

FARM LEASE AGREEMENT

THIS FARM LEASE AGREEMENT (the "Lease") is made as of _____, 2021 ("Effective Date") between Williamston Community Schools, a Michigan general powers school district organized and operating under the provisions of the Revised School Code, MCL 380.1, *et seq.*, with offices at 418 Highland Street, Williamston, Michigan 48895 ("Landlord") and _____, whose address is _____ ("Tenant") upon the following terms and conditions:

BACKGROUND INFORMATION

- A. Landlord owns approximately 124 acres of vacant land located in Williamstown Township, Ingham County, Michigan, legally described on the attached Exhibit A (the "Land").
- B. The Landlord estimates that approximately 114 acres are available for agricultural purposes and Tenant has inspected the Property and confirmed this acreage is correct.
- C. Tenant desires to lease the Land from Landlord according to the terms of this Lease and Landlord is willing to lease the Land to Tenant according to the terms of this Lease.

AGREEMENT

For their mutual convenience and protection, and in consideration of the mutual covenants and benefits contained in this Lease, the receipt and adequacy of which is hereby acknowledged, Landlord and Tenant mutually agree as follows:

1. **LEASE OF FARMLAND.** Subject to the terms of this Lease, Landlord hereby agrees to lease to Tenant and Tenant agrees to lease from Landlord the Land.
2. **TERM.** The Lease shall be for a term of eight (8) months commencing on April 1, 2021 and terminating on November 30, 2021 (the "Lease Term"). The parties may extend this Lease only by a written instrument signed by both parties.
3. **RENTAL.** Tenant agrees to pay to Landlord as rental for the Land during the Lease Term base rent and additional rent as described in this paragraph. Tenant agrees to pay to Landlord rent of _____ and 00/100 Dollars (\$_____) on or before April 1, 2021.

Tenant further agrees to pay as additional rent those costs and expenses associated with maintaining and insuring the Land, as more fully described in this Lease.

4. **TAXES, GRANTS AND SUBSIDIES.**

(a) **Property Taxes.** Tenant shall reimburse Landlord for all real estate taxes and any other general or special governmental charges that become due and payable as a result of Tenant's use of the Land.

(b) **Personal Property Taxes.** Tenant shall pay all personal property taxes assessed against any personal property owned by Tenant and located on the Land and on any personal property brought onto the Land or produced thereon by Tenant and which is assessable for personal property tax purposes, if any. Tenant shall upon request provide Landlord with evidence that such personal property taxes were paid in a timely fashion.

(c) **State and Federal Subsidies.** Tenant may apply for and obtain state and federal subsidies for Tenant's agricultural use of the Property (collectively, the "Subsidies"). Tenant shall indemnify and hold harmless Landlord for any and all claims, including Landlord's actual attorneys' fees, arising out of or in any way related to the Subsidies, including without limitation demands for recoupment or recovery of the Subsidies.

5. **USE OF THE LAND.**

(a) **Permissible Uses.** Tenant may use the Land only for farming and activities incidental thereto (such uses are collectively referred to as the "Permissible Uses") without Tenant obtaining the prior, written consent of Landlord.

(b) **Non-Permissible Uses.** Tenant shall not use the Land for any purpose(s) other than the Permissible Uses without Tenant obtaining the prior, written consent of Landlord. Without limiting the generality of the foregoing, Tenant shall not use the Land for (i) storing or parking any items of personal property, including but not limited to farm machinery and/or equipment, or (ii) accumulating refuse. Furthermore, Tenant shall have no hunting rights to any portion of the Land.

(c) **Maintenance/Restoration of Land.** During the Lease Term, Tenant shall keep the land "neat and tidy" and not allow noxious weeds or brush to grow on the Land. Upon termination of this Lease and for thirty (30) days thereafter, Tenant shall be responsible to return the Land to like condition as before commencement of this Lease, including but not limited to plowing under any existing crop residue and disking the Land so that it is relatively level.

(d) **Generally Accepted Farming Practices.** Tenant shall use generally accepted farming practices that comply with all laws, regulations, rules and orders of federal, state, county and municipal authorities applicable to the Permissible Uses. Tenant shall not undertake any activity that is unduly or unreasonably disruptive to neighboring property owners. To ensure compliance with these provisions, Landlord and its agents shall have the right to enter the Land at any time as it deems necessary or desirable, but this right shall be exercised to cause no undue interference with the Tenant's Permissible Uses.

6. **INSURANCE.** During the Lease Term, Tenant shall keep in effect and upon request provide Landlord with evidence of the following:

(a) A Certificate of Insurance showing Worker's Compensation Insurance coverage for workers on the Land (if any) from a company acceptable to Landlord with such insurance providing for payment of compensation in accordance with the laws of the State of Michigan.

(b) Comprehensive Liability and Property Damage Insurance from an insurance company acceptable to Landlord covering all Tenant's activities in connection with the Permissible Uses with a single limit of not less than \$1,000,000, and shall furnish Landlord with a Certificate of Insurance upon request.

7. **INDEMNIFICATION AND HOLD HARMLESS.** Tenant hereby assumes all risk of, any responsibility for, and agrees to indemnify and hold harmless the Landlord, from and against any and all claims, demands, suits, actions, recoveries, judgments and costs and expenses, made, brought or obtained on the account of any injury or loss of life, or damage to the property of any person or persons by the Tenant, its agents, employees, contractors or subcontractors, resulting from or in any way connected with this Lease or Tenant's use of the Land, including but not limited to any work done by Tenant on the Land, any other loss or damage relating to Tenant's use of the Land for the Permissible Uses, any breach of this Lease by Tenant or Tenant's agents or employees, or in any way connected with any failure by Tenant to meet its obligations under this Lease.

8. **HAZARDOUS SUBSTANCES.** Tenant agrees that it will not use, generate, store or dispose of any Hazardous Material on, under, about or within the Land in violation of any law, regulation, rule and/or order of any federal, state, county and/or municipal authorities. Tenant agrees to defend, indemnify and hold harmless Landlord and its agents, employees, contractors and subcontractors against any and all claims, demands, suits, actions, recoveries, judgments and costs and expenses, made, brought or obtained arising from any breach of this section. Tenant shall promptly notify Landlord of the release or threatened release of any Hazardous Material on, into, upon, or from the Land. In addition, Tenant shall promptly provide Landlord with a copy of any letter, inquiry, demand or complaint received by Tenant from any state or federal agency, authority or other third party regarding the release or threatened release of any Hazardous Material on, into, upon or from the Land. As used in this section "Hazardous Material" shall mean petroleum or any petroleum product, asbestos, any substance, chemical or waste that is identified as hazardous, toxic or dangerous in any federal or state law, regulation, rule and/or order.

9. **ASSIGNMENT.** Tenant shall not assign, transfer or sublease the Land or this Lease without the prior written consent of Landlord.

10. **DEFAULT BY TENANT.** Tenant shall be in default under this Lease upon: (a) the failure of Tenant to pay to Landlord any installment of rent payable hereunder and the continued failure of Tenant to make such payment for five (5) days after receipt by Tenant of a written notice from Landlord specifying such default, or (b) failure of Tenant to perform any other obligation to be performed hereunder after Landlord shall have provided written notice to Tenant

and Tenant shall have failed to cure such default within thirty (30) days after receipt of such notice. In the event of a default as stated above, Landlord may, in addition to any other remedy provided under Michigan law, reenter into and repossess the Land and remove Tenant from the Land and either retain possession of or re-let the Land or any part of the Land for any term, either shorter, longer or the same for the same rental or for such other rental as it may see fit without terminating the Lease and Tenant shall be liable for any lost revenues to the Landlord as a result of the rent not paid by the Tenant; provided, however, that Landlord, at its option, may in any such event, terminate this Lease effective as of the date specified in a written notice from the Landlord to the Tenant, and Tenant shall be liable for lost rent to the date of termination. In addition, in the event of a Tenant breach, Landlord shall be entitled to retain, as liquidated damages, any crop then growing on the Land

11. **LIMITATION OF LIABILITY.** In no event, whether as a breach of contract, warranty, or tort, including negligence, shall Landlord be liable to Tenant or anyone claiming through Tenant for any consequential or incidental damages. Landlord liability in any claim (subject to the limitation provided for above) of any kind (including negligence) for any loss or damage arising out of, or resulting from this Lease, or from the performance or breach of this Lease, shall be limited to the actual damages suffered by the Tenant.

12. **NOTICES.** All notices, demands and requests required or permitted to be given under the provisions of this Lease shall be deemed duly given if sent by first class mail, postage prepaid, to the addresses set forth this Lease, or to any such other address as the parties may from time to time designate in writing.

13. **NO PARTNERSHIP.** The parties are entering into this Lease solely to effectuate the leasing of certain real property and Landlord and Tenant specifically acknowledge and agree that this Lease should in no way be construed as a partnership or any other venture.

14. **SUCCESSORS AND ASSIGNS.** This Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, heirs, and personal representatives. However, neither party shall assign any of its rights, privileges or obligations hereunder without the prior written consent of the other party hereto. Any assignment of obligations under this Lease will not release the assignor from the duty to perform those obligations.

15. **HEADINGS.** The headings of the paragraphs herein are for convenience only and shall not control or effect any meaning or interpretation of any provision of this Lease.

16. **ENTIRE AGREEMENT.** This Lease contains the entire agreement among the parties hereto with respect to the transactions contemplated hereby and supersedes any prior written or oral agreement between any of the parties with respect to the subject matter hereof. This Lease may not be amended except by a written agreement signed by the parties.

17. **COUNTERPARTS.** This Lease may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one in the same instrument. Facsimile signatures shall be effective as originals.

18. **APPLICABLE LAW.** This Lease shall be construed and enforced in accordance with the laws of the State of Michigan.

19. **SEVERABILITY.** If any term, covenant or condition of this Lease or the application of which 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, and each term, covenant or condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

20. **TIME OF THE ESSENCE.** Time is of the essence in this Lease.

21. **NO THIRD PARTY BENEFICIARIES.** This Lease is not made for the benefit of or on behalf of any third party, and no person or entity shall be deemed to be a third party beneficiary of this Lease or entitled to enforce this Lease or take advantage of any of the rights or obligations under this Lease.

22. **LOSER PAYS.** In the event either party initiates (“claimant”) a lawsuit against the other party (“claimee”) claiming a breach or potential breach of this Lease and the claimee is found not to have breached this Lease, the claimant shall pay the costs and expenses (including reasonable attorney’s fees) of the claimee in defending such lawsuit.

23. **ACCEPTANCE.** The Tenant accepts the Land in the condition in which it now is, without representation or warranty of any kind or nature, express or implied, in fact or by law by the Landlord, and without recourse to the Landlord as to the nature, condition, fitness or usability of the Land.

[Signatures appear on the following page.]

IN WITNESS OF WHICH, Landlord and Tenant have signed this Lease as of the day and year which appear on page one.

LANDLORD:

**WILLIAMSTON COMMUNITY
SCHOOLS, a Michigan general powers
school district**

Date: _____, 2021

By: _____

Its: _____

TENANT:

_____,
a _____

Date: _____, 2021

By: _____

Its: _____

EXHIBIT A

Legal Description of the Land

Approximately 124 acres of real property located on the corner of Sherwood Road and Williamston Road within the Township of Williamstown, Ingham County, Michigan, legally described as follows:

A parcel of land in the Southwest 1/4 of Section 24, T4N, R1E, Williamstown Township, Ingham County, Michigan, the surveyed boundary of said parcel described as: Commencing at the West 1/4 corner of said Section 24; thence S89°56'28"E along the East-West 1/4 line of said Section 24 a distance of 381.00 feet to the point of beginning of this description; thence S89°56'28"E continuing along said East-West 1/4 line 2275.52 feet to the Center of said Section 24; thence S03°06'49"E along the North-South 1/4 line of said Section 24 a distance of 1905.83 feet; thence N89°59'29"W parallel with the South line of said Section 24 a distance of 600.00 feet; thence S03°06'49"E parallel with said North-South 1/4 line 728.00 feet to said South line; thence N89°59'29"W along said South line 1482.57 feet; thence N02°32'43"W parallel with the West line of said Section 24 a distance of 1527.00 feet; thence N89°59'29"W parallel with said South line 600.00 feet to said West line; thence N02°32'43"W along said West line 534.87 feet; thence S89°56'28"E parallel with said East-West 1/4 line 381.00 feet; thence N02°32'43"W parallel with said West line 573.00 feet to the point of beginning; said parcel containing 125.20 acres more or less, including 1.64 acres more or less presently in use as public right of way; said parcel subject to all easements and restrictions if any.

Parcel Identification No. 33-03-03-24-300-009 (the "Property")