

REAL ESTATE LEASE AGREEMENT

This lease agreement (“Lease”) is made effective as of XXXXX, 2017, by and between the CITY OF HARRISBURG, ILLINOIS (“Landlord”), and XXXXXXXXXXXX. (“Tenants”, whether one or more).

WITNESSETH:

1. PREMISES. Landlord, in consideration of the Lease payments provided in this agreement, leases to Tenant, the real estate described as XXXXXX Addition, Block XXX, Lot XXXXX to Lake Harrisburg, Harrisburg, County of Saline, State of Illinois (“the Premises”).

To have and to hold the Premises unto Tenant for a term commencing April 16, 2017 and extending until midnight on April 15, 2020 (the “Term”), at the rent and upon the terms, covenants and conditions herein contained.

This lease shall not become effective until it is approved and passed by the City Council. There will be no transfers of leases without the express approval of the City Council.

2. RENT: For and during the Term, Tenant shall pay in advance, on or before the 16th day of April for each subsequent year, to Landlord non-refundable rent at the annual rate as follows:

- (1) For an empty lot or a lot with a camper or portable building, the fee shall be Six Hundred Dollars (\$600.00) per year;
- (2) For a lot with a mobile home or similar structure, the fee shall be Eight Hundred Dollars (\$800.00) per year;
- (3) For a lot with a permanent structure on it, the fee shall be One Thousand Dollars (\$1,000.00) per year.
- (4) The Superintendent for Public Property shall make the determination of the type and classification of the structure, if any, that is on the property.
- (5) Harrisburg residents shall receive a One Hundred Dollar (\$100.00) discount on the above fees.

Such rent to be paid at the address of Landlord as hereinafter set forth or such other place as Landlord may designate by notice to Tenant.

Tenant shall pay a deposit in the amount of \$500.00 payable at time of execution of lease. The security deposit may be applied to any unpaid taxes, to any unpaid rent, or to any unpaid monetary obligation owed to the City, regardless of whether it resulted from this lease agreement, or to any damage or for any clean-up to the premises. The security deposit, if any, will be refunded within 30 days of termination of said lease.

Any prospective Tenant desiring to rent for an unexpired term shall pay a transfer fee of \$25.00 and shall pay a sum equal to the rent due for the number of months remaining on the unexpired lease term.

No Tenant may lease any property from the City if that Tenant has any outstanding financial obligations owed to the City of Harrisburg, including but not limited to: water bills, fines, mobile home inspection fees, assessments, or taxes or other monetary obligations.

3. LATE PAYMENTS. Tenants who fail to submit the annual payment on or before May 1 of each year shall be assessed a late fee of \$20.00 per month, beginning May 2nd of each year in which the annual payment is delinquent and continuing on the 2nd day of each month thereafter until the annual payment and all late fees are paid in full. Delinquency may also result in termination of the lease under Section 9-7(b) of the Harrisburg Municipal Code and Section 13 of this Agreement.

4. MAINTENANCE AND REPAIRS. Tenant shall maintain all improvements to the Premises in good repair and shall, at its own cost and expense, promptly make all necessary repairs, interior and exterior,

ordinary as well as extraordinary. Further, Tenant agrees to maintain the Premises free from all garbage and debris of every kind and character, and shall keep the Premises in a sanitary condition, subject to the inspection and approval of the Commissioner of Public Property of the Landlord or his or her agent.

Tenant shall not cause, or allowed to be caused, any damage to said property. Tenant shall not cut or allow to be cut, any trees from property without the written consent of Landlord.

5. WATER AND OTHER UTILITY SERVICES. Tenant shall pay for all water, electricity and other utilities consumed by Tenant on the Premises during the Term.

6. BUILDINGS, IMPROVEMENTS AND ALTERATIONS. No tenant of City property which is located around Lake Harrisburg shall build, construct or erect permanent structures on City property. Any permanent structures currently in existence on City property at the time of passage of Ordinance #1722 (February 16, 2017) are grandfathered in and are allowed to remain on said property. Any tenant with a permanent structure currently in existence has the duty to keep and maintain said structure in compliance with all City codes. Any modifications, alterations, or improvements shall follow the procedure outlined below.

No tenant of City property shall cause there to be any modifications, alterations or improvements to the property without first submitting a site plan (Ordinance #1415) to and receiving the approval of the Superintendent of Public Property. The Superintendent of Public Property and the Commissioner of Public Property will make the determination in a timely fashion as to the approval for the current lease holder to proceed with any modifications, alterations or improvements.

Notice of improvements constructed on the premises will be promptly given to the County Assessor's office by Tenant.

No tenant of City property shall live at Lake Harrisburg as a primary place of abode. Access will be provided to lake lots on a seasonal basis only.

Any tenant with a permanent structure currently in existence on City property shall not have the right to assign their lease and sell the permanent structure without the prior approval of City Council, which approval shall not be unreasonably withheld. Following the approval by the City Council of the prospective tenant, the original tenant may then sell the building(s) or improvements to the prospective tenant. The determination of the reassignment shall be at the sole discretion of the City Council.

7. MECHANIC'S LIEN. Tenant shall not permit nor suffer any mechanic's lien or other lien or other encumbrances to attach to or against the premises and shall make no improvements to the property without the written consent of Seller. Should any such lien or encumbrance attach to said property, Tenant shall, within sixty (60) days after the date of filing, discharge by bond or otherwise any mechanic's or other lien filed against the Premises because of any work done or material furnished at the request of the Tenant.

8. TAXES. Tenant shall promptly pay when due any and all personal property taxes levied on any improvements on the Premises. Further, no lease agreement with the Landlord shall be effective until and unless Tenant shall provide proof to Landlord of payment of all personal property taxes levied on the Premises for all years prior to the execution of the lease. Tenant will provide to the City Clerk proof of payment of taxes on a yearly basis during the term of the lease. At the conclusion or termination of the Term, such sums deposited with Landlord may be applied to payment of personal property taxes or as outlined in paragraph 2 above and Landlord shall return any unused portions of said deposit to Tenant.

9. LIABILITY INSURANCE. Tenant shall at all times during the Term hereof carry at its own expense public liability insurance of not less than \$300,000.00 for injury or death arising out of a single accident or occurrence on the Premises, naming Landlord as an additional insured. Tenant shall furnish Landlord with a certificate of such insurance policy, which shall also provide that such insurance policy(ies) shall not be reduced or changed during the Term of the lease.

10. INSPECTION BY LANDLORD. Tenant agrees to permit Landlord and the authorized representatives of the Landlord to enter upon the Premises at all reasonable times, upon reasonable notice and at reasonable intervals, for the purpose of (a) inspecting the same and (b) performing any work necessary thereon. Nothing herein shall imply any duty upon the part of the Landlord to do any such work which, under the provisions of this Lease, Tenant may be required to perform. If inspection reveals necessary action needs to be taken by Tenant, a notice will be sent allowing two (2) weeks to correct any condition noted. If proper corrective action is not completed within that time period or any additional time period granted by Landlord, the Lease may be terminated.

Further, Landlord hereby retains an easement for all existing driveways, roadways and utilities, such easement being twenty (20) feet in width from the center of the existing driveway, roadway or utility.

11. COMPLIANCE WITH ORDINANCES. During the Term of the Lease, Tenant shall execute and comply with all ordinances of the City of Harrisburg, Illinois, as codified in the Harrisburg Municipal Code, as well as all statutes, ordinances, rules, orders, regulations and requirements of the Federal, State and Municipal governments in regard to Tenant's improvements to, maintenance of, and use of the Premises.

12. ASSIGNMENT AND SUBLETTING. Tenant may not assign or sublet this lease without prior approval by the City Council.

13. EVENTS OF DEFAULT. If any one or more of the following events ("default" or "event of default") shall happen:

(1) Tenant shall default in the due and punctual payment of rent or any other payments required of Tenant hereunder and such default shall continue for fifteen (15) days from the date said payment(s) is due and owing; or

(2) Tenant shall neglect or fail to perform or observe any of the covenants herein contained on the Tenant's part to be performed or observed; Then Landlord shall have the right, at its election, then or at any time thereafter, and while such event of default shall continue, to either:

(a) Give Tenant written notice of Landlord's intention to terminate this Lease on the date of such notice or any later date specified therein, and on the date specified in such notice Tenant's right to the use, occupancy and possession of the Premises shall cease and this Lease shall thereupon be terminated; or

(b) Re-enter and take possession of the Premises or any part thereof and repossess the same as of Landlord's former estate and expel Tenant and those claiming through or under Tenant and remove the effects of both or either there-from without being deemed guilty of any manner of trespass or conversion.

14. SURRENDER OF PREMISES. Upon termination of this Lease, whether by lapse of time, cancellation pursuant to an election provided for herein, forfeiture or otherwise, Tenant shall immediately surrender possession of the Premises to Landlord. The City Council shall have complete authority to select any subsequent Tenant to said premises. At any time during the Term and upon termination of this Lease, Tenant shall have the right to remove from the Premises all Tenant improvements. If this Lease terminates at any time other than the time fixed as the expiration of the Term, Tenant shall have a reasonable time not exceeding sixty (60) days thereafter to effect such removal. If any of such property shall remain on the Premises after the end of the Term, or after the 60-day period above specified in the event termination occurs prior to the time fixed as expiration of the Term, such property shall be and become the property of the Landlord without any claim therein of Tenant should Landlord so elect.

15. **QUIET ENJOYMENT.** Landlord covenants that Tenant, so long as Tenant is not in default hereunder, shall and may peaceably and quietly have, hold and enjoy the Premises for and during the Term.

16. **USE OF PREMISES/ABSENCES.** Tenant shall not occupy and use the Premises as a primary place of abode.

Tenants shall not dump anything into the lake, nor shall any septic systems discharge into the lake. Tenants shall not pump water from the lake.

17. **DANGEROUS MATERIALS.** Tenant shall not keep or have on the Premises any article or thing of a dangerous, flammable, or explosive character that might substantially increase the danger of fire on the Premises, or that might be considered hazardous by a responsible insurance company, unless the prior written consent of Landlord is obtained and proof of adequate insurance protection is provided by Tenant to Landlord.

18. **CUMULATIVE RIGHTS.** The rights of the parties under this Lease are cumulative, and shall not be construed as exclusive unless otherwise required by law.

19. **NOTICE.** Notices under this Lease shall not be deemed valid unless given or served in writing and forwarded by mail, postage prepaid, addressed as follows:

Landlord: City of Harrisburg
110 East Locust Street
Harrisburg, Illinois 62946

Tenant: Name
Address
Town
Phone

The above addresses may be changed by either party by providing written notice to the other. Said notice shall be provided thirty (30) days in advance of change, where possible, but in no event later than ten (10) days after the effective date of change. City is not responsible for undelivered notices resulting from Tenant's failure to provide a current address, including notice of termination of Lease.

20. **ENTIRE AGREEMENT/AMENDMENT.** This Lease agreement contains the entire agreement of the parties and there are no other promises or conditions in any other agreement whether oral or written. This Lease may be modified or amended in writing, if the writing is signed by each party obligated under this agreement and the amendment.

21. **ATTORNEY'S FEES.** Tenant shall be liable to Landlord for any and all attorney's fees and costs incurred by the Landlord in the event of default of this Lease.

22. **SEVERABILITY.** If any portion of this Lease shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Lease is invalid or unenforceable, but that by limiting such provision, it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

23. **CHOICE OF LAW.** The parties agree that this contract shall be governed by the Laws of the State of Illinois and that venue shall be proper in Saline County, Illinois.

LANDLORD:
CITY OF HARRISBURG

TENANT(S)

MAYOR

ATTEST:

CITY CLERK