

LEASE SUMMARY

BASICS

TEAM: Edmonton Oilers

Team Owner: Katz Group, CEO Daryl Katz

[Team Website](#)

FACILITY: Rexall Place

[Facility Website](#)

Year Built: 1974

Ownership:

TYPE OF FINANCING: In 1994 a renovation totaling \$14 million Canadian (US \$13 million) was completed.

TITLE OF AGREEMENT: The City of Edmonton and Edmonton Northlands Master Agreement

TERM OF AGREEMENT: Term of thirty (30) years “commencing on the first day of August, 1989, and terminating on the 31st day of July, 2019.” – Sect. 3.01, pg. 3

Right of renewal “for a further term of thirty (30) years at a rent, and upon other terms and conditions, to be agreed upon by the parties.” – Sect. 29.01, pg. 21

PAYMENT/EXPENSES

RENT: “[R]ent to be paid by the Lessee to the Lessor during the term of this Lease shall be the amount of One Dollar (\$1.00) per annum in lawful money of Canada, due and payable in advance on or before the first day of August, 1989.” – Sect. 4.01, pg. 3

INSURANCE: “The Lessee will keep the Demised Premises insured at all times throughout the lease term at its own expense, in the joint names of the Lessor and the Lessee[.]” – Sect. 12.01, pg. 11

CAPITAL IMPROVEMENTS

“The Lessee shall be entitled, at its sole cost and expense, to construct such new buildings and improvements and install such fixtures upon the Demised Premises as it deems advisable and as are permitted by applicable municipal, provincial or federal laws. All such buildings, improvements and fixtures shall upon construction or installation become the property of the Lessor and shall be deemed to form part of the Demised Premises.” – Sect. 8.03, pg. 8

MAINTENANCE

“Lessee shall, at its own expense, maintain the Demised Premises in safe condition, and at the expiry of the term or at the earlier termination of this Lease, turn them over in good condition and repair, reasonable wear and tear only excepted.” – Sect. 6.02, pg. 5

USE

“The Lessee shall use and occupy the Demised Premises and shall carry on and conduct all activities upon the Demised Premises in compliance with all federal, provincial, and municipal statutes, bylaws, rules, and regulations in force from time to time, and will at all times obey all orders made by municipal and other public authorities to carry out repairs or effect changes to the Demised Premises in order that they comply with all such laws.” – Sect. 5.02, pg. 4

ESCAPE CLAUSES

DEFAULT: If and whenever:

- a) the Lessor shall be entitled, pursuant to the provisions of the Master Agreement, to terminate this Lease; or
- b) the Lessee defaults in payment and continues in default for forty-five (45) days; or
- c) the Lessee defaults in performance or observance of any of the terms, covenants, agreements, provisions, stipulations and conditions, and default continues for forty-five (45) days; or

...

e) the Lessee makes an assignment for the benefit of creditors, or becomes bankrupt, or makes application for relief under the provisions of any statute now or hereafter in force concerning bankrupt or insolvent debtors, or any action whatsoever, legislative or otherwise, is taken with a view to the winding-up, dissolution or liquidation of the Lessee; or

f) the Lessee abandons or ceases to occupy the Demised Premises or a substantial portion thereof;

then, the Lessor may re-enter the property and this Lease shall terminate. – Sect. 15.01, pg. 14–15

RETENTION

Dispute Resolution: An arbitration clauses exists for when a disagreement between the parties arises with respect to the Lease.– Sect. 17.01, pg. 16–17