

ABOVE SPACE FOR RECORDER'S USE ONLY

*This instrument prepared by,  
and after recording return to:*

*Agricultural Ecologist  
McHenry County Conservation District  
18410 US Highway 14  
Woodstock, IL 60098  
(815)338-6223*

## **Land Preservation and Natural Resource Division Joint Grassland Venture Lease Agreement**

JOINT GRASSLAND VENTURE LEASE AGREEMENT, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, between MCHENRY COUNTY CONSERVATION DISTRICT, a conservation district organized and existing under the laws of the state of Illinois and having its principal administrative offices at 18410 U.S. Highway 14, Woodstock, Illinois 60098 (hereinafter referred to as "Lessor"), and \_\_\_\_\_ (hereinafter referred to as "Lessee").

WITNESSETH, That Lessor, for and in consideration of the covenants and agreements hereinafter mentioned, to be kept and performed by Lessee, has, by these presents, demised and leased to Lessee, the following described real estate, to-wit:

**Pin(s):**

**Location:**

**Township:**

**Site Name:**

**FLP\_ID:**

**Field:**

**Use Type:** Joint Grassland Venture

in the County of McHenry and State of Illinois containing about \_\_\_ +/- acres as depicted and described in **Exhibit A** attached hereto and made a part hereof (hereinafter referred to as the "Premises").

TO HAVE AND TO HOLD THE SAME to Lessee, from the \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ to the \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ and Lessee, in consideration of the leasing of the Premises as set forth above, covenants and agrees with Lessor, to pay Lessor, at 18410 U.S. Highway 14, Woodstock, Illinois 60098, as rent for the same, the following:

The total annual rent shall be \$ \_\_\_\_\_ which has been calculated as the product of \$ \_\_\_\_\_ per acre multiplied by the total number of acres comprising the Premises as stated herein, and shall be payable as follows:

Annual rent shall be payable by June 1st.

It is further expressly understood and agreed between the parties hereto, as follows:

- Lessee's Farming Operation and Assumption of Risk:** Except as may be otherwise expressly agreed herein, Lessee shall be solely responsible for furnishing all machinery, equipment, labor, fuel, power, seed, inoculation, disease-treatment materials, fertilizers and any other items necessary to properly farm the Premises. All costs and expenses associated with such items shall be paid solely by Lessee and Lessee shall not permit any lien related to Lessee's farming operation to stand against the Premises. Lessee takes possession of the Premises subject to the hazards of operation a farm, and assumes all risk of accidents personally as well as for family, employees, or agents in pursuance of farming operations or in performing repairs on any improvements related to it.
- Real Estate Tax Assessment:** Lessor and Lessee will mutually cooperate with the McHenry County Collector to insure that the bill or bills reflecting any taxes levied against the leasehold estate created hereby are mailed directly to Lessor. Lessor will pay said tax bills for the subject taxes.

3. **No Partnership Created:** This Joint Grassland Venture Lease Agreement shall not be deemed to give rise to a partnership relation, and neither party shall have authority to obligate the other without written consent.
4. **Government Programs:** Lessor makes no representations or warranties regarding the Premises' or the Lessee's eligibility to participate in any farm programs that may exist: federal, state or local. It is the Lessee's responsibility to perform due diligence and make decisions for their farming operation that includes determining any desired eligibility in concert with the agencies responsible for administering such programs. Lessee understands and acknowledges that in the event Lessor's consent is a requirement for participation in a farm program; such consent may be withheld at Lessor's sole and absolute discretion. Therefore, if any such consent of Lessor is to be desired by Lessee, Lessee shall make appropriate inquiries of Lessor and determine to Lessee's satisfaction that the consent can be obtained prior to entering into this Joint Grassland Venture Lease Agreement. To the extent such eligibility exists and participation has been or is established, Lessee shall follow NRCS, FSA and/or other applicable agency recommendations and fulfill all other requirements to maintain any rights of current and future Lessees of the Premises to participate in such programs.
5. **Crop Acreage Certification:** Lessee shall coordinate with the Farm Service Agency ("FSA") on any required crop acreage certification.
6. **Use Restrictions:**
  - a. The Premises shall be used by Lessee solely for the production of hay and Lessee agrees not to plow any part of the Premises without the express written consent of Lessor.
  - b. Lessee agrees to abide by any designated access instructions that may be described or depicted in **Exhibit A** and adhere to the Grassland Management Requirements as described in Exhibit B.
  - c. Lessee understands that Lessor's principal purpose for this Joint Grassland Venture Lease Agreement is to accomplish vegetation management and agrees that all areas of the Premises shall be cut, including all brush.
  - d. The Lessee shall apply no chemicals or municipal sludge to the Premises without the express written permission of Lessor.
  - e. The Lessee shall not install any new drainage tile lines or create any new ditches or repair any existing drainage tile lines or ditches on the Premises without the express written consent of Lessor.
  - f. Lessee agrees not to erect or permit to be erected any structure or building on the Premises.
  - g. Lessee also agrees not to 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 hay production and Lessee's farming operation.
7. **Conservation Plan:** In order to ensure the long-term ecological health of the Premises, Lessee shall work with the USDA - Natural Resource Conservation Service ("NRCS"), located at 1648 S. Eastwood Drive, Woodstock, IL 60098 (Phone: 815-338-0099 ext. 3), and Lessor to develop a Conservation Plan (or review, update and amend as needed any previously developed plan for the Premises) and provide a copy of same to Lessor within sixty (60) days of the date that this lease has been executed by all parties. The Conservation Plan developed shall conform to and be consistent with the restrictions and practices described in the Grassland Management Requirements attached hereto as **Exhibit B** and incorporated herein. Lessee shall comply fully with the Conservation Plan and failure by Lessee to so comply shall be considered as a default under this Joint Grassland Venture Lease Agreement. The Conservation Plan shall be kept on file with Lessor and NRCS and any modifications to the Conservation Plan during the term of this Joint Grassland Venture Lease Agreement shall be done in consultation with NRCS and shall require the written approval of the Lessor. The Conservation Plan that is developed as described and any approved modification to it is incorporated herein by reference.
8. **Indemnification:** Lessee hereby covenants and agrees that it will indemnify and hold Lessor, its agents, employees, assigns, successors, transferees, licensees, invitees or any other persons or property standing in the interest of Lessor of and from any and all risks, suits, damages, expenses, or claims arising out of or due to the negligence of Lessee or arising in any way from the entry into this Joint Grassland Venture Lease Agreement by Lessor and Lessee.
9. **Insurance:** Prior to accessing the Premises, the Lessee and any contractor of Lessee shall provide Lessor with a Certificate of Liability Insurance and applicable policy endorsements, executed by a duly authorized representative of each insurer, evidencing commercial general liability insurance in an amount not less than ONE MILLION AND NO/100THS (\$1,000,000.00) each occurrence and naming Lessor as an additional insured there under with said liability insurance to extend throughout the term of this Joint Grassland Venture Lease Agreement with the following wording; "Primary and Non-Contributory Additional Insured: McHenry County Conservation District". Said insurance shall provide, by endorsement, for not less than thirty (30) days' prior written notice to Lessor in the event of cancellation. For insurance companies which obtain a rating from A.M. Best, that rating should be no less than A VII using the most recent edition of the A.M. Best's Key Rating Guide. If Best's rating is less than A VII or Best's rating is not obtained, the Lessor has the right to reject insurance written by an insurer it deems unacceptable. The failure of the Lessor to demand such certificate(s), endorsements(s) or other evidence of full compliance with these insurance requirements or failure of the Lessor to identify a deficiency from the evidence that is provided shall not be construed as a waiver of Lessee's and any contractor's obligation to maintain such insurance. The Lessor shall have the right of prohibiting Lessee or any employee, agent or contractor from entering the Premises until such certificate(s) and endorsement(s) in complete compliance with these requirements have been received.
10. **Surrender of Possession:** Upon the expiration of this Joint Grassland Venture Lease Agreement, Lessee shall yield possession of the Premises to Lessor without any further demand or notice of any kind whatsoever in as good a condition as tendered by Lessor upon the commencement of the Lease.
11. **Cancellation Provision:** The Lessor reserves the right to cancel this Joint Grassland Venture Lease Agreement provided notice of intent to cancel for the following year is sent to Lessee by January 5<sup>th</sup> of the new lease year. The Lessor reserves the right to cancel for any reason deemed to be in the best programmatic interests of the Lessor including but not limited to wetland mitigation purposes and grant requirements. The lessee has the right to cancel this Joint Grassland Venture Lease Agreement provided notice of intent to cancel for the following year is given by September 1 in the current lease year.

12. **Compliance with Laws and Regulations**: Lessee agrees to abide by all federal, state, and county laws as well as all of Lessor's rules and regulations, as adopted from time-to-time.
13. **Permission to Receive Geospatial Data**: The Lessee agrees that McHenry County Conservation District may receive all geospatial data related to the acreage being leased protected under Section 1619 of the Farm Bill.
14. **Covenant Against Assignment or Sublease**: Lessee shall not assign or sublease all or any interest in this Joint Grassland Venture Lease Agreement without the prior written consent, in each instance, of Lessor, which consent may be withheld or denied by Lessor at its sole and absolute discretion.
15. **District Programs**: Lessor reserves the right to use property for McHenry County Conservation District programs at any time as it is deemed to be in the programmatic interests of the District. Any crop loss or damage occasioned by said uses shall be documented and agreed upon by Lessor and Lessee based upon the fair market value of the lost or damaged crops and Lessee shall thereupon be indemnified by Lessor for said losses. The Lessor further reserves the right to use property for its Hunting Program at such time that existing crops are harvested and removed. The Lessor reserves the right to require fall tillage modifications for this purpose.
16. **Hunting**: Lessee hereby agrees that, during the term of this Joint Grassland Venture Lease Agreement, it shall not allow or permit any hunting activities to be undertaken on the Premises, with the exception being the Lessor's Hunting Program described in Paragraph 15 herein. Any such activity shall be a default hereunder and a basis for immediate termination of this Joint Grassland Venture Lease Agreement.
17. **Inspection**: Lessor's employees may, at any time, enter upon the Premises for the purpose of inspecting the Premises or on other proper business of Lessor. Any crop loss or damage occasioned by said inspection or inspections shall be documented and agreed upon by Lessor and Lessee based upon the estimated fair market value of the lost or damaged crops and Lessee shall thereupon be indemnified fully by Lessor for said losses. Lessee understands the Premises will be subject to inspection to verify compliance with the Grassland Management Requirements described in Exhibit B. Non-compliance issues may jeopardize eligibility of Lessee for following bid cycle.
18. **Rights of Third Parties**: Lessor reserves the right to grant access and use rights to third parties for research or other purposes unrelated to agricultural production however any crop loss or damage occasioned by rights granted by Lessor to third parties shall be documented and agreed upon by Lessor and Lessee based upon the fair market value of the lost or damaged crops and Lessee shall thereupon be indemnified by Lessor for said losses. Lessor shall not grant any rights to third parties that will result in a reduction of acres without obtaining Lessee's written consent thereto, in which case the rent due would be adjusted accordingly.
19. **Costs of Litigation**: If and in the event Lessor or Lessee shall default under any terms or conditions set forth in this Joint Grassland Venture Lease Agreement and the other party hereto shall be forced thereby to pursue recovery of its costs or any other remedy in a court having competent jurisdiction in the Premises, the prevailing party in said litigation shall be entitled to recover its costs and reasonable attorneys' fees.
20. **Notices**: Any and all notices, demands, and requests required or permitted hereunder shall be deemed to have been sufficiently given if mail by certified mail, return receipt requested, or delivered by courier as follows:

If to Lessor:           **McHENRY COUNTY CONSERVATION DISTRICT**  
18410 U.S. Highway 14  
Woodstock, Illinois 60098  
Attn: Executive Director

If to Lessee:

Any notice given by certified mail shall be deemed received on the third day following its posting and any notice delivered by courier shall be deemed received as of its actual receipt.

21. **Proof of Documents**: Prior to December 31st of each year of this Agricultural Lease Agreement, the Lessee shall provide the following documents and/or documentation, if applicable, satisfactory to the Lessor as determined in the sole discretion of the Lessor: **a)** State of Illinois Pesticide Applicators License for the Lessee and each subcontractor who will apply pesticide on the property; **b)** up-to-date contact information of the Lessee and a list of all persons that will work on the Premises in conjunction with Lessee's farm operation using the format provided in the attached **Exhibit C**; **c)** any updates to Lessor-approved Conservation Plan (CP); **d)** proof of insurance per the specifications described in Paragraph 9 herein; **e)** comprehensive data of all pesticides used in the 12 months preceding December 1<sup>st</sup> of each year – including the trade name of each chemical, time(s) applied and rate per acre using the definition for "pesticide" and format provided in the attached **Exhibit D**; **f)** results of any soils samples taken by or on behalf of Lessee; **g)** crop summary information for each field/year using the format provided in the attached **Exhibit E**. Additional documents may be required pursuant to the Conservation Plan referenced in Paragraph 7 hereof.
21. **Default by Lessee**: If and in the event any payment due or to become due hereunder shall not be paid when and as due, including, without limitation, the payment of rent stipulated herein, a late payment charge equal to five (5%) percent of the sum otherwise due shall be added to the payment due from Lessee and, in addition, any delinquent rent shall accrue interest from the due date at the rate of twelve (12%) percent per annum until paid. Nonpayment of rent shall be a default as of the day following the day upon which it is otherwise due pursuant hereto and, at the option of the Lessor, shall be a basis for immediate termination of this Joint Grassland Venture Lease Agreement and the tenancy created hereby by Lessor if notice of said termination is delivered to Lessee. If default is made by Lessee with respect to the duties of Lessee contained in the Conservation Plan referenced in Paragraph 7 hereof or any other covenant herein contained to be kept by Lessee, Lessor may provide Lessee written notice of said default in conformance with Paragraph 19 hereof and allow Lessee sixty (60) days to cure same. In the event said default is not cured to Lessor's satisfaction within said sixty (60) day period, Lessor may by notice to Lessee declare this lease immediately terminated. In the event of termination for reason of default by Lessee, Lessee shall surrender possession of the Premises demised hereby and, in addition thereto, Lessor may, at its option, pursue the recovery of any and all sums due from Lessee including, without limitation, delinquent rent, late charge, interest and any damages it may have suffered.
22. **Covenant Against Hypothecation**: Lessee shall not pledge, hypothecate, assign, transfer, sublease, or alienate in any manner whatsoever any interest in and to this Joint Grassland Venture Lease Agreement or the tenancy hereby

created as collateral for indebtedness without, in each and every case, the prior written consent of Lessor, which consent Lessor may withhold or deny at its sole and absolute discretion.

23. **Successors and Assigns:** This Joint Grassland Venture Lease Agreement shall be binding upon Lessor hereto and their respective heirs, devisees, successors, and assigns, as the case maybe unless the Lessee violates the provisions hereof or Lessor is ordered by the granting agency to cancel the lease. This Joint Grassland Venture Lease Agreement shall be binding upon the Lessee unless the Lessee shall give notice to cancel not less than six (6) months prior to September 1<sup>st</sup>, in any lease year during the term hereof. Lessee shall not assign or sublease all or any interest in this Joint Grassland Venture Lease Agreement without the prior written consent, in each instance, of Lessor, which consent may be withheld or denied by Lessor at its sole and absolute discretion. For the purposes hereof, if and in the event the Lessee is not a natural person, an assignment, transfer, sale or hypothecation of the membership interest or stock of Lessee equal to more than ten (10%) percent of the outstanding interest therein or shares thereof, as the case may be, is prohibited without the prior written consent of Lessor hereunder.

IN WITNESS WHEREOF, the parties hereto have caused this Joint Grassland Venture Lease Agreement to be executed at Woodstock Illinois, on the day and year first above written.

**MCHENRY COUNTY CONSERVATION DISTRICT**

**LESSEE**

By: \_\_\_\_\_  
Elizabeth S. Kessler, MBA, CPRE  
Executive Director

By: \_\_\_\_\_

Date: \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

Date: \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

**Land Preservation and Natural Resource Division  
Joint Grassland Venture Lease Agreement**

FROM

McHenry County Conservation District

18410 U.S. Highway 14

Woodstock, Illinois 60098

TO

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## **Exhibit A**

### **Depiction and Description of the Premises**

(For the purposes of the Joint Grassland Venture Lease Agreement, the "Premises" is represented by the area(s) depicted as "Farm Lease Parcels" in this exhibit.)

**Exhibit B**  
**Grassland Management Requirements**

**Grassland Quality:**

**FLP\_ID:**

**Field:**

**Category:**

Category 1 - Isolated and /or Fragmented Category 2 - Variable, Limited and / or Decreasing Category 3 - High Quality
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Forage:           Mixed Grass \_\_\_\_\_  
                      Sweet clover \_\_\_\_\_

**Cutting Restrictions:**

Number of Cuttings per year: \_\_\_\_\_

Earliest Cutting Date: \_\_\_\_\_

Latest Cutting Date: \_\_\_\_\_

**Additional Requirements**

1. No seeding, nutrient, or pesticide applications are permitted on the Premises, except as approved in advance by a District representative.
2. Hay cutting should not occur when wet soil conditions may cause rutting to occur. Any ruts greater than 3" deep must be leveled by Lessee.
3. All grassland areas within the Farm Lease parcel **must be hayed or mowed at least once per year**. Areas with small woody vegetation that are unable to be hayed, shall be brush mowed to a height of 6 inches to 9 inches in height.
4. Farm Equipment **must be cleaned** of weed seeds prior to entering site.
5. All hay bales must be removed from the Premises within 14 days of baling. Any bales left on site after deadline will become property of the District.
6. Mowing must be **from center of field** toward outside of field to reduce wildlife mortality.
7. Contact Lessor at least two (2) business days prior to cutting.
8. If Lessee has a challenge remaining in compliance with the Joint Grassland Venture Lease requirements, contact the Agricultural Ecologist at McHenry County Conservation District immediately.

**Exhibit C**  
**Lessee Contact Information**

Submit this information via email or USPS mail to the following addresses:

[bness@mccdistrict.org](mailto:bness@mccdistrict.org)

*Agricultural Ecologist  
18410 US Highway 14  
Woodstock, IL 60098  
(815)338-6223*

**Date:** \_\_\_\_\_

Name of Lessee (please print): \_\_\_\_\_

Lessee Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Phone Number (Home): \_\_\_\_\_ Cell: \_\_\_\_\_

Email Address: \_\_\_\_\_

**Persons to Work on the Premises in Conjunction with Lessee's Farm Operation**

(Lessee to provide name and of all person's other than Lessee.)

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

4. \_\_\_\_\_

5. \_\_\_\_\_

6. \_\_\_\_\_

7. \_\_\_\_\_



**Exhibit E**  
**Crop Summary Form – Grasslands**

The preferred method to submit this data is the use of our secure system:  
<https://arcg.is/14a8LG>. Alternatively, you may submit information via email or USPS mail to  
the following addresses:

[bness@mccdistrct.org](mailto:bness@mccdistrct.org)

*Agricultural Ecologist  
18410 US Highway 14  
Woodstock, IL 60098  
(815)338-6223*

Farm Lease Parcel ID	Field #	Crop Year	Operator Name
<b>Cover Crop</b>			
Cut Date 1			
Cut Date 2			
<b>Grazing</b>			
Pasture/Paddock	Dates		