

THIS EASEMENT AGREEMENT made this 20th day of August, 2012.

BETWEEN:

CORNELL ROUGE DEVELOPMENT CORP.
(hereinafter called the "Owner")

OF THE FIRST PART

- and -

THE CORPORATION OF THE CITY OF MARKHAM
(hereinafter called the "City")

OF THE SECOND PART

WHEREAS the Owner is the owner of certain lands and premises situated in the City of Markham in the Regional Municipality of York and Province of Ontario, and municipally known as 1982 Donald Cousens Parkway (hereinafter called the "Property"), and more particularly described in Schedule "A" attached hereto and which there is the "William Foster House" (hereinafter called the "Building");

AND WHEREAS one of the purposes of the *Ontario Heritage Act*, R.S.O. 1990, c. O.18, is to support, encourage and facilitate the conservation, protection and preservation of the heritage of Ontario;

AND WHEREAS by Subsection 37(1) of the *Ontario Heritage Act*, the City is entitled to enter into easements or covenants with owners of real property, or interests therein, for the conservation of buildings of historic or architectural value or interest;

AND WHEREAS by Subsection 37(3) of the *Ontario Heritage Act*, such covenants and easements entered into by the City when registered in the proper Land Registry Office against the real property affected by them shall run with the real property and may, whether positive or negative in nature, be enforced by the City or its assignee against the owners or any subsequent owners of the real property, even where the City owns no other land which would be accommodated or benefited by such covenants and easements;

AND WHEREAS the Owner and the City desire to conserve the present historical, architectural, contextual, aesthetic, scenic and heritage characteristics and conditions of the Building on the Property as set out in the "Reasons for Identification";

AND WHEREAS to this end, the Owner and the City agree to enter into this Easement Agreement (hereinafter called the "Agreement");

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the sum of TWO DOLLARS (\$2.00) of lawful money of Canada now paid by the City to the Owner (the receipt of which is hereby acknowledged), and for other valuable consideration, and in further consideration of the granting of the easements herein and in further consideration of the mutual covenants and restrictions hereinafter set forth, the Owner and the City agree to abide by the following covenants, easements and restrictions which shall run with the Property forever.

1.0 REASONS FOR IDENTIFICATION

1.1 Statement of Heritage Value

The Owner and the City agree that for the purposes of this Agreement the following statement (hereafter called the "Statement of Heritage Value" sets out the reasons why the City of Markham has identified the Building as having historical and architectural significance.

Historical Value:

William Forster was born in Northumberlandshire, England, near Newcastle-upon-Tyne. In 1830, shortly after the death of his father in a coal mine accident, he came to Markham with his widowed mother, Rebecca (Robson) and seven sisters. Two brothers later joined the rest of the family in Canada. Rebecca's brother, William Robson, lived in Markham Township and helped the Forster family get settled here on one of his properties on the west half of Lot 13, Concession 9. William Forster and his older brother John ran a wood turning factory owned by their uncle north of Unionville. In the 1851 census, the business is described as a chair factory. William Forster became a farmer, possibly retaining an interest in the turning factory but apparently leaving the day-to-day operation to John Forster, who lived on the property. In 1841, he married Barbara Wurts and in 1844 established his own household on the east 100 acres of Lot 13, Concession 9. About 1855, the log house on the farm was replaced by the substantial fieldstone house that stands today. The Forsters were Methodist and in the early days, William Forster took turns with William Button welcoming neighbours into their homes for services with an itinerant preacher making his rounds. Forster was one of the original trustees when Reynold's Chapel at Locust Hill was dedicated in 1857. The farm remained in the ownership of the family well into the 20th century, and the Forster family bible is a treasured artefact in the collection of the Markham Museum.

Architectural Value:

The William Forster House follows the symmetrical form of the Georgian architectural tradition, with a rectangular plan and a balanced 5 bay front. The front doorcase, with its elaborate multi-paned transom light and sidelights, is a focal point of the east façade, sheltered beneath a full-

width verandah supported on simple turned posts. The walls, of local multi-coloured fieldstone, are coursed and accented with brick quoins and brick door and window surrounds. Original 6 over 6 windows, a Classical wood cornice with generous returns and a modified stone rear wing are other features of architectural interest. A distinguishing feature of this substantial stone house is the raised basement, which contains the original kitchen. The building is nestled into a gentle natural slope that makes it appear as a 1 ½ storey structure from the front, while at the rear and sides the house is revealed to be 2 ½ storeys. Over top of the rear wing is a frame sunporch, and on the south side at ground floor level, the ell has been infilled with a frame sunporch. These features appear to date from the early 20th century.

Contextual Value

The William Forster House, built by the patriarch of the Forster family, is the homestead of an early Markham family of English immigrants. The substantial stone house is a tangible reminder of the success of the Forster family in their adopted Canadian home and its history is linked to the establishment of a Methodist congregation in nearby Locust Hill and to the development of a local furniture making industry that lasted through three generations. The home's dignified Georgian architecture and exceptional state of preservation make it a very good example of a fine stone farmhouse of the mid 19th century. The siting of the house to take advantage of a natural slope and create well-lit basement level living space is a noteworthy feature.

Significant Architectural Attributes

Exterior character-defining attributes that embody the heritage value of the William Forster House include:

- overall form of the building;
- fieldstone walls with brick accents;
- siting into a natural slope;
- medium pitched gable roof with deep returned eaves;
- wood soffits, fascias, and bedmould;
- hip-roofed front verandah on turned wood posts, supported on brick piers;
- front doorcase with 4 panelled wood door, multi-paned wood transom light and multi-paned wood sidelights with moulded panels below;
- original wood 6 over 6 sash style windows with projecting sills, on all sides of the building;
- one storey stone and brick rear wing with early 20th century frame additions.

1.2 Photographs Relevant to Duties of the Owner

The Owner acknowledges that a set of dated photographs, hereinafter referred to collectively as "the Photographs", document the significant architectural attributes of the Building. The original photographs, numbered HA 12 126732-1, HA 12 126732-2, HA 12 126732-3 and HA 12 126732-

4, dated March 13, 2003 will be kept on file at the City's offices or such other location as the City may determine, and may be examined at any time upon reasonable notice to the City. The Photographs generally depict certain significant features of the appearance or the construction of the Building and the Reasons for Identification and the Photographs shall be referred to in determining the duties of the Owner under this Agreement.

When alterations are made to the Building pursuant to paragraph 2.1 and/or 2.2, the Owner shall within ninety (90) days of completion of such alterations and at the Owner's expense, provide to the City new photographs taken from the same vantage point and identifying the same features of the appearance or construction as the original photographs. Such photographs shall be dated and filed with the City. The City shall number the said photographs which shall replace the original Photographs and all references in this agreement to the Photographs shall be deemed to refer to such new replacement photographs.

2.0 DUTIES OF OWNER

2.1 Normal Repairs and Alterations

The Owner shall not, except as hereinafter set forth, without the prior written approval of the City, undertake or permit any demolition, construction, alteration, remodelling or any other thing or act which would materially affect the features of the appearance or construction of the Building as set out in the "Reasons for Identification" and as may be depicted in the copies of the Photographs on file or drawings and other documents attached hereto. The approval required to be obtained from the City herein shall be deemed to have been given upon the failure of the City to respond in writing to a written request for it within ninety (90) days of receiving such request as its address as set out in paragraph 7.1 of this Agreement. If the approval of the City is given or deemed to be given under this paragraph, the Owner, in undertaking or permitting the construction, alteration, remodelling or other thing or act so approved of, shall use materials approved by the City.

2.2 Insurance

The Owner shall at all times during the currency of this Agreement keep the Building insured against normal perils that are coverable by fire and extended coverage insurance in an amount equal to the replacement cost of the Building. Upon execution of this agreement, the Owner shall deliver to the City a letter or certificate, in a form and from an insurance company, agent or broker acceptable to the City, which letter or certificate shall state as follows:

"This will confirm that (name of insurer) has issued to the Owner a valid insurance policy which insures the Building against normal perils that are coverable by fire and extended coverage insurance in an amount equal to the replacement cost of the Building".

The Owner further agrees to provide written evidence of the renewal of such policy at least 3 weeks prior to the expiration date of the policy, in a form satisfactory to the City. If the Owner fails to so insure the Building, or if any such insurance on the Building is cancelled, the City may effect such insurance as the City deems necessary and any sum paid in so doing shall forthwith be paid by the Owner to the City, or if not shall be a debt due and owing to the City and recoverable from the Owner by action in a court of law. All proceeds receivable by the Owner under any fire and extended coverage insurance policy or policies on the Building shall, on the written demand and in accordance with the requirements of the City, be applied to replacement, rebuilding, restoration or repair of the Building to the fullest extent possible having regard to the Reasons for Identification, the particular nature of the Building and the cost of such work.

2.3 Damage or Destruction

The Owner shall notify the City of any damage or destruction to the Building within ten (10) clear days of such damage or destruction occurring. In the event that the Building is damaged or destroyed and the replacement, rebuilding, restoration or repair of it is impractical because of the financial costs involved, or because of the particular nature of the Building, the Owner shall, in writing within forty (40) days of the giving by the Owner of notice of such damage or destruction, request written approval by the City to demolish the Building, pursuant to paragraph 2.1. If the approval of the City is given or deemed to be given, the Owner shall be entitled to retain any proceeds from the insurance hereinbefore mentioned and to demolish the Building.

2.4 Reconstruction by Owner

If the Owner has not requested the approval to demolish referred to in paragraph 2.3 or if the City does not give the approval to demolish referred to in paragraph 2.3, the Owner shall replace, rebuild, restore or repair the Building so as to effect the complete restoration of the Building. Before the commencement of such work, the Owner shall submit all plans and specifications for the replacement, rebuilding, restoration or repair of the Building to the City for its written approval within one hundred and thirty-five (135) days of the damage or destruction occurring to the Building. A refusal by the City to approve any plans and specifications may be based upon choice of materials, appearance, architectural style or any other ground or grounds including, but not limited to, purely aesthetic grounds, and the determination of the City shall be final. The Owner shall not commence or cause restorative work to be commenced before receiving the written approval of the City of the plans and specifications for it, and such restorative work shall be performed upon such terms and conditions as the City may stipulate. Such approval shall be deemed to have been received upon failure of the City to respond in writing to a written request for it within ninety (90) days of the receipt of such request by the City. The Owner shall cause all replacement, rebuilding, restoration and repair work on the Building to be commenced within thirty

(30) days of the approval by the City of the plans and specifications for it and to be completed within nine (9) months of commencement, or as soon as possible thereafter if factors beyond their control prevent completion within the said nine (9) months, and the Owner shall cause all such work to conform to the plans and specifications approved of and terms and conditions stipulated by the City.

2.5 Failure of the Owner to Reconstruct

In the event that a request to demolish is not submitted or is refused pursuant to the provision of paragraph 2.2 and the Owner fails to submit plans and specifications pursuant to paragraph 2.4 which are acceptable to the City within one hundred and thirty-five (135) days of the damage or destruction occurring to the Building, the City may prepare its own set of plans and specifications. The Owner shall have thirty (30) days from receiving a copy of such plans and specifications to notify the City in writing that they intend to replace, rebuild, restore or repair the Building in accordance with those plans and specifications.

If the Owner does not so notify the City within the said thirty (30) days, the City may prepare its own set of acceptable plans and specifications for the building and may enter onto the property and proceed with replacing, rebuilding, restoring or repairing the building so as to effect the complete restoration of the building. The Owner shall reimburse the City for all expenses incurred by the City in carrying out such work.

2.6 Maintenance of the Building

The Owner shall at all times maintain the Building in as good and as sound a state of repair as a prudent owner would normally do, so that no deterioration in the Building's condition and appearance shall take place, including, without limiting the generality of the foregoing, taking all reasonable measures to secure and protect the Building from vandalism, fire and damage from inclement weather.

2.7 Signs, Structures, Etc.

The Owner shall not erect or permit the erection on the Property or on the Building of any signs, awnings, television aerials or other objects of a similar nature without the prior written approval of the City. Such approval may, in the sole discretion of the City and for any reason which the City considers necessary, be refused, provided that with respect to signage to identify the occupant(s) of the Building from time to time, the approval of the City shall not be unreasonably withheld, having regard to its use of the Building, the Reasons for Identification and the Photographs.

2.8 No Act of Waste

The Owner shall not commit or permit any act of waste on the Property. In respect to the subject lands, the Owner shall not, except with the prior written approval of the City:

- (a) grant any easement or right-of-way which would adversely affect the easement hereby granted;
- (b) erect or remove or permit the erection or removal of any building, sign, fence or other structure of any type whatsoever;
- (c) allow the dumping of soil, rubbish, ashes, garbage, waste or other unsightly, hazardous or offensive materials of any type or description;
- (d) except for the maintenance of existing improvements, allow any changes in the general appearance or topography of the lands, including and without limiting the generality of the foregoing, the construction of drainage ditches, transmission towers and lines, and other similar undertakings as well as the excavation, dredging or removal of loam, gravel, soil, rock, sand or other materials;
- (e) allow the planting of trees, shrubs or other vegetation which would have the effect of (i) reducing the aesthetic value of the Building or the Property or (ii) causing any damage to the Building;
- (f) allow any activities, actions or uses detrimental or adverse to water conservation, erosion control and soil conservation; and
- (g) allow the removal, destruction or cutting of trees, shrubs or vegetation except as may be necessary for (i) the prevention or treatment of disease or (ii) other good husbandry practices.

2.9 Breach of Owner's Obligations

If the City, in its sole discretion, is of the opinion that the Owner has neglected or refused to perform any of their obligations set out in this Agreement, the City may, in addition to any of its other legal or equitable remedies, serve on the Owner a notice setting out particulars of the breach and of the City's estimated maximum costs of remedying the breach. The Owner shall have thirty (30) days from receipt of such notice to remedy the breach or make arrangements satisfactory to the City for remedying the breach.

If within those thirty (30) days the Owner has not remedied the breach or made arrangements satisfactory to the Municipality for remedying the breach, or if the Owner does not carry out the said arrangements within a reasonable period of time, of which the Municipality shall be the sole and final judge, the Municipality may enter upon the Property and may carry out the Owner's obligations and the Owner shall reimburse the Municipality for all expenses incurred thereby. Such expenses incurred by the Municipality shall, until paid to it by the Owner, be a debt owed by the Municipality and recoverable by the Municipality by action in a court of law.

2.10 Waiver

The failure of the City at any time to require performance by the Owner of any obligation under this Agreement shall in no way affect its right thereafter to enforce such obligation, nor shall the waiver by the City of the performance of any obligation hereunder be taken or be held to be a waiver of the performance of the same or any other obligation hereunder at any later time.

2.11 Extension of Time

Time shall be of the essence of this Agreement. Any time limits specified in this Agreement may be extended with the consent in writing of both the Owner and the City, but no such extension of time shall operate or be deemed to operate as an extension of any other time limit, and time shall be deemed to remain of the essence of this Agreement notwithstanding any extension of any time limit.

2.12 Emergencies

Notwithstanding the provisions of paragraph 2.1, it is understood and agreed that the Owner may undertake such temporary measures in respect of the Building as are:

- (1) in keeping with the intentions of this Agreement;
- (2) consistent with the conservation of the Building, and
- (3) reasonably necessary to deal with an emergency which puts the security or integrity of the Building or occupants of the Building at risk of damage,

provided that the *Building Code Act, 1992*, S.O. 1992, c. 23, as amended, or re-enacted from time to time is complied with and, where time permits, the staff of the Heritage Section, Development Services Commission, is consulted.

3.0 Use of Property

3.1 The Owner expressly reserves for itself, its representatives, heirs, successors and assigns the right to continue the use of the Property for all purposes not inconsistent with this Agreement.

4.0 Inspection of the Property

4.1 Inspection by City at All Reasonable Times

The City or its representatives shall be permitted at all reasonable times to enter upon and inspect the Property and the Building upon prior written notice to the Owner of at least twenty-four (24) hours.

5.0 Notice of Easement

5.1 Plaque

The Owner agrees to allow the City to erect a plaque on the Building, in a tasteful manner and at the City's expense, indicating that the City holds a conservation easement on the Property.

5.2 Publicity

The Owner agrees to allow the City to publicize the existence of the easement.

6.0 Severability of Covenants

6.1 Proper Covenants Not to Terminate

The Owner and the City agree that all covenants, easements and restrictions contained in this Agreement shall be severable, and that should any covenant, easement or restriction in this Agreement be declared invalid or unenforceable, the remaining covenants, easements and restrictions shall not terminate thereby.

7.0 Notice

7.1 Addresses of Parties

Any notices to be given under this Agreement shall be delivered to the parties at their respective addresses. The respective addresses of the parties for such purposes presently are as follows:

The Owner

369 Rimrock Road
Toronto, Ontario
M3J 3G2

The City

The Corporation of the City of Markham
101 City Centre Boulevard
Markham, Ontario
L3R 9W3

The parties agree to notify each other immediately, in writing, of any changes of address from those set out above.

7.2 Service in Person or by Mail Except Where Postal Service is Interrupted

Except in the event of an interruption in the postal service, any notices to be given under this Agreement shall be delivered in person or sent by prepaid registered mail addressed to the parties at their respective addresses as set out in paragraph 7.1. In the event that a notice is delivered in person, the party receiving the notice shall forthwith indicate receipt of the notice by signing a form of acknowledgement of receipt, and in that event, the notice shall be deemed to have been received on the date on which the form of acknowledgement of receipt was signed. In the event that a party refuses to sign an acknowledgement of receipt of the notice, the person delivering the notice may swear an affidavit of service, and the notice shall be presumed to have been received on the date of service as set out in such affidavit. In the event that a notice is sent by prepaid registered mail, it shall be deemed to have been received on the second clear day following the day on which the notice was sent.

7.3 Service Where Postal Service is Interrupted

In the event of any interruption in the postal service, notice may be given to either party at its respective address as set out in paragraph 7.1, either in person or by special courier. The party receiving the notice shall indicate the receipt of it by signing a form of acknowledgement of receipt, and the notice shall be deemed to have been received on the date on which the form of acknowledgement of receipt was signed. In the event that either party refuses to sign an acknowledgement of receipt of the notice, the person delivering the notice may swear an affidavit of service, and the notice shall be presumed to have been received on the date of service as set out in such affidavit.

8.0 Entirety

8.1 No Extraneous Agreements Between the Parties

This written Agreement embodies the entire agreement of the parties with regard to the matters dealt with herein, and no understandings or agreements, verbal or otherwise, exist between the parties except as herein expressly set out.

9.0 Subsequent Instruments

9.1 Subsequent Instruments to Contain These Provisions

Notice of these covenants, easements and restrictions shall be inserted by the Owner in any subsequent deed or other legal instrument by which they divest themselves either of the fee simple title to or of their possessory interest in the Property or the Building.

9.2 Notice to Municipality

The Owner shall immediately notify the City in the event that they divest themselves of the fee simple title to or of their possessory interest in the Property or the Building.

10.0 Interpretation

10.1 The headings in the body of this Agreement form no part of the Agreement but shall be deemed to be inserted for convenience of reference only.

10.2 This Agreement shall be construed with all changes in number and gender as may be required by the context.

11.0 Enurement

11.1 Covenants to Run With the Property

The covenants, easements and restrictions set out in this Agreement shall run with the Property and shall enure to the benefit of and be binding upon the Owner and upon the City and their respective heirs, executors, administrators, successors and assigns as the case may be.

SCHEDULE "A"

ALL AND SINGULAR THAT certain parcel or tract of land and premises situate, lying and being in the City of Markham, in the Regional Municipality of York, and being composed of Lot 214, 65M-4354

