

SHARECROP LEASE AGREEMENT

THIS LEASE, made and entered into this ____ day of March, 2019, by and between the Board of County Commissioners of Warren County, Indiana, hereinafter called "*LESSOR*", and _____, hereinafter called "*LESSEE*", *WITNESSETH*:

1. Premises. The Lessor, for and in consideration of the covenants and agreements hereinafter set forth, hereby leases and lets to the Lessee, to occupy and use for agricultural purposes only, the following described real estate in Warren County, Indiana:

Tract 1:

South half of the Southwest quarter except 1 acre in the Southeast (SE) corner of Section Nine (9), Township Twenty-two (22) North, Range Eight (8) West, containing 79 acres, more or less.
Parcel Number: 86-08-09-300-015.000-006

Tract 2:

North half of the Northwest quarter except 1 acre south side Northeast quarter of the Northwest quarter of Section Sixteen (16), Township Twenty-two (22) North, Range Eight (8) West, containing 79 acres, more or less.
Parcel Number: 86-08-16-200-024.000-006

Tract 3:

Northeast quarter of Section Seventeen (17), Township Twenty-two (22) North, Range Eight (8) West except: West of road, 5.25 acres East of road and 1.036 acres East of U.S. Highway Number 41, and continuing after said exceptions 134.986 acres more or less.
Parcel Number: 86-08-17-100-024.000-006

Tract 4:

All that portion of the southeast quarter of Section 9, Township 21 North, Range 8 West, that lies north of the Wabash Railway Right of Way, excepting the Cemetery located on said lands, described as follows, to-wit: Commencing four (4) chains and sixty (60) links west of the northeast corner of the above-described lands, thence south two (2) chains and eighty-eight (88) links, thence west two (2) chains and fifty (50) links to the place of commencing, containing one hundred fifteen (115) poles, more or less, and containing in all the amount of land herein being leased one hundred nineteen and sixty-five hundredth (119.65) acres, more or less.
Parcel Number: 86-12-09-400-016.000-015

which farm real estate shall hereinafter be referred to as the "Leased Premises."

2. Lease Term. This Lease shall commence on January 1, 2019, and shall terminate on the

31st day of December 2021.

3. Crop Ownership/Rent/Input Costs. Lessor and Lessee agree that expenses and profits shall be shared equally by Lessor and Lessee. Expenses means costs incurred in farming the Lease Premises for seeds, fertilizer, and chemicals. Profits means all payments received from the sale of crops grown on the Leased Premises. Lessor shall be responsible for selling their one-half (½) of the crops grown, unless otherwise agreed by the parties.

4. Farming of the Leased Premises.

- A. Lessee shall furnish all labor, machinery, motor power, tools, and equipment, and maintenance expenses on same, fuels, and utility bills, necessary to sow and plant all crops to be grown on said Leased Premises. Lessee shall tend, cultivate, and harvest all crops.
- B. The Lessor agrees to furnish the Leased Premises to the Lessor for the Lease Term, to be cultivated at the discretion of the Lessee.
- C. The Lessee shall act as the farm manager with consultation with the Lessor, and exercise reasonable and prudent discretion regarding the quantity and mixture of crops to be cultivated, and appropriate minimum annual application levels of potash and phosphate on the Leased Premises.
- D. Lessee shall follow the farming practices that are generally recommended for and that are best adapted to the Leased Premises. The parties agree that the Lessee shall submit recommendations for the crops to be grown to the Lessor by December 1 for approval of the Lessor. The parties agree further that the Lessee shall exercise his discretion in determining the production and harvesting practices to be followed by

the Lessee on each field of the Leased Premises.

- E. Within thirty (30) days after completion of planting, Lessee shall furnish Lessor with a map of the Leased Premises disclosing the location, by type and quantity, of all fertilizers, herbicides, and insecticides applied, and all seed varieties planted. In addition, Lessee agrees to provide Lessor with the names of all vendors with whom the Lessee conducts any business relating to the Leased Premises.
- F. Within thirty (30) days after completion of harvesting, Lessee shall confirm the accuracy of all elevator records with regard to any grain produced on the Lease Premises delivered to the elevator and shall report to Lessor, in writing, the production of the Leased Premises for the crop year just completed. Further, if the parties agree that Lessee will sell the Lessor's one-half ($\frac{1}{2}$) of the harvested crops, Lessee agrees to provide Lessor with the name of any purchaser of the grain harvested from the Leased Premises.
- G. Lessee shall complete all required reporting to the appropriate government offices of all crop acreages on a timely basis and will make the necessary reports to the government agencies to maintain all crop bases and yields. Lessor agrees to sign a Power of Attorney, with programs to be determined by mutual agreement, at the Farm Service Agency Office which permits Lessee to sign all documents relating to the Leased Premises or government programs as determined by mutual agreement.
- H. Lessee shall participate in and fully comply with any program offered by the United States Department of Agriculture or any other government agency as determined by mutual agreement. Lessee agrees to comply with all requirements for "highly

erodible and wet lands” and to farm according to the approved Soil Conservation Plan on file at the local Soil Conservation Office. Upon termination of the Lease, Lessee gives up and releases all rights and interests in all programs offered by the United States Department of Agriculture, and will not claim any future rights or interest in the agricultural programs available to the Leased Premises. This provision shall not deny Lessee any payments earned by him, but not received, during the Lease Term.

- I. Lessee shall comply with all state and federal laws, rules, and regulations on the use, storage, and disposal of agricultural chemicals and pesticides. No dumping or abandonment of any trash, pesticide containers, or machinery, shall be allowed on the Leased Premises.
- J. Lessee shall not keep on the Leased Premises any article or thing of a dangerous, flammable, or explosive character that might unreasonably increase the danger of fire on the Leased Premises, or might be considered hazardous, or extra hazardous by any insurance company. Hazardous or extra hazardous material shall not include those materials or chemicals used in the ordinary or regular course of business in farming operation. Lessee shall not commit or permit the commission of any hazardous acts on the premises that might be considered hazardous or extra hazardous by any insurance company. Lessee shall act to maintain water quality standards and to prevent pollution and/or contamination to surface and underground water sources and supplies.
- K. Lessor and Lessee will split the cost of lime applied pursuant to appropriate testing,

as well as all costs associated with spreading the lime, which expense shall be prorated over a 5 year basis, meaning that end the of the term of the lease, the Lessee may be entitled to repayment of a fraction of the original lime purchase expense.

- L. Waterways, fence rows and roadside will be mowed by Lessee as needed or at a minimum of at least twice per year.
- M. At year end, Lessee will provide the most recent soil tests, dates and rates of applications of all fertilizers and chemicals and total production for the year in a signed and attested document.
- N. Lessee agrees to haul all of Lessor's share of crops to an elevator within a 20 mile radius without expense to the Lessor.

6. Payment of Bills/Settlement.

- A. Lessee shall incur no expenses for labor or materials for which he expects reimbursement from Lessor, without Lessor's prior approval, except as otherwise herein provided.
- B. For any expenses incurred by Lessee for which Lessee expects reimbursement from Lessor, Lessee shall furnish to Lessor receipted bills for all receipts and expenses at time of settlement. Settlement shall occur no less often than every six (6) months during each Lease Term, unless otherwise agreed between the parties.

7. No Partnership, Agency or Employment. This agreement is one of lease and not of partnership, agency or employment. Lessee is an independent contractor. Lessor shall not become responsible for any debts contracted by Lessee, except as otherwise herein provided.

8. Alterations and Maintenance of Leased Premises.

- A. Lessee shall not cause or permit any permanent alterations, additions or changes of or upon any part of the Leased Premises without first obtaining the written consent of Lessor. All alterations, additions or changes to the Leased Premises shall be made in accordance with all applicable laws, and shall become the property of the Lessor.
- B. Lessee accepts the Leased Premises in its present condition.
- C. Lessee shall regularly inspect all tiles, outlets, and drainage systems, and shall promptly notify Lessor of all needed repairs or replacements. Repair and replacement shall be the obligation of Lessor.
- D. Lessee shall not plow or disk through grass waterways or other low places that would permit open ditches eroding across fields.

9. Insurance. Lessor shall procure and maintain during the Lease Term crop insurance as well as liability and property damage insurance with a responsible insurance company.

10. Access to Leased Premises. Lessor, Lessor's agents, and Lessor's prospective Lessees, purchasers, or mortgages, shall be permitted to inspect and examine the Leased Premises at all reasonable times and Lessor shall have the right to make any repairs or improvements to the Leased Premises which Lessor deems necessary. In the event this Lease is not renewed, a new Lessee for the Leased Premises shall be entitled to fall plow, fertilize, seed wheat, or otherwise prepare the Leased Premises and plant in proper season for the following year's crops.

11. Indemnifications/Release/Hold Harmless.

- A. Lessee shall indemnify and defend Lessor from any claim, loss, or liability (arising out of or related to any activity of Lessee) on the Leased Premises or any condition of the Leased Premises in the possession or under the control of the Lessee. Lessee's

duty to indemnify shall not apply to or prevent any claim by Lessee against Lessor for injury or damage to Lessee or Lessee's property for which Lessor may be liable.

- B. In no event and under no circumstances will Lessor, its employees, agents, officers, or directors, be liable to Lessee for any direct, indirect, incidental, or consequential damages suffered by Lessee by reason of his farming of the Leased Premises.
- C. Lessor shall not be liable for injury to Lessee's business or any loss of income therefrom or for damage to Lessee's crops, employees, invitees, customers, or any other person, on or about the Leased Premises, nor shall Lessor, its employees, agents, officers, or directors, be liable for any injury to the person of the Lessee, Lessee's employees, agents, officers, directors, invitees, or customers, whether or not said damages or injuries result from conditions arising upon the Leased Premises.
- D. The Lessee shall not be liable for injury or damage to the Lessor, or the Lessor's employees, invitees, customers, or any other person, on or about the Leased Premises, whether or not said damages or injuries result from conditions arising upon the Leased Premises.

12. Default.

- A. In the event Lessee fails to keep or perform any of the terms and conditions of the Lease agreed to be kept and performed by Lessee and such failure continues for thirty (30) days after written notice to Lessee, then and in that event Lessor, at his option, may take possession of the Leased Premises and may terminate and cancel any rights that Lessee may have under this Lease. In the event Lessor elects not to take possession of the Leased Premises and terminate and cancel this lease, Lessor may,

without further notice, cure Lessee's failure at the expense of the Lessee and any sums so paid by Lessor, with interest at eighteen percent (18%) per annum, shall be deemed to be additional rent and shall be due from Lessee to Lessor within thirty (30) days after the rendition of a bill therefore by Lessor to Lessee.

- B. In the event the Lessor fails to keep or perform any of the terms and conditions of the Lease agreed to be kept and performed by Lessor and such failure continues for thirty (30) days after written notice to Lessor, then and in that event Lessee, at his option, may terminate and cancel this Lease, without further obligation. In the event Lessee elects not to terminate and cancel this Lease, Lessee may, without further notice, cure Lessor's failure at the expense of the Lessor and any sums so paid by Lessee, with interest at eighteen percent (18%) per annum, shall be deemed to be damages and shall be due from Lessor to Lessee within thirty (30) days after the rendition of a bill therefore by Lessee to Lessor.
- C. Nothing contained in this Lease shall be construed as either party's exclusive remedies, and both parties specifically retain any other rights or remedies that they might otherwise have under state law.

13. Attorney Fees. Any party in breach of this Lease shall pay the other party's reasonable legal costs and attorneys fees incurred in enforcing any covenant, term, or condition of this Lease.

14. Assignment and Subletting. Lessee shall not assign, mortgage, encumber, or transfer this Lease in whole or in part, or sublet the Leased Premises or any part thereof, without the prior written consent of Lessor.

15. Disclaimer of Warranties.

- A. Lessee acknowledges that he has made his own examination of the condition of the Leased Premises and relies solely upon his own judgment and independent inquiry in entering into this Lease. Lessee releases the Lessor, Lessor's agents and brokers from any and all liability relating to any defect or deficiency affecting the Leased Premises, which waiver shall survive the closing. Lessee understands the Leased Premises are leased in their existing condition as of the date hereof, AS IS and where is, and Lessee acknowledges and warrants that Lessor, its agents, and brokers, have not made any representations or warranties, express or implied, as to the condition, state of repair, quality, fitness, fitness or a particular purpose, or merchantability of the premises and any improvements.
- B. Lessee acknowledges that he has not relied upon any statements or representations made by Lessor, Lessor's agents, or brokers in entering into this Lease. Lessee warrants he has independently verified to his own satisfaction any facts upon which he relies in entering into this Lease and hereby releases Lessor, Lessor's agents and brokers from all liability concerning statements, facts, or representations, of any kind.

16. General Agreement of the Parties.

- A. This Lease shall extend to and be binding upon the heirs, personal representatives, successors, and assigns of the parties. This provision, however, shall not be construed to permit the assignment of this Lease except as may be permitted hereby. When applicable, use of the singular form of any words shall mean or apply to the plural and the neuter form shall mean or apply to the feminine or masculine.
- B. The captions and article numbers appearing in this Lease are inserted only as a matter

of convenience and are not intended to define, omit, construe, or describe the scope or intent of such provisions. No waiver by Lessor of any default by Lessee shall be effective unless in writing, nor operate as a waiver of any other default or of the same default on a future occasion. Lessor's acceptance of its share of profits from the sale of crops shall not be deemed a waiver as to any preceding default. No waiver by the Lessee of any default by the Lessor shall be effective unless in writing, nor operate as a waiver of any default of the same default on a future occasion. Lessee's acceptance of his share of profits from the sale of crops shall not be deemed a waiver as to any preceding default. Any notices to be given hereunder shall be deemed sufficiently given when in writing and (a) actually served on the party to be notified, or (b) placed in an envelope directed to the party to be notified at the following addresses and deposited in the United States mail by certified or registered mail, postage prepaid.

1. If to Lessor, to the Warren County Auditor, Warren County Courthouse, 125 N. Monroe Street, Suite 7, Williamsport, IN 47993.
2. If to the Lessee, _____, at the following address: _____.

C. This Lease shall be governed by and interpreted in accordance with the laws of the State in which the Leased Premises are located.

17. Entire Agreement. This Lease constitutes the entire agreement between the parties and any prior understanding or representation of any kind preceding the date of this Lease shall not be binding on either party except to the extent incorporated in this Lease. Any modification of this

Lease or additional obligation assumed by either party in connection with this lease shall be binding only if in writing signed by each party or an authorized representative of each party.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals.

LESSOR

Board of County Commissioners of
Warren County, Indiana

W. Brian Jordan, President

Adam Hanthorne, Vice President

Thomas Hetrick

ATTEST: _____
Robin Weston-Hubner
Warren County Auditor

Date: _____

LESSEE

Date: _____

Printed: _____