SCHEDULE A

THIS LEASE made effective the day of , 1988.

BETWEEN:

McCLURE PLACE ASSOCIATION INC.,

Hereinafter called the "Landlord"

AND:

McCLURE UNITED CHURCH,

Hereinafter called the "Tenant"

WHEREAS the Landlord is the registered owner of certain lands described in Schedule "A" (called "the Lands");

AND WHEREAS the Landlord has agreed to construct for the Tenant a Church Building situate on the Lands, in accordance with plans and specifications supplied by the Tenant;

AND WHEREAS the Landlord and Tenant have agreed that the rental payment from the Tenant to the Landlord for the use and occupation of the Church Building to be erected on the Lands shall be equal to the cost of a portion of the land used and the construction of the said Church Building, along with all operating costs, as hereinafter defined;

WITNESSETH that in consideration of the rents hereby reserved and the mutual covenants and agreements herein contained, the Parties hereto agree as follows:

## ARTICLE I

## INTERPRETATION OF LEASE

### 1.01 Schedules

Schedule "A" to this document is a part of this Lease.

Schedule "B" to this document is a part of this Lease.

### 1.02 Headings and Captions

The Table of Contents, Article Headings, Section Numbers and Section Headings are inserted for convenience of reference only, and are not to be considered when interpreting this Lease.

### 1.03 Obligations as Covenants

Each obligation of the Landlord or Tenant expressed in this Lease, even though not expressed as a covenant, is considered to be a covenant for all purposes.

1.04 Entire Agreement

This Lease contains all of the representations, warranties, covenants, agreements, conditions and understandings between the Landlord and the Tenant concerning the lands.

1.05 Governing Law

This Lease shall be interpreted and governed by the laws of the Province of Saskatchewan.

1.06 Number and Gender

The necessary grammatical changes required to make the provisions of this Lease applicable in the plural sense where the Tenant comprises more than one entity, and to corporations, associations, partnerships or individuals, males or females, in all cases will be assumed as though in each case fully expressed.

## ARTICLE II

## LEASING AND TERM

2.01 Lease

In consideration of the Rent reserved, which said rent shall be equal to the cost of construction of the Church Building hereby demised, and payable by the Tenant to the Landlord as and when requested by the Landlord, and the covenants and agreements on the part of the Tenant contained in this Lease, the Landlord leases to the Tenant, its successors and assigns, the Church Building, as agreed between the Landlord and the Tenant, at the Rent and on the terms and conditions stated in this Lease.

2.02 Term

The term of this Lease shall commence on the 22nd of January, 1989, and shall be at an end and fully completed at the expiration of Ninety-nine (99) calendar years thereafter, unless this Lease is earlier terminated, in accordance with the provisions hereof.

2.03 Renewal

So long as the Lease is not earlier terminated, the Tenant shall have a right of renewal of the said Lease for a further Ninety-nine (99) year term, on the same terms and conditions of the Lease, save and except the following:

(a) The rental for the renewed term shall be ONE ($1.00) DOLLAR;

(b) There shall be no further right of renewal.

2.04 Surrender of Lease

Upon the expiration of the Term or the Renewed Term, or any permitted period of overholding, the Tenant shall surrender to the Landlord possession of the Church Building, and all rights of the Tenant under this Lease shall be terminated, but the Tenant shall, notwithstanding such termination, be liable to the Landlord for any loss or damage suffered by the Landlord by reason of any default of the Tenant.

## ARTICLE III

## THE DEVELOPMENT

3.01 Construction

The Landlord shall commence construction of the Church Building on the Lands described on Schedule "A", in accordance with the plans and specifications provided by the Tenant.

## ARTICLE IV

## PAYMENT OF RENT

4.01 Basic Rent

The Tenant shall pay to the Landlord as Rent, the sum required to construct the Church Building, in accordance with the plans and specifications provided by the Tenant. The Landlord and Tenant acknowledge that the said rental shall be equal to the cost of construction of the Building and that portion of the land necessary for the construction of the Church Building and adjacent use of lands, which said monies shall be payable upon commencement of the Term, but shall be adjusted in accordance with the actual cost of construction of the said Church Building, as determined upon final completion of construction.

4.02 Rent to be Net to the Landlord

(a) All Rent required to be paid by the Tenant hereunder shall

be paid without any deduction, abatement or set-off whatsoever, it being the intention of this Lease that all expenses, costs, payments and outgoings incurred in connection with the Church Building, or any Development thereon, or for any other matter or thing affecting the Church Building, shall, unless otherwise expressly stipulated herein to the contrary, be borne by the Tenant. Accordingly, the Rent herein provided shall be absolutely net to the Landlord and free of all abatement, set-off or deduction for realty taxes, charges, rents, assessments, expenses, costs, payments or outgoings of every nature arising from or related to the Church Building, and the Tenant shall pay all such taxes, charges, rates, assessments, expenses, costs, payments and outgoings.

(b) Notwithstanding the generality of the foregoing, the Landlord and Tenant acknowledge that the Landlord may, with the consent of the Tenant obtained from time to time, use certain portions of the Church Building. It is acknowledged and agreed that all expenses to be paid by the Tenant pursuant to Section 4.02(a) shall be apportioned between the Landlord and the Tenant, in accordance with the proportionate use made by the respective parties; such determination to be made in a fair and equitable manner. Notwithstanding the generality of the foregoing, the Landlord acknowledges that in the event a municipal or Provincial taxing authority shall assess the Church Building for payment of realty taxes which would have, but for the use of the Landlord, been exempt, the Landlord shall be responsible for One Hundred (100%) Percent of the taxes or assessments so made.

4.03 Collection of Other Amounts Due

Any sum, cost, expense or other amount from time to time due and payable by the Tenant to the Landlord under the provisions of this Lease, including sums payable by way of indemnity, and whether expressed to be Rent or not, may, at the option of the Landlord, be treated as and deemed to be Rent, in which event the Landlord shall have all remedies for the collection of such sums, when in arrears, as are available to a Landlord for the collection of Rent in arrears.

## ARTICLE V

## USE OF THE LEASED LANDS

5.01 Restricted Uses

The Church Building shall not be used for any purpose other than a Church and activities ancillary thereto.

## ARTICLE VI

## GENERAL COVENANTS OF THE TENANT

The Tenant covenants with the Landlord as follows:

6.01 Acceptance of the Lease

Upon the commencement of this Lease the Tenant accepts the Church Building "as is" knowing its condition, and agreeing that the Landlord has made no representation, warranty or agreements affecting same, and the Tenant agrees that the Landlord is not obliged to furnish any services or facilities or to make repairs or alterations in or to the Church Building, save and except to supply heat and utilities at the Tenant's expense or pro-rated, as hereinbefore provided.

6.02 Payment of Rent

To pay the Rent hereby reserved as herein mentioned.

6.03 Taxes and Other Fees

To pay all taxes, rates and any other additional expenses as hereinbefore referred to.

6.04 Repairs and Maintenance

At its own expense, subject to the provisions of Section 4.02(b), to keep in good order and condition throughout the Church Building, keeping such in a neat, clean, sanitary, orderly and attractive condition.

6.05 Indemnity

To indemnify and save harmless the Landlord against all actions, suits, claims, damages, costs and liability, and loss of every nature arising during the Term out of:

a) any breach of or non-compliance with a covenant, agreement or condition on the part of the Tenant contained in this Lease;

b) any injury to a person, occurring in or about the Church Building, including death resulting from the injury;

c) any damage to or loss of property arising out of the use and occupation of the Church Building.

The obligations of the Tenant to indemnify the Landlord under

this paragraph are to survive the termination of this Lease in respect of every event during the Term.

6.06 Surrender of Leased Lands

At the expiration of the Term, peaceably to surrender and yield up to the Landlord the Church Building thereon, in good and substantial repair and condition, save as provided elsewhere in this Lease.

6.07 Observance of Laws and Regulations

Not to violate, or permit any employee, assignee, officer, or other person visiting or doing business at the Church Building to violate any law or ordinance or any rule of any federal, provincial or municipal authority.

## ARTICLE VII

## COVENANTS OF THE LANDLORD

7.01 Quiet Enjoyment

The Landlord covenants with the Tenant that if the Tenant pays the Rent hereby reserved and observes and performs all the covenants and provisos of this Lease on the part of the Tenant to be observed and performed, the Tenant shall and may peaceably possess and enjoy the Church Building for the Term hereby granted, without any interruption or disturbance from the Landlord, or any other persons lawfully claiming by, from or under the Landlord.

7.02 Observance of Covenants

The Landlord covenants to observe all of the covenants, terms and provisions of this Lease on the part of the Landlord to be observed and performed.

7.03 Provision of Utilities

The Landlord covenants and agrees to provide utilities, including power, heat and air conditioning, the cost of which is to be pro-rated between the users of the said services in a fair and equitable manner.

## ARTICLE VIII

## INSURANCE

### 8.01 Liability Insurance Respecting the Church Building

The Tenant shall effect, not later than the completion of construction of the Church Building, and shall keep in force during the Term of this Lease, insurance protecting both the Landlord and the Tenant (without any rights of cross claim or subrogation against the Landlord) against claims for personal injury, death, property damage, or third party, or public liability claims arising from any accident or occurrence upon or in the Church Building, from any cause to an amount not less than Two Million ($2,000,000.00) Dollars, or from time to time to such amounts as the Landlord acting reasonably shall see fit for personal injury, death, property or other claims in respect of any one accident or occurrence.

### 8.02 Fire Insurance on Church Building

The Tenant shall effect, no later than possession of the Church Building, and shall keep in force throughout the Term of this Lease, insurance upon the Church Building and all fixtures and improvements erected upon the Church Building in the joint names of the Landlord and the Tenant protecting both the Landlord and the Tenant (without any rights of cross claim or subrogation against the Landlord) from loss or damage caused by:

a) any of the Perils;

b) risks normally insured against in the Province of Saskatchewan for a building of construction, location and use similar to the Church Building; and

c) risks which the Landlord may from time to time reasonably require to be insured against.

Such insurance shall be for the full insurable value of the Church Building and the replacement value of fixtures and improvements (exclusive of the cost of foundations) and shall in any case be for an amount sufficient to prevent the Landlord being considered a co-insurer with the insured. The policies of insurance effected under this Section shall, if the Tenant directs, include the interest of any mortgagees or or encumbrancers of the Tenant's leasehold interest.

8.03 Policy Terms

The terms of the policies required to be effected by the Tenant under this article or under any other provision of this Lease, and the insurers insuring them, shall be subject to the approval of the Landlord, but such approval shall not be unreasonably withheld.

8.04 Premiums and Proof of Insurance

The Tenant shall pay all premiums and costs of all insurance required to be effected by the Tenant under any provision of this Lease, and shall from time to time keep on file with the Landlord certified copies of insurance policies, renewal contracts and other documents sufficient to show and establish accurately at all times the current status of policies in force, and in particular shall submit to the Landlord before the expiration of every current policy evidence of the renewal of such policy or the issuance of a replacement policy and of the payment of all premiums due for such renewal or replacement, and shall promptly notify the Landlord of any cancellation or intended cancellation by any insurer of any policy or any circumstances known to the Landlord materially affecting its coverage. The Tenant shall not cancel any policy of insurance without the prior written consent of the Landlord. Each policy shall provide that no cancellation shall be effective without Fifteen (15) days prior notice by the insurer to the Landlord.

8.05 The Landlord's Right to Insure

If the Tenant defaults on any of the Tenant's obligations under this Lease regarding insurance, including the obligation to submit proof of insurance to the Landlord, the Landlord may, but shall not be obliged to, place any insurance at the cost and expense of the Tenant, or pay any arrears of premium, and any expense incurred by the Landlord shall be reimbursed to it by the Tenant on demand.

## ARTICLE IX

## REPAIRS

9.01 Repair of Church Building

The Tenant shall throughout the Term of this Lease, at the Tenant's own expense (save and except as provided under Paragraph 4.02(b)) , keep in good and tenantlike repair, as is fitting to a good quality building, the Church Building, improvements and fixtures at any time erected thereon (including all building equipment, fixtures and parking area

licensed for the use of the Tenant), whether such repairs are interior or exterior, structural or non-structural, ordinary or extraordinary, foreseen or unforeseen, excepting from such standard of repair reasonable wear and tear to the extent only that such reasonable wear and tear is not inconsistent with the maintenance in good order and condition of the Church Building. The word "repairs" shall include replacements and renewals when necessary. All repairs made by the Tenant shall be equal in quality and class to the original work.

9.02 Maintenance of the Church Building

The Tenant shall, subject to the provisions of Paragraph 4.02(b), throughout the Term of this Lease maintain the Church Building and all fixtures and improvements from time to time upon the Church Building, including adjacent sidewalks, licensed parking area, in a clean and orderly condition, free from any accumulation of dirt, rubbish, water, snow and ice.

9.03 Maintenance of Chattels

The Tenant shall, subject to the provisions of Paragraph 4.02(b), throughout the Term of this Lease keep or cause to be kept in good order and condition, reasonable wear and tear excepted, all chattels located in or about the Church Building belonging to the Tenant.

9.04 The Landlord's Right to Order Repairs

The Tenant shall promptly upon notice make and do all repairs and maintenance which the Tenant has hereunder covenanted to perform.

## ARTICLE X

## CHANGES AND ALTERATIONS IN THE CHURCH BUILDING

10.01 Changes and Alterations in the Church Building

The Tenant shall have the right from time to time during the term of this Lease to make such changes, alterations or rebuildings, structural or otherwise, (herein collectively called "improvements") in and to the Church Building, as the Tenant deems necessary.

## ARTICLE XI

## ASSIGNMENTS AND OTHER DEALINGS

### 11.01 Rights of the Landlord to Assign or Encumber

Nothing contained in this Lease prohibits or restricts the Landlord or implies any prohibition or restriction from assigning, syndicating, mortgaging, encumbering or otherwise dealing with its reversionary interest in the Church Building, but subject always to this Lease and the rights of the Tenant hereunder.

### 11.02 Assignment by the Tenant

The Tenant shall not assign this Lease or sublet the whole or any part of the Church Building without the prior written consent of the Landlord, which consent shall not be unreasonably or arbitrarily withheld, and no such sublease shall be for a term (taking into account any renewals and extensions) which shall extend beyond the expiration of the Term of this Lease.

## ARTICLE XII

## LIABILITY AND INDEMNITY OF THE LANDLORD

### 12.01 Exemption of the Landlord from Liability

The Landlord shall not be liable or responsible in any way for personal or consequential injury of any kind whatsoever that may be suffered or sustained by the Tenant, or any employee, agent, invitee or licensee of the Tenant, or any other person who may be upon the Church Building, or for any loss, theft, damage, or injury to any property upon the Church Building howsoever caused.

### 12.02 Indemnity of the Landlord by the Tenant

The Tenant shall indemnify the Landlord against all claims by any person arising from the operation of or any defect or want of repair in the Church Building, or any want of maintenance thereof, or anything done or omitted on or in the vicinity of the Church Building (including any adjoining sidewalks), or any other thing whatsoever, whether arising from any breach or default or from any negligence by the Tenant, the Tenant's agents, contractors, employees, invitees, or licensees or from any accident, injury or damage or any other cause whatsoever, and such indemnity shall extend to all costs, counsel fees,

expenses and liabilities which the Landlord may incur with respect to any such claims.

## ARTICLE XIII
## DEFAULT OF TENANT AND REMEDIES OF THE LANDLORD

### 13.01 Re-Entry on Certain Defaults by the Tenant

In the event of default or in the event this Lease expires or is forfeited or terminated by any other provision, the Landlord or the Landlord's agents or employees may, upon providing written notice to the Tenant demanding that an event of default be remedied, on the Tenant's failure to remedy such event of default within Three (3) years of the said notice, thereafter at any time may:

a) re-enter the Church Building;

b) remove all persons and their property therefrom either by summary eviction proceedings or by any other suitable action or proceedings at law, equity, or otherwise without being liable to any prosecution or damages therefor; and

c) repossess and enjoy the Church Building and all fixtures and improvements upon the said Church Building;

without such re-entry and repossession working a forfeiture or waiver of the Rents to be paid and the covenants to be performed by the Tenant up to the date of such re-entry and repossession.

### 13.02 The Landlord's Right to Cure Defaults

Without limiting any other remedy which the Landlord may have, the Landlord shall have the right at all times to enter the Church Building for the purpose of curing any defaults of the Tenant, which, but for the re-entry and curing by the Landlord might cause significant damage to the lands or building of the Landlord, and no such entry for such purpose shall be deemed to work a forfeiture or termination of this Lease, and the Tenant shall permit such entry. The Landlord shall give not less than seven (7) days' notice to the Tenant of its intention to enter for such purpose but may enter upon a shorter period of notice or without notice where, in the Landlord's reasonable judgment, there is a real or apprehended emergency or danger to persons or property, or where any delay in remedying such default would or might materially prejudice the Landlord. Those expenses

incurred by the Landlord in remedying such default, where reasonably incurred, shall be reimbursed to the Tenant by the Landlord. The Landlord shall be under no obligation to remedy any default of the Tenant, and shall not incur any liability to the Tenant for any action or omission in the course of its remedying or attempting to remedy any such default unless such act amounts to the intentional misconduct or gross negligence of the Landlord.

13.03 Remedies of the Landlord are Cumulative

The remedies of the Landlord specified in this Lease are cumulative and are in addition to any remedies of the Landlord at law or equity. No remedy shall be deemed to be exclusive, and the Landlord may from time to time have recourse to one or more or all of the available remedies specified herein or at law or equity. In addition to any other remedies provided in this Lease the Landlord shall be entitled to restrain by injunction any violation or attempted or threatened violation by the Tenant of any of the covenants hereof.

13.04 Effect of Waiver by the Landlord

The failure of the Landlord to insist upon the strict performance of any covenant of this Lease shall not waive such covenant, and the waiver by the Landlord of any breach of any covenant of this Lease shall not waive such covenant in respect of any future or other breach. The receipt and acceptance by the Landlord of rent or other monies due hereunder with knowledge of any breach of any covenant by the Tenant shall not waive such breach. No waiver by the Landlord shall be effective unless made in writing.

## ARTICLE XIV

## PARKING

14.01 Parking

The Tenant shall be entitled to parking adjacent to the Church Building, as described on Schedule "B" attached hereto; the costs of maintenance and repair to be for the sole account of the Tenant (subject to the provisions of Paragraph 4.02(b)).

## ARTICLE XV

## EXPROPRIATION

15.01 Rights of the Landlord on Expropriation

If at any time during the Term of this Lease, the whole or any part of the Church Building shall be taken by any lawful power or authority by the right of expropriation, the Landlord may, at its option, give notice to the Tenant terminating this Lease in its entirety or, only insofar as it affects the part of the Church Building taken by the lawful power or authority by right of expropriation, on the date when the Tenant or the Landlord is required to yield up possession thereof to the expropriating authority. Upon such termination, or upon termination by operation of law, as the case may be, the Tenant shall immediately surrender the Church Building or any part of the Church Building taken by the expropriating authority, as the case may be, and all its interest therein. The Tenant shall have no claim upon the Landlord for the value of its property or the unexpired Term of this Lease, but the parties shall each be entitled to separately advance their claims for compensation for the loss of their respective interest in the property taken. The parties shall be entitled to receive and retain such compensation as may be awarded to each respectively.

## ARTICLE XVI

## MISCELLANEOUS

16.01 Miscellaneous

The Landlord and the Tenant acknowledge and agree that subject to the consent of the Tenant, it is the intent of the Parties that the Landlord shall be entitled to the use of certain portions of the Church Building for activities of the Tenants of the adjacent building owned by the Landlord. Such use by the Landlord of the demised premises shall be always subject to the approval of the Tenant, the granting of the approval on any occasion shall not thereafter bind or require the Tenant to thereafter approve of such use. For greater certainty, the use by the Landlord of the demised premises shall, through the Term of the Lease, be only exercised with the consent of the Tenant, which said consent may be withheld in the Tenant's absolute discretion.

## ARTICLE XVII

## BINDING EFFECT

17.01 Binding Effect

This Lease and the covenants and agreements herein contained shall extend to and enure to the benefit of and be binding upon the Landlord, the Tenant and their respective heirs, executors, administrators, successors and assigns according to the purport and intent of their respective covenants and agreements.

IN WITNESS WHEREOF the parties have hereunto affixed their corporate seals attested to by the hands of their proper signing officers in that behalf, this day of , A.D. 19 .

McCLURE PLACE ASSOCIATION INC.

Per: _____

(seal) Per: _____

McCLURE UNITED CHURCH

Per: _____

(seal) Per: _____

## SCHEDULE "A"

Lots "D" and "E", in Block Two Hundred and Forty-three (243), in the City of Saskatoon, in the Province of Saskatchewan, in the Dominion of Canada, according to a Plan of Record in the Land Titles Office for the Saskatoon Land Registration District as No. 83-S-54524.

Reserving unto The City of Saskatoon all coal, petroleum and natural gas,

MINERALS EXCEPTED as to the balance.