

Pasture Lease

NCFMEC-03A

(Reviewed 2011)

Exhibit A

For additional information see NCFMEC-03 (Pasture Rental Arrangements for your Farm).

This lease entered into this 8th day of February, 2021, between

Thomas Butler, owner, of 451 Pleasant Grove Rd Elgin, TX

Barbara Butler, spouse, of 451 Pleasant Grove Rd Elgin, TX

hereafter known as "the landlord," and

David Hebel DVM, operator, of PO Box 308 Elgin, TX 78621

, spouse, of Address

hereafter known as "the tenant."

I. Property Description

The landowner hereby leases to the operator, to occupy and use for agricultural and related purposes, the following described property:

A189 Enoch Harris consisting of approximately 47.5370 acres situated in Bastrop County (Counties), TX (State) and on any other land that the landlord may designate by mutual written agreement.

II. General Terms of Lease

A. Term. If a continuing lease is desired, use paragraph 1 and strike out paragraph 2. If a definite term is desired, use paragraph 2 and strike out paragraph 1. No notice of termination is necessary if paragraph 2 is used.

1. Continuing Lease. The term of the lease shall be year(s), commencing on the day of 20, and shall continue in effect from year to year thereafter (as an annual lease) unless written notice of termination is given by either party to the other at least days prior to expiration of this lease or the end of any year of continuation. (Note: State laws differ on the duration of agricultural leases.)

2. Annual Lease. The term of this lease shall be one year(s), commencing on the 8th day of February, 2021, and ending on the 7th day of February, 2022.

B. Review of Lease. A request for general review of the lease may be made by either party at least 30 days prior to the final date for giving notice to terminate the lease.

C. Amendments. Amendments and alterations to this lease shall be in writing and shall be signed by both the landlord and tenant.

D. No partnership created. This lease shall not be deemed to give rise to a partnership relation, and neither party shall have authority to obligate the other without written consent, except as specifically provided in this lease.

E. Binding on heirs. The terms of this lease shall be binding upon the heirs, executors, administrators, and successors of both landlord and tenant in like manner as upon the original parties, except as provided by mutual written agreement otherwise.

F. Transfer of property. If the landlord should sell or otherwise transfer title to the farm, such action will be done subject to the provisions of this lease.

G. Right of entry. The landlord, as well as agents and employees of the landlord, reserve the right to enter the farm at any reasonable time for purposes: a) of consultation with the tenant; b) of making repairs, improvements, and inspections; and c) after notice of termination of the lease is given, of performing customary seasonal work, none of which is to interfere with the tenant in carrying out regular operations. Landlord also may request right of entry to hunt and fish.

H. Additional agreements regarding terms of lease:

A minimum of 7 animal units year round. An animal unit is defined as a 1,000 pound cow or two (2) 500 pound calves. This lease may be terminated by either party, at any time, with 30 days advance written notice to the other party.

I. Animal Units (maximum allowable). Not more than ²⁰ animal units shall be kept in the pasture at any one time without the express written consent of the landlord. Deliberate violation of this provision shall constitute grounds for termination of this lease. (In general each 1,000 pounds of average weight shall be one animal unit. If the pasture owner and the owner of the livestock prefer, they can use the following basis for calculating animal units: one bull, 1.25 animal units; one 1,000-pound cow, 1 animal unit; one yearling steer or heifer, 0.75 animal unit; calf 6 months to 1 year, 0.5 animal unit; 3 to 6 months, 0.3 animal unit; sheep, 5 per animal unit; horse, 1.25 animal unit.)

STOCKING RATE	NUMBER HEAD	NUMBER OF ANIMAL UNITS
Bulls	_____	_____
Cows	_____	_____
Yearling Steers	_____	_____
Yearling Heifers	_____	_____
Calves, 6 to 12 months	_____	_____
Calves, 3 to 6 months	_____	_____
Other: Cattle	_____	20
Other: Donkeys	1	_____
Other: _____	_____	_____

III. Operation and Maintenance

A. The livestock owner agrees:

1. Not to pasture livestock that continue to break through fences. Should any animal be found outside that pasture on at least three occasions, the pasture owner may request its removal.
2. Not to assign rights and duties under this lease without the written consent of the pasture owner.
- ~~3. Not to put any cattle in pasture without getting specific approval from the pasture owner in advance regarding number, health, sex, breed, and age.~~

4. To furnish health certificates as follows:

B. Both Agree:

1. **Not to obligate the other party.** Neither party hereto shall pledge the credit of the other party hereto for any purpose whatsoever without the consent of the other party. Neither party shall be responsible for the debts or liabilities incurred or for damages caused by the other party.

2. **Responsibilities.** Additional responsibilities for each party shall be divided as follows:

	Landlord	Tenant
Inspect fences not less than once per <u>quarter</u>	_____	x _____
Furnish labor for repair of fences	_____	x _____
Furnish materials for repair of fences	x _____	_____
Supervise supply of water to livestock	_____	x _____
Furnish labor for repair of water system	<u>below ground</u> _____	<u>above ground</u> _____
Provide materials for repair of water system	<u>below ground</u> _____	<u>above ground</u> _____
Furnish salt and mineral	_____	x _____
Count livestock not less than once per <u>_____</u> <small>td by tenant</small>	_____	x _____
Return stray animals to pasture	_____	x _____
Call veterinarian in case of emergency	_____	x _____
Pay veterinary expenses	_____	x _____
Provide loading and unloading facilities	x _____	_____
Furnish supplementary feed, if needed	_____	x _____
Notify other party of shortage in count	_____	x _____
Provide facilities for fly control	_____	x _____
Keep fly-control facilities in working order	_____	x _____
Liability insurance	x _____	_____

3. **Additional agreements:**

If landlord terminates lease early, landlord will reimburse tenant for fertilizer/herbicide application to hay fields not yet harvested. Reimbursement made within 30 days after receipt of itemized bill.

IV. Rental Calculations and Payment Schedule

Use Method I, II, or III and strike out the two methods not used.

Method I

The tenant agrees to pay \$ 6.3108 per acre for the use of the property described in Part I. Total rent of \$ 300.00 shall be paid as follows:

\$ _____ on or before _____ day of _____ (Month)

\$ _____ on or before _____ day of _____ (Month)

\$ _____ on or before _____ day of _____ (Month)

\$ _____ on or before _____ day of _____ (Month)

If rent is not paid when due, the tenant agrees to pay interest on the amount of unpaid rent at the rate of _____ percent per annum from the due date until paid.

Rental Adjustment. Additional rental payment agreements:
Livestock water usage is estimated at 1.5 gallons/100 lbs./day or 150 gallons/day for 10 animal units
at a cost of approx. \$30/month. If landlord is not living on premises, tenant will pay for water usage
that is in excess of this amount.

Method II

The livestock owner agrees to pay the following rates, as outlined:

	Number	×	Rental Rate per period [†]	=	Total Rent per period [†]
Cows	_____		\$ _____		\$ _____
Yearling Steers	_____		\$ _____		\$ _____
Yearling Heifers	_____		\$ _____		\$ _____
Calves, 6 to 12 months	_____		\$ _____		\$ _____
Calves, 3 to 6 months	_____		\$ _____		\$ _____
Other: _____	_____		\$ _____		\$ _____
Other: _____	_____		\$ _____		\$ _____
Other: _____	_____		\$ _____		\$ _____
Total Rent (A)					\$ _____

[†]The period may be a month, pasture season, or year.

Minimum rent shall be \$_____. Such rent shall be required regardless of whether or not livestock are being pastured. The total rent of \$_____ (A) shall be paid as follows:

- \$_____ on or before _____ day of _____ (Month)
- \$_____ on or before _____ day of _____ (Month)
- \$_____ on or before _____ day of _____ (Month)
- \$_____ on or before _____ day of _____ (Month)

If rent is not paid when due, the tenant agrees to pay interest on the amount of unpaid rent at the rate of _____ percent per annum from the due date until paid.

Rental Adjustment. Additional rental payment agreements:

Method III

Other rental arrangements (share-of-gain, etc.):

V. Arbitration of Differences

Any differences between the parties as to their several rights or obligations under this lease that are not settled by mutual agreement after thorough discussion, shall be submitted for arbitration to a committee of three disinterested persons, one selected by each party hereto and the third by the two thus selected. The committee's decision shall be accepted by both parties.

Executed in duplicate on the date first above written:

Donna He 2-8-2021
Operator

Thomas Butler 2-7-21
Owner

Operator's spouse

Barbara Butler 2-7-2021
Owner's spouse

State of _____

County of _____

On this _____ day of _____, A.D. 20_____, before me, the undersigned, a Notary Public in said State, personally appeared _____, _____, _____, and _____ to me known to be the identical persons named in and who executed the foregoing instrument, and acknowledged that they executed the same as their voluntary act and deed.

Notary Public

Exhibit B

Farm Building or Livestock Facility Lease

NCFMEC-04A

For additional information see NCFMEC-04 (Rental Agreements For Farm Buildings and Livestock Facilities).

This form can provide the owner and operator with a guide for developing an agreement to fit their individual situation. This form is not intended to be a legal document nor take the place of legal advice pertaining to contractual relationships between the two parties. Because of the possibility that a lease agreement may be legally considered a partnership under certain conditions, seeking proper legal advice is recommended when developing such an agreement.

This lease entered into this 8th day of February, 2021, between

Thomas Butler, owner, of 451 Pleasant Grove RD
Elgin, TX 78621

Address

Barbara Butler, spouse, of 451 Pleasant Grove RD
Elgin, TX 78621

Address

hereafter known as "the owner", and

David Hebel DVM, operator, of PO Box 308
Elgin, TX 78621

Address

_____, spouse of _____

Address

hereafter known as "the operator."

I. Property Description

The owner hereby leases to the operator, to use for agricultural and related purposes, the following described property:

Pole Barn, corrals with squeeze chute, and holding pen

situated in Section _____ of _____ Township in Bastrop County, TX (State),

with all improvements thereon except as follows:

Garage and Tractor Shed

The property is agreed to be of the following size and condition:

Size or capacity Pole Barn (approx. 40' x 60')

Condition (list defects): Good (doors missing)

II. General Terms of Lease

A. Time period covered. The provisions of this agreement shall be in effect for one year(s) and/or _____ months commencing on the 8th day of February, 2021.

B. Review of lease. A written request is required for a general review of the lease or for consideration of proposed changes by either party, at least 30 days prior to the final date for giving notice to terminate the lease as specified in II.A.

- C. Amendments and alterations.** Amendments and alterations to this lease shall be in writing and shall be signed by both the owner and operator.
- D. No partnership intended.** It is particularly understood and agreed that this lease shall not be deemed to be nor intended to give rise to a partnership relation.
- E. Transfer of property.** If the owner should sell or otherwise transfer title to the property, he/she will do so subject to the provisions of this lease.
- F. Right of entry.** The owner reserves the right to inspect the property at any reasonable time to: (a) consult with the operator; (b) make repairs, improvements, and inspections; and (c) after notice of termination of the lease is given, do any customary seasonal work, none of which is to interfere with the operator in carrying out regular farm operations.
- G. No right to sublease.** The owner does not convey to the operator the right to lease or sublet any part of the property or to assign the lease to any person or persons whomsoever.
- H. Binding on heirs.** The provisions of this lease shall be binding upon the heirs, executors, administrators, and successors of both owner and operator in like manner as upon the original parties, except as provided by mutual written agreement.
- I. Failure to pay.** If the operator fails to pay the rent due or fails to keep the agreements of this lease, all costs and attorney fees of the owner in enforcing collection or performance shall be added to and become a part of the obligations payable by the operator thereunder.
- J. Additional provisions:**

Owner will house equipment in the barn. This lease may be terminated by either party with 30 days advance notice to the other party.

III. Amount and Payment of Cash Rent

- A. The operator agrees to pay a total cash rent of \$ 60.00 during the time period covered by this lease (see Section II.A.). The cash rent will be payable as follows:
 - \$ NA on or before the _____ day of each month
 - Or, \$ _____ on or before the _____ day of the following months:

at the following location or address: _____

- B. Or, the operator agrees to pay a total cash rent of \$ _____ per _____ (specify unit) during the time period covered by this lease (see Section II.A.). The rent will be payable on or before _____

The number of units for computing the rent will be determined as follows:

IV. Operation and Maintenance of Property

- A. The operator agrees:
 - I. Use. To use the property only for the following purposes:
 Agricultural Purposes

The rate of use or capacity shall not exceed 20 animal units at any given time, or a total of _____ (units) per _____ (time period).

2. General maintenance. To perform ordinary maintenance during the lease period necessary to maintain the property in as good condition as it was at the beginning. Normal wear and depreciation and damage from causes beyond the operator's control are excepted. To pay for and replace the following items:
Fencing, panels, and gates damaged by livestock.

3. Repairs. If the owner is responsible for payment for repairs and maintenance, not to purchase materials for maintenance and repairs in excess of \$ 100.00 within a single year without written consent of the owner.

4. Insurance. To fully insure livestock, crops, feed, equipment and other assets owned by the operator that are located on the property against theft, casualty, or other loss, or to not hold the owner responsible. Not to violate restrictions in the owner's insurance policies without written consent from the owner. Restrictions to be observed are as follows:

5. Costs of operation. To pay the following utility and operating costs, with charge or usage to be calculated as follows: Water: 1.5 gallons/100 lbs/day; approx. 150 gallons/day for 10 animal units at a cost of approx. \$30/month.
If owner is not living on premises: Water costs that exceed \$30 in month

6. Addition of improvements. Not to: (a) add electrical wiring, plumbing or heating to any building without written consent of the owner; (b) incur any expense to the owner except as follows:

7. Damages. When the operator leaves the property, to pay the owner reasonable compensation for any damages to the property for which the operator is responsible. Any decrease in value due to ordinary wear and depreciation or damages outside the control of the operator is excepted.

8. Livestock manure. To remove livestock manure at the following approximate times:
To be determined by operator

and dispose of it according to the following manner and location:

(Strike this provision if owner is responsible for manure removal.)

B. The owner agrees:

1. Loss replacement. To replace or repair as promptly as possible any building or equipment regularly rented by the operator from the owner that may be destroyed or damaged by fire, flood, or other cause beyond the control of the operator or to make rental adjustments in lieu of replacements.

2. Insurance. ~~To fully insure the property against casualty, theft or other loss, and against personal liability, up to the following amounts:~~

To insure barn against fire.

Maintain personal liability insurance up to \$300,000.

3. Materials for repairs. To furnish all materials needed for normal maintenance and repairs, except for:

4. Additional agreements regarding materials and labor are:

If owner is on site, owner will perform routine maintenance and repairs. Otherwise, owner will reimburse operator for agreed upon repairs.

5. **Reimbursement.** To pay for materials purchased by the operator for purposes of repair and maintenance on the property being rented in an amount not to exceed \$ 100.00 in any one year, except as otherwise agreed upon. Reimbursement shall be made within 30 days after the operator submits an itemized bill.

6. **Removable improvements.** To let the operator make minor improvements of a temporary or removable nature, that do not mar the condition of appearance of the property at the operator's expense. The owner further agrees to let the operator remove such improvements even though they are legally fixtures at any time this lease is in effect ~~or within _____ days thereafter,~~ provided the operator leaves in good condition that property from which such improvements are removed. The operator shall have no right to compensation for improvements that are not removed except as mutually agreed in writing prior to their installation.

7. **Water.** To furnish an adequate supply of clean water for the quantity of livestock specified above. Repairs to wells, pumps and water systems shall be paid for as follows:

By owner if below ground; by operator if above ground.

In the event that it becomes necessary to purchase and/or transport additional water, the cost of such purchase and/or transport shall be paid as follows:

By operator.

8. **Livestock manure.** ~~To remove livestock manure at the following approximate times,~~

~~and dispose of it according to the following manner and location:~~

(Strike this provision if operator is responsible for manure removal.)

C. Both agree:

1. **Not to obligate the other party.** Neither party shall pledge the credit of the other party for any purpose whatsoever without the consent of the other party. Neither party shall be responsible for debts or liabilities incurred or for damages caused by the other party.

2. **Capital improvements.** The operator shall be reimbursed for the costs of any new permanent structures and improvements paid for or constructed by the operator as follows (check option which applies):

NA (1) The operator will be reimbursed by the owner when the improvement is completed.

NA (2) The operator will be compensated by the share of the undepreciated amount of the operator's contribution when the lease is terminated based on the value of the operator's contribution and depreciation rate shown in the following table.

Rates for labor, power, and machinery contributed by the operator for the construction of permanent improvements shall be agreed upon before repairs are made or construction is started.

3. **Environmental issues.** The operator shall conduct all operations on the property in a manner consistent with all applicable local, state, and federal environmental codes, regulations, and statutes and shall bear sole responsibility for any violations thereof. The operator shall be solely responsible for securing any permits or approvals necessary for their activities on the property. In the event of any legally-prohibited release of materials to the environment, the operator will indemnify the owner for any costs of environmental cleanup and restoration as well as any penalties, fines, judgments or other amounts incurred by the owner as a result of such release.

~~Compensation for Improvements~~

Type of improvement	Date completed	Value contributed by operator			Total value of operator's contribution	Rate of annual depreciation
		Material	Labor	Machinery		
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	_____ %
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	_____ %
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	_____ %
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	_____ %
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	_____ %
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	_____ %
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	_____ %
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	_____ %
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	_____ %

V. Arbitration of Differences

Any differences between the parties as to their rights or obligations under this lease that are not settled by mutual agreement after thorough discussion, shall be submitted for arbitration to a committee of three disinterested persons, one selected by each party and the third by the two thus selected. The committee's decision shall be accepted by both parties.

VI. Signatures

Executed in duplicate on the date first above written:

David Helmer 2-8-2021
Operator

Thomas Best 2-7-21
Owner

Operator's Spouse Date

Barbara Butler 2-7-2021
Owner's Spouse Date

County of _____ State of _____

On this _____ day of _____, 20____, before me, the undersigned, a Notary Public in said State, personally appeared _____, _____, _____ and _____ to me known to be the identical persons names in and who executed the foregoing instrument, and acknowledged that they executed the same as their voluntary act and deed.

Notary Public