

LEASE AGREEMENT

THIS LEASE AGREEMENT (this "Lease") is made, in duplicate, effective this **XX day of MONTH, 2024.**

BETWEEN:

The Corporation of the Town of the Blue Mountains
hereinafter call the "Landlord"
OF THE FIRST PART

and

Blue Mountain Resorts LP
hereinafter called the "Tenant"
OF THE SECOND PART

WHEREAS *the Parties hereto have entered into a previous agreement dated the 11th day of July, 1994* wherein the Landlord has allowed the Tenant the right to construct a pumphouse and intake pipes to and on the bed of Georgian Bay on the lands described in Schedule "A "attached hereto for the purpose of conveying water to the Tenant, for the Tenant's use in their snow-making and other recreational endeavors on their lands.

AND WHEREAS the Municipal Council of the Landlord has determined that this Lease, and the Tenant's ongoing access to non-potable water constitutes a valuable recreational amenity to the Town of The Blue Mountains, and the nominal rent charged hereunder represents good, valuable and fair consideration for the recreational amenities afforded by this Lease for residents and visitors of the Town of The Blue Mountains.

NOW THEREFORE *this Agreement witnesseth that in consideration of Two (\$2.00) Dollars paid by each of the Parties to the other (the receipt and sufficiency of which is hereby acknowledged), and in consideration of the mutual covenants hereinafter contained, the Parties hereto agree as follows:*

1. The Landlord hereby leases to the Tenant a portion of the lands known as Part Lot 22, Concession 2, and Part of Lots 1 and 2, Plan 529, Township of Collingwood, County of Grey, all being more particularly described on Schedule "A " attached hereto (hereinafter referred to as the "Premises"), for a term of thirty (30) years commencing on the 1st day of July, 2024 at a rental of One (\$1.00) Dollar for the said thirty (30) year term. The Tenant agrees that the lands subject to this Lease shall only be used for the intake of non-potable water, the pumping of non-potable water and the conveying of non-potable water to the Tenant's snow-making and other recreational operations.
2. The Landlord further agrees to allow the Tenant unrestricted access from the Highway No. 26 frontage of the Premises to and around the pumphouse building; it being agreed that the purpose of this access is strictly for the use of maintenance vehicles and personnel directly associated with a normal day to day operation and maintenance of the pumphouse. The access referred to in this Agreement shall apply to the Tenant, its contractors, sub-contractors, agents or employees, and the Landlord further agrees not to unreasonably or permanently impede access to the pipelines or the pumphouse by way of buildings, landscaping or other activity.
3. The Tenant agrees that it shall properly maintain and repair the pumphouse building, including all external walls, doors, roof and associated fixtures. Any remedial construction or restoration works that may be required shall be completed at the sole expense of the Tenant and to the complete satisfaction of the Landlord, and the Landlord shall be given reasonable notice prior to the initiation or completion thereof.
4. The Tenant acknowledges that the paramount use of the land surrounding the pumphouse is for public recreational uses, and the Tenant agrees that the performance of all maintenance, whether by the Tenant its contractors or subcontractor or its agents and employees, shall be performed so as not to constitute an undue nuisance or disturbance to abutting or other property owners or recreational users of the lands of the Landlord.
5. The Tenant agrees that it shall provide appropriate proof that adequate insurance is in place annually, and the Tenant will indemnify and save harmless the Landlord against any liability, costs (including reasonable legal costs) and damages resulting from the operation and maintenance (or lack thereof) of the pumphouse building and the related operational facilities.
6. The Tenant agrees that the Landlord may enter the pumphouse building and view the state of repair upon giving reasonable notice, and the Tenant agrees that it will not assign its rights herein without the leave of the Landlord; provided however that such leave will not be

unreasonably withheld, and provided always that the Tenant may assign for the purpose of any mortgage financing, and the approval of the Landlord will not be required in the event of the sale by the Tenant of its primary operations.

7. The Landlord agrees that the public washroom facilities which are attached to the pumphouse building will be properly maintained and repaired by the Landlord, and such maintenance shall be deemed to include maintaining access to the site around the pumphouse building during the summer season, and all landscape works shall be maintained and repaired by the Landlord to municipal standards.
8. The Landlord covenants with the Tenant for quiet, enjoyment pursuant to the terms of this Lease Agreement.
9. This Lease Agreement shall enure to the benefit of and be binding upon the Parties hereto their respective successors and permitted assigns.
10. At the end of the thirty (30) year term this lease agreement shall automatically renew for five (5) year terms unless either party gives the other written notice of termination at least (30) days prior to expiration of the current term.

IN WITNESS WHEREOF the Parties hereto have hereunto caused their respective corporate seals to be affixed hereto duly attested to by the hands of their proper signing officers in that regard as of the day and year first above-written.

SIGNED, SEALED AND DELIVERED on this _____ day of _____, 20__ in the presence of Per:

CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

Mayor – Printed Name

Mayor - Signature

Clerk - Printed Name

Clerk – Signature

BLUE MOUNTAIN RESORTS LP, by its general partner
Blue Mountain Resorts GP Inc.

Witness for Tenant – Printed Name

Witness for the Tenant – Signature

Tenant Representative – Printed Name

Tenant Representative – Signature