

Ground Lease Agreement

This Ground Lease Agreement (the "Agreement") is made and entered into as of this [Date], by and between [Landlord Name], residing at [Landlord Address] ("Landlord"), and [Tenant Name], residing at [Tenant Address] ("Tenant").

Witnesseth:

WHEREAS, Landlord is the owner of certain real property located in the County of [County Name], State of Illinois, more particularly described in Exhibit A attached hereto (the "Land"); and

WHEREAS, Tenant desires to lease a portion of the Land for the purpose of constructing and operating a cannabis greenhouse facility; and

WHEREAS, Landlord is willing to lease a portion of the Land to Tenant for such purpose.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the parties agree as follows:

1. Demise of Land

Landlord hereby leases to Tenant, and Tenant hereby takes from Landlord, a portion of the Land consisting of approximately one-quarter (1/4) acre, located near Barry, Illinois, as more particularly described in Exhibit B attached hereto (the "Premised Premises").

2. Term

The term of this Agreement shall be for a period of [Number] years, commencing on [Start Date] (the "Commencement Date") and terminating on [End Date] (the "Termination Date"), unless sooner terminated as provided herein.

3. Rent

Tenant shall pay to Landlord annual rent of \$[Amount], payable in [Frequency - e.g., monthly, quarterly, annually] installments of \$[Amount per installment], in advance, commencing on the Commencement Date and on the [Day] of each [Month] thereafter, at such place as Landlord may designate from time to time.

4. Use of Premises

Tenant shall use the Premises solely for the purpose of constructing, operating, and maintaining a cannabis greenhouse facility, in compliance with all applicable federal, state, and local laws, ordinances, rules, and regulations, including but not limited to those relating to the cultivation, processing, and distribution of cannabis. Tenant shall not use the Premises for any other purpose without the prior written consent of Landlord, which consent may be withheld in Landlord's sole discretion.

5. Construction and Improvements

- **Tenant's Obligations:** Tenant shall, at its sole cost and expense, construct a cannabis greenhouse facility on the Premises in accordance with plans and specifications approved by Tenant and all applicable governmental authorities. Tenant shall obtain all necessary permits and licenses for such construction and operation. Tenant shall ensure that the construction and operation of the greenhouse will not interfere with the use or enjoyment of the adjacent land.
- **Landlord's Approval:** Landlord's approval of Tenant's plans and specifications shall not be unreasonably withheld, conditioned, or delayed.
- **Ownership of Improvements:** All buildings, structures, and other improvements constructed or placed on the Premises by Tenant shall be the property of Tenant during the term of this Agreement. Upon the termination of this Agreement, Tenant shall have the right to remove such improvements, provided that Tenant shall restore the Premises to its original condition, reasonable wear and tear excepted. If Tenant fails to remove the improvements within [Number] days after the termination of this Agreement, they shall become the property of Landlord.

6. Compliance with Laws

Tenant shall, at its sole cost and expense, comply with all applicable federal, state, and local laws, ordinances, rules, and regulations, including but not limited to those relating to environmental protection, zoning, and building codes. Tenant shall obtain and maintain all necessary licenses and permits for the operation of the cannabis greenhouse facility.

7. Insurance

Tenant shall, at its sole cost and expense, obtain and maintain in full force and effect during the term of this Agreement, the following insurance:

- Commercial general liability insurance with a combined single limit of not less than \$[Amount] per occurrence and \$[Amount] in the aggregate, naming Landlord as an additional insured.
- Property insurance covering all buildings, structures, and other improvements on the Premises against loss or damage by fire and other hazards, in an amount equal to the full replacement value thereof.
- Workers' compensation insurance as required by applicable law.
- [Other specific insurance policies as needed, e.g., crop insurance]

Tenant shall deliver to Landlord certificates of insurance evidencing such coverage prior to the Commencement Date and upon each renewal of such policies.

8. Indemnification

Tenant shall indemnify, defend, and hold harmless Landlord from and against any and all claims, liabilities, losses, damages, costs, and expenses (including reasonable attorneys' fees) arising out of or in connection with Tenant's use of the Premises, the construction and operation of the cannabis greenhouse facility, or any breach of this Agreement by Tenant.

9. Utilities

Tenant shall be responsible for obtaining and paying for all utilities furnished to the Premises, including but not limited to water, electricity, gas, and sewer services.

10. Taxes

Tenant shall be responsible for the payment of all real estate taxes and assessments levied against the Premises and the improvements thereon during the term of this Agreement.

11. Maintenance and Repair

Tenant shall, at its sole cost and expense, maintain the Premises and all improvements thereon in good condition and repair, reasonable wear and tear excepted.

12. Alterations

Tenant shall not make any alterations, additions, or improvements to the Premises or the improvements thereon without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned, or delayed.

13. Assignment and Subletting

Tenant shall not assign this Agreement or sublet the Premises without the prior written consent of Landlord, which consent may be withheld in Landlord's sole discretion.

14. Default

The following shall constitute events of default by Tenant:

- Failure to pay rent or other charges when due.
- Failure to comply with any material term or condition of this Agreement.
- Abandonment of the Premises.
- The commencement of any bankruptcy or insolvency proceedings by or against Tenant.
- Failure to maintain the required insurance coverage.
- Use of the Premises for any purpose other than that permitted herein.
- Failure to comply with any applicable laws, ordinances, rules, or regulations.

15. Remedies

Upon the occurrence of any event of default by Tenant, Landlord shall have the right to pursue any and all remedies available at law or in equity, including but not limited to:

- Terminating this Agreement and repossessing the Premises.
- Suing for damages, including but not limited to lost rent and the cost of re-letting the Premises.
- Seeking injunctive relief to prevent further violation of this Agreement.

16. Quiet Enjoyment

Landlord covenants that Tenant, upon paying the rent and performing the covenants and agreements herein contained, shall peacefully and quietly have, hold, and enjoy the Premises during the term of this Agreement.

17. Notices

All notices under this Agreement shall be in writing and shall be deemed to have been duly

given if delivered personally or sent by certified mail, return receipt requested, to the parties at their respective addresses set forth above, or at such other addresses as either party may designate in writing from time to time.

18. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

19. Entire Agreement

This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior or contemporaneous agreements, understandings, and representations, whether oral or written.

20. Amendments

This Agreement may be amended or modified only by a written instrument signed by both parties.

21. Severability

If any provision of this Agreement shall be held to be invalid, illegal, or unenforceable, the remaining provisions shall remain in full force and effect.

22. Binding Effect

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors, and assigns.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

Landlord:

[Landlord Name]

[Landlord Signature]

Tenant:

[Tenant Name]

[Tenant Signature]

Exhibit A: Legal Description of the Land

[Insert legal description of the entire property]

Exhibit B: Description of the Leased Premises

[Insert a detailed description of the one-quarter (1/4) acre parcel being leased, including

dimensions, boundaries, and any other relevant information. A survey or site plan is highly recommended.]