

CROPLAND LEASE- NORTH INDUSTRIAL PARK

THIS LEASE AGREEMENT is entered into between the **City of Richland Center**, a Wisconsin municipal corporation, whose address is 450 South Main Street, Richland Center, Wisconsin, hereinafter alternatively referred to as the City or as Landlord, and **Chad Johnson**, an adult resident of Richland County, his address being 28999 Downey Lane, Richland Center, WI 53581, hereinafter referred to as Tenant, for the purposes and on the terms set forth below:

I. RECITALS

1.1 Landlord is the owner of certain parcels of real estate located East of the Pine River in Sections 4, 5 and 9, Town 10 North, Range 1 East, in the City of Richland Center, Richland County, Wisconsin, consisting of approximately **93.5** tillable acres, more or less, shown as fields on the City's lands in the aerial photo titled Exhibit 1 attached hereto and made a part hereunder. Certain lands or fields shown in Exhibit 1 are excluded from this Lease and marked on the aerial photo of Exhibit 1 as "**Removed**".

1.2 It is specifically agreed by the parties that Tenant, being an experienced farm operator, has made inspection of the tillable fields on said property and is satisfied with the above approximation of the number of acres being rented in the available tillable fields. Tenant thus relies upon his inspection and experience as to the number of available tillable acres, and not upon any representation of Landlord.

1.3 Tenant is a farm operator and agrees to enter into a cash lease of the aforesaid premises of Landlord for agricultural purposes only on the terms set forth herein.

II. TERM OF LEASE

2.1 This lease shall be for a term of **[three (3)] or [five (5)]** years, commencing **January 1, 2023**, and terminating **December 31, 2028**. Tenant shall have no right of renewal. However, if the Tenant continues to use the rented property beyond the termination date and the Landlord does not take steps to terminate such use, the Tenant shall be liable to the Landlord for rent for each year that the extended use continues at the same rate and on the same terms as set forth herein for the lease term.

2.2 Within a time period of thirty (30) - ninety (90) days from the termination of this lease (**January 1, 202X**), Tenant shall notify the City of said termination date.

2.3 Notwithstanding the foregoing the City shall have the right to terminate this lease at the end of any calendar year prior to the final calendar year of the lease term by giving the Tenant notice in writing not less than thirty (30) days prior to the end of the calendar year of the City's intent to terminate. In such event, the City shall reimburse the Tenant the sum of \$15.00 for each cropland acre as an agreed reimbursement for lime applied to the lands by the Tenant, provided Tenant has applied lime during the lease term.

III. AMOUNT AND PAYMENT OF RENTS

3.1 The annual cash rental for the cropland over the term of this lease shall be in the yearly amount of \$16,990.00, which rental shall be due and payable as follows:

a. A cash payment equal to one-half (1/2) of each year's total rent in the amount of \$8,495.00 shall be due and payable on before April 1 of each respective year of this agreement.

FORMAT WILL BE CORRECTED

b. An additional cash payment equal to the balance of each year's total rent in the amount of \$8,495.00 shall be due and payable after the harvesting by Tenant or Tenant's assignees or agents of any crop grown on the leased lands, but in no event later than December 1 of the crop year for which the rent is due.

c. Any payment not timely made shall bear interest at twelve per cent (12%) from its due date until paid. In addition, failure to make any rental payment when due shall constitute grounds for the City to terminate this lease, in the City's sole discretion.

d. Landlord and Tenant mutually acknowledge that 93.5 acres is a mutually agreed amount of acreage being rented. The Tenant has had the opportunity to survey and review the land in question and the parties agree with the mapped acres shown in Exhibit 1, which is incorporated herein.

IV. LAND USE AND CROPPING

4.1 The rented tillable fields shall be actively farmed. Tenant shall not place any of the rented lands in any set aside program, although it is permissible for Tenant to include rented lands in his overall set-aside computations provided he crops the rented lands. Any desired fertilizer shall be purchased and paid for by Tenant, without any obligation on the part of Landlord to make contribution, reimbursement or payment therefor. Tenant shall furnish at his expense all labor and machinery utilized in the preparation for and carrying out of farming operations. The Tenant shall leave all seeding, whether new or existing, in good condition at the expiration of the lease term or of any extension of the lease term.

4.2 Farming activity on the rented land will be limited to the growing of alfalfa and harvesting hay and forage grass and growing soybeans and corn. Tenant shall plant these crops on the rented land at Tenant's expense, without contribution from the city for seed, fertilizer or other cropping inputs. Tenant shall be entitled to harvest the nurse crop and cut hay off seeded rented land during the lease term.

4.3 Existing crop stripping practices, if applicable, shall be maintained during the term of this Lease, and Tenant shall consult Landlord as to which strips shall be seeded or plowed. Tenant will not break up any existing sod on any seeded down area.

4.4 Landlord shall be responsible for the cost of repairs to the premises, except the cost of those repairs necessitated by the acts or omissions of Tenant or Tenant's agents, which shall be the responsibility of Tenant. Landlord shall be responsible for the cost of any permanent capital improvements it might wish to make to the premises.

4.5 The Tenant's rights to use the rented lands are limited to fanning the fields and acts reasonably related thereto. This lease shall not give the Tenant any rights to the lands other than those related to such farming activity.

4.6 Tenant shall not drive over any curbs. Access shall be via existing curb cuts.

V. ADDITIONAL TENANT'S OBLIGATIONS

5.1 Tenant shall follow farming practices that are generally recommended and best adopted to this type of farm and for this locality unless other practices are agreed upon with Landlord. Tenant shall consult with Landlord in the person of the Mayor, the Chairman of the Property Committee with regard to any farming practice which could materially affect the use and value of the farm after termination of this Lease, and the decision of Landlord shall control as to whether any such practice shall be allowed. Tenant agrees to consult with the duly appointed Chairman of the Property Committee on any and all questions that might arise in regards to the operation of the said premises. If, at any time during the term of this lease, a conservation plan is in effect for the premises, Tenant shall follow the requirements of said plan.

5.2. Tenant shall preserve all established watercourses, tile drains, tile outlets, grass waterways and terraces, and shall refrain from any operations that will injure them.

5.3. Tenant shall take reasonable steps to keep down weeds on the rented lands and along abutting fencerows and field access roads.

5.4 Tenant shall yield up peaceable possession of the rented lands at the termination of this Lease.

5.5 Tenant acknowledges the rented lands are to be used solely for the purpose of raising feed grain and forage crops as described above. As such, Tenant shall not pasture or graze livestock of any nature on the rented lands.

5.6. Tenant shall be responsible for insuring his operations and equipment used on the property and maintain liability insurance issued by an insurance company licensed to do business in the State of Wisconsin, including bodily injury and property damage coverage insuring Tenant and Landlord with minimum coverage as follows: Tenant shall provide Landlord with a Certificate of Insurance showing Landlord as an additional insured with policy limits at a minimum of \$1,000,000 single limit and \$3,000,000 aggregate. The Certificate shall provide for a ten-day written notice to Landlord in the event of cancellation or material change of coverage. To the maximum extent permitted by applicable insurance policies which may be owned by Landlord or Tenant, for the benefit of each other, may waive any and all rights of subrogation which might otherwise exist.

VI. ADDITIONAL LANDLORD'S OBLIGATIONS

6.1 Landlord shall be responsible for the cost of repairs to the premises, except the cost of those repairs necessitated by the acts or omissions of Tenant or Tenant's agents, which shall be the responsibility of Tenant. Landlord shall be responsible for the cost of any permanent capital improvements it might wish to make to the premises.

6.2 Landlord shall pay all taxes and assessments, if any, against the real estate, and the premiums for insurance carried on the rented property insuring landlord against liability.

6.3 Landlord shall prevent any other of its tenants from interfering with the use, possession and quiet enjoyment of the premises leased to Tenant herein.

6.4 This lease is subordinate to the provisions of any existing or future agreement between the City and the United States.

VII. LANDLORDS RIGHT TO SELL PORTIONS OF RENTED LANDS; ADJUSTMENTS OF RENT IN THE EVENT OF SALE

7.1 Landlord shall have the exclusive right to sell or convey away any of the demised premises during the term of this lease or any renewal thereof. In the event of such sale or conveyance prior to completion of Tenant's farming activities in the year of sale, the rent owed by Tenant for the crop year in which the sale occurs shall be reduced according to the following formula:

- (a) **Hay ground sold before August 1:** Reduction by **\$75.00** per acre sold or conveyed.
- (b) **Hay ground sold after August 1:** No reduction in rent for the current crop year.
- (c) **Ground planted in corn sold after planting but before harvest:** Reduction by **\$300.00** per acre sold or conveyed.
- (d) **Ground planted in soybeans sold after planting but before harvest:** Reduction by **\$250.00** per acre sold or conveyed.

7.2 Rents for subsequent years shall be reduced by **\$75.00** per acre of the rented land sold or conveyed during the lease term.

7.3 **SPECIAL CONDITIONS FOR 10 ACRE PARCEL LABELED "AREA OF CONCERN" ON EXHIBIT 1.** Tenant understands that a portion of the Lease includes a 10 acre parcel identified in Exhibit 1 as an "Area of Concern". Such parcel may be subject to State or Federal laws limiting or disallowing the use of said parcel due to archeological concerns. In the event said parcel becomes subject to such limitations or disallowance, Landlord shall notify Tenant, and Tenant shall cease all use of said parcel. Landlord and Tenant agree that in the event said parcel becomes limited in use or disallowed in its entirety, the Parties agree:

1. The amount due for rent shall be reduced by the amount of **\$141.00** per acre of land, resulting in a reduction of **\$750.12** per year of the Lease from the year **2021** forward;
2. Tenant shall not farm and avoid entry upon the 10 acres; and
3. All other provisions of the Lease shall remain in effect.

IN WITNESS WHEREOF the parties have executed this Lease on the dates hereunder set forth next to their respective names, to be effective _____, 2023.

CITY OF RICHLAND CENTER, LANDLORD

By:

Attest:

MAYOR TODD COPPERNOLL

CLERK/TREASURER, AARON JOYCE

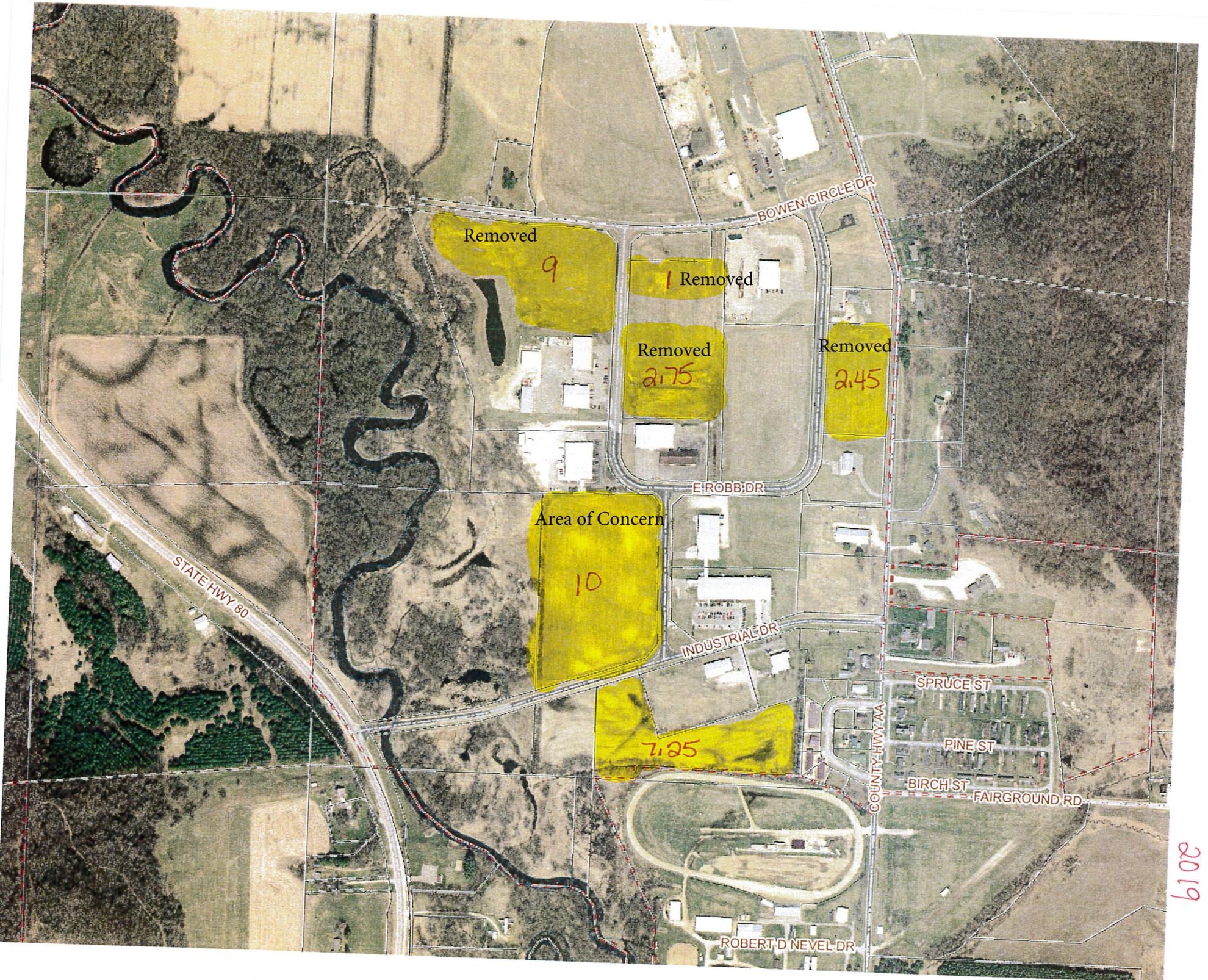
Dated: _____

CHAD JOHNSON, TENANT

By:

CHAD JOHNSON

Dated: _____



2019