

SUBLEASE

THIS SUBLEASE is dated for reference the 1st day of November, 2022.

BETWEEN:

DISTRICT OF SECHELT

2nd Floor,
5797 Cowrie Street, P.O. Box 129, Sechelt, BC V0N 3A0

(the "Landlord")

AND:

SUNSHINE COAST HOSPICE SOCIETY

P.O. Box 902,
Sechelt, BC V0N 3A0

(the "Tenant")

WHEREAS:

- A. The Landlord is the tenant pursuant to a lease (the "Crown Lease"), a copy of which is attached hereto as Schedule A to this Sublease, granted by Her Majesty the Queen in the Right of the Province of British Columbia, represented by the minister responsible for the Land Act (the "Head Landlord") dated for reference the 6th day of December, 2006, of lands legally described as:

Lot 1 of Block 6 & 8; District Lot 1356; Group 1,
New Westminster District, Plan 16069
P.I.D.: 007-585-403
4602 Simpkins Road, Sechelt, BC V0N 3A2

(the "Land and Premises")

- B. The Crown Lease commences on January 2, 2007 and terminates on the 30th anniversary of that date or such earlier date provided for in the Crown Lease.
- C. The Landlord has agreed to sublet a portion of the Land and Premises, including the main house and the land immediately surrounding the house, (the "Property") to the Tenant and the Tenant has agreed to accept the sublease of the Property, subject to the terms and conditions herein contained.

NOW THEREFORE THIS AGREEMENT WITNESSETH:

1. DEMISE AND TERM

1.1 Demise

In consideration of the rents, covenants, agreements and conditions herein to be paid, performed and observed by the Tenant, the Landlord does hereby demise and sublease to the Tenant the Property and the Tenant does hereby accept the demise and sublease of the Property, all subject to the covenants, conditions and agreements herein contained.

1.2 Term

Subject to this Sublease, the Tenant shall have and hold the Property for a ~~two five (25)~~ year term commencing on the 1st day of November, 2022, to and including the 31st day of ~~Octo~~December, 2027~~2~~.

1.3 ~~Extension~~Renewal

The Landlord will consider ~~renew~~extending this Sublease for a further one (1) year term upon receipt of a written request to do so from the Tenant at least thirty (30) days prior to expiry of the term.

2. USE AND OCCUPANCY OF THE PREMISES

2.1 Use of Premises

Unless otherwise agreed to in writing by the Landlord and the Head Landlord, the Tenant will not use or permit the Property or any part thereof to be used for any purpose other than for educational events for staff, volunteers, board members, and community groups; and office space.

The area of this Sublease shall include ~~both the main level, the basement level and the top rear deck and porch of the property house and parking area,~~ but does not include the detached, freestanding garage.

2.2 No Nuisance or Waste

At no time during the Term will the Tenant carry on or permit or suffer to be carried on in the Property or elsewhere on the Property anything which is noxious or offensive or which would constitute a public or private nuisance or which would annoy or disturb or cause nuisance or damage to the occupiers or owners of lands and premises adjoining or in the vicinity of the Property. The Tenant will not cause any willful or voluntary waste or damage to the Property.

2.3 Examination of Property

The Tenant has inspected the Property prior to execution of this Sublease and acknowledges that it is leasing same on an "as is, where is" basis as of the commencement of the term of this Sublease, subject to the covenants, conditions and agreements herein contained.

2.4 Signs

The Tenant will not erect, paint, display, place, affix or maintain or permit to be erected, painted, displayed, placed affixed or maintained any sign, decoration, picture, lettering, symbol or notice of any nature or kind whatsoever (herein called the "Signs") on the Property without first obtaining the Landlord's written consent, such consent not to be unreasonably withheld. The Tenant, at its cost, will acquire all requisite statutory permits which may be required to erect or maintain any such approved Signs. The Tenant will cause any Signs to be maintained in a proper state of repair and will indemnify and save harmless the Landlord from all personal injuries or property damage or loss to any person caused by the existence of any such Sign.

2.5 Condition of Lands and Premises

The Tenant will not permit the Property to become untidy or unsightly and will not permit waste or refuse to accumulate therein.

2.6 Not to Affect Insurance

The Tenant will not do, or omit to do, or permit to be done, or omitted to be done in the Lands and Premises anything which would directly or indirectly cause the Landlord's premiums for liability insurance to be increased. If any insurance premium is thereby increased the Tenant will pay to the Landlord the amount by which the insurance premiums are so increased. The Tenant will not store or permit to be stored upon the Lands and Premises anything of a dangerous, inflammable or explosive nature (other than normal household products) or anything which would have the effect of increasing the Landlord's insurance premiums or which would render void or voidable, or which may conflict with, the requirements of any policy or policies of insurance whereby the Premises are insured, including any regulations of fire insurance underwriters applicable to such policy or policies of insurance.

If any insurance policy is cancelled or threatened to be cancelled by an insurer by reason of the use and occupation of the Property by the Tenant or by an assignee, sub-tenant or anyone permitted by the Tenant to be on the Property then the Landlord, at its option, may, subject to compliance with Article 6.2, terminate this Sublease upon 90 days' written notice to the Tenant and thereupon rental fees and outstanding utilities fees will be apportioned and paid in full to the date of expiration of such notice and the Tenant will immediately deliver up vacant possession of the Property to the Landlord and the Landlord may re-enter and take possession of same and, at its option and at the expense of the Tenant, may rectify the situation causing such cancellation.

2.7 Preventing Insurance Cancellation

The Landlord, by its representatives, may at any time enter upon the Property to remove any article or remedy any condition which, in the reasonable opinion of the Landlord, would be likely to lead to a cancellation of any insurance policy. Such entry by the Landlord will not be deemed to be a re-entry or a trespass.

2.8 Quiet Enjoyment

If the Tenant duly and punctually pays the Sublease and utilities fees and complies with its obligations under this Sublease, the Tenant will be entitled to peaceably possess and enjoy the Property during the Term without any interruption or disturbance from the Landlord or any person or persons claiming by, through or under the Landlord.

3. RENT, UTILITIES, TENANT'S TAXES AND OTHER CHARGES

3.1 Rent

Effective March 1, 2024, the Tenant shall pay to the Landlord rent in the amount of \$450 per year, due and payable in advance on the 1st day of ~~November each year~~ November for the duration of the term.

The ~~Landlord shall pay~~ Tenant is responsible for shall pay:

~~— water and sewer rates and all gas, electric light and power used on the premises. The~~

- b. Water use
- c. All gas, electric light and power used on the premises
- d. Central alarm system
- e. Lawn care
- f. Snow removal on all footpaths, ramp, stairs and deck
- g. Pest control services

The Landlord is responsible for:

- a. Exterior maintenance of the buildings
- b. Driveway and parking area maintenance, including snow removal
- c. Septic maintenance
- d. Long term asset renewal.

The Tenant is responsible to pay property tax for the Property. If the Tenant is eligible for permissive property tax exemption, the Tenant may submit a Permissive Property Tax Exemption Application annually to the District of Sechelt for consideration.

4. COVENANTS

4.1 Repairs and Maintenance

~~(a)~~—~~(a)~~The Tenant shall maintain the Property so that it is at all times clean, tidy, safe and functional in every respect.

~~(b)~~—~~(b)~~The Tenant shall cause all the necessary repairs to be made to the Property with due diligence and in a good and responsible manner so as to keep the Property in a state of good repair to the same extent and in the same manner as a prudent owner would except that any major structural upgrading of the building shall be the responsibility of the Landlord. In general, fixing plugged toilets, interior painting, replacing light bulbs, replacing worn carpets, replacing broken glass, fixing leaks and similar items are viewed as repair. Replacing a roof, changing complete plumbing systems and other similar items are viewed as asset renewal~~upgrading~~.

~~(c)~~—~~(c)~~The Tenant will conduct regular inspections of the Property and will notify the Landlord of the need for any major upgrading of the Property forthwith upon such need being known.

~~(d)~~—~~(d)~~The Tenant, when necessary and whether upon receipt of notice from the Landlord or not, will effect and pay for maintenance and repairs for which it is responsible and in so doing will use only qualified and licensed subcontractors, contractors and trades people.

4.2 Improvements

~~(a)~~ ~~(a)~~No improvements whatsoever shall take place on the Property without the express authorization of the Landlord.

~~(b)~~ ~~(b)~~Any improvements made to the Property by the Tenant during the Term shall, upon termination of this Agreement, become the property of the Landlord free and clear of all liens, costs or charges, and the Tenant shall indemnify and save harmless the Landlord from any and all liability whatsoever for such liens, costs and charges. Upon termination and the vesting of such improvements, the Tenant shall have no right to compensation whatsoever for such improvements unless otherwise agreed in writing by the Landlord prior to termination.

~~(c)~~ ~~(c)~~The Tenant will allow the Landlord to post, and will keep posted on the Land, any notice that the Landlord may desire to post under the provisions of the Builders' Lien Act.

4.3 Inspection and Emergencies

The Landlord, by its representatives, may enter upon the Lands and Premises at all reasonable times and during any emergency to inspect the state of repair and maintenance.

4.4 Encumbrances

The Tenant shall not mortgage, charge or otherwise encumber its interest in the Land without the prior written consent of the Landlord.

4.5 Assignment

The Tenant shall not sublease, assign mortgage or transfer this Agreement except with the written consent of the Landlord.

4.6 Indemnity

The Tenant shall indemnify and save harmless the Landlord from and against all losses, claims, damages, actions, causes of action, costs and expenses whatsoever that the Landlord may sustain, incur, suffer or be put to by reason of the use or occupancy of the Land by the Tenant.

4.7 Compliance with Regulations

The Tenant shall in the improvement, operation or maintenance of the Land comply with all Municipal, Provincial and Federal legislation relating thereto.

Should the Tenant, at any time during their term hereof, cease to exist as a Registered Society, then and in that event, its right of occupancy and any other rights hereunder shall be forthwith terminated, but nevertheless the assets of the Tenant shall be chargeable for any liability remaining unpaid at such time to the Landlord.

4.9 Landlord's Conveyance

Should the Landlord convey or assign or otherwise divest itself of its interest in the Lands and Premises, it will be relieved of all obligations under this Sublease from and after the effective date of such conveying, assigning or divesting, save and except for the obligation to account to the Tenant for any monies due and payable to the Tenant by the Landlord pursuant to this Sublease up until the date of such conveyance, assignment or divestiture.

5. INSURANCE AND SECURITY

The Tenant shall, during the Term of this Agreement, carry commercial comprehensive liability insurance protecting the Landlord as an additional insured in an amount of not less than Two Million (\$2,000,000) Dollars covering each individual occurrence or accident. A copy of proof of insurance shall be provided to the Landlord at the beginning of the term of this Agreement.

6. TERMINATION

6.1 Default

Should the Tenant default in any of the covenants herein contained to be performed by the Society then and in that event, the Landlord may terminate this Agreement and retake possession of the Land should the Tenant fail to rectify such default within ten (10) days of being given notice to do so.

6.2 Notices

~~This Agreement may be terminated by either party at any time by giving not less than ninety (90) days written notice to the Landlord at the address first set out in this Agreement and if to the Tenant at the address as first set out in this Agreement.~~ Any notice required to be given under this Agreement shall be conclusively deemed to be given or delivered to and received by the addressee if delivered personally on the date of such personal delivery or if mailed on the fourth business day after the mailing of the same in British Columbia by pre-paid post. Either party may, from time to time, advise the other by notice in writing of any change of address of the party, giving such notice and from and after the giving of such address specified therein this shall, for the purpose of this paragraph, be conclusively deemed to be the address of the party giving such notice.

This Agreement shall be deemed to constitute the entire Agreement between the Landlord and the Tenant with respect to the matter hereof and shall supersede all previous negotiations, representations, and documents in relation hereto made by either party to this Agreement.

8. MISCELLANEOUS

8.1 Headings

The headings appearing in this agreement have been inserted for reference and as a matter of convenience and in no way define, limit or enlarge the scope of any provision of this Agreement.

8.2 Gender

Words in the singular will include the plural and words in the plural will include the singular and words in the masculine gender will include feminine and neuter genders and vice versa where the context so requires.

8.3 Enuring Effect

This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, successors and assigns.

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SIGNED and SEALED on behalf of the
DISTRICT OF SECHLT by:

_____)
Mayor) (seal)

_____)
Corporate Officer)

SIGNED on behalf of the
SUNSHINE COAST HOSPICE SOCIETY
by its authorized signatories)

_____)
Authorized Signatory)

_____)
Authorized Signatory)

Witness Signature

Witness Name (Please print)

Witness Address

