

LEASE AGREEMENT

STATE OF TEXAS

COUNTY OF MILAM

This is an agreement of lease made and entered into on the 4 <sup>December</sup> ~~October~~ th day of ~~October~~, 2023, by and between ShaMark Smith #2 Limited Partnership, hereinafter called "Lessor", and Billy Maersh, hereinafter called "Lessee," and agree as follows:

In consideration of the covenants and agreements herein set forth, and other good and valuable consideration, Lessee does hereby lease from Lessor the property owned by Lessor which is approximately 210.1 acres of FSA 5216 located near the mouth of the Pond Creek and the Brazos River, situated in Milam County, Texas.

I.

The term of this lease shall be for the period of three years, commencing on <sup>on</sup> ~~of~~ The ~~1<sup>st</sup>~~ day of September 16th, 2023, and ending of December 31<sup>st</sup>, 2026, and is for all agricultural purposes including the participation in any government sponsored or subsidized programs.

II.

As consideration for leasing the property described above, Lessee agrees to pay as rent to Lessor, ShaMark Smith #2 Limited Partnership, at 6209 CR 270, Cameron, Texas 76520, the sum of \$80.00 per acre for each year totaling \$16,808.00.

1. One half of the yearly payment shall be due and payable on or before January 1<sup>st</sup> of the lease year.
2. The Second years payment shall be payment in full.
3. The Second half of the annual payment will be due and owing on September 1st of the lease year.

III.

Lessor shall pay all taxes on said property as taxes that shall become due and Lessee shall be responsible for any taxes that shall be levied on all agricultural production Lessee has initiated or equipment that he shall place on said premises.

IV.

This agreement, the terms and conditions herein contained, shall be binding upon and inure to the benefit of the Lessors, their successors and assign, the Lessee, his/her heirs, executors, and administrators with the same force and effect as if specifically mentioned in each instance where a party is named.

V.

This contract shall not interfere with Lessees ability to collect subsidy on non-crop land. This lease does not cover water rights nor hunting rights. Lessee shall have the right to control or hunt hogs on the farmland if the hogs are damaging his crops. Lessee may utilize any farm chemicals used to control weeds, grasses and insects. Lessee also agrees to hold Lessor harmless for any accident or injury which may occur on said premises.

VI.

Lessor agrees to provide a road with approximately 30 feet width clearance, that would allow ingress and egress of farm equipment, etc.... Lessee agrees to maintain this road for the term of the lease.

Vii.

Lessee agrees to farm the land in a workman like manner using good farming practices and control noxious weeds by use of modern farming practices. Lessee agrees to maintain the drainage ditches in order to prevent water from standing on the farmland. Lessee agrees to control erosion. Lessee shall not dump toxic chemicals on said land. Lessee may utilize any farm chemicals used to control weeds, grasses and insects.

VIII,

Lease payment and notice required hereunder shall be sent to Lessors or Lessee at the following address:

ShaMark Smith #2 Limited Partnership  
6209 CR 270  
Cameron, Texas 76520

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Billy Maersh

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ShaMark Smith #2 Limited Partnership

ShaMark Smith Management Co, LLC

General Manager

By: Sharon Marcus, manager

  
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Sharon Marcus, manager

  
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Billy Maersh/Lessee