

controlled discretion determine; And it is hereby expressly declared and agreed by and between the parties hereto that all water, gas and electric current supply charges or rates in respect to the houses shall not be assessed or charged against the lands and premises so leased, it being understood that the same are to be paid by the respective lessees.

5. His Majesty and/or the company at their own cost and expense, shall undertake and carry out the management and control of the houses and all appurtenances thereto belonging and shall at all times well and sufficiently repair, maintain, and keep the houses with the appurtenances and all fixtures and things thereto belonging in good and substantial repair, reasonable wear and tear and damage by fire, lightning, tempest, acts of God and His Majesty's enemies only excepted.

6. The city covenants and agrees to furnish to the houses and to the tenants thereof all such facilities, privileges and services of the city as are furnished or made available to other properties or property owners and tenants in the city including without limiting the generality of the foregoing, fire protection, police protection and schools.

7. Subject to the provisions of clause 10 hereof His Majesty and/or the company shall pay to the city on the first day of the month of October in each of the years 1946 to 1960, both inclusive, for services rendered and privileges and facilities made available the sum of twenty-four dollars (\$24.00) in respect of each of the houses containing two bedrooms and the sum of thirty dollars (\$30.00) in respect of each of the houses containing more than two bedrooms; provided that the said payments shall be pro rated in respect of the portion of the first year in which each of the houses is constructed.

8. Subject to the provisions of clause 10 hereof, His Majesty and/or the company in addition to the payments provided for in clause 7 hereof shall pay to the city on the first day of the month of October in each of the years 1946 to 1960 both inclusive, the sum of one dollar (\$1.00) in respect of each of the houses in consideration for the street lighting services to be supplied by the city for the houses; provided that such payments shall be pro rated in respect of the portion of the first year in which each of the houses is constructed.

(a) Should it be necessary to revise the estimated cost of the houses, then it will be necessary to revise the duration of this agreement as follows: for each two hundred dollars (\$200.00) to be added to the estimated cost of the houses, one year is to be added to the duration of this agreement and for each two hundred dollars (\$200.00) to be subtracted from the estimated cost of the houses, one year is to be subtracted from the duration of this agreement.

9. In consideration of the payments provided for in clauses 7 and 8 hereof the city agrees not to levy or collect or permit to be levied or collected any taxes, assessments, rates or municipal or school charges of any kind or nature on or from the tenants or occupants of the houses while the same are owned by His Majesty; Provided that nothing contained in this clause shall be deemed to limit the right of the city to charge the tenants or occupants of the houses while the same are owned by His Majesty, the public utility rates, and other charges provided for in clause 4 hereof, or to

collect from such tenants or occupants any licence or permit fees or dog tax or business tax which the city has the right to collect from inhabitants of the municipality of Cornwall.

Nothing in this agreement contained shall limit the right of the municipality to collect poll tax from any person resident in the houses.

10. The provisions of this agreement except clause 13 hereof shall only affect the houses and lands appurtenant thereto while owned by His Majesty and His Majesty shall be at liberty to sell or convey any or all of the houses and lands appurtenant thereto at such time or times as His Majesty may see fit. Provided, however, that whenever and so often during the period from the date hereof to the 31st day of December, 1950 (both dates inclusive) as His Majesty shall sell or transfer any of the houses and lands appurtenant thereto, His Majesty and/or the company shall pay to the city the sum of four hundred dollars (\$400.00) in respect of the land appurtenant to each house so sold; And provided that whenever during the period from the 1st day of January, 1951 to the 31st day of December, 1955 (both dates inclusive) as His Majesty shall sell or transfer any of the houses and land appurtenant thereto His Majesty and/or the company shall pay to the city the sum of two hundred dollars (\$200.00) in respect of the land appurtenant to each house so sold. Provided further that in the year in which any house or houses and the lands appurtenant thereto are so sold by His Majesty, the payments provided for in clauses 7 and 8 hereof shall be pro rated proportionately to the part of the year during which His Majesty was owner of such house or houses and the lands appurtenant thereto.

11. His Majesty in consideration of the city entering into and executing these presents, hereby gives to the city an option irrevocable within the time for acceptance herein limited to purchase free from all encumbrances (save and except any encumbrance which may be registered against the building lots at the time of the delivery of the deeds or transfers provided for in clause 1 hereof) the building lots owned by His Majesty on January 1, 1961, as a whole and not individual parcels thereof, together with all houses, buildings, fences, erections and fixtures whatsoever then erected and constructed thereon or contained therein and owned by His Majesty and/or the company for the sum of one thousand dollars (\$1,000), for each of the houses. The option hereby given shall be open for acceptance at any time from the 1st day of January, 1961 to the 31st day of March, 1961, both days inclusive, and may be accepted by a letter under the hands of the mayor and clerk of the city sealed with the corporate seal of the city mailed postage prepaid and registered, addressed to His Majesty in care of the company at 55 York street, Toronto, (or such other address as may be designated by His Majesty or the company in writing), stating in such letter that this option is accepted and enclosing therewith an accepted cheque payable to the order of His Majesty in the amount of ten per centum (10%) of the said purchase price. The balance of the said purchase price, subject to adjustments, shall be paid within sixty (60) days from the date of acceptance, all adjustments to be made as of the 31st day of March, 1961, and the conveyance of the building lots with the appurtenances aforesaid shall be by deeds or transfers approved by the solicitor for the city.