

## LAND LEASE AGREEMENT

THIS LEASE AGREEMENT, made this \_\_\_\_ day of \_\_\_\_\_, 2020, by and between the CITY OF PRINCETON (the Owner/Landlord) and SYLVA CORPORATION, INC. (the Tenant).

1. Property Description: The Owner/Landlord hereby leases to the Tenant, in consideration of the rents and promises hereinafter described, the following property located in the County of Mille Lacs and State of Minnesota, described as follows:

The Northerly 300± feet of Mille Lacs County parcel  
No. 24-071-0020 located in Section 32, Township 36N,  
Range 26W, Mille Lacs County, Minnesota (see attached diagram)

which comprises approximately 2.5 acres.

2. Term. The term of this Lease is for three (3) years commencing on the 1<sup>st</sup> day of October, 2020, and terminating on 30<sup>th</sup> day of September, 2023. Provided, however, Owner shall have the right to terminate this Lease if it appears that there is a public purpose that will benefit the City and after giving written notice of not less than Seventy-five (75) days. In such case, Owner shall pay the cost to remove materials belonging to Tenant off the leased property for a sum not to exceed \$500.00. This Lease shall then terminate. Such early termination notice by Owner can only be exercised between March 1 and November 30 of any given year. To be effective, notice of early termination of this Lease shall be provided to Tenant by mailing or delivering to SYLVA CORPORATION, INC., 900 Airport Road, Princeton, MN 55371, attention Lawrence A. Doose, President.

3. Rent. In exchange for use of said property, the Tenant agrees to provide 90 cubic yards of Sylva SoftStep per year of Lease for use on city park property.

4. Owner/Landlord's Rights and Responsibilities. Landlord reserves the right to enter the property at any time.

5. Tenant's Use and Responsibilities. In exchange for the above noted rent (consideration), Tenant is authorized to use said property for the storage of product manufactured by Tenant. Tenant shall be responsible for paying or doing the following: Tenant shall pay for all labor, and all other expenses arising out of its intended use of the property. Tenant shall also be responsible for reimbursing the Owner and Landlord for any property taxes levied by Mille Lacs County. Tenant agrees that it will not store or place Hazardous substances or petroleum products upon the property, or store Product thereon that contains such substances.

6. Assignment Prohibited. Tenant agrees not to assign or sublease the leased premises without the written consent of the Owner and Landlord.

7. Indemnification. Tenant agrees to defend, indemnify and hold harmless the City and its employees from and against all claims, suits, liabilities, judgments, costs, damages, attorney's fees and expenses, which may accrue against, be charged to, or recovered from the City or its agents or employees by reason of, or

on account of, any personal injury, death, or property damage arising from Tenant's use, control or occupancy of the property.  
City of Princeton Land Lease Agreement with Sylva Corporation, Inc.

8. Remedy. If the Tenant fails to pay the agreed rent (consideration) or fails to perform any of the promises herein contained, the Owner/Landlord may, after furnishing the Tenant with a 30-day notice specifying the default, re-enter and take possession of the above property and hold or enjoy the same without such re-entering working a forfeiture of the rents to be paid by the Tenant for the full term of the Lease.

9. Quiet Enjoyment. Except as stated in Paragraph 2, the Owner/Landlord promises that the Tenant shall peaceably and quietly have, hold, and enjoy the leased property for the term of this Lease provided Tenant pays the rent and performs the promises described in Paragraph 5 above.

10. Binding Agreement. This Lease Agreement shall be binding upon the parties hereto and their heirs, successors and assigns.

IN TESTIMONY WHEREOF, the Owner/Landlord and the Tenant have set their hands as of the day and year first above written.

CITY OF PRINCETON  
Owner/Landlord

SYLVA CORPORATION, INC.  
Tenant

By: \_\_\_\_\_  
Robert Barbian, City Administrator  
City of Princeton  
705 Second Street North  
Princeton MN 55371  
(763) 389-2040

By: \_\_\_\_\_  
Larry Doose, President  
Sylva Corporation, Inc.  
900 Airport Road  
Princeton, MN 55371  
(763) 389-2748

City Property to be leased to Sylva Corporation, Inc.

