

STATE OF MICHIGAN - FARMLAND DEVELOPMENT RIGHTS AGREEMENT



THIS FARMLAND DEVELOPMENT RIGHTS AGREEMENT, MADE AND EXECUTED THIS 7 day of Nov. AD, 2011, by and between **Kevin Klug & Cathy Klug, husband & wife** hereinafter referred to as the "Owner" and the Department of Agriculture and Rural Development for and on behalf of the State of Michigan; WITNESSETH WHEREAS, the Owner owns real property in the County of **Berrien**, State of Michigan, hereinafter referred to as the "Subject Property", which is described as follows:

E 1/2 of the SW 1/4 Sec 23; ALSO W 1/2 of the SE 1/4, Sec 23, EXC com at S 1/4 post, Sec 23, th E 262.07 ft, th N 16deg58' W 308.68 ft, th W 250.12 ft, th S 295.16 ft, th E 78.12 ft to POB, Sec 23; ALSO EXC that part of the E 1/2 of the SW 1/4; com at S 1/4 cor of Sec, th S 89'57'05" W alg S line of the SW 1/4, 201 ft to POB th cont S 89deg57'05" W alg S line, 465 ft, th N 00deg E 310 ft, th N 89deg57'05" E par with S line 465 ft, th S 00deg W 310 ft to POB; Section 23, T6S R17W, Berrien Township, Berrien County, Michigan

This Agreement shall serve notice of the removal and replacement of a similar Agreement recorded in Liber 2944, page 3209 & 3210 in the Berrien County Register of Deeds Office at 11:41 a.m. on January 7, 2011

WHEREAS, Subject Property is now devoted to agricultural uses and uses compatible thereto; and WHEREAS, the Owner and State of Michigan desire to limit the use of Subject Property to agricultural uses and uses compatible thereto in order to preserve a maximum of agricultural land, to conserve Michigan's economic resources, to maintain the agricultural economy, to assure a supply of food and fiber for future residents of the State and to discourage the premature and unnecessary conversion of agricultural land to more intensive uses, recognizing that such land has public value as agricultural land and constitutes an important physical, social, aesthetic and economic asset to the Owner and the State; and WHEREAS, both the Owner and the State of Michigan intend that the terms, conditions and restrictions of this Agreement be consistent with those Agreements authorized by Part 361 of the Natural Resource and Environmental protection Act, Act 451 of the Public Acts of 1994 (being Sections 324.36101 to 324.36117 of Michigan Compiled Laws annotated).

- NOW, THEREFORE, the parties hereto for and in consideration of benefits to each of them accruing by virtue hereof AGREE that:
1. This Agreement is made and entered into pursuant to the provisions of Part 361 of the Natural Resource and Environmental Protection Act, Act 451 of the Public Acts of 1994 and all of the provisions of said Act are incorporated herein by reference and made a part thereof.
 2. A structure shall not be built on the Subject Property except for use consistent with farm operations, which includes a residence for an individual essential to the operation of the farm under section 36111(2)(b), or lines for utility transmission or distribution purposes or with the approval of the local governing body and the state land use agency.
 3. Land improvements shall not be made except for use consistent with farm operations or with the approval of the local governing body and the state land use agency.
 4. Any interest in the subject property shall not be sold except a scenic, access or utility easement which does not substantially hinder farm operations.
 5. Public access is not permitted on the land unless agreed to by the owner.
 6. The exploration and extraction for natural gas and oil is hereby permitted provided the Department of Agriculture and Rural Development shall be notified by the owner when such activity takes place. The extraction of other surface and sub-surface minerals is hereby prohibited unless specifically approved by the Department of Agriculture and Rural Development, and the **Berrien Township Board**
 7. The term of this Agreement shall be for **Ninety (90)** years, commencing on the 1st day of January, **1985**, and ending on the 31st day of December, **2074**.
 8. This agreement may be terminated subject to the same provisions and with like penalties as set forth in Part 361 of the Natural Resource and Environmental Protection Act, Act 451 of the Public Acts of 1994 for the termination of said Agreements.
 9. If the Subject Property is sold to another party whose name does not appear on this Agreement, the seller must obtain a signed statement from the purchaser which declares that the purchaser will honor all conditions and restrictions contained in this Agreement and declares that the purchaser will assume responsibilities for all payback and/or penalty provisions provided by law.
 10. This Agreement shall constitute a covenant running with the land and shall be binding upon and inures to the benefit of the heirs, executors, administrators, successors, trustees and assigns to the parties.

IN WITNESS THEREOF, the party(ies) have executed this Agreement as of the date above written.

(X) Kevin Klug
Kevin Klug

(X) _____
8533 Pokagon Rd.
Berrien Center MI 49102

(X) Cathy Klug
Cathy Klug

(X) _____
11-46573-123174 85extension
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