

receipt of which is hereby acknowledged), the Owner and the Corporation agree to abide by the following covenants:

1.0 GENERAL PROVISIONS

- 1.1 This Agreement shall apply to and be binding upon the Property.
- 1.2 The Agreement and every provision herein contained shall be to the benefit of and be binding upon the parties hereto and their respective representatives, heirs, executors, administrators, successors and assigns, as the case may be, and shall hereinafter form part of the legal and equitable interests of the Property.
- 1.3 This Agreement shall remain in force and effect until repealed by the parties. In the event that the participation of the Owner lapses, it is the responsibility of the Owner to provide a written request to repeal.

2.0 REASONS FOR IDENTIFICATION

2.1 Statement of Reasons

The Owner and the Corporation agree that for the purposes of this Agreement the following statement (hereinafter called the "Reasons for Identification") sets out the reasons why the Building has been identified by the Corporation as having historic and architectural significance:

2.2 Photographs Relevant to Duties of the Owner

The Owner acknowledges that a set of dated photographs, hereinafter referred to collectively as "the Photographs", document the state of the Building as of the date of execution of this Agreement. The original photographs, numbered _____, dated _____ and attached hereto in Schedule "B" will be kept on file at the Corporation's offices or such other location as the Corporation may determine, and may be examined at any time upon reasonable notice. The Photographs generally depict certain significant features of the appearance or the construction of the Building and the Reasons for Identification and the Photographs shall be referred to in determining the duties of the Owner under this Agreement.

When alterations are made to the Building pursuant to paragraph 3.1 , the Owner shall within ninety (90) days of completion of such alterations and at the Owner's expense, provide to the Corporation new photographs taken from the same vantage point and identifying the same features of the appearance or construction as the original photographs. Such photographs shall be dated and filed with the Corporation. The Corporation shall number the said photographs which shall replace the original Photographs and all references in this agreement to the Photographs shall be deemed to refer to such new replacement photographs.

3.0 DUTIES OF OWNER

3.1 Normal Repairs, Alterations and Preservation

The Owner agrees to preserve and maintain, at all times, the designated architectural features as set out in By-law No. _____ for the Property.

The Owner shall at all times maintain the Building in as good and as sound a state of repair as a prudent owner would normally do, so that no deterioration in the Building's condition and appearance shall take place, including, without limiting the generality of the foregoing, taking all reasonable measures to secure and protect the Building from vandalism, fire and damage from inclement weather.

The Owner agrees not to alter, remove, change in any manner, or do any act to the designated struture which detracts from or is inconsistent with any provision of the designation by-law.

The Owner agrees not to proceed with any demolition of, or construction to, the designated structure without prior written consent of the Corporation.

3.2 Insurance

The Owner shall at all times during the currency of this Agreement keep the Building insured against normal perils that are coverable by fire and extended coverage insurance in an amount equal to the replacement cost of the Building. Upon execution of this agreement, the Owner shall deliver to the Corporation a letter or certificate, attached hereto in Schedule "C", in a form and from an insurance company, agent or broker acceptable to the Corporation, which letter or certificate shall state as follows:

"This will confirm that (name of insurer) has issued to the Owner a valid insurance policy which insures the Building against normal perils that are coverable by fire and extended coverage insurance in an amount equal to the replacement cost of the Building".

The Owner further agrees to provide written evidence of the renewal of such policy at least 3 weeks prior to the expiration date of the policy, in a form satisfactory to the Corporation. If the Owner fails to so insure the Building, or if any such insurance on the Building is cancelled, the Corporation may effect such insurance as the Corporation deems necessary and any sum paid in so doing shall forthwith be paid by the Owner to the Corporation, or if not shall be a debt due and owing to the Corporation and recoverable from the Owner by action in a court of law. All proceeds receivable by the Owner under any fire and extended coverage insurance policy or policies on the Building shall, on the written demand and in accordance with the requirements of the Corporation, be applied to replacement, rebuilding, restoration or repair of the Building to the fullest extent possible having regard to the Reasons for Identification, the particular nature of the Building and the cost of such work.

3.3 **Damage or Destruction**

The Owner shall notify the Corporation of any damage or destruction to the Building within ten (10) clear days of such damage or destruction occurring. In the event that the Building is damaged or destroyed and the replacement, rebuilding, restoration or repair of it is impractical because of the financial costs involved, or because of the particular nature of the Building, the Owner shall, in writing within forty (40) days of the giving by the Owner of notice of such damage or destruction, request written approval by the Corporation to demolish the Building, in accordance with paragraph 3.1. If the approval of the Corporation is given or deemed to be given, the Owner shall be entitled to retain any proceeds from the insurance hereinbefore mentioned and to demolish the Building.

3.4 **Reconstruction by Owner**

If the Owner has not requested the approval to demolish or if the Corporation does not give the approval to demolish the Owner shall replace, rebuild, restore or repair the Building so as to effect the complete restoration of the Building. Before the commencement of such work, the Owner shall submit all plans and specifications for the replacement, rebuilding, restoration or repair of the Building to the Corporation for its written approval within one hundred and thirty-five (135) days of the damage or destruction occurring to the Building. A refusal by the Corporation to approve any plans and specifications may be based upon choice of materials, appearance, architectural style or any other ground or grounds including, but not limited to, purely aesthetic grounds, and the determination of the Corporation shall be final. The Owner shall not commence or cause restorative work to be commenced before receiving the written approval of the Corporation of the plans and specifications for it, and such restorative work shall be performed upon such terms and conditions as the Corporation may stipulate. Such approval shall be deemed to have been received upon failure of the Corporation to respond in writing to a written request for it within ninety (90) days of the

receipt of such request by the Corporation. The Owner shall cause all replacement, rebuilding, restoration and repair work on the Building to be commenced within thirty (30) days of the approval by the Corporation of the plans and specifications for it and to be completed within nine (9) months of commencement, or as soon as possible thereafter if factors beyond their control prevent completion within the said nine (9) months, and the Owner shall cause all such work to conform to the plans and specifications approved of and terms and conditions stipulated by the Corporation.

4.0 BREACH

4.1 The parties agree that in the event of a breach of the provision herein contained, the Corporation shall give written notice of the breach to the Owner committing the breach, request rectification thereof within a reasonable period of time, and, in default of rectification, the Corporation may proceed to enforce compliance with the provisions in any manner it may deem appropriate in accordance with the law, at the cost and expense of the Owner.

5.0 OBLIGATION OF CORPORATION

5.1 The Corporation agrees that the Property is an eligible heritage property under By-law, Heritage Tax Relief Program, as amended, from time to time.

Where an application to participate in the Heritage Tax Relief Program is approved, monies shall be used to preserve the designated architectural features as specified in Section 3.0. Monies may also be applied to associated works that support and enhance the preservation of the designated architectural features.

6.0 NON-LIABILITY OF MUNICIPALITY

6.1 The Corporation shall not be held liable for any damage to the designated structure located on the Property that may result from maintenance and preservation works performed under this Agreement.

7.0 USE OF PROPERTY

7.1 The Owner expressly reserves for itself, its representatives, heirs, successors and assigns the right to continue the use of the Property for all purposes not inconsistent with this Agreement.

8.0 INSPECTION BY THE CORPORATION AT ALL REASONABLE TIMES

8.1 The Corporation or its representatives shall be permitted at all reasonable times to enter upon and inspect the Property and the Building upon prior written notice to the Owner of at least twenty-four (24) hours.

9.0 NOTICE

9.1 **Addresses of Parties**

Any notices to be given under this Agreement shall be delivered to the parties at their respective addresses by mail or facsimile. The respective addresses of the parties for such purposes presently are as follows:

The Owner:

The Corporation:

The Corporation of the Township of Lake of Bays
1012 Dwight Beach Road
Dwight, Ontario
P0A 1H0

The parties agree to notify each other immediately, in writing, of any changes of address from those set out above.

9.2 **Notice to Municipality**

The Owner shall immediately notify the Corporation in the event that they divest themselves of the fee simple title to or of their possessory interest in the Property or the Building.

IN WITNESS WHEREOF the parties hereto have hereunto affixed their corporate seals attested by their respective proper signing officers in that behalf duly authorized.

SIGNED, SEALED AND DELIVERED IN THE PRESENCE OF A WITNESS

DATED at _____ this ____ day of _____, 2007.

(witness)

Licensee

Licensee

DATED at Dwight, Ontario this ____ day of _____, 2007.

THE CORPORATION OF THE TOWNSHIP OF LAKE OF BAYS

Clerk or Designate

(applicant name)
(civic address)
(Roll #)

SCHEDULE "A"

ALL AND SINGULAR THAT certain parcel or tract of land and premises situate, lying and being in the Township of Lake of Bays, in the District Municipality of Muskoka, and being composed of

SCHEDULE "B"

All photographs of the subject building as part of this agreement.

Letter of Certificate confirming valid insurance policy insuring the Building against normal perils that are coverable by fire and extended coverage insurance in an amount equal to the replacement cost of the Building.