

THIS LEASE OF COMMERCIAL LOCATION made in duplicate effective this ^{22nd day of} ~~December~~ ^{January}, 2012 ²⁰¹¹ *gf*

BETWEEN: TOWN OF PREECEVILLE
of Preeceville in the Province of Saskatchewan
(hereinafter called "the Owner")

AND: MACKENZIE SOCIETY VENTURES INC.
of Preeceville in the Province of Saskatchewan
(hereinafter called "the Tenant")

COMMERCIAL LEASE

WHEREAS THE OWNER is entitled to possession of and to enter into rental arrangements concerning the commercial location located at 339 Main Street N, Preeceville, Saskatchewan, and more fully described as:

Lot 6
Block 8
Preeceville, Saskatchewan
Plan CC5869

as more particularly described in Certificate of Title No. 70Y03935 (hereinafter called "the said land");

AND WHEREAS the Tenant is desirous to lease "the said land" and the Owner has agreed to lease the same to the Tenant upon the terms and conditions hereinafter set forth;

NOW THEREFORE THIS LEASE WITNESSES THAT:

1. TERM AND AREA: The Owner, in consideration of the rents, covenants, conditions and agreements hereinafter set forth, does hereby lease unto the Tenant the said land to be held by the Tenant as Tenant for the term of five (5) years to be computed from the 1st day of ~~January~~ ^{February}, 2012 up to and including the 31st day of ~~December~~ ^{January}, 2017. *gf*
2. RENTAL: The Tenant promises and agrees to pay to the Owner at Preeceville, Saskatchewan, the clear monthly rental of Fifty (\$50.00) Dollars plus such sum for GST and/or such similar or other tax which may be imposed by taxation authorities, which sum shall be due and payable on the 1st day of each and every month during the term hereof in advance, without deduction.

3. **POST-DATED CHEQUES:** The Tenant agrees to provide to the Owner, post-dated cheques to be used for payment of the rental herein upon the Owner's written request.
4. **FENCING, STRUCTURES AND EXTERIOR SIGNS:** The Tenant may erect fencing, structures and exterior signs affixed to the said land and Tenant's fencing or structures at the Tenant's own expense only with the written consent of the Owner, which consent shall not be unreasonably withheld. Any exterior signs shall not require electricity, and shall be maintained by the Tenant. Any exterior sign shall be no larger than eight (8) feet by four (4) feet. All fencing, structures and exterior signs, shall be removed by the Tenant at the expiry date of the Lease forthwith and any loss, damage or injury occasioned by the Tenant's erecting, maintaining or removing the fencing, structures and exterior sign shall be the Tenant's sole responsibility and the Tenant agrees to indemnify and save harmless the Owner from any loss, damage or injury so occasioned.
5. **PARKING:** The Owner shall not be responsible for providing parking facilities for the Tenant.
6. **ASSIGNMENT:** The Tenant shall not assign or sublet the said land or any part thereof without first obtaining the Owner's consent in writing to such assignment or subletting which said consent shall not be unreasonably withheld.
7. **USE:** The Tenant agrees to use the said land only for the conduct of lawful commercial pursuits, and shall only use the said land for the commercial operation of a miniature golf course and for no other purpose with first obtaining the Owner's consent in writing which said consent shall not be unreasonably withheld.
8. **FIRE REGULATIONS:** The Tenant shall comply with any applicable regulations or order of the Canadian Fire Underwriter's Association, or of any body having similar function, or of any Liability or Fire Insurance Company by which the Owner is insured.
9. **CONDITION:** The Tenant shall at his own expense operate, maintain and keep in good order and condition, free of any refuse or debris and in a neat and tidy condition the fencing and structures upon and surface area of the said land, and promptly make all needed repairs and replacements as shall be reasonably necessary so as to keep the fencing and structures in good operating condition and the said land and in as good a state of repair and conditions as the said land was when this Lease commenced; provide that this obligation shall not extend to:

- a) normal wear and tear;
 - b) damage caused by fire, lightening, tempest, acts of God or other perils in respect of which insurance proceeds are received by the Owner.
10. **LIENS:** The Tenant shall forthwith pay-off and cause to be discharged any builders' or similar liens that may be filed or served in respect of the said land during the term of the Lease arising out of the Tenant's or its agent's or assign's equipment of, maintenance of, use of, occupation of, addition to or alteration of the said land.
11. **INSURANCE:** The Tenant shall maintain and pay all premiums for general public liability insurance, for insurance coverage and protection in such amounts as the Owner shall reasonably request and in any event, in an amount not less than the sum of One Million (\$1,000,000.00) Dollars for public liability insurance in respect of any one occurrence and the Tenant shall furnish the Owner during the continuance of this Lease satisfactory evidence that such insurance is in full force and effect. Further, the insurance shall indemnify and protect the Tenant and the Owner against any and all claims for damages to persons or property or for loss of life or for property occurring upon the said land. All policies of insurance shall name the Owner as an additional insured and shall provide that the proceeds thereof shall be payable to the Owner or the Owner's designate.
12. **EXAMINATION:** The Owner may at all reasonable time during the term enter and examine the condition of the said land. Following examination the Owner may deliver to the Tenant, a notice in writing to repair, replace or clean the fencing or any structure upon the said land or to repair or tidy the said land and the Tenant shall do so within one (1) calendar month next after such notice or such longer time as diligent attention to the demand reasonably requires.
13. **INDEMNIFY:** The Tenant promises and agrees to indemnify and save harmless the Owner from any and all liabilities, damages, costs, claims, suits or actions arising out of or occasioned by the Tenant's use and occupation of the demised premises, including any injury to any person or persons, including death resulting at any time there from, occurring in or about the demised premises or any part thereof during the term of this Lease.
14. The Tenant covenants and agrees to indemnify and save harmless the Owner from any and all liabilities, damages, costs, claims, suits or actions arising from:
- (a) each, violation or non-performance of any covenant, condition or agreement in this Lease set forth and contained on the part of the Tenant to be fulfilled, kept, observed, and performed; or

- (b) any damage to property occasioned by the Tenant's use and occupation of the said land;

The Owner and the Tenant hereby agree to give immediate notice in writing to each other of any such claim.

15. DEFAULT: If and whenever:

- (a) the rent hereby reserved, or any part thereof, shall be unpaid for one (1) calendar month after the day appointed for payment thereof; although no formal demand shall have been made therefore; or
- (b) the Tenant shall fail to observe, keep and perform any of the remaining covenants, obligations and agreements herein contained on the part of the Tenant to be observed, kept and performed, and the Tenant having failed to commence remedial efforts within one (1) calendar month after notice thereof from the Owner or having failed to pursue to completion of such remedial efforts with all due diligence; or
- (c) the term hereby created or the goods and chattels of the Tenant on the said land liable to distress shall during the said term be seized or taken in execution by any creditor of the Tenant; or
- (d) the Tenant shall make an assignment for the benefit of creditors, or shall make an assignment or have a receiving order made against him under The Bankruptcy and Insolvency Act, or becoming bankrupt or insolvent shall make application for relief under the provisions of any statute now or hereafter in force concerning bankrupt or insolvent debtors, or any action whatsoever legislative or otherwise be taken with a view to the winding-up, dissolution or liquidation of the Tenant;

Then in any of such cases the then current month's rent together with the rent for the Three (3) months immediately next ensuing shall immediately become due and payable, and at the option of the Owner the term hereby granted shall become forfeited and void, and the Owner may without notice or any form of legal process whatever forthwith re-enter upon the said land or any part thereof in the name of the whole and repossess and enjoy the same as of its former estate, anything contained herein or in any statute or law to the contrary notwithstanding, provided however that such forfeiture shall be wholly without prejudice to the right of the Owner to recover arrears of rent or damages for any antecedent breach of covenant on the part of the Tenant. Provided further that notwithstanding any such forfeiture the Owner may subsequently recover from the Tenant, damages for loss of rental suffered by reason of the Lease having been prematurely determined.

16. PERFORMANCE: In the event of default by the Tenant in the performance of any of its obligations hereunder other than the payment of rent, the Owner may, after having given one calendar month's notice to the Tenant and the

Tenant having failed to remedy the default, perform the same and the amount of any additional damages, losses or expenses in connection therewith which shall be deemed to be rent payable hereunder and shall immediately become due and payable as rent and shall bear interest as rent in arrears at the rate of eighteen (18%) per cent per annum until paid.

17. **TERMINATION:** The Tenant at his option, may terminate this Lease upon six (6) calendar months written notice to the Owner. The Owner may, at its option, terminate this Lease upon six (6) calendar months written notice to the Tenant.
18. **NON-WAIVER:** No waiver by any party of any breach by any other party hereunder of any of its obligations, agreements or covenants hereunder shall be a waiver of any subsequent breach or of any other obligations, agreement or covenant, nor shall any forbearance by any party to seek a remedy for any breach by an other party be a waiver of its rights and remedies with respect to such or any subsequent breach.
19. **OVERHOLDING:** If at the expiration of the term of this Lease the Tenant shall hold over for any reason, the tenancy of the Tenant thereafter shall be from month to month only, and shall be subject to all terms and conditions of the Lease except as to duration and period of Notice of Termination, in the absence of a written agreement to the contrary.
20. **EXPIRATION:** The Tenant will at the expiration or other sooner termination of the said term peaceably surrender and yield up to the Owner, the said land in free from all fixtures, erected or made thereon, by the Tenant in good and substantial repair and condition, as the same existed at the commencement of the Lease, damage by fire, lightning, tempest, acts of God or other perils in respect of which insurance proceeds are received by the Owner excepted.
21. **NOTICES:** All notices, demands and requests which may be or are required to be given by either party to another herein shall be given in writing by personal delivery or by registered pre-paid mail as follow:

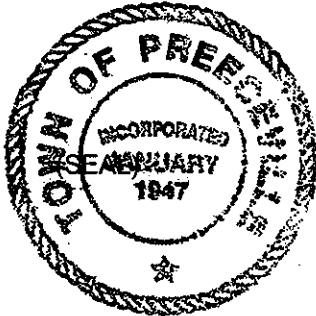
The Owner: Town of Preeceville
 Box 560
 Preeceville, Saskatchewan
 S0A 3B0

The Tenant: Mackenzie Society Ventures Inc.
 Box 983
 Preeceville, Saskatchewan
 S0A 3B0

22. POSSESSION: Upon the Tenant paying the rent hereby reserved at the times and in the manner herewith provided and upon observing, keeping and performing each and every of the covenants, agreements and conditions on the Tenant's part in this Lease contained, the Tenant shall and may peaceably and quietly possess and enjoy the said land during the said term without any interruption from or any person or persons lawfully claiming by, from or under it.
23. TERMINOLOGY: The parties hereto agree that the terms "the Owner" and "the Tenant" herein shall include their respective personal representatives, assigns, executors and administrators and that time shall be of the essence of these presents.

IN WITNESS whereof the Owner has hereunto affixed its seal by the hand of its proper officers in that regard this 22nd day of December, 2011.

TOWN OF PREECEVILLE



[Signature]
MAYOR

[Signature]
ADMINISTRATOR

AND IN WITNESS whereof the Tenant has hereunto affixed its seal by the hand of its proper officers in that regard this 27 day of January, 2012.

MACKENZIE SOCIETY VENTURES INC.



[Signature]

[Signature]
General Manager