

Standing Forage Purchase Agreement Template

This purchase agreement entered into this 6th day of May, 2020 between:

Operator(s): Tyke Nichols, Little Tykes Farm
Address, City, State, Zip: 11415 Hillside Road, Hebron, IL 60034
Telephone: 815-219-8214 **Email:** tykesfarm@gmail.com

Owner(s): Openlands
Address, City, State, Zip: 25 E. Washington Street, Suite 1650, Chicago, IL 60602
Telephone: 312-863-6278 (Linda Masters) **Email:** lmasters@openlands.org

THE PARTIES AGREE AS FOLLOWS:

1. **PROPERTY DESCRIPTION.** The Owner, in consideration of the terms specified herein, sells the Operator the standing forage on the following legally described property (“Real Estate”):

The Real Estate, known as Lots in Twin Creeks, is located in McHenry County in the State of Illinois, containing 48 acres, more or less, and subject to all easements now existing or which the Owner may grant in the future. These premises are further described on the Map attached to and hereby incorporated into this Purchase Agreement (the “Agreement”).

2. **TERMS OF PURCHASE AGREEMENT.** The term of this Agreement shall be for the period beginning May 6, 2020 and ending November 30, 2020. Extension of this Agreement beyond the end date shall occur with written agreement only.
3. **PURPOSES OF THE PURCHASE AGREEMENT.** The Operator shall have the right to harvest the standing forage from areas totaling 34.2 acres (the “Fields”) shown on the Map, subject to the following specifications:
 - All cut materials must be removed from the Fields within 30 days of cutting.
 - No bales may be left standing in the Fields for more than 30 days and must be removed from the Fields within that time.
 - Spoiled windrows may be chopped back into the Fields using a shear bar type forage harvester.
 - No Field work may be conducted when soil is wet enough for ruts to form.
 - No cutting may occur after September 30, 2020 or before July 18, 2020.
 - Equipment must be weed-free prior to use on the Real Estate.
 - Pest control and fertilization will be the responsibility of the Operator. All applications of fertilizer or pesticides must be approved by the Owner PRIOR to application.
 - The Owner makes no guarantee as to the volume, condition, or quality of the standing forage.

- The use of any equipment or buildings which are the property of the Owner is not included in the terms of this Agreement.
4. PAYMENT. Payment is to be made in one payment due by September 1, 2020. Checks or money orders should be made out to Openlands and sent to 25 E. Washington Street, Suite 1650, Chicago, IL 60602.

The Operator agrees to pay the Owner \$1881 from the sale of forage on the Real Estate described in Paragraph 1 and Paragraph 3.

In the event the Payment is not paid by the due date, interest shall be charged at the rate of 1% per annum, beginning 30 days after the due date until paid.

5. OPERATOR DUTIES AND CONDITIONS. Operator agrees to:

Assume all liability for any damage or injury to persons or property, real or personal, resulting from the Operator's actions under this contract, and will hold Owner harmless from the same.

Pay the appraised value for unnecessary damage to the residual forage stand and shall pay for any damages which are the direct result of the Operator's actions.

Use the existing roadways and not construct or improve farm roads, access roads, or stacking and loading areas. Debris resulting from harvesting and transporting is to be disposed of by the Operator prior to termination of the Agreement. Operator shall repair damage to existing roads, fields, and fences to the approval of the Owner.

Comply with all local, state, and federal laws and regulations governing all activities related to the application of pesticides and commercial fertilizers, the cultivation of crops, and the compliance thereof, as well as all local, state, and federal laws and regulations pertaining to potential groundwater contamination.

Follow label directions in the handling and application of all chemicals used on the Real Estate and follow all applicator's licensing requirements.

6. OPERATOR EXPENSES. All materials and services related to the growing, harvest, or transportation of the forage shall be supplied by the Operator. Agricultural products include, but are not limited to: fertilizer, seed, fuel, lime, and pesticides.
7. INSURANCE. The Operator must maintain worker's compensation insurance coverage for the farming operations and any and all employees engaged in operations on the Owner's land during the period of this Agreement, regardless of any exemptions from coverage defined in 820 ILCS 305/1 or under other applicable laws.

The Operator agrees to maintain liability insurance coverage for the farming operations under this Agreement in the amount of no less than \$750,000.00.

Prior to commencement of any work during the period of the Agreement, the Operator shall provide proof of insurance coverage on an original Certificate of Insurance, countersigned by an insurer licensed to do business in Illinois and naming the Owner as a Certificate Holder.

8. **RIGHT OF ENTRY AND INSPECTION.** The Owner may enter the Real Estate at any reasonable time for the purpose of consulting with the Operator, viewing the property, making repairs or improvements, or for any other reasonable purposes that do not interfere with the Operator's ability to carry out regular farming operations.
9. **TRANSFER OF INTEREST.** The Operator agrees not to lease or sublet any part of the Real Estate, nor assign this Agreement to any other person, nor sublease any or all of the property described herein, without prior written permission of the Owner. This Agreement shall be binding upon the heirs, assignees, or successors in interest of the Operator. If the Owner shall sell or otherwise transfer title to the Real Estate, the Owner will do so subject to the provisions of this Agreement.
10. **NO PARTNERSHIP CREATED.** This 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.
11. **INDEMNIFICATION.** The Operator agrees to protect, indemnify, and save harmless the Owner and the Owner's employees and agents from and against all causes of action, claims, demands, suits, liability, or expense by reason of loss or damage to any property or bodily injury to any person, including death, as a direct or indirect result of operations under this Agreement or in connection with any action or omission of the Operator, who shall defend the Owner and the Owner's employees and agents in any cause of action or suit.
12. **INDEPENDENT CONTRACTOR.** The Operator is an independent contractor for all purposes, including worker's compensation, and not an employee or agent of the Owner. The Owner agrees that the undersigned Operator shall have the sole control of the method, hours worked, time, and manner of any normal operations necessary to grow an agricultural crop to be performed hereunder, and takes no responsibility for supervision or direction of the performance of any of the operations to be performed by the undersigned Operator or any of the Operator's employees, except for the limited rights of the Owner to cease operations for breach of this Agreement. The Owner further agrees it will exercise no control over the selection and dismissal of the Operator's employees.
13. **WITHDRAWAL.** The Owner may withdraw all or portions of the Fields and Real Estate by written 30-day notice to the Operator, based on a sale or transfer or otherwise.
14. **CHANGES IN AGREEMENT TERMS.** The conduct, representation, or statement of either party, by act or omission, shall not be construed as a material alteration of this Agreement until such provision is reduced to writing and executed by both parties as an addendum to this Agreement.

It is further understood that both parties have read the terms and provisions of this Agreement and have agreed to abide by the terms and provisions herein.

15. SIGNATURES

Tyke Nichols  5/11/2020
Operator Name Operator Signature Date

Owner Name Owner Signature Date

It is further understood that both parties have read the terms and provisions of this Agreement and have agreed to abide by the terms and provisions herein.

15. SIGNATURES

_____ Operator Name	_____ Operator Signature	_____ Date
<u>ROBERT MEGDUIER</u> Owner Name	<u>Robert Megdulier</u> Owner Signature	<u>5/28/2020</u> Date