

## PASTURE LEASE AGREEMENT

**THIS LEASE AGREEMENT** made and entered into this 10 day of February, 2022, by and between **Meade School District 46-1**, 1230 Douglas Street, Sturgis, SD 57785, hereinafter referred to as "Landlord," and **Denny & Doris Lauing**, of Sturgis, SD, hereinafter referred to as "Tenant."

### RECITALS

1. Landlord is the owner of the Meade County, South Dakota, real estate known as the SBHS East Campus farm (the "Leased Premises"). The Leased Premises includes shared use of the corrals in conjunction with the Landlord and the Meade County Fair Association.

2. Landlord has accepted Tenant's bid to lease the Leased Premises for the 2022 through 2023 grazing years.

### AGREEMENT

Now, therefore, for and in consideration of the payments of rental and the performance of the covenants herein provided and contained, and the foregoing Recitals being a contractual part hereof, Landlord leases to Tenant and Tenant leases from Landlord the Leased Premises as follows:

1. **Term of Lease.** This lease shall begin on the 10 day of February, 2022, and shall terminate on the 31 day of December, 2023, unless terminated sooner for cause. Notwithstanding the beginning date of this Lease, Tenant may only graze the Leased Premises from May 15 to December 31 of each calendar year.

2. **Rental.** Tenant agrees to pay to Landlord as rental for the Leased Premises a sum equal to \$72.52 per AUM maintained on the Leased Premises by Tenant per month. Tenant shall, upon request, provide reasonable documentation to Landlord of Tenant's rental amount calculation. Monthly rent shall be due in arrears on the first day of each month, and shall be paid directly to Landlord at the address set forth above.

3. **Condition of Property; Limitation of Warranties.** Tenant acknowledges Tenant has fully examined the Leased Premises to Tenant's satisfaction, and agrees to accept the Leased Premises in its present condition, "as is". **Landlord makes no warranties, express or implied, to Tenant or anyone concerning any aspect of the Leased Premises.**

4. **Insurance.**

4.1 **Hazard and Property Damage Insurance.** Tenant agrees to maintain in force during the term of this Agreement a policy acceptable to Landlord insuring the improvements located upon the Leased Premises in the minimum amount of \$500,000.00, and shall name the Landlord as an additional insured and loss payee.

**4.2 Liability Insurance.** Tenant agrees to maintain in force during the term of this Agreement a public liability insurance acceptable to Landlord to protect against liability for damage claims through public use of or arising out of accidents occurring in or around the Leased Premises in the minimum value of \$1,000,000.00 per occurrence, and shall name the Landlord as an additional insured and loss payee.

**4.3 Insurance Policies; Notice to Seller.** Copies of the insurance policies required hereunder, or proof of the existence of the same, shall be provided to Landlord upon Landlord's request. In the event Tenant fails to timely pay the insurance premiums, Landlord reserves the right to make such payments and to add the same to the next rent installment at the default interest rate. Each such policy of insurance shall provide that prior written notice be required to be given to the Landlord before such policy of insurance is canceled. Failure to timely keep in force and effect insurance coverage on the real property shall constitute a default hereunder.

**4. Hold Harmless and Indemnification.** It is understood and agreed that Tenant shall assume all liability for any injury or damages that may arise from any accident that occurs in, on or about the Leased Premises related to Tenant's activities and/or livestock placed by or controlled by Tenant. Tenant agrees to indemnify and save harmless Landlord and all of Landlord's School Board Members, officers, agents, administrators, and employees of and from all liabilities, losses, claims, or damages occurring on and after the date of closing arising out of **(i)** injury or damage of or to any person or property arising out of or in any way connected with the Leased Premises; and **(ii)** from and against all costs, attorney's fees, and expenses and liabilities incurred in the defense of any such claim, action, or proceeding brought against the Landlord by reason of such claim.

## **5. Use and Maintenance of Leased Premises.**

**5.1** Tenant acknowledges the Leased Premises is subject to existing leases and agreements with other parties, including the Sturgis High School Rodeo Club, the Bear Butte Creek Historical Preservation Council, the Meade County Fair Association. Tenant's rights under this Lease are subject to such other leases and agreements. Landlord and Tenant shall jointly communicate with such other entities regarding this Lease each spring regarding Tenant's anticipated use.

**5.2** Tenant shall use the Leased Premises for agricultural and related purposes, in a good and husbandrylike manner, and shall maintain the premises during the tenancy in as good condition as at the beginning, normal wear and depreciation excepted.

**5.3** Tenant will not commit waste on or damage to the premises from overgrazing if Tenant is limited by weather or grass conditions. The Leased Premises is rated for approximately 100 AUM annually, but if Landlord reasonably concludes the Leased Premises can support more or less AUM, Landlord shall work with Tenant to adjust the carrying capacity to fit the conditions.

**5.4** Landlord will assure all fences are in an acceptable condition on or before the \_\_\_ day of \_\_\_\_\_, 20\_\_\_. Thereafter, Landlord will furnish materials and Tenant will perform labor for all normal maintenance and repairs of fencing and other improvements on the Leased Premises. However, if Tenant desires other repairs or replacements to be made, Tenant will give Landlord notice and obtain Landlord's prior approval before beginning such repairs or replacements. All materials joined or affixed to the premises by Tenant will become Landlord's property and be part of the Leased Premises at the termination of this lease.

**5.5** Tenant shall not permit or suffer any mechanics' liens or material suppliers' liens of any kind or nature to be enforced against the premises for any work done or materials furnished on the premises at Tenant's instance or request.

**5.6** This Lease shall in nowise be construed or interpreted as creating, by way of example and not limitation, a partnership, whether general or limited, corporation, joint venture, or employer/employee relationship between Landlord and Tenant.

**6. Default.** TIME IS OF THE ESSENCE OF THIS LEASE. In the event of any breach of this lease by the Tenant, including but not limited to late payment of rent, Lesser may give to Tenant a written notice of breach documenting the breach. If such breach has not been cured within **TEN DAYS** after Tenant's receipt of such notice, then the Landlord, in addition to all other rights or remedies it may have in law or equity, shall have the immediate right of reentry and may remove all persons and property from the Leased Premises.

**7. Assignment and Subletting.** This Lease shall inure to the benefit and be binding upon the heirs, executors, successors, and assigns of the parties; provided, however Tenant shall not assign this lease, either in whole or in part, nor sublet any of the leased premises or improvements or structures situated thereon, without obtaining written consent of Landlord which consent may be withheld by the Landlord for any reason.

**8. Representation.** This Lease was prepared by legal counsel for Landlord, and Tenant is advised to seek independent legal advice if Tenant has legal questions.

**9. Surrender of Premises.** Tenant shall, at the termination of this Lease, vacate the Leased Premises, leaving them in the same condition they were in at the time of Tenant's entry on such premises under this agreement, except for reasonable use and wear, acts of God, or damage by causes beyond the control of Tenant, and upon vacating shall leave the demised premises free and clear of all rubbish and debris brought on by Tenant.

**10. No Waiver.** The failure of either party to this Agreement to insist upon the performance of any of the terms and conditions of this agreement, or the waiver of any breach of any of the terms and conditions of this agreement, shall not be construed as subsequently waiving any such terms and conditions, but the same shall continue and remain in full force and effect as if no such forbearance or waiver had occurred.

**11. Governing Law.** This Lease shall be governed by, construed, and enforced in accordance with the laws of South Dakota.

**12. Entire Agreement.** This agreement shall constitute the entire agreement between the parties and any prior understanding or representation of any kind preceding the date of this agreement shall not be binding upon either party except to the extent incorporated in this agreement.

**13. Modification of Agreement.** Any modification of this agreement or additional obligation assumed by either party in connection with this agreement shall be binding only if placed in writing and signed by each party or an authorized representative of each party.

**14. Counterparts.** This agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written.

Meade School District 46-1, Landlord

By: \_\_\_\_\_

\_\_\_\_\_  
Tenant

\_\_\_\_\_  
Tenant

## HAYING LEASE AGREEMENT

**THIS LEASE AGREEMENT** made and entered into this 10th day of February, 2022, by and between **Meade School District 46-1**, 1230 Douglas Street, Sturgis, SD 57785, hereinafter referred to as "Landlord," and **Nick Uherka**, of 20732 Kimber Rd. Sturgis, SD 57785, hereinafter referred to as "Tenant."

### RECITALS

1. Landlord is the owner of the Meade County, South Dakota, real estate known as the SBHS campus (the "Leased Premises").
2. Landlord has accepted Tenant's bid to lease the Leased Premises for the limited purpose of haying.

### AGREEMENT

Now, therefore, for and in consideration of the payments of rental and the performance of the covenants herein provided and contained, and the foregoing Recitals being a contractual part hereof, Landlord leases to Tenant and Tenant leases from Landlord the Leased Premises as follows:

1. **Term of Lease.** This lease shall begin on the 10th day of February, 2022, and shall terminate on the 31st day of December, 2023, unless terminated sooner for cause.
2. **Rental.** Tenant agrees to pay to Landlord as rental for the Leased Premises a sum equal to **\$75.00** per ton of hay produced on the Leased Premises by Tenant. Reasonable and sufficient weight slips for the hay produced will need to be submitted with payment no later than December 1 of each lease year.
3. **Condition of Property; Limitation of Warranties.** Tenant acknowledges Tenant has fully examined the Leased Premises to Tenant's satisfaction, and agrees to accept the Leased Premises in its present condition, "as is". **Landlord makes no warranties, express or implied, to Tenant or anyone concerning any aspect of the Leased Premises.**
4. **Insurance.**
  - 4.1 **Hazard and Property Damage Insurance.** Tenant agrees to maintain in force during the term of this Agreement a policy acceptable to Landlord insuring the improvements located upon the Leased Premises in the minimum amount of \$500,000.00, and shall name the Landlord as an additional insured and loss payee.
  - 4.2 **Liability Insurance.** Tenant agrees to maintain in force during the term of this Agreement a public liability insurance acceptable to Landlord to protect against liability for damage claims through public use of or arising out of accidents occurring in or around the Leased Premises in the minimum value of \$1,000,000.00 per occurrence, and shall name the Landlord as an additional insured and loss payee.

**4.3 Insurance Policies; Notice to Seller.** Copies of the insurance policies required hereunder, or proof of the existence of the same, shall be provided to Landlord upon Landlord's request. In the event Tenant fails to timely pay the insurance premiums, Landlord reserves the right to make such payments and to add the same to the next rent installment at the default interest rate. Each such policy of insurance shall provide that prior written notice be required to be given to the Landlord before such policy of insurance is canceled. Failure to timely keep in force and effect insurance coverage on the real property shall constitute a default hereunder.

**4. Hold Harmless and Indemnification.** It is understood and agreed that Tenant shall assume all liability for any injury or damages that may arise from any accident that occurs in, on or about the Leased Premises related to Tenant's activities. Tenant agrees to indemnify and save harmless Landlord and all of Landlord's School Board Members, officers, agents, administrators, and employees of and from all liabilities, losses, claims, or damages occurring on and after the date of closing arising out of **(i)** injury or damage of or to any person or property arising out of or in any way connected with the Leased Premises; and **(ii)** from and against all costs, attorney's fees, and expenses and liabilities incurred in the defense of any such claim, action, or proceeding brought against the Landlord by reason of such claim.

**5. Use and Maintenance of Leased Premises.**

**5.1** Tenant acknowledges the Leased Premises is subject to existing leases and agreements with other parties, including the the Meade County Fair Association. Tenant's rights under this Lease are subject to such other leases and agreements.

**5.2** Tenant shall hay the Leased Premises in a good and husbandry like manner, and shall maintain the premises during the tenancy in as good condition as at the beginning, normal wear and depreciation excepted.

**5.3** Tenant shall assure that the portion of the Leased Premises included in the Meade County Fair Association Lease is hayed and put up prior to the commencement of the Fair each year. Tenant may hay the remainder of the Leased Premises at Tenant's discretion.

**5.4** This Lease shall in nowise be construed or interpreted as creating, by way of example and not limitation, a partnership, whether general or limited, corporation, joint venture, or employer/employee relationship between Landlord and Tenant.

**6. Default. TIME IS OF THE ESSENCE OF THIS LEASE.** In the event of any breach

of this lease by the Tenant, including but not limited to late payment of rent, Lesser may give to Tenant a written notice of breach documenting the breach. If such breach has not been cured within **TEN DAYS** after Tenant's receipt of such notice, then the Landlord, in addition to all other rights or remedies it may have in law or equity, shall have the immediate right of reentry and may remove all persons and property from the Leased Premises.

**7. Assignment and Subletting.** This Lease shall inure to the benefit and be binding upon the heirs, executors, successors, and assigns of the parties; provided, however Tenant shall not assign this lease, either in whole or in part, nor sublet any of the leased premises or improvements or structures situated thereon, without obtaining written consent of Landlord which consent may be withheld by the Landlord for any reason.

**8. Representation.** This Lease was prepared by legal counsel for Landlord, and Tenant is advised to seek independent legal advice if Tenant has legal questions.

**9. Surrender of Premises.** Tenant shall, at the termination of this Lease, vacate the Leased Premises, leaving them in the same condition they were in at the time of Tenant's entry on such premises under this agreement, except for reasonable use and wear, acts of God, or damage by causes beyond the control of Tenant, and upon vacating shall leave the demised premises free and clear of all rubbish and debris brought on by Tenant.

**10. No Waiver.** The failure of either party to this Agreement to insist upon the performance of any of the terms and conditions of this agreement, or the waiver of any breach of any of the terms and conditions of this agreement, shall not be construed as subsequently waiving any such terms and conditions, but the same shall continue and remain in full force and effect as if no such forbearance or waiver had occurred.

**11. Governing Law.** This Lease shall be governed by, construed, and enforced in accordance with the laws of South Dakota.

**12. Entire Agreement.** This agreement shall constitute the entire agreement between the parties and any prior understanding or representation of any kind preceding the date of this agreement shall not be binding upon either party except to the extent incorporated in this agreement.

**13. Modification of Agreement.** Any modification of this agreement or additional obligation assumed by either party in connection with this agreement shall be binding only if placed in writing and signed by each party or an authorized representative of each party.

**14. Counterparts.** This agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written.

Meade School District 46-1, Landlord

By: \_\_\_\_\_

\_\_\_\_\_  
Tenant

\_\_\_\_\_  
Tenant