

## FARM LEASE

### Preamble

[Landlord's name], (Landlord), [address], hereby leases to [Tenant's name], (Tenant), [address], real property, "leased premises," in the County of [\_\_\_\_], State of California, described as follows: Approximately [\_\_\_\_] acres of open ground out of a total [\_\_\_\_] acres at [address]. [Include parcel number 0046-030-160 01 if possible, and ideally a detailed property description as attachment].

This lease is subject to the following terms and conditions:

### Term of Lease

1. The term of this lease shall be for a period of [\_\_\_\_] year(s), commencing on [date] and ending on [date].

### Rent

2. As rental for the leased premises, Tenant agrees to pay to Landlord a total rent of \$\_\_\_\_\_ per year (calculation: \_\_\_ ac x \$\_\_\_/ac = \$\_\_\_\_\_), payable in cash or by certified check, money order, or any other form of payment acceptable to Landlord, without deduction or offset. [Suggested payment schedule:] Payment of half of this total, or \$\_\_\_\_\_, shall be made on [date] or within 14 days of execution of this lease, whichever is later, at [Landlord's address] or any other place or places that may be designated by Landlord in a written notice to Tenant given in the manner prescribed in Paragraph 19 of this lease. Payment of the remaining \$\_\_\_\_\_ shall be made in the same manner on [date].

### Use of Leased Premises

3. The leased premises are demised to Tenant for the following purposes and for no other purpose except with the prior written consent of Landlord: The planting, growing, and harvesting of agricultural crops [specifically \_\_\_\_\_].

### Operations on Leased Premises

4. (a) Tenant shall carry on all of the activities specified under Paragraph 3 in accordance with good husbandry and the best practices of the farming community in which the leased premises are situated.

(b) Tenant shall, at Tenant's cost and expense, comply with any and all laws, ordinances, rules, regulations, requirements, and orders present or future, of any federal, state, county, or municipal governments which may in any way apply to the use, maintenance, operations, or production of crops on the leased premises, or the sale or disposition of those crops.

(c) [Recommended:] Tenant agrees not to apply pesticides, insecticides, fungicides, herbicides, or other chemical treatments that will have a residual effect beyond the term of this lease except with the prior written consent of Landlord.

(d) [Optional:] Tenant agrees to comply with organic production practices as described by the USDA National Organic Program Standards 7 CFR Part 205, for the duration of this lease.

(e) [Optional:] Tenant or persons hired by Tenant shall not operate equipment or machinery before the hour of 7:00 am or after 10:00 pm so as not to disturb the neighbors.

#### Operating Costs

5. Tenant shall pay all costs in connection with Tenant's operations on the leased premises, including but not limited to costs of preparing the leased premises for planting of crops, production costs, costs of tools and labor, electricity and other utilities, and any tax or assessment imposed on the leased premises by [\_\_\_\_] for the provision of water required by Tenant.

#### Taxes and Assessments

6. Tenant shall pay, before delinquency, all personal property taxes or assessments levied on Tenant's personal property situated in or about the leased premises during the term of this lease. On demand, Tenant shall provide to Landlord satisfactory evidence of payment of taxes. Landlord shall be responsible for the payment of real property taxes or assessments levied on the leased premises.

#### Insurance

7. Tenant shall, at all times during the term of this lease, maintain and keep in force insurance coverage with insurers approved by Landlord which will adequately protect both Tenant and Landlord against public liability and property damage on the leased premises. The minimum coverage required by this paragraph shall be [Standard: \$1 million general liability coverage]. Proof of the insurance coverage obtained by Tenant shall be given to Landlord within 14 days after execution of this lease. Any contract entered into by Tenant for insurance coverage on the leased premises shall include a provision requiring timely notice to Landlord in

the event of cancellation of coverage by the insurer. Tenant is also responsible for any workers' compensation insurance required under state law.

#### Maintenance

8. Tenant shall, at Tenant's own expense, keep and maintain the leased premises, all improvements on the premises, and all facilities appurtenant to the leased premises, in good order and repair and in as safe and clean a condition as they were when received from Landlord, reasonable wear and tear excepted.

#### Waste or Nuisance

9. Tenant shall not commit, or permit others to commit, any waste on the leased premises. Tenant shall not maintain, commit, or permit the maintenance or commission of any nuisance as defined by California Civil Code Section 3479 on the leased premises. Tenant shall not use or permit the use of the leased premises for any unlawful purpose.

#### Alterations and Mechanics' Liens

10. (a) Tenant shall not make or permit any alterations or improvements to the leased premises without the prior written consent of Landlord. On termination or expiration of this lease, all improvements and alterations other than trade fixtures shall be the property of Landlord, and no reimbursement to Tenant shall be required. Tenant shall remove all trade fixtures placed by Tenant on the leased premises within 30 days after the expiration of this lease.  
  
(b) Tenant shall keep the premises free and clear of any and all liens arising out of any work performed or materials furnished at the request of Tenant, or obligations incurred by Tenant.

#### Inspection by Landlord

11. Tenant shall permit Landlord or Landlord's agents, representatives, or employees to enter the leased premises at all reasonable times to determine whether Tenant is complying with the terms of this lease and for the purpose of doing other lawful acts that may be necessary to protect the Landlord's interest in the leased premises.

#### Acceptance by Tenant

12. Tenant accepts the leased premises, as well as the improvements on the premises and facilities appurtenant to the premises, in their present condition. Tenant agrees with, and represents to Landlord, that the leased premises have been inspected by him/her and that Tenant has been assured by means independent of Landlord or Landlord's agents of the truth of all facts material to this lease and

that the leased premises are being leased by Tenant as a result of its inspection and investigation and not as a result of any representations made by Landlord or Landlord's agents.

[Mention any prior condition to be noted if Tenant not to be held responsible]

[If other Tenants on property: Landlord represents that the residential Tenants of the house located on the same parcel as leased premises have been notified that farming will take place on the adjacent premises as designated by this Lease.]

#### Indemnification of Landlord

13. Throughout the term of this lease, Tenant shall indemnify and hold Landlord harmless from all damages, injuries, or claims arising in or about the leased premises or arising from Tenant's operations on the leased premises.

#### Assignment and Subleasing

14. Tenant shall not assign, transfer, or encumber this lease or any interest in this lease without the prior written consent of Landlord. Tenant shall not sublease all or any part of the leased premises or allow any persons other than Tenant's agents, family, or employees to occupy or use all or any part of the leased premises without the prior written consent of Landlord. Landlord's consent to one assignment, sublease, occupation, or use by another person shall not be deemed to be consent to any subsequent assignment, sublease, occupation, or use by any other person. Any assignment or subleasing without the prior written consent of Landlord shall be void. The consent of Landlord to the assignment or subleasing of any interest in this lease by Tenant shall not be unreasonably withheld.

#### Default by Tenant

15. The occurrence of any of the following shall constitute a material default and breach of this lease by Tenant:
  - (a) Any failure by Tenant to pay the rent or to make any other payment required to be made by Tenant under this lease (when that failure continues for 14 days after written notice of the failure is given by Landlord to Tenant);
  - (b) A failure by Tenant to observe and perform any other provision of this lease to be observed or performed by Tenant, when that failure continues for 30 days after written notice of Tenant's failure is given by Landlord to Tenant; provided, however, that if the nature of that default is such that it cannot reasonably be cured within a 30-day period, Tenant shall not be deemed to be in default if Tenant commences that cure within the 30-day period and thereafter diligently prosecutes it to completion; or

(c) The making by Tenant of any general assignment for the benefit of creditors; the filing by or against Tenant of a petition to have Tenant adjudged a bankrupt or of a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, it is dismissed within 60 days); the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this lease, when possession is not restored to Tenant within 30 days; or the attachment, execution, or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this lease, when that seizure is not discharged within 30 days.

#### Recovery of Damages on Tenant's Default

16. In the event of any default by Tenant under this lease, in addition to any other remedies available to Landlord at law or in equity, Landlord shall have the right to terminate this lease and all rights of Tenant under this lease by giving written notice of the termination. No act of Landlord shall be construed as terminating this lease except written notice given by Landlord to Tenant advising Tenant that Landlord elects to terminate the lease. In the event Landlord elects to terminate this lease, Landlord may recover from Tenant all of the following:

(a) The worth at the time of award of any unpaid rent that had been earned at the time of the lease's termination;

(b) The worth at the time of award of the amount by which the unpaid rent that would have been earned after the lease's termination until the time of award exceeds the amount of rental loss that Tenant proves could have been reasonably avoided;

(c) The worth at the time of award of the amount by which the unpaid rent for the balance of the term of this lease after the time of award exceeds the amount of rental loss that Tenant proves could be reasonably avoided; and

(d) Any other amount necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform its obligations under this lease.

#### Landlord's Right to Continue Lease in Effect After Breach

17. If Tenant breaches this lease and abandons the Premises before the natural expiration of this lease's term, Landlord may continue this lease in effect by not terminating Tenant's right to possession of the Premises, in which event Landlord shall be entitled to enforce all its rights and remedies under this lease, including the right to recover the rent specified in this lease as it becomes due under this lease. For as long as Landlord does not terminate this lease, Tenant shall have the right to assign or sublease the Premises with the Landlord's prior written consent. Landlord shall not unreasonably withhold consent.

### Dispute Resolution

18. If any dispute arises between the parties to this lease concerning the Premises, this lease, or the rights and duties of either in relation to the Premises or to this lease, both Tenant and Landlord shall make a good-faith effort to settle that dispute through mediation. If the dispute remains unresolved, the Parties to this lease agree to settle their dispute through binding arbitration pursuant to rules and regulations of the American Arbitration Association.

### Notices

19. Except as otherwise expressly provided by law, any and all notices or other communications required or permitted by this lease or by law to be served on or given to either party by the other party shall be in writing and shall be deemed duly served and given when personally delivered to [any member of or the designated agent of] the party to whom they are directed, or in lieu of personal service when deposited in the United States mail, first-class postage prepaid, addressed to Tenant at [Tenant's address], or to Landlord at [Landlord's address]. Either party may change its address for the purpose of this paragraph by giving written notice of the change to the other party in the manner provided in this paragraph.

### Sole and Only Agreement

20. This instrument constitutes the sole and only agreement between Landlord and Tenant respecting the Premises, the leasing of the Premises to Tenant, or the lease term created under this lease, and correctly sets forth the obligations of Landlord and Tenant to each other as of its date. Any agreements or representations respecting the Premises or their leasing by Landlord to Tenant not expressly set forth in this instrument are null and void. This lease may not be extended, amended, modified, altered, or changed, except in a writing signed by Landlord and Tenant.

### Effect of Partial Invalidity

21. If any term or provision of this lease or any application of this lease shall be held invalid or unenforceable, the remainder of this lease and any application of the terms and provisions shall remain valid and enforceable under this lease or California law.

### Governing Law

22. This agreement shall be governed by and construed in accordance with the laws of the State of California.
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Executed on [Date], at [City], [\_\_\_\_] County, California.

LANDLORD

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[Landlord's name]

TENANT

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[Tenant's name]