**OFFER TO LEASE**

**-----------insert names --------------,** (the "Tenant") hereby offers to lease with **.** (the "Landlord") upon the following terms and conditions.

**1. PREMISES**

The Offer is to lease premises having a rentable area of approximately ONE THOUSAND FIVE HUNDRED (1,500) square feet, more or less, as shown outlined in red on the floor plan attached hereto as Schedule "A" (the "Premises"), being part of the second (2nd) floor of the building located at 540 MAIN STREET, Vancouver, British Columbia (the "Building").

**2. TERM**

The term of the lease shall be for FIVE (5) years commencing on May 1, 2016 and ending on April 30, 2021 (the "Term").

**3. RENT**

Commencing on the Commencement Date the Tenant will pay to the Landlord in the manner specified in the Lease the aggregate of:

1. Years 1 -2 Gross Rent $1,800.00 + GST per month, Years 3-4 Gross Rent $1,900.00 + GST per month, and Gross Rent 2,000.00 + GST per month,
2. Individually metered electricity and gas
3. Tenant is responsible for plumbing maintenance in the premises, plate glass, window frames and doors.
4. Proportionate share of increase in property taxes and insurance from the base year of 2016

**4. USE**

It is agreed and understood that the Premises shall be used and occupied only for the purpose of a DANCE STUDIO and no other purpose. Any change of use is subject to the Landlord’s prior written approval.

**5. EARLY OCCUPANCY (“Possession Date”)**

The Tenant shall be granted early occupancy of the Premises prior to the Commencement Date at no cost for the purposes of performing Tenant’s Work provided Tenant has waived their subject conditions, executed the lease and paid the Deposit. The Tenant shall be responsible for the cost of individually metered utilities during the early occupancy period.

**6. TENANT FIXTURING PERIOD**

Notwithstanding the aforesaid, the Landlord hereby agrees the Tenant shall have TWO months’ rent free period from May 1, 2016 to June 30, 2016 to perform the Tenant’s Work (the “Fixturing Period”). The Tenant shall not be responsible for the Additional Rent during the Fixturing Period, provided it has not commenced operation of its business.

**7. OPTION TO RENEW**

Intentionally deleted

**8. LANDLORD AND TENANT RESPONSIBILITIES**

The Landlord shall be responsible for structural repairs. The Tenant shall be responsible for operating cost directly relating to the premises as provided in the Lease, including but not limited to gas, water, mechanical and heating systems and all taxes and license fee, business taxes, telephone charges and electricity. The Landlord shall be responsible for property taxes, management fees and building insurance and common area maintenance from the commencement of the Term hereof, unless specified otherwise in this Offer.

**9. LANDLORD'S IMPROVEMENTS**

The Landlord shall provide the Premises “As-Is”, with the exception that the Landlord will:

1. install a demising wall dividing the floor into two premises,
2. restore power to the premises and install proper lighting and baseboard heating,
3. paint the ceiling, walls and floor,
4. restored plumbing in working order.

The Landlord’s budget will be a maximium of $15,000 for the Premises and the adjacent space, which is to be verified by a fixed cost quote prior to the Landlord’s subject removal in Section 12.3. All other work in the Premises shall be the Tenant’s responsibility.

**10. WORKING DRAWINGS**

The Tenant shall submit to the Landlord working drawings of the proposed Tenant's improvements to the Premises, which drawings must be approved by the Landlord prior to the commencement of any such work. Such work may only be carried out by qualified and licensed contractors or sub-contractors of whom the Landlord shall have approved in writing prior to the commencement of any such work.

**11. PERMIT**

It is the Tenant's responsibility to secure all the necessary building permits and approvals required by the City of VANCOUVER for all Tenant's improvements. Such permits must be secured and copies provided to the Landlord before any work shall commence on the improvements. The Tenant shall also be responsible for making application for a Certificate of Occupancy as required by the City of VANCOUVER as it applies to the improvements. The Tenant shall not take occupancy or partial occupancy of the Premises until a Certificate of Occupancy is secured from the City of Vancouver where applicable. The Tenant shall post notices pursuant to the Builder's Lien Act in a prominent location.

**12. LANDLORD’S SUBJECTS**

This Offer is subject to the following:

1. The Landlord satisfying themselves of the creditworthiness of the Tenant. The Tenant consents to an investigation by the Landlord of their creditworthiness within 7 days of acceptance of this Offer, and
2. The Landlord negotiating a satisfactory Lease for the balance of the space on the 2nd floor beside the Premises, within 21 days from acceptance of this Offer.
3. The Landlord confirming the cost to complete the Landlord’s Improvements in the Premises and the balance of the space on the floor, as described in Section 9 herein, shall not exceed $15,000.

If this subject is not satisfied, or waived by the Landlord, as provided herein, this Offer to Lease shall terminate and the Deposit shall be refunded to the Tenant without deduction and this agreement shall be null and void. The Landlord’s subject condition is for the sole benefit of the Landlord.

**13. TENANT’S SUBJECTS**

This Offer is subject to the following:

1. Tenant's review of the Landlord's standard lease within 14 days of acceptance,
2. Tenant’s satisfying itself with the cost of renovation and the City’s requirements for the intended use of the premises as a Dance Studio.

If these subjects are not satisfied, or waived by the Tenant, as provided herein, this Offer to Lease shall terminate and the Deposit shall be refunded to the Tenant without deduction and this agreement shall be null and void. The Tenant’s subjects are for the sole benefit of the Tenant

**14. DEPOSIT**

All deposit monies required by this Offer to Lease shall be payable to:

Success Realty & Insurance Ltd., In Trust

145 Keefer Street

Vancouver, B. C. V6R 2H7

Our deposit cheque in the amount of $(NIL) is payable within 24 hours upon acceptance and will be increased by $3,780.00.00 to $3,780.00 upon the Tenant’s final subject removal. The deposit is to be credited, towards the first months’ net rent plus G.S.T. and the balance of the Deposit shall be held by the Landlord for a period of 30 days after the Tenant vacates the Premises. All expenses incurred by the Landlord, with respect to the Premises shall be deducted from the deposit. The Landlord shall provide the Tenant with a statement of such expenses, if any and return the balance to the Tenant within 35 days. If at any time rent or any other amount payable by the Tenant is overdue and unpaid or the Tenant fails to perform any of it obligations under this Lease, the Landlord may, either before or after terminating this Lease, apply the whole or any part of the Deposit to the payment of such rent or other amount or to compensate the Landlord for any loss or expense incurred by the Landlord and such application will be without prejudice to the Landlord’s right to pursue any other remedy set forth in this Lease.

Should such deposit not be paid as specified above, the Landlord, at its option may cancel this agreement and any deposit paid by the Tenant shall be absolutely forfeited to the Landlord as genuine preestimate liquidated damages without prejudice to the Landlord’s other rights and remedies against the Tenant.

**15. FORM OF LEASE**

This Offer to Lease, upon acceptance by the Landlord, shall become a binding contract. The Landlord will provide the Tenant with a copy of the Landlord’s Standard Form of Lease after acceptance of this Offer. Tenant agrees to execute such Lease, after the Landlord’s and Tenant’s subjects are waived, within 10 days of receiving it, failing which the Landlord at its option will have the right to consider this accepted Offer to Lease as repudiated and, in such event, the deposit paid shall be forfeited to the Landlord without prejudice to any other right or remedy of the Landlord. The Provisions of this Offer to Lease shall survive the execution and delivery of the Lease. In the event of any conflict between the terms of this Offer to Lease and the terms of the executed Lease, the executed Lease shall govern. The Tenant acknowledges that the Tenant will not have access to the Premises prior to the Lease being executed and proof of insurance.

**16. ENTIRE AGREEMENT**

There are no covenants, representations, agreements, warranties or conditions in any way relating to the subject matter of this Offer to Lease, expressed or implied, except as specifically set forth in this Offer to lease and the Schedules attached hereto.

**17. TENANT’S CREDIT**

The Tenant consent to an investigation by the Landlord of their creditworthiness in accordance with Schedule D to be signed by the Tenant.

**18. ASSIGNMENT**

The Tenant shall not have the right to assign this Offer to Lease or any interest herein, nor to assign or sublet the Premises, without the prior written consent of the Landlord which shall not be unreasonably withheld.

**19. TIME OF ESSENCE**

Time shall be of the essence of this Offer to Lease.

**20. AGENCY**

The Landlord and Tenant acknowledge and provide their consent to Success Realty & Insurance Ltd., represented by Jordan Eng, acting as a Limited Dual Agency in this transaction. Payment of commission is the responsibility of the Landlord.

**21. SCHEDULES**

The Schedules form an integral part of this Offer to Lease and are as follows:

Schedule A - Plan of Project and Premises

Schedule B - Form of Lease to be provided

Schedule C - Credit Investigation Consent Form

**22. ACCEPTANCE**

This Offer is open for acceptance until 5:00 p.m. Vancouver time, on the \_\_\_\_ day of \_\_\_\_\_\_\_\_\_, 2016 and thereafter, if not accepted, shall be null and void.

DATED at Vancouver, B. C., this \_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_, 2016

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Print Name: Witness

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Print Name: Witness

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Print Name: Witness

We hereby accept this Offer and agree to be bound by the terms and conditions contained herein.

DATED at Vancouver, B. C., this \_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_, \_\_\_\_\_

per: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**SCHEDULE “A”**

**Plan of Premises**

**SCHEDULE “B’**

**Form of Lease**

*To be provide once offer has been accepted.*

**SCHEDULE “D”**

Credit Investigation Consent Form