



**Peterson
Properties**

15745 Annico Drive * Homer Glen, Illinois 60491 * 708/428-4200

July 20, 2017

Ms. Gina Villasenor
Deputy Clerk
Village of Homer Glen
14240 West 151st Street
Homer Glen, Illinois 60491

RE: Lease Extension
15757 Annico Drive – Unit #3
Homer Glen, Illinois

Dear Ms. Villasenor:

Enclosed is a fully executed lease agreement for the above property. We appreciate the Village of Homer Glen continuing as a tenant.

If you have any questions, please contact me at 708-774-2200.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Alfred W. Peterson', with a long horizontal flourish extending to the right.

Alfred W. Peterson

AWP:dsm

Enclosure

COMMERCIAL BUILDING LEASE

In consideration of the mutual covenants and agreements accepted and agreed to in this Commercial Building Lease entered into today, the Landlord agrees to lease to the Tenant, and the Tenant agrees to lease from the Landlord, the Leased Premises, such business relationship being governed by the provisions of this Lease, as follow:

PROVISIONS

Date of Lease: June 22, 2017

Landlord: Peterson Properties
Contact: Alfred W. Peterson
15745 Annico Drive
Homer Glen, Illinois 60491
708.428.4200 telephone

Tenant: Village of Homer Glen
Contact: Mike Mertens, Village Manager
14240 West 151st Street
Homer Glen, Illinois 60491

**Off-Hours/
Emergency
Contact:** Alfred W. Peterson
708.774.2200 cell OR
708.403.8808 OR
312.656.5009 cell OR
708.774.2300 cell

**Off -Hours/
Emergency
Contact:** John Robinson
708.516.6858

(In case of an Emergency, please call **all numbers** in sequence – do NOT leave voice mails as this may delay response to your situation.)

Term of Lease: 1 year with the option to terminate early with at least 90 days' written notice.

Commencing: June 1, 2017
Ending: May 31, 2018

Location of Leased Premises: 15757 Annico Drive, Unit #3, Homer Glen, Illinois 60491



Monthly Rent: \$2,250.00 Subject to increase according to rent schedule.

Security Deposit: \$ 4,500.00 (Waived) Subject to increase according to rent schedule.

Real Estate Tax Proration:
Percentage of Leased Premises to parcel: 22%

Purpose: Storage of Emergency Management Vehicles and Equipment
Storage of Village Records

1. **Rent.**
Monthly rent is due and Tenant shall deliver payment to Landlord, at Landlord's address stated above, on the first day of each month. Payment by check is to be drawn to the order of **PETERSON PROPERTIES.**
2. **Security Deposit. WAIVED**
A. **Purpose.**
As security for the performance of its obligations under this Lease, Tenant upon its execution of this Lease shall pay to Landlord a security deposit ("Security Deposit") in the amount specified above. The Security Deposit may be applied by Landlord to cure any default of Tenant under this Lease, and upon notice by Landlord of such application, Tenant shall replenish the Security Deposit in full by promptly paying to Landlord the amount so applied. The Security Deposit may be commingled with Landlord's other funds and Landlord shall not pay any interest on the Security Deposit. In the event that the Security Deposit has not been paid by the Tenant to the Landlord as of the Commencement Date of this Lease, Tenant shall be prohibited from taking occupancy and or use

Initialed:  For Landlord  For Tenant

of the Leased Premises; there shall be no other agreements or promises to the contrary binding upon Landlord unless such are in writing and executed by the parties hereto. However, the Lease will remain in effect and all obligations for any Rent obligations will continue. Within thirty (30) days after the Expiration Date, provided Tenant has vacated the Leased Premises, Landlord shall return to Tenant the Security Deposit, less any monetary damages caused by Tenant's default, expenses incurred due to damage to the Leased Premises or the Building, and such other deductions as may be provided under this Lease. The Security Deposit shall not be deemed an advance payment of Rent or measure of damages for any default by Tenant under this Lease, nor shall it be a bar or defense of any action, which Landlord may at any time commence against Tenant.

B. Tendering of Security Deposit and First Month's Rent

Notwithstanding any provision in this Lease to the contrary, Landlord shall not be obligated under any covenant or agreement under the Lease until such time that Tenant has tendered the Security Deposit and the first payment of monthly Base Rent. Tenant must tender such within seven (7) calendar days after the execution of the Lease. In the event that Tenant fails to so tender payment, without notice required of Landlord to tenant, such failure shall be a Default Event under this Lease

3. Condition of the Leased Premises at Commencement.

Tenant has examined the Leased Premises and has received such in good order and repair, such suited for the purposes intended. Tenant acknowledges that no representations as to condition or repair, promises to repair or improve, or fitness for a particular purpose, have been made by Landlord prior to the execution of this Lease that are not expressly provided in writing and appended hereto.

4. Keys and Access.

Landlord shall furnish to Tenant two (2) complete sets of keys to all locks within the Leased Premises accessible to the Tenant, and, if applicable, security passage codes. Tenant shall safeguard such keys and codes and take all reasonable measures to ensure the integrity of the security of the Leased Premises. Landlord shall retain a set of keys, and Tenant shall furnish Landlord with keys to any new or changed locks, for use in emergencies and as expressly provided under this Lease. Entry lock may not be changed.

Tenant shall allow Landlord free access to the Leased Premises for the purpose of examining or exhibiting such, or to make any needed repairs, or to place advertisements for sale or rent of the Leased Premises, and shall not interfere with such. Except in cases of emergency, Landlord shall have access upon two (2) days' notice, provided either verbally or in writing to the Tenant, and notice of entry due to emergency as soon thereafter as possible.

5. Tenant's Maintenance.

Tenant shall keep the Leased Premises, including all appurtenances, improvements, parking spaces, mechanical systems, and glass, in good repair, and, subject to Landlord's written approval, shall repair any damaged or broken items with new items of equal quality and size. Tenant shall observe good housekeeping and maintain the Leased Premises, and immediately adjacent exterior areas, in a clean and healthful condition and free from trash, debris, puddles of oil or water, and other materials, which may increase the chance of fire or accident. Tenant shall not keep, or allow to be kept, or used any inflammable or explosive liquids or materials, except as such may be directly necessary for Tenant's business, and in such case the substances will be property marked, stored, used, and disposed of in accordance with applicable-ordinances, regulations, and statutes. Tenant shall promptly remove all accumulations of snow, or ice on the sidewalks and doorways immediately adjacent to your unit.

Tenant shall use the Leased Premises only for the purpose stated above, and will not allow any other person to occupy the Leased Premises, or any part thereof, nor sublet or assign this Lease or the right to occupy, without the express written consent of the Landlord. In such case, the Landlord may require reasonable guaranties of indemnification and performance. Tenant shall not allow the Leased Premises to be used for any unlawful purpose, conduct of activities that would injure the reputation of the Landlord, the Leased Premises, or the building, provide a nuisance to other tenants or the neighborhood, or increase the fire hazard or insurance rating of the building. Tenant will not allow the Leased Premises to remain vacant for more than ten (10) consecutive calendar days and shall be responsible to periodically inspect the Leased Premises.

Tenant shall secure Landlord's written consent prior to the installation of fixtures, including but not limited to any signs to be placed on the exterior of the Leased Premises or be visible through windows.

6. Changes to Leased Premises by Tenant.

All changes to the Leased Premises, including construction, decorating, and demolition, must be approved by the Landlord prior to any commencement. Tenant shall be responsible for providing architectural drawings and fully complying with local codes and ordinances, including costs for applications, fees, inspections, and professional services, as necessary. Landlord may, in its reasonable discretion, require proof of ability to pay for the intended work or deposit into escrow of the reasonable estimate for said work.

Initialed:  For Landlord  For Tenant

7. Mechanic's Liens.

Tenant shall not permit any mechanic's lien or other lien to be placed on the Leased Premises, or real property, improvements, or buildings thereof, on account of Tenant's obligations to other persons, whether actual or disputed. In the case of the filing of any lien, Tenant will promptly pay to the claimant monies sufficient to discharge the lien fully and cause it to be waived or withdrawn. Tenant shall inform Landlord immediately and provide a copy of the lien, including the identity of the claimant, the amount, and the circumstances giving rise to the claim. If the Tenant fails to effectuate the removal of the lien after thirty (30) days after receiving written notice of the lien from the claimant, Landlord, or any other person, the Landlord may, at its option, choose to satisfy the lien by payment of all monies claimed and obtain from the Tenant all incurred costs.

8. Parking.

The Leased Premises shall include the parking area immediately adjacent to the building, which may be designated by pavement markings. Such exterior area is to be used for parking and loading/unloading of vehicles during business hours and shall not be used for storage of any materials or other items, or overnight parking.

9. Condition of the Leased Premises on Return.

Upon termination of this Lease, for any cause, Tenant shall immediately and fully surrender the Leased Premises, with any and all improvements, to the Landlord, delivering all keys, including copies, to Landlord at the address above. Landlord may, at its option, direct Tenant to return the Leased Premises to the original condition, excepting ordinary wear and tear, at Tenant's cost.

10. Events of Default

Each of the following shall constitute a breach of this Lease by Tenant and, in the event that Tenant fails to cure said breach within the applicable period, if any, an Event of Default by Tenant:

- A. Tenant fails to pay any Rent when due;
- B. Tenant fails to observe or perform any of the other covenants, conditions or provisions of this Lease to be observed or performed by Tenant and fails to cure such default within the time periods provided in this Lease or, if not so provided, within fifteen (15) days after written notice thereof to Tenant.
- C. The interest of Tenant in this Lease is levied upon under execution or other legal process and such action is not dismissed within fifteen (15) days thereof;
- D. a petition is filed by or against Tenant to declare Tenant bankrupt or seeking a plan of reorganization or arrangement under any Chapter of the Bankruptcy Act, or any amendment, replacement or substitution therefor, or to delay payment of, reduce or modify Tenant's debts, or any petition is filed or other action taken to reorganize or modify Tenant's capital structure or upon the dissolution of Tenant, and such action is not dismissed within fifteen (15) days thereof;
- E. Tenant is declared insolvent by law or any assignment of Tenant's property is made for the benefit of creditors;
- F. a receiver is appointed for Tenant or Tenant's property, and such action is not dismissed within fifteen (15) days thereof; or
- G. Tenant abandons the Leased Premises.

11. Landlord's Remedies

In the event of any default under this Lease by Tenant, Landlord, at its option, without further notice or demand to Tenant, may, in addition to all other rights and remedies provided in this Lease, at law or in equity exercise the following rights:

(A) reenter the Leased Premises for the purpose of inspection; (B) ready the Leased Premises for rental to another Tenant, for the account of the Tenant who shall remain liable; (C) remove any personal property of the Tenant to storage, the costs of which are to be charged to the Tenant; (D) declare the term of the Lease ended; (E) remove the Tenant and any persons from the Leased Premises and cause cessation of any use or access to the Leased Premises; (F) file action for forcible detainer and all monies due and owing, including anticipatory breach; (G) charge the Tenant, for every day of possession after termination, one hundred dollars per day, as liquidated damages, such not being rent, payment of other monies due Landlord, or evidence of a new tenancy.

Should Tenant fail to collect any personal property from the Leased Premises or storage and remit all monies due and owing to the Landlord within thirty (30) days of the notice of breach, title to such personal property shall vest in Landlord, without encumbrance, who shall have full authority to dispose of such in any way it may see fit, without compensation or liability to the Tenant or any other person. Without further perfection, the Landlord shall have a valid and first lien upon all personal property of the Tenant, now owned or hereafter acquired, as security for the performance of the terms of this Lease. Landlord may record this Lease at its discretion at any time, the costs thereof to the Tenant. In the case where the Landlord mitigates or attempts to mitigate damages by seeking a replacement tenant, Landlord shall place advertisements in local newspapers of general circulation to solicit similar tenants for a period it deems reasonable. Should Landlord determine that such tenant is not reasonably available, Landlord may take any and all actions necessary to secure another tenant. In mitigating damages, the Landlord may at its discretion solicit other, existing tenants to occupy the Leased Premises, and any shortfall remaining in the receipt of rents shall be

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For Landlord

For Tenant

the responsibility of the Tenant. In no case can the liability of the Tenant for rent, offset by a replacement tenant, exceed the total outstanding rent due from the Tenant under this Lease, plus the amount of any damages and costs.

In circumstances where Tenant fails to fully satisfy an obligation established in this Lease, Tenant shall owe to Landlord the cost incurred by Landlord in satisfying the obligation. The term "cost" in this Lease includes the actual cost incurred, interest at the then prevailing legal rate beginning from the date Tenant fails to cure its breach, reasonable attorneys' fees, and Landlord's management fee in addressing the failure. All such monies due the Landlord shall be "additional rent" and shall be paid to Landlord on the next date when monthly rent payment is to be made.

12. All activities of the Tenant, including its agents, employees, and business invitees, within the Leased Premises shall be in compliance with all local, state, and federal ordinances, regulations, and statutes. Tenant will not allow the Leased Premises to be used for any purpose that will increase the rate of insurance thereon.

13. Insurance.

A. Tenant, at Tenant's expense, agrees to maintain in force during the Term:

1. Comprehensive General Liability Insurance on an occurrence basis with minimum limits of liability in an amount of One Million Dollars (\$1,000,000) for bodily injury, personal injury or death to any one person and Two Million Dollars (\$2,000,000) for bodily injury, personal injury or death to more than one person and Five Hundred Thousand Dollars (\$500,000) with respect to damage to property, including water and sprinkler damage; and
2. Fire Insurance, with extended coverage, vandalism and malicious mischief endorsements, in an amount adequate to cover the full replacement value of all leasehold improvements and all fixtures, contents and wall and floor coverings in the Leased Premises.

B. Additional Insureds; Endorsements

The policy referred to above name the Landlord as additional insureds and shall not provide for deductible amounts in excess of One Thousand Dollars (\$1,000). Each policy referred to shall be issued by one or more responsible insurance companies licensed to do business in Illinois and reasonably satisfactory to Landlord and shall contain the following provisions and endorsements:

1. that such insurance may not be canceled or amended without thirty (30) days' prior written notice to the Landlord;
2. an express waiver of any right of subrogation by the insurance company against the Indemnitees; and
3. that the policy shall not be invalidated should the insured waive in writing prior to a loss, any or all rights of recovery against any party for losses covered by such policies.

C. Certificates

Tenant shall deliver to Landlord, certificates of insurance of all policies and renewals thereof to be maintained by Tenant hereunder, not less than ten (10) days prior to the Commencement Date and not less than ten (10) days prior to the expiration date of each policy.

14. Utilities and Taxes.

Tenant is responsible for securing, maintaining, and paying for all utility service, for heating, electricity, and water/sewer. If Tenant fails to do so, after notice required hereunder, Landlord may, but is not obligated to, secure such utility service necessary to keep the Leased Premises in a safe and secure manner, including protecting the real property, building, and building systems from harm. If the Landlord deems the situation an emergency, verbal notice may be given, or attempted to be given, to the "emergency/off-hours contact person" designated above.

Tenant shall be responsible satisfying all municipal, county, state, or federal taxes or fees imposed upon it due to its operations, and shall immediately and fully satisfy such when any government authority seeks to lien or obtain Tenant's leasehold interest in the Leased Premises.

15. Indemnification.

To the extent not expressly prohibited by law, Tenant agrees to hold harmless and indemnify the Landlord, its agents, partners, employees, and assigns, from any losses, damages, judgments, claims, liens, expenses, and costs imposed upon or incurred by the Landlord, for any death or injury, or any type whatsoever, caused either directly or indirectly by any negligent act or omission or willful misconduct by the Tenant, its agents, employees, or invitees. Tenant will, at its sole expenses, protect and defend any adverse action or claim, by counsel approved by the Landlord.

Except as provided by Illinois statute, Landlord shall not be liable for any damage occasioned by failure to keep the Leased Premises in repair, nor for any damage done or occasioned by plumbing, gas, water sprinkler, steam, sewerage, or other pipes, fixtures, and equipment bursting, leaking, or failing in or about the Leased Premises. Further, Landlord shall not be liable for damage caused by water, snow, or ice being upon or coming through the roof, skylights, hatches, or windows. Landlord shall not be liable for the acts or neglect of any owners or occupants of other property, or damage insured or subject to insurance by the Tenant.

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For Landlord


For Tenant

16. Damage by Fire or Other Casualty.

In the case that the Leased Premises shall be damaged by fire or other casualty so that it is untenable, Landlord may, at its option, either terminate this Lease or repair the Leased Premises within sixty (60) days after the casualty; if Landlord cannot complete repairs within 60 days, Tenant, at its option, may terminate the Lease. Landlord shall not be liable to the Tenant to share any insurance proceeds or judgments. If the Lease is terminated by either Party, rent shall be calculated on a daily basis for the period up to the date of the casualty.

17. Holding Over.

If Tenant retains possession of the Leased Premises after the Expiration Date of the Term the termination or expiration of this Lease for any other reason, Tenant shall pay Landlord double the monthly Rent, for the final month of the Term for each month or partial month after the expiration or termination of this Lease. The provisions of this Article shall not constitute a waiver by Landlord of any re-entry rights of Landlord hereinbefore or by law provided. Payment by Tenant of monies pursuant to this Article shall not be construed as liquidated damages or a limitation upon Landlord's remedies in the event that Landlord is reasonable unable to consummate a transaction with a third party prospective tenant due to Tenant's unauthorized holdover.

18. Notices.

All Parties must provide Notices required under this Lease in writing, and deliver such to the other Party in one of the following manners: (1) certified delivery to the above address, return receipt requested, first class postage pre-paid, retaining a receipt of mailing; or (2) personal delivery, with a signed written receipt by the receiving Party; or (3) by facsimile transmission, to the telephone number indicated above, with a copy thereof, together with a printed facsimile transmission report, to be sent by regular first class mail to the above address. Where notice is given by mail, delivery is presumed 5 business days after deposit with the United States Post Office, or such earlier date indicated on the return receipt card, but no later than said five days. Where notice is given by facsimile, delivery is conclusively presumed at the time of facsimile dispatch and not posting or delivery of the aforementioned copy. Where Tenant has abandoned the Leased Premises, posting of notice on the door of the Leased Premises and mailing to the address designated above is sufficient to establish notice and the date of such notice. Landlord and Tenant may change their respective addresses and/or agent to which notices, payments, or correspondence must be directed; the other Party must be informed of such changes in the same manner as notices are given.

19. Real Estate Brokers: Indemnification

Tenant represents that it has not dealt with any real estate broker, sales person, or finder in connection with this Lease, and no such person initiated or participated in the negotiation of this Lease, or showed the Leased Premises to Tenant. Tenant hereby agrees to indemnify and hold harmless Landlord from and against any and all liabilities and claims for commissions and fees arising out of a breach of the foregoing representation.

20. Subordination.

This Lease is subordinate to all mortgages, which may now or hereafter affect the Leased Premises, building, or real property.

21. Accord and Satisfaction.

No payment by Tenant or receipt by Landlord of a lesser amount than any installment or payment of Rent due shall be deemed to be other than on account of the amount due, and no endorsement or statement on any check or any letter accompanying any or payment of Rent shall be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such installment or payment of Rent or pursue any other remedies available to Landlord. No receipt of money by Landlord from Tenant after the termination of this Lease or Tenant's right of possession of the Leased Premises shall reinstate, continue or extend the Term. Tenant's covenant to pay rent is independent of any other covenant under this Lease and any claim against Landlord shall not be deducted against rent due.

22. Binding Effect.

This Lease shall be binding upon and inure to the benefit of Landlord and Tenant and their respective heirs, legal representatives, successors and permitted assigns.

23. Modification of Lease.

Should any mortgage, leasehold or otherwise, require a modification or modifications of this Lease, which modification or modifications will not bring about any increased cost or expense to Tenant or in any other way substantially change the rights and obligations of Tenant hereunder, then and in such event, Tenant agrees that this Lease may be so modified.

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For Landlord

For Tenant

24. Captions. The captions in this Lease are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope or intent of contents.

25. Applicable Law. This Lease shall be construed in accordance with the laws of the State of Illinois. If any term, covenant or condition of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each item, covenant or condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

26. Time. Time is of the essence of this Lease and the performance of all obligations hereunder.

27. Landlord's Right to Perform Tenant's Duties. If Tenant fails timely to perform any of its duties under this Lease, Landlord shall have the right, but not the obligation, after the expiration of any grace period elsewhere under this Lease expressly granted to Tenant for the performance of such duty, to perform such duty on behalf, and at the expense of Tenant, without further prior notice to Tenant, and all sums expended or expenses incurred by Landlord in performing such duty shall be deemed to be additional Rent under this Lease and shall be due and payable upon demand by Landlord.

28. Per Agreement, a total of 12 parking spaces will be available. There will be 9 spaces provided in the "paved parking lot" and 3 spaces "on the street" by the gravel area.

29. Riders. All Riders attached hereto and executed both by Landlord and Tenant shall be deemed to be a part hereof and hereby incorporated herein.

IN WITNESS HEREOF, the Parties hereto have executed this Lease as of the date stated above, agreeing to be bound by its terms.

LANDLORD: PETERSON PROPERTIES

TENANT: VILLAGE OF HOMER GLEN

By: [Signature] Alfred W. Peterson

By: [Signature] Mike Mertens

Title: Owner

Title: Village Manager

RENT SCHEDULE

JUNE, 2017 – MAY, 2018:

Due the first of every month - \$2,250.00

Tenant is responsible for 22% of the monthly water bill received from Illinois American Water, which is invoiced quarterly by Peterson Properties to Tenant, with payment due upon receipt.

Initialed: [Signature] For Landlord [Signature] For Tenant