

COPY

LEASE AGREEMENT

This Agreement made this 19th day of October, 2015, between FLAGG TOWNSHIP HISTORICAL SOCIETY, an Illinois Not-for-Profit Corporation, herein “Lessor”, and FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, an Illinois municipal corporation, herein “Lessee”.

WITNESSETH, that the Lessor, for and in consideration of the covenants and agreements hereinafter mentioned, has demised and leased to said Lessee, all those premises, known and described as follows, to wit:

Part of Lots Ten (10) and Nine (9) of Block Fourteen (14) of the Original Town of Lane, now City of Rochelle, bounded and described as follows: Beginning at the Northwest corner of Lot 10 of said Block 14; thence South, along the West line of Lots 10 and 9, a distance of 99.00 feet; thence Easterly, parallel to the North line of said Lot 10, 71.53 feet; thence North, parallel to the West line of Lots 10 and 9, a distance of 99.00 feet to the North line of said Lot 10; thence Westerly, on said line, 71.53 feet to the point of beginning, all situated in the City of Rochelle, County of Ogle and State of Illinois.

Also known as: 518 Fourth Avenue, Rochelle, Ogle County, Illinois.

TO HAVE AND TO HOLD, the above described premises, with the appurtenances, unto the Lessee from and including the 1st day of November, 2015, for, during and until the 31st day of October, 2020, to be occupied for the exclusive purpose of operating a historical museum. Either party may terminate the lease at any time by giving six (6) months prior written notice of the desire to exercise this right.

And the Lessee, in consideration of leasing the aforesaid premises, does covenant and agree to pay as rent the following: \$25,750 for the year ending October 31, 2016, payable at the rate of \$2,145.83 per month, beginning November 1, 2015, with a three (3) percent increase thereafter in the yearly rents, to be reflected in the monthly payments made during the respective yearly rental periods.

The parties further agree to the following:

1. Lessor will:
 - A. Manage and operate the leased premises, as well as Lessee's Skare Park Museum, exclusively as historical museums and furnish all required labor to operate the museums within all requirements of 70 ILCS 1290/1, as amended.
 - B. Furnish all utilities, maintenance, and repairs for the leased premises.
 - C. Maintain insurance insuring both Lessor and Lessee during the lease term for the following minimal amounts:

Liability:	\$1,000,000 per person
	\$1,000,000 per occurrence
Property Damage:	\$1,000,000 per occurrence
Worker's Compensation:	as required by statute

Lessor shall furnish certificates reflecting above coverages naming Lessee as an additional insured.
 - D. Provide semiannual financial and operational reports to Lessee.
 - E. Include as a voting member of its Board of Directors a member of the Board of Park Commissioners to be selected from time to time by Lessee.
2. Lessor shall retain exclusive ownership of all personal property and historical artifacts of every nature now located in the leased premises, or hereinafter acquired.
3. All operations during the lease term shall be in full compliance with the rights reserved by the City of Rochelle and City Council of the City of Rochelle, as trustees of the Development Rights Bank of the City of Rochelle

(set forth in quit-claim deed, dated August 12, 1980, recorded August 25, 1981, as Document No. 496142, and quit-claim deed, dated August 12, 1980, recorded August 29, 1980, as Document No. 488337), which relate to the use of the leased premises as a historical museum and official landmark and the making any alterations or improvements, which substantially change the historical character of the structure.

4. This lease may not be assigned nor the premises sublet or any part thereof nor any alterations, improvements or additions to the premises made without the prior written consent of both parties.

The terms of this lease shall inure to and be binding on the assigns and successors of the respective parties hereto.

Flagg Township Historical Society

by: _____
Janet Stocking, President

Attest: _____
David Guest, Secretary

(Corporate Seal)

“Lessor”

Flagg-Rochelle Community Park District

by: _____
Roger W. Bunger, President

Attest: _____
Michelle Pease, Secretary

(Corporate Seal)

“Lessee”

Consent to Execution of Lease:

City of Rochelle and City Council of City of Rochelle, as trustees

by: _____
Chet Olson, Mayor

Attest: _____
Bruce McKinney, City Clerk

(Corporate Seal)

Prepared by:
Philip H. Nye, Jr.
Attorney for Lessee
Fearer, Nye & Chadwick
420 Fourth Avenue
Rochelle, IL 61068
815/562-2156