is well within "maximum acceptable concentrations" as defined by the guidelines for Canadian drinking water quality and the Landlord has no reason to suspect that there has been any change in the water quality since this analysis was conducted; and
- (b) the asbestos material still present in the Buildings is being inspected on a regular basis and will continue to be regularly inspected throughout the Term, is contained in accordance with Environmental Laws and, in the reasonable opinion of the Landlord, presents no health hazards for persons using the Buildings.

### License Area and Pool Premises

- 4.11 The Landlord hereby grants to the Tenant during the Term a non-exclusive license to enter upon and occupy the License Area and the Pool Premises on the following terms and conditions:

- (a) the Tenant shall use the License Area solely for recreation and parking including, without limitation, use and association with a preschool, kindergarten, primary, secondary and an international (ie. ESL) school, and for access to and egress from the Buildings, and shall not use the License Area for any other purpose without the approval in writing of the Landlord;
- (b) the Tenant shall use the Pool Premises solely for recreation and leisure activities in association with the uses referred to in §4.3.

the Landlord, through its Property Management Group, will provide to the Tenant the services listed in Schedule B hereto in connection with the License Area and Pool Premises;

- (c) the Tenant shall obtain insurance regarding the License Area and the Pool Premises on the terms set out in §5.4 hereof;

- (d) the Tenant shall not commit or suffer any wilful or voluntary waste, spoil or destruction on the License Area or the Pool Premises or do or suffer to be done anything thereon that may be or become a nuisance or annoyance to owners or occupiers of adjoining land;
- (e) the Tenant shall observe, abide by and comply with all laws, bylaws, orders, directions, ordinances and regulations of any competent governmental authority in connection with the License Area and the improvements situate thereon and the Pool Premises and the use thereof;
- (f) the Landlord shall be responsible for its actions during the Term with respect to the License Area and the Pool Premises as those actions relate to compliance with all applicable laws, bylaws, statutes, ordinances, regulations or other lawful requirements of any governmental authority having jurisdiction over the License Area and the Pool Premises.
- (g) the Tenant shall indemnify and save the Landlord harmless against all loss, damage, costs and liabilities caused directly or indirectly by reason of the Tenant's use of the License Area and the Pool Premises, except to the extent that such loss, damage, cost or liability is caused by or contributed to by the negligence of the Landlord or those for whom the Landlord is responsible at law;
- (h) the Tenant shall keep the License Area and the Pool Premises in a clean and tidy condition (with respect to its use thereof) satisfactory to the Landlord;
- (i) the Tenant shall not, without the prior written consent of the Landlord, construct, erect or place any improvements on the License Area save and except for the preschool playground addition, field renovation (track, soccer field), tennis field and existing playground renovations constructed by the Tenant on the License Area at its cost;
- (j) the Tenant shall not interfere with the activities of any other person to enter on and use the License Area under a prior, concurrent, or subsequent license granted by the Landlord. The Tenant acknowledges that the Tenant is not entitled to exclusive possession of the License Area and that the Landlord may grant licenses to others to use the Land for the purposes permitted herein or for any other purpose provided that the Landlord shall not grant any license to any other person, corporation, society or other entity for any purpose or use which would interfere with the Tenant's use of the License Area hereunder;
- (k) the Tenant shall upon the expiration or earlier termination of this License remove any improvements placed on the License Area by the Tenant if so requested by the Landlord and to leave the surface of the License Area in a clean and tidy condition; and
- (l) the Tenant shall not assign its rights under this License except in accordance with §4.7 hereof.



## PART 5

### INSURANCE AND REPAIRS

#### Landlord's Insurance

- 5.1 The Landlord shall take out and maintain in full force and effect throughout the Term, upon such terms and conditions and in such amounts and with such deductibles as the Landlord shall from time to time determine as would a prudent landlord being reasonable and sufficient, the following insurance:
- (a) "all risk" coverage, and boiler and machinery insurance, all real and personal property (excluding Tenant's Improvements and fixtures);
  - (b) public liability and property damage insurance; and
  - (c) such other forms of insurance as the Landlord may from time to time consider advisable.

#### No Interest In Landlord's Insurance

- 5.2 The Tenant acknowledges and agrees that, notwithstanding any contribution by the Tenant to the payment of premiums for the Landlord's insurance policies, no insurable interest is conferred upon the Tenant under any of the Landlord's insurance policies and the Tenant shall have no right to recover any proceeds thereunder.

#### Tenant Not To Jeopardize Landlord's Insurance

- 5.3 (a) The Tenant shall not do, omit, or permit to be done or omitted, nor keep or sell, anything on or about the Buildings, the License Area or the Pool Premises which might result in any increase in the premiums for the Landlord's insurance policies or which might result in the actual or threatened reduction or cancellation of or material adverse change in coverage thereunder.
- (b) The Landlord represents and warrants that it has advised its insurer of the use of the Buildings, the License Area and the Pool Premises by the Tenant pursuant to the terms of this Lease and that its insurer has indicated that such activities will not result in any increase in the premiums for the Landlord's insurance policies. Should the Tenant's proposed activities and use deviate materially from those described herein and, as a result, the insurance premium payable by the Landlord increased, the Tenant shall pay such increase in premiums forthwith upon demand. The Landlord's demand in this regard shall be accompanied by a statement issued by the organization or company establishing the insurance rate(s) under the applicable policy(ies) and showing the various components of such rate(s). If the Tenant disputes the Landlord's demand or the accompanying statement or both, the dispute shall be resolved by a single arbitrator in accordance with the provisions of the Commercial Arbitration Act, R.S.B.C. 1996, c. 55, and amendments thereto or legislation in substitution therefore.

- (c) If any insurance coverage on the Buildings, the License Area, the Pool Premises or any part thereof is actually, or threatened to be cancelled, reduced or materially adversely affected, by an insurer by reason of the Tenant's use or occupancy of the Buildings or any part thereof, and if the Tenant fails to remedy, or commence remediation of, the condition or use or occupancy giving rise to such actual or threatened cancellation, reduction or change within seven (7) days after notice thereof by the Landlord, the Landlord at its option may either:
- (i) re-enter and take possession of the Buildings and the Pool Premises forthwith by leaving upon the Buildings and the Pool Premises a notice in writing of its intention to do so and thereupon the provisions of this Lease respecting the Landlord's remedies shall apply; or
  - (ii) enter upon the Buildings or the Pool Premises and remedy the condition, use or occupancy giving rise to such actual or threatened cancellation, reduction or change, and the Tenant shall pay to the Landlord on demand the cost thereof to the Landlord.
- (d) The Tenant agrees that no entry by the Landlord under this §5.3 shall be deemed a re-entry or a breach of any covenant of quiet enjoyment contained in this Lease. The Tenant further agrees that the Landlord shall not be liable for any damage to any property located on the Buildings or the Pool Premises as a result of any entry or re-entry by the Landlord pursuant to this section.

#### **Tenant's Insurance**

- 5.4 The Tenant shall, at its sole cost and expense, take out and maintain in full force and effect and pay all premiums for, throughout the Term and during such other time as the Tenant occupies the Buildings or uses the License Area and the Pool Premises or any part thereof, the following insurance:
- (a) insurance upon property of every kind and description owned by the Tenant, or for which the Tenant is legally liable, or installed by or on behalf of the Tenant in the Buildings, the License Area and the Pool Premises including without limitation, Tenant's Improvements, equipment, furniture, fixtures, fittings and plate glass if appropriate, in an amount of not less than the full replacement cost thereof subject to an agreed amount clause, which amount shall be conclusively determined by the Landlord in the event of any dispute with respect thereto. Such coverage shall insure at least against "all-risks" coverage including, without limitation, sprinkler leakages, earthquake, flood and collapse;
  - (b) comprehensive general liability insurance, including but not limited to property damage, bodily injury liability, contractual liability, Tenant's legal liability including loss of use of the Buildings, owner's and contractor's protective insurance coverage with respect to the Buildings and the Tenant's use of the Buildings to include the activities conducted by the Tenant and any party on the Buildings, those for whom the Tenant is in law responsible, and any party performing work on behalf of the Tenant in any other part of the Building. Such policies shall have inclusive limits of at least Ten Million Dollars (\$10,000,000.00)

for each occurrence involving bodily injury, death or property damage, or such higher limits as the Landlord may from time to time reasonably require;

#### **Tenant's Insurance Policies To Contain**

- 5.5 (a) Each of the Tenant's insurance policies shall include the Landlord, (including those for whom it is in law responsible) as an additional insured and shall contain, as appropriate:
- (i) a waiver of any subrogation rights which the Tenant's insurers would have against the Landlord or any party for whom the Landlord is in law responsible;
  - (ii) a severability of interests clause and cross-liability clause;
  - (iii) a provision stating that the Tenant's insurance policy shall be primary and shall not call into contribution any other insurance available to the Landlord; and
  - (iv) a waiver, as respects the interests of the Landlord of any provision in any of the Tenant's insurance policies with respect to any breach of any warranties, representations, declarations, or conditions contained in the said policies.
- (b) All of the Tenant's insurance policies shall be taken out with such insurers and be in such form as are satisfactory from time to time to the Landlord acting reasonably. The Tenant shall deliver to the Landlord either certificates of insurance in the form designated by the Landlord endorsed by the underwriter or certified copies of the Tenant's insurance policies, as soon as practicable after the placement of such insurance, and shall from time to time furnish to the Landlord certificates or other evidence acceptable to the Landlord as to the Tenant's insurance in effect and its renewal or continuation in force, together with such evidence as may be required by the Landlord as to the method of determination of the full replacement cost of the Tenant's Improvements, equipment, furniture, fixtures and plate glass. No review or approval of any insurance certificate or insurance policy by the Landlord derogates from or diminishes the Landlord's rights under this Lease.
- (c) All of the Tenant's insurance policies shall contain an undertaking by the insurer that no cancellation of any policy shall be made unless the Landlord has received not less than thirty (30) days prior written notice thereof, delivered in accordance with the provisions of this Lease.

#### **Landlord's Right To Place Tenant's Insurance**

- 5.6 If the Tenant at any time fails to take out, maintain in force or pay the premiums on any such insurance as required herein, or if the Tenant fails from time to time to deliver to the Landlord satisfactory evidence of the good standing of any such insurance or the payment of premiums thereon, as required herein, then in any such event the Landlord shall, without prejudice to any of its other rights and remedies under this Lease, have the right but not the obligation, to effect such insurance on behalf of the Tenant, and the cost thereof together with all reasonable expenses incurred by the Landlord, shall be paid by the Tenant to the Landlord upon demand.

### **Mutual Release For Insured Perils**

- 5.7 Except to such extent as may be prohibited by any policy of insurance effected pursuant to the terms of this Lease, the Landlord and the Tenant release each other, including their respective officers, employees, agents, representatives and parties for whom they may in law be responsible, from any and all liability covered and to the extent only of such coverage, by insured perils.

### **Tenant To Utilize Insurance Proceeds**

- 5.8 The Tenant agrees that in the event of damage or destruction to the Tenant Improvements in or on the Buildings, the License Area or the Pool Premises covered by insurance required to be taken out by the Tenant pursuant to §5.4 the Tenant shall use the proceeds of such insurance for the purpose of repairing or restoring such Tenant Improvements unless the Lease is terminated by the Landlord or the Tenant pursuant to §5.16.

### **Tenant To Comply With Insurer's Requirements**

- 5.9 The Tenant shall comply promptly with all requirements of the Insurer's Advisory Organization or of any insurer now or hereafter involved, pertaining to or affecting the Buildings, the License Area or the Pool Premises.

### **Indemnities And Limitation On Liability**

- 5.10 The Landlord shall not be liable for any death or injury arising from or out of any occurrence in, upon at or relating to the Buildings, the License Area or the Pool Premises and the Land or damage to property of the Tenant or of others located on the Buildings, the License Area or the Pool Premises or elsewhere in the Buildings, the License Area or the Pool Premises nor shall it be responsible for any loss of or damage to any property of the Tenant or others from any cause whatsoever. Without limiting the generality of the foregoing, the Landlord shall not be liable for any injury to persons or damage to property resulting from fire, explosion, steam, gas, electricity, water, rain, flood, snow, ice or leaks from any part of the Buildings, the License Area or the Pool Premises from the pipes, sprinklers, appliances, plumbing works, roof, windows or subsurface of any floor or ceiling of the Buildings, the License Area or the Pool Premises or from the street or any other place, or by dampness, or by any other cause whatsoever. The Landlord shall not be liable for any such damage caused by other tenants or persons in the Buildings, the License Area or the Pool Premises or by occupants of adjacent property thereto, or the public, or caused by construction, or by any private, public or quasi-public work. All property of the Tenant kept or stored on the Buildings, the License Area or the Pool Premises shall be so kept or stored at the risk of the Tenant only and the Tenant shall indemnify the Landlord and save it harmless from any claims arising out of any damage to the same including, without limitation, any subrogation claims by the Tenant's insurers, except to the extent that any such claims are the result of the negligence or misconduct of the Landlord or those for whom the Landlord is responsible at law.

- 5.11 The Tenant will indemnify the Landlord against claims or losses arising from the use or occupation of the Buildings, the License Area or the Pool Premises by the Tenant, its servants, agents, employees, licensees or invitees, or against claims or losses arising out of the acts or omissions of the Tenant, its servants, agents, employees, licensees or invitees or any person or persons who are voluntarily or involuntarily detained or incarcerated in the Buildings, the License Area or the Pool Premises, except to the extent that any such claims or losses are the result of the negligence or misconduct of the Landlord or those for whom the Landlord is responsible at law. This clause will not affect the waiver of subrogation contained in the Tenant's insurance.
- 5.12 The Landlord will indemnify the Tenant against:
- (a) claims or losses arising out of the negligence of the Landlord or its servants, agents, employees, licensees or invitees, except to the extent that any such claims or losses are the result of the Tenant's negligence; and
  - (b) claims related or in any way connected to Hazardous Materials located in, on or under the Buildings or the Land prior to the Tenant taking occupancy on May 1, 1996 (including, but not being limited to, the existing asbestos material in the Buildings disclosed by the Landlord under §4.10(b) hereof).

#### **Landlord's Covenant To Repair**

- 5.13 The Landlord covenants, subject to the provisions of §5.16, to maintain the Buildings in a good and tenantable condition and to operate the Buildings, the License Area and the Pool Premises as would a prudent landlord of similar premises.

The Landlord covenants to maintain the Pool Premises at those standards specified in the Occupational Environment Regulations of the Workplace Act, SBC, 1985 c 34, and shall not be responsible for direct, indirect or consequential damages arising out of any breach of the paragraph.

#### **Tenant's Covenant To Repair**

- 5.14 The Tenant shall maintain and keep in good repair (reasonable wear and tear and repairs for which the Landlord is responsible hereunder excepted) the Buildings and the Pool Premises (including the Tenant's Improvements, fixtures and chattels) and shall not overload any floors, nor commit or permit any waste. The Tenant shall allow the Landlord to enter the Buildings and the Pool Premises at any reasonable time upon prior notice to the Tenant for the purpose of inspecting and making repairs for which the Landlord is responsible hereunder.

#### **Notification Of Defects**

- 5.15 The Tenant shall give the Landlord immediate written notice of any accident, defect or damage within the Buildings and the Pool Premises or the systems therein or any services for which the Landlord has obligations under this Lease.

### Damage Or Destruction Of The Buildings and the Pool Premises

5.16

- (a) If the Buildings are damaged by any cause, or destroyed, in whole or in part, the following provisions shall apply:
- (i) if the damage is such as to render the whole or any part of the Buildings unusable for the purpose of the Tenant's use and occupancy thereof, the Landlord shall deliver to the Tenant within thirty (30) days following the occurrence of the damage its reasonable written opinion as to whether or not the damage is capable of being repaired, to the extent of the Landlord's repair obligations herein within ninety (90) days following such occurrence;
  - (ii) if the Buildings are capable of being repaired as aforesaid within ninety (90) days following such occurrence, the Landlord shall reasonably proceed to perform such repairs as are its responsibility herein;
  - (iii) if the Buildings are not capable of being repaired as aforesaid within ninety (90) days following such occurrence, either the Landlord or the Tenant may, at its option, elect, by written notice given to the other party within sixty (60) days after such occurrence, to terminate this Lease, whereupon the Tenant shall immediately surrender possession of the Buildings, and Rent and all other payments for which the Tenant is liable hereunder shall be apportioned to the date of such occurrence. If neither party so elects to terminate this Lease, the Landlord shall reasonably proceed to repair the Buildings to the extent of its obligations herein;
  - (iv) if the Buildings are, as a result of any such occurrence, rendered unusable in whole or in part for the purpose of the Tenant's use and occupancy thereof, then all Rent payable hereunder shall abate from the date of such occurrence, to the extent that the Tenant's use and occupancy of the Buildings is thereby diminished, which determination shall be made by the Landlord acting reasonably, until the earlier of the 30th day following the date of delivery to the Tenant of written notice from the Landlord that the Buildings are ready for the Tenant to commence its repairs to the Buildings pursuant to its obligations under this Lease or the date that the Tenant should again commence its operations from the Buildings;
  - (v) the respective obligations of the Landlord and the Tenant with respect to the repair and restoration of the Buildings following any damage, shall be performed in accordance with the applicable obligations to repair contained in this Lease and shall be performed expeditiously.

- (b) If the Pool Premises are damaged by any cause, or destroyed in whole or in part, then the Landlord, at its option, may elect to terminate the right of the Tenant to use the Pool Premises as provided herein and, in such event, nor Rent attributable thereto shall be payable by the Tenant from the date of the damage. However, if the Landlord elects, at its option to repair the damage, the Rent payable by the Tenant shall abate from the date of such occurrence until the date the Pool Premises are available for use.

#### **Restoration Of Buildings and Pool Premises**

- 5.17 It is agreed that, in the event that the Landlord repairs or rebuilds the Buildings or the Pool Premises as provided herein and in accordance with the provisions of §5.16 and §5.17 hereof, it shall not be obliged to do so precisely in accordance with the plans and specifications for the construction of the Buildings or the Pool Premises prior to such damage. However, the Buildings as repaired or rebuilt to the extent required herein shall be reasonably similar in area and condition to the Buildings or the Pool Premises as they existed prior to such damage and the Tenant's use and occupancy of and access to the Buildings or the Pool Premises shall not be unreasonably diminished by any difference in the reconstruction of the Buildings or the Pool Premises as related to such before the damage.

#### **Architect's Certificate**

- 5.18 In the event of any dispute between the parties arising out of this Part 5, the certificate of an independent and accredited architect approved by the Landlord and the Tenant, each acting reasonably, shall bind the parties as to:
- (a) whether or not the Buildings or the Pool Premises are rendered unusable and the extent thereof;
  - (b) the percentage of damage or destruction or space rendered unoccupiable;
  - (c) the date upon which the Landlord's work of reconstruction or repair is completed or substantially completed and the date when the Buildings or the Pool Premises are rendered usable;
  - (d) the state of completion of any work of either the Landlord or the Tenant; and
  - (e) the time required to complete repairs.

## PART 6

### DEFAULT

#### Right To Re-Enter

6.1 Without limiting the generality of the foregoing, if:

- (a) the Tenant fails to pay any rent or other sums hereunder on the day or dates appointed for the payment thereof (provided the Landlord first gives ten (10) days written notice to the Tenant of any such failure); or
- (b) the Tenant fails to perform any other of the terms, covenants, or conditions of this Lease to be observed or performed by the Tenant (provided the Landlord first gives the Tenant fifteen (15) days written notice of any such failure to perform and the Tenant within such period of fifteen (15) days fails to commence diligently and thereafter to proceed diligently to cure any such failure to perform); or
- (c) the Tenant or any agent of the Tenant falsifies any report required to be furnished to the Landlord pursuant to this Lease; or
- (d) the Tenant or any sub-tenant occupying the Buildings or any part thereof and operating a business in the Buildings becomes bankrupt or insolvent or takes the benefit of any act now or hereafter in force for bankrupt or insolvent debtors or files any proposal or makes any assignment for the benefit of creditors; or
- (e) a receiver or a receiver manager is appointed for all or a portion of the Tenant's property or any such occupant's, licensee's, concessionaire's or franchisee's property; or
- (f) any steps are taken or any action or proceedings are instituted by the Tenant or by any other party including without limitation, any court or governmental body of competent jurisdiction for the dissolution, winding-up or liquidation of the Tenant or its assets; or
- (g) the Tenant abandons or attempts to abandon the Buildings, or sells or disposes of the goods and chattels of the Tenant or removes them from the Buildings so that there would not in the event of such sale or disposal be sufficient goods on the Buildings subject to distress to satisfy all rent due and accruing hereunder; or
- (h) the Buildings become and remain vacant for a period of thirty (30) consecutive days or are used by any other persons than such as are entitled to use them hereunder; or
- (i) the Tenant assigns, transfers, encumbers, sublets or permits the occupation or use or the parting with or sharing possession of all or any part of the Buildings by anyone except in a manner permitted by this Lease; or
- (j) this Lease or any of the Tenant's assets are taken under any writ of execution; or



(k) re-entry is permitted under any other terms of this Lease,

then the Landlord, in addition to any other rights or remedies it has pursuant to this Lease or by law, has, to the extent permitted by law, the immediate right of re-entry upon the Buildings and it may remove all persons and property from the Buildings and such property may be removed and stored in a public warehouse or elsewhere at the cost and for the account of the Tenant, all without service or notice or resort to legal process and without the Landlord being considered guilty of trespass or becoming liable for any damage which may be occasioned thereby.

### Right To Relet

6.2 If the Landlord elects to re-enter the Buildings as herein provided, or if it takes possession pursuant to legal proceedings or pursuant to any notice provided for by law, it may either terminate this Lease or it may from time to time without terminating this Lease, make such alternations and repairs as are necessary in order to relet the Buildings, or any part thereof for such term or terms (which may be for a term extending beyond the Term) and at such rent and upon such other terms, covenants and conditions as the Landlord in its sole discretion considers advisable. Upon each such reletting all rent received by the Landlord from such reletting shall be applied, first to the payment of any indebtedness other than rent due hereunder from the Tenant to the Landlord; second, to the payment of any costs and expenses of such reletting including brokerage fees and solicitor's fees and of costs of such alternations and repairs; third, to the payment of rent due and unpaid hereunder; and the residue, if any, shall be held by the Landlord and applied in payment of future rent as the same becomes due and payable hereunder. If such rent received from such reletting during any month is less than that to be paid during that month by the Tenant hereunder, the Tenant shall pay any such deficiency which shall be calculated and paid monthly in advance on or before the first day of each and every month. No such re-entry or taking possession of the Buildings by the Landlord shall be construed as an election on its part to terminate this Lease unless a written notice of such intention is given to the Tenant. Notwithstanding any such reletting without termination the Landlord may at any time thereafter elect to terminate this Lease for such previous breach. If the Landlord at any time terminates this Lease for any breach, in addition to any remedies it may have, it may recover from the Tenant all damages it incurs by reason of such breach, including the cost of recovering the Buildings, solicitor's fees (on a solicitor and his client basis) and including the worth at the time of such termination of the excess, if any, of the amount of rent and charges equivalent to rent reserved in this Lease for the remainder of the stated Term over the then reasonable rental value of the Buildings for the remainder of the stated Term, all of which amounts shall be immediately due and payable by the Tenant to the Landlord.

### Expenses

6.3 If legal action is brought for recovery of possession of the Buildings, for the recovery of rent or any other amount due under this Lease, or because of the breach of any other terms, covenants or conditions herein contained on the part of the Tenant to be kept or performed, and a breach is established, the Tenant shall pay to the Landlord all expenses incurred therefore, including solicitor's fees (on a solicitor and his client basis), unless a Court shall otherwise award.

### Landlord May Cure Tenant's Defaults

- 6.4 If the Tenant fails to pay, when due, any amounts or charges required to be paid pursuant to this Lease, the Landlord, after giving ten (10) days notice in writing to the Tenant, may, but shall not be obligated to, pay all or any part of the same. If the Tenant is in default in the performance of any of its covenants or obligations hereunder (other than the payment of Base Rent or other sums required to be paid pursuant to this Lease) the Landlord may from time to time after giving such notice as it considers sufficient (or no notice in the case of an emergency) having regard to the circumstances applicable, perform or cause to be performed any of such covenants or obligations, or any part thereof, and for such purpose may do such things as may be requisite, including, without limitation, entering upon the Buildings and doing such things in respect of the Buildings or any part thereof as the Landlord reasonably considers requisite or necessary. All expenses incurred and expenditures made by or on behalf of the Landlord under this Part plus a sum equal to fifteen (15) percent thereof representing the Landlord's overhead shall be paid by the Tenant forthwith upon demand. The Landlord shall have no liability to the Tenant for any loss or damages resulting from any such action or entry by the Landlord upon the Buildings and the same shall not be deemed a re-entry or a breach of any covenant for quiet enjoyment.

### Lien On Trade Fixtures

- 6.5 If the Tenant at any time during the Term or at the expiration of or termination of the Term is in default under any covenant or obligation contained herein, the Landlord has a lien on all stock-in-trade, inventory and fixtures, equipment and facilities of the Tenant as security against loss or damage resulting from any such default by the Tenant and said stock-in-trade, inventory, fixtures, equipment or facilities shall not be removed by the Tenant until such default is cured, unless otherwise so directed by the Landlord.

## PART 7

### GENERAL TERMS

#### Termination And Holding Over

- 7.1 The Term herein granted shall expire by effluxion of time without notice from either party to the other. If the Tenant continues to occupy the Buildings with the Landlord's written consent after the expiration of the Term or any renewal thereof, and the Landlord continues to accept the Rent, the new tenancy thereby created shall be deemed to be a yearly tenancy and shall be subject to the covenants and conditions herein contained insofar as the same are applicable. Notwithstanding this clause 7.1 both parties shall have the right to terminate the use of the Pool Premises upon six (6) months written notice to the other.

#### Tenant Improvements

- 7.2 The Tenant agrees that any alterations, improvements and fixtures made to or installed upon the Buildings by or at the expense of the Tenant, other than reasonably movable fixtures, equipment and furniture, shall immediately upon affixation be deemed to be annexed to the Buildings. Such alterations, improvements and fixtures shall remain upon and be surrendered with the Buildings upon the expiration or earlier termination of this Lease except that:

- (a) the Tenant may remove its trade fixtures, equipment and furniture at the expiration of the Term with the consent of the Landlord, or prior to the expiration of the Term in the usual or normal course of its business, provided such trade fixtures, equipment and furniture have become excess for the Tenant's purposes or the Tenant is substituting new and similar trade fixtures, equipment and furniture therefore, and further provided that in each case:
- (i) such removal is done at the Tenant's sole cost and expense;
  - (ii) the Tenant is not in default under this Lease;
  - (iii) the Tenant first notified the Landlord in writing of such proposed removal;
- (b) the Tenant shall, at the expiration of the Term, at its own cost and expense, remove such of its Tenant's Improvements and fixtures as the Landlord required to be removed.

The Tenant shall, in the case of every such installation or removal either during or at the expiration of the Term effect the same at times designated by the Landlord and promptly make good any damage caused to the Buildings by the installation or removal of any such alteration, addition or improvement.

#### **Surrender**

- 7.3 The Tenant shall surrender the Buildings to the Landlord at the expiration or sooner termination of the Term in good repair, reasonable wear and tear, damage from fire, storm, tempest and other casualty, removal of chattels and repairs for which the Landlord is responsible under the terms of this Lease only excepted. The Tenant shall be liable either to pay compensation to the Landlord in respect of restoration thereof or repair the Buildings.

#### **Inability To Perform**

- 7.4 The Landlord does not warrant that any service or facility provided by it hereunder will be free from interruptions caused or required by maintenance, repairs, renewals, modifications, strikes, riots, insurrections, labour controversies, force majeure, act of God or other cause or causes beyond the Landlord's reasonable care and control. No such interruption shall be deemed an eviction or disturbance of the Tenant's enjoyment of the Buildings nor render the Landlord liable in damages to the Tenant nor relieve the parties from their obligations under this Lease provided that the Landlord shall without delay take all reasonable steps to remove the cause of such interruptions.

### Landlord's Right Of Assignment

- 7.5 The term "**Landlord**" as used in this Lease so far as covenants or obligations on the part of the Landlord are concerned shall be limited to mean the Landlord as hereinbefore set out, while it retains its interest in the Land and Buildings. In the event the Landlord transfers any or all of its interest in the Land and Buildings, the Landlord may assign its interest in this Lease to the transferee or to a nominee of the transferee, and the Landlord as hereinbefore set out shall be automatically relieved after the date of such transfer of all liability arising out of the requirement for performance of any obligations on the part of the Landlord herein contained, provided that this release from liability shall become effective only if a transferee shall expressly assume, subject to the limitations of this Part, all of the terms of this Lease to be performed on the part of the Landlord, it being intended hereby that the obligations contained in the Lease on the part of the Landlord shall be binding upon the Landlord, its successors and assigns, only during and in respect of the respective successive periods of their interest in the Land and Buildings.

### No Waiver

- 7.6 It is understood and agreed that the remedies of each of the Landlord and the Tenant under this Lease are cumulative and that the exercise or non-exercise by the Landlord or the Tenant of any right or remedy for the breach by the other party of any covenant or agreement herein contained, or the acceptance of any monies owing hereunder, shall not be deemed to be a waiver or to alter, affect or prejudice the right or remedy to which the Landlord or the Tenant may be lawfully entitled and that any waiver granted in one case shall not be deemed to be a waiver of any subsequent default or breach.

## PART 8

### MISCELLANEOUS

#### Approvals And Consents

- 8.1 Where any approvals or consents are required under this Lease, such approvals or consents shall not be unreasonably withheld or delayed.

#### Goods And Services Tax

- 8.2 All amounts quoted herein are exclusive of Goods And Services Tax.
- 8.3 The Tenant shall be responsible for any and all taxes, fees, charges, assessments, rates, levies, duties and excises (whether characterized as sales taxes, purchase taxes, value added taxes, goods and services taxes or any other form of tax) which are imposed on the Tenant or the Landlord or for which the Landlord or Tenant is obliged to pay, or to collect from the Tenant, with respect to:
- (a) any or all amounts paid or payable by the Landlord for goods and services, repairs, maintenance, real estate taxes, insurance, and all other outlays and expenditures (including capital expenditures) for and in connection with the Buildings, the License Area or the Pool Premises, including without limiting the generality of the foregoing,

repairs, maintenance and replacements in respect of the Buildings, the License Area or the Pool Premises;

- (b) any or all amounts paid or payable by the Tenant pursuant to this Lease, including Rents; and
- (c) this Lease or services or goods supplied or provided or deemed to have been supplied or provided by the Landlord or which the Landlord is deemed responsible to provide in accordance with the terms of this Lease or the consideration for such goods and services,

whether in each case characterised as goods and services tax, sales tax, multi-stage sales tax, value added tax, consumption tax or any other tax, levy, duty or assessment.

### Force Majeure

- 8.4 Notwithstanding anything to the contrary contained in this Lease, if either party hereto is bona fide delayed or hindered in or prevented from the performance of any term, covenant or act required hereunder by reason of strikes, labour troubles, inability to procure materials or services, power failure, restrictive governmental laws or regulations, riots, insurrection, sabotage, rebellion, war, act of God or other reason whether of a like nature or not, which is not the fault of the party delayed in performing work or doing acts required under the terms of this Lease, then the performance of such term, covenant or act is excused for the period of the delay and the party so delayed shall be entitled to perform such term, covenant or act within the appropriate time period after the expiration of the period of such delay. Provided, however, that the provisions of this section do not operate to excuse the Tenant from the prompt payment of the Rent and any other payments required by this Lease.

### Tenant Not To Hinder Or Oppose

- 8.5 The Tenant agrees that it will not hinder or oppose the Landlord in the exercise of the Landlord's rights and specifically that it will not register any objection with any authority in connection with any application made by the Landlord for re-zoning, permits and approvals for redevelopment of the Land or Buildings and that any such expansion, addition or construction shall not constitute a breach of the Tenant's right to quiet enjoyment; provided that the Landlord will keep the Tenant apprised of any plans for redevelopment or sale of the Land and the Tenant shall be entitled to participate in any public process in connection therewith.

### Schedules

- 8.6 The following schedules annexed hereto form part of this Lease:

Schedule A	Site Plan of Buildings and License Area
Schedule B	Landlord/Tenant Matrix

**Schedule B – Landlord/Tenant Matrix  
For General Illustrative Purposes Only**

- 8.7 Schedule B is attached to this Lease for general illustrative purposes only. Schedule B is not intended to set out the relative responsibilities of the parties. The respective rights and obligations of the parties are contained in the substantive provisions in the body of this Lease. If any conflict arises between Schedule B and the rest of the Lease, the provisions contained in the text of this Lease shall prevail.

**Notices**

- 8.8 Any notices required pursuant to the terms of this Lease shall be deemed to have been properly delivered by one party to the other firstly on that date upon which registered prepaid mail was effected against the other party at his or its address first recited above, or three (3) days after the posting thereof, whichever shall be the earlier or secondly, by personal service or thirdly, by facsimile to facsimile number (604) 482-5653 in the case of the Landlord and to facsimile number (604) 222-8756 in the case of the Tenant. Notices sent during a strike, lockout or other labour disturbance at the post office shall be delivered either by personal service or by facsimile and not mailed.

**Covenants And Agreements**

- 8.9 The Landlord and the Tenant agree that all the provisions of this Lease are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each provision hereof. Should any provision or provisions of this Lease be illegal or not enforceable, it or they shall be considered separate and severable from the Lease and the remaining provisions of the Lease will be interpreted as though the said illegal or unenforceable provision(s) had never been included.

**Time**

- 8.10 Time shall be of the essence in this Lease.

**Entire Agreement**

- 8.11 No other stipulation, agreement or undertaking, oral or otherwise, of the parties or of their agents shall be valid or enforceable unless made in writing, initialled by both parties and incorporated by reference into this Lease.

**Interpretation**

- 8.12 Wherever the singular, masculine or neuter is used in this Lease, that gender shall be deemed to include the plural or the feminine or body politic or corporate and the respective heirs, executors, administrators, successors and permitted assigns of the parties hereto and each of them where the context or the parties so require.

### Successors

- 8.13 This Lease shall inure to the benefit of and be binding upon the parties hereto, their respective heirs, executors, administrators, successors and permitted assigns as the case may be.

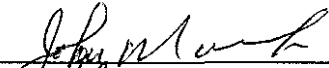
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IN WITNESS WHEREOF the parties hereto have hereunto set their hands and seals and where a party is a corporate entity the corporate seal of the said company has been affixed in the presence of its duly authorized officers on the day and year first recited above.

**BRITISH COLUMBIA BUILDINGS CORPORATION**

by its authorized signatories:

Per: 

Per: 

**WEST POINT GREY ACADEMY PROPERTY SOCIETY**

by its authorized signatories:

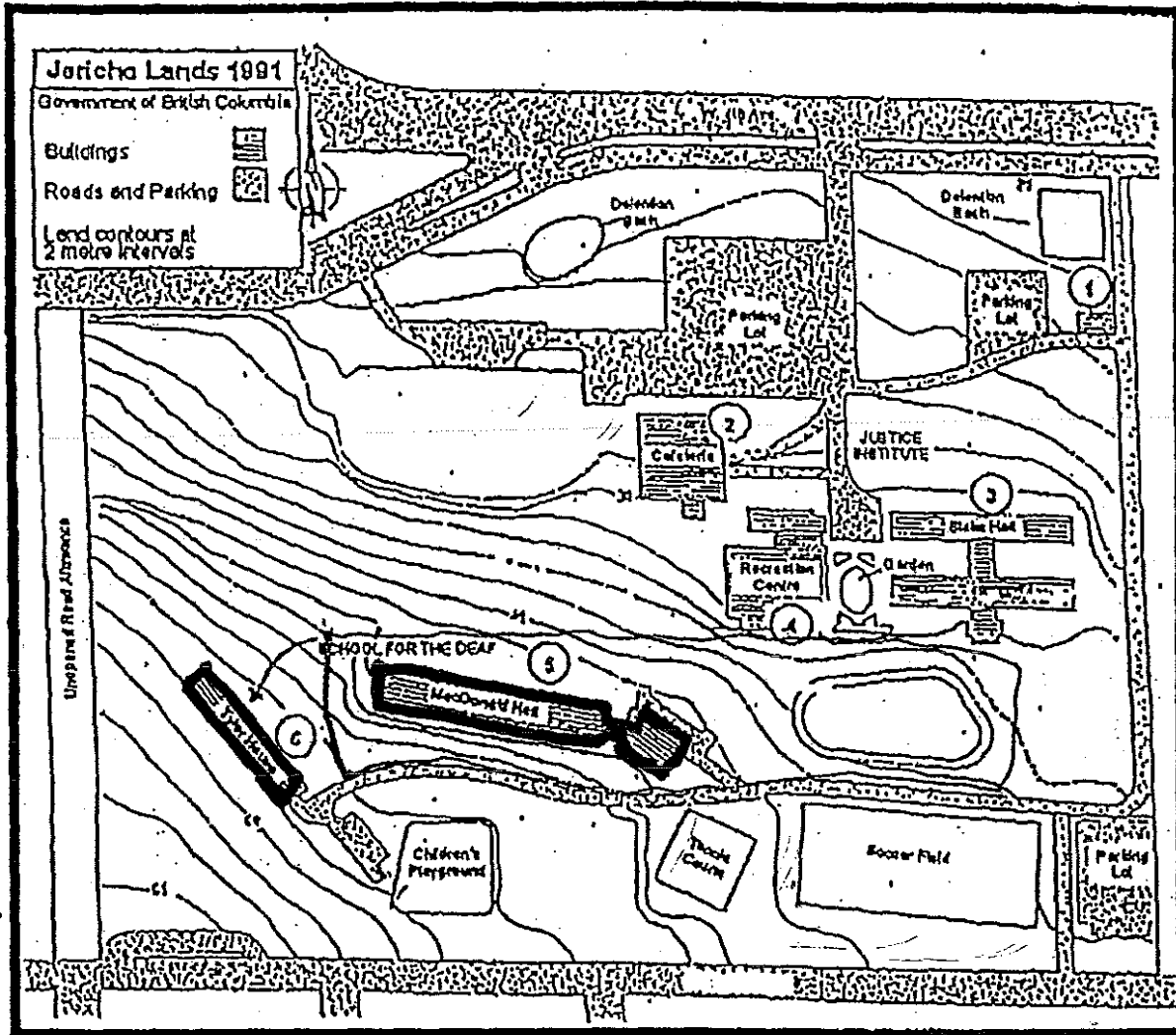
Per:  ROBERT STANDERWICK

Per:  JACK SUI

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# SCHEDULE A

## Site Plan of Buildings



1. HEATING PLANT - Demolished 1995/96
2. CAFETERIA BUILDING
3. BLAKE HALL - Demolished 1995/96
4. RECREATION CENTRE
5. MACDONALD HALL
6. TYLER HOUSE.



## SCHEDULE B

### Landlord/Tenant Matrix for General Illustrative Purposes Only

(a) ITEM	(b) To be Provided by Landlord, Cost Included in Rent	(c) To be Provided by Landlord, Cost Borne by Tenant	(d) To be Provided by Tenant, Cost Borne by Tenant	(e) Does Not Apply
<b>CLEANING</b>				
Janitorial Service and Supplies		x		
Window Cleaning Interior		x		
Window Cleaning Exterior		x		
<b>GROUNDS</b>				
Maintenance of Landscaping and Snow Removal		x		
<b>HVAC</b>				
Preventative Servicing and Minor Repairs of HVAC System		x		
<b>ELECTRICAL</b>				
Lamp and Tube Replacement		x		
Preventative Servicing and Minor Repairs of Elevator(s)				x
<b>NON-ENERGY UTILITIES</b>				
Garbage Removal		x		
Water and Sewage		x		
<b>FUELS</b>				
Heating		x		
<b>ELECTRICITY</b>				
Electricity		x		
<b>PARKING</b>				
Parking Rent				x
<b>INSURANCE</b>				
Fire and Extended Coverage Perils		x		
P.L. and P.D.		x		
Comprehensive, General Liability			x	
Tenant's Chattels & Improvements			x	
<b>SECURITY</b>				
Services, Devices / Patrols				x
<b>TAXES</b>				
Taxes		x		
<b>TENANT IMPROVEMENTS</b>				
Tenant Improvements				x

Plumbing

596797.3 British Columbia Buildings Corporation

Page 35 of 35

Revision Date:

June 7, 2004

Approved  
to form

BH

Landlord Tenant

*[Handwritten signatures]*

10/10/14

1

**T** HIS LICENSE dated for reference the 4<sup>th</sup> day of OCTOBER, 2004.

**BETWEEN:**

**BRITISH COLUMBIA BUILDINGS CORPORATION,**

a company duly incorporated pursuant to an Act of the Legislature of the Province of British Columbia and having an office situated at 3350 Douglas Street, Victoria, British Columbia V8Z 3L1

(hereinafter referred to as the "Owner")

**OF THE FIRST PART**

**AND:**

**VANCOUVER BOARD OF PARKS AND RECREATION**

2099 Beach Avenue  
Vancouver, British Columbia V6G 1Z4

(hereinafter referred to as the "Licensee")

**OF THE SECOND PART**

**W** HEREAS the Owner has agreed to grant to the Licensee a License over that parcel of land described as:

Block C, District Lot 176, Vancouver Assessment District, Plan 19402

hereinafter referred to as the "Lands" and in particular, for the Premises located on the Lands in which the Gymnasium and Field is located (the "Gymnasium and Field Premises").

**NOW THIS AGREEMENT WITNESSES THAT IN CONSIDERATION** of the covenants, agreements and conditions herein contained, the Parties agree as follows:

**ARTICLE I  
GRANT OF LICENSE AND TERM**

**SECTION 1.01** The Owner, does hereby grant to the Licensee a License to enter onto the Gymnasium and Field Premises more particularly described as the Jericho Hill Lands;

- (i) Gymnasium Premises: 19,000 square feet
- (ii) Field: located on those lands legally described as Block C, District Lot 176, Vancouver Assessment District, Plan 19402 as shown on Schedule "A" to this License.

**SECTION 1.02** To have the non exclusive use of the Gymnasium and Field Premises for the period of Five (5) years commencing on the 1st day of September, 2004, and to be fully completed at 12:00 p.m. on the 31<sup>st</sup> day of August, 2009, (the "Term") unless earlier terminated in accordance with the terms hereof. Either party to this agreement shall have the right on six (6) months written notice to terminate this License.

## ARTICLE II DEFINITIONS

**SECTION 2.01** "**COST OF LIVING ADJUSTMENT**" means the most recent consumer price index published by Statistics Canada (or such other index as may be substituted for it by Statistics Canada, or the then recognized statistical branch of the Government of Canada) for the City of Vancouver All Items (or if no such index is published for the City of Vancouver then a similar index designated by the Landlord, acting reasonably) on or prior to the date on which the Fee increase is to take effect divided by the last similar index published on or prior to July 1, 2004 or to the date of the previous Fees increase as the case may be. If the index has increased during the period, then the Fees for the next 12 month period shall be increased by reference to the following formula:

Increase in Fees = Fees for immediately preceding period x Cost of Living Adjustment.

## ARTICLE III FEES AND OTHER CHARGES

**SECTION 3.01** The Licensee shall pay to the Owner, License fees over the whole of the Term as set out in Schedule "C" to this License.

Commencing September 1, 2005, the License Fees for each of The Field and Gymnasium will be adjusted effective September 1st in each Year during the Term by the Cost of Living Adjustment. The Landlord will advise the Tenant of the Fees payable for each Year during the Term on or before July 1st of such Year and the Tenant shall pay such adjusted Fees for such Year to the Landlord in equal monthly instalments in advance on the 1st day of each month during such Year.

## ARTICLE IV GENERAL COVENANTS

### **SECTION 4.01** DIRECTIONS AS TO EMERGENCY

In case of emergency, the Owner designates BLJC Workplace Solutions Inc., telephone number 1-877-222-3112 as its representative, and the Licensee designates **Liane McKenna**, telephone number (604) 257-8691, as its representative.

### **SECTION 4.02** ACCESS

The Licensee, its servants, agents, employees, licensees and invitees shall (during normal business hours) have the right in common with any other Licensees or occupants of the Building to pass, repass and utilize all common areas including corridors, lobbies, washrooms, stairways, elevators and passages and over the land of the Building for the purpose of ingress, egress and full enjoyment of the Gymnasium and Field Premises, and other facilities.



**SECTION 4.03**      **USE OF PREMISES**

The Licensee shall use the Gymnasium and Field Premises for the purpose of **Leisure and Recreation Activities**, including such related uses as rentals, child minding and other ancillary uses. The Owner may in its sole discretion permit the alternation of the use to which the Gymnasium and Field Premises are put. The parties shall mutually agree as to those times that the Licensee shall have access and use of the Gymnasium and Field Premises.

**SECTION 4.04**      **OWNER'S SERVICES**

The Owner covenants to maintain the Building at those standards specified in the Occupational Environment Regulations of the Workplace Act, S.B.C. 1985, c.34. The Owner will not be responsible for direct, indirect or consequential damages arising out of any breach of this paragraph.

**SECTION 4.05**      **COMPLY WITH LAWS**

The Licensee shall at all times during the Term hereof comply with all applicable laws, statutes, by-laws, ordinances, regulations or other lawful requirements of any governmental authority having jurisdiction.

**SECTION 4.06**      **ALTERATIONS**

The Licensee may, with the prior written consent of the Owner, make such alterations or additions to the Gymnasium and Field Premises as it may from time to time request in writing and as are required for the conduct of its business.

**SECTION 4.07**      **SUB-LETTING AND ASSIGNMENT**

The Licensee shall not assign or sub-let the Gymnasium and Field Premises without the prior written consent of the Owner but may rent time and space to the West Point Grey Community Association, West Point Grey Academy and other routine user groups, provided advance written notice of these arrangements is given to the Owner.

**ARTICLE V**  
**INSURANCE AND REPAIRS**

**SECTION 5.01**      **OWNERS COVENANT TO INSURE**

The Owner shall obtain, maintain and pay for insurance on the Building, excluding all chattels of the Licensee, against loss or damage by fire and extended coverage perils and the Owner shall be responsible for any deductible amounts under the policy.

**SECTION 5.02**      **LICENSEE'S COVENANT TO INSURE**

- (a) The Licensee shall obtain, maintain and pay for Comprehensive General Liability Insurance, for an amount acceptable to the Owner, but not less than \$2,000,000.00 per occurrence. Such insurance shall include the Owner as a named insured, and shall contain a standard form of cross liability clause and shall also provide for **Thirty (30)** days prior notice of cancellation, lapse or material change. The Licensee covenants and agrees to provide evidence of such insurance upon the written request of the Owner. The Licensee further agrees that if there be breach of the insurance requirements of this Article the Owner may obtain the necessary insurance coverage on the Licensee's behalf and recover the costs thereof as Additional Rent.
- (b) In lieu of the insurance described in paragraph 5.02(a), the Licensee may self-insure liability risks associated with its activities under its self-insurance program. Evidence of such self-insurance shall be provided to the Owner by means of a letter from the Director of Risk Management.

**SECTION 5.03**      **LICENSEE NOT TO AFFECT INSURANCE**

The Licensee shall not do or permit anything to be done which causes the Owner's cost of insuring the Building to increase. Any increase in insurance costs to the Owner resulting from a breach of this covenant shall be borne by the Licensee, and may be recovered by the Owner as Additional Rent.

**SECTION 5.04**      **OWNER'S COVENANT TO REPAIR**

The Owner shall use its best efforts to maintain the Building to the Standard then enjoyed by the Licensee at the commencement of this License.

**SECTION 5.05**      **REPAIR IN THE EVENT OF SEVERE DAMAGE**

If the Building and/or the Gymnasium and Field Premises are damaged by fire or any other hazard such that the Building and/or the Gymnasium and Field Premises are rendered untenable or convenient access is prevented, the Owner in its sole discretion may elect not to repair the damage, and the License granted hereby shall be terminated as at the day the damage occurred. If the damage to the Gymnasium and Field Premises and/or the Building is capable of repair within **Ninety (90)** days, the Owner may initiate such repair and forthwith allow an abatement of Base Rent which recognizes the nature and extent of the damage, until such time as the Building and/or the Gymnasium and Field Premises have been rebuilt or access restored. If the damage is such as to preclude the reoccupation of the Gymnasium and Field Premises by the Licensee for a period in excess of **Ninety (90)** days, either party may, within **Thirty (30)** days of the occurrence of the original damage, serve notice upon the other of immediate termination of this License.

**SECTION 5.07**      **NOTIFICATION OF DEFECTS**

The Licensee shall make reasonable efforts to give the Owner immediate written notice of any accident, defect or damage within the Building, which the Licensee has knowledge of and for which the Owner has an obligation under this License.

## ARTICLE VI GENERAL TERMS

### SECTION 6.01      TERMINATION AND HOLDING OVER

The Term herein granted shall expire by effluxion of time without notice from either party to the other, **PROVIDED ALWAYS** that in the event that the Licensee shall continue to occupy the Gymnasium and Field Premises after the expiration of the Term, there shall be no tacit renewal of this License and Term, and the Licensee shall be deemed to occupy the Gymnasium and Field Premises as a Licensee from month to month at a monthly rental equal to 1/6 of the prior years Rent payable in advance on the first day of each month overheld, and otherwise upon the same terms and conditions herein set out insofar as the same are applicable to a month to month tenancy. Notwithstanding this Clause 6.01 or any other Clause within this License, both parties shall have the right to terminate this License upon thirty (30) days prior written notice to the other party.

### SECTION 6.02      ANNEXATION OF LICENSEE'S FIXTURES

The Licensee agrees that any alterations, improvements and fixtures made to or installed upon the Gymnasium and Field Premises by or at the expense of the Licensee, other than reasonably movable fixtures, shall immediately upon affixation be deemed to be annexed to the Building. Such fixtures shall remain upon and be surrendered with the Gymnasium and Field Premises upon the expiration or earlier termination of this License.

### SECTION 6.03      SURRENDER

The Licensee shall surrender the Gymnasium and Field Premises to the Owner at the expiration or sooner termination, of the Term, in good repair, reasonable wear and tear, damage from fire, storm, tempest and other casualty, removal of chattels only excepted, and the Licensee shall be liable either to pay compensation to the Owner in respect of restoration thereof or repair the Gymnasium and Field Premises.

### SECTION 6.04      NO WAIVER

It is understood and agreed that the remedies of the Owner under this License are cumulative and that the exercise or non-exercise by the Owner of any right or remedy for the breach by the Licensee of any covenant or agreement herein contained, or the acceptance of any monies owing hereunder, shall not be deemed to be a waiver or to alter, affect or prejudice the right or remedy to which the Owner may be lawfully entitled and that any waiver granted in one case shall not be deemed to be a waiver of any subsequent default or breach.

## ARTICLE VII MISCELLANEOUS

### SECTION 7.01      INDEMNITY

The Licensee agrees to indemnify the Owner against all claims, actions, causes of actions, damages, expenses, costs, or losses arising out of or resulting directly or indirectly and whether by reason of negligence or otherwise, from the acts or omissions of the Licensee or any of the Licensee's servants, agents, licensees and invitees.

**SECTION 7.02      NOTICES**

Any notices required pursuant to the terms of this License shall be deemed to have been properly delivered by one party to the other firstly on that date upon which registered prepaid mail was effected against the other party at his or its address first recited above, or **three (3)** days after the posting thereof, whichever shall be the earlier or secondly, by personal service. Notices sent during a strike, lockout or other labour disturbance at the post office shall be delivered and not mailed.

**SECTION 7.03      COVENANTS AND AGREEMENTS**

The Owner and the Licensee agree that all the provisions of this License are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each provision hereof. Should any provision or provisions of this License be illegal or not enforceable, it or they shall be considered separate and severable from the License and its remaining provisions as though the said illegal or unenforceable provision(s) had never been included.

**SECTION 7.04      TIME**

Time shall be of the essence in this License.

**SECTION 7.05      ENTIRE AGREEMENT**

No other stipulation, agreement or undertaking, oral or otherwise, of the parties or of their agents shall be valid or enforceable unless made in writing, initialed by both parties and incorporated by reference into this License.

**SECTION 7.06      INTERPRETATION**

Wherever the singular, masculine or neuter is used in this License, that gender shall be deemed to include the plural or the feminine or body politic or corporate and the respective heirs, executors, administrators, successors and permitted assigns of the parties hereto and each of them where the context or the parties so require.

**SECTION 7.07      SUCCESSORS**

This License shall inure to the benefit of and be binding upon the parties hereto, their respective heirs, executors, administrators, successors and permitted assigns as the case may be.

**I** IN WITNESS WHEREOF the Parties hereto have hereunto set their hands and seals and where a party is a corporate entity the corporate seal of the said company has been affixed in the presence of its duly authorized officers on the day and year first recited above.

THE CORPORATE SEAL of the  
Owner was hereunto affixed  
in the presence of:

  
\_\_\_\_\_  
Authorized Signatory

  
\_\_\_\_\_  
Authorized Signatory

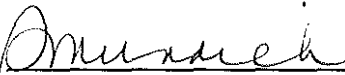
c/s

~~SIGNED, SEALED AND DELIVERED~~  
By the Licensee in the Presence of:

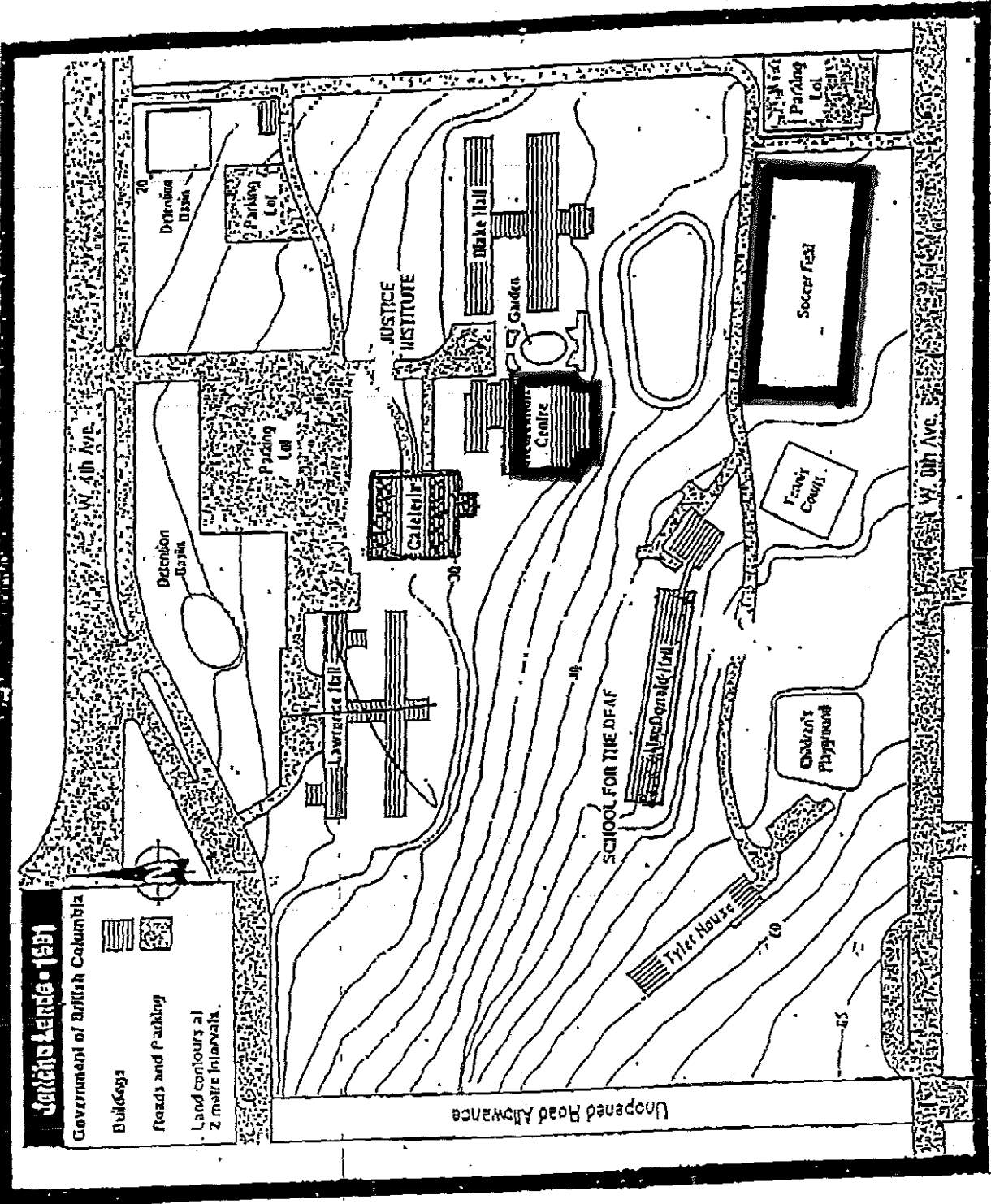
\_\_\_\_\_  
Witness

\_\_\_\_\_  
Address

Vancouver Board of Parks and Recreation  
Licensee

  
\_\_\_\_\_  
by it's authorized Signatory  
SYSAN MUNDICK  
GENERAL MANAGER

SCHEDULE "A" TO A LICENSE DATED  
PLAN OF PREMISES



CUMBERLAND CONSULTING CORPORATION  
Real Estate Consultants

EXISTING SUBJECT IMPROVEMENTS

BH

<b>SCHEDULE "B"</b>
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## LANDLORD/TENANT MATRIX FOR GENERAL ILLUSTRATIVE PURPOSES ONLY

(a) ITEM	(b) To be Provided by Landlord, Cost Included in Rent	(c) To be Provided by Landlord, Cost Borne by Tenant	(d) To be Provided by Tenant, Cost Borne by Tenant	(e) Does Not Apply
<b>CLEANING</b>				
Janitorial Service and Supplies	X			
Window Cleaning Interior	X			
Window Cleaning Exterior	X			
<b>GROUND</b>				
Maintenance of Landscaping and				
Snow Removal	X			
<b>HVAC</b>				
Preventative Servicing and Minor				
Repairs of HVAC System	X			
<b>ELECTRICAL</b>				
Lamp and Tube Replacement	X			
Preventative Servicing and Minor				
Repairs of Elevator(s)				X
<b>NON-ENERGY UTILITIES</b>				
Garbage Removal	X			
Water and Sewage	X			
<b>FUELS</b>				
Heating	X			
<b>ELECTRICITY</b>				
Electricity	X			
<b>PARKING</b>				
Parking Rent				X
<b>INSURANCE</b>				
Fire and Extended Coverage Perils				
P.L. and P.D.	X			
Comprehensive, General Liability			X	
Tenant's Chattels & Improvements				
<b>SECURITY</b>				
Services, Devices / Patrols	X			
<b>TAXES</b>				
Taxes			X	
<b>TENANT IMPROVEMENTS</b>				
Tenant Improvements				X

**SCHEDULE "C" TO A LICENSE DATED \_\_\_\_\_**  
**PREMISES, RENT AND OCCUPANCY**

**1. GYMNASIUM**

- 19,000 square feet
- To be operated and administered by the Licensee.
- Payment for the first year of this Agreement for the use of this portion of the Premises shall be \$21.60 per hour to be paid to the Owner on the last day of each month of the Term.
- The hourly payment shall be increased annually by the Cost of Living Adjustment as referenced in Section 3.01 of this Agreement

**2. FIELD**

- Refer to Schedule "A"
- To be operated and administered by the Licensee.
- The Owner will be responsible for the maintenance and care of this field as per the current standard and shall make all necessary repairs.
- Payment for the first year of this Agreement for the use of this portion of the Premises shall be \$305.00 per month to be paid to the Owner on the first day of each month of the Term.
- The monthly payment shall be increased annually by the Cost of Living Adjustment as referenced in Section 3.01 of this Agreement

The parties agree that they will mutually agree as to those times that the Licensee wishes the use of the Gymnasium and Field Premises and failing said agreement, the Owner shall be the final determinator of the said times.



SCHEDULE "D" TO A LICENSE DATED \_\_\_\_\_

The Licensee has the use of Gymnasium and Field Premises "as is", "where is", with no Owner obligations for improvements whatsoever.

**STANDARD FORM LEASE - CORPORATE OWNED PROPERTY**

**T** HIS LEASE dated for reference the 4<sup>th</sup> day of OCTOBER, 2004.

**BETWEEN**

**BRITISH COLUMBIA BUILDINGS CORPORATION, "BCBC"**  
a company duly incorporated pursuant to an Act of the  
Legislature of the Province of British Columbia and having an  
office situated at 3350 Douglas Street, P.O. Box 1112, Victoria,  
British Columbia V8W 2T4

(hereinafter referred to as the "**Landlord**")

**OF THE FIRST PART**

**AND**

Vancouver **CITY OF VANCOUVER as represented by**  
**BOARD OF PARKS & RECREATION, "VBP&R"**  
30 East 30th Avenue  
Vancouver, British Columbia V5V 2T9

(hereinafter referred to as the "**Tenant**")

**OF THE SECOND PART**

**IN CONSIDERATION** of the covenants, agreements and conditions herein contained, the  
Parties agree as follows:

**ARTICLE 1 - PREMISES AND TERM**

**1.01 DEMISE**

The Landlord does hereby demise and lease to the Tenant the Premises more  
particularly described as:

All that portion comprising an area of **31,231** square feet, more or less, (the "**Premises**")  
situated at **4180 West 4th Avenue, Vancouver, British Columbia**, and otherwise  
known as **the Cafeteria Building**, as outlined in red on the attached plan (Schedule "B").

**1.02 HABENDUM AND COMMENCEMENT, TERM, EARLY TERMINATION**

To have and to hold the Premises for a term of **five (5) years** to be computed from the **1st day of September, 2004** (the "**Commencement Date**") and to be fully completed at **12:00 p.m. on the 31st day of August, 2009** (the "**Term**"). Either party to this agreement shall have the right on six months written notice to terminate this tenancy.

**1.03 TENANT FIX-UP PERIOD**

Not applicable

**ARTICLE 2 - DEFINITIONS****2.01 BASE YEAR (OPERATING COSTS)**

Not applicable

**2.02 BUILDING**

"**Building**" means the land and building(s) of which the Premises form a part.

**2.03 FISCAL YEAR**

"**Fiscal Year**" means each **One (1)** year period commencing on the 1st day of April of one year and running one full year to the 31st of March of the subsequent year. If the Commencement and termination of the Lease occur on a day other than the 1st of April, or 31st of March, such period of time shall be referred to as a Broken Fiscal Year, and there may be a reconciliation, as required, of any costs attributable, be it Taxes or Operating Costs, or some other.

**2.04 PROPERTY TAXES**

"**Property Taxes**" means all taxes, rates, duties, assessments and grants-in-lieu of taxes whether municipal, provincial, federal or otherwise, charged upon the lands and improvements of which the Leased Premises forms a part.

**2.05 OPERATING COSTS**

"**Operating Costs**" means the direct cost to the Landlord of ordinary non-capital expenditures incurred only in connection with the operation of the Building as itemized in column (b) of Schedule "A" attached hereto, and the costs of services provided by the Landlord but paid for by the Tenant as itemized in column (c) of Schedule "A", including, but not limited to, costs for:

- (a) preventative servicing and minor repairs of the heating, ventilating and air-conditioning (HVAC) system;
- (b) water and sewer rates;
- (c) electric power, save and except for power factor surcharges;
- (d) heating;
- (e) snow and garbage removal;
- (f) landscaping and common area maintenance;
- (g) cleaning and maintenance of the interior of the Building;

- (h) preventative servicing and minor repair of elevator(s);
- (i) maintenance of parking lot;
- (j) security services;

and amounts normally charged to depreciation, interest on debt or capital retirement of debt shall not be included in calculating Operating Costs.

## 2.06 PROPORTIONATE SHARE

"Proportionate Share" means a fraction, the numerator of which is the square footage area of the Premises, and the denominator of which is the total rentable area of the Building, and which is **100 percent**.

## 2.07 REMEDIAL WORK / TENANT IMPROVEMENTS

Any "Tenant Improvements" or alterations to be made to the Premises by VBP&R must first be approved in writing by BCBC and will be at the cost of VBP&R.

## 2.08 COST OF LIVING ADJUSTMENT

"Cost of Living Adjustment" means the most recent consumer price index published by Statistics Canada (or such other index as may be substituted for it by Statistics Canada, or the then recognized statistical branch of the Government of Canada) for the City of Vancouver All Items (or if no such index is published for the City of Vancouver then a similar index designated by the Landlord, acting reasonably) on or prior to the date on which the Base Rent increase is to take effect divided by the last similar index published on or prior to July 1, 2004 or to the date of the previous Base Rent increase as the case may be. If the index has increased during the period, then the Base Rent for the next 12 month period shall be increased by reference to the following formula:

Increase in Base Rent = Base Rent for immediately preceding period x Cost of Living Adjustment.

## ARTICLE 3 - RENT AND OTHER CHARGES

### 3.01 GROSS RENT

The Tenant shall pay to the Landlord Gross Rent over the first year of the Term in the amount of **Ninety Two Thousand One Hundred Dollars/00 (\$92,100.00) plus G.S.T.** The Gross Rent is payable in advance in equal monthly installments on the first day of each and every month of **Seven Thousand Six Hundred Seventy Five Dollars 75/00 (\$7,675.00) plus G.S.T..**

The first payment shall be made on the Commencement Date. All payments of Gross Rent shall be made to British Columbia Buildings Corporation at the address first above written, attention Treasury Department, or at such other address or such other payee as British Columbia Buildings Corporation may advise in writing.

(a) Cost of Living Adjustment

Commencing July 1, 2005, the Gross Rent for will be adjusted effective July 1st in each Lease Year during the Term by the Cost of Living Adjustment. The Landlord will advise the Tenant of the Gross Rent payable for each Lease Year during the Term on or before May 1st of such Lease Year and the Tenant shall pay such adjusted Gross Rent for such Lease Year to the Landlord in equal monthly installments in advance on the 1st day of each month during such Lease Year.

**3.02 TAXES**

The Tenant shall pay all applicable Property Taxes assessed against the Leased Premises. Prior to the beginning of each year of the Term, the Landlord will estimate the amount of Property Taxes to be levied against the Leased Premises. The Tenant shall, with each monthly rental payment, pay to the Landlord as additional rent, a sum equal to 1/12 of the Landlord's estimate as aforementioned. At the end of each year of the term the Landlord will reconcile Property Taxes actually paid by the Landlord, to the amount paid as Additional Rent by the Tenant. Any surplus of funds paid by the Tenant shall be refunded to the Tenant and any deficiency of funds shall be immediately paid by the Tenant to the Landlord.

In the event that there is no separate assessment for Property Taxes made against the Leased Premises, the Landlord shall calculate the Proportionate share of taxes to be attributed to the Leased Premises.

**3.03 OPERATING COSTS - DELETED****3.04 PERCENTAGE RENT**

By September 15<sup>th</sup> of the following year the Tenant shall pay once annually as Percentage Rent to the Landlord 60% of the Net Revenue received. Net Revenue is defined as the gross revenue the Tenant receives under all subleases, licenses or similar arrangements from subletting space in the premises less the Tenant's annual administration costs (not to exceed \$25,000 annually), and less Gross Rent as per Article 3.01 of the Lease. The Tenant shall provide financial statements to verify the Percentage Rent calculation and the Landlord shall be accorded the opportunity to review the Tenant's financial records in the event of any disagreement over the payment of Percentage Rent by the Tenant.

**3.05 INTEREST ON ARREARS**

The Tenant shall pay to the Landlord all charges as set out in the Lease. Any amounts unpaid after the due date shall bear interest at the rate of **eighteen (18%) percent** per annum, at the time such fees become outstanding, compounded monthly from the date that such charges become due, to and including the date of payment.

### **3.06 PAYMENT VIA DIRECT ELECTRONIC FUNDS TRANSFER**

All amounts payable by the Tenant under this lease shall be payable via Direct Electronic Funds Transfer (DEFT - see Customer Authorization Form attached) or via post-dated cheques.

## **ARTICLE 4 - GENERAL COVENANTS**

### **4.01 DIRECTIONS AS TO EMERGENCY**

In case of emergency, the Landlord designates BLJC Workplace Solutions Inc., telephone number 1-877-222-3112 as its representative, and the Tenant designates **Liane McKenna**, telephone number (604) 257-8691, as its representative.

### **4.02 COVENANT TO SERVICES**

The Landlord and Tenant covenant to provide and /or pay for those services as set out in Schedule "A".

### **4.03 ACCESS**

The Tenant, its servants, agents, employees, licensees and invitees shall (during normal business hours) have the right in common with any other tenants or occupants of the Building to pass, repass and utilize all common areas including corridors, lobbies, washrooms, stairways, elevators and passages and over the land of the Building for the purpose of ingress, egress and full enjoyment of the Premises, and other facilities.

### **4.04 USE OF PREMISES**

The Tenant shall use the Premises only for the purpose of **Community Recreation Centre and related uses**. Any other use must be requested of the Landlord in writing. The Landlord may in its sole discretion permit the alteration of the use to which the Premises are put.

### **4.05 COMPLY WITH LAWS**

The Tenant shall at all times during the Term hereof comply with all applicable laws, statutes, by-laws, ordinances, regulations or other lawful requirements of any governmental authority having jurisdiction.

### **4.06 ALTERATIONS**

The Tenant may at its cost, with the prior written consent of the Landlord, make such alterations or additions to the Premises as it may from time to time request in writing and as are required for the conduct of its business.

**4.07 SUB-LETTING AND ASSIGNMENT**

The Tenant may not assign this Lease but may sub-let the Premises with the prior written consent of the Landlord.

**4.08 QUIET ENJOYMENT**

Provided the Tenant is not in default hereunder, the Tenant shall have quiet enjoyment of the Premises.

**ARTICLE 5 - INSURANCE AND REPAIRS****5.01 LANDLORD'S COVENANT TO INSURE**

The Landlord shall obtain, maintain and pay for insurance on the Building, excluding all chattels of the Tenant, against loss or damage by fire and extended coverage perils.

**5.02 TENANT'S COVENANT TO INSURE**

(a) The Licensee shall obtain, maintain and pay for the Comprehensive General Liability Insurance, for an amount acceptable to the Owner, but not less than \$2,000,000.00 per occurrence. Such insurance shall include the Owner as a named insured, and shall contain a standard form of cross liability clause and shall also provide for Thirty (30) days prior notice of cancellation, lapse or material change. The Licensee covenants and agrees to provide evidence of such insurance upon the written request of the Owner. The Licensee further agrees that if there be breach of the insurance requirements of this Article the Owner may obtain the necessary insurance coverage on the Licensee's behalf and recover the costs thereof as Additional Rent.

(b) In lieu of the insurance described in paragraph 5.02(a), the Licensee may self-insure liability risks associated with its activities under its self-insurance program. Evidence of such self-insurance shall be provided to the Owner by means of a letter from the Director of Risk Management.

**5.03 TENANT NOT TO AFFECT INSURANCE**

The Tenant shall not do or permit anything to be done which causes the Landlord's cost of insuring the Building to increase. Any increase in insurance costs to the Landlord resulting from a breach of this covenant shall be borne by the Tenant, and may be recovered by the Landlord as Additional Rent.

**5.04 LANDLORDS COVENANT TO REPAIR**

The Landlord covenants, subject to the provisions of Article 5.05, to maintain the Building in a good and tenantable condition.

**5.05 REPAIR IN THE EVENT OF SEVERE DAMAGE**

If the Building and/or the Premises are damaged by fire or any other hazard such that the Building and/or the Premises are rendered untenable or convenient access is prevented, the Landlord in its sole discretion may elect not to repair the damage, and the Lease granted hereby shall be terminated as at the day of the fire. If the damage to the Premises and/or the Building is capable of repair within **Ninety (90)** days, the Landlord may initiate such repair and forthwith allow an abatement of Base Rent which recognizes the nature and extent of the damage, until such time as the Building and/or the Premises have been rebuilt or access restored. If the damage is such as to preclude the reoccupation of the Premises by the Tenant for a period in excess of **Ninety (90)** days, either party may, within **Thirty (30)** days of the occurrence of the original damage, serve notice upon the other of immediate termination of this Lease.

**5.06 TENANT'S COVENANT TO REPAIR**

The Tenant shall maintain and keep in repair (reasonable wear and tear excepted) the Premises and shall not overload any floors, commit or permit any waste. The Tenant shall allow the Landlord to enter the Premises at any reasonable time for the purpose of inspecting the Premises and making necessary structural repairs. . If the Landlord determines that structural repairs are necessary during the term of the Lease, the Landlord shall advise the Tenant of such costs and the Tenant shall have the right to either pay for such repairs over the remaining term of the Lease or to terminate the Lease upon sixty (60) days prior written notice. If the Tenant elects not to pay for such repairs, the Landlord may (at its option) terminate the Lease upon sixty (60) days prior written notice to the Tenant.

**5.07 NOTIFICATION OF DEFECTS**

The Tenant shall give the Landlord immediate written notice of any accident, defect or damage within the Building, Premises, systems or services. However, it is the intent of this lease that the Tenant will pay for all non structural repairs. If the Landlord determines that structural repairs are necessary during the term of the Lease, the Landlord shall advise the Tenant of such costs and the Tenant shall have the right to either pay for such repairs over the remaining term of the Lease or to terminate the Lease upon sixty (60) days prior written notice. If after discussion and negotiation with the Landlord, the Tenant is unable to satisfy itself as to the suitability of the financial terms relating to the expenditure on such structural repairs or the recovery of costs of such structural repairs (from sub-tenants), the Tenant may elect not to pay for such repairs; in which case the Landlord may (at its option) terminate the Lease upon sixty (60) days prior written notice to the Tenant.



**ARTICLE 6 - DEFAULT****6.01 RIGHT TO RE-ENTER**

Without limiting the generality of the foregoing, if:

- (a) the Tenant fails to pay any rent or other sums hereunder on the day or dates appointed for the payment thereof (provided the Landlord first gives five (5) days written notice to the Tenant of any such failure); or
- (b) the Tenant fails to perform any other of the terms, covenants, or conditions of this Lease to be observed or performed by the Tenant (provided the Landlord first gives the Tenant ten (10) days written notice of any such failure to perform and the Tenant within such period of ten (10) days fails to commence diligently and thereafter to proceed diligently to cure any such failure to perform); or
- (c) the Tenant or any agent of the Tenant falsifies any report required to be furnished to the Landlord pursuant to this Lease; or
- (d) Deleted
- (e) Deleted
- (f) any steps are taken or any action or proceedings are instituted by the Tenant or by any other party including without limitation, any court or governmental body of competent jurisdiction for the dissolution, winding-up or liquidation of the Tenant or its assets; or
- (g) the Tenant makes a sale in bulk; or
- (h) the Tenant abandons or attempts to abandon the Premises, or sells or disposes of the goods and chattels of the Tenant or removes them from the Premises so that there would not in the event of such sale or disposal be sufficient goods on the Premises subject to distress to satisfy all rent due and accruing hereunder; or
- (i) the Premises become and remain vacant for a period of thirty (30) consecutive days or are used by any other persons than such as are entitled to use them hereunder; or
- (j) the Tenant assigns, transfers, encumbers, sublets or permits the occupation or use or the parting with or sharing possession of all or any part of the Premises by any one except in a manner permitted by this Lease; or
- (k) this Lease or any of the Tenant's assets are taken under any writ of execution; or
- (l) re-entry is permitted under any other terms of this Lease,

Then the Landlord, in addition to any other rights or remedies it has pursuant to this Lease or by law, has, to the extent permitted by law, the immediate right of re-entry upon the Premises and it may remove all persons and property from the Premises and such property may be removed and stored in a public warehouse or elsewhere at the cost and for the account of the Tenant, all without service or notice or resort to legal process and without the Landlord being considered guilty of trespass or becoming liable for any damage which may be occasioned thereby.

**6.02 RIGHT TO RELET**

If the Landlord elects to re-enter the Premises as herein provided, or if it takes possession pursuant to legal proceedings or pursuant to any notice provided for by law, it may either terminate this Lease or it may from time to time without terminating this Lease, make such alternations and repairs as are necessary in order to relet the Premises, or any part thereof for such term or terms (which may be for a term extending beyond the Term) and at such rent and upon such other terms, covenants and conditions as the Landlord in its sole discretion considers advisable. Upon each such reletting all rent received by the Landlord from such reletting shall be applied, first to the payment of any indebtedness other than rent due hereunder from the Tenant to the Landlord;

second, to the payment of any costs and expenses of such reletting including brokerage fees and solicitor's fees and of costs of such alternations and repairs; third, to the payment of rent due and unpaid hereunder; and the residue, if any, shall be held by the Landlord and applied in payment of future rent as the same becomes due and payable hereunder. If such rent received from such reletting during any month is less than that to be paid during that month by the Tenant hereunder, the Tenant shall pay any such deficiency which shall be calculated and paid monthly in advance on or before the first day of each and every month. No such re-entry or taking possession of the Premises by the Landlord shall be construed as an election on its part to terminate this Lease unless a written notice of such intention is given to the Tenant. Notwithstanding any such reletting without termination the Landlord may at any time thereafter elect to terminate this Lease for such previous breach. If the Landlord at any time terminates this Lease for any breach, in addition to any remedies it may have, it may recover from the Tenant all damages it incurs by reason of such breach, including the cost of recovering the Premises, solicitor's fees (on a solicitor and his client basis) and including the worth at the time of such termination of the excess, if any, of the amount of rent and charges equivalent to rent reserved in this Lease for the remainder of the stated Term over the then reasonable rental value of the Premises for the remainder of the stated Term, all of which amounts shall be immediately due and payable by the Tenant to the Landlord.

### 6.03 EXPENSES

If legal action is brought for recovery of possession of the Premises, for the recovery of rent or any other amount due under this Lease, or because of the breach of any other terms, covenants or conditions herein contained on the part of the Tenant to be kept or performed, and a breach is established, the Tenant shall pay to the Landlord all expenses incurred therefore, including a solicitor's fee (on a solicitor and his client basis), unless a Court shall otherwise award.

### 6.04 LANDLORD MAY CURE TENANT'S DEFAULTS

If the Tenant fails to pay, when due, any amounts or charges required to be paid pursuant to this Lease, the Landlord, after giving five (5) days notice in writing to the Tenant, may, but shall not be obligated to, pay all or any part of the same. If the Tenant is in default in the performance of any of its covenants or obligations hereunder (other than the payment of rent or other sums required to be paid pursuant to this Lease) the Landlord may from time to time after giving such notice as it considers sufficient (or no notice in the case of an emergency) having regard to the circumstances applicable, perform or cause to be performed any of such covenants or obligations, or any part thereof, and for such purpose may do such things as may be requisite, including, without limitation, entering upon the Premises and doing such things upon in respect of the Premises or any part thereof as the Landlord reasonably considers requisite or necessary. All expenses incurred and expenditures made by or on behalf of the Landlord under this Section plus a sum equal to fifteen (15) percent thereof representing the Landlord's overhead shall be paid by the Tenant as Additional Rent forthwith upon demand. The Landlord shall have no liability to the Tenant for any loss or damages resulting from any such action or entry by the Landlord upon the Premises and the same shall not be deemed a re-entry or a breach of any covenant for quiet enjoyment.

**6.05 LIEN ON TRADE FIXTURES**

If the Tenant at any time during the Term or at the expiration of other termination of the Term is in default under any covenant or obligation contained herein, the Landlord has a lien on all stock-in-trade, inventory and fixtures, equipment and facilities of the Tenant as security against loss or damage resulting from any such default by the Tenant and said stock-in-trade, inventory, fixtures, equipment or facilities shall not be removed by the Tenant until such default is cured, unless otherwise so directed by the Landlord.

**ARTICLE 7 - GENERAL TERMS****7.01 TERMINATION AND HOLDING OVER**

The Term herein granted shall expire by effluxion of time without notice from either party to the other, **PROVIDED ALWAYS** that in the event that the Tenant shall continue to occupy the Premises after the expiration of the Term, there shall be no tacit renewal of this Lease and Term, and the Tenant shall be deemed to occupy the Premises as a tenant from month to month at a monthly rental equal to **1/6 of the prior years Rent and Percentage Rent** payable in advance on the first day of each month overheld, and otherwise upon the same terms and conditions herein set out insofar as the same are applicable to a month to month tenancy. Notwithstanding this section 7.01 or any other Section within this Lease, both parties shall have the right to terminate this Lease upon thirty (30) days prior notice to the other party.

**7.02 ANNEXATION OF TENANT'S FIXTURES**

The Tenant agrees that any alterations, improvements and fixtures made to or installed upon the Premises by or at the expense of the Tenant, other than reasonably movable fixtures, shall immediately upon affixation be deemed to be annexed to the Building. Such fixtures shall remain upon and be surrendered with the Premises upon the expiration or earlier termination of this Lease.

**7.03 SURRENDER**

The Tenant shall surrender the Premises to the Landlord at the expiration or sooner termination, of the Term, in good repair, reasonable wear and tear, damage from fire, storm, tempest and other casualty, removal of chattels only excepted, and the Tenant shall be liable either to pay compensation to the Landlord in respect of restoration thereof or repair the Premises.

**7.04 NO WAIVER**

It is understood and agreed that the remedies of the Landlord under this Lease are cumulative and that the exercise or non-exercise by the Landlord of any right or remedy for the breach by the Tenant of any covenant or agreement herein contained, or the acceptance of any monies owing hereunder, shall not be deemed to be a waiver or to alter, affect or prejudice the right or remedy to which the Landlord may be lawfully entitled and that any waiver granted in one case shall not be deemed to be a waiver of any subsequent default or breach.

**ARTICLE 8 - MISCELLANEOUS****8.01 INDEMNITY**

The Tenant agrees to indemnify the Landlord against all claims, actions, causes of actions, damages, expenses, costs, or losses arising out of or resulting directly or indirectly and whether by reason of negligence or otherwise, from the acts or omissions of the Tenant or any of the Tenant's servants, agents, licensees and invitees.

**8.02 NOTICES**

Any notices required pursuant to the terms of this Lease shall be deemed to have been properly delivered by one party to the other firstly on that date upon which registered prepaid mail was effected against the other party at his or its address first recited above, or **Three (3)** days after the posting thereof, whichever shall be the earlier or secondly, by personal service. Notices sent during a strike, lockout or other labour disturbance at the post office shall be delivered and not mailed.

**8.03 COVENANTS AND AGREEMENTS**

The Landlord and the Tenant agree that all the provisions of this Lease are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each provision hereof. Should any provision or provisions of this Lease be illegal or not enforceable, it or they shall be considered separate and severable from the Lease and its remaining provisions as though the said illegal or unenforceable provision(s) had never been included.

**8.04 TIME**

Time shall be of the essence in this Lease.

**8.05 ENTIRE AGREEMENT**

No other stipulation, agreement or undertaking, oral or otherwise, of the parties or of their agents shall be valid or enforceable unless made in writing, initialed by both parties and incorporated by reference into this Lease.

**8.06 INTERPRETATION**

Wherever the singular, masculine or neuter is used in this Lease, that gender shall be deemed to include the plural or the feminine or body politic or corporate and the respective heirs, executors, administrators, successors and permitted assigns of the parties hereto and each of them where the context or the parties so require.

**8.07 SUCCESSORS**

This Lease shall inure to the benefit of and be binding upon the parties hereto, their respective heirs, executors, administrators, successors and permitted assigns as the case may be.

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**N WITNESS WHEREOF** the parties hereto have hereunto set their hands and seals and where a party is a corporate entity the corporate seal of the said company has been affixed in the presence of its duly authorized officers on the day and year first recited above.

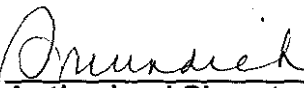
**THE CORPORATE SEAL of the  
Landlord was hereunto affixed  
in the presence of:**

  
\_\_\_\_\_  
**Authorized Signatory**

c/s

  
\_\_\_\_\_  
**Authorized Signatory**

**SIGNED BY**  
**THE CORPORATE SEAL of the  
Tenant was hereunto affixed  
in the presence of:**

  
\_\_\_\_\_  
**Authorized Signatory**  
SUSAN MUNDICK  
GENERAL MANAGER

c/s

\_\_\_\_\_  
**Authorized Signatory**

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Approved  
to form

BH

Landlord Tenant

Page 159

**SCHEDULE "A" TO A LEASE DATED \_\_\_\_\_**  
**RESPONSIBILITY FOR BUILDING SERVICES**

(a)	(b)	(c)	(d)	(e)
ITEM	TO BE PROVIDED BY LANDLORD COST INCLUDED IN RENT	TO BE PROVIDED BY LANDLORD COST BORNE BY TENANT	TO BE PROVIDED BY AND COST BORNE BY TENANT	DOES NOT APPLY
1 (240) Heating	X			
2 (310) Water & Sewage	X			
3 (230) Electricity	X			
4 (250) Preventive Servicing and Minor Repairs of HVAC system	X			
5 (270) Garbage Removal	X			
6 (290) Snow Removal	X			
7 (280) Maintenance of Landscaping and Common Areas	X			
8 (320) Preventive Servicing and Minor Repairs of Elevator(s)				X
9 (360) Window Cleaning -Interior	X			
10 (350) Window Cleaning -Exterior	X			
11 (300) Parking				X
12 (210) Janitorial Service & Supplies	X **			
13 (260) Lamp, Tube and Ballast Replacement	X			
14 (330) Tenant Improvement				X
15 (220) Taxes			X if applicable	
16 (340) Insurance - ***	Fire and Extended Coverage Perils, P.L. & P.D. X		Comprehensive General Liability Tenant's Chattels X	

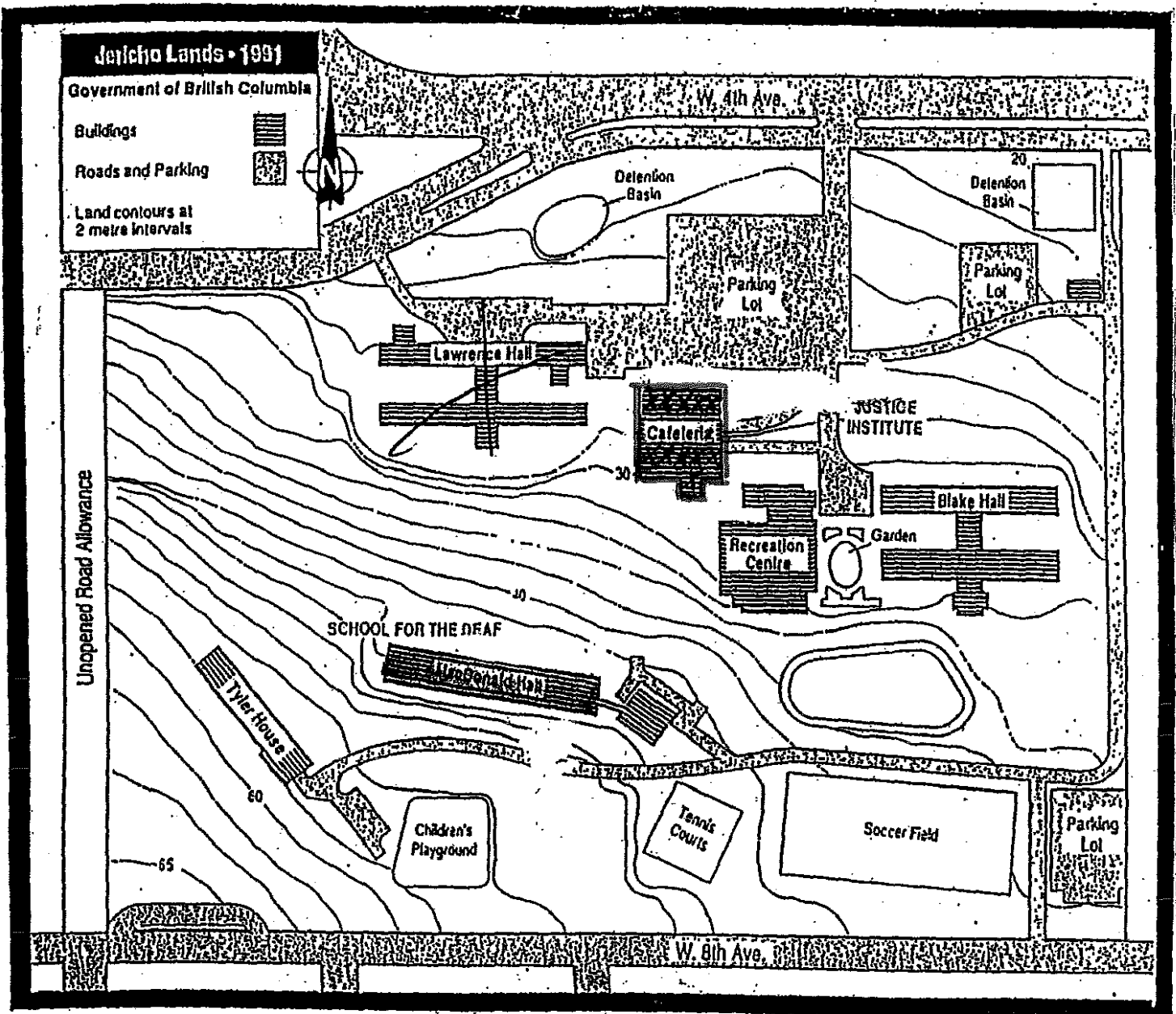
\*\* Areas used exclusively by a sub-tenant are the responsibility of that sub-tenant

\*\*\* The tenant may at its sole discretion elect to self-insure as noted in paragraph 5.02



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**SCHEDULE "B1" TO A LEASE DATED \_\_\_\_\_**  
**PLAN OF PREMISES**

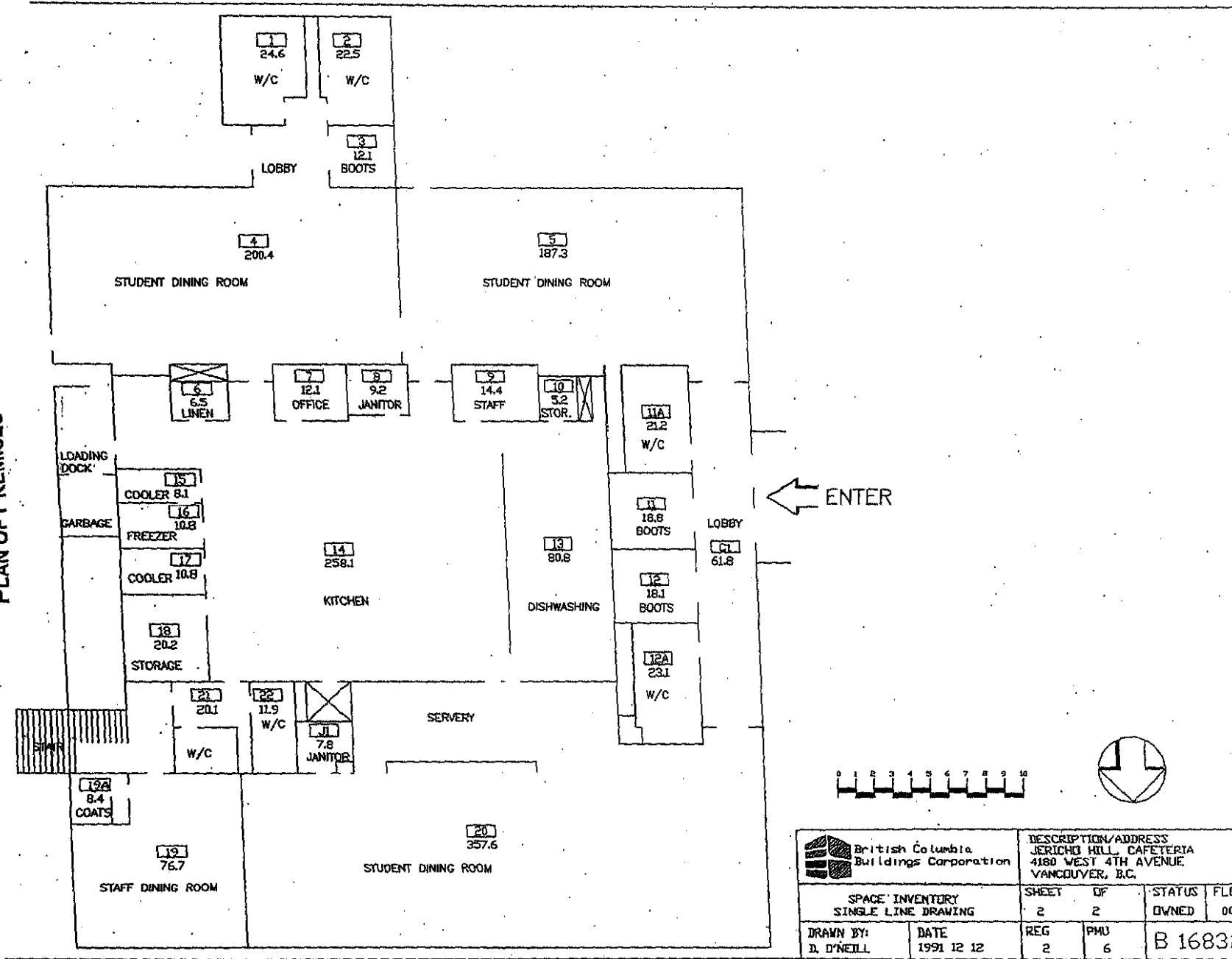


EXISTING SUBJECT IMPROVEMENTS

CUMBERLAND CONSULTING CORPORATION  
 Real Estate Consultants

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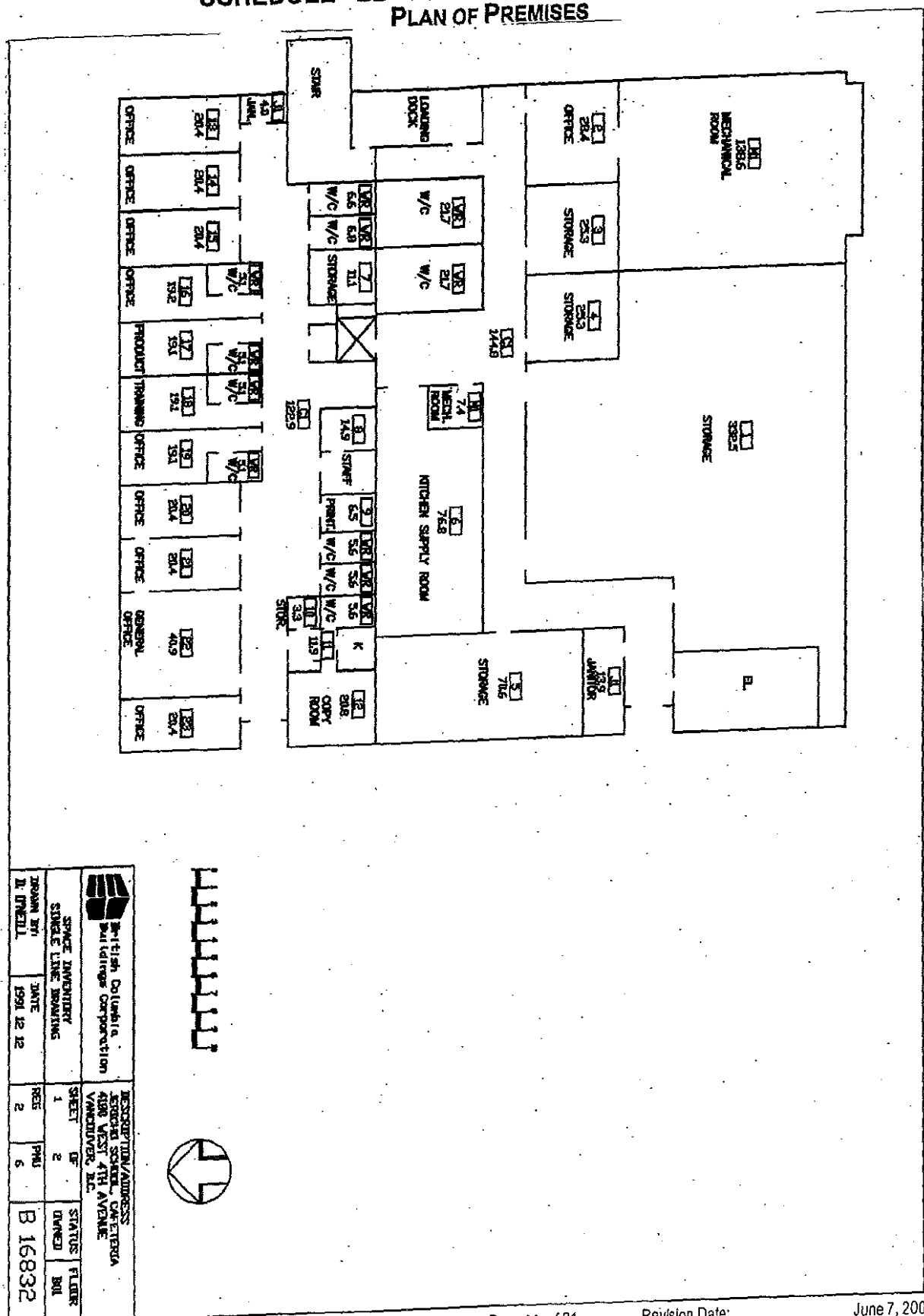
**SCHEDULE "B2" TO A LEASE DATED  
PLAN OF PREMISES**




British Columbia Buildings Corporation		DESCRIPTION/ADDRESS JERICHO HILL, CAFETERIA 4180 WEST 4TH AVENUE VANCOUVER, B.C.	
SPACE INVENTORY SINGLE LINE DRAWING	SHEET 2	OF 2	STATUS OWNED
DRAWN BY: D. O'NEILL	DATE 1991 12 12	REG 2	PMU 6
B 16832			

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SCHEDULE "B2" TO A LEASE DATED  
PLAN OF PREMISES



		British Columbia Buildings Corporation		DESCRIPTION/ADDRESS 408 WEST 4TH AVENUE VANCOUVER, B.C.	
SPACE INVENTORY SINGLE LINE DRAWING	DATE	SHEET	OF	STATUS	FILER
11. O'NEILL	1991.12.12	1	2	DRAWN	BOL
		2	6		B 16832

Approved  
to form

BH

Page 166  
CTZ-2014-00180



June 2, 2005

**AMENDMENT OF LEASE**

Liane McKenna  
Vancouver Board of Parks and Recreation  
2099 Beach Avenue  
Vancouver, BC V6G 1Z4

Dear Ms. McKenna

**Subject: Client Agreement #105989 – the Cafeteria Building  
4125 W. 8<sup>th</sup> Avenue, Vancouver, British Columbia**

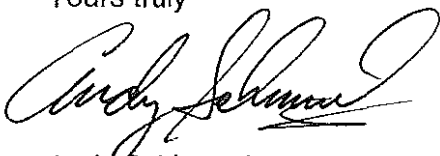
We have reviewed the Lease Agreement and note Clause 3.01 (a) needs to be amended. This letter will confirm Lease Agreement dated the 4<sup>th</sup> day of October, 2004, is amended by this agreement as follows:

1. 3.01 (a) Cost of Living Adjustment is amended as follows:

Commencing September 1, 2005, the Gross Rent for the Premises will be adjusted effective September 1<sup>st</sup> in each Lease Year during the Term by the Cost of Living Adjustment. The Landlord will advise the Tenant of the Gross Rent payable for each Lease Year during the Term on or before July 1<sup>st</sup> of such Lease Year and the Tenant shall pay such adjusted Gross Rent for such Lease Year to the Landlord in equal monthly installments in advance on the 1<sup>st</sup> day of each month during such Lease Year.

Please sign below to indicate your acceptance of the above and return the original of this letter for our records. A copy is also enclosed for your files. Thank you for your cooperation in this matter. Should you have any questions, please call me.

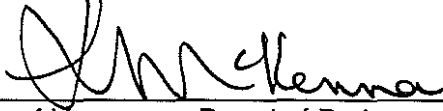
Yours truly



Andy Schimmel  
Lease Consultant  
Leasing Department  
Telephone: 604-482-5588 Facsimile: 250952-8288  
BCBC Facilitating workplace solutions  
[aschimmel@bcbc.bc.ca](mailto:aschimmel@bcbc.bc.ca)  
[www.bcbc.bc.ca](http://www.bcbc.bc.ca)

/jab

Accepted this 8<sup>th</sup> day of June, 2005.



City of Vancouver Board of Parks and Recreation  
Authorized Signatory

RECEIVED  
CBC

JUN 10 2005

LEASING



March 17, 2009

Ms. Lori Mackay  
Vancouver Board of Parks and Recreation  
2099 Beach Avenue  
Vancouver, B.C. V6G 1Z4

Dear Ms. Mackay:

**Subject: Ministry of Labour and Citizens' Services  
Vancouver Board of Parks and Recreation  
4180 West 4<sup>th</sup> Avenue, Vancouver, B.C.  
Client Agreement No. 105988**

It has come to our attention that the above lease expires August 31, 2009. By way of this letter we offer to extend this lease for a period of twelve (12) months under the same terms and conditions as per the lease agreement dated October 4, 2004.

Please acknowledge your acceptance of these terms and conditions by signing all three (3) copies of this letter, retaining one (1) copy for your records and returning the remaining two (2) copies to my attention at your earliest convenience.

Yours truly,

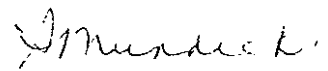


John Marsh, Director  
Leasing Services

:pm

Accepted and agreed this 31 day of March, 2009

VANCOUVER BOARD OF PARKS AND RECREATION

By:   
Sign, Print Name and Title:  
I have the authority to bind the Landlord

SUSAN MUNDICK  
GENERAL MANAGER

March 17, 2009

Ms. Lori Mackay  
Vancouver Board of Parks and Recreation  
2099 Beach Avenue  
Vancouver, B.C. V6G 1Z4

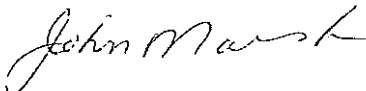
Dear Ms. Mackay:

**Subject: Ministry of Labour and Citizens' Services  
Vancouver Board of Parks and Recreation  
4125 West 4<sup>th</sup> Avenue, Vancouver, B.C.  
Client Agreement No. 105989**

It has come to our attention that the above lease expires August 31, 2009. By way of this letter we offer to extend this lease for a period of twelve (12) months under the same terms and conditions as per the lease agreement dated October 4, 2004, and amended by a Letter Agreement dated June 2, 2005.

Please acknowledge your acceptance of these terms and conditions by signing all three (3) copies of this letter, retaining one (1) copy for your records and returning the remaining two (2) copies to my attention at your earliest convenience.

Yours truly,

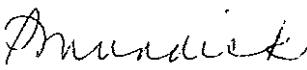


John Marsh, Director  
Leasing Services

:pm

Accepted and agreed this 31 day of March, 2009

VANCOUVER BOARD OF PARKS AND RECREATION

By: 

Sign, Print Name and Title:

I have the authority to bind the Landlord

SUSAN MUNDICK  
GENERAL MANAGER



April 29, 2009

Mr. Robert Standerwick  
West Point Grey Academy Property Society  
#2100, 1075 West Georgia Street  
Vancouver, B.C. V6E 3G2

Dear Mr. Standerwick:

**Subject: Ministry of Labour and Citizens' Services  
West Point Grey Academy Property Society  
4125 West 8<sup>th</sup> Avenue, Vancouver, B.C.  
Client Agreement No. 105967**

It has come to our attention that the above lease expires June 30, 2009. By way of this letter we offer to extend this lease for a period of twelve (12) months under the same terms and conditions as per the lease agreement dated July 1, 2004.

Please acknowledge your acceptance of these terms and conditions by signing all three (3) copies of this letter, retaining one (1) copy for your records and returning the remaining two (2) copies to my attention at your earliest convenience.

Yours truly,

John Marsh, Director  
Leasing Services

:pm

Accepted and agreed this 30<sup>th</sup> day of April, 2009

WEST POINT GREY ACADEMY PROPERTY SOCIETY

By:

Sign, Print Name and Title:

I have the authority to bind the ~~Landlord~~ Tenant

ROBERT STANDERWICK, DIRECTOR

Ministry of  
Labour and Citizens' Services

Accommodation and  
Real Estate Services  
Shared Services BC

Mailing Address:  
3350 Douglas Street  
Victoria, BC V8Z 3L1

Location:  
3350 Douglas Street  
Phone: 604 660-4331  
Fax: 250 952-8288  
Web: <http://www.bcbc.bc.ca>

**INDENTURE OF LEASE**

**BETWEEN**

✓  
**HER MAJESTY THE QUEEN IN RIGHT OF  
THE PROVINCE OF BRITISH COLUMBIA,  
as represented by the Minister of Citizens Services  
3350 Douglas Street  
Victoria, British Columbia V8Z 3L1**

**("Landlord")**

**AND**

**WEST POINT GREY ACADEMY PROPERTY SOCIETY  
1500 — 1055 West Georgia Street  
PO Box 11117  
Vancouver, British Columbia V6E 4N7**

**("Tenant")**

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THIS LEASE is dated for reference the 29<sup>th</sup> day of October, 2010.

**BETWEEN:**

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE  
OF BRITISH COLUMBIA, as represented by  
the Minister of Citizens' Services

(the "Landlord")

**AND:**

WEST POINT GREY ACADEMY PROPERTY SOCIETY

(the "Tenant")

**WHEREAS:**

- (A) By a lease dated with effect from the 29<sup>th</sup> day of March, 1996 (the "**Original Lease**") the Landlord did demise and lease unto 477020 B.C. Ltd. ("**477020**") the Buildings (hereinafter defined) for a term of six (6) years and two (2) months commencing on the 1st day of May, 1996 and expiring on the 30th day of June, 2002 on the terms and conditions contained in the Original Lease.
- (B) By an amendment of lease dated for reference the 7th day of September, 2001 (the "**Lease Amendment**"), the Landlord and 477020 agreed to extend the term of the Original Lease for a further two (2) years commencing on the 1st day of July, 2002 and expiring on the 30th day of June, 2004 on the terms and conditions contained in the Lease Amendment.
- (C) By a license agreement dated with effect from the 29th day of March, 1996 (the "**Original License**"), the Landlord did grant to 477020 the non-exclusive license to use that portion of the Land (hereinafter defined) cross-hatched in Schedule "A" attached hereto for a period of six (6) years and two (2) months commencing on the 1st day of May, 1996 and expiring on the 30th day of June, 2002 on the terms and conditions contained in the Original License.
- (D) By an amendment of license dated for reference the 7th day of September, 2001 (the "**License Amendment**"), the Landlord and 477020 agreed to extend the term of the Original License for a further period of two (2) years commencing on the 1st day of July, 2002 and expiring on the 30th day of June, 2004 on the terms and conditions contained in the License Amendment.
- (E) By a license agreement dated for reference the 23rd day of July, 2002 (the "**Pool License**"), the Landlord did grant to 477020 an exclusive license (subject to the

Date: Sept 27<sup>th</sup>, 2010

Page 1 of 29

CA# 105967

Approved  
to form

CUC



right of current users to continued use) to use that 5,100 square feet (approximately) portion of the building described as the Recreation Centre in Schedule "A" hereto in which the swimming pool is located (the "**Pool Premises**") for a period expiring on the 30th day of June, 2004 on the terms and conditions contained in the Pool License.

- (F) 477020 has agreed, with the consent of the Landlord, to assign all of its right, title and interest in and to the Original Lease, as amended by the Lease Amendment, the Original License, as amended by the License Amendment and the Pool License to the Tenant.
- (G) The Landlord and the Tenant have agreed to extend the term of the Original Lease, as amended by the Lease Amendment, the Original License, as amended by the License Amendment and the Pool License for a further period of five (5) years commencing on the 1st day of July, 2004 and expiring on the 30th day of June, 2009.
- (H) The Landlord and the Tenant have agreed to extend the term of the Original Lease, as amended by the Lease Amendment, the Original License, as amended by the License Amendment and the Pool License and the extension for a further period of one (1) year commencing on the 1st day of July, 2009 and expiring on the 30th day of June, 2010.
- (I) The Landlord and the Tenant have further agreed to extend the term of the Original Lease, as amended by the Lease Amendment, the Original License as amended by the License Amendment and the Pool License for a further period of ten (10) years commencing on the 1<sup>st</sup> day of July, 2010 and expiring on June 30, 2020, on the terms and conditions contained herein.

**NOW THEREFORE IN CONSIDERATION** of the covenants, agreements and conditions herein contained, the above parties agree as follows:

## **PART 1**

### **DEFINITIONS**

- 1.1 (a) "**Additional Rent**" means all amounts paid hereunder by the Tenant save and except for Base Rent.
- (b) "**Base Rent**" means the sum set out in §3.1(a) and (b).
- (c) "**Buildings**" means McDonald Hall and Annex, Tyler House and the Pool Premises.

- (d) **"Cost of Living Adjustment"** means the most recent consumer price index published by Statistics Canada (or such other index as may be substituted for it by Statistics Canada, or the then recognized statistical branch of the Government of Canada) for the City of Vancouver All Items (or if no such index is published for the City of Vancouver then a similar index designated by the Landlord, acting reasonably) on or prior to the date on which the Base Rent increase is to take effect divided by the last similar index published on or prior to July 1, 2010 or to the date of the previous Base Rent increase as the case may be. If the index has increased during the period, then the Base Rent for the next 12 month period shall be increased by reference to the following formula:

$$\text{Increase in Base Rent} = \text{Base Rent for immediately preceding period} \times \text{Cost of Living Adjustment.}$$

- (e) **"Environmental Laws"** means any statutes, laws, regulations, orders, bylaws, standards, guidelines, protocols and other lawful requirements of any governmental authority having jurisdiction over the Buildings or the Land now or hereafter in force relating in any way to the environment, environmental assessment, health, occupational health and safety, protection or any form of plant or animal life or transportation of dangerous goods, including the principles of common law and equity.
- (f) **"Fiscal Year"** means each one (1) year period commencing on the 1st day of April of a given year and running twelve consecutive months to and including the 31st of March of the subsequent year.
- (g) **"Hazardous Materials"** means any organic or inorganic substance or material that may pose a risk to the health or safety of any living person or animal.
- (h) **"Land"** means the 38 acre (approximately) parcel of land civically described as 4125 West 8th Avenue, Vancouver, B.C. and legally described as:

PID: 007-225-491 Block A Except part in Reference Plan 14457 District Lot 176 Plan 18336

- and -

PID: 007-020-961 Block C District Lot 176 Plan 19402

- (i) **"Landlord"** means Her Majesty The Queen, in right of the Province of British Columbia, as represented by the Minister of Citizens' Services.
- (j) **"Lease Year"** means a twelve (12) month period commencing on July 1st and expiring on June 30th in each year of the Term;

- (k) **"License Area"** means that portion of the Land, excluding the cafeteria building and recreation centre buildings shown cross-hatched on Schedule "A" hereto;
- (l) **"License Fee"** means the annual fee set out in §3.1(c) and (d);
- (m) **"McDonald Hall and Annex"** means that building shown outlined in heavy bold on Schedule "A" hereto and having an area of approximately 39,826 square feet;
- (n) **"Operating Costs"** means the direct cost of ordinary non-capital expenditures incurred only in connection with the operation of the Buildings and a portion of the Land as itemized in Schedules "A" and "B" attached hereto, which may include, but will not be limited to, costs for:
- (i) heating (gas is to be separately metered and reconciled);
  - (ii) water (to be separately metered and reconciled) and sewer rates and other utilities;
  - (iii) electric power (to be separately metered and reconciled);
  - (iv) preventative servicing and minor repairs of the heating, ventilating and air-conditioning (HVAC) system;
  - (v) preventative servicing and repairs to plumbing and electrical systems
  - (vi) garbage removal;
  - (vii) preventative servicing and minor repairs of elevator;
  - (viii) window cleaning (interior and exterior);
  - (ix) janitorial services and supplies;
  - (x) lamp, tube and ballast replacement;
  - (xi) taxes and grants in lieu of taxes (if applicable) referred to in §3.3;
  - (xii) insurance and plate glass replacement;
  - (xiii) security, fire and safety; and
  - (xiv) property management, supervisions and administration,

provided that costs for structural maintenance and amounts normally charged to depreciation, interest on debt or capital retirement of debt shall not be included when calculating Operating Costs and provided further that costs for heating,

water and electric power not separately metered shall be calculated and reconciled.

- (o) **"Pool Premises"** means that portion of the Building containing the swimming pool shown in heavy bold on Schedule "A" attached hereto.
- (p) **"Prime Rate"** means the rate of interest per annum (regardless of how or when calculated) designated from time to time by the Royal Bank of Canada (or its successor) (the "Bank") as being the prime commercial lending rate (now commonly known as the Bank's prime rate) charged by the Bank for demand loans in Canadian funds made at the main branch of the Bank in Vancouver, British Columbia (and if at any time there is more than one prime commercial lending rate of the Bank then the Prime Rate shall be the highest prime commercial lending rate of the Bank);
- (q) **"Rent"** means the Base Rent, Additional Rent and all other money payable by the Tenant to the Landlord under this Lease whether or not designated as "Rent".
- (r) **"Taxes"** means all taxes, rates, duties, assessments and grants-in-lieu of taxes whether municipal, provincial, federal or otherwise, charged upon the Buildings referred to in §3.3.
- (s) **"Tenant Improvements"** means the improvements, if any, made to the Buildings, or the License Area or the Pool Premises by the Tenant with the approval of the Landlord. For the purposes of this Lease, the term Tenant Improvements includes all items generally considered as tenant improvements, including without limitation all fixtures, improvements, installations, alterations and additions from time to time made, erected or installed by or on behalf of the Tenant including all partitions however affixed, and whether or not moveable, and all wall-to-wall carpeting other than carpeting laid over finished floors and affixed so as to be readily removable without damage with the exception of trade fixtures and furniture and equipment not of the nature of fixtures.
- (t) **"Tyler House"** means that building shown in heavy bold on Schedule "A" hereto and having an area of approximately 22,092 square feet.

## PART 2

### BUILDINGS AND TERM

#### Demise and Term

- 2.1 Subject to the terms of this Lease, including Schedule C which is expressly incorporated herein, the Landlord does hereby demise and lease the Buildings to the Tenant for a term

of ten (10) years (the "Term") commencing the 1st day of July, 2010 (the "Commencement Date") and expiring the 30th day of June, 2020.

- 2.2 The Landlord does hereby grant to the Tenant a License to enter onto the Lands (including, without limitation, the License Area) and the Pool Premises as set out in §4.12.

### PART 3

#### BASE RENT AND OTHER CHARGES

##### Base Rent

- 3.1 The Tenant shall pay to the Landlord Base Rent and License Fees during the Term as follows:

(a) McDonald Hall and Annex

For the period commencing July 1, 2010 and expiring June 30, 2020 the annual Base Rent shall be s 17 plus HST payable in equal monthly instalments of s 17 in advance on the first day of each and every month from July 1, 2010 to June 30, 2020;

(b) Tyler House

For the period commencing July 1, 2010 and expiring June 30, 2020 the annual Base Rent shall be s 17 plus HST payable in equal monthly instalments of s 17 in advance on the first day of each and every month from July 1, 2010 to June 30, 2020;

(c) License Area

For the period commencing July 1, 2010 and expiring June 30, 2020, the License Fee shall be the sum of s 17 plus HST per annum payable in equal monthly instalments of s 17 on the first day of each and every month from July 1, 2010 to June 30, 2020.

(d) Pool Premises

For the period commencing July 1, 2010 and expiring June 30, 2020, the annual License Fee shall be the actual cost to the Landlord of operating the Pool Premises currently estimated to be s 17 plus HST per annum in equal monthly instalments of s 17 from July 1, 2010 to June 30, 2020. Any increase in the actual costs incurred by the Landlord in subsequent years shall be paid by the Tenant.

(e) Cost of Living Adjustment

Commencing July 1, 2010, the Base Rent for each of McDonald House and Annex, Tyler House and the License Area will be adjusted effective July 1st in each Lease Year during the Term by the Cost of Living Adjustment. The Landlord will advise the Tenant of the Base Rent payable for each Lease Year during the Term on or before May 1st of such Lease Year and the Tenant shall pay such adjusted Base Rent for such Lease Year to the Landlord in equal monthly instalments in advance on the 1st day of each month during such Lease Year.

- 3.2 All payments of Base Rent and License Fees shall be made to the Landlord at the address first above written, or at such other address or such other payee as the Landlord may advise in writing.

**Taxes**

- 3.3 The Tenant shall pay all Taxes, if any, assessed against the Buildings, the License Area and the Pool Premises. If applicable prior to the beginning of each Lease Year during the Term, the Landlord shall estimate the amount of Taxes, if any to be levied against the Buildings, the License Area and the Pool Premises. The Tenant shall, with each monthly payment of Base Rent, pay to the Landlord as Additional Rent, a sum equal to 1/12 of the Landlord's estimate of Taxes, if any, as aforementioned. At the end of each Lease Year during the Term the Landlord will reconcile Taxes actually paid, if any, by the Landlord to the amount paid as Additional Rent, if any, by the Tenant. Any surplus of funds paid by the Tenant shall be immediately refunded to the Tenant and any deficiency of funds shall be immediately paid by the Tenant to the Landlord. In the event that there not be a separate assessment for Taxes made against the Buildings, the Tenant shall pay on demand to the Landlord a share of the Taxes, if any, which may be levied, rated, charged, assessed or paid by any lawful authority against or with respect to the Buildings, the License Area and the Pool Premises as determined by the Landlord, acting reasonably.

**Operating Costs**

- 3.4 In accordance with Schedule "B" attached hereto, the Tenant shall also pay to the Landlord, with each payment of Base Rent and License Fees, as Additional Rent, its monthly estimated Operating Costs for the relative Fiscal Year or the pro rata portion thereof. Within ninety (90) days next following the expiration of the relative Fiscal Year, the Landlord shall provide a reconciliation of the Operating Costs and the difference shall be paid by or credited to the Tenant within thirty (30) days of receipt of such reconciliation.

### **Tenant's Operating Costs**

- 3.5 If the Tenant wishes to contract and pay directly for its Heating (Natural Gas), Water, Garbage Disposal, Electrical, Janitorial (including window cleaning, lamp replacement) or Interior and Exterior Fabric Maintenance these services may be provided directly by the Tenant upon ninety (90) days written notice to the Landlord. The Property Management Services, as shown under Column C of Schedule "B", will be provided by the Landlord at the Tenant's cost and these charges will be recovered monthly as Additional Rent. All maintenance and cleaning which is carried out, contracted or supervised by the Tenant shall be to industry accepted standards. The Landlord shall have the right to inspect the maintenance and cleaning carried out, contracted or supervised by the Tenant and if necessary to request improvements to the Property Management Services provided by the Tenant. If the maintenance and or cleaning is not done to an acceptable level either party shall have the right following written notification to the other party to carry out the required work and Schedule "B" attached hereto will be amended accordingly if required.

### **Interest On Arrears**

- 3.6 The Tenant shall pay to the Landlord all charges as set out in this Lease. Any amounts unpaid after the due date shall bear interest at the rate of Prime Rate plus four (4) percent at the time such fees become outstanding, compounded monthly from the date that such charges become due, to and including the date of payment.

## **PART 4**

### **GENERAL COVENANTS**

#### **Directions As To Emergency**

- 4.1 In case of emergency, the Landlord designates the BLJC Workplace Solutions Inc., telephone number 1-877-222-3112 as its representative, and the Tenant designates the Business Manager of West Point Grey Academy, telephone number (604) 222-8750 extension 105 as its representative.

#### **Access**

- 4.2 The Tenant, its servants, agents, employees, licensees and invitees shall have the right of access to the Buildings, the License Area and the Pool Premises over the Land for the purpose of ingress, egress and full enjoyment thereof.

#### **Use of Buildings, License Area and Pool Premises**

- 4.3 The Tenant shall use the Buildings, License Area and Pool Premises only for educational purposes including a preschool, kindergarten, primary, secondary and international (ie.

ESL) school including ancillary uses such as a cafeteria, a school clothing shop and recreational uses. Any change in use shall require the consent of the Landlord in writing.

4.4 There shall be permitted no use of Hazardous Materials in or around the Buildings.

#### **Comply With Laws**

4.5 The Tenant shall at all times during the Term hereof comply with all applicable laws, statutes, bylaws, ordinances, regulations or other lawful requirements of any governmental authority having jurisdiction. Subject to §4.9 hereof, the Landlord shall be responsible for its actions during the Term as those actions relate to compliance with all applicable laws, status, bylaws, ordinances, regulations or other lawful requirements of any governmental authority having jurisdiction.

#### **Alterations**

4.6 The Tenant may, with the prior written consent of the Landlord, make such alterations or additions to the Buildings, the License Area and the Pool Premises as it may from time to time request in writing and as are required for the conduct of the school operations carried on by West Point Grey Independent School Society.

#### **Sub-Letting and Assignment**

4.7 The Tenant may not assign its interest in the Lease or sublet any portion of the Buildings without the prior written consent of the Landlord, such consent not to be unreasonably withheld. The Landlord acknowledges its consent to a subletting of the Buildings and a sublicense of the License Area and the Pool Premises to West Point Grey Independent School Society and The West Point Grey Community Association and other routine user groups for the uses as permitted by §4.3 hereof.

#### **Quiet Enjoyment**

4.8 Provided the Tenant is not in default under the terms of this Lease, the Tenant shall have quiet enjoyment of the Buildings, the License Area, and the Pool Premises.

#### **Structural Repairs**

4.9 The Landlord shall be responsible for the structural integrity of the Buildings at the sole cost of the Tenant.

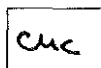
#### **Heritage Conservation Act**

4.10 The Tenant shall take all reasonable precautions to avoid disturbing or damaging any archaeological material found on or under the Land and, upon discovering any archaeological material on or under the Land, the Tenant shall immediately notify the ministry responsible for administering the *Heritage Conservation Act*.

Date: Sept 27<sup>th</sup>, 2010

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CA# 105967    Approved  
to form





## Landlord's Representations

4.11 The Landlord represents and warrants to the Tenant as follows:

- (a) the drinking water at the Buildings was analyzed on August 4, 1994 and, in the reasonable opinion of the Landlord, the results indicated that the quality of the water is well within "**maximum acceptable concentrations**" as defined by the guidelines for Canadian drinking water quality and the Landlord has no reason to suspect that there has been any change in the water quality since this analysis was conducted; and
- (b) the asbestos material still present in the Buildings is being inspected on a regular basis at the sole cost of the Tenant, and will continue to be regularly inspected throughout the Term, in accordance with Environmental Laws and, in the reasonable opinion of the Landlord, presents no health hazards for persons using the Buildings.

## License Area and Pool Premises

4.12 The Landlord hereby grants to the Tenant during the Term a non-exclusive license to enter upon and occupy the License Area and the Pool Premises on the following terms and conditions:

- (a) the Tenant shall use the License Area solely for recreation and parking including, without limitation, use and association with a preschool, kindergarten, primary, secondary and an international (ie. ESL) school, and for access to and egress from the Buildings, and shall not use the License Area for any other purpose without the approval in writing of the Landlord;
- (b) the Tenant shall use the Pool Premises solely for recreation and leisure activities in association with the uses referred to in §4.3; the Landlord, through its Property Management Group, will provide to the Tenant the services listed in Schedule "B", at the sole cost of the Tenant, hereto in connection with the License Area and Pool Premises;
- (c) the Tenant shall obtain insurance regarding the License Area and the Pool Premises on the terms set out in §5.1 hereof;
- (d) the Tenant shall not commit or suffer any wilful or voluntary waste, spoil or destruction on the License Area or the Pool Premises or do or suffer to be done anything thereon that may be or become a nuisance or annoyance to owners or occupiers of adjoining land;
- (e) the Tenant shall observe, abide by and comply with all laws, bylaws, orders, directions, ordinances and regulations of any competent governmental authority in

connection with the License Area and the improvements situate thereon and the Pool Premises and the use thereof;

- (f) the Landlord shall be responsible for its actions during the Term with respect to the License Area and the Pool Premises as those actions relate to compliance with all applicable laws, bylaws, statutes, ordinances, regulations or other lawful requirements of any governmental authority having jurisdiction over the License Area and the Pool Premises;
- (g) the Tenant shall indemnify and save the Landlord harmless against all loss, damage, costs and liabilities caused directly or indirectly by reason of the Tenant's use of the License Area and the Pool Premises, except to the extent that such loss, damage, cost or liability is caused by or contributed to by the negligence of the Landlord or those for whom the Landlord is responsible at law;
- (h) the Tenant shall keep the License Area and the Pool Premises in a clean and tidy condition (with respect to its use thereof) satisfactory to the Landlord;
- (i) the Tenant shall not, without the prior written consent of the Landlord, construct, erect or place any improvements on the License Area save and except for the preschool playground addition, field renovation (track, soccer field), tennis field and existing playground renovations constructed by the Tenant on the License Area at its sole cost;
- (j) the Tenant shall not interfere with the activities of any other person to enter on and use the License Area under a prior, concurrent, or subsequent license granted by the Landlord. The Tenant acknowledges that the Tenant is not entitled to exclusive possession of the License Area and that the Landlord may grant licenses to others to use the Land for the purposes permitted herein or for any other purpose provided that the Landlord shall not grant any license to any other person corporation, society or other entity for any purpose or use which would interfere with the Tenant's use of the License Area hereunder. The Landlord agrees to advise the Tenant from time to time of all License Agreements it enters into on the Lands with other users;
- (k) the Tenant shall upon the expiration or earlier termination of this License remove any improvements placed on the License Area by the Tenant if so requested by the Landlord and to leave the surface of the License Area in a clean and tidy condition; and
- (l) the Tenant shall not assign its rights under this License except in accordance with §4.7 hereof.

## PART 5

### INSURANCE AND REPAIRS

#### Tenant's Insurance

- 5.1 The Tenant will, without limiting its obligations or liabilities herein and at its own expense, provide and maintain the following insurances with insurers licenced in British Columbia or Canada, throughout the Term and during such other time as the Tenant occupies the Buildings or uses the License Area and the Pool Premises or any part thereof:
- (a) "all risks" property insurance in an amount of not less than the full replacement cost for all property owned by the Tenant, or for which the Tenant is legally liable, or installed by or on behalf of the Tenant in the Buildings, the License Area and the Pool Premises including without limitation, Tenant's Improvements, equipment, furniture, fixtures, fittings and plate glass if appropriate. Such coverage shall insure without limitation, sprinkler leakages, earthquake, flood and collapse;
  - (b) comprehensive general liability in an amount not less than Ten Million Dollars (\$10,000,000.00) or such higher limits as the Landlord may from time to time reasonably require, insuring against property damage, bodily injury, personal injury, Tenant's legal liability and liability assumed under contract, covering all activities conducted by the Tenant and any party in or on the Buildings, those for whom the Tenant is in law responsible, and any party performing work on behalf of the Tenant in any other part of the Building. The Landlord is to be an additional insured under this insurance.

#### Tenant's Insurance Policies To Contain

- 5.2 (a) Each of the Tenant's insurance policies shall contain, as appropriate:
- (i) a waiver of any subrogation rights which the Tenant's insurers would have against the Landlord or any party for whom the Landlord is in law responsible;
  - (ii) a severability of interests clause and cross-liability clause;
  - (iii) a provision stating that the Tenant's insurance policy shall be primary and shall not call into contribution any other insurance available to the Landlord; and
- (b) The Tenant will provide the Landlord with evidence of all required insurance prior to the commencement of the Term, and from time to time as requested by the Landlord, in the form of a completed Province of British Columbia Certificate

of Insurance. When requested by the Landlord, the Tenant will provide certified copies of required insurance policies. All of the Tenant's insurance policies shall contain an undertaking by the insurer that no cancellation of any policy shall be made unless the Landlord has received not less than thirty (30) days prior written notice thereof, delivered in accordance with the provisions of this Lease.

- (c) All of the Tenant's insurance policies shall contain an undertaking by the insurer that no cancellation of any policy shall be made unless the Landlord has received not less than thirty (30) days prior written notice thereof, delivered in accordance with the provisions of this Lease.

#### **Landlord's Right To Place Tenant's Insurance**

- 5.3 If the Tenant at any time fails to take out, maintain in force or pay the premiums on any such insurance as required herein, or if the Tenant fails from time to time to deliver to the Landlord satisfactory evidence of the good standing of any such insurance or the payment of premiums thereon, then the Landlord may at its sole discretion, without prejudice to any of its other rights and remedies under this Lease, procure insurance on behalf of the Tenant, and the Tenant shall pay to the Landlord upon demand the premium and reasonable expenses incurred by the Landlord.

#### **Tenant To Utilize Insurance Proceeds**

- 5.4 The Tenant agrees that in the event of damage or destruction to the Tenant Improvements in or on the Buildings, the License Area or the Pool Premises covered by insurance required to be taken out by the Tenant pursuant to §5.1 the Tenant shall use the proceeds of such insurance for the purpose of repairing or restoring such Tenant Improvements unless the Lease is terminated by the Landlord or the Tenant pursuant to §5.11.

#### **Indemnities And Limitation On Liability**

- 5.5 The Landlord shall not be liable for any death or injury arising from or out of any occurrence in, upon at or relating to the Buildings, the License Area or the Pool Premises and the Land or damage to property of the Tenant or of others located on the Buildings, the License Area or the Pool Premises or elsewhere in the Buildings, the License Area or the Pool Premises nor shall it be responsible for any loss of or damage to any property of the Tenant or others from any cause whatsoever. Without limiting the generality of the foregoing, the Landlord shall not be liable for any injury to persons or damage to property resulting from fire, explosion, steam, gas, electricity, water, rain, flood, snow, ice or leaks from any part of the Buildings, the License Area or the Pool Premises from the pipes, sprinklers, appliances, plumbing works, roof, windows or subsurface of any floor or ceiling of the Buildings, the License Area or the Pool Premises or from the street or any other place, or by dampness, or by any other cause whatsoever. The Landlord shall not be liable for any such damage caused by other tenants or person in the Buildings, the License Area or the Pool Premises or by occupants of adjacent property

thereto, or the public, or caused by construction, or by any private, public or quasi-public work. All property of the Tenant kept or stored on the Buildings, the License Area or the Pool Premises shall be so kept or stored at the risk of the Tenant only and the Tenant shall indemnify the Landlord and save it harmless from any claims arising out of any damage to the same including, without limitation, any subrogation claims by the Tenant's insurers, except to the extent that any such claims are the result of the negligence or misconduct of the Landlord or those for whom the Landlord is responsible at law.

5.6 The Tenant will indemnify the Landlord and save it harmless against claims or losses arising from the use or occupation of the Buildings, the License Area or the Pool Premises by the Tenant, its servants, agents, employees, licensees or invitees, or against claims or losses arising out of the acts or omissions of the Tenant, its servants, agents, employees, licensees or invitees or any person or persons who are voluntarily or involuntarily detained or incarcerated in the Buildings, the License Area or the Pool Premises, except to the extent that any such claims or losses are the result of the negligence or misconduct of the Landlord or those for whom the Landlord is responsible at law. This clause will not affect the waiver of subrogation contained in the Tenant's insurance.

5.7 The Landlord will indemnify the Tenant against:

- (a) claims or losses arising out of the negligence of the Landlord or its servants, agents, employees, licensees or invitees, except to the extent that any such claims or losses are the result of the Tenant's negligence or to the extent that the Tenant's property insurance policy provides coverage; and
- (b) claims related or in any way connected to Hazardous Materials located in, on or under the Buildings or the Land prior to the Tenant taking occupancy on May 1, 1996 (including, but not being limited to, the existing asbestos material in the Buildings disclosed by the Landlord under §4.11(b) hereof).

#### **Landlord's Covenant To Repair**

5.8 The Landlord covenants, subject to the provisions of §5.11, to maintain the Buildings in a good and tenantable condition, at the sole cost of the Tenant, and to operate the Buildings, the License Area and the Pool Premises as would a prudent landlord of similar premises.

The Landlord covenants to maintain the Pool Premises, at the sole cost of the Tenant, at those standards specified in the Occupational Environment Regulations of the Workplace Act, SBC, 1985 c 34, and shall not be responsible for direct, indirect or consequential damages arising out of any breach of the paragraph.



## **Tenant's Covenant To Repair**

- 5.9 The Tenant shall maintain and keep in good repair (reasonable wear and tear and repairs for which the Landlord is responsible hereunder excepted) the Buildings and the Pool Premises (including the Tenant's Improvements, fixtures and chattels) and shall not overload any floors, nor commit or permit any waste. The Tenant shall allow the Landlord to enter the Buildings and the Pool Premises at any reasonable time upon prior notice to the Tenant for the purpose of inspecting and making repairs for which the Landlord is responsible hereunder.

## **Notification Of Defects**

- 5.10 The Tenant shall give the Landlord immediate written notice of any accident, defect or damage within the Buildings and the Pool Premises or the systems therein or any services for which the Landlord has obligations under this Lease.

## **Damage Or Destruction Of The Buildings and the Pool Premises**

- 5.11 (a) If the Buildings are damaged by any cause, or destroyed, in whole or in part, the following provisions shall apply:
- (i) if the damage is such as to render the whole or any part of the Buildings unusable for the purpose of the Tenant's use and occupancy thereof, the Landlord shall deliver to the Tenant within thirty (30) days following the occurrence of the damage its reasonable written opinion as to whether or not the damage is capable of being repaired, to the extent of the Landlord's repair obligations herein within ninety (90) days following such occurrence;
  - (ii) if the Buildings are capable of being repaired as aforesaid within ninety (90) days following such occurrence, the Landlord shall reasonably proceed to perform such repairs as are its responsibility herein;
  - (iii) if the Buildings are not capable of being repaired as aforesaid within ninety (90) days following such occurrence, either the Landlord or the Tenant may, at its option, elect, by written notice given to the other party within sixty (60) days after such occurrence, to terminate this Lease, whereupon the Tenant shall immediately surrender possession of the Buildings, and Rent and all other payments for which the Tenant is liable hereunder shall be apportioned to the date of such occurrence. If neither party so elects to terminate this Lease, the Landlord shall reasonably proceed to repair the Buildings to the extent of its obligations herein;
  - (iv) if the Buildings are, as a result of any such occurrence, rendered unusable in whole or in part for the purpose of the Tenant's use and occupancy thereof, then all Rent payable hereunder shall abate from the date of such

occurrence, to the extent that the Tenant's use and occupancy of the Buildings is thereby diminished, which determination shall be made by the Landlord acting reasonably, until the earlier of the 30th day following the date of delivery to the Tenant of written notice from the Landlord that the Buildings are ready for the Tenant to commence its repairs to the Buildings pursuant to its obligations under this Lease or the date that the Tenant should again commence its operations from the Buildings;

- (v) the respective obligations of the Landlord and the Tenant with respect to the repair and restoration of the Buildings following any damage, shall be performed in accordance with the applicable obligations to repair contained in this Lease and shall be performed expeditiously.
- (b) If the Pool Premises are damaged by any cause, or destroyed in whole or in part, then the Landlord, at its option, may elect to terminate the right of the Tenant to use the Pool Premises, at the sole cost of the Tenant, as provided herein and, in such event, no Rent attributable thereto shall be payable by the Tenant from the date of the damage. However, if the Landlord elects, at its option to repair the damage, the Rent payable by the Tenant shall abate from the date of such occurrence until the date the Pool Premises are available for use.

#### **Restoration Of Buildings and Pool Premises**

5.12 It is agreed that, in the event that the Landlord repairs or rebuilds the Buildings or the Pool Premises as provided herein and in accordance with the provisions of §5.11 and §5.12 hereof, it shall not be obliged to do so precisely in accordance with the plans and specifications for the construction of the Buildings or the Pool Premises prior to such damage. However, the Buildings as repaired or rebuilt to the extent required herein shall be reasonably similar in area and condition to the Buildings or the Pool Premises as they existed prior to such damage and the Tenant's use and occupancy of and access to the Buildings or the Pool Premises shall not be unreasonably diminished by any difference in the reconstruction of the Buildings or the Pool Premises as related to such before the damage.

#### **Architect's Certificate**

5.13 In the event of any dispute between the parties arising out of this Part 5, the certificate of an independent and accredited architect approved by the Landlord and the Tenant, each acting reasonably, shall bind the parties as to:

- (a) whether or not the Buildings or the Pool Premises are rendered unusable and the extent thereof;
- (b) the percentage of damage or destruction or space rendered unoccupiable;

- (c) the date upon which the Landlord's work of reconstruction or repair is completed or substantially completed and the date when the Buildings or the Pool Premises are rendered usable;
- (d) the state of completion of any work of either the Landlord or the Tenant; and (e) the time required to complete repairs.

## PART 6

### DEFAULT

#### Right To Re-Enter

6.1 Without limiting the generality of the foregoing, if:

- (a) the Tenant fails to pay any rent or other sums hereunder on the day or dates appointed for the payment thereof (provided the Landlord first gives ten (10) days written notice to the Tenant of any such failure); or
- (b) the Tenant fails to perform any other of the terms, covenants, or conditions of this Lease to be observed or performed by the Tenant (provided the Landlord first gives the Tenant fifteen (15) days written notice of any such failure to perform and the Tenant within such period of fifteen (15) days fails to commence diligently and thereafter to proceed diligently to cure any such failure to perform); or
- (c) the Tenant or any agent of the Tenant falsifies any report required to be furnished to the Landlord pursuant to this Lease; or
- (d) the Tenant or any sub-tenant occupying the Buildings or any part thereof and operating a business in the Buildings becomes bankrupt or insolvent or takes the benefit of any act now or hereafter in force for bankrupt or insolvent debtors or files any proposal or makes any assignment for the benefit of creditors; or
- (e) a receiver or a receiver manager is appointed for all or a portion of the Tenant's property or any such occupant's, licensee's, concessionaire's or franchisee's property; or
- (f) any steps are taken or any action or proceedings are instituted by the Tenant or by any other party including without limitation, any court or governmental body of competent jurisdiction for the dissolution, winding-up or liquidation of the Tenant or its assets; or
- (g) the Tenant abandons or attempts to abandon the Buildings, or sells or disposes of the goods and chattels of the Tenant or removes them from the Buildings so that



there would not in the event of such sale or disposal be sufficient goods on the Buildings subject to distress to satisfy all rent due and accruing hereunder; or

- (h) the Buildings become and remain vacant for a period of thirty (30) consecutive days or are used by any other persons than such as are entitled to use them hereunder; or
- (i) the Tenant assigns, transfers, encumbers, sublets or permits the occupation or use or the parting with or sharing possession of all or any part of the Buildings by anyone except in a manner permitted by this Lease; or
- (j) this Lease or any of the Tenant's assets are taken under any writ of execution; or
- (k) re-entry is permitted under any other terms of this Lease,

then the Landlord, in addition to any other rights or remedies it has pursuant to this Lease or by law, has, to the extent permitted by law, the immediate right of re-entry upon the Buildings and it may remove all persons and property from the Buildings and such property may be removed and stored in a public warehouse or elsewhere at the cost and for the account of the Tenant, all without service or notice or resort to legal process and without the Landlord being considered guilty of trespass or becoming liable for any damage which may be occasioned thereby.

### **Right To Relet**

- 6.2 If the Landlord elects to re-enter the Buildings as herein provided, or if it takes possession pursuant to legal proceedings or pursuant to any notice provided for by law, it may either terminate this Lease or it may from time to time without terminating this Lease, make such alternations and repairs as are necessary in order to relet the Buildings, or any part thereof for such term or terms (which may be for a term extending beyond the Term) and at such Rent and upon such other terms, covenants and conditions as the Landlord in its sole discretion considers advisable. Upon each such reletting all Rent received by the Landlord from such reletting shall be applied, first to the payment of any indebtedness other than Rent due hereunder from the Tenant to the Landlord; second, to the payment of any costs and expenses of such reletting including brokerage fees and solicitor's fees and of costs of such alternations and repairs; third, to the payment of Rent due and unpaid hereunder; and the residue, if any, shall be held by the Landlord and applied in payment of future Rent as the same becomes due and payable hereunder. If such rent received from such reletting during any month is less than that to be paid during that month by the Tenant hereunder, the Tenant shall pay any such deficiency which shall be calculated and paid monthly in advance on or before the first day of each and every month. No such re-entry or taking possession of the Buildings by the Landlord shall be construed as an election on its part to terminate this Lease unless a written notice of such intention is given to the Tenant. Notwithstanding any such reletting without termination the Landlord may at any time thereafter elect to terminate this Lease for such previous

breach. If the Landlord at any time terminates this Lease for any breach, in addition to any remedies it may have, it may recover from the Tenant all damages it incurs by reason of such breach, including the cost of recovering the Buildings, solicitor's fees (on a solicitor and his client basis) and including the worth at the time of such termination of the excess, if any, of the amount of Rent and charges equivalent to Rent reserved in this Lease for the remainder of the stated Term over the then reasonable rental value of the Buildings for the remainder of the stated Term, all of which amounts shall be immediately due and payable by the Tenant to the Landlord.

### **Expenses**

- 6.3 If legal action is brought for recovery of possession of the Buildings, for the recovery of Rent or any other amount due under this Lease, or because of the breach of any other terms, covenants or conditions herein contained on the part of the Tenant to be kept or performed, and a breach is established, the Tenant shall pay to the Landlord all expenses incurred therefore, including solicitor's fees (on a solicitor and his client basis), unless a Court shall otherwise award.

### **Landlord May Cure Tenant's Defaults**

- 6.4 If the Tenant fails to pay, when due, any amounts or charges required to be paid pursuant to this Lease, the Landlord, after giving ten (10) days notice in writing to the Tenant, may, but shall not be obligated to, pay all or any part of the same. If the Tenant is in default in the performance of any of its covenants or obligations hereunder (other than the payment of Base Rent or other sums required to be paid pursuant to this Lease) the Landlord may from time to time after giving such notice as it considers sufficient (or no notice in the case of an emergency) having regard to the circumstances applicable, perform or cause to be performed any of such covenants or obligations, or any part thereof, and for such purpose may do such things as may be requisite, including, without limitation, entering upon the Buildings and doing such things in respect of the Buildings or any part thereof as the Landlord reasonably considers requisite or necessary. All expenses incurred and expenditures made by or on behalf of the Landlord under this Part plus a sum equal to fifteen (15) percent thereof representing the Landlord's overhead shall be paid by the Tenant forthwith upon demand. The Landlord shall have no liability to the Tenant for any loss or damages resulting from any such action or entry by the Landlord upon the Buildings and the same shall not be deemed a re-entry or a breach of any covenant for quiet enjoyment.

### **Lien On Trade Fixtures**

- 6.5 If the Tenant at any time during the Term or at the expiration of or termination of the Term is in default under any covenant or obligation contained herein, the Landlord has a lien on all stock-in-trade, inventory and fixtures, equipment and facilities of the Tenant as security against loss or damage resulting from any such default by the Tenant and said

stock-in-trade, inventory, fixtures, equipment or facilities shall not be removed by the Tenant until such default is cured, unless otherwise so directed by the Landlord.

## PART 7

### GENERAL TERMS

#### Termination And Holding Over

- 7.1 The Term herein granted shall expire by effluxion of time without notice from either party to the other. If the Tenant continues to occupy the Buildings with the Landlord's written consent after the expiration of the Term or any renewal thereof, and the Landlord continues to accept the Rent, the new tenancy thereby created shall be deemed to be a yearly tenancy and shall be subject to the covenants and conditions herein contained insofar as the same are applicable. Notwithstanding this clause 7.1 both parties shall have the right to terminate the use of the Pool Premises upon six (6) months written notice to the other.

#### Tenant Improvements

- 7.2 The Tenant agrees that any alterations, improvements and fixtures made to or installed upon the Buildings by or at the expense of the Tenant, other than reasonably movable fixtures, equipment and furniture, shall immediately upon affixation be deemed to be annexed to the Buildings. Such alterations, improvements and fixtures shall remain upon and be surrendered with the Buildings upon the expiration or earlier termination of this Lease except that:
- (a) the Tenant may remove its trade fixtures, equipment and furniture at the expiration of the Term with the consent of the Landlord, or prior to the expiration of the Term in the usual or normal course of its business, provided such trade fixtures, equipment and furniture have become excess for the Tenant's purposes or the Tenant is substituting new and similar trade fixtures, equipment and furniture therefore, and further provided that in each case:
    - (i) such removal is done at the Tenant's sole cost and expense;
    - (ii) the Tenant is not in default under this Lease;
    - (iii) the Tenant first notified the Landlord in writing of such proposed removal;
  - (b) the Tenant shall, at the expiration of the Term, at its own cost and expense, remove such of its Tenant's Improvements and fixtures as the Landlord required to be removed.

The Tenant shall, in the case of every such installation or removal either during or at the expiration of the Term effect the same at times designated by the Landlord and promptly make good any damage caused to the Buildings by the installation or removal of any such alteration, addition or improvement.

### **Surrender**

- 7.3 The Tenant shall surrender the Buildings to the Landlord at the expiration or sooner termination of the Term in good repair, reasonable wear and tear, damage from fire, storm, tempest and other casualty, removal of chattels and repairs for which the Landlord is responsible under the terms of this Lease only excepted. The Tenant shall be liable either to pay compensation to the Landlord in respect of restoration thereof or repair the Buildings.

### **Inability To Perform**

- 7.4 The Landlord does not warrant that any service or facility provided by it hereunder will be free from interruptions caused or required by maintenance, repairs, renewals, modifications, strikes, riots, insurrections, labour controversies, force majeure, act of God or other cause or causes beyond the Landlord's reasonable care and control. No such interruption shall be deemed an eviction or disturbance of the Tenant's enjoyment of the Buildings nor render the Landlord liable in damages to the Tenant nor relieve the parties from their obligations under this Lease provided that the Landlord shall without delay take all reasonable steps to remove the cause of such interruptions.

### **Landlord's Right Of Assignment**

- 7.5 The term "Landlord" as used in this Lease so far as covenants or obligations on the part of the Landlord are concerned shall be limited to mean the Landlord as hereinbefore set out, while it retains its interest in the Land and Buildings. In the event the Landlord transfers any or all of its interest in the Land and Buildings, the Landlord may assign its interest in this Lease to the transferee or to a nominee of the transferee, and the Landlord as hereinbefore set out shall be automatically relieved after the date of such transfer of all liability arising out of the requirement for performance of any obligations on the part of the Landlord herein contained, provided that this release from liability shall become effective only if a transferee shall expressly assume, subject to the limitations of this Part, all of the terms of this Lease to be performed on the part of the Landlord, it being intended hereby that the obligations contained in the Lease on the part of the Landlord shall be binding upon the Landlord, its successors and assigns, only during and in respect of the respective successive periods of their interest in the Land and Buildings.

### **No Waiver**

- 7.6 It is understood and agreed that the remedies of each of the Landlord and the Tenant under this Lease are cumulative and that the exercise or non-exercise by the Landlord or

the Tenant of any right or remedy for the breach by the other party of any covenant or agreement herein contained, or the acceptance of any monies owing hereunder, shall not be deemed to be a waiver or to alter, affect or prejudice the right or remedy to which the Landlord or the Tenant may be lawfully entitled and that any waiver granted in one case shall not be deemed to be a waiver of any subsequent default or breach.

## **PART 8**

### **MISCELLANEOUS**

#### **Approvals And Consents**

- 8.1 Where any approvals or consents are required under this Lease, such approvals or consents shall not be unreasonably withheld or delayed.

#### **Goods and Services Tax**

- 8.2 All amounts quoted herein are exclusive of Goods and Services Tax.
- 8.3 The Tenant shall be responsible for any and all taxes, fees, charges, assessments, rates, levies, duties and excises (whether characterized as sales taxes, purchase taxes, value added taxes, goods and services taxes or any other form of tax) which are imposed on the Tenant or the Landlord or for which the Landlord or Tenant is obliged to pay, or to collect from the Tenant, with respect to:
- (a) any or all amounts paid or payable by the Landlord for goods and services, repairs, maintenance, real estate taxes, insurance, and all other outlays and expenditures (including capital expenditures) for and in connection with the Buildings, the License Area or the Pool Premises, including without limiting the generality of the foregoing, repairs, maintenance and replacements in respect of the Buildings, the License Area or the Pool Premises;
  - (b) any or all amounts paid or payable by the Tenant pursuant to this Lease, including Rents; and
  - (c) this Lease or services or goods supplied or provided or deemed to have been supplied or provided by the Landlord or which the Landlord is deemed responsible to provide in accordance with the terms of this Lease or the consideration for such goods and services,

whether in each case characterised as goods and services tax, sales tax, multi-stage sales tax, value added tax, consumption tax or any other tax, levy, duty or assessment.

## **Force Majeure**

- 8.4 Notwithstanding anything to the contrary contained in this Lease, if either party hereto is bona fide delayed or hindered in or prevented from the performance of any term, covenant or act required hereunder by reason of strikes, labour troubles, inability to procure materials or services, power failure, restrictive governmental laws or regulations, riots, insurrection, sabotage, rebellion, war, act of God or other reason whether of a like nature or not, which is not the fault of the party delayed in performing work or doing acts required under the terms of this Lease, then the performance of such term, covenant or act is excused for the period of the delay and the party so delayed shall be entitled to perform such term, covenant or act within the appropriate time period after the expiration of the period of such delay. Provided, however, that the provisions of this section do not operate to excuse the Tenant from the prompt payment of the Rent and any other payments required by this Lease.

## **Tenant Not To Hinder Or Oppose**

- 8.5 The Tenant agrees that it will not hinder or oppose the Landlord in the exercise of the Landlord's rights and specifically that it will not register any objection with any authority in connection with any application made by the Landlord for re-zoning, permits and approvals for redevelopment of the Land or Buildings and that any such expansion, addition or construction shall not constitute a breach of the Tenant's right to quiet enjoyment; provided that the Landlord will keep the Tenant apprised of any plans for redevelopment or sale of the Land and the Tenant shall be entitled to participate in any public process in connection therewith.

## **Schedules**

- 8.6 The following schedules annexed hereto form part of this Lease:

Schedule "A" Site Plan of Buildings and License Area

Schedule "B" Landlord/Tenant Matrix

Schedule "C" Additional Clauses

## **Schedule "B" — Landlord/Tenant Matrix For General Illustrative Purposes Only**

- 8.7 Schedule "B" is attached to this Lease for general illustrative purposes only. Schedule "B" is not intended to set out the relative responsibilities of the parties. The respective rights and obligations of the parties are contained in the substantive provisions in the body of this Lease. If any conflict arises between Schedule "B" and the rest of the Lease, the provisions contained in the text of this Lease shall prevail.

## Notices

- 8.8 Any notices required pursuant to the terms of this Lease shall be deemed to have been properly delivered by one party to the other firstly on that date upon which registered prepaid mail was effected against the other party at his or its address first recited above, or three (3) days after the posting thereof, whichever shall be the earlier or secondly, by personal service or thirdly, by facsimile to facsimile number (250) 952-8288 in the case of the Landlord and to the facsimile numbers (604) 222-8756 and (604) 893-2661 in the case of the Tenant. Notices sent during a strike, lockout or other labour disturbance at the post office shall be delivered either by personal service or by facsimile and not mailed.

## Covenants And Agreements

- 8.9 The Landlord and the Tenant agree that all the provisions of this Lease are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each provision hereof. Should any provision or provisions of this Lease be illegal or not enforceable, it or they shall be considered separate and severable from the Lease and the remaining provisions of the Lease will be interpreted as though the said illegal or unenforceable provision(s) had never been included.

## Time

- 8.10 Time shall be of the essence in this Lease.

## Entire Agreement

- 8.11 No other stipulation, agreement or undertaking, oral or otherwise, of the parties or of their agents shall be valid or enforceable unless made in writing, initialled by both parties and incorporated by reference into this Lease.

## Interpretation

- 8.12 Wherever the singular, masculine or neuter is used in this Lease, that gender shall be deemed to include the plural or the feminine or body politic or corporate and the respective heirs, executors, administrators, successors and permitted assigns of the parties hereto and each of them where the context or the parties so require.

## Successors

- 8.13 This Lease shall inure to the benefit of and be binding upon the parties hereto, their respective heirs, executors, administrators, successors and permitted assigns as the case may be:

IN WITNESS WHEREOF the duly authorized signatories of the Tenant and the Landlord have executed this Lease as of the date set out above.

**LANDLORD:**

**HER MAJESTY THE QUEEN IN RIGHT OF  
THE PROVINCE OF BRITISH COLUMBIA,  
by the Minister of Citizens' Services  
or the Minister's authorized representative:**

John Mann

**TENANT:**

**West Point Gray Academy Property Society:**

By: *[Signature]*

Sign, Print Name and Title

I have the authority to bind the Landlord

By: *[Signature]*

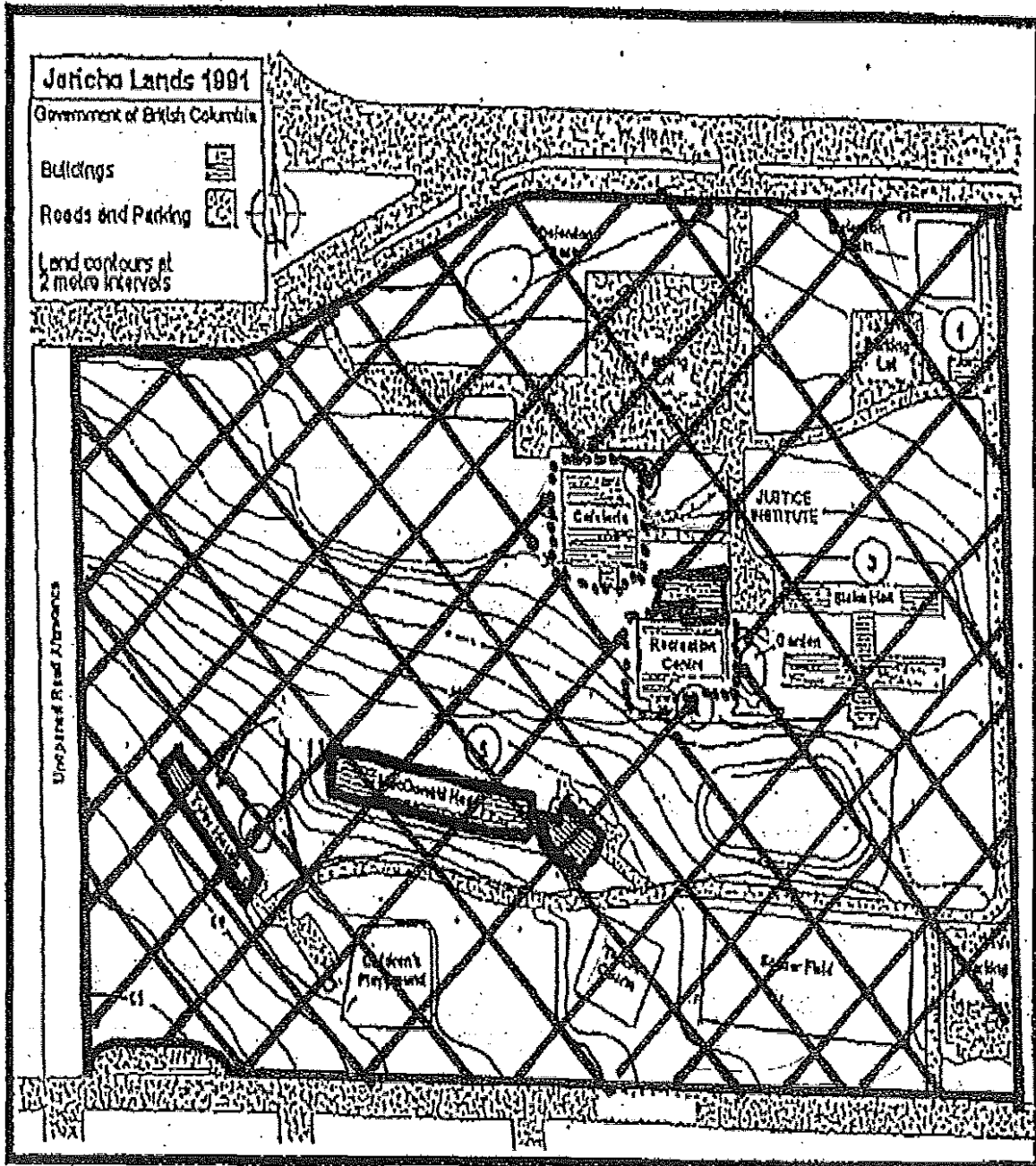
Sign, Print Name and Title

I have the authority to bind the Landlord



# SCHEDULE "A"

## Site Plan of License Area



Date: Sept 27<sup>th</sup>, 2010

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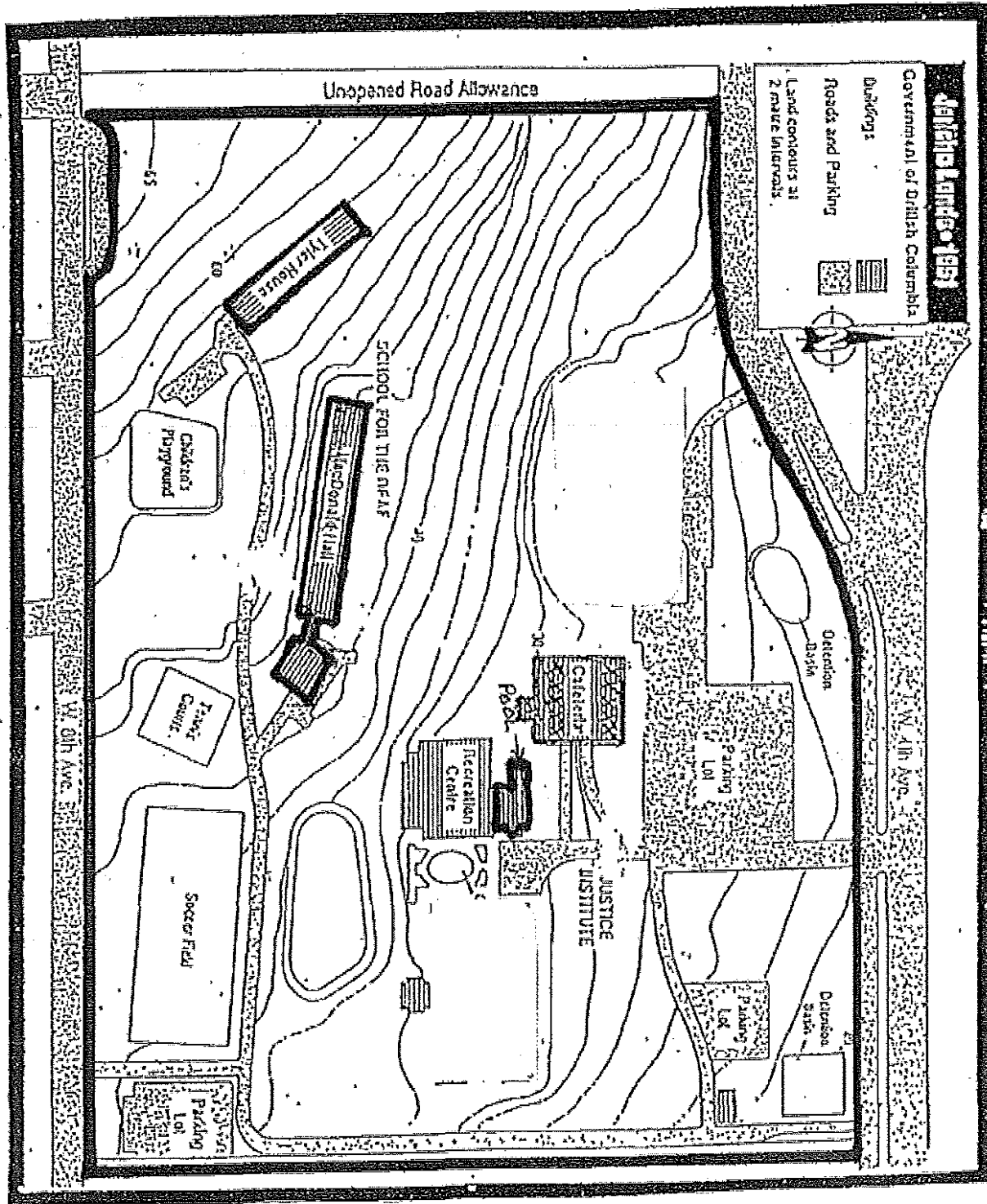
CA# 105967

Approved  
to form

CAC

# SCHEDULE "A"

## Site Plan of Buildings



Date: Sept 27<sup>th</sup>, 2010

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CA# 105967

Approved  
to form

CAC

## SCHEDULE "B"

### Landlord/Tenant Matrix

(a) ITEM	(b) To be Provided by Landlord, Cost Included in Rent	(c) To be Provided by Landlord, Cost Borne by Tenant	(d) To be Provided by Tenant, Cost Borne by Tenant	(e) Does Not Apply
<b>CLEANING</b>				
Janitorial Service and Supplies		x		
Window Cleaning Interior		x		
Window Cleaning Exterior		x		
<b>GROUNDS</b>				
Maintenance of Landscaping and Snow Removal		x		
<b>HVAC</b>				
Preventative Servicing and Minor Repairs of HVAC System		x		
<b>ELECTRICAL</b>				
Lamp and Tube Replacement		x		
Preventative Servicing and Minor Repairs of Elevator(s)				x
<b>NON-ENERGY UTILITIES</b>				
Garbage Removal		x		
Water and Sewage		x		
<b>FUELS</b>				
Heating		x		
<b>ELECTRICITY</b>				
Electricity		x		
<b>PARKING</b>				
Parking Rent				x
<b>INSURANCE</b>				
Fire and Extended Coverage Perils		x		
P.L. and P.D.		x		
Comprehensive, General Liability			x	
Tenant's Chattels & Improvements			x	
<b>SECURITY</b>				
Services, Devices / Patrols				x
<b>TAXES</b>				
Taxes		x		
<b>TENANT IMPROVEMENTS</b>				
Tenant Improvements				x

Date: Sept 27<sup>th</sup>, 2010

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to form

*cnc*

## **SCHEDULE "C"**

### **Additional Clauses**

#### **Artificial Soccer Pitch**

Notwithstanding any other clauses in this Agreement the Landlord hereby grants the Tenant the right to construct an artificial soccer pitch on the Lands. The Tenant shall secure all approvals from authorities having jurisdiction and shall be responsible for the full cost of construction and the relocation of any services, parking and roadways. The Tenant shall provide the Landlord with detailed plans of the improvements for the Landlord's review and approval prior to the Tenant commencing any construction on the Lands.

The cost of the soccer pitch is estimated to be \$2.5 million.

#### **Lease Termination**

The parties hereby acknowledge that the Provincial Government is in negotiations with the First Nations which may result in the Lands changing title. The Landlord and Tenant hereby agree that in the event the Provincial Government reaches an agreement with a First Nation to modify or terminate this Lease, the Landlord has the right to modify or terminate this Lease upon 24 months written notice to the Tenant provided, in the case of a modification, the Tenant shall have the right to terminate the Lease upon 24 months written notice commencing upon receipt of the notice of modification from the Landlord. The Landlord hereby agrees that in the event the Lease is terminated prior to the expiry date of the Lease as noted herein, the Landlord shall pay to the Tenant the actual unamortized cost of the soccer field up to \$2.5 million calculated on a straight-line basis as of the last date of the occupancy of the Premises by the Tenant. The Tenant shall supply the Landlord with evidence of the actual cost of the soccer field to the sole satisfaction of the Landlord. Such amount, if any, shall be paid to the Tenant within sixty (60) days of termination of the Lease.

#### **Option to Renew the Lease**

The Landlord and the Tenant hereby agree and acknowledge that there is no right to renew this Lease on behalf of the Tenant.



**AMENDMENT OF LEASE**

THIS AMENDMENT OF LEASE made in triplicate, on the 6<sup>th</sup> day of December, 2010,

**BETWEEN:**

WEST POINT GREY ACADEMY PROPERTY SOCIETY  
4125 W. 8<sup>th</sup> Avenue  
Vancouver, British Columbia  
V6R 4P9

(herein called the "Tenant")

**OF THE FIRST PART:**

**AND:**

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF  
BRITISH COLUMBIA, as represented by the Minister of Citizens' Services  
W311—4000 Seymour Place  
Victoria, British Columbia  
V8W 9V1

(herein called the "Landlord")

**OF THE SECOND PART**

**WHEREAS:**

- A. By Lease (the "Lease") dated the 29<sup>th</sup> day of October, 2010, the Landlord did demise unto the Tenant MacDonald House and Annex, Tyler House, the License Area and the Pool Premises situated at 4125 West 4<sup>th</sup> Avenue Vancouver, British Columbia on the terms and conditions therein set forth;
- B. The Landlord and the Tenant have agreed to amend the Lease as hereinafter set forth;

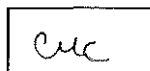
NOW THEREFORE this indenture witnesses that in consideration of the covenants herein contained, the Landlord and the Tenant agree as follows:

1. Effective on the 1<sup>st</sup> day of July, 2010, the Lease is amended as follows:

- Page 1 of 4-

2010/11/30  
CL105967

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2. **Article 3.3** **Taxes**

Article 3.3 is here by deleted and replaced with the following:

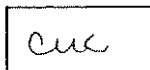
The Tenant shall pay all Taxes, if any, assessed against the Buildings, the License Area and the Pool Premises. The Tenant will pay all taxes directly to the City of Vancouver.

3. Except as specifically provided herein, the terms and conditions of the Lease are confirmed and continue in full force and effect.
4. The indenture shall be binding on the heirs, administrators, successors and permitted assigns, as the case may be, of the parties hereto.

- Page 2 of 4-

2010/11/30  
CL105967

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IN WITNESS WHEREOF the duly authorized signatories of the Tenant and the Landlord have executed this Agreement as of the date set out above.

**TENANT:**

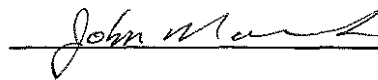
**WEST POINT GREY ACADEMY PROPERTY SOCIETY:**

By:   
Sign, Print Name and Title: ROBERT STANDERWICK DIRECTOR  
I have the authority to bind the Tenant

By: \_\_\_\_\_  
Sign, Print Name and Title:  
I have the authority to bind the Tenant

**LANDLORD:**

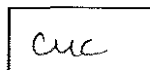
**HER MAJESTY THE QUEEN IN RIGHT OF  
THE PROVINCE OF BRITISH COLUMBIA,  
by the Minister of Citizens' Services or  
the Minister's authorized representative:**

 \_\_\_\_\_

- Page 3 of 4-

2010/11/30  
CL105967

Approved to  
Form









REAL ESTATE  
OPERATIONS

A BRANCH OF SHARED SERVICES BC

March 29, 2013

Mr. Robert Standerwick  
West Point Grey Academy Property Society  
Royal Centre, 1055 West Georgia Street  
Suite 1500, PO Box 11117  
Vancouver, B.C.  
V6E 4N7

Dear Robert,

Re: Gym Boiler Upgrade and Boiler Line Replacement,  
4125 - West 4<sup>th</sup> Ave, Vancouver, BC

Further to our recent conversation West Point Grey Academy Property Society as the Tenant under the Lease at the above noted address hereby agree to make the monthly payments noted below in addition to rent.

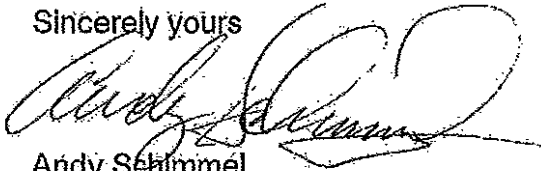
The project to upgrade the boiler and replace the water line servicing the boiler is now complete. The cost of this work is as follows:

CPJ1007576 - Gym Boiler Upgrade:	\$394,508.94
CPJ1007008 - Gym Boiler Line Replacement:	\$132,949.07
Less: Fortis BC Boiler Incentive of	\$6,600
Total Cost	\$520,858.01
Less WPGCA payment of	\$80,000
Total cost to WPGA	\$440,858.01

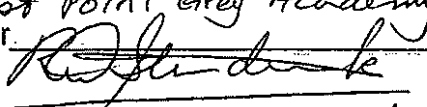
As previously negotiated this amount is being amortized over a 36 month period at no interest commencing April 1, 2013 with regular monthly payments of \$12,246.06 plus GST.

We trust the above meets with your satisfaction and kindly request you acknowledge this agreement by signing where indicated below,

Sincerely yours



Andy Schimmel  
Strategic Lease Services Advisor

Agreed to this <sup>th</sup> 29 day of March at 2013, BC  
West Point Grey Academy Property Society  
Per   
Chair of the Board