

SEVERANCE AGREEMENT

THIS AGREEMENT effective the 12th day of May, 2021.

BETWEEN:

5005559 ONTARIO INC.
(hereinafter referred to as the “**Owner**”)

- and -

MUNICIPALITY OF MIDDLESEX CENTRE
(hereinafter referred to as the “**Municipality**”)

hereinafter collectively referred to as the “**Parties.**”

WHEREAS:

- A. The Owner warrants and represents that it is the registered owner(s) of Part South Lot ½ Lot 16, Concession 11 as described in LT303567, formerly in the Township of Middlesex Centre/London Township, now in the Municipality of Middlesex Centre, County of Middlesex, being PIN 08143-0028 and municipally known as 14378 Ilderton Road and 22740 Richmond Street, Middlesex Centre (hereinafter referred to as the “**Subject Lands**”);
- B. Council for the Municipality has authority to make consent decisions pursuant to the *Planning Act*, RSO 1990, c P 13, as amended or replaced (the “**Planning Act**”);
- C. The Owner applied to sever the Subject Lands in Consent Application #B-32-19 (hereinafter referred to as the “**Application**”);
- D. On April 16, 2021, the Chief Administrative Officer for the Municipality, having delegated authority from Council to bind the Corporation, signed Minutes of Settlement approving the Application subject to certain severance conditions (hereinafter referred to as the “**Decision**”), which are to run with the Subject Lands and Severed Parcel, as defined herein;
- E. The registration of this Severance Agreement on title of the Subject Lands and Severed Parcel, as defined herein, is authorized by subsections 53(12) and 51(25-26) of the *Planning Act*.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of good and valuable consideration, including but not limited to the consent to severance, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby covenant and agree as follows:

- 1. The above recitals are true and are hereby incorporated into this Severance Agreement by reference.
- 2. The lands to be severed will have a frontage of 70.5 metres along Ilderton Road and an area of 0.667 hectares (hereinafter, referred to as the “**Severed Parcel**”), and shall be severed from the Subject Lands subject to the following conditions:
 - 2.1 That the owner demonstrate that the Crop-Sharing Agreement between 5005559 Ontario Inc. and 1966971 Ontario Inc. (landowners) and McClary Holdings Inc. (farmer) effective January 1, 2021, which demonstrates the operation of a

consolidated farm operation on the 14378 Ilderton Road / 22740 Richmond Street and 15374 Medway Road farm properties, is registered on title of the Subject Lands (both the to be severed and retained portions) and the Medway Road farm property, as required by the Agreement.

- 2.2 That the Owner removes the chicken coup from the Severed Parcel.
- 2.3 That the Certificate of Consent under Section 53(42) of the Planning Act shall be given within one year of the date of the notice of the decision. The request for the Certificate of Consent shall be accompanied by a written submission that details how each of the conditions of severance has been fulfilled.
- 2.4. That the fee for the Certificate of Consent be paid in accordance with the Municipality's Fees and Charges By-law.
- 2.5 That a draft reference plan be prepared by an Ontario Land Surveyor for the purposes of facilitating the transaction of the consent and that this plan be approved by the Municipality prior to it being deposited with the Land Registry Office.
- 2.6 That the Owners' solicitor provides a Transfer in Preparation to the Municipality, together with a deposited reference plan and a Schedule describing the land to be transferred, for the purposes of the issuance of a Certificate of Consent.
- 2.7 That Owners' solicitor submits an undertaking in a form satisfactory to the Municipality to register an electronic transfer of title consistent with the Consent decision.
- 2.8 That, if necessary, a revised assessment schedule in accordance with the Drainage Act, as amended, be commissioned and paid for by the Owner.
- 2.9 That the Severed Parcel be re-zoned as Surplus Residence (SR).
- 2.10 That the Retained Parcel be re-zoned as Agricultural – No Residences (A3-4) zone, prohibiting additional residential dwellings on the Retained Farm Holding that do not exist as of April 19, 2021, be in full force and effect.
- 2.11 That the Owner of the Retained Farm Holding register on title to the Retained Farm Holding at its expense, a restrictive covenant not to expand or intensify the legacy legal nonconforming single detached residential dwelling in any manner and to not take any action that would prevent or harm the long-term viability of farming on the Retained Farm Holding.
- 2.12 That the Owner register the Minutes of Settlement as between and the Municipality on title to the Subject Lands, both on the severed and retained parcels, at its expense.
- 2.13 That the Owner enter into this severance agreement with the Municipality in order to provide notice of these conditions and advise future owners of the Severed Parcel and the Retained Farm Property of normal farm practices occurring in the area as outlined in the Farming and Food Production Protection Act, 1998, as amended or replaced. This agreement shall be registered prior to issuing the

certificate of consent. The following requirement shall be included in the severance agreement:

“The Owner shall include in any Agreement of Purchase and Sale of the severed lot a warning specifically notifying future owners that normal farm practices, as outlined in the Farming and Food Production Protection Act, 1998, as amended or replaced, are engaged in and occur in the area of the property and shall require the purchaser, as a condition of any aforementioned Agreement of Purchase and Sale, to acknowledge and accept that normal farm practices, as outlined in the Farming and Food Production Protection Act, 1998, as amended or replaced, are engaged in and occur in the area of the property.”

- 2.14 That any outstanding property taxes for the Severed Parcel and Retained Farm Property be paid in full.
 - 2.15 That the Owner confirm the location of the septic system and well on the Severed Parcel to the satisfaction of the Municipality, and that a contingency area is available, all of the above shall be adequately located on the residential parcel.
 - 2.16 That the residence on the residential Severed Parcel is deemed habitable by the Chief Building Official.
 - 2.17 That the Owner confirm that the location of the septic system and well on the Severed Parcel to the satisfaction of the Municipality, that a contingency area is available, and that all of the above shall be adequately located on the Severed Parcel.
 - 2.18 That the Owner be required to install separate hydro meters to each of the residences on the Severed Parcel and the Retained Farm Property to the satisfaction of the Municipality and Hydro One.
 - 2.19 That the Owner be required to dedicate lands up to 18 metres from the centerline of County Road 16 (Ilderton Road) along the Severed Parcel and Retained Farm Property to the satisfaction of the upper-tier municipality Corporation of the County of Middlesex for the purposes of road widening, if the right of way is not already to that width.
 - 2.20 That the Owner be required to dedicate any road widening's along Richmond Street (Provincial Highway #4), if such are required by the Province of Ontario.
- 3. This Severance Agreement shall be registered on title of the Subject Lands and Severed Parcel at the sole expense of the Owner, and further, the covenants, agreements, obligations, conditions and understandings of the Owner herein shall run with the Subject Lands and Severed Parcel, shall extend to, be binding upon, and enure to the Parties and their respective heirs, executors, administrators, successors, assigns and subsequent occupiers of the Subject Lands and Severed Parcel.
 - 4. This Agreement constitutes the entire agreement between the Parties pertaining to the Application and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties. The Parties acknowledge that there are no representations, warranties

or other agreements between the Parties in connection with the subject matter of this Agreement except as specifically set out in this Agreement and that no Party has been induced to enter into this Agreement in reliance on, and there will be no liability assessed, either in tort or contract, with respect to, any warranty, representation, opinion, advice or assertion of fact, except to the extent it has been reduced to writing and included as a term in this Agreement.

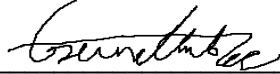
5. No modifications or amendments to this Severance Agreement may be made unless agreed to by the Parties in writing.
6. This Severance Agreement may be executed in counterparts with the same effect as if all Parties had signed the same document. All counterparts shall be construed together, and shall constitute one and the same agreement. Counterparts may be executed either in original or faxed or electronic form and the Parties may adopt any signatures received by facsimile or electronically as original signatures of the Parties.
7. This Severance Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

IN WITNESS WHEREOF the Parties have duly executed this Severance Agreement on the date(s) set out below and the Parties agree that this Agreement shall be effective on the date set out at the top of page one (1) of this Agreement.

Date: June 21st, 2021

5005559 ONTARIO INC.

Per: _____



Jimmy Lee, Director

I/We have authority to bind the Corporation

Date: July 14th, 2021

MUNICIPALITY OF MIDDLESEX CENTRE

Per: _____

Aina DeViet, Mayor

Per: _____

James Hutson, Clerk

We have authority to bind the Municipal Corporation

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