

SEVERANCE & DEVELOPMENT AGREEMENT

THIS AGREEMENT effective the 15th day of March, 2023.

BETWEEN:

SUPERSPACE LTD.
(hereinafter referred to as “**Owner**”)

- and -

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

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

WHEREAS:

- A. The Owner represents that it has entered into an agreement to purchase a portion of the lands owned by Canadian National Railway Company (the “**Vendor**”), being Part Lots 6, 7 & 8, Concession 2, As In LQ256, LQ709, LQ273, LQ377, LQ3670, LQ6133, LQ5688, LQ6134, LQ7523, LQ9077, LQ9078, LQ7672, LQ7665, LQ7522; Middlesex Centre Township/Lobo Township; Together with an easement over Part Lot 6, Concession 2, Lobo, Parts 3, 4 and 5 33R-21081 as in ER1441037 in the Municipality of Middlesex Centre, being all of PIN 09664-0155 (LT) (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 Vendor applied to sever the Severed Parcel from Subject Lands in Consent Application #B20-2021 (hereinafter referred to as the “**Application**”);
- D. On July 20, 2022, Council for the Municipality approved the Application subject to certain severance conditions (hereinafter referred to as the “**Decision**”), which are to run with the Severed Parcel, as defined herein;
- E. The registration of this Severance Agreement on title of the 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 & Development Agreement by reference.
2. The Vendor applied to sever from the Subject Lands a lot with a proposed frontage of approximately 102 m (334.6ft) on Queen Street with an area of approximately 1.44 hectares (3.57 acres) (hereinafter, referred to as the “**Severed Parcel**”) and retain the remainder being the existing railway corridor (hereinafter, referred to as the “**Retained Parcel**”). The Owner agrees that the Severed Parcel shall be severed from the Subject Lands in accordance with the Decision, which (without limitation) includes the following condition as Condition 10:

“The Owner shall be required to rezone the lands and demonstrate compliance with the Municipality’s Zoning By-law prior to the issuance of a Certificate of Consent.”

3. With respect to the condition specified in Condition 7 of the Decision, being:

“That the owner shall install separate water and sanitary services connections to the severed parcel prior to consent being granted to the satisfaction of the Municipality.”

The registered owner of the Severed Parcel shall install separate water and sanitary service connections to the Severed Parcel prior to the obtaining of building permits related to the Severed Parcel at 100% of such registered owner’s cost and at no cost to the Municipality.

4. With respect to the condition specified in Condition 8 of the Decision, being “The applicant be required to pay \$63,000.00 for future road upgrade costs”, the registered owner of the Severed Parcel shall pay \$63,000.00 to the Municipality for future road upgrade costs prior to the obtaining of building permits related to the Severed Parcel.
5. With respect to the condition specified in Condition 9 of the Decision, being “That the Owners pay \$1,300.00 cash in lieu of parkland dedication for the proposed lot of Consent B-20/2021”, the registered owner of the Severed Parcel shall pay \$1,300.00 cash-in-lieu of parkland dedication for the Severed Parcel prior to the obtaining of building permits related to the Severed Parcel.
6. The Owner agrees that the Vendor and the Owner shall be required to rezone the lands and demonstrate compliance with the Municipality’s Zoning By-law prior to the issuance of a Certificate of Consent pursuant to the Decision (the “**Consent**”).
7. Notwithstanding clauses 3, 4 and 5 of this Agreement, the Municipality, the Owner agrees and covenants that the registered owner of the Severed Parcel, from time to time, shall be responsible for fulfilling Condition 7, Condition 8 and Condition 9 of the Decision, prior to the obtaining of a building permit.

8. This Severance & Development Agreement shall be registered on title of the Severed Parcel at the sole expense of the Owner immediately following the registration of a Transfer attaching or otherwise referring to the Consent (the “**Transfer**”), and further, the covenants, agreements, obligations, conditions and understandings of the Owner herein shall run with the Severed Parcel, shall extend to, be binding upon, and enure to the Owner and his respective heirs, executors, administrators, successors and assigns, and all subsequent owners and occupiers of the Severed Parcel.
9. The registered owner of the Severed Parcel, at any given time, is fully responsible for any development that he/she/they/it may initiate and is one hundred percent (100%) responsible for the costs of development on, in or under the Severed Parcel. The Municipality or the County shall not be responsible for any costs of the development whatsoever.
10. The Owner shall be responsible for paying to the Municipality, within thirty (30) days of endorsement of this Severance & Development Agreement on a joint and several basis, the amount of two-thousand, five hundred dollars (\$2,500.00) for reimbursement of a portion of the Municipality’s legal fees and disbursements incurred in conditions appeal discussions and drafting, reviewing and finalizing this Severance & Development Agreement. Further, the Owner agrees that it does not dispute the reasonableness of the aforementioned payment and is estopped from doing so. Pursuant to the *Municipal Act, 2001*, the costs are a debts and priority liens owing to the Municipality.
11. All obligations in this Agreement survive the issuance of a Certificate of Consent and are binding on the owners of the Severed Parcel and his/her/their/its successors and heirs on a joint and several basis.
12. This Agreement constitutes the entire agreement between the Parties pertaining to the severance of the Severed Parcel and Retained Parcel 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.
13. No modifications or amendments to this Severance & Development Agreement may be made unless agreed to by the Parties in writing.
14. This Severance & Development Agreement may be executed and initialed by the Parties by original or electronic signature and be delivered by the parties in separate counterparts by e-mail or other functionally equivalent electronic means of transmission. Execution and delivery copy of this Agreement as set out above shall be deemed to effectively bind the parties and meets the requirements of the *Electronic Commerce Act 2000*, S.O. 2000,

c. 17, as amended or replaced. Each counterpart will be considered an original and each, when held together, shall constitute one and the same instrument.

15. This Severance & Development 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: _____, 2023

SUPERSPACE LTD.

Per: _____

Name/Position: _____/_____

I have the authority to bind the Corporation

Date: March 15, 2023

MUNICIPALITY OF MIDDLESEX CENTRE

Per: _____
Aina DeViet, Mayor

Per: _____
James Hutson, Clerk

We have authority to bind the Corporation