

**Rent Deferral Agreement – Net Lease**

**THIS RENT DEFERRAL AGREEMENT** (the “**Agreement**”) made the \_\_\_\_ day of \_\_\_\_\_, 2020,

BETWEEN:

\_\_\_\_\_  
(the “**Landlord**”)

OF THE FIRST PART

and

\_\_\_\_\_  
(the “**Tenant**”)

OF THE SECOND PART

**RECITALS:**

1. By a lease dated \_\_\_\_\_ (the “**Lease**”), the Landlord leased to the Tenant the premises (the “**Premises**”) more fully described in the Lease for a term of \_\_\_\_ years as provided in the Lease upon and subject to the terms and conditions set forth in the Lease; and

2. The Tenant has requested and the Landlord has agreed to give the Tenant certain rent deferral in accordance with the terms and conditions hereinafter set forth.

**NOW THEREFORE** for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Subject to the terms hereof, and for so long as the Tenant is in possession of the Premises, for the period April 1, 2020 to June 30, 2020 (the “**Rent Deferral Period**”) the Rent payable pursuant to the Lease shall be deferred (the “**Rent Deferral**”). For the purpose of this Agreement, “Rent” is defined as minimum/basic rent and other sums of money required to be paid by the Tenant directly to the Landlord under the Lease.
2. The Rent deferred by the Tenant during the Rent Deferral Period shall be amortized over the remaining term of the Lease (the “**Amortized Rent**”), commencing on July 1, 2020 (the “**Rent Recommencement Date**”). The Landlord shall provide the Tenant with the Amortized Rent amount for the remainder of the term of the Lease no later than seven (7) days prior to the Rent Recommencement Date. The Amortized Rent may be estimated (and the estimates may be revised) by the Landlord, and the Tenant agrees to pay to the Landlord the revised Rent amount as estimated. The Amortized Rent shall be determined no later than the end of the rental year and, if necessary, an adjustment will be made by way of a cheque to equal the difference between the exact amount

payable and the estimated payments received by the Landlord or a credit on the next month's Amortized Rent payable by the Tenant.

3. If the Lease is disclaimed pursuant to Section 65.2(1) of the *Bankruptcy and Insolvency Act*, as amended or replaced from time to time (the "**Act**"), then for the purposes of Section 65.2(4) of the Act, the Tenant's obligation to pay Rent for the whole of the Rent Deferral Period will be deemed to have been reinstated effective as of the day before the effective date of the disclaimer of the Lease, and the rate of Rent payable under the Lease shall be deemed to be the aggregate of (i) the Rent payable under the Lease, plus (ii) any Rent that the Tenant has not paid during such portion of the Rent Deferral Period as shall have elapsed prior to the disclaimer.
4. The Tenant agrees that it will not disclose any financial or other terms of this Agreement to any person or entity, except its professional advisors, consultants and auditors, if any, and except as required by law. Without limiting any other rights and remedies of the Landlord, if the Tenant breaches its obligations in this Section, the Rent Deferral shall immediately cease and be null and void, the full Rent and all previously granted Rent Deferral shall immediately be due and payable, all as provided in Section 3 of this Agreement.
5. The Landlord and the Tenant agree that the determination of the fair market rent pursuant to any option to renew or extend the Term in favour of the Tenant contained in the Lease shall be made without reference to the existence of the Rent Deferral.
6. This Agreement shall be read together with the Lease and the parties confirm that, except as modified herein, all covenants and conditions in the Lease remain unchanged, unmodified and in full force and effect.
7. Any capitalized word or term not otherwise defined herein shall have the meaning given thereto in the Lease.
8. The parties agree to do or cause to be done, from time to time, all such things, and shall execute and deliver all such documents, agreements and instruments reasonably requested by another party, as may be necessary or desirable to carry out the provisions and intention of this Agreement.
9. This Agreement may be executed and delivered in counterparts and by facsimile transmission or email PDF form and the parties hereto may rely upon all such signatures as though they were original signatures. Upon request of any party the parties will exchange a copy of this Agreement with original signatures.
10. This Agreement shall enure to the benefit of and be binding upon the parties and their legal representatives, heirs, executors, administrators, successors and permitted assigns, as the case may be.

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement.

\_\_\_\_\_  
By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

Landlord

\_\_\_\_\_  
By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

Tenant