

TENANCY AGREEMENT

This Agreement dated the 9th day of April 2014.
 In pursuance of the *Short Form of Leases Act* and the provisions of the *Residential Tenancies Act* and any successor legislation of those Acts and any other governing law.

Between: Landlord:  **MERCEDES HOMES INC.**, 920 YONGE STREET, SUITE 610
 TORONTO, ON M4W 2J2 TEL: (416) 923-6230 FAX: (416) 923-6398

And: Tenant(s): XXXXXXXXXXXX

Rented Premises 1. The Landlord agrees to rent the Tenant(s) Suite XX, hereinafter referred to as the rented premises, at 88 WELLESLEY STREET EAST, TORONTO, ONTARIO, M4Y 1R6
BUILDING'S ADDRESS

Use of Premises 2. The Tenant(s) agree(s) to use the suite as residential premises and for no other purpose, to abide by the covenants, agreements, rules and regulations of this agreement and not to allow the suite to be occupied by anyone other than the persons listed in this agreement. The Tenant(s) further agree(s) that aside from the Tenant only the following may occupy the rented premises:
NAME

Occupants 3. Occupancy is restricted only to those persons approved on the original tenancy agreement. Tenants and Occupants agree to abide by all the terms and conditions contained within the Tenancy Agreement and Lease Documents. Under no circumstances whatsoever is the Tenant to take in boarders or accept any other occupants. The Tenant must contact Mercedes Homes Inc. in writing if he/she wishes to change the occupants on the original tenancy agreement.

Term 4. The Tenant(s) and/or Occupant(s) will occupy the rented premises, subject to the present tenant's vacating and subject to the rented premises being ready for occupation, for a term:
 Beginning on the FIRST day of 2014
 And ending on the LAST day of 2015
Subject to the terms of the Renewal of Tenancy clause of this Agreement.

Rent 5. (a) The Tenant(s) agree(s) to pay monthly total rent to the Landlord or his Agent on the First Day of each month during the herein term, by electronic fund transfer as follows::
 Residential Premises \$ XXXX.00 **Apt. Rented "As Is" [no major**
 Parking (for private passenger autos) \$ N/A **: X renovations]**
 Locker _____ \$ _____ **Tenant Agrees to Electronic Fund**
 Monthly Total Rent \$ XXXX.00 **Transfer: X**

Pro-rated Rent (b) A pro-rated rent of \$ NIL is to be paid in advance to cover the period from NIL to NIL.
 Such occupancy is subject to the terms and conditions of this Tenancy Agreement.

Last Month Deposit (c) The Tenant agrees to deposit with the Landlord the sum of \$ XXXX as prepaid rent to be applied towards the last month's rent of the term of this agreement or the last month of any renewal agreement, and the Landlord agrees to pay interest annually on such prepaid rent in accordance with the *Residential Tenancies Act*.

Utilities (d) All utilities are paid by the landlord, except for the electricity consumed inside the tenants units themselves.
 The tenants living at 88 Wellesley St. E, will **NOT** be paying electric/hydro bills at all, for the lack of meters for their apartment but are required to pay a lump sum of \$125.00 for each air conditioner they use during the summer season.

Air-Conditioning (e) Installation has to be supervised by the building superintendent and must be removed at the end of the summer, to avoid cold air from entering the unit during the winter season. Air conditioning units are restricted to a maximum of 12 AMPS.

Tenant's Initials: X _____

Rent Increase (f) Notwithstanding paragraph (a) above, the monthly rental rate shall be increased as permitted by law on the anniversary date of the tenancy agreement respecting such monthly over holding tenancy upon the filing of a proper 90-Day Notice of Increase.

No Smoking 6. Effective January 1st, 2014, Mercedes Homes Inc. has adopted the policy of no smoking inside all areas of the building and 9 meters from the building exterior. As a new tenant, you sign this lease to accept that you as well as the occupants and guests, undertake to abide to this policy. **Tenant's Initials:** X _____

Abandoned Premises & Early Termination 7.. If the rented premises are vacant on the rental due date and no payment of rent has been received by the Landlord, it shall be presumed that the Tenant has abandoned the rented premises, and the Landlord shall be entitled to and may take immediate possession of the rented premises. If the Tenant vacates the unit prior to the term specified within the lease, the Tenant(s) and Guarantor(s) acknowledge(s) and agree(s) that he/she is fully responsible for paying the rent for the remainder of the lease, as well as any hydro and gas charges that may still apply, until the unit has been re-rented.

Alterations 8. The Tenant agrees that: no painting, wallpapering, re-decorating or structural alterations shall be done by the Tenant without the written consent of the Landlord or Landlord's agent. Sample of proposed alterations must first be supplied to Mercedes Homes Inc. for approval.

Amendment or Waiver 9. No amendment or waiver of any part of this agreement shall be effective unless the same is in writing and attached to or endorsed on the said Agreement by the Landlord or authorized agent. It is specifically understood that the Landlord's janitors, caretakers, superintendents and rental agents are not authorized agents for the purpose of amending any provision of this Agreement.

Arrears & Charges 10. It is agreed that the Landlord shall be entitled to take any action in respect of rent in arrears in the case of default in payment by the Tenant for any of the above noted charges or utilities. The Tenant further agrees to pay the Landlord a service charge of \$25.00 [subject to change] for each and every cheque which the Tenant's bank or depository refuses to honor.

Assignment 11. Assignment of Lease is allowed but it requires approval of the landlord and the applicant has to qualify in accordance to company policy. Such approval shall not be arbitrarily or unreasonably withheld. **Tenant's Initials:** X _____

Sublet Sublet of course is allowed, at one condition. FOR BUILDING like this which is located close to Ryerson University & U of Toronto, sublet is not allowed for any period FALLING from May to September because a large number of the residents are students attending nearby universities. If this were allowed during these months, the building will experience a big temporary turnover and would result in a large number of transients occupying the building which may lead to potential security issues.

Tenant's Initials: X _____

Change of Occupant Change of occupant is allowed but it requires approval of the landlord and the applicant has to qualify in accordance to company policy. Such approval shall not be arbitrarily or unreasonably withheld. **Tenant's Initials:** X _____

Administrative Notes:

For assignment, sublet and change of occupant, the tenant shall pay the Landlord \$200.00 plus \$50.00 for each credit check and advertisement (optional with View It). THE FEE IS TO DEFRAY THE ADMINISTRATIVE COSTS.

Tenant's Initials: X _____

Such changes require all new parties to go through the same application process as the original tenant.

No changes shall take effect until the tenant has been notified in writing by the Landlord that all necessary documentation has been signed by all parties.

Tenant's Initials: **X** _____

Automobiles 12. The Tenant agrees that: automobiles will be parked only in spaces and/or areas allotted to the Tenant, subject to change by the Landlord from time to time, and not in any other space or area unless authorized in writing by the Landlord. The Tenant will furnish the Landlord with such information as may be required to identify each automobile. The Tenant will affix such marker as may be designated by the Landlord. The Tenant covenants that each parking unit shall be used and occupied for motor vehicle parking purposes only, and that he/she will not repair, wash or polish any automobile in the garage or area allotted or in any other area in the environs nor store objects related to the vehicle or other personal items unless an area is expressly designated for that purpose.

It is understood and agreed that Mercedes Homes Inc. and its representatives, are not to be held responsible for any damage which may occur to the Tenant's vehicle or its content by any means whatsoever, including damage or loss caused by fire, theft, vandalism or by malfunction of the garage door. If parking privileges are abused (ex. Damage to Mercedes Homes' or other person's property, non-payment for two or more months in a row, etc.) your vehicle will be ticketed and/or towed at the expense of the vehicle's owner and the parking privileges will be terminated immediately. Visitor Parking: Where applicable, visitor's parking is available on a first-come, first-served basis. Please see the office door for details and charges. Neither Tenants nor Occupants shall park their cars in spots reserved for Visitor's Parking.

Balconies 13. The Tenant agrees that: no aeriels, awnings, clothes lines, flower boxes, cardboard boxes, furniture other than patio furniture or enclosures shall be placed on any exterior portion on the building or on or about the balconies without the Landlord's written consent. Nothing is to be drilled into the concrete of the structure. Satellite dishes are permitted only if they are on a stand and placed on the balcony floor. No hanging or drying of clothes is allowed on the balconies and the balconies shall not be used for storage. No mops, brooms, dusters, bedding, linen or water shall be shaken or spilled from the balcony or from any door or window. Nothing shall be thrown out of the windows or doors or off the balconies of the buildings including, but not limited to, cigarette butts, beer bottles and water. Nothing shall be placed on the outside of the window sills or building projections.

Carpets shall not be placed or installed on balconies and patios since they retain moisture and prevent the concrete from drying which over time deteriorates the concrete slab. The Tenant(s) acknowledges that even though there may be several examples of carpeted balconies and patios at the building, this is no longer permitted. **BARBECUING OF ANY KIND AND THE STORAGE OF PROPANE TANKS, IS NOT PERMITTED ON BALCONIES AS IT IS A FIRE HAZARD.** Tenant's Initials: **X** _____

Bicycles 14. Bicycles shall not be admitted into the building through the main public entranceway or carried in the elevators or main hallways. Bicycles must be stored in areas designated by the Superintendent. Bicycles must not be stored anywhere in the main building, including the hallways and staircases as they are a fire hazard. Please see the Superintendent for further details.

Breach of Covenant 15. (a) Should the Landlord be in breach of any covenant herein provided, the Tenant shall be required to give written notice of such breach within 7 days of such breach coming to his/her attention and to provide to the Landlord a reasonable period within which to remedy such breach. (b) Provided further that if such breach be remedied, there shall be no further liability for the breach, and provided further that if no such notice is given of the breach, then the Tenant shall not have any remedy for said alleged breach.

Tenant's Initials: **X** _____

Date: _____

Care and Maintenance 16. The Landlord covenants to keep the rented premises in a good state of repair and the Tenant agrees to give the Landlord prompt written notice of any accident or other defect in the water pipes, heating apparatus, wiring or any other part of the rented premises. The Tenant covenants to maintain, keep and leave the premises in an ordinary state of cleanliness. Repairs: The tenant covenants to advise the Landlord, in writing, of any repairs or maintenance required to be done by the Landlord. It is agreed that any request for maintenance or repairs not made and delivered in writing shall not be the subject of any legal proceeding by the Tenant against the Landlord in a court of law or before a tribunal of competent jurisdiction. It is further agreed that upon written notice to the Landlord of any repairs or maintenance required to be done, the Tenant shall allow the Landlord a reasonable opportunity to effect repairs or maintenance that the Landlord is required to undertake by law or under this agreement. The Tenant agrees that the Landlord may make repairs, renovations and/or improvements for the general benefit and/or maintenance of the building from time to time. The Tenant agrees that the Landlord shall not be responsible for any inconvenience, noise, discomfort, smell, or annoyance however caused resulting from such repairs or improvements, provided that these are performed in a reasonable manner. The Tenant shall obtain written authorization from the Landlord prior to calling any person not employed or agent of the Landlord to effect any repair or maintenance of the Rented Premises. If the repair is the result of tenant damage, it is the responsibility of the tenant to pay for the repairs. (See sections on Damage and Plumbing).

Children Play 17. The Tenant agrees that: children are not permitted to play in the halls, stairs or elevators of the apartment building. The Landlord shall not be liable for any injury or harm to children who play in the building or anywhere on the property or grounds.

Commercial and Illegal Acts 18. The Tenant agrees, at any time during the term of the tenancy, not to exercise or carry on, or permit to be exercised or carried on, in or upon the residential premises or any part thereof, any trade, business, occupation, calling or illegal act. Garage sales and similar are not permitted.

Common Areas 19. The Tenant agrees that: the sidewalks, entranceways, passageways, stairways and other areas used in common with other tenants will not be obstructed or used by the Tenant for any purpose other than proper access to and from his/her respected rented premises, nor shall any articles, including shoes, boots, door mats, boxes or refuse of any kind be kept, placed or stored therein. Further, smoking is not permitted in any of the building's common areas.

Condition of Premises 20. The Tenant agrees that: there was no promise, representation, undertaking by or binding upon the Landlord with respect to any alteration, remodeling or decorating of, or installation of equipment or fixtures or other representations in the premises except such, if any, as is expressly set forth in this Tenancy Agreement or as agreed upon in writing by the Landlord. The Tenant further covenants not to make any alterations, remodel or decorate without written approval from the Landlord.

Damage 21. The Tenant agrees: not to cause, or permit to be caused, damage to the rented premises or its environs, either by his/her willful or negligent acts or by that of any person(s) or pet(s) whom the Tenant permits on the residential premises. The Tenant further agrees to pay for the cost of repairing any damage caused to the premises or its environs by his/her willful or negligent acts [including excessive smoking damages.] If the damage to the premises or its environs was not caused by the Tenant or any person(s) or pet(s) permitted on the premises by the Tenant, it is the Tenant's responsibility to prove such a case. Water beds are not permitted under any circumstances. All repairs are to be done by a Mercedes Homes contractor to ensure that all affected areas are back to the original move0in condition. Once the repair work has been completed, the invoice from our contractor will be sent to the tenant via email and should be acknowledged. Tenant(s) agree(s) to pay Mercedes Homes Inc. by cheque the full amount of the invoice within the three (3) business days from the date of the email.

Tenant's Initials: **X** _____

Date: _____

Payment can be dropped off in the building's office or mail to 920 Yonge St., Ste. 610, Toronto, On M4W 2J2. Alternatively, the amount will be debited from the tenant's account on the following first business day of the Electronic Fund Transfer (EFT) collection.

Tenant's Initials: X _____

Doors and Windows

22. The Tenant agrees: to observe due care not to allow windows and doors leading to the outside of the premises to remain open so as to admit rain or snow or cause any radiators or heating units in the premises to become frozen, nor will the Tenant turn off any such radiators or heating units, thereby permitting or causing the same to become frozen. Tenants also agree to pay the full cost of window replacement should one become cracked or damaged in any way. The Tenant shall not remove any devices on the windows in the unit that would restrict the opening beyond four inches or as may be prescribed by any lawful authority. This maximum opening of the windows is for child safety reasons prescribed by municipal by-laws. Tenant(s) also agree(s) not to damage any window screens otherwise pay for the installation of a new one. Company policy is

that the balcony screen doors are removed rather than being replaced or repaired. The Tenant also agrees not to apply or affix coverings to window surfaces such as foil paper, cardboard, flags or any other item that in the sole and absolute opinion of the Landlord is unsightly or damages the premises. The Tenant understands that improper closure of windows and balcony doors leads to heat loss and this must be corrected prior to registering a heating complaint in winter.

Electrical Installations

23. The Tenant agrees that: the Tenant shall not install in the premises additional heating units or electrical circuits, nor shall the Tenant overload existing electrical circuits in the sole and absolute opinion of the Landlord. The Tenant understands that the apartment comes with one working telephone jack. Any additional jacks are to be connected at the expense of the Tenant. Telephone connections shall be placed in the apartment only at such locations as shall be approved and designated by the Landlord or Landlord's agent.

Electrical and Mechanical

24. The Tenant agrees that: in the event of a breakdown of the electrical or mechanical systems, the Landlord will not be liable for any damages or personal discomfort but the Landlord will carry out the necessary repairs with reasonable be diligence.

Elevator

25. The Tenant agrees that: if the tenant has become stuck in the elevator for any reason, in particular due to their overloading or negligent behavior, they are to wait for the elevator contractor to free them. Only in case of a life threatening event should "911" be called. If emergency services, for example the fire department, are called by the tenant and there is no threat to life, the Tenant agrees to pay the approximately \$700.00 charge levied by the City of Toronto emergency services.

The Tenant must see the Superintendent for further instructions. If Tenant is found responsible for the elevator malfunction, for ex: overloading during moving, then the Tenant shall pay for any additional fees such as the service call or required repair by the contractors.

Tenant's Initials: X _____

Fire Systems

26. The Tenant agrees: not to tamper with any Fire Systems or remove any Fire Equipment, such as Fire Alarms and Detectors, Sirens or Horns, Carbon Monoxide Detectors, otherwise a charge will apply and any fines will be paid by the tenant. Prior to move-in Mercedes Homes Inc. checks that all fire equipment, particularly that smoke detectors are operational. The tenant(s) agree(s), that immediately upon move-in, they will check the smoke detector in the apartment and advise the Superintendent if it is not working.

Tenant's Initials: X _____

Floor

27. The Tenant agrees that: 80% of all floors shall be covered with carpets, area rugs or other soft covering and under padding, except broadloom, so as to suppress any noise that might disturb other tenants. The amount and nature of floor covering required will be determined at the sole and absolute discretion of the Landlord by the amount and nature

of the noise that disturbs other tenants. The Tenant is responsible to pay for the repair of excessive floor damage including scrapes from unprotected chair legs or wheels.

Garbage

28. The Tenant agrees that: the Tenant will not place or leave in any common areas of the building any debris or refuse. All garbage is to be securely wrapped (double-bagged) and placed in such receptacles as provided for such purpose or as otherwise directed by the Landlord or its agent. Recycling is mandatory in the City of Toronto and the Tenant agrees to place recyclable materials in recycling bins and not the garbage. The tenant will implement any new waste initiatives.

Infectious Disease

29. The Tenant agrees that: in the event of any contagious or infectious diseases developing in any person in the rented premises, the Tenant of such premises shall have the person treated immediately in accordance with by-laws and regulations made by the authorities having jurisdiction over the disease.

Insurance

30. The Tenant agrees: not to do or permit anything to be done in the rented premises or its environs, or bring anything therein, which will in any way create a risk of fire or increase in the rate of fire insurance for the building or its contents. The Tenant acknowledges that the Landlord does not insure the Tenant's property. The Tenant agrees to obtain insurance at their own expense that covers general liability insurance for their apartment, vehicle and any storage locker, including tenant's legal liability and more specifically comprises coverage for contents, theft, burglary, fire or vandalism for an amount not less than \$1,000,000 per occurrence, prior to move-in.

Tenant's Initials: X _____

Laundry Room

31. The Tenant shall have the right in common with other tenants to use the laundry room and its equipment. The Tenant shall use the laundry room at his/her own risk. The laundry room as well as the appliances, tables and sinks shall be left in a clean and proper condition after use. Pets and/or unaccompanied children are not allowed in the laundry room.

Legal Costs

32. The tenant agrees to pay on demand all reasonable legal costs or other related charges or expenses incurred by the Landlord in enforcing its rights under this Tenancy Agreement or otherwise arising from this Tenancy.

Liability

33. The Landlord shall not in any event whatsoever be liable or responsible in any way for:

- (a) any personal injury or death that may be suffered or sustained by the Tenant or any employee of the Tenant or any member of the Tenant's family, his/her agents or guests, or any other person who may be upon the rented premises or the premises of the Landlord; or
- (b) any loss or damage or injury to any property including cars and contents thereof belonging to the Tenant or to any member of the Tenant's family or to any other person(s) while such property is on the rented premises or on the premises of the Landlord; or
- (c) without limiting the generality of the foregoing, any damages to any such property caused by steam, water, rain or snow which may leak into or flow from any part of the rented premises or the premises of the Landlord or from the water, steam, sprinkler or drainage pipes or plumbing works of the same; or
- (d) any damage caused by or attributable to the condition or arrangement of any electrical or other wiring in any part of the rented premises or the premises of the Landlord; or
- (e) any damage to or loss of property incurred by the Tenant as a result of an "Act of God", being such as but not limited to the following: severe storm, lightning, flood, infestation or vermin or insects, etc.; or
- (f) any loss of or damage to property incurred by the Tenant as a result of the criminal activity of the Landlord's agent(s) or employee(s); or
- (g) any damage caused by anything done or omitted to be done by any tenants of the Landlord.

Locker

34. The landlord may agree to provide the Tenant with a storage locker, when available, in exchange for a monthly payable fee, for the sole use of the tenant and not guests or visitors. The tenant shall only utilize the storage locker assigned to the tenant in writing

by Mercedes Homes. The tenant shall provide their own lock and an extra storage locker key so that management can gain access to the area in case there is need to access any piping or valves to shut off water during an emergency. No flammable items, mechanical items, or perishable goods are permitted in the lockers. Mercedes Homes reserves the right to reassign lockers at management's sole and absolute discretion. It is the responsibility of the tenant to insure all contents in the locker. The Landlord shall not be liable for the loss, damage or theft of any of the Tenant's good or chattels stored in any locker provided by the Landlord.

Locks

35. Mercedes Homes Inc. will provide tenant(s) with the following keys, as appropriate, and tenant(s) will return the same upon termination of tenancy: Front Door, Suite Door, Mail Box, Garage [if parking is rented]. Changing Locks: Tenants who change their locks for whatever reason must use an accredited locksmith or pay the Landlord a fee to change their locks. Tenants must not attempt to personally change their locks, otherwise they will be charged for any damage. Tenants must supply Management with a copy of the new keys for emergency purposes within 24 hours. Additional Locks: No additional locks shall be placed upon any door of the rented premises without the written consent of the Landlord or Landlord's agent. Maintenance: The Tenant hereby consents to: any change of locks in the building in which the rented premises are located, save and except for the doors leading directly into the rented premises.

Lost or Forgotten Keys

36. It is the responsibility of all Tenant(s) and occupants to keep your keys on you at all times. If you find yourself locked out of your apartment or have lost your keys for the first time, you can contact your superintendent to let you in.

Please respect your superintendent's privacy between the hours of 11 p.m. to 7 a.m. Tenants who repeatedly lock themselves out of their apartment shall be responsible for calling a locksmith and gaining entry to their apartment at their own expense or Mercedes Homes will charge a cost of \$50.00. Tenants must supply Management with a copy of the new keys for emergency purposes within 24 hours.

Moving

37. The Tenant agrees that: household furniture and effects shall not be taken into or removed from the premises except at such times and in such manner as may be previously consented and approved by the Landlord. The Tenant will be held responsible for any damage to the building caused by moving furniture and effects. The Tenant shall not damage or overload elevators with furniture and effects or will be charged \$250.00 for an elevator service call, plus the cost of damages and Fire Department charges. For moving purposes, elevators can only be reserved for a maximum of 2 hours. The Tenant is not permitted to place truck on garage ramps, and is liable for any damage to the snow melting system should they or any other person they employ to place a truck on the garage ramp. The tenant is permitted to place a cubic van (small moving van: 14-15 cubic feet) but not the large moving truck. If the Tenant or person under the employ of the Tenant is found responsible for damage to the garage ramp by overloading and/ or placing large moving truck on garage ramp, then the Tenant shall pay for any additional fees such as the service call or required repair by the contractors which can amount to \$3,000.00 or more.

Tenant's Initials: X _____

Noise

38. The Tenant agrees that: no noise of any kind which, in the sole and absolute opinion of the Landlord or its agents, may disturb the comfort of any other occupants or the Landlord, shall be permitted by the Tenant in the rented premises or its environs. Nor shall any noise whatsoever, including the playing of any musical instrument or sound equipment, be repeated or persisted with after a request to discontinue the same has been given by the Landlord, its agents or persons in its employ. This shall be deemed to include all parties, disorderly or otherwise, all sounds produced by tenants and occupants and guests and pets, the sound of stereos or sound systems. Television sets in the rented premises shall be maintained at a level which, in the opinion of the Landlord or its agents, is sufficiently reduced so that there is no disturbance to any other residents. It is

understood that failure to comply with requests to reduce noise to an acceptable level will result in legal action and eviction. **Tenant's Initials: X** _____

Pets

39. The Tenant agrees: not to maintain, keep or shelter any animal, reptile, livestock or fowl therein other than a household pet, herein defined as a caged bird, domestic cat or a dog. If any such household pet becomes a nuisance and/or causes unreasonable interference with the use and enjoyment of the premises, causes allergic reactions or poses a danger or hygiene problem to the unit, other Tenants or Landlord, the pet owner will be required to permanently remove such pet from the property "IMMEDIATELY". Pets must be kept on a leash at all times while on the property or in any of the common areas of the building. Pets are not to bathe in fountains located on the premises.

Tenant's Initials: X _____ (Mark N/A if you do not have a pet & initials)

If you get a pet while you live in the building, you are required to inform our office so that the Management changes your record on file, at which time you will abide by the clause above.

Tenant's Initials: X _____

Plumbing

40. The Tenant agrees that: all plumbing fixtures (toilets, sinks, basins, bathtubs) are to be utilized for their intended purpose only. If any fixture is rendered inoperative due to the presence of foreign objects or blockages put there by the Tenant or guests of the Tenant, the Tenant will be charged a minimum \$80 service call plus the cost to repair the fixture.

Property Taxes

41. The Landlord will pay all real property taxes with respect to the rented premises as assessed against the Landlord. If the Tenant directs that the assessment for school purposes be paid to a school system other than that which the Landlord has designated, the Tenant will pay any increase in costs resulting therefore on demand.

Quiet Enjoyment

42. The Landlord and Tenant agree that neither party, either by their own acts or those of their families, guests or agents, will do anything upon the premises or its environs that is objectionable or which might injure the reputation of the premises or Landlord or substantially interfere with the reasonable enjoyment of the premises by the Landlord or other tenants, and further covenants not to do anything to impair or interfere with the safety or other bona fide or lawful rights, privileges or interests of the Landlord or other tenants in the residential premises.

Tenant's Initials: X _____

Removal of Chattels

43. The Tenant agrees that: the drapes, blinds, carpeting, broadloom, appliances or other similar types of fixtures, if provided by the Landlord, shall not be removed or disconnected from the windows, walls, floors or electric circuits of the rented premises without the prior written approval of the Landlord.

Renewal of Tenancy

44. Unless a new agreement has been entered into prior to the expiration of the tenancy agreement or any renewal or extension thereof, or where proper notice has not been given by either party, the Tenant shall be deemed to have renewed the tenancy as a monthly tenancy upon the same terms and conditions as provided in the expired tenancy agreement providing that nothing herein shall prevent the parties' agreeing to any other terms for said tenancy (or any other changes which the Landlord might deem fit).

Re-Painting

45. The Tenant agrees that: a) If the apartment is painted in beige upon your move-in, you will need written permission from the Property Manager to paint your apartment in any other colour. You will also need to submit a paint sample for approval. In addition, you must pay, in advance, the \$125.00 per room charge [subject to change] to repaint the apartment to the original colour. Under no circumstances will you be permitted to personally re-paint your apartment in its original colour of beige. b) If your apartment has not been painted beige upon your move-in, you will still need written permission from Mercedes Homes Inc. to paint your apartment in any other colour. You will need to submit a paint sample for approval. However, upon your move-out, you will not be required to pay for the cost of re-painting the apartment in its original colour. If you did not receive written permission from Mercedes Homes Inc. to paint your apartment in any other colour, you will be required to pay for the cost of re-painting the apartment as a). c) Kitchen cabinets are not to be painted under any circumstances, otherwise charges will apply.

Tenant's Initials: X _____

Date: _____

| | |
|-------------------------------------|---|
| Rights of Entry | 46. The Tenant agrees that: the Landlord shall be entitled to enter the rented premises in accordance with the provincial legislation to view the state of repair and make such repairs and alterations as necessary. |
| Restorations and Renovations | 47. The Tenant acknowledges that from time to time, work, restoration, rehabilitation, renovation, major projects etc. will be undertaken that will create disruption and likely interfere with the Tenants enjoyment of the rental complex. The Tenant further acknowledges that the rent paid as set out above takes into account the likelihood of any of the above mentioned work, disruption and interference occurring during the period of their occupancy of the rental unit and shall continue to be paid in full without reduction. |
| Schedule | 48. The Tenant agrees: to abide by any attached Schedule(s) and/ or Addendum to the Tenancy Agreement (for example, the <i>Addendum When a Guarantor is Used</i>). These documents will be binding and form part of the lease. |
| Security | 49. Tenants and Occupants shall not let strangers into the building. When entering the building residents shall ask strangers if they can produce a building key. If strangers cannot produce a building key, they will have to wait to be let in by the person(s) they are visiting. |
| Several Tenants | 50. If there is more than one Tenant herein, all covenants including the payment of rent, shall be deemed to be joint. Thus, any notice, excepting repair orders, must be signed by all tenants listed on the lease, otherwise it will not be valid. This will ensure that all tenants in the unit are aware, and are in agreement, with the communication to Mercedes Homes Inc. |
| Signs | 51. The Tenant agrees that: no sign, advertisement or notice shall be inscribed on, painted upon or affixed to any part of the inside or outside of the building whatsoever. |
| Steam Heating System | 52. The Tenant agrees that: a) Tenants living with a Steam Heating System (<i>30 Charles Street East</i>) acknowledge that they may experience noise due to air releasing or banging from pipes relating to the normal functioning of the steam heating system in the building and their unit. They agree to not hold Mercedes Homes Inc. liable in any way for associated noises, disruptions or inconveniences and agree not to launch any complaints either verbally, or in writing, regarding this specific issue with Mercedes Homes Inc. or any other official. b) Tenants acknowledge that the steam system will turn the radiators on and off at varying times and that a steam heating system does not maintain a constant temperature in the unit. They recognize and acknowledge that this is normal in the operation of a steam heating system and will not hold Mercedes Homes Inc. liable in any way for this functioning of the system and agree not to launch any complaints either verbally, or in writing, regarding this specific issue with Mercedes Homes Inc. or any other official. c) Tenants acknowledge that the steam heating system, at varying times, will make the radiators extremely hot and possibly subject to personal injury when touched. The Tenant(s) warrant(s) and represent(s) that they will not hold Mercedes Homes Inc. liable for any personal injury to themselves, their guests or other individuals in their unit or to any personal property that comes in contact with these radiators and sustains any damage whatsoever. |
| Telecommunications Service | 53. The Tenant(s) specifically recognizes the right of the Landlord to decide which telecommunications service providers (local, long distance telephone, cable television, satellite television, SMATV and internet access) may access the building in which the rented Premises are located and under what terms and conditions. The Landlord at its sole and absolute discretion, will determine this access and the Tenant(s) hereby agrees and undertakes not to promote, or to take part in any way, in any action or proceeding (including, but not limited to any lawsuit) against the Landlord owing to the Landlord's decision as to which, if any, telecommunications service provider shall be permitted access to the building, and under what terms and conditions. The tenant(s) will not enter into any contract with any telecommunication service provider, for the provision or promise of a telecommunications service, for which service provider has not been permitted access to the building. If the Tenant does enter into such a contract, no |

Tenant's Initials: **X** _____
Date: _____

obligation shall be thereby created upon the Landlord to permit that telecommunications service provider access to the building and Tenant(s) shall not argue or suggest that any such obligation exists nor permit any service provider or third party to argue or suggest, on the Tenant(s) behalf, that such obligation exists.

Termination 54. If the Tenant wishes to terminate the tenancy at the end of the term created by this agreement or any extension or renewal thereof, then the tenant will give notice to that effect in writing with a signature not less than 60 days prior to the expiration of the agreement or any extension or renewal thereof in compliance with the *Residential Tenancies Act* or other governing Act. This 60 days written termination notice will be effective on the last day of a month of the tenancy. The termination notice must be submitted from every Tenant with his/her signature and not the Occupant.

Tenant's Initials: X _____

Right to Show (a) If either party has given proper notice to terminate the tenancy, the rented premises may be shown to prospective tenants at all reasonable hours after delivery of the termination notice without a 24 hour notice, in accordance with the *Residential Tenancies Act*, as long as reasonable effort is made by the Landlord or his Agent to notify the occupants before entry. The tenant(s) agree(s) to maintain the apartment in "good showing condition" and abide by provincial legislation in regards to "showings" and "hours of showings."

Move-Out Cleaning (b) Upon move-out, I agree to leave the above noted suite in a very clean condition, which includes cleaning the balcony, stovetop, oven, fridge, kitchen cabinets (inside and outside), bathroom tubs, tiles, toilet, sink and vanity, and sweeping the hardwood floors. Otherwise, I agree to pay, two weeks prior to move-out or at any other time at the absolute and sole opinion of the Landlord, a cleaning charge of a minimum of \$200 depending on the suite's condition.

Failure to Give Possession (c) In the event that the Tenant is obliged to vacate the rented premises on or before a certain date, and the Landlord enters into a tenancy agreement with a third party to rent the premises herein described for any period thereafter to such third party, and the Tenant fails to vacate the rented premises on or before the due date, thereby causing the Landlord to be liable to such third party, then the Tenant will, in addition to all liability to the Landlord for such over holding, indemnify the Landlord for all losses suffered thereby. If the landlord is unable to give possession of the Rental Unit on the date the Tenant is entitled to have possession, the landlord shall not be subject to any liability for failure to give possession and shall give possession as soon as they are able to do so. The rent shall abate until the landlord provides possession of the rental unit to the tenant. The landlord's failure to grant possession on the date set out above shall not in any way affect the validity of this Agreement, and the Tenant's obligations or in any way be construed to extend the term of this Agreement.

Unauthorized Installations 55. The Tenant agrees: not to install within the rented premises or building any additional appliances, including a stove, refrigerator, washing machine, clothes dryer, dishwasher, freezer or air conditioner, a BBQ, propane tank or electric heater without written approval from the Landlord. No large brackets, hangers, spikes or nails are to be installed on any of the walls.

RENT PAID ON DUE DATE MUST BE PAID BY ELECTRONIC FUND TRANSFER (EFT) OR ANY OTHER MEANS APPROVED IN WRITING BY MERCEDES HOMES INC. LATE RENTAL PAYMENTS MUST BE PAID BY CERTIFIED CHEQUE OR MONEY ORDER. THE EFT WHERE THE TENANT'S BANK OR DEPOSITARY REFUSED TO HONOR THE CHEQUE MUST BE PAID BY CERTIFIED CHEQUE OR MONEY ORDER AND ALL MONTHLY RENT PAYMENTS MUST COME FROM THE TENANT ONLY, NOT THE OCCUPANT.

Tenant's Initials: X _____
Date: _____

Everything contained within this Tenancy Agreement and any attached Schedule(s) shall extend to and be binding on the respective heirs, executors, administrators and successors of each party hereto. The Provisions shall be read with all grammatical and gender changes necessary. All covenants being Contained shall be deemed joint and several.

IN WITNESS WHEREOF the parties hereto have executed these presents:

MERCEDES HOMES INC. Per _____ this ____ day of _____ 2014
Landlord/ Landlord's Agent

X : _____
Tenant's Signature :

RECEIPT OF TENANCY AGREEMENT: I hereby acknowledge receipt of a duplicate of the original Tenancy Agreement and the form (if applicable) *Information to Prospective Tenant About Suite Meters or Meters*: **X** _____

DRAFT

Tenant's Initials: **X** _____
Date: _____