

7.4 AGRICULTURAL TENANT ADDENDUM

1 **1. Property Address or Description:** _____

2 **2. Names of Parties to this Agreement:**

3 **Buyer:** _____ **Seller:** _____

4 **Buyer:** _____ **Seller:** _____

5 **Buyer:** _____ **Seller:** _____

6 **Buyer:** _____ **Seller:** _____

7 **3. Limited Use of this Form; Buyer and Seller Obligated to Consult Experts.** This form is for use when Buyer is (i) purchasing an
8 agricultural property subject to an existing lease on the Property for commercial agriculture or extraction purposes, or (ii) when the
9 Seller intends to rent the Property from Buyer for commercial agriculture or extraction purposes following Closing (“Agricultural
10 Lease”). This Agricultural Tenant Addendum (“Addendum”) is for the purpose of transferring Seller’s rights as Landlord under
11 Agricultural Lease to Buyer, establishing the terms for Seller’s future tenancy, or otherwise for terminating the Agricultural Lease
12 before Closing. Buyer and Seller are advised to consult a qualified expert to consult lease documents and determine if this transfer is
13 lawful. Buyer’s and Seller’s real estate agents are not experts in landlord-tenant or commercial agriculture leasing laws and Buyer and
14 Seller are not relying on any statements by Buyer’s or Seller’s real estate agent with respect to the requirements for lawfully
15 transferring a lease. Use of this form is not a substitute for competent legal advice.

16 **4. Tenancy General Information (If Agricultural Tenant Occupied Property).**

17 (i) Tenant: _____

18 (ii) Tenant Address: _____

19 (iii) Tenant Phone: _____ Tenant Email: _____

20 (iv) Date tenancy began: _____

21 (v) Tenancy is Month-to-month Fixed term lease ending _____ Other _____ [Describe]

22 (vi) Tenant pays \$ _____ in rent Monthly Annually on _____ [Date] Other _____ [Describe]

23 **5. Seller Representations and Duties.** Within **5 Business Days** or _____ **Business Days** of Mutual Acceptance (“Lease Document
24 Period”), Seller shall provide Buyer with a copy of the lease agreement between Seller or Seller’s agent and Tenant, or a copy of a draft
25 Seller-Buyer Lease Agreement, and all other attendant documents related to this lease (“Lease Documents”) with all personally
26 identifying information other than Tenant’s name and contact information redacted. If Seller fails to provide Buyer with the Lease
27 Documents within the Lease Document Period, Seller shall be in breach of the Sale Agreement and Buyer may deliver **Form 5.1 Buyer’s**
28 **Notice of Default and Opportunity to Cure** to Seller stating that Seller failed to provide Lease Documents within the agreed upon
29 timeframe.

30 **6. Buyer Notice Review Period.** Upon receipt of a copy of the Lease Documents, Buyer has **5 Business Days** or _____ **Business**
31 **Days** (“Agricultural Lease Review Period”) to review the Lease Documents and negotiate any changes to the documents. During the
32 Agricultural Lease Review Period, Buyer may terminate the Sale Agreement by delivering a **Form 5.3 Buyer’s Notice of Termination** to
33 Seller that states Buyer’s disapproval of the Lease Documents.

34 **7. Release of Buyer’s Termination Rights.** If Buyer fails to deliver a Notice of Termination by the end of the Agricultural Lease Review
35 Period stating that Buyer disapproves of the Lease Documents, Buyer is deemed to have released Buyer’s right to terminate under this
36 Addendum and agreed to assume the Tenancy at Closing, or agreed to enter into a post-Closing lease agreement with Seller.

37 **8. Representations of Seller (If Agricultural Tenant Occupied Property).** When Seller is selling Property subject to an agricultural
38 lease, Seller represents and warrants to Buyer that:

39 (i) Agricultural Lease is in full force and effect, unmodified except as provided in this Addendum;


40 (ii) Seller’s interest in the Agricultural Lease is free and clear of any liens, encumbrances, or adverse interests of third parties
41 that could otherwise limit Seller’s ability to assign the Agricultural Lease;


42 (iii) Seller possesses the requisite legal authority to assign Seller’s interest in the Agricultural Lease as provided here, excepting
43 where Tenant’s permission is required prior to assignment; and


Buyer Initials _____


Seller Initials _____

44 (iv) There shall be no sums due and owing by Seller under the Agricultural Lease as of the Closing Date, and there currently
45 exist no conditions of default. If a condition of default arises between the date of signature on this Addendum and the
46 Closing Date, Seller shall Promptly inform Buyer of such default and take all steps to cure the default.

 47 **9. Assignment of Lease (If Agricultural Tenant Occupied Property).** By signing below, the Buyer and Seller agree to assign all of Seller's
48 interest in the Agricultural Lease to Buyer upon successful Closing of Sale Agreement, and Buyer agrees to assume all rights, liabilities,
49 and duties therein related to the Agricultural Lease upon successful Closing of Sale Agreement. Buyer shall perform each and every
50 duty and obligation of Seller under the Agricultural Lease and agrees to be bound by all terms and provisions in the Agricultural Lease
51 as if it had been executed by Buyer. Upon execution of this Addendum, Seller shall Promptly notify Tenant of proposed assignment.
52 If Tenant has already paid rent on the most recent installment payment of the Agricultural Lease, Seller shall pay to Buyer a pro-rata
53 share of that installment payment based on the number of days after the Closing Date remaining in the installment payment period.
54 Seller shall bear any costs or expenses incurred in connection with this Addendum and its performance.

 55 **10. Crop Harvest.** Buyer acknowledges that Tenant or Seller respectively shall keep an ownership interest in the crops that the Tenant
56 or Seller planted before Sale Agreement closes. Seller and Tenant shall have the right to access the Property expressly to irrigate,
57 maintain, cultivate and harvest their crop until it is considered market-ready or ready-for-harvesting using regular industry standards.
58 Tenant's ownership interest in the crops will survive termination of the Agricultural Lease, and Seller shall retain an ownership interest
59 in the crops if Buyer rejects Seller's draft Lease Agreement or terminates the lease with Seller.

 60 **11. Buyer Termination of Agricultural Lease (If Agricultural Tenant Occupied Property).** At any time before Closing, Buyer may request
61 that Seller begin procedures to terminate Agricultural Lease with Tenant. After Buyer's election to terminate Agricultural Lease, Seller
62 shall make a reasonable, good faith effort to terminate Agricultural Lease by Closing. Buyer acknowledges that Seller may be unable
63 to terminate Agricultural Lease before Closing or that early termination of the Agricultural Lease may result in significant fees or fines.
64 Buyer shall be responsible for all fees, fines, and expenditures involved in early termination of the Agricultural Lease at Buyer's request,
65 including but not limited to, attorney fees, arbitration costs, and commercial damages.

 66 **12. Counterparts.** This Agricultural Tenant Occupied Rental Addendum may be executed simultaneously or in counterparts, each of
67 which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

68
69 **13. By signing below, the Parties agree to the terms of this addendum and make it part of the above referenced Sale Agreement:**

70 Buyer: _____	Dated: _____
71 Buyer: _____	Dated: _____
72 Buyer: _____	Dated: _____
73 Buyer: _____	Dated: _____
74	
75 Seller: _____	Dated: _____
76 Seller: _____	Dated: _____
77 Seller: _____	Dated: _____
78 Seller: _____	Dated: _____