

PREPARED BY:
State of Tennessee
Real Estate Asset Management
312 Rosa L. Parks Ave.
22nd Floor
Nashville, Tennessee 37243

CROP FARM LEASE

THIS CROP FARM LEASE (this "Lease") is made and executed this ____ day of _____, 20____, by and between **State of Tennessee** ("Landlord"), and _____, ("Tenant").

The parties hereto agree as follows:

1. **Demise.** Landlord hereby leases to Tenant and Tenant hereby leases from Landlord approximately +/- _____ acres of real property and certain improvements and easements appurtenant to said property, being more particularly described on Exhibit A (the "Property"). The Property is leased by Landlord to Tenant subject to all matters and encumbrances of record or known to Landlord.

2. **Term.** The term of this Lease will commence on _____ and continue until _____ (the "Lease Term") unless this Lease is earlier terminated in accordance with the terms herein. The Lease Term shall automatically renew for four (4) successive one (1) year renewal terms unless and until either party gives the other written notice on or before December 31st of any year of its decision not to renew the term, provided that Landlord shall only give such notice terminating this Lease upon the terms and conditions set forth in Section 9. Tenant expressly waives any notice of termination of this Lease on its termination or expiration in accordance with its terms, whether statutory or otherwise.

3. **Rent.** Tenant agrees to pay to Landlord as rent ("Rent") for the Property, without notice, demand, abatement, deduction, or setoff, in an amount equal to _____ per year. Each annual installment of Rent shall be due and payable within five (5) days after the date that Tenant receives proceeds from its sale of the first harvest of the calendar year for any crops grown on the Property (the "Crops"), it being agreed and understood that Tenant shall in any event sell the Crops, no later than December 15th of each year and pay all Rent for the year on or before December 20. Tenant shall have the right to participate in governmental subsidy programs for farming the Property, provided that its agreements with respect thereto shall not include any farming performed on real estate other than the Property and shall not extend beyond the then current Lease Term. Tenant shall have the right to retain any and all payments under such governmental subsidy programs. Landlord shall designate an authorized representative that resides in _____ County that will have the authority to sign applications for government subsidy programs on behalf of Landlord after closing.

4. **Use.**

(a) The Property may only be used for the limited purpose of growing and harvesting crops and those activities incidental thereto. Notwithstanding anything contained herein to the contrary, Tenant shall not (i) remove any trees or timber from the Property without the express prior written consent of Landlord, or (ii) permit any conduct or other behavior on the Property which would violate any applicable governmental laws, orders, ordinances, codes, rulings, regulations, or decrees (collectively, "Applicable Laws"). All activities undertaken by Tenant, its guests, personnel, invitees, and authorized

agents shall also comply with the terms of Tenant's liability and other insurance coverage as required herein.

(b) Tenant shall (i) furnish, at Tenant's sole cost and expense, all seed, labor, machinery, and chemicals to be used on the Property during the Lease Term, (ii) plant, raise, cultivate and thresh all crops grown on the Property at Tenant's own expense, (iii) control soil erosion according to a conservation plan reasonably approved by Landlord or by the National Resources Conservation Service and shall utilize good agricultural practices in connection with its activities on the Property, (iv) keep in good repair all terraces, open ditches, inlets and outlets of drains, (v) preserve all established watercourses, and (vi) refrain from any operation or practice that will injure any structures on the Property.

(c) Tenant shall maintain the (i) Property in accordance with cropping recommendations of the University of Tennessee; (ii) fertility of the soils of the Property in accordance with the University of Tennessee Soils Lab recommendations; and (iii) Property in accordance with good standards of land control regarding weeds.

(d) The State reserves the right to periodically demand proof of Tenant compliance with the provisions of this Paragraph 4.

5. Certain Rights of Landlord. Landlord and its employees, agents, contractors, and consultants shall have the right and permission throughout the Lease Term to enter upon the Property or any part thereof at all reasonable times, in a manner to minimize any damage or injury to the Property or the Crops, to inspect, test, study, and analyze all aspects of the Property, at Landlord's sole risk, cost, and expense, to make such physical inspections, studies, and tests of the Property which Landlord deems necessary or advisable, and to show the Property to prospective purchasers, lenders, developers, or anyone else that Landlord desires. Landlord shall pay Tenant for any damage or injury to the Crops in an amount equal to the applicable Termination Charge, as defined in Section 9 below, depending upon the date of the damage. The burden of proof to establish damage or injury to crops shall be on Tenant.

6. Tenant Responsibilities. This Lease and the payment of Rent hereunder is to be fully net to Landlord. Tenant shall be responsible for obtaining and paying for any utilities required by Tenant. Landlord shall not be liable to Tenant for any loss or damage of any kind or description whatsoever caused or sustained by reason of the failure, for any reason, of any utilities serving the Property, or by the inability to obtain utilities for any reason. In the event there is property tax payable on the Tenant's leasehold estate, Tenant agrees to pay for all such property taxes imposed during the Lease Term. Tenant shall pay for any taxes that may be imposed on the Rent paid hereunder or any personal property owned by Tenant that is located on the Property.

7. "As Is" Disclaimer. Tenant acknowledges that it is leasing the Property, including, without limitation, any buildings and other improvements located thereon, on an "AS-IS WHERE-IS" basis. Accordingly, Landlord is under no obligation or duty to make any improvements whatsoever to the Property or the buildings located thereon, if any. Tenant expressly acknowledges that neither Landlord nor anyone acting on Landlord's behalf has made any representations or warranties regarding the quality, suitability, or condition of the Property. **LANDLORD EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE QUALITY, SUITABILITY, OR CONDITION OF THE PROPERTY AND TENANT AGREES TO ACCEPT THE PROPERTY "AS-IS WHERE IS," AND WAIVES ALL CLAIMS HEREUNDER.**

8. No Partnership or Agency. It is expressly agreed that this Lease does not create a partnership or joint venture, and Landlord shall not be or become responsible for any debts contracted by or liabilities of Tenant. Tenant is not and shall not be construed to be the agent of Landlord for any purpose.

9. Sale of Property by Landlord. Notwithstanding anything contained herein to the contrary, Landlord and Tenant expressly acknowledge and agree that Landlord shall have the right to enter into a contract or agreement to sell, lease, or otherwise convey the Property, or any portion thereof, at any time during the Lease Term, in which event Landlord shall have the unilateral right to terminate this Lease as to the Property being sold, leased, or otherwise conveyed upon not less than thirty (30) days prior written notice to Tenant, provided that (i) if the notice of the termination of this Lease (or partial termination if less than all of the Property is being sold, leased, or conveyed) is given on or after January 1 and on or before March 1 of any calendar year, Landlord shall pay Tenant up to Two Hundred Dollars (\$200) per acre of tillable land in the Property sold, leased, or conveyed as compensation for the loss of documented efforts or actual expenses in preparing for the planting of the crops lost, and (ii) if the notice of the termination of this Lease is given on or after March 2 of any calendar year, but prior to the harvesting of the crops planted and tended to for annual harvest, Landlord shall pay Tenant up to Five Hundred Dollars (\$500) per acre of tillable land in the Property sold, leased, or conveyed as compensation for the documented loss of crops (payments by Landlord under this sentence being a "Termination Charge"). In order to afford an equitable remedy, if notice of termination is given on or after March 2 but before harvesting of the crops planted, the Termination Charge may be reviewed by Landlord at Tenant's request, and, in Landlord's sole discretion, may be calculated based on Tenant's expenditures to date in that calendar year and the anticipated loss of the revenue from crops planted by Tenant, which Tenant shall bear the burden of establishing. If the notice of the termination of this Lease is given after harvesting the crop but before January 1 of any calendar year, then no Termination Charge shall be due.

10. Default.

(a) Tenant shall be deemed in default under this Lease (a "Tenant Default") in the event of any of the following: (i) Tenant fails to plant or tend to crops; or (ii) Tenant fails to pay any Rent when due; or (iii) Tenant fails to observe or comply with any of the terms of this Lease applicable to Tenant, other than those required in connection with the payment of Rent for which no notice is required, unless such failure is cured within thirty (30) days after Tenant receives written notice of the same from Landlord; provided if such failure cannot reasonably be cured within said thirty (30) day period, then Tenant shall not be deemed in default under this Lease so long as it commences to cure the failure within said thirty (30) day period and thereafter prosecutes such cure to completion with reasonable diligence. Landlord's notice may contain any reasonable requirements or conditions to cure such failure to obtain or comply with the terms of this Lease.

(b) Landlord shall be deemed in default under this Lease (a "Landlord Default") if: Landlord fails to observe or comply with any of the terms of this Lease applicable to Landlord, unless such failure is cured within thirty (30) days after Landlord receives written notice of the same from Tenant; provided if such failure cannot reasonably be cured within said thirty (30) day period, then Landlord shall not be deemed in default under this Lease so long as it commences to cure the failure within said thirty (30) day period and thereafter prosecutes such cure to completion with reasonable diligence. Tenant's notice may contain any reasonable requirements or conditions to cure such failure to obtain or comply with the terms of this Lease.

(c) Upon the occurrence of a Tenant Default or a Landlord Default (either such a default being a "Default"), the non-defaulting party may pursue any remedy available at law or in equity. Without limiting the generality of the foregoing, it is expressly acknowledged and agreed that upon a Tenant Default, Landlord shall have the right to (i) terminate this Lease, and/or (ii) enter upon the

Property and do whatever Tenant is obligated to do under the terms of this Lease, without being liable for prosecution or any claim for damages. In the event that Landlord terminates this Lease, Tenant shall immediately surrender possession of the Property and Landlord shall have the right to recover its damages from Tenant. If Tenant fails to surrender the Property to Landlord after the termination of this Lease pursuant to this subsection, Landlord shall have the right, without notice, to retake possession of the Property and to expel Tenant and its effects therefrom, without being liable for prosecution or any claim for damage.

The foregoing remedies are cumulative and non-exclusive, and the exercise by the non-defaulting party of any of its remedies under this Lease shall not prevent the subsequent exercise by the non-defaulting party of any other remedies available to the non-defaulting party. All remedies provided for in this Lease may, at the election of the non-defaulting party, be exercised alternatively, successively, or in any other manner. No provision of this Lease shall be deemed to have been waived by the non-defaulting party unless such waiver is in writing and signed by the non-defaulting party. Landlord's acceptance of Rent or Tenant's payment of Rent following any Default shall not be construed as a waiver of such Default.

11. Indemnity. Tenant agrees to indemnify, defend, and hold harmless Landlord for, from, and against all claims, demands, actions, causes of action, suits, liabilities, fines, penalties, costs and expenses (including, but not limited to, reasonable court costs, litigation expenses and attorneys' fees) arising or resulting from (i) an act or omission of Tenant that occurs on or about the Property, (ii) Tenant's default under, breach of, or failure to comply with any of the terms of this Lease, (iii) Tenant's failure to conduct its operations on the Property in compliance with all Applicable Laws and the terms of this Lease, (iv) any enforcement or remedial action taken by the Landlord in the event of Tenant's failure to perform or comply with the terms of this Lease, or (v) any litigation or claim in which the Landlord becomes involved or concerned respecting this Lease or the use or occupancy of the Property by Tenant. The provisions of this section shall survive the expiration or earlier termination of this Lease.

12. Repairs. During the Lease Term, Tenant will, at its sole expense, maintain, repair, and replace, when and to the extent necessary to keep the same in good condition, the entirety of the Property, along with any roads, fences and water gates on the Property, reasonable wear and tear and damage by fire and the elements excepted. Without limitation, Tenant will do the following pursuant to this section: (a) keep any barns and outbuildings in a reasonably clean, orderly, and sanitary condition, and free from debris; (b) maintain and clean the fences and water gates; and (c) not commit or allow others to commit waste on the Property. Tenant shall maintain the fields located on the Property in accordance with good agricultural practices. Other than minor repairs and replacements, Tenant will not alter the buildings on the Property, if any, in any way without the prior written consent of Landlord, which consent may be withheld in its sole and absolute discretion. Tenant agrees that any improvements to the Property will be done in a good and workmanlike manner in conformance with Applicable Laws. Any ownership interest that Tenant may have in any alteration will immediately pass to Landlord at the moment the alteration is affixed to any improvements located on the Property. Tenant will be conclusively deemed to have abandoned any ownership interest in such of Tenant's personal property and fixtures, and any other alterations made by Tenant, that remain on the Property upon the termination or expiration of the Lease Term.

13. Insurance. Tenant, at its sole cost and expense, shall procure and maintain (i) comprehensive general public liability insurance with limits of not less than \$1,000,000 for bodily injury liability for each occurrence, and with other terms reasonably acceptable to Landlord, (ii) automobile liability insurance on all owned, non-owned, hired, or leased automotive equipment in conjunction with its operations in amounts not less than \$1,000,000 for bodily injury liability and \$500,000 for property damage liability, and (iii) any insurance required to be maintained pursuant to Applicable Laws, such as, without

limitation, worker's compensation insurance, and shall provide Landlord with evidence of such insurance. All such policies of insurance required to be carried by Tenant hereunder shall name Landlord as an additional insured and shall be issued by a company licensed to do business in the State of Tennessee, reasonably acceptable to Landlord.

14. Environmental. Notwithstanding anything contained herein to the contrary, Tenant shall not (i) generate, store, use, transport onto, bury, or otherwise dispose of any "Hazardous Substances" (defined below), in, on, or under the Property and shall not authorize another to do the same, except incidental quantities of the same that are customarily used in connection with agricultural activities permitted hereunder, which must be stored, used, maintained, and disposed of in compliance with all Applicable Laws, including, but not limited to, laws regarding record keeping for pesticides and herbicides used on the Property, or (ii) dump or dispose of any garbage or other refuse on the Property or authorize another to do the same. On or before the expiration of the Lease Term, Tenant shall lawfully remove and dispose of all Hazardous Substances from the Property. Tenant agrees to indemnify, defend, and hold harmless Landlord for, from, and against all claims, suits, actions, fines, penalties, liabilities, damages, costs, and expenses (including, without limitation, reasonable attorneys' fees, litigation expenses, and court costs) arising out of or resulting from the presence of any Hazardous Substances located on or discharged from the Property during the Lease Term, or for any period thereafter if the Hazardous Substances are attributable to Tenant's use of the Property during the Lease Term. As used herein, the term "Hazardous Substances" shall mean all hazardous or toxic substances, materials, and wastes and all pollutants, contaminants, and other substances which are listed, defined, or regulated under any applicable local, state, or federal law, order, ordinance, code, rule, ruling, or regulation pertaining or related to the environment (including, but not limited to, the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C.A. §§ 9601 to 9675, the Hazardous Materials Transportation Act, 49 U.S.C.A. § 5101 et seq., the Resource Conservation and Recovery Act, 42 U.S.C.A. §§ 6921 to 6939e, the Federal Water Pollution Control Act, 33 U.S.C.A. §§ 1251 to 1387, the Clean Air Act, 42 U.S.C.A. §§ 7401 to 7671q, the Emergency Planning and Community Right to Know Act, 42 U.S.C.A. §§ 11001 to 11050, the Toxic Substances Control Act, 15 U.S.C.A. §§ 2601 to 2692, the Solid Waste Disposal Act, 42 U.S.C.A. §§ 6901 to 6992k, and the Oil Pollution Act, 33 U.S.C.A. §§ 2701 to 2761). Without limiting the generality of the foregoing, "Hazardous Substances" shall specifically include polychlorinated biphenyl, asbestos, radon, urea formaldehyde, petroleum products (including gasoline and fuel oil), hydrocarbons, petroleum derived constituents, and containers with hazardous waste residue. The indemnity obligations contained in this section shall survive the expiration or earlier termination of this Lease.

15. Assignments and Subletting. Tenant shall not be permitted to assign this Lease or sublet the Property during the Lease Term.

16. Casualty. In the event that any of the buildings located on the Property are damaged by fire, flood, or other casualty, Landlord shall have no obligation to restore the same. In such event, Tenant shall have the option of (i) terminating this Lease by giving Landlord written notice of its election within thirty (30) days of the fire, flood, or other casualty, or (ii) having this Lease continue without the benefit of the use of such building and with no abatement of Rent and this Lease shall be deemed to be modified to exclude such damaged building from the description of the Property. Tenant will immediately notify Landlord of any damage, of which it is aware, to the buildings from fire, flood, or other casualty. Except as expressly provided in Sections 5 and 9 above, it is expressly agreed that Landlord shall not bear the risk of loss for any crops existing on the Property during the Lease Term.

17. Condemnation. In the event that all or any portion of the Property shall be condemned by any governmental authority, either party shall have the option of terminating this Lease by giving the other party written notice of its election. Landlord will be entitled to the entire consideration paid by the

acquiring authority for such taking, including without limitation any award made for the value of the leasehold estate created by this Lease, except Tenant shall be entitled to any compensation that is expressly awarded for any crops that have been planted by Tenant, so long as such award does not reduce the award payable to Landlord.

18. Notices. All notices, consents, approvals, and other communications (collectively, "Notices") that may be or are required to be given under this Lease shall be properly made only if in writing and sent to the address of Landlord or Tenant, as applicable, set forth below, as the same is modified in accordance herewith, by hand delivery, U.S. Certified Mail (Return Receipt Requested), or nationally recognized overnight delivery service. Notices shall be effective upon delivery or the first attempted delivery of the same made in accordance with this Section.

If to Landlord: Real Estate Asset Management
William Snodgrass Tennessee Tower 22nd Floor
312 Rosa Parks Blvd.
Nashville, TN 37243
Attn:

If to Tenant: _____

Either party may change its address for Notices by giving written notice to the other party in accordance with this provision. The refusal to accept delivery shall constitute acceptance.

19. Landlord's Lien; No Hindrance on Crop Loan. The Landlord's lien provided by law on crops grown or growing shall be the security for the Rent herein specified and for the faithful performance of the terms of this Lease by Tenant. Subject to the preceding sentence, nothing in this Lease is intended to hinder or prevent Tenant from obtaining a crop or farming loan for his farming and crop production on the Property or from using the crops as collateral for said loan(s), provided that such lender subordinates its security interest or lien to the payment of the Rent hereunder and recognizes said Landlord's lien, and provided further, that nothing herein shall authorize Tenant to encumber title to or any other interest in any of the Property for said loans or otherwise.

20. Quiet Enjoyment/Surrender. So long as Tenant is not in default under the terms of this Lease, Tenant may peaceably and quietly enjoy the Property without any disturbance from Landlord or from any other person claiming through Landlord, subject to the terms of this Lease. Upon expiration or earlier termination of the Lease Term, Tenant will, without further demand, peaceably surrender the Property in similar condition and repair as when first demised, except for reasonable wear and tear, condemnation, and casualty. Tenant shall have no right to holdover at the end of the Lease Term or earlier termination of the Lease.

21. Records. Tenant shall maintain documentation related to its calculation of the Rent owed to Landlord. The books, records, and documents of the Tenant, insofar as they relate to the sale of crops grown on the Property and expenses related to said crops, shall be maintained in accordance with Tenn. Code Ann. §§ 10-7-404 or 10-7-702, as appropriate. In no case shall the records be maintained for a period of less than five (5) full years from expiration or earlier termination of this Lease. Tenant's records shall be subject to audit at any reasonable time and upon reasonable notice by the State, the Comptroller of the Treasury, or their duly appointed representatives.

22. Miscellaneous. This Lease contains all of the agreements made between the parties, supersedes any prior oral or written leases, and may not be modified orally or in any manner other than by agreement in writing signed by Landlord and Tenant. The invalidity or enforceability of any provision hereof shall not affect or impair the validity of any other provision. The covenants and agreements herein contained shall bind and shall inure to the benefit of Landlord and Tenant and their respective heirs, administrators, legal representatives, successors, and assigns, subject to the terms hereof. This Lease shall be governed by and construed and enforced in accordance with the laws of the State of Tennessee. Nothing in this Lease creates any relationship between the parties other than that of Landlord and Tenant. The captions at the headings of each article or section of this Lease are for convenience of reference only and are not to be deemed a part of the Lease itself. One or more waivers of any covenant, term, or condition of this Lease by either party will not be deemed to be a waiver of subsequent breach of the same covenant, term, or condition. The failure or delay on the part of either party to enforce or exercise, at any time, any of the provisions, rights, or remedies of this Lease shall in no way be construed to be a waiver of said rights or in any way affect the validity of this Lease or any part thereof or the right of either party thereafter to enforce each and every provision, right, or remedy contained herein. This Lease may be executed in multiple counterparts, each of which shall be binding on the party signing the same, and which together shall constitute a single document.

SIGNATURES TO FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, Landlord has executed this Lease in duplicate as of the day and year first written above.

LANDLORD:

State of Tennessee

By: _____
Name: Matt Van Epps
Title: Commissioner, Department of General Services

STATE OF TENNESSEE)
COUNTY OF DAVIDSON)

Before me, _____, the undersigned, a Notary Public in and for the County and State aforesaid, personally appeared Matt Van Epps, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Commissioner, Department of General Services of the State of Tennessee, the within named bargainer, and that he as such Commissioner, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the State of Tennessee by himself as such Commissioner.

WITNESS my hand and seal at office in _____, Tennessee, this the ___ day of _____, 20__.

Notary Public

My Commission Expires:

APPROVED:

Jonathan Skrmetti
Attorney General and Reporter

Bill Lee
Governor

IN WITNESS WHEREOF, Tenant has executed this Lease in duplicate as of the day and year first written above.

TENANTS:

STATE OF TENNESSEE)
COUNTY OF _____)

Personally appeared before me, _____, the undersigned, a Notary Public in and for said County and State, the within named _____, the bargainor, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who upon oath acknowledged that he executed the within instrument for the purposes therein contained.

WITNESS my hand and seal at office in _____, Tennessee, on this the ____ day of _____, 20____.

Notary Public

My Commission Expires:

STATE OF TENNESSEE)
COUNTY OF _____)

Personally appeared before me, _____, the undersigned, a Notary Public in and for said County and State, the within named _____, the bargainer, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who upon oath acknowledged that he executed the within instrument for the purposes therein contained.

WITNESS my hand and seal at office in _____, Tennessee, on this the ____ day of _____, 20____.

Notary Public

My Commission Expires:

STATE OF TENNESSEE)
COUNTY OF _____)

Personally appeared before me, _____, the undersigned, a Notary Public in and for said County and State, the within named _____, the bargainer, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who upon oath acknowledged that he executed the within instrument for the purposes therein contained.

WITNESS my hand and seal at office in _____, Tennessee, on this the ____ day of _____, 20____.

Notary Public

My Commission Expires:
