

## FARM LEASE AGREEMENT

THIS LEASE, made and entered into as of this day, April 20, 2020, by and between Juanita McCauley, whose address is 212 South Cedar Street, Yuma, Colorado 80579, hereinafter called and referred to as Landlord, and Baderus Farms, whose address is 26246 County Road 45, Greeley, Colorado 80631, hereinafter referred to as Tenant.

WITNESSETH, that for and in consideration of the acts, rental payments, things, promises, and covenants hereinafter set forth, Landlord hereby and by these presents does lease unto Tenant the following Property located and situated in the County of Weld and State of Colorado for the exclusive purpose of agricultural production, described as follows:

Part of the North Half (N1/2) of the Northeast Quarter (NE 1/4) being Lot B of Recorded Exemption RE-2623, of Section 24, Township 5 North, Range 65 West of the 6<sup>th</sup> P.M., County of Weld and State of Colorado, along with 2.0 shares of the Lower Latham Ditch Company and 2.0 shares of the Lower Latham Reservoir Company, and one irrigation well, Permit # 11845 along with the irrigation well pumping quota established by the Lower Latham Asset Management Company.

Upon the following terms and conditions which are mutually agreed upon by the parties hereto, to wit:

1. The term of this lease shall be a two year lease for the 2020 and 2021 crop season and shall expire on December 31, 2021 if provisions in Paragraph 2 do not apply.
2. This lease shall automatically renew for another two year period at the end of each calendar year if neither Landlord nor Tenant has given written notice to the other of their intent to not allow this renewal clause to take effect. This notice shall be given prior to December 31 on any year in which the parties choose to not extend the lease for another two year period. This notice will not void the remaining year of the lease period.
3. This is a one third - two third crop share lease for corn production with expenses and income to be split as follows:
4. Landlord shall pay all Lower Latham Ditch Company and Lower Latham Reservoir Company assessments, and all Lower Latham Asset Management Company augmentation fees and assessments.
5. Landlord and Tenant shall share equally for all lateral ditch cleaning fees on the property.
6. Landlord shall pay one third and Tenant shall pay two thirds of the sprinkler electricity costs and irrigation well electricity costs for any pumping done by the Tenant. Tenant agrees to comply with the pumping limitations of the irrigation well to that which is allowed by the Lower Latham Asset Management Company.
7. The Landlord is responsible and will make repair arrangements for all failures or damages to the irrigation well and the pump and motor and electrical infrastructure that are part of the irrigation well, ditches and laterals, and will be diligent in seeing these repairs are made as quickly as possible. Tenant is responsible for repairs needed as a result of negligence by Tenant.
8. It is recognized by both Landlord and Tenant that the Tenant owns the existing center pivot irrigation machine, along with the filter and flow meter on the center pivot, the 20 HP electric motor, and the short set turbine pump installed in the irrigation water holding pond located on the west side of the parcel. It is recognized by both Landlord

and Tenant that the Landlord owns the concrete pumping station stand, all of the PVC pipe which is in the pond and buried underground from the pond, the electric panels at the irrigation holding pond, and all underground wire providing service to the center pivot machine. Each party shall be responsible for repairs or replacements for the items associated with their respective ownership. Tenant is responsible for repairs needed as a result of negligence by Tenant.

9. Tenant shall furnish all seed, farm equipment, fuel, liability insurance, labor and other inputs incident to the performance of this lease for the Property at the sole expense of Tenant.
10. Landlord shall pay one third and Tenant shall pay two thirds of all fertilizer, insecticide, fungicide, and associated growing inputs, and annual herbicide costs, along with one third of the application costs, associated with the growing crop. Landlord shall also pay one third of any herbicide or insecticide traits included with the seed.
11. Landlord shall pay all herbicide costs associated with perennial or noxious weed control.
12. The selection of seed, fertilizer, herbicides, insecticides, fungicides, markets and harvesting shall be at the discretion of the Tenant.
13. The Tenant shall pay to the Landlord one third of the standing value of the silage crop proceeds.
14. Crop insurance coverage and premiums shall be independent decisions and responsibilities of the Landlord and Tenant.
15. Tenant agrees to hold Landlord non-labile for any damages or harm their farming operation may inflict upon others.

This agreement shall be binding upon the heirs, executors, personal representatives, successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have affixed their signatures.

LANDLORD  
Juanita McCauley  
BY

TENANT  
Buderus Farms  
BY

*Juanita McCauley*  
*Juanita McCauley*

*Theodore Buderus*  
THEODORE BUDERUS - FARMER

Date: 4/20/20

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