

VILLAGE OF CHATHAM, ILLINOIS

ORDINANCE NO. 00 - 23

AN ORDINANCE APPROVING A LEASE
OF MUNICIPAL PROPERTY FOR FARM PURPOSES

ADOPTED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF
CHATHAM, ILLINOIS THIS 25TH DAY OF APRIL, 2000

Published in pamphlet form by the authority of the President and
Board of Trustees of the Village of Chatham, Sangamon County,
Illinois, this 25TH day of April, 2000.

ORDINANCE 00- 23

*AN ORDINANCE APPROVING A LEASE
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WHEREAS, the Village of Chatham owns a parcel of land consisting of 40 acres, of which 30 acres are tillable and which is not currently needed for corporate purposes, and which would be a burden to keep mowed; and

WHEREAS, it is a public benefit to lease the tillable acres to a farmer for cropland, thereby avoiding the need to mow or otherwise maintain the property;

WHEREAS, bids were solicited from area farmers for leases of the property, and the sole bid received was from Mau Farms, Inc.


NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Chatham, Sangamon County, Illinois, as follows:

SECTION 1: That certain lease by and between Mau Farms, Inc. and the Village of Chatham, attached hereto, is hereby approved.

SECTION 2: This President is authorized and directed to execute the Lease on behalf of the Village, and the proper officers shall carry out the Lease according to its terms.


SECTION 3: This Ordinance is effective immediately..

Passed this 25th day of April, 2000.



Linda L. Koester, President
Village of Chatham

ATTEST:



Robert A. Krueger, Clerk

AYES: 6 APPROVED: 4/25/00
NAYS: 0
ABSENT: 0

ORDINANCE CERTIFICATE

STATE OF ILLINOIS)
) SS.
COUNTY OF SANGAMON)

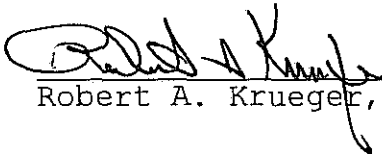
I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Chatham, Sangamon County, Illinois.

I do further certify that the Ordinance attached hereto is a full, true, and exact copy of Ordinance No. 00-23, adopted by the President and Board of Trustees of said Village on the 25th day of April, 2000, said Ordinance being entitled:

AN ORDINANCE APPROVING A LEASE
OF MUNICIPAL PROPERTY FOR FARM PURPOSES

I do further certify that prior to the making of this certificate, the said Ordinance was spread at length upon the permanent records of said Village, where it now appears and remains.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said Village this 25th day of April, 2000.


Robert A. Krueger, Village Clerk

Lease

This Lease entered into this 25th day of April, 2000 between the Village of Chatham, Illinois, an Illinois municipal corporation, (" Landlord "), and Mau Farms, Inc. (Tenant).

1. The Landlord leases to the Tenant, to occupy and to use for agricultural purposes only, 30 acres as described in Exhibit A attached hereto and made a part hereof, (the Property).
2. The term of this lease shall be from the first day of May, 2000 to the last day of February, 2002, and the Tenant shall surrender possession at the end of this term or at the end of any extension thereof. There are no holdover rights created by this lease.
3. The Tenant agrees to pay the Landlord annual cash rent for the Property in the amount of \$ 166.50 per acre. The cash rent shall be payable in one installment on November 1st of each year during the term of the lease.
4. The Tenant agrees to furnish and to pay the items of expenses consisting of all the machinery, equipment, labor, fuel and power necessary to farm the Property properly, and seed, inoculation, disease treatment materials, lime and fertilizers.
5. The Tenant further agrees that it will :

a. cultivate the Property faithfully and in a timely, thorough and businesslike manner.

b. prevent noxious weeds from going to seed on the Property, and will keep weeds to a height of 8 inches or less;

c. keep open ditches, tile drains, tile outlets, waterways and ditches in good repair, and refrain from any operation that will injure them.

d. prevent all unnecessary waste or loss, or damage to the Property of the Landlord.

e. comply with rules and regulations of the Illinois Pollution Control Board.

f. Properly fertilize the tillable acreage to maintain productivity.

g. To comply with U.S. Soil Conservation Service's Current Conservation Plan regarding highly erodible land and follow tillage practice recommendations.

6. The Tenant shall not do any of the following:

a. assign this Lease to any person or persons or sublet any part of the Property.

b. erect or permit to be erected any structure or building

c. permit, encourage, or invite other persons to use any part or all of the Property for any purpose or activity not directly related to its use for agricultural production, except as specifically noted here.

d. cut live trees for sale purposes or personal use.

e. permit the erection of any commercial advertising signs on the farm.

f. permit any mechanics lien, mortgage or other lien to be placed upon the

Property.

7. If either party defaults under this Lease, it may be terminated by the other party by serving a written notice citing the instance(s) of default and specifying a termination date of thirty (30) days from the date of such notice. The occurrence of any of the following events shall constitute a default under this Lease:

a. Failure to pay, when due, any amount payable pursuant to the terms of this Lease;

b. The Tenant's failure to perform any other covenant of this Lease which is not corrected within 15 days of notice thereof by Landlord.

c. Insolvency, failure to pay debts as they mature, business failure, appointment of a receiver for any part of the Property of, assignment for the benefit of creditors by, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Tenant; or

d. Any levy, seizure, distraint of attachment of or on Landlord's collateral;

6. The Tenant agrees that at the expiration or termination of this Lease, Tenant will yield possession of the Property to the Landlord without further demand or notice. If the Tenant fails to yield possession, Tenant shall pay to the Landlord a penalty of Fifty Dollars (\$50.00) per day, in addition to any actual damages caused by the Tenant to Landlord's land or improvements, and said payments shall not entitle said Tenant to any interest of any kind or character in or on the Property.

7. The Landlord reserves the right, by its agents, employees, or assigns to enter

upon said Property at any reasonable time for the purpose of viewing the same, of working or making repairs or improvements thereon.

8. Nothing in this Lease shall confer upon the Tenant any right to minerals underlying the Property.

9. Remedies on Default. Whenever a default exists, all liabilities shall, at the option of the Landlord, without demand or notice of any kind, immediately become due and payable, and Landlord may exercise from time to time any rights and remedies available to it under applicable law. Tenant shall pay all costs of Landlord, including reasonable attorney's fees and legal expenses, incurred in the collection of any liabilities or realizing on any collateral.

10. Notwithstanding any other provisions of this Lease, at any time after January 1, 2003, Landlord may terminate this lease without default by the Tenant if the corporate authorities thereof adopt an ordinance or written resolution declaring that any or all of the Property is needed for corporate purposes, and specifying such corporate purposes. If there are crops present on the Real Estate when such a declaration is made, then the termination shall be effective upon harvesting of such crops, or December 31 of the year in which the declaration is made, whichever event comes first.

11. Amendments and alterations to this Lease may be made in writing and attached to this Lease at any time by a written agreement approved by ordinance of the corporate authorities of Landlord.

12. The parties hereto enter into this Lease in the belief that it is valid and

authorized by the Illinois Municipal Code. In the event this Lease is declared invalid by any court of law for any reason, it shall be deemed terminated, and neither party shall be liable to the other for any damages whatsoever in such event.

13. This is the entire agreement between the parties, and all prior agreements with respect to its subject matter are disclaimed. This Lease shall be binding on the heirs, executors, administrators, and assigns of both Landlord and Tenant in like manner as upon the original parties.

VILLAGE OF CHATHAM, ILLINOIS

By: *Linda Kuntz*
Its President

MAU FARMS, INC.

By: *Maui Farms Inc*
Its President *Don mau*

PHONE NO. :

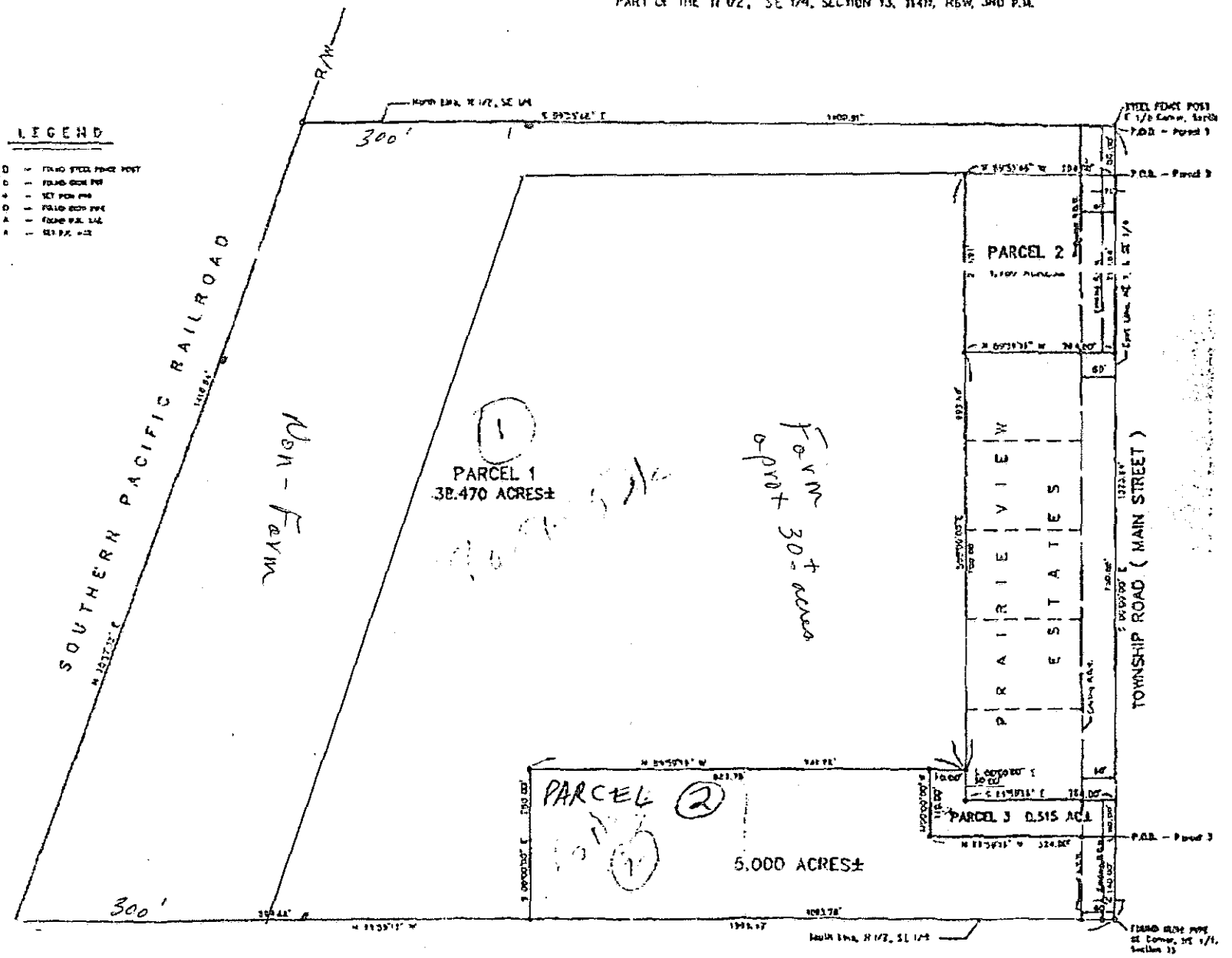
Nov. 25 1999 04:00PM P2

Exhibit A.

PLAT OF SURVEY

PART OF THE N 1/2, SE 1/4, SECTION 13, T14N, R6W, 3RD P.M.

- LEGEND**
- FIELD FENCE POST
 - FIELD CORNER
 - 1/4" PIN
 - 1/2" PIN
 - 3/4" PIN
 - 1" PIN
 - 1 1/2" PIN
 - 2" PIN



Re'dr

4-17-00

1:00 P.M.
MWB

4-10-00

Village of Chatham

My Bid on the

30-40 acres of Farm

Ground for 2000 is

for \$166.50/acre for the

Cash Rent

~~Thom~~

Dan Mau

MAU Farms Inc.

599 W. Hoecheater Rd

Chatham, IL

62707