

Horsesey Farms, Inc.

LEASE # TPSP-06-2014
AGRICULTURAL LANDS
AT
TRAP POND STATE PARK

THIS LEASE, made and entered into this 1st day of January, 2014 by and between the State of Delaware, Delaware Division of Parks and Recreation Party of the First Part, hereinafter referred to as "DIVISION,"

AND

Horsey Farms, Inc. of 32846 Hastings Drive, Laurel, DE 19956, Party of the Second Part, hereinafter referred to as "TENANT."

WITNESSETH, for and in consideration of the covenants and promises hereinafter contained and the payment of rentals as herein set forth, DEPARTMENT leases and rents TENANT and TENANT leases and rents from DEPARTMENT, all that certain cleared agricultural land Tract 36818 of Trap Pond State Park, said certain tract of land situate in Broad Creek Hundred, Sussex County, State of Delaware, described as Parcel No. 232-19.00-33.00 according to the Sussex County Tax Records and more specifically located on the attached map, hereinafter referred to as "leased land".

1. PARTIES:

The name and address of the Parties are:

DEPARTMENT: Delaware Division of Parks and Recreation
89 Kings Hwy
Dover, DE 19901

TENANT: Horsey Farms, Inc.
32846 Hastings Drive
Laurel, DE 19956
(410) 251-2337

2. TERM OF LEASE:

The term of this Lease shall be for ten (10) years beginning in January 2014 and terminating on December 31, 2023 without notice of such termination.

3. ACREAGE:

Fields that are designated and offered for lease by Delaware Division of Parks and Recreation are approximately 86.28 acres. Delaware Division of Parks and Recreation does not guarantee the exact acres of the land for lease.

4. LAND USAGE:

The Land covered under this lease is to be used for the specific agricultural purposes as noted on the map and for no other purposes. Tenant covenants and agrees that it will farm in accordance with generally accepted farming practices and procedures. Failures to do so will be cause for immediate termination of the lease.

5. RENTAL FEE:

TENANT shall pay DIVISION an annual rental fee of \$28,171.28 for each of years one through five. For each of years six through ten, TENANT shall pay a fixed 5% above the years one through five rental fee. The annual rental fee is based on \$326.51 per acre charge for approximately 86.28 acres. DIVISION does not guarantee the exact total acreage of leased land. Rental fees shall be paid to DIVISION on or before January 1st for that lease year. Failure to make timely payments shall be a condition to cancel the lease at any time.

6. ASSIGNMENT OF LEASE:

TENANT shall not assign any interest in this lease without prior written consent of the DIVISION. TENANT shall not sublease any part of the leased land.

7. SECURITY:

TENANT covenants and agrees that he will in no way interfere with the security of the Institution or in the Department's ability to carry out its mission.

8. SECURITY INTEREST:

TENANT hereby grants to DIVISION a security interest in the agricultural commodities grown by TENANT on the leased land during the term of this Lease, whether such crops are standing, grown, in storage or in transit, and in any proceeds from the sale, exchange, transfer or other disposition of the collateral or proceeds, to ensure the performance by TENANT under all agreements with DIVISION, as well as payment of any and all sums now, heretofore and hereafter owing to DIVISION by TENANT as a result of TENANT entering into this Lease with DIVISION.

9. USE OF LEASED LAND:

The leased land may be used for producing agricultural commodities, including, but not limited to, grain, vegetable and forage crops and pasture. TENANT agrees to follow good farm management practices and to farm the land in a good and reasonable manner to avoid degradation of the environment and further agrees to the following:

- a) DIVISION reserves the right to cancel this lease on or before January 31 of each year by written notice, given at least sixty (60) calendar days prior to January 31 for non-performance of the contract.
- b) TENANT shall enter into a Conservation Plan for the leased land with the Natural Resources Conservation Service. The Plan shall contain instructions for management of soil fertility, nutrients, erosion control, agricultural chemicals, integrated pest management, and wildlife concerns. The plan shall follow all appropriate state regulations. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- c) TENANT shall enter into a Nutrient Management Plan for the leased land with the Delaware Department of Agriculture. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- d) TENANT shall use all reasonable precautions to avoid the establishment of any noxious weeds, including Johnson grass, Canada thistle, bur cucumber, giant ragweed, Texas panicum, Palmer amaranth, and any additional noxious weeds as specified under Delaware State Law. If TENANT fails to control said vegetation, then DIVISION may terminate this Lease and may contract with an independent vendor to apply appropriate control measures to eradicate said noxious weeds and the cost of such measures shall be the responsibility of the TENANT.
- e) TENANT shall submit to DIVISION, upon request, a list of all agricultural pesticides, herbicides and other chemical sprays to be used on the leased land. All such products shall meet Federal and State standards and, if required, be applied by certified applicators in the appropriate manner and rate as per label instructions. Violation of Federal, State pesticide, herbicide or other chemical spray laws, rules and regulations shall be a condition to cancel the Lease. DIVISION reserves the right to prohibit the use of certain agricultural chemicals, including, but not limited to, fertilizers, herbicides, and pesticides on the leased land. TENANT shall be required to notify the Park Superintendent specifically responsible for the leased land within 48 hours prior to any spraying on leased land. The use of carbofuran (Furadan) in liquid or granular form is prohibited on DIVISION lands.
- f) Any DIVISION leased lands designated as hay fields shall not be cut prior to July 1st for each growing season.
- g) Dumping, depositing, abandoning, discharging, releasing, or storing of any gaseous, liquid or solid hazardous wastes, substances, materials, or debris

of whatever nature on, in, over, or under the ground or into surface or ground water is prohibited, except as permitted by law.

- h) Excavation, digging, removing, or selling of loam, peat, gravel, soil, rock, sand, or any similar material by the TENANT is prohibited. Cover crops are required on DIVISION leased lands. Refer to Special Provisions section (pgs. 8-9) for cover crop requirements.
- i) TENANT shall submit to DIVISION, upon request, an annual harvest report indicating type and amount of agricultural commodity harvested from the leased land.
- j) TENANT may be permitted to participate in Farm Service Agency or similar agricultural assistance programs. Participation in these programs is subject to the written approval of DIVISION.
- k) TENANT shall not construct or install any structures on the leased land without prior written approval of DIVISION.
- l) TENANT may place a well on leased land with prior written approval of DIVISION. Such well would be a fixture to the land and becomes property of DIVISION upon termination of the lease. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such well, the soundness of new or existing wells, and water quantity and quality associated with such wells.
- m) TENANT may install an irrigation system on leased land with prior written approval of DIVISION. All aboveground pipes, pumps, power units, wheeled irrigation units and any other related equipment is property of TENANT. Upon termination of lease TENANT shall remove such property, subject to a removal plan approved by DIVISION, or convey such property to the succeeding TENANT. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such irrigation system.
- n) DIVISION is not responsible for wildlife damages to agricultural commodities on the leased land.
- o) All hunting and trapping rights and privileges and all land use except agricultural leased rights are reserved by DIVISION.
- p) TENANT shall use products and/or services that are provided by Agricultural Businesses which are certified for Best Management Practices (BMP), Good Food Handling Practices (GHP) and Good Agricultural Practices (GAP) through the Delaware Department of Agriculture or surrounding State's equivalent program.

10. RESERVED RIGHTS:

DIVISION reserves the following rights related to the leased land:

- a) Reserves the right to grant easements and rights of way across or upon the leased land. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- b) Reserves the right to create pathways, buffer strips, and hedgerows or to divert land for other **DIVISION** uses. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- c) Reserves the right of ingress and egress onto and over the leased land for inspection purposes, for enforcement of all laws, rules and regulations of **DIVISION** and for any other lawful purpose.

11. LIMITATION ON PUBLIC ACCESS:

DIVISION shall coordinate with **TENANT** any public use of the leased land in order to not negatively impact normal farming operations.

12. HOLD HARMLESS:

TENANT agrees to exercise the rights herein granted at its own risk fees, arising from or in any way connected with injury to or death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the leased land, regardless of cause, unless due to the gross negligence or willful misconduct of any of the Indemnified Parties.

13. DAMAGES TO PROPERTY:

TENANT agrees to be solely responsible for any and all injury, loss or damage to **TENANT'S** person, crops, equipment, and property or to equipment and property of others which may be placed on the leased land at **TENANT'S** request, and **TENANT** waives and releases any and all claims or rights against **DEPARTMENT** with respect thereto.

14. INSURANCE:

TENANT shall be insured against liability resulting from any agricultural practice or presence upon the leased land.

15. ASSIGNMENT, INSOLVENCY OR BANKRUPTCY:

Either (a) the appointment of a receiver to take possession of all or substantially all of the assets of TENANT or (b) a general assignment by TENANT for the benefit of creditors or (c) any action taken or suffered by TENANT under any insolvency or bankruptcy act shall constitute a breach of this Lease by TENANT and cause this Lease to terminate immediately.

16. TERMINATION OF LEASE:

TENANT agrees that if it fails to observe or perform any of the conditions or covenants on its part to be observed or performed, or if TENANT knowingly permits any unlawful acts to be carried out upon the leased land, then DEPARTMENT shall have the right to terminate the Lease and to re-enter and repossess the leased land in the manner provided for by the laws of the State of Delaware. If DEPARTMENT terminates this Lease while TENANT has crops growing in the fields, the DEPARTMENT agrees not to take possession of the leased land until after TENANT has harvested the crop during the normal harvest period or, at DEPARTMENT'S option, DEPARTMENT will reimburse TENANT at the fair market value for crops destroyed. TENANT may terminate this Lease by giving DEPARTMENT ninety (90) days' notice in writing. TENANT shall yield peaceable possession of the leased land at the termination of the Lease.

17. TERMINATION FOR CONVENIENCE:

Leases shall remain in effect for the time period and quantity specified unless the Lease is terminated by the State. The State may terminate the Lease at any time by giving written notice of such termination and specifying the effective date thereof, at least sixty (60) days before the effective date of termination.

18. NOTICES:

Any notice, demand, request, consent, approval, or communication that either Party desires or is required to give to the other shall be in writing and either served personally or sent by first class mail, postage prepaid and addressed as per Paragraph 1. Upon written notice from a Party, or a successor in interest, to the other Party hereto, any such notice, demand or other written communication shall be given to that Party or successor at the address indicated in such notice.

19. WAIVER OF BREACH:

The waiver or acceptance by DEPARTMENT of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any continuing or subsequent breach of the same or any

other term, covenant or condition herein contained. All waivers or acceptances must be in writing. The subsequent acceptance of rent hereunder by DEPARTMENT shall not be deemed to be a waiver or acceptance of any preceding breach by TENANT of any term, covenant or condition of this Lease, other than the failure of TENANT to pay the particular rental fee so accepted, regardless of DEPARTMENT'S knowledge of such preceding breach at the time of acceptance of such rental fee.

20. LEGAL COSTS AND EXPENSES:

TENANT shall pay and discharge all costs, attorneys' fees and expenses arising from enforcing any covenant or forfeiture hereof.

21. RULES AND REGULATIONS:

The rules and regulations contained in this Lease, as well as such reasonable rules and regulations as may be hereafter adopted by DEPARTMENT for the safety, care and protection of its leased lands and the preservation of good order thereon, are hereby expressly made a part hereof, and TENANT agrees to adhere to all such rules and regulations, after notice of same.

22. REMEDIES:

It is understood and agreed that the remedies herein given to DEPARTMENT shall be cumulative, and the exercise of any one remedy by DEPARTMENT shall not be to the exclusion of any other remedy.

23. BINDING AGREEMENT:

The covenants and conditions herein contained shall apply to and bind the heirs, executors, administrators, successors, and assigns of all of the Parties hereto; and all of the Parties hereto shall be jointly and severally liable hereunder. This Lease shall not be interpreted as a waiver of the sovereign immunity of DEPARTMENT.

24. TIME:

Time is of the essence of this Lease.

25. LAW:

This Lease shall be construed and interpreted in accordance with the laws of the State of Delaware.

26. ENTIRE CONTRACT:

This instrument contains the entire agreement of the Parties and supersedes, cancels, and revokes any and all other agreements between the Parties relating to the subject matter of this Lease. There are no representations or warranties, either oral or written, except those contained in this Lease. This Lease may be modified only by an amendment in writing signed by both Parties.

27. SEVERABILITY:

If any portion of this Lease shall be held invalid or unenforceable, the validity of the remaining portion shall be unaffected and this Lease shall remain in full force and effect as if it had been executed with the invalid portion omitted.

28. SPECIAL PROVISIONS:

Cover Crop Requirements

1. The purpose of the cover crop program is to protect and control soil, water and nutrient resources on the leased land. All leased land is required to have a cover crop based on the following conditions.
2. Eligible species of cover crop are rye, wheat, barley, and spring oats.
3. Early planting is defined as cover crops planted by October 1st.
4. Normal planting is defined as cover crops planted by October 15th.
5. All seed purchased for cover crops should be tested and properly labeled in accordance with Delaware Seed Law and Regulations.
6. If homegrown seed is used, it should be tested prior to planting for purity, germination, and noxious weeds by either the Maryland or Delaware State Seed Laboratory.
7. Cover crops shall be established and actively growing before the expected period(s) of nutrient leaching. No fall application of commercial fertilizers (N and P) or manure is allowed prior to planting the cover crop. No winter application of commercial fertilizer or manure is allowed. Spring application of manure can resume after March 1st in Sussex County and March 15th in Kent and New Castle Counties.
8. TENANT shall maintain a winter cover crop on all tillable acres, unless specifically exempted in writing by DIVISION.

9. If TENANT plans on harvesting the cover crop for grain, then TENANT can apply fertilizer or manure after March 1st.
10. If TENANT plans on planting early peas, then TENANT may destroy the cover crop after February 15th and fertilizer and manure can be applied after such date.
11. TENANT may destroy cover crops by applying an herbicide, by plowing the crop under or by green chopping for on-farm use, only after March 15th.
12. There will be a minimum of a 5% spot check of cover crop acres in the spring after removal of the cover crop.

IN WITNESS WHEREOF, this Lease has been executed by the Parties hereto as of the day and year above written.

STATE OF DELAWARE
 DEPARTMENT OF NATURAL RESOURCES &
 ENVIRONMENTAL CONTROL
 DIVISION OF PARKS AND RECREATION

Original on File

Witness

Original on File

Witness

Original on File

Witness

Original on File

By: _____
 Name: Collin P. O'Mara
 Title: Secretary

Original on File

By: _____
 Name: Raymond E. Bivens
 Title: Division Director

Horsey Farms, Inc.

Original on File

By: _____
 Name: _____
 Title: _____

STATE OF DELAWARE)
) SS.
COUNTY OF)

BE IT REMEMBERED, That on this 4 day of February, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Colin P. O'Mara, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

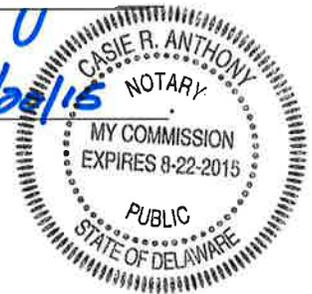
GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on 8/22/15

STATE OF DELAWARE)
) SS.
COUNTY OF)



BE IT REMEMBERED, That on this 30th day of January, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Raymond E. Bivens, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires at the end of government's term.

My commission expires on _____.

STATE OF Delaware)
) SS.
COUNTY OF Sussex)

BE IT REMEMBERED, That on this 29th day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Christopher Horsey, known personally to be such, and acknowledged the foregoing instrument to be his/her act and deed.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on _____.

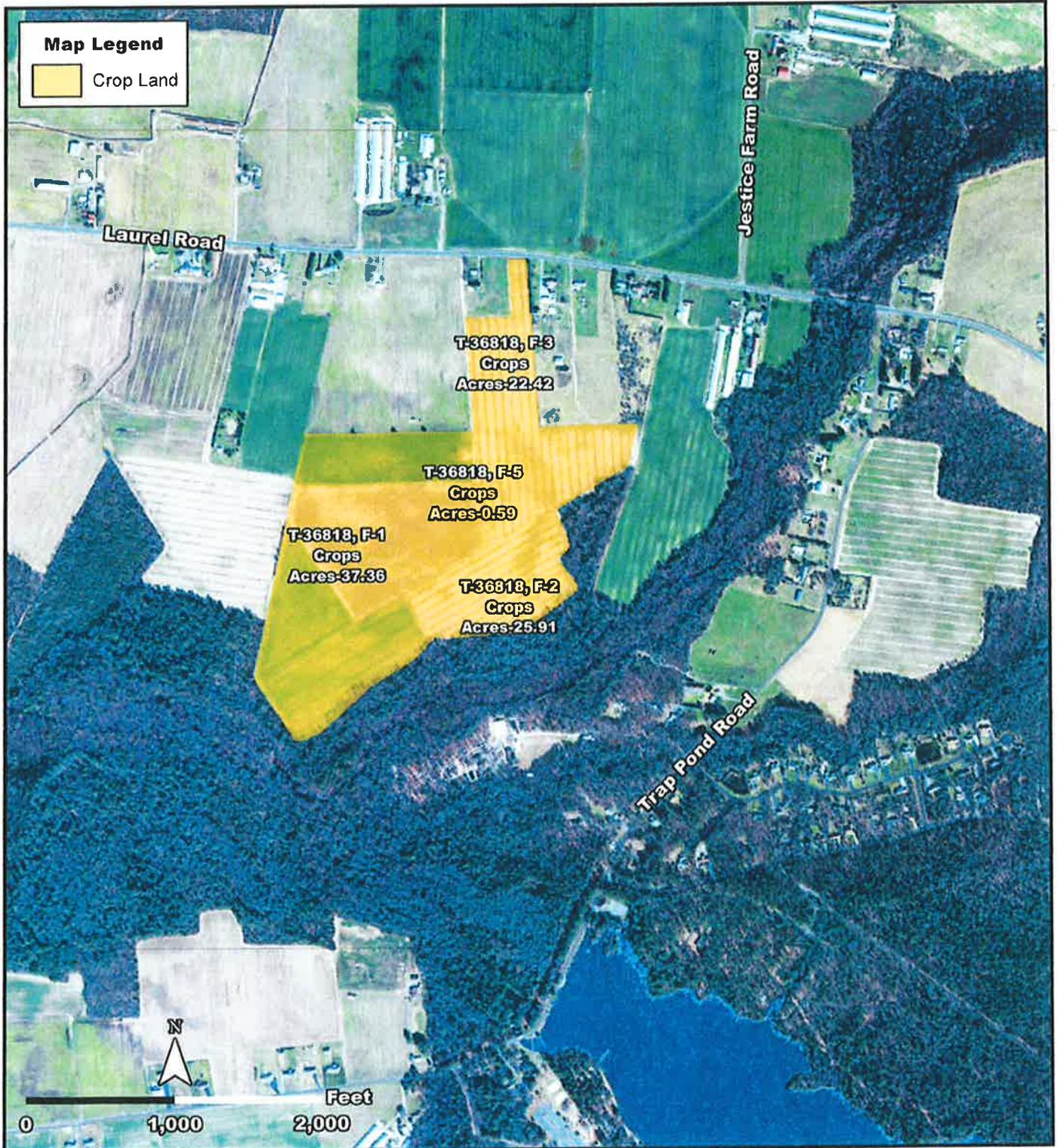
GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires at the end of government service

Delaware State Parks Agricultural Land Lease TPSP-06-2014

- Park
 - Trap Pond State Park
- FSA Tracts and Field numbers
 - Tract 36818 Fields 1, 2, 3, 5 Crops
- Acres
 - 86.28
- County
 - Sussex
- Hundred
 - Broad Creek Hundred
- Tax Parcel Numbers
 - 232-19.00-33.00

- Well/Irrigation Information
 - FSA Tract 36818 contains a well and underground irrigation pipes owned by the Division that serve Fields 1, 2, 3, and 5

Trap Pond State Park
Crop Land for Lease
Ag Lease Number - TPSP-06-2014
FSA Tract 36818
86.28 Total Acres +/-



Jaime Stafford

LEASE #CHSP-02-2014
AGRICULTURAL LANDS
AT
CAPE HENLOPEN STATE PARK

THIS LEASE, made and entered into this 1st day of January, 2014 by and between the State of Delaware, Delaware Division of Parks and Recreation Party of the First Part, hereinafter referred to as "DIVISION,"

AND

Jamie Stafford of 6241 Todd Road, Federalsburg, MD 21632, Party of the Second Part, hereinafter referred to as "TENANT."

WITNESSETH, for and in consideration of the covenants and promises hereinafter contained and the payment of rentals as herein set forth, DIVISION leases and rents to TENANT and TENANT leases and rents from DIVISION, all that certain cleared agricultural land known as Tract 3053 and 3051 of Cape Henlopen State Park, said certain tract of land situate in Lewes and Rehoboth Hundred, Sussex County, State of Delaware, described as all or part of Tax Parcels 334-7.00-30.00, 334-7.00-15.00, 334-7.00-15.02 according to the Sussex County Tax Records and more specifically located on the attached map, hereinafter referred to as "leased land".

1. PARTIES:

The name and address of the Parties are:

DEPARTMENT: Delaware Division of Parks and Recreation
89 Kings Hwy
Dover, DE 19901

TENANT: Jamie Stafford
6241 Todd Road
Federalsburg, MD 21632
(410) 310-5108

2. TERM OF LEASE:

The term of this Lease shall be for ten (10) years beginning in January 2014 and terminating on December 31, 2023 without notice of such termination.

3. ACREAGE:

Fields that are designated and offered for lease by Delaware Division of Parks and Recreation are approximately 393.51 acres. Delaware Division of Parks and Recreation does not guarantee the exact acres of the land for lease.

4. LAND USAGE:

The Land covered under this lease is to be used for the specific agricultural purposes as noted on the map and for no other purposes. Tenant covenants and agrees that it will farm in accordance with generally accepted farming practices and procedures. Failures to do so will be cause for immediate termination of the lease.

5. RENTAL FEE:

TENANT shall pay DIVISION an annual rental fee of \$90,500.00 for each of years one through five. For each of years six through ten, TENANT shall pay a fixed 5% above the years one through five rental fee or \$95,025.00. The annual rental fee is based on an initial charge of \$229.98 per acre for approximately 393.51 acres. DIVISION does not guarantee the exact total acreage of leased land. Rental fees shall be paid to DIVISION on or before January 1st for that lease year. Failure to make timely payments shall be a condition to cancel the lease at any time.

6. ASSIGNMENT OF LEASE:

TENANT shall not assign any interest in this lease without prior written consent of DIVISION. TENANT shall not sublease any part of the leased land.

7. SECURITY:

TENANT covenants and agrees that he will in no way interfere with the security of the Institution or in the Department's ability to carry out its mission.

8. SECURITY INTEREST:

TENANT hereby grants to DIVISION a security interest in the agricultural commodities grown by TENANT on the leased land during the term of this Lease, whether such crops are standing, grown, in storage or in transit, and in any proceeds from the sale, exchange, transfer or other disposition of the collateral or proceeds, to ensure the performance by TENANT under all agreements with DIVISION, as well as payment of any and all sums now, heretofore and hereafter owing to DIVISION by TENANT as a result of TENANT entering into this Lease with DIVISION.

9. USE OF LEASED LAND:

The leased land may be used for producing agricultural commodities, including, but not limited to, grain, vegetable and forage crops and pasture. TENANT agrees to follow good farm management practices and to farm the land in a good and reasonable manner to avoid degradation of the environment and further agrees to the following:

- a) DIVISION reserves the right to cancel this lease on or before January 31 of each year by written notice, given at least sixty (60) calendar days prior to January 31 for non-performance of the contract.
- b) TENANT shall enter into a Conservation Plan for the leased land with the Natural Resources Conservation Service. The Plan shall contain instructions for management of soil fertility, nutrients, erosion control, agricultural chemicals, integrated pest management, and wildlife concerns. The plan shall follow all appropriate state regulations. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- c) TENANT shall enter into a Nutrient Management Plan for the leased land with the Delaware Department of Agriculture. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- d) TENANT shall use all reasonable precautions to avoid the establishment of any noxious weeds, including Johnson grass, Canada thistle, bur cucumber, giant ragweed, Texas panicum, Palmer amaranth, and any additional noxious weeds as specified under Delaware State Law. If TENANT fails to control said vegetation, then DIVISION may terminate this Lease and may contract with an independent vendor to apply appropriate control measures to eradicate said noxious weeds and the cost of such measures shall be the responsibility of the TENANT.
- e) TENANT shall submit to DIVISION, upon request, a list of all agricultural pesticides, herbicides and other chemical sprays to be used on the leased land. All such products shall meet Federal and State standards and, if required, be applied by certified applicators in the appropriate manner and rate as per label instructions. Violation of Federal, State pesticide, herbicide or other chemical spray laws, rules and regulations shall be a condition to cancel the Lease. DIVISION reserves the right to prohibit the use of certain agricultural chemicals, including, but not limited to, fertilizers, herbicides, and pesticides on the leased land. TENANT shall be required to notify the Park Superintendent specifically responsible for the leased land within 48 hours prior to any spraying on leased land. The use of carbofuran (Furadan) in liquid or granular form is prohibited on DIVISION lands.
- f) Any DIVISION leased lands designated as hay fields shall not be cut prior to July 1st for each growing season.
- g) Dumping, depositing, abandoning, discharging, releasing, or storing of any gaseous, liquid or solid hazardous wastes, substances, materials, or debris

of whatever nature on, in, over, or under the ground or into surface or ground water is prohibited, except as permitted by law.

- h) Excavation, digging, removing, or selling of loam, peat, gravel, soil, rock, sand, or any similar material by the TENANT is prohibited. Cover crops are required on DIVISION leased lands. Refer to Special Provisions section (pgs. 8-9) for cover crop requirements.
- i) TENANT shall submit to DIVISION, upon request, an annual harvest report indicating type and amount of agricultural commodity harvested from the leased land.
- j) TENANT may be permitted to participate in Farm Service Agency or similar agricultural assistance programs. Participation in these programs is subject to the written approval of DIVISION.
- k) TENANT shall not construct or install any structures on the leased land without prior written approval of DIVISION.
- l) TENANT may place a well on leased land with prior written approval of DIVISION. Such well would be a fixture to the land and becomes property of DIVISION upon termination of the lease. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such well, the soundness of new or existing wells, and water quantity and quality associated with such wells.
- m) TENANT may install an irrigation system on leased land with prior written approval of DIVISION. All aboveground pipes, pumps, power units, wheeled irrigation units and any other related equipment is property of TENANT. Upon termination of lease TENANT shall remove such property, subject to a removal plan approved by DIVISION, or convey such property to the succeeding TENANT. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such irrigation system.
- n) DIVISION is not responsible for wildlife damages to agricultural commodities on the leased land.
- o) All hunting and trapping rights and privileges and all land use except agricultural leased rights are reserved by DIVISION.
- p) TENANT shall use products and/or services that are provided by Agricultural Businesses which are certified for Best Management Practices (BMP), Good Food Handling Practices (GHP) and Good Agricultural Practices (GAP) through the Delaware Department of Agriculture or surrounding State's equivalent program.

10. RESERVED RIGHTS:

DIVISION reserves the following rights related to the leased land:

- a) Reserves the right to grant easements and rights of way across or upon the leased land. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- b) Reserves the right to create pathways, buffer strips, and hedgerows or to divert land for other DIVISION uses. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- c) Reserves the right of ingress and egress onto and over the leased land for inspection purposes, for enforcement of all laws, rules and regulations of DIVISION and for any other lawful purpose.

11. LIMITATION ON PUBLIC ACCESS:

DIVISION shall coordinate with TENANT any public use of the leased land in order to not negatively impact normal farming operations.

12. HOLD HARMLESS:

TENANT agrees to exercise the rights herein granted at its own risk and covenants and agrees to hold harmless, indemnify and defend DIVISION, its employees, agents and contractors and its personal representatives, successors and assigns (collectively "Indemnified Parties") from and against all liabilities, penalties, costs, losses, damages, expenses, causes of action, claims, demands, or judgments, including, without limitation, reasonable attorneys' fees, arising from or in any way connected with injury to or death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the leased land, regardless of cause, unless due to the gross negligence or willful misconduct of any of the Indemnified Parties.

13. DAMAGES TO PROPERTY:

TENANT agrees to be solely responsible for any and all injury, loss or damage to TENANT'S person, crops, equipment, and property or to equipment and property of others which may be placed on the leased land at TENANT'S request, and TENANT waives and releases any and all claims or rights against DIVISION with respect thereto.

14. INSURANCE:

TENANT shall be insured against liability resulting from any agricultural practice or presence upon the leased land.

15. ASSIGNMENT, INSOLVENCY OR BANKRUPTCY:

Either (a) the appointment of a receiver to take possession of all or substantially all of the assets of TENANT or (b) a general assignment by TENANT for the benefit of creditors or (c) any action taken or suffered by TENANT under any insolvency or bankruptcy act shall constitute a breach of this Lease by TENANT and cause this Lease to terminate immediately.

16. TERMINATION OF LEASE:

TENANT agrees that if it fails to observe or perform any of the conditions or covenants on its part to be observed or performed, or if TENANT knowingly permits any unlawful acts to be carried out upon the leased land, then DIVISION shall have the right to terminate the Lease and to re-enter and repossess the leased land in the manner provided for by the laws of the State of Delaware. If DIVISION terminates this Lease while TENANT has crops growing in the fields, the DIVISION agrees not to take possession of the leased land until after TENANT has harvested the crop during the normal harvest period or, at DIVISION'S option, DIVISION will reimburse TENANT at the fair market value for crops destroyed. TENANT may terminate this Lease by giving DIVISION ninety (90) days' notice in writing. TENANT shall yield peaceable possession of the leased land at the termination of the Lease.

17. TERMINATION FOR CONVENIENCE:

Leases shall remain in effect for the time period and quantity specified unless the Lease is terminated by the State. The State may terminate the Lease at any time by giving written notice of such termination and specifying the effective date thereof, at least sixty (60) days before the effective date of termination.

18. NOTICES:

Any notice, demand, request, consent, approval, or communication that either Party desires or is required to give to the other shall be in writing and either served personally or sent by first class mail, postage prepaid and addressed as per Paragraph 1. Upon written notice from a Party, or a successor in interest, to the other Party hereto, any such notice, demand or other written communication shall be given to that Party or successor at the address indicated in such notice.

19. WAIVER OF BREACH:

The waiver or acceptance by DIVISION of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any continuing or subsequent breach of the same or any other term, covenant or condition herein contained. All waivers or acceptances must be in writing. The subsequent acceptance of rent hereunder by DIVISION shall not be deemed to be a waiver or acceptance of any preceding breach by TENANT of any term, covenant or condition of this Lease, other than the failure of TENANT to pay the particular rental fee so accepted, regardless of DIVISION'S knowledge of such preceding breach at the time of acceptance of such rental fee.

20. LEGAL COSTS AND EXPENSES:

TENANT shall pay and discharge all costs, attorneys' fees and expenses arising from enforcing any covenant or forfeiture hereof.

21. RULES AND REGULATIONS:

The rules and regulations contained in this Lease, as well as such reasonable rules and regulations as may be hereafter adopted by DIVISION for the safety, care and protection of its leased lands and the preservation of good order thereon, are hereby expressly made a part hereof, and TENANT agrees to adhere to all such rules and regulations, after notice of same.

22. REMEDIES:

It is understood and agreed that the remedies herein given to DIVISION shall be cumulative, and the exercise of any one remedy by DIVISION shall not be to the exclusion of any other remedy.

23. BINDING AGREEMENT:

The covenants and conditions herein contained shall apply to and bind the heirs, executors, administrators, successors, and assigns of all of the Parties hereto; and all of the Parties hereto shall be jointly and severally liable hereunder. This Lease shall not be interpreted as a waiver of the sovereign immunity of DIVISION.

24. TIME:

Time is of the essence of this Lease.

25. LAW:

This Lease shall be construed and interpreted in accordance with the laws of the State of Delaware.

26. ENTIRE CONTRACT:

This instrument contains the entire agreement of the Parties and supersedes, cancels, and revokes any and all other agreements between the Parties relating to the subject matter of this Lease. There are no representations or warranties, either oral or written, except those contained in this Lease. This Lease may be modified only by an amendment in writing signed by both Parties.

27. SEVERABILITY:

If any portion of this Lease shall be held invalid or unenforceable, the validity of the remaining portion shall be unaffected and this Lease shall remain in full force and effect as if it had been executed with the invalid portion omitted.

28. SPECIAL PROVISIONS:

Cover Crop Requirements

1. The purpose of the cover crop program is to protect and control soil, water and nutrient resources on the leased land. All leased land is required to have a cover crop based on the following conditions.
2. Eligible species of cover crop are rye, wheat, barley, and spring oats.
3. Early planting is defined as cover crops planted by October 1st.
4. Normal planting is defined as cover crops planted by October 15th.
5. All seed purchased for cover crops should be tested and properly labeled in accordance with Delaware Seed Law and Regulations.
6. If homegrown seed is used, it should be tested prior to planting for purity, germination, and noxious weeds by either the Maryland or Delaware State Seed Laboratory.
7. Cover crops shall be established and actively growing before the expected period(s) of nutrient leaching. No fall application of commercial fertilizers (N and P) or manure is allowed prior to planting the cover crop. No winter application of commercial fertilizer or manure is allowed. Spring application of manure can resume after March 1st in Sussex County and March 15th in Kent and New Castle Counties.
8. TENANT shall maintain a winter cover crop on all tillable acres, unless specifically exempted in writing by DIVISION.

9. If TENANT plans on harvesting the cover crop for grain, then TENANT can apply fertilizer or manure after March 1st.
10. If TENANT plans on planting early peas, then TENANT may destroy the cover crop after February 15th and fertilizer and manure can be applied after such date.
11. TENANT may destroy cover crops by applying an herbicide, by plowing the crop under or by green chopping for on-farm use, only after March 15th.
12. There will be a minimum of a 5% spot check of cover crop acres in the spring after removal of the cover crop.
13. The cover crop requirements should apply to all lands with the possible exception of the wastewater treatment facility land that is part of lease CHSP-02-2014.

IN WITNESS WHEREOF, this Lease has been executed by the Parties hereto as of the day and year above written.

STATE OF DELAWARE
 DEPARTMENT OF NATURAL RESOURCES &
 ENVIRONMENTAL CONTROL
 DIVISION OF PARKS AND RECREATION

Original on File

Witness

Original on File

By: _____
 Name: Collin P. O'Mara
 Title: Secretary

Original on File

Witness

Original on File

By: _____
 Name: Raymond E. Bivens
 Title: Division Director

Original on File

Witness

TENANT
Original on File
 By: _____
 Name: Jamie Stafford

STATE OF DELAWARE)

) SS.

COUNTY OF KENT)

BE IT REMEMBERED, That on this 2 day of April, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Collin P. O'Mara, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said Department.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC
My commission expires on 8/22/15



STATE OF DELAWARE)

) SS.

COUNTY OF KENT)

BE IT REMEMBERED, That on this 28th day of March, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Raymond E. Bivens, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said Division.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

~~NOTARY PUBLIC~~
My commission expires on _____

GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires at the end of government service

STATE OF DELAWARE)

) SS.

COUNTY OF SUSSEX)

BE IT REMEMBERED, That on this 27th day of March, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Jamie Stafford, known personally to be such, and acknowledged the foregoing instrument to be his act and deed.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

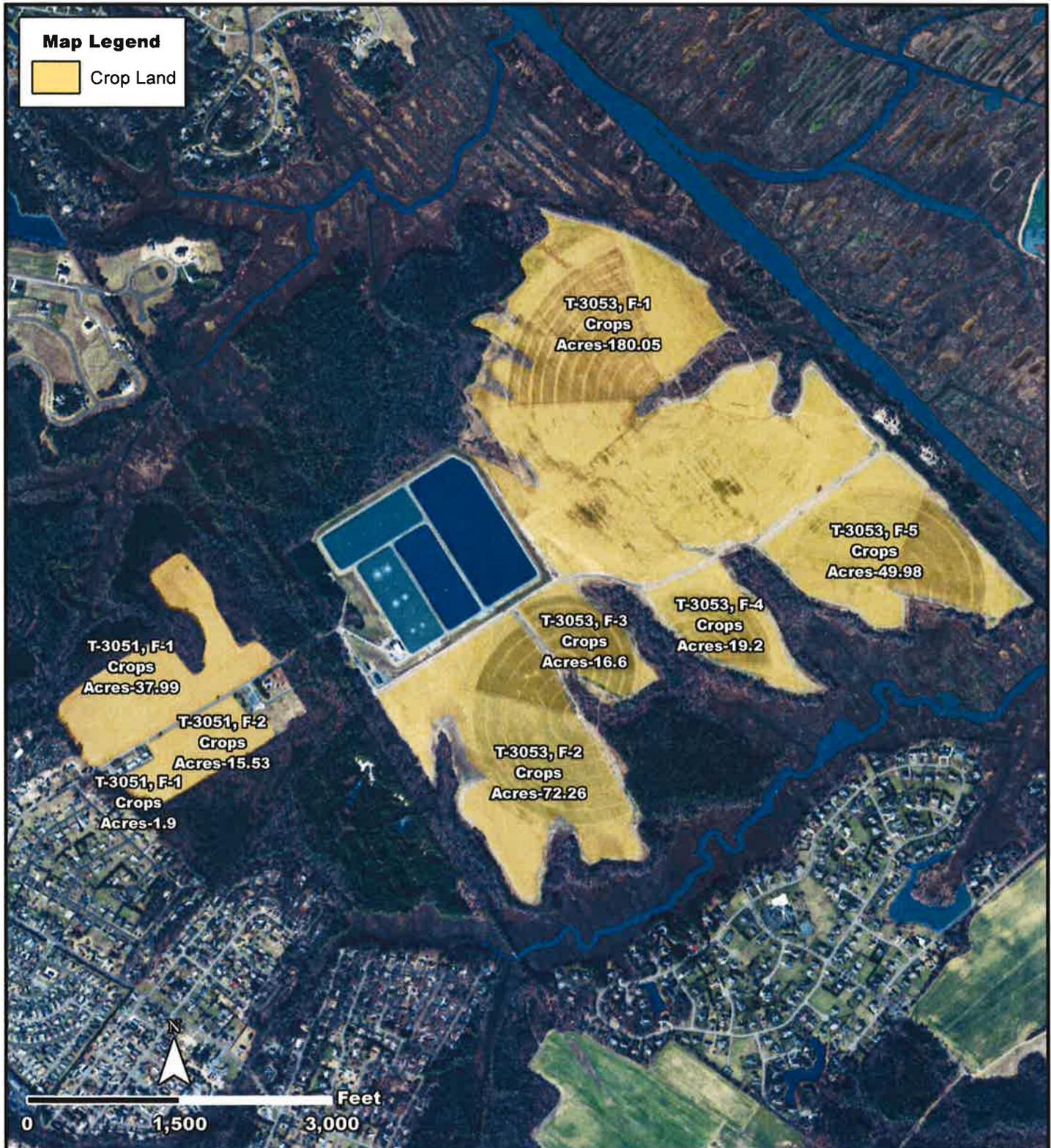
Original on File

NOTARY PUBLIC

My commission expires on _____

CHARLES R. VICKERS
NOTARY PUBLIC
STATE OF DELAWARE
My Commission expires at end
of government service

Cape Henlopen State Park
Crop Land for Lease
Ag Lease Number - CHSP-02-2014
FSA Tract 3053 and Tract 3051
393.51 Total Acres +/-



LEASE #CHSP-01-2014
AGRICULTURAL LANDS
AT
CAPE HENLOPEN STATE PARK

THIS LEASE, made and entered into this 1st day of January, 2014 by and between the State of Delaware, Delaware Division of Parks and Recreation Party of the First Part, hereinafter referred to as "DIVISION,"

AND

Jamie Stafford of 6241 Todd Road, Federalsburg, MD 21632, Party of the Second Part, hereinafter referred to as "TENANT."

WITNESSETH, for and in consideration of the covenants and promises hereinafter contained and the payment of rentals as herein set forth, DIVISION leases and rents to TENANT and TENANT leases and rents from DIVISION, all that certain cleared agricultural land known as part of Tract 39578 and all of Tract 3055 of Cape Henlopen State Park, said certain tract of land situate in Lewes and Rehoboth Hundred, Sussex County, State of Delaware, described as all or part of Tax Parcels 334-13.00-325.43, 334-13.00-361.00, 334-13.00-328.01, 334-13.00-328.02, 334-13.00-328.03, 334-13.00-328.04, 334-13.00-328.05, 334-13.00-328.06, 334-13.00-328.07, and 334-13.00-328.09 according to the Sussex County Tax Records and more specifically located on the attached map, hereinafter referred to as "leased land".

1. PARTIES:

The name and address of the Parties are:

DEPARTMENT: Delaware Division of Parks and Recreation
89 Kings Hwy
Dover, DE 19901

TENANT: Jamie Stafford
6241 Todd Road
Federalsburg, MD 21632
(410) 310-5108

2. TERM OF LEASE:

The term of this Lease shall be for ten (10) years beginning in January 2014 and terminating on December 31, 2023 without notice of such termination.

3. ACREAGE:

Fields that are designated and offered for lease by Delaware Division of Parks and

Recreation are approximately 115.93 acres. Delaware Division of Parks and Recreation does not guarantee the exact acres of the land for lease.

4. LAND USAGE:

The Land covered under this lease is to be used for the specific agricultural purposes as noted on the map and for no other purposes. Tenant covenants and agrees that it will farm in accordance with generally accepted farming practices and procedures. Failures to do so will be cause for immediate termination of the lease.

5. RENTAL FEE:

TENANT shall pay DIVISION an annual rental fee of \$19,116.86 for each of years one through five. For each of years six through ten, TENANT shall pay a fixed 5% above the years' one through five rental fee or \$20,072.70. The annual rental fee is based on an initial charge of \$164.90 per acre for approximately 115.93 acres. DIVISION does not guarantee the exact total acreage of leased land. Rental fees shall be paid to DIVISION on or before January 1st for that lease year. Failure to make timely payments shall be a condition to cancel the lease at any time.

6. ASSIGNMENT OF LEASE:

TENANT shall not assign any interest in this lease without prior written consent of DIVISION. TENANT shall not sublease any part of the leased land.

7. SECURITY:

TENANT covenants and agrees that he will in no way interfere with the security of the Institution or in the Department's ability to carry out its mission.

8. SECURITY INTEREST:

TENANT hereby grants to DIVISION a security interest in the agricultural commodities grown by TENANT on the leased land during the term of this Lease, whether such crops are standing, grown, in storage or in transit, and in any proceeds from the sale, exchange, transfer or other disposition of the collateral or proceeds, to ensure the performance by TENANT under all agreements with DIVISION, as well as payment of any and all sums now, heretofore and hereafter owing to DIVISION by TENANT as a result of TENANT entering into this Lease with DIVISION.

9. USE OF LEASED LAND:

The leased land may be used for producing agricultural commodities, including, but not limited to, grain, vegetable and forage crops and pasture. TENANT agrees to follow good farm management practices and to farm the land in a good and

reasonable manner to avoid degradation of the environment and further agrees to the following:

- a) DIVISION reserves the right to cancel this lease on or before January 31 of each year by written notice, given at least sixty (60) calendar days prior to January 31 for non-performance of the contract.
- b) TENANT shall enter into a Conservation Plan for the leased land with the Natural Resources Conservation Service. The Plan shall contain instructions for management of soil fertility, nutrients, erosion control, agricultural chemicals, integrated pest management, and wildlife concerns. The plan shall follow all appropriate state regulations. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- c) TENANT shall enter into a Nutrient Management Plan for the leased land with the Delaware Department of Agriculture. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- d) TENANT shall use all reasonable precautions to avoid the establishment of any noxious weeds, including Johnson grass, Canada thistle, bur cucumber, giant ragweed, Texas panicum, Palmer amaranth, and any additional noxious weeds as specified under Delaware State Law. If TENANT fails to control said vegetation, then DIVISION may terminate this Lease and may contract with an independent vendor to apply appropriate control measures to eradicate said noxious weeds and the cost of such measures shall be the responsibility of the TENANT.
- e) TENANT shall submit to DIVISION, upon request, a list of all agricultural pesticides, herbicides and other chemical sprays to be used on the leased land. All such products shall meet Federal and State standards and, if required, be applied by certified applicators in the appropriate manner and rate as per label instructions. Violation of Federal, State pesticide, herbicide or other chemical spray laws, rules and regulations shall be a condition to cancel the Lease. DIVISION reserves the right to prohibit the use of certain agricultural chemicals, including, but not limited to, fertilizers, herbicides, and pesticides on the leased land. TENANT shall be required to notify the Park Superintendent specifically responsible for the leased land within 48 hours prior to any spraying on leased land. The use of carbofuran (Furadan) in liquid or granular form is prohibited on DIVISION lands.
- f) Any DIVISION leased lands designated as hay fields shall not be cut prior to July 1st for each growing season.

- g) Dumping, depositing, abandoning, discharging, releasing, or storing of any gaseous, liquid or solid hazardous wastes, substances, materials, or debris of whatever nature on, in, over, or under the ground or into surface or ground water is prohibited, except as permitted by law.
- h) Excavation, digging, removing, or selling of loam, peat, gravel, soil, rock, sand, or any similar material by the TENANT is prohibited. Cover crops are required on DIVISION leased lands. Refer to Special Provisions section (pgs. 8-9) for cover crop requirements.
- i) TENANT shall submit to DIVISION, upon request, an annual harvest report indicating type and amount of agricultural commodity harvested from the leased land.
- j) TENANT may be permitted to participate in Farm Service Agency or similar agricultural assistance programs. Participation in these programs is subject to the written approval of DIVISION.
- k) TENANT shall not construct or install any structures on the leased land without prior written approval of DIVISION.
- l) TENANT may place a well on leased land with prior written approval of DIVISION. Such well would be a fixture to the land and becomes property of DIVISION upon termination of the lease. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such well, the soundness of new or existing wells, and water quantity and quality associated with such wells.
- m) TENANT may install an irrigation system on leased land with prior written approval of DIVISION. All aboveground pipes, pumps, power units, wheeled irrigation units and any other related equipment is property of TENANT. Upon termination of lease TENANT shall remove such property, subject to a removal plan approved by DIVISION, or convey such property to the succeeding TENANT. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such irrigation system.
- n) DIVISION is not responsible for wildlife damages to agricultural commodities on the leased land.
- o) All hunting and trapping rights and privileges and all land use except agricultural leased rights are reserved by DIVISION.
- p) TENANT shall use products and/or services that are provided by Agricultural Businesses which are certified for Best Management Practices (BMP), Good Food Handling Practices (GHP) and Good Agricultural

Practices (GAP) through the Delaware Department of Agriculture or surrounding State's equivalent program.

10. RESERVED RIGHTS:

DIVISION reserves the following rights related to the leased land:

- a) Reserves the right to grant easements and rights of way across or upon the leased land. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- b) Reserves the right to create pathways, buffer strips, and hedgerows or to divert land for other DIVISION uses. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- c) Reserves the right of ingress and egress onto and over the leased land for inspection purposes, for enforcement of all laws, rules and regulations of DIVISION and for any other lawful purpose.

11. LIMITATION ON PUBLIC ACCESS:

DIVISION shall coordinate with TENANT any public use of the leased land in order to not negatively impact normal farming operations.

12. HOLD HARMLESS:

TENANT agrees to exercise the rights herein granted at its own risk and covenants and agrees to hold harmless, indemnify and defend DIVISION, its employees, agents and contractors and its personal representatives, successors and assigns (collectively "Indemnified Parties") from and against all liabilities, penalties, costs, losses, damages, expenses, causes of action, claims, demands, or judgments, including, without limitation, reasonable attorneys' fees, arising from or in any way connected with injury to or death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the leased land, regardless of cause, unless due to the gross negligence or willful misconduct of any of the Indemnified Parties.

13. DAMAGES TO PROPERTY:

TENANT agrees to be solely responsible for any and all injury, loss or damage to TENANT'S person, crops, equipment, and property or to equipment and property of others which may be placed on the leased land at TENANT'S request, and TENANT waives and releases any and all claims or rights against DIVISION with respect thereto.

14. INSURANCE:

TENANT shall be insured against liability resulting from any agricultural practice or presence upon the leased land.

15. ASSIGNMENT, INSOLVENCY OR BANKRUPTCY:

Either (a) the appointment of a receiver to take possession of all or substantially all of the assets of TENANT or (b) a general assignment by TENANT for the benefit of creditors or (c) any action taken or suffered by TENANT under any insolvency or bankruptcy act shall constitute a breach of this Lease by TENANT and cause this Lease to terminate immediately.

16. TERMINATION OF LEASE:

TENANT agrees that if it fails to observe or perform any of the conditions or covenants on its part to be observed or performed, or if TENANT knowingly permits any unlawful acts to be carried out upon the leased land, then DIVISION shall have the right to terminate the Lease and to re-enter and repossess the leased land in the manner provided for by the laws of the State of Delaware. If DIVISION terminates this Lease while TENANT has crops growing in the fields, the DIVISION agrees not to take possession of the leased land until after TENANT has harvested the crop during the normal harvest period or, at DIVISION'S option, DIVISION will reimburse TENANT at the fair market value for crops destroyed. TENANT may terminate this Lease by giving DIVISION ninety (90) days' notice in writing. TENANT shall yield peaceable possession of the leased land at the termination of the Lease.

17. TERMINATION FOR CONVENIENCE:

Leases shall remain in effect for the time period and quantity specified unless the Lease is terminated by the State. The State may terminate the Lease at any time by giving written notice of such termination and specifying the effective date thereof, at least sixty (60) days before the effective date of termination.

18. NOTICES:

Any notice, demand, request, consent, approval, or communication that either Party desires or is required to give to the other shall be in writing and either served personally or sent by first class mail, postage prepaid and addressed as per Paragraph 1. Upon written notice from a Party, or a successor in interest, to the other Party hereto, any such notice, demand or other written communication shall be given to that Party or successor at the address indicated in such notice.

19. WAIVER OF BREACH:

The waiver or acceptance by DIVISION of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any continuing or subsequent breach of the same or any other term, covenant or condition herein contained. All waivers or acceptances must be in writing. The subsequent acceptance of rent hereunder by DIVISION shall not be deemed to be a waiver or acceptance of any preceding breach by TENANT of any term, covenant or condition of this Lease, other than the failure of TENANT to pay the particular rental fee so accepted, regardless of DIVISION'S knowledge of such preceding breach at the time of acceptance of such rental fee.

20. LEGAL COSTS AND EXPENSES:

TENANT shall pay and discharge all costs, attorneys' fees and expenses arising from enforcing any covenant or forfeiture hereof.

21. RULES AND REGULATIONS:

The rules and regulations contained in this Lease, as well as such reasonable rules and regulations as may be hereafter adopted by DIVISION for the safety, care and protection of its leased lands and the preservation of good order thereon, are hereby expressly made a part hereof, and TENANT agrees to adhere to all such rules and regulations, after notice of same.

22. REMEDIES:

It is understood and agreed that the remedies herein given to DIVISION shall be cumulative, and the exercise of any one remedy by DIVISION shall not be to the exclusion of any other remedy.

23. BINDING AGREEMENT:

The covenants and conditions herein contained shall apply to and bind the heirs, executors, administrators, successors, and assigns of all of the Parties hereto; and all of the Parties hereto shall be jointly and severally liable hereunder. This Lease shall not be interpreted as a waiver of the sovereign immunity of DIVISION.

24. TIME:

Time is of the essence of this Lease.

25. LAW:

This Lease shall be construed and interpreted in accordance with the laws of the State of Delaware.

26. ENTIRE CONTRACT:

This instrument contains the entire agreement of the Parties and supersedes, cancels, and revokes any and all other agreements between the Parties relating to the subject matter of this Lease. There are no representations or warranties, either oral or written, except those contained in this Lease. This Lease may be modified only by an amendment in writing signed by both Parties.

27. SEVERABILITY:

If any portion of this Lease shall be held invalid or unenforceable, the validity of the remaining portion shall be unaffected and this Lease shall remain in full force and effect as if it had been executed with the invalid portion omitted.

28. SPECIAL PROVISIONS:

Cover Crop Requirements

1. The purpose of the cover crop program is to protect and control soil, water and nutrient resources on the leased land. All leased land is required to have a cover crop based on the following conditions.
2. Eligible species of cover crop are rye, wheat, barley, and spring oats.
3. Early planting is defined as cover crops planted by October 1st.
4. Normal planting is defined as cover crops planted by October 15th.
5. All seed purchased for cover crops should be tested and properly labeled in accordance with Delaware Seed Law and Regulations.
6. If homegrown seed is used, it should be tested prior to planting for purity, germination, and noxious weeds by either the Maryland or Delaware State Seed Laboratory.
7. Cover crops shall be established and actively growing before the expected period(s) of nutrient leaching. No fall application of commercial fertilizers (N and P) or manure is allowed prior to planting the cover crop. No winter application of commercial fertilizer or manure is allowed. Spring application of manure can resume after March 1st in Sussex County and March 15th in Kent and New Castle Counties.
8. TENANT shall maintain a winter cover crop on all tillable acres, unless specifically exempted in writing by DIVISION.

9. If TENANT plans on harvesting the cover crop for grain, then TENANT can apply fertilizer or manure after March 1st.
10. If TENANT plans on planting early peas, then TENANT may destroy the cover crop after February 15th and fertilizer and manure can be applied after such date.
11. TENANT may destroy cover crops by applying an herbicide, by plowing the crop under or by green chopping for on-farm use, only after March 15th.
12. There will be a minimum of a 5% spot check of cover crop acres in the spring after removal of the cover crop.

IN WITNESS WHEREOF, this Lease has been executed by the Parties hereto as of the day and year above written.

STATE OF DELAWARE
 DEPARTMENT OF NATURAL RESOURCES &
 ENVIRONMENTAL CONTROL
 DIVISION OF PARKS AND RECREATION

Original on File

Witness

Original on File

By:

Name: Collin P. O'Mara

Title: Secretary

Original on File

Witness

Original on File

By:

Name: Raymond E. Bivens

Title: Division Director

Original on File

Witness

TENANT

Original on File

By:

Name: Jamie Stafford

STATE OF DELAWARE)
) SS.
COUNTY OF KENT)

BE IT REMEMBERED, That on this 2 day of April, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Collin P. O'Mara, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said Department.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC
My commission expires on 8/22/15



STATE OF DELAWARE)
) SS.
COUNTY OF KENT)

BE IT REMEMBERED, That on this 29th day of March, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Raymond E. Bivens, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said Division.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC
My commission expires on _____

GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires at the end of government service

STATE OF DELAWARE)
) SS.
COUNTY OF SUSSEX)

BE IT REMEMBERED, That on this 27th day of March, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Jamie Stafford, known personally to be such, and acknowledged the foregoing instrument to be his act and deed.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC
My commission expires on _____

CHARLES R. VICKERS
NOTARY PUBLIC
STATE OF DELAWARE
My Commission expires at end
of government service

Cape Henlopen State Park
Crop Land for Lease
Ag Lease Number - CHSP-01-2014
FSA Tract 39578 and Tract 3055
115.93 Total Acres +/-



LEASE #CHSP-03-2014
AGRICULTURAL LANDS
AT
CAPE HENLOPEN STATE PARK

THIS LEASE, made and entered into this 1st day of January, 2014 by and between the State of Delaware, Delaware Division of Parks and Recreation Party of the First Part, hereinafter referred to as "DIVISION,"

AND

Jamie Stafford of 6241 Todd Road, Federalsburg, MD 21632, Party of the Second Part, hereinafter referred to as "TENANT."

WITNESSETH, for and in consideration of the covenants and promises hereinafter contained and the payment of rentals as herein set forth, DIVISION leases and rents to TENANT and TENANT leases and rents from DIVISION, all that certain cleared agricultural land known as Tract 3062 and 30917 of Cape Henlopen State Park, said certain tract of land situate in Lewes and Rehoboth Hundred, Sussex County, State of Delaware, described as all or part of Tax Parcels 334-13.00-333.00, 334-13.00-332.00 according to the Sussex County Tax Records and more specifically located on the attached map, hereinafter referred to as "leased land".

1. PARTIES:

The name and address of the Parties are:

DEPARTMENT: Delaware Division of Parks and Recreation
89 Kings Hwy
Dover, DE 19901

TENANT: Jamie Stafford
6241 Todd Road
Federalsburg, MD 21632
(410) 310-5108

2. TERM OF LEASE:

The term of this Lease shall be for ten (10) years beginning in January 2014 and terminating on December 31, 2023 without notice of such termination.

3. ACREAGE:

Fields that are designated and offered for lease by Delaware Division of Parks and Recreation are approximately 128.17 acres. Delaware Division of Parks and Recreation does not guarantee the exact acres of the land for lease.

4. LAND USAGE:

The Land covered under this lease is to be used for the specific agricultural purposes as noted on the map and for no other purposes. Tenant covenants and agrees that it will farm in accordance with generally accepted farming practices and procedures. Failures to do so will be cause for immediate termination of the lease.

5. RENTAL FEE:

TENANT shall pay DIVISION an annual rental fee of \$24,350.00 for each of years one through five. For each of years six through ten, TENANT shall pay a fixed 5% above the years one through five rental fee or \$25,567.50. The annual rental fee is based on an initial charge of \$189.98 per acre for approximately 128.17 acres. DIVISION does not guarantee the exact total acreage of leased land. Rental fees shall be paid to DIVISION on or before January 1st for that lease year. Failure to make timely payments shall be a condition to cancel the lease at any time.

6. ASSIGNMENT OF LEASE:

TENANT shall not assign any interest in this lease without prior written consent of DIVISION. TENANT shall not sublease any part of the leased land.

7. SECURITY:

TENANT covenants and agrees that he will in no way interfere with the security of the Institution or in the Department's ability to carry out its mission.

8. SECURITY INTEREST:

TENANT hereby grants to DIVISION a security interest in the agricultural commodities grown by TENANT on the leased land during the term of this Lease, whether such crops are standing, grown, in storage or in transit, and in any proceeds from the sale, exchange, transfer or other disposition of the collateral or proceeds, to ensure the performance by TENANT under all agreements with DIVISION, as well as payment of any and all sums now, heretofore and hereafter owing to DIVISION by TENANT as a result of TENANT entering into this Lease with DIVISION.

9. USE OF LEASED LAND:

The leased land may be used for producing agricultural commodities, including, but not limited to, grain, vegetable and forage crops and pasture. TENANT agrees to follow good farm management practices and to farm the land in a good and reasonable manner to avoid degradation of the environment and further agrees to the following:

- a) DIVISION reserves the right to cancel this lease on or before January 31 of each year by written notice, given at least sixty (60) calendar days prior to January 31 for non-performance of the contract.
- b) TENANT shall enter into a Conservation Plan for the leased land with the Natural Resources Conservation Service. The Plan shall contain instructions for management of soil fertility, nutrients, erosion control, agricultural chemicals, integrated pest management, and wildlife concerns. The plan shall follow all appropriate state regulations. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- c) TENANT shall enter into a Nutrient Management Plan for the leased land with the Delaware Department of Agriculture. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- d) TENANT shall use all reasonable precautions to avoid the establishment of any noxious weeds, including Johnson grass, Canada thistle, bur cucumber, giant ragweed, Texas panicum, Palmer amaranth, and any additional noxious weeds as specified under Delaware State Law. If TENANT fails to control said vegetation, then DIVISION may terminate this Lease and may contract with an independent vendor to apply appropriate control measures to eradicate said noxious weeds and the cost of such measures shall be the responsibility of the TENANT.
- e) TENANT shall submit to DIVISION, upon request, a list of all agricultural pesticides, herbicides and other chemical sprays to be used on the leased land. All such products shall meet Federal and State standards and, if required, be applied by certified applicators in the appropriate manner and rate as per label instructions. Violation of Federal, State pesticide, herbicide or other chemical spray laws, rules and regulations shall be a condition to cancel the Lease. DIVISION reserves the right to prohibit the use of certain agricultural chemicals, including, but not limited to, fertilizers, herbicides, and pesticides on the leased land. TENANT shall be required to notify the Park Superintendent specifically responsible for the leased land within 48 hours prior to any spraying on leased land. The use of carbofuran (Furadan) in liquid or granular form is prohibited on DIVISION lands.
- f) Any DIVISION leased lands designated as hay fields shall not be cut prior to July 1st for each growing season.
- g) Dumping, depositing, abandoning, discharging, releasing, or storing of any gaseous, liquid or solid hazardous wastes, substances, materials, or debris of whatever nature on, in, over, or under the ground or into surface or

ground water is prohibited, except as permitted by law.

- h) Excavation, digging, removing, or selling of loam, peat, gravel, soil, rock, sand, or any similar material by the TENANT is prohibited. Cover crops are required on DIVISION leased lands. Refer to Special Provisions section (pgs. 8-9) for cover crop requirements.
- i) TENANT shall submit to DIVISION, upon request, an annual harvest report indicating type and amount of agricultural commodity harvested from the leased land.
- j) TENANT may be permitted to participate in Farm Service Agency or similar agricultural assistance programs. Participation in these programs is subject to the written approval of DIVISION.
- k) TENANT shall not construct or install any structures on the leased land without prior written approval of DIVISION.
- l) TENANT may place a well on leased land with prior written approval of DIVISION. Such well would be a fixture to the land and becomes property of DIVISION upon termination of the lease. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such well, the soundness of new or existing wells, and water quantity and quality associated with such wells.
- m) TENANT may install an irrigation system on leased land with prior written approval of DIVISION. All aboveground pipes, pumps, power units, wheeled irrigation units and any other related equipment is property of TENANT. Upon termination of lease TENANT shall remove such property, subject to a removal plan approved by DIVISION, or convey such property to the succeeding TENANT. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such irrigation system.
- n) DIVISION is not responsible for wildlife damages to agricultural commodities on the leased land.
- o) All hunting and trapping rights and privileges and all land use except agricultural leased rights are reserved by DIVISION.
- p) TENANT shall use products and/or services that are provided by Agricultural Businesses which are certified for Best Management Practices (BMP), Good Food Handling Practices (GHP) and Good Agricultural Practices (GAP) through the Delaware Department of Agriculture or surrounding State's equivalent program.

10. RESERVED RIGHTS:

DIVISION reserves the following rights related to the leased land:

- a) Reserves the right to grant easements and rights of way across or upon the leased land. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- b) Reserves the right to create pathways, buffer strips, and hedgerows or to divert land for other **DIVISION** uses. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- c) Reserves the right of ingress and egress onto and over the leased land for inspection purposes, for enforcement of all laws, rules and regulations of **DIVISION** and for any other lawful purpose.

11. LIMITATION ON PUBLIC ACCESS:

DIVISION shall coordinate with **TENANT** any public use of the leased land in order to not negatively impact normal farming operations.

12. HOLD HARMLESS:

TENANT agrees to exercise the rights herein granted at its own risk and covenants and agrees to hold harmless, indemnify and defend **DIVISION**, its employees, agents and contractors and its personal representatives, successors and assigns (collectively "Indemnified Parties") from and against all liabilities, penalties, costs, losses, damages, expenses, causes of action, claims, demands, or judgments, including, without limitation, reasonable attorneys' fees, arising from or in any way connected with injury to or death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the leased land, regardless of cause, unless due to the gross negligence or willful misconduct of any of the Indemnified Parties.

13. DAMAGES TO PROPERTY:

TENANT agrees to be solely responsible for any and all injury, loss or damage to **TENANT'S** person, crops, equipment, and property or to equipment and property of others which may be placed on the leased land at **TENANT'S** request, and **TENANT** waives and releases any and all claims or rights against **DIVISION** with respect thereto.

14. INSURANCE:

TENANT shall be insured against liability resulting from any agricultural practice or presence upon the leased land.

15. ASSIGNMENT, INSOLVENCY OR BANKRUPTCY:

Either (a) the appointment of a receiver to take possession of all or substantially all of the assets of TENANT or (b) a general assignment by TENANT for the benefit of creditors or (c) any action taken or suffered by TENANT under any insolvency or bankruptcy act shall constitute a breach of this Lease by TENANT and cause this Lease to terminate immediately.

16. TERMINATION OF LEASE:

TENANT agrees that if it fails to observe or perform any of the conditions or covenants on its part to be observed or performed, or if TENANT knowingly permits any unlawful acts to be carried out upon the leased land, then DIVISION shall have the right to terminate the Lease and to re-enter and repossess the leased land in the manner provided for by the laws of the State of Delaware. If DIVISION terminates this Lease while TENANT has crops growing in the fields, the DIVISION agrees not to take possession of the leased land until after TENANT has harvested the crop during the normal harvest period or, at DIVISION'S option, DIVISION will reimburse TENANT at the fair market value for crops destroyed. TENANT may terminate this Lease by giving DIVISION ninety (90) days' notice in writing. TENANT shall yield peaceable possession of the leased land at the termination of the Lease.

17. TERMINATION FOR CONVENIENCE:

Leases shall remain in effect for the time period and quantity specified unless the Lease is terminated by the State. The State may terminate the Lease at any time by giving written notice of such termination and specifying the effective date thereof, at least sixty (60) days before the effective date of termination.

18. NOTICES:

Any notice, demand, request, consent, approval, or communication that either Party desires or is required to give to the other shall be in writing and either served personally or sent by first class mail, postage prepaid and addressed as per Paragraph 1. Upon written notice from a Party, or a successor in interest, to the other Party hereto, any such notice, demand or other written communication shall be given to that Party or successor at the address indicated in such notice.

19. WAIVER OF BREACH:

The waiver or acceptance by DIVISION of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any continuing or subsequent breach of the same or any

other term, covenant or condition herein contained. All waivers or acceptances must be in writing. The subsequent acceptance of rent hereunder by DIVISION shall not be deemed to be a waiver or acceptance of any preceding breach by TENANT of any term, covenant or condition of this Lease, other than the failure of TENANT to pay the particular rental fee so accepted, regardless of DIVISION'S knowledge of such preceding breach at the time of acceptance of such rental fee.

20. LEGAL COSTS AND EXPENSES:

TENANT shall pay and discharge all costs, attorneys' fees and expenses arising from enforcing any covenant or forfeiture hereof.

21. RULES AND REGULATIONS:

The rules and regulations contained in this Lease, as well as such reasonable rules and regulations as may be hereafter adopted by DIVISION for the safety, care and protection of its leased lands and the preservation of good order thereon, are hereby expressly made a part hereof, and TENANT agrees to adhere to all such rules and regulations, after notice of same.

22. REMEDIES:

It is understood and agreed that the remedies herein given to DIVISION shall be cumulative, and the exercise of any one remedy by DIVISION shall not be to the exclusion of any other remedy.

23. BINDING AGREEMENT:

The covenants and conditions herein contained shall apply to and bind the heirs, executors, administrators, successors, and assigns of all of the Parties hereto; and all of the Parties hereto shall be jointly and severally liable hereunder. This Lease shall not be interpreted as a waiver of the sovereign immunity of DIVISION.

24. TIME:

Time is of the essence of this Lease.

25. LAW:

This Lease shall be construed and interpreted in accordance with the laws of the State of Delaware.

26. ENTIRE CONTRACT:

This instrument contains the entire agreement of the Parties and supersedes, cancels, and revokes any and all other agreements between the Parties relating to the subject matter of this Lease. There are no representations or warranties, either oral or written, except those contained in this Lease. This Lease may be modified only by an amendment in writing signed by both Parties.

27. SEVERABILITY:

If any portion of this Lease shall be held invalid or unenforceable, the validity of the remaining portion shall be unaffected and this Lease shall remain in full force and effect as if it had been executed with the invalid portion omitted.

28. SPECIAL PROVISIONS:

Cover Crop Requirements

1. The purpose of the cover crop program is to protect and control soil, water and nutrient resources on the leased land. All leased land is required to have a cover crop based on the following conditions.
2. Eligible species of cover crop are rye, wheat, barley, and spring oats.
3. Early planting is defined as cover crops planted by October 1st.
4. Normal planting is defined as cover crops planted by October 15th.
5. All seed purchased for cover crops should be tested and properly labeled in accordance with Delaware Seed Law and Regulations.
6. If homegrown seed is used, it should be tested prior to planting for purity, germination, and noxious weeds by either the Maryland or Delaware State Seed Laboratory.
7. Cover crops shall be established and actively growing before the expected period(s) of nutrient leaching. No fall application of commercial fertilizers (N and P) or manure is allowed prior to planting the cover crop. No winter application of commercial fertilizer or manure is allowed. Spring application of manure can resume after March 1st in Sussex County and March 15th in Kent and New Castle Counties.
8. TENANT shall maintain a winter cover crop on all tillable acres, unless specifically exempted in writing by DIVISION.
9. If TENANT plans on harvesting the cover crop for grain, then TENANT can apply fertilizer or manure after March 1st.

10. If TENANT plans on planting early peas, then TENANT may destroy the cover crop after February 15th and fertilizer and manure can be applied after such date.
11. TENANT may destroy cover crops by applying an herbicide, by plowing the crop under or by green chopping for on-farm use, only after March 15th.
12. There will be a minimum of a 5% spot check of cover crop acres in the spring after removal of the cover crop.
13. The cover crop requirements should apply to all lands with the possible exception of the wastewater treatment facility land that is part of lease CHSP-02-2014.

IN WITNESS WHEREOF, this Lease has been executed by the Parties hereto as of the day and year above written.

STATE OF DELAWARE
 DEPARTMENT OF NATURAL RESOURCES &
 ENVIRONMENTAL CONTROL
 DIVISION OF PARKS AND RECREATION

Original on File

 Witness

Original on File
 By: _____
 Name: Collin P. O'Mara
 Title: Secretary

Original on File

 Witness

Original on File
 By: _____
 Name: Raymond E. Bivens
 Title: Division Director

Original on File

 Witness

TENANT
Original on File
 By: _____
 Name: Jamie Stafford

STATE OF DELAWARE)
) SS.
COUNTY OF KENT)

BE IT REMEMBERED, That on this 2 day of April, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Collin P. O'Mara, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said Department.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC
My commission expires on 8/22/15



STATE OF DELAWARE)
) SS.
COUNTY OF KENT)

BE IT REMEMBERED, That on this 28th day of March, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Raymond E. Bivens, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said Division.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC
My commission expires on _____

GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires at the end of government service

STATE OF DELAWARE)
) SS.
COUNTY OF SUSSEX)

BE IT REMEMBERED, That on this 27th day of March, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Jamie Stafford, known personally to be such, and acknowledged the foregoing instrument to be his act and deed.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC
My commission expires on _____

CHARLES R. VICKERS
NOTARY PUBLIC
STATE OF DELAWARE
My Commission expires at end of government service

Cape Henlopen State Park
Crop Land for Lease
Ag Lease Number - CHSP-03-2014
FSA Tract 3062 and Tract 39017
128.17 Total Acres +/-



LEASE # KPSP-01-2014
AGRICULTURAL LANDS
AT
KILLENS POND STATE PARK

THIS LEASE, made and entered into this 1st day of January, 2014 by and between the State of Delaware, Delaware Division of Parks and Recreation Party of the First Part, hereinafter referred to as "DIVISION,"

AND

Jaime Stafford of 6241 Todd Road, Federalsburg, MD 21632, Party of the Second Part, hereinafter referred to as "TENANT."

WITNESSETH, for and in consideration of the covenants and promises hereinafter contained and the payment of rentals as herein set forth, DEPARTMENT leases and rents TENANT and TENANT leases and rents from DEPARTMENT, all that certain cleared agricultural land Tract 2941, 2946 and 2977 of Killens Pond State Park, said certain tract of land situate in South Murderkill Hundred, Kent County, State of Delaware, described as Parcel No. SM00-140.00-01-41.00, SM00-139.00-01-55.00, 55.01, 55.03, 55.04, 55.05, 55.06, 55.07, 55.08, 55.09, 55.10, 55.11, 55.12, 55.13, 55.14, 55.15 55.16, 55.20, 55.21, SM00-140.00-01-43.00 according to the Kent County Tax Records and more specifically located on the attached map, hereinafter referred to as "leased land".

1. PARTIES:

The name and address of the Parties are:

DEPARTMENT: Delaware Division of Parks and Recreation
89 Kings Hwy
Dover, DE 19901

TENANT: Jaime Stafford
6241 Todd Road
Federalsburg, MD 21632
(302) 310-5108

2. TERM OF LEASE:

The term of this Lease shall be for ten (10) years beginning in January 2014 and terminating on December 31, 2023 without notice of such termination.

3. ACREAGE:

Fields that are designated and offered for lease by Delaware Division of Parks and

Recreation are approximately 261.12 acres. Delaware Division of Parks and Recreation does not guarantee the exact acres of the land for lease.

4. LAND USAGE:

The Land covered under this lease is to be used for the specific agricultural purposes as noted on the map and for no other purposes. Tenant covenants and agrees that it will farm in accordance with generally accepted farming practices and procedures. Failures to do so will be cause for immediate termination of the lease.

5. RENTAL FEE:

TENANT shall pay DIVISION an annual rental fee of \$53,530.00 for each of years one through five. For each of years six through ten, TENANT shall pay a fixed 5% above the years one through five rental fee. The annual rental fee is based on \$205.00 per acre charge for approximately 261.12 acres. DIVISION does not guarantee the exact total acreage of leased land. Rental fees shall be paid to DIVISION on or before January 1st for that lease year. Failure to make timely payments shall be a condition to cancel the lease at any time.

6. ASSIGNMENT OF LEASE:

TENANT shall not assign any interest in this lease without prior written consent of the DIVISION. TENANT shall not sublease any part of the leased land.

7. SECURITY:

TENANT covenants and agrees that he will in no way interfere with the security of the Institution or in the Department's ability to carry out its mission.

8. SECURITY INTEREST:

TENANT hereby grants to DIVISION a security interest in the agricultural commodities grown by TENANT on the leased land during the term of this Lease, whether such crops are standing, grown, in storage or in transit, and in any proceeds from the sale, exchange, transfer or other disposition of the collateral or proceeds, to ensure the performance by TENANT under all agreements with DIVISION, as well as payment of any and all sums now, heretofore and hereafter owing to DIVISION by TENANT as a result of TENANT entering into this Lease with DIVISION.

9. USE OF LEASED LAND:

The leased land may be used for producing agricultural commodities, including, but not limited to, grain, vegetable and forage crops and pasture. TENANT agrees to follow good farm management practices and to farm the land in a good and

reasonable manner to avoid degradation of the environment and further agrees to the following:

- a) DIVISION reserves the right to cancel this lease on or before January 31 of each year by written notice, given at least sixty (60) calendar days prior to January 31 for non-performance of the contract.
- b) TENANT shall enter into a Conservation Plan for the leased land with the Natural Resources Conservation Service. The Plan shall contain instructions for management of soil fertility, nutrients, erosion control, agricultural chemicals, integrated pest management, and wildlife concerns. The plan shall follow all appropriate state regulations. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- c) TENANT shall enter into a Nutrient Management Plan for the leased land with the Delaware Department of Agriculture. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- d) TENANT shall use all reasonable precautions to avoid the establishment of any noxious weeds, including Johnson grass, Canada thistle, bur cucumber, giant ragweed, Texas panicum, Palmer amaranth, and any additional noxious weeds as specified under Delaware State Law. If TENANT fails to control said vegetation, then DIVISION may terminate this Lease and may contract with an independent vendor to apply appropriate control measures to eradicate said noxious weeds and the cost of such measures shall be the responsibility of the TENANT.
- e) TENANT shall submit to DIVISION, upon request, a list of all agricultural pesticides, herbicides and other chemical sprays to be used on the leased land. All such products shall meet Federal and State standards and, if required, be applied by certified applicators in the appropriate manner and rate as per label instructions. Violation of Federal, State pesticide, herbicide or other chemical spray laws, rules and regulations shall be a condition to cancel the Lease. DIVISION reserves the right to prohibit the use of certain agricultural chemicals, including, but not limited to, fertilizers, herbicides, and pesticides on the leased land. TENANT shall be required to notify the Park Superintendent specifically responsible for the leased land within 48 hours prior to any spraying on leased land. The use of carbofuran (Furadan) in liquid or granular form is prohibited on DIVISION lands.
- f) Any DIVISION leased lands designated as hay fields shall not be cut prior to July 1st for each growing season.

- g) Dumping, depositing, abandoning, discharging, releasing, or storing of any gaseous, liquid or solid hazardous wastes, substances, materials, or debris of whatever nature on, in, over, or under the ground or into surface or ground water is prohibited, except as permitted by law.
- h) Excavation, digging, removing, or selling of loam, peat, gravel, soil, rock, sand, or any similar material by the TENANT is prohibited. Cover crops are required on DIVISION leased lands. Refer to Special Provisions section (pgs. 8-9) for cover crop requirements.
- i) TENANT shall submit to DIVISION, upon request, an annual harvest report indicating type and amount of agricultural commodity harvested from the leased land.
- j) TENANT may be permitted to participate in Farm Service Agency or similar agricultural assistance programs. Participation in these programs is subject to the written approval of DIVISION.
- k) TENANT shall not construct or install any structures on the leased land without prior written approval of DIVISION.
- l) TENANT may place a well on leased land with prior written approval of DIVISION. Such well would be a fixture to the land and becomes property of DIVISION upon termination of the lease. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such well, the soundness of new or existing wells, and water quantity and quality associated with such wells.
- m) TENANT may install an irrigation system on leased land with prior written approval of DIVISION. All aboveground pipes, pumps, power units, wheeled irrigation units and any other related equipment is property of TENANT. Upon termination of lease TENANT shall remove such property, subject to a removal plan approved by DIVISION, or convey such property to the succeeding TENANT. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such irrigation system.
- n) DIVISION is not responsible for wildlife damages to agricultural commodities on the leased land.
- o) All hunting and trapping rights and privileges and all land use except agricultural leased rights are reserved by DIVISION.
- p) TENANT shall use products and/or services that are provided by Agricultural Businesses which are certified for Best Management Practices (BMP), Good Food Handling Practices (GHP) and Good Agricultural

Practices (GAP) through the Delaware Department of Agriculture or surrounding State's equivalent program.

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DIVISION reserves the following rights related to the leased land:

- a) Reserves the right to grant easements and rights of way across or upon the leased land. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- b) Reserves the right to create pathways, buffer strips, and hedgerows or to divert land for other **DIVISION** uses. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- c) Reserves the right of ingress and egress onto and over the leased land for inspection purposes, for enforcement of all laws, rules and regulations of **DIVISION** and for any other lawful purpose.

11. LIMITATION ON PUBLIC ACCESS:

DIVISION shall coordinate with **TENANT** any public use of the leased land in order to not negatively impact normal farming operations.

12. HOLD HARMLESS:

TENANT agrees to exercise the rights herein granted at its own risk fees, arising from or in any way connected with injury to or death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the leased land, regardless of cause, unless due to the gross negligence or willful misconduct of any of the Indemnified Parties.

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TENANT agrees to be solely responsible for any and all injury, loss or damage to **TENANT'S** person, crops, equipment, and property or to equipment and property of others which may be placed on the leased land at **TENANT'S** request, and **TENANT** waives and releases any and all claims or rights against **DEPARTMENT** with respect thereto.

14. INSURANCE:

TENANT shall be insured against liability resulting from any agricultural practice or presence upon the leased land.

15. ASSIGNMENT, INSOLVENCY OR BANKRUPTCY:

Either (a) the appointment of a receiver to take possession of all or substantially all of the assets of TENANT or (b) a general assignment by TENANT for the benefit of creditors or (c) any action taken or suffered by TENANT under any insolvency or bankruptcy act shall constitute a breach of this Lease by TENANT and cause this Lease to terminate immediately.

16. TERMINATION OF LEASE:

TENANT agrees that if it fails to observe or perform any of the conditions or covenants on its part to be observed or performed, or if TENANT knowingly permits any unlawful acts to be carried out upon the leased land, then DEPARTMENT shall have the right to terminate the Lease and to re-enter and repossess the leased land in the manner provided for by the laws of the State of Delaware. If DEPARTMENT terminates this Lease while TENANT has crops growing in the fields, the DEPARTMENT agrees not to take possession of the leased land until after TENANT has harvested the crop during the normal harvest period or, at DEPARTMENT'S option, DEPARTMENT will reimburse TENANT at the fair market value for crops destroyed. TENANT may terminate this Lease by giving DEPARTMENT ninety (90) days' notice in writing. TENANT shall yield peaceable possession of the leased land at the termination of the Lease.

17. TERMINATION FOR CONVENIENCE:

Leases shall remain in effect for the time period and quantity specified unless the Lease is terminated by the State. The State may terminate the Lease at any time by giving written notice of such termination and specifying the effective date thereof, at least sixty (60) days before the effective date of termination.

18. NOTICES:

Any notice, demand, request, consent, approval, or communication that either Party desires or is required to give to the other shall be in writing and either served personally or sent by first class mail, postage prepaid and addressed as per Paragraph 1. Upon written notice from a Party, or a successor in interest, to the other Party hereto, any such notice, demand or other written communication shall be given to that Party or successor at the address indicated in such notice.

19. WAIVER OF BREACH:

The waiver or acceptance by DEPARTMENT of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any continuing or subsequent breach of the same or any other term, covenant or condition herein contained. All waivers or acceptances must be in writing. The subsequent acceptance of rent hereunder by DEPARTMENT shall not be deemed to be a waiver or acceptance of any preceding breach by TENANT of any term, covenant or condition of this Lease, other than the failure of TENANT to pay the particular rental fee so accepted, regardless of DEPARTMENT'S knowledge of such preceding breach at the time of acceptance of such rental fee.

20. LEGAL COSTS AND EXPENSES:

TENANT shall pay and discharge all costs, attorneys' fees and expenses arising from enforcing any covenant or forfeiture hereof.

21. RULES AND REGULATIONS:

The rules and regulations contained in this Lease, as well as such reasonable rules and regulations as may be hereafter adopted by DEPARTMENT for the safety, care and protection of its leased lands and the preservation of good order thereon, are hereby expressly made a part hereof, and TENANT agrees to adhere to all such rules and regulations, after notice of same.

22. REMEDIES:

It is understood and agreed that the remedies herein given to DEPARTMENT shall be cumulative, and the exercise of any one remedy by DEPARTMENT shall not be to the exclusion of any other remedy.

23. BINDING AGREEMENT:

The covenants and conditions herein contained shall apply to and bind the heirs, executors, administrators, successors, and assigns of all of the Parties hereto; and all of the Parties hereto shall be jointly and severally liable hereunder. This Lease shall not be interpreted as a waiver of the sovereign immunity of DEPARTMENT.

24. TIME:

Time is of the essence of this Lease.

25. LAW:

This Lease shall be construed and interpreted in accordance with the laws of the State of Delaware.

26. ENTIRE CONTRACT:

This instrument contains the entire agreement of the Parties and supersedes, cancels, and revokes any and all other agreements between the Parties relating to the subject matter of this Lease. There are no representations or warranties, either oral or written, except those contained in this Lease. This Lease may be modified only by an amendment in writing signed by both Parties.

27. SEVERABILITY:

If any portion of this Lease shall be held invalid or unenforceable, the validity of the remaining portion shall be unaffected and this Lease shall remain in full force and effect as if it had been executed with the invalid portion omitted.

28. SPECIAL PROVISIONS:

Cover Crop Requirements

1. The purpose of the cover crop program is to protect and control soil, water and nutrient resources on the leased land. All leased land is required to have a cover crop based on the following conditions.
2. Eligible species of cover crop are rye, wheat, barley, and spring oats.
3. Early planting is defined as cover crops planted by October 1st.
4. Normal planting is defined as cover crops planted by October 15th.
5. All seed purchased for cover crops should be tested and properly labeled in accordance with Delaware Seed Law and Regulations.
6. If homegrown seed is used, it should be tested prior to planting for purity, germination, and noxious weeds by either the Maryland or Delaware State Seed Laboratory.
7. Cover crops shall be established and actively growing before the expected period(s) of nutrient leaching. No fall application of commercial fertilizers (N and P) or manure is allowed prior to planting the cover crop. No winter application of commercial fertilizer or manure is allowed. Spring application of manure can resume after March 1st in Sussex County and March 15th in Kent and New Castle Counties.

STATE OF DELAWARE)
) SS.
COUNTY OF)

BE IT REMEMBERED, That on this 4 day of February, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Colin P. O'Mara, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on 5/22/15

STATE OF DELAWARE)
) SS.
COUNTY OF KENT)



BE IT REMEMBERED, That on this 30TH day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Raymond E. Bivens, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires at the end of government service

My commission expires on _____

STATE OF DELAWARE)
) SS.
COUNTY OF KENT)

BE IT REMEMBERED, That on this 30th day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, JAMIE STAFFORD, known personally to be such, and acknowledged the foregoing instrument to be his/her act and deed.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on _____.

GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires at the end of government service

Delaware State Parks Agricultural Land Lease KPSP-01-2014

- Park
 - Killens Pond State Park
- FSA Tracts and Field numbers
 - Tract 2941 Fields 1, 2 Crops
 - Tract 2946 Fields 1 Crops
 - Tract 2977 Fields 1, 2, 3 Crops
- Acres
 - 261.12
- County
 - Kent
- Hundred
 - South Murderkill Hundred
- Tax Parcel Numbers
 - SM00-140.00-01-41.00
 - SM00-139.00-01-55.00, 55.01, 55.03, 55.04, 55.05, 55.06, 55.07, 55.08, 55.09, 55.10, 55.11, 55.12, 55.13, 55.14, 55.15, 55.16, 55.20, 55.21
 - SM00-140.00-01-43.00

Killens Pond State Park
Crop Land for Lease
Ag Lease Number - KPSP-01-2014
FSA Tract 2941, Tract 2977 and Tract 2946
261.12 Total Acres +/-



M.J. Webb Farms, Inc.

LEASE # KPSP-02-2014
AGRICULTURAL LANDS
AT
KILLENS POND STATE PARK

THIS LEASE, made and entered into this 1st day of January, 2014 by and between the State of Delaware, Delaware Division of Parks and Recreation Party of the First Part, hereinafter referred to as "DIVISION,"

AND

M.J. Webb Farms, Inc. of 12608 Webb Farm Road, Greenwood, DE 19950, Party of the Second Part, hereinafter referred to as "TENANT."

WITNESSETH, for and in consideration of the covenants and promises hereinafter contained and the payment of rentals as herein set forth, DEPARTMENT leases and rents TENANT and TENANT leases and rents from DEPARTMENT, all that certain cleared agricultural land Tract 6421 of Killens Pond State Park, said certain tract of land situate in South Murderkill Hundred, Kent County, State of Delaware, described as Parcel No. SM00-149.00-01-05.00, SM00-149.00-01-04.00 according to the Kent County Tax Records and more specifically located on the attached map, hereinafter referred to as "leased land".

1. PARTIES:

The name and address of the Parties are:

DEPARTMENT: Delaware Division of Parks and Recreation
89 Kings Hwy
Dover, DE 19901

TENANT: M.J Webb Farms, Inc.
12608 Webb Farm Road
Greenwood, DE 19950
(302) 349-4453

2. TERM OF LEASE:

The term of this Lease shall be for ten (10) years beginning in January 2014 and terminating on December 31, 2023 without notice of such termination.

3. ACREAGE:

Fields that are designated and offered for lease by Delaware Division of Parks and Recreation are approximately 118.65 acres. Delaware Division of Parks and Recreation does not guarantee the exact acres of the land for lease.

4. LAND USAGE:

The Land covered under this lease is to be used for the specific agricultural purposes as noted on the map and for no other purposes. Tenant covenants and agrees that it will farm in accordance with generally accepted farming practices and procedures. Failures to do so will be cause for immediate termination of the lease.

5. RENTAL FEE:

TENANT shall pay DIVISION an annual rental fee of \$19,767.09 for each of years one through five. For each of years six through ten, TENANT shall pay a fixed 5% above the years one through five rental fee. The annual rental fee is based on \$166.60 per acre charge for approximately 118.65 acres. DIVISION does not guarantee the exact total acreage of leased land. Rental fees shall be paid to DIVISION on or before January 1st for that lease year. Failure to make timely payments shall be a condition to cancel the lease at any time.

6. ASSIGNMENT OF LEASE:

TENANT shall not assign any interest in this lease without prior written consent of the DIVISION. TENANT shall not sublease any part of the leased land.

7. SECURITY:

TENANT covenants and agrees that he will in no way interfere with the security of the Institution or in the Department's ability to carry out its mission.

8. SECURITY INTEREST:

TENANT hereby grants to DIVISION a security interest in the agricultural commodities grown by TENANT on the leased land during the term of this Lease, whether such crops are standing, grown, in storage or in transit, and in any proceeds from the sale, exchange, transfer or other disposition of the collateral or proceeds, to ensure the performance by TENANT under all agreements with DIVISION, as well as payment of any and all sums now, heretofore and hereafter owing to DIVISION by TENANT as a result of TENANT entering into this Lease with DIVISION.

9. USE OF LEASED LAND:

The leased land may be used for producing agricultural commodities, including, but not limited to, grain, vegetable and forage crops and pasture. TENANT agrees to follow good farm management practices and to farm the land in a good and reasonable manner to avoid degradation of the environment and further agrees to the following:

- a) DIVISION reserves the right to cancel this lease on or before January 31 of each year by written notice, given at least sixty (60) calendar days prior to January 31 for non-performance of the contract.
- b) TENANT shall enter into a Conservation Plan for the leased land with the Natural Resources Conservation Service. The Plan shall contain instructions for management of soil fertility, nutrients, erosion control, agricultural chemicals, integrated pest management, and wildlife concerns. The plan shall follow all appropriate state regulations. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- c) TENANT shall enter into a Nutrient Management Plan for the leased land with the Delaware Department of Agriculture. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- d) TENANT shall use all reasonable precautions to avoid the establishment of any noxious weeds, including Johnson grass, Canada thistle, bur cucumber, giant ragweed, Texas panicum, Palmer amaranth, and any additional noxious weeds as specified under Delaware State Law. If TENANT fails to control said vegetation, then DIVISION may terminate this Lease and may contract with an independent vendor to apply appropriate control measures to eradicate said noxious weeds and the cost of such measures shall be the responsibility of the TENANT.
- e) TENANT shall submit to DIVISION, upon request, a list of all agricultural pesticides, herbicides and other chemical sprays to be used on the leased land. All such products shall meet Federal and State standards and, if required, be applied by certified applicators in the appropriate manner and rate as per label instructions. Violation of Federal, State pesticide, herbicide or other chemical spray laws, rules and regulations shall be a condition to cancel the Lease. DIVISION reserves the right to prohibit the use of certain agricultural chemicals, including, but not limited to, fertilizers, herbicides, and pesticides on the leased land. TENANT shall be required to notify the Park Superintendent specifically responsible for the leased land within 48 hours prior to any spraying on leased land. The use of carbofuran (Furadan) in liquid or granular form is prohibited on DIVISION lands.
- f) Any DIVISION leased lands designated as hay fields shall not be cut prior to July 1st for each growing season.
- g) Dumping, depositing, abandoning, discharging, releasing, or storing of any gaseous, liquid or solid hazardous wastes, substances, materials, or debris of whatever nature on, in, over, or under the ground or into surface or

ground water is prohibited, except as permitted by law.

- h) Excavation, digging, removing, or selling of loam, peat, gravel, soil, rock, sand, or any similar material by the TENANT is prohibited. Cover crops are required on DIVISION leased lands. Refer to Special Provisions section (pgs. 8-9) for cover crop requirements.
- i) TENANT shall submit to DIVISION, upon request, an annual harvest report indicating type and amount of agricultural commodity harvested from the leased land.
- j) ~~TENANT may be permitted to participate in Farm Service Agency or similar agricultural assistance programs. Participation in these programs is subject to the written approval of DIVISION.~~
- k) TENANT shall not construct or install any structures on the leased land without prior written approval of DIVISION.
- l) TENANT may place a well on leased land with prior written approval of DIVISION. Such well would be a fixture to the land and becomes property of DIVISION upon termination of the lease. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such well, the soundness of new or existing wells, and water quantity and quality associated with such wells.
- m) TENANT may install an irrigation system on leased land with prior written approval of DIVISION. All aboveground pipes, pumps, power units, wheeled irrigation units and any other related equipment is property of TENANT. Upon termination of lease TENANT shall remove such property, subject to a removal plan approved by DIVISION, or convey such property to the succeeding TENANT. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such irrigation system.
- n) DIVISION is not responsible for wildlife damages to agricultural commodities on the leased land.
- o) All hunting and trapping rights and privileges and all land use except agricultural leased rights are reserved by DIVISION.
- p) TENANT shall use products and/or services that are provided by Agricultural Businesses which are certified for Best Management Practices (BMP), Good Food Handling Practices (GHP) and Good Agricultural Practices (GAP) through the Delaware Department of Agriculture or surrounding State's equivalent program.

10. RESERVED RIGHTS:

DIVISION reserves the following rights related to the leased land:

- a) Reserves the right to grant easements and rights of way across or upon the leased land. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- b) Reserves the right to create pathways, buffer strips, and hedgerows or to divert land for other **DIVISION** uses. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- c) Reserves the right of ingress and egress onto and over the leased land for inspection purposes, for enforcement of all laws, rules and regulations of **DIVISION** and for any other lawful purpose.

11. LIMITATION ON PUBLIC ACCESS:

DIVISION shall coordinate with **TENANT** any public use of the leased land in order to not negatively impact normal farming operations.

12. HOLD HARMLESS:

TENANT agrees to exercise the rights herein granted at its own risk fees, arising from or in any way connected with injury to or death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the leased land, regardless of cause, unless due to the gross negligence or willful misconduct of any of the Indemnified Parties.

13. DAMAGES TO PROPERTY:

TENANT agrees to be solely responsible for any and all injury, loss or damage to **TENANT'S** person, crops, equipment, and property or to equipment and property of others which may be placed on the leased land at **TENANT'S** request, and **TENANT** waives and releases any and all claims or rights against **DEPARTMENT** with respect thereto.

14. INSURANCE:

TENANT shall be insured against liability resulting from any agricultural practice or presence upon the leased land.

15. ASSIGNMENT, INSOLVENCY OR BANKRUPTCY:

Either (a) the appointment of a receiver to take possession of all or substantially all of the assets of TENANT or (b) a general assignment by TENANT for the benefit of creditors or (c) any action taken or suffered by TENANT under any insolvency or bankruptcy act shall constitute a breach of this Lease by TENANT and cause this Lease to terminate immediately.

16. TERMINATION OF LEASE:

TENANT agrees that if it fails to observe or perform any of the conditions or covenants on its part to be observed or performed, or if TENANT knowingly permits any unlawful acts to be carried out upon the leased land, then DEPARTMENT shall have the right to terminate the Lease and to re-enter and repossess the leased land in the manner provided for by the laws of the State of Delaware. If DEPARTMENT terminates this Lease while TENANT has crops growing in the fields, the DEPARTMENT agrees not to take possession of the leased land until after TENANT has harvested the crop during the normal harvest period or, at DEPARTMENT'S option, DEPARTMENT will reimburse TENANT at the fair market value for crops destroyed. TENANT may terminate this Lease by giving DEPARTMENT ninety (90) days' notice in writing. TENANT shall yield peaceable possession of the leased land at the termination of the Lease.

17. TERMINATION FOR CONVENIENCE:

Leases shall remain in effect for the time period and quantity specified unless the Lease is terminated by the State. The State may terminate the Lease at any time by giving written notice of such termination and specifying the effective date thereof, at least sixty (60) days before the effective date of termination.

18. NOTICES:

Any notice, demand, request, consent, approval, or communication that either Party desires or is required to give to the other shall be in writing and either served personally or sent by first class mail, postage prepaid and addressed as per Paragraph 1. Upon written notice from a Party, or a successor in interest, to the other Party hereto, any such notice, demand or other written communication shall be given to that Party or successor at the address indicated in such notice.

19. WAIVER OF BREACH:

The waiver or acceptance by DEPARTMENT of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any continuing or subsequent breach of the same or any other term, covenant or condition herein contained. All waivers or acceptances

must be in writing. The subsequent acceptance of rent hereunder by DEPARTMENT shall not be deemed to be a waiver or acceptance of any preceding breach by TENANT of any term, covenant or condition of this Lease, other than the failure of TENANT to pay the particular rental fee so accepted, regardless of DEPARTMENT'S knowledge of such preceding breach at the time of acceptance of such rental fee.

20. LEGAL COSTS AND EXPENSES:

TENANT shall pay and discharge all costs, attorneys' fees and expenses arising from enforcing any covenant or forfeiture hereof.

21. RULES AND REGULATIONS:

The rules and regulations contained in this Lease, as well as such reasonable rules and regulations as may be hereafter adopted by DEPARTMENT for the safety, care and protection of its leased lands and the preservation of good order thereon, are hereby expressly made a part hereof, and TENANT agrees to adhere to all such rules and regulations, after notice of same.

22. REMEDIES:

It is understood and agreed that the remedies herein given to DEPARTMENT shall be cumulative, and the exercise of any one remedy by DEPARTMENT shall not be to the exclusion of any other remedy.

23. BINDING AGREEMENT:

The covenants and conditions herein contained shall apply to and bind the heirs, executors, administrators, successors, and assigns of all of the Parties hereto; and all of the Parties hereto shall be jointly and severally liable hereunder. This Lease shall not be interpreted as a waiver of the sovereign immunity of DEPARTMENT.

24. TIME:

Time is of the essence of this Lease.

25. LAW:

This Lease shall be construed and interpreted in accordance with the laws of the State of Delaware.

26. ENTIRE CONTRACT:

This instrument contains the entire agreement of the Parties and supersedes, cancels, and revokes any and all other agreements between the Parties relating to the subject matter of this Lease. There are no representations or warranties, either oral or written, except those contained in this Lease. This Lease may be modified only by an amendment in writing signed by both Parties.

27. SEVERABILITY:

If any portion of this Lease shall be held invalid or unenforceable, the validity of the remaining portion shall be unaffected and this Lease shall remain in full force and effect as if it had been executed with the invalid portion omitted.

28. SPECIAL PROVISIONS:

Cover Crop Requirements

1. The purpose of the cover crop program is to protect and control soil, water and nutrient resources on the leased land. All leased land is required to have a cover crop based on the following conditions.
2. Eligible species of cover crop are rye, wheat, barley, and spring oats.
3. Early planting is defined as cover crops planted by October 1st.
4. Normal planting is defined as cover crops planted by October 15th.
5. All seed purchased for cover crops should be tested and properly labeled in accordance with Delaware Seed Law and Regulations.
6. If homegrown seed is used, it should be tested prior to planting for purity, germination, and noxious weeds by either the Maryland or Delaware State Seed Laboratory.
7. Cover crops shall be established and actively growing before the expected period(s) of nutrient leaching. No fall application of commercial fertilizers (N and P) or manure is allowed prior to planting the cover crop. No winter application of commercial fertilizer or manure is allowed. Spring application of manure can resume after March 1st in Sussex County and March 15th in Kent and New Castle Counties.
8. TENANT shall maintain a winter cover crop on all tillable acres, unless specifically exempted in writing by DIVISION.

9. If TENANT plans on harvesting the cover crop for grain, then TENANT can apply fertilizer or manure after March 1st.
10. If TENANT plans on planting early peas, then TENANT may destroy the cover crop after February 15th and fertilizer and manure can be applied after such date.
11. TENANT may destroy cover crops by applying an herbicide, by plowing the crop under or by green chopping for on-farm use, only after March 15th.
12. There will be a minimum of a 5% spot check of cover crop acres in the spring after removal of the cover crop.

IN WITNESS WHEREOF, this Lease has been executed by the Parties hereto as of the day and year above written.

STATE OF DELAWARE
 DEPARTMENT OF NATURAL RESOURCES &
 ENVIRONMENTAL CONTROL
 DIVISION OF PARKS AND RECREATION

Original on File

Witness

By: *Original on File*

Name: Collin P. O'Mara

Title: Secretary

Original on File

Witness

Original on File

By:

Name: Raymond E. Bivens

Title: Division Director

Original on File

Witness

M. J. WEBB FARMS, INC.

By: *Original on File*

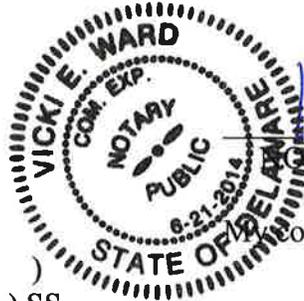
Name:

Title: *r.p.*

STATE OF DELAWARE)
) SS.
COUNTY OF)

BE IT REMEMBERED, That on this 11th day of February, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Colin P. O'Mara, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.



Original on File

NOTARY PUBLIC

My commission expires on 6-21-14.

STATE OF DELAWARE)
) SS.
COUNTY OF Kent)

BE IT REMEMBERED, That on this 31st day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Raymond E. Bivens, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires at the end of government service

My commission expires on _____.

STATE OF DELAWARE)
) SS.
COUNTY OF KENT)

BE IT REMEMBERED, That on this 31st day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Michael B. Webb, known personally to be such, and acknowledged the foregoing instrument to be his/her act and deed.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC
GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires at the end of government service

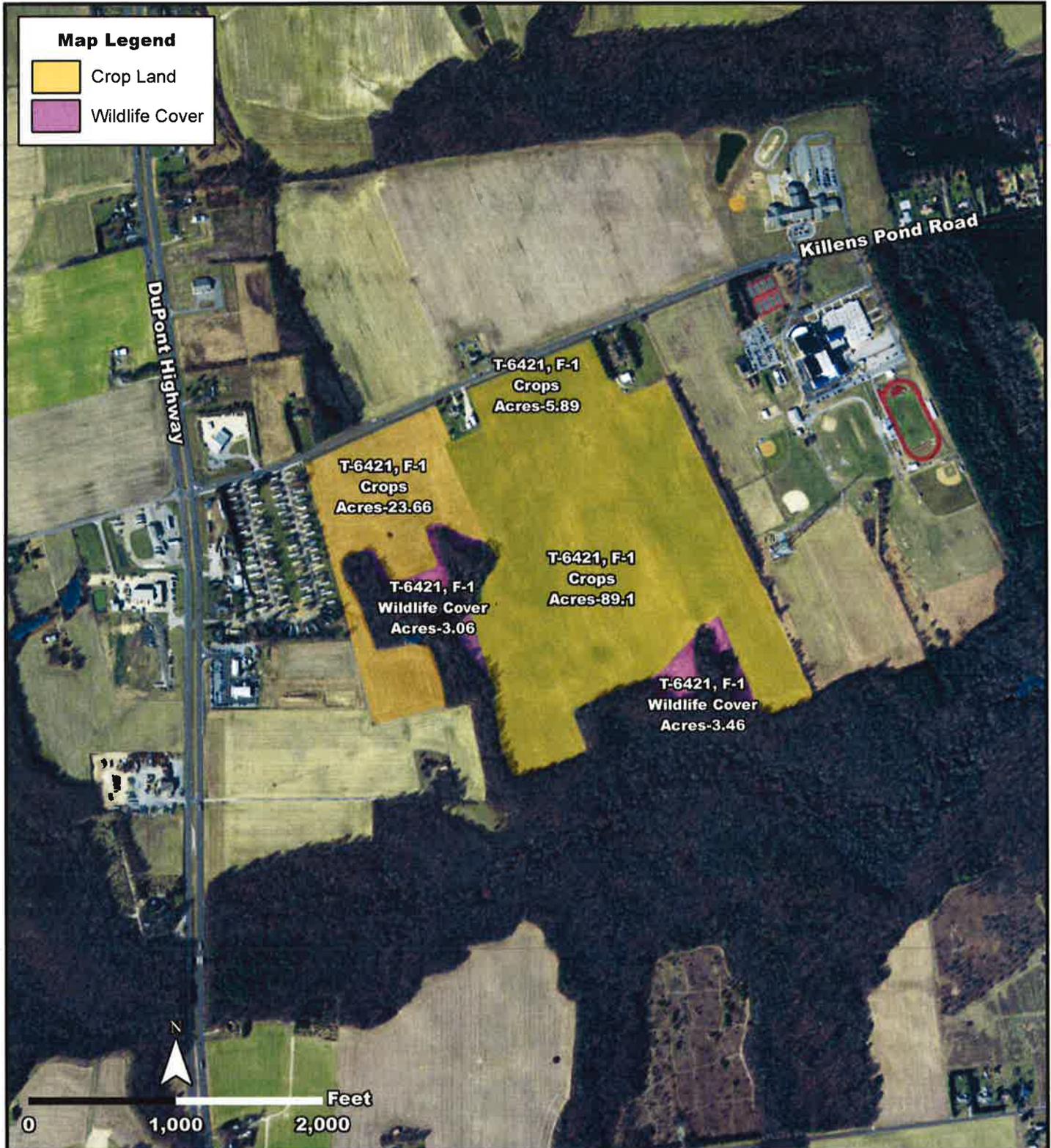
My commission expires on _____.

Delaware State Parks Agricultural Land Lease KPSP-02-2014

- Park
 - Killens Pond State Park
- FSA Tracts and Field numbers
 - Tract 6421 Field 1
- Acres
 - 118.65
- County
 - Kent
- Hundred
 - South Muderkill
- Tax Parcel Numbers
 - SM00-149.00-01-05.00, SM00-149.00-01-04.00

- Wildlife Cover
 - Area identified as Wildlife Cover is not to be mowed, tilled or harvested. This area will be maintained by the Division. This acreage **is not** part of the Agricultural Lease acres.

Killens Pond State Park
Crop Land for Lease
Ag Lease Number - KPSP-02-2014
FSA Tract 6421
118.65 Total Acres +/-



LEASE # KPSP-03-2014
AGRICULTURAL LANDS
AT
KILLENS POND STATE PARK

THIS LEASE, made and entered into this 1st day of January, 2014 by and between the State of Delaware, Delaware Division of Parks and Recreation Party of the First Part, hereinafter referred to as "DIVISION,"

AND

M.J. Webb Farms, Inc. of 12608 Webb Farm Road, Greenwood, DE 19950, Party of the Second Part, hereinafter referred to as "TENANT."

WITNESSETH, for and in consideration of the covenants and promises hereinafter contained and the payment of rentals as herein set forth, DEPARTMENT leases and rents TENANT and TENANT leases and rents from DEPARTMENT, all that certain cleared agricultural land Tract 2948 and 6938 of Killens Pond State Park, said certain tract of land situate in South Murderkill Hundred, Kent County, State of Delaware, described as Parcel No. 149.00-01-07.00 and 149.00-01-09.00 according to the Kent County Tax Records and more specifically located on the attached map, hereinafter referred to as "leased land".

1. PARTIES:

The name and address of the Parties are:

DEPARTMENT: Delaware Division of Parks and Recreation
89 Kings Hwy
Dover, DE 19901

TENANT: M.J Webb Farms, Inc.
12608 Webb Farm Road
Greenwood, DE 19950
(302) 349-4453

2. TERM OF LEASE:

The term of this Lease shall be for ten (10) years beginning in January 2014 and terminating on December 31, 2023 without notice of such termination.

3. ACREAGE:

Fields that are designated and offered for lease by Delaware Division of Parks and Recreation are approximately 61.23 acres. Delaware Division of Parks and Recreation does not guarantee the exact acres of the land for lease.

4. LAND USAGE:

The Land covered under this lease is to be used for the specific agricultural purposes as noted on the map and for no other purposes. Tenant covenants and agrees that it will farm in accordance with generally accepted farming practices and procedures. Failures to do so will be cause for immediate termination of the lease.

5. RENTAL FEE:

TENANT shall pay DIVISION an annual rental fee of \$10,200.92 for each of years one through five. For each of years six through ten, TENANT shall pay a fixed 5% above the years one through five rental fee. The annual rental fee is based on \$166.60 per acre charge for approximately 61.23 acres. DIVISION does not guarantee the exact total acreage of leased land. Rental fees shall be paid to DIVISION on or before January 1st for that lease year. Failure to make timely payments shall be a condition to cancel the lease at any time.

6. ASSIGNMENT OF LEASE:

TENANT shall not assign any interest in this lease without prior written consent of the DIVISION. TENANT shall not sublease any part of the leased land.

7. SECURITY:

TENANT covenants and agrees that he will in no way interfere with the security of the Institution or in the Department's ability to carry out its mission.

8. SECURITY INTEREST:

TENANT hereby grants to DIVISION a security interest in the agricultural commodities grown by TENANT on the leased land during the term of this Lease, whether such crops are standing, grown, in storage or in transit, and in any proceeds from the sale, exchange, transfer or other disposition of the collateral or proceeds, to ensure the performance by TENANT under all agreements with DIVISION, as well as payment of any and all sums now, heretofore and hereafter owing to DIVISION by TENANT as a result of TENANT entering into this Lease with DIVISION.

9. USE OF LEASED LAND:

The leased land may be used for producing agricultural commodities, including, but not limited to, grain, vegetable and forage crops and pasture. TENANT agrees to follow good farm management practices and to farm the land in a good and reasonable manner to avoid degradation of the environment and further agrees to the following:

- a) DIVISION reserves the right to cancel this lease on or before January 31 of each year by written notice, given at least sixty (60) calendar days prior to January 31 for non-performance of the contract.
- b) TENANT shall enter into a Conservation Plan for the leased land with the Natural Resources Conservation Service. The Plan shall contain instructions for management of soil fertility, nutrients, erosion control, agricultural chemicals, integrated pest management, and wildlife concerns. The plan shall follow all appropriate state regulations. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
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TENANT shall be insured against liability resulting from any agricultural practice or presence upon the leased land.

15. ASSIGNMENT, INSOLVENCY OR BANKRUPTCY:

Either (a) the appointment of a receiver to take possession of all or substantially all of the assets of TENANT or (b) a general assignment by TENANT for the benefit of creditors or (c) any action taken or suffered by TENANT under any insolvency or bankruptcy act shall constitute a breach of this Lease by TENANT and cause this Lease to terminate immediately.

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TENANT agrees that if it fails to observe or perform any of the conditions or covenants on its part to be observed or performed, or if TENANT knowingly permits any unlawful acts to be carried out upon the leased land, then DEPARTMENT shall have the right to terminate the Lease and to re-enter and repossess the leased land in the manner provided for by the laws of the State of Delaware. If DEPARTMENT terminates this Lease while TENANT has crops growing in the fields, the DEPARTMENT agrees not to take possession of the leased land until after TENANT has harvested the crop during the normal harvest period or, at DEPARTMENT'S option, DEPARTMENT will reimburse TENANT at the fair market value for crops destroyed. TENANT may terminate this Lease by giving DEPARTMENT ninety (90) days' notice in writing. TENANT shall yield peaceable possession of the leased land at the termination of the Lease.

17. TERMINATION FOR CONVENIENCE:

Leases shall remain in effect for the time period and quantity specified unless the Lease is terminated by the State. The State may terminate the Lease at any time by giving written notice of such termination and specifying the effective date thereof, at least sixty (60) days before the effective date of termination.

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Any notice, demand, request, consent, approval, or communication that either Party desires or is required to give to the other shall be in writing and either served personally or sent by first class mail, postage prepaid and addressed as per Paragraph 1. Upon written notice from a Party, or a successor in interest, to the other Party hereto, any such notice, demand or other written communication shall be given to that Party or successor at the address indicated in such notice.

19. WAIVER OF BREACH:

The waiver or acceptance by DEPARTMENT of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any continuing or subsequent breach of the same or any

other term, covenant or condition herein contained. All waivers or acceptances must be in writing. The subsequent acceptance of rent hereunder by DEPARTMENT shall not be deemed to be a waiver or acceptance of any preceding breach by TENANT of any term, covenant or condition of this Lease, other than the failure of TENANT to pay the particular rental fee so accepted, regardless of DEPARTMENT'S knowledge of such preceding breach at the time of acceptance of such rental fee.

20. LEGAL COSTS AND EXPENSES:

TENANT shall pay and discharge all costs, attorneys' fees and expenses arising from enforcing any covenant or forfeiture hereof.

21. RULES AND REGULATIONS:

The rules and regulations contained in this Lease, as well as such reasonable rules and regulations as may be hereafter adopted by DEPARTMENT for the safety, care and protection of its leased lands and the preservation of good order thereon, are hereby expressly made a part hereof, and TENANT agrees to adhere to all such rules and regulations, after notice of same.

22. REMEDIES:

It is understood and agreed that the remedies herein given to DEPARTMENT shall be cumulative, and the exercise of any one remedy by DEPARTMENT shall not be to the exclusion of any other remedy.

23. BINDING AGREEMENT:

The covenants and conditions herein contained shall apply to and bind the heirs, executors, administrators, successors, and assigns of all of the Parties hereto; and all of the Parties hereto shall be jointly and severally liable hereunder. This Lease shall not be interpreted as a waiver of the sovereign immunity of DEPARTMENT.

24. TIME:

Time is of the essence of this Lease.

25. LAW:

This Lease shall be construed and interpreted in accordance with the laws of the State of Delaware.

26. ENTIRE CONTRACT:

This instrument contains the entire agreement of the Parties and supersedes, cancels, and revokes any and all other agreements between the Parties relating to the subject matter of this Lease. There are no representations or warranties, either oral or written, except those contained in this Lease. This Lease may be modified only by an amendment in writing signed by both Parties.

27. SEVERABILITY:

If any portion of this Lease shall be held invalid or unenforceable, the validity of the remaining portion shall be unaffected and this Lease shall remain in full force and effect as if it had been executed with the invalid portion omitted.

28. SPECIAL PROVISIONS:

Cover Crop Requirements

1. The purpose of the cover crop program is to protect and control soil, water and nutrient resources on the leased land. All leased land is required to have a cover crop based on the following conditions.
2. Eligible species of cover crop are rye, wheat, barley, and spring oats.
3. Early planting is defined as cover crops planted by October 1st.
4. Normal planting is defined as cover crops planted by October 15th.
5. All seed purchased for cover crops should be tested and properly labeled in accordance with Delaware Seed Law and Regulations.
6. If homegrown seed is used, it should be tested prior to planting for purity, germination, and noxious weeds by either the Maryland or Delaware State Seed Laboratory.
7. Cover crops shall be established and actively growing before the expected period(s) of nutrient leaching. No fall application of commercial fertilizers (N and P) or manure is allowed prior to planting the cover crop. No winter application of commercial fertilizer or manure is allowed. Spring application of manure can resume after March 1st in Sussex County and March 15th in Kent and New Castle Counties.
8. TENANT shall maintain a winter cover crop on all tillable acres, unless specifically exempted in writing by DIVISION.

9. If TENANT plans on harvesting the cover crop for grain, then TENANT can apply fertilizer or manure after March 1st.
10. If TENANT plans on planting early peas, then TENANT may destroy the cover crop after February 15th and fertilizer and manure can be applied after such date.
11. TENANT may destroy cover crops by applying an herbicide, by plowing the crop under or by green chopping for on-farm use, only after March 15th.
12. There will be a minimum of a 5% spot check of cover crop acres in the spring after removal of the cover crop.

IN WITNESS WHEREOF, this Lease has been executed by the Parties hereto as of the day and year above written.

STATE OF DELAWARE
 DEPARTMENT OF NATURAL RESOURCES &
 ENVIRONMENTAL CONTROL
 DIVISION OF PARKS AND RECREATION

Original on File

Witness

By: Original on File
 Name: Collin P. O'Mara
 Title: Secretary

Original on File

Witness

Original on File
 By: _____
 Name: Raymond E. Bivens
 Title: Division Director

Original on File

Witness

M. J. WEBB FARMS, INC.
 By: Original on File
 Name: _____
 Title: *VP*

STATE OF DELAWARE)
) SS.
COUNTY OF)

BE IT REMEMBERED, That on this 4 day of February, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Colin P. O'Mara, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on 8/22/15



STATE OF DELAWARE)
) SS.
COUNTY OF KENT)

BE IT REMEMBERED, That on this 30th day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Raymond E. Bivens, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on _____.

GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires at the end of government service

STATE OF DELAWARE)
) SS.
COUNTY OF KENT)

BE IT REMEMBERED, That on this 30th day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Michael B. Webb, known personally to be such, and acknowledged the foregoing instrument to be his/her act and deed.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on _____.

GREGORY J. ABBOTT
NOTARY PUBLIC STATE OF DELAWARE
My Commission expires at the end of government service

Delaware State Parks Agricultural Land Lease KPSP-03-2014

- Park
 - Killens Pond State Park
- FSA Tracts and Field numbers
 - Tract 2948 Field 1 Crops
 - Tract 6938 Field 1 Crops
 -
- Acres
 - 61.23
- County
 - Kent
- Hundred
 - South Muderkill
- Tax Parcel Numbers
 - 149.00-01 -07.00 and 149.00-01-09.00

Killens Pond State Park
Crop Land for Lease
Ag Lease Number - KPSP-03-2014
FSA Tract 2948 and Tract 6938
61.23 Total Acres +/-



Twenty-Twenty Farms, Inc.

LEASE # TPSP-01-2014
AGRICULTURAL LANDS
AT
TRAP POND STATE PARK

THIS LEASE, made and entered into this 1st day of January, 2014 by and between the State of Delaware, Delaware Division of Parks and Recreation Party of the First Part, hereinafter referred to as "DIVISION,"

AND

Twenty Twenty Farms, Inc. of 32846 Hastings Drive, Laurel, DE 19956, Party of the Second Part, hereinafter referred to as "TENANT."

WITNESSETH, for and in consideration of the covenants and promises hereinafter contained and the payment of rentals as herein set forth, DEPARTMENT leases and rents TENANT and TENANT leases and rents from DEPARTMENT, all that certain cleared agricultural land Tract 5480 of Trap Pond State Park, said certain tract of land situate in Little Creek Hundred, Sussex County, State of Delaware, described as Parcel No. 3-33-2.00-1.00 according to the Sussex County Tax Records and more specifically located on the attached map, hereinafter referred to as "leased land".

1. PARTIES:

The name and address of the Parties are:

DEPARTMENT: Delaware Division of Parks and Recreation
89 Kings Hwy
Dover, DE 19901

TENANT: Twenty Twenty Farms, Inc.
32846 Hastings Drive
Laurel, DE 19956
(410) 251-2337

2. TERM OF LEASE:

The term of this Lease shall be for ten (10) years beginning in January 2014 and terminating on December 31, 2023 without notice of such termination.

3. ACREAGE:

Fields that are designated and offered for lease by Delaware Division of Parks and Recreation are approximately 34.64 acres. Delaware Division of Parks and Recreation does not guarantee the exact acres of the land for lease.

4. LAND USAGE:

The Land covered under this lease is to be used for the specific agricultural purposes as noted on the map and for no other purposes. Tenant covenants and agrees that it will farm in accordance with generally accepted farming practices and procedures. Failures to do so will be cause for immediate termination of the lease.

5. RENTAL FEE:

TENANT shall pay DIVISION an annual rental fee of \$10,773.04 for each of years one through five. For each of years six through ten, TENANT shall pay a fixed 5% above the years one through five rental fee. The annual rental fee is based on \$311.00 per acre charge for approximately 34.64 acres. DIVISION does not guarantee the exact total acreage of leased land. Rental fees shall be paid to DIVISION on or before January 1st for that lease year. Failure to make timely payments shall be a condition to cancel the lease at any time.

6. ASSIGNMENT OF LEASE:

TENANT shall not assign any interest in this lease without prior written consent of the DIVISION. TENANT shall not sublease any part of the leased land.

7. SECURITY:

TENANT covenants and agrees that he will in no way interfere with the security of the Institution or in the Department's ability to carry out its mission.

8. SECURITY INTEREST:

TENANT hereby grants to DIVISION a security interest in the agricultural commodities grown by TENANT on the leased land during the term of this Lease, whether such crops are standing, grown, in storage or in transit, and in any proceeds from the sale, exchange, transfer or other disposition of the collateral or proceeds, to ensure the performance by TENANT under all agreements with DIVISION, as well as payment of any and all sums now, heretofore and hereafter owing to DIVISION by TENANT as a result of TENANT entering into this Lease with DIVISION.

9. USE OF LEASED LAND:

The leased land may be used for producing agricultural commodities, including, but not limited to, grain, vegetable and forage crops and pasture. TENANT agrees to follow good farm management practices and to farm the land in a good and reasonable manner to avoid degradation of the environment and further agrees to the following:

- a) DIVISION reserves the right to cancel this lease on or before January 31 of each year by written notice, given at least sixty (60) calendar days prior to January 31 for non-performance of the contract.
- b) TENANT shall enter into a Conservation Plan for the leased land with the Natural Resources Conservation Service. The Plan shall contain instructions for management of soil fertility, nutrients, erosion control, agricultural chemicals, integrated pest management, and wildlife concerns. The plan shall follow all appropriate state regulations. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- c) TENANT shall enter into a Nutrient Management Plan for the leased land with the Delaware Department of Agriculture. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- d) TENANT shall use all reasonable precautions to avoid the establishment of any noxious weeds, including Johnson grass, Canada thistle, bur cucumber, giant ragweed, Texas panicum, Palmer amaranth, and any additional noxious weeds as specified under Delaware State Law. If TENANT fails to control said vegetation, then DIVISION may terminate this Lease and may contract with an independent vendor to apply appropriate control measures to eradicate said noxious weeds and the cost of such measures shall be the responsibility of the TENANT.
- e) TENANT shall submit to DIVISION, upon request, a list of all agricultural pesticides, herbicides and other chemical sprays to be used on the leased land. All such products shall meet Federal and State standards and, if required, be applied by certified applicators in the appropriate manner and rate as per label instructions. Violation of Federal, State pesticide, herbicide or other chemical spray laws, rules and regulations shall be a condition to cancel the Lease. DIVISION reserves the right to prohibit the use of certain agricultural chemicals, including, but not limited to, fertilizers, herbicides, and pesticides on the leased land. TENANT shall be required to notify the Park Superintendent specifically responsible for the leased land within 48 hours prior to any spraying on leased land. The use of carbofuran (Furadan) in liquid or granular form is prohibited on DIVISION lands.
- f) Any DIVISION leased lands designated as hay fields shall not be cut prior to July 1st for each growing season.
- g) Dumping, depositing, abandoning, discharging, releasing, or storing of any gaseous, liquid or solid hazardous wastes, substances, materials, or debris

of whatever nature on, in, over, or under the ground or into surface or ground water is prohibited, except as permitted by law.

- h) Excavation, digging, removing, or selling of loam, peat, gravel, soil, rock, sand, or any similar material by the TENANT is prohibited. Cover crops are required on DIVISION leased lands. Refer to Special Provisions section (pgs. 8-9) for cover crop requirements.
- i) TENANT shall submit to DIVISION, upon request, an annual harvest report indicating type and amount of agricultural commodity harvested from the leased land.
- j) TENANT may be permitted to participate in Farm Service Agency or similar agricultural assistance programs. Participation in these programs is subject to the written approval of DIVISION.
- k) TENANT shall not construct or install any structures on the leased land without prior written approval of DIVISION.
- l) TENANT may place a well on leased land with prior written approval of DIVISION. Such well would be a fixture to the land and becomes property of DIVISION upon termination of the lease. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such well, the soundness of new or existing wells, and water quantity and quality associated with such wells.
- m) TENANT may install an irrigation system on leased land with prior written approval of DIVISION. All aboveground pipes, pumps, power units, wheeled irrigation units and any other related equipment is property of TENANT. Upon termination of lease TENANT shall remove such property, subject to a removal plan approved by DIVISION, or convey such property to the succeeding TENANT. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such irrigation system.
- n) DIVISION is not responsible for wildlife damages to agricultural commodities on the leased land.
- o) All hunting and trapping rights and privileges and all land use except agricultural leased rights are reserved by DIVISION.
- p) TENANT shall use products and/or services that are provided by Agricultural Businesses which are certified for Best Management Practices (BMP), Good Food Handling Practices (GHP) and Good Agricultural Practices (GAP) through the Delaware Department of Agriculture or surrounding State's equivalent program.

10. RESERVED RIGHTS:

DIVISION reserves the following rights related to the leased land:

- a) Reserves the right to grant easements and rights of way across or upon the leased land. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- b) Reserves the right to create pathways, buffer strips, and hedgerows or to divert land for other **DIVISION** uses. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- c) Reserves the right of ingress and egress onto and over the leased land for inspection purposes, for enforcement of all laws, rules and regulations of **DIVISION** and for any other lawful purpose.

11. LIMITATION ON PUBLIC ACCESS:

DIVISION shall coordinate with **TENANT** any public use of the leased land in order to not negatively impact normal farming operations.

12. HOLD HARMLESS:

TENANT agrees to exercise the rights herein granted at its own risk fees, arising from or in any way connected with injury to or death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the leased land, regardless of cause, unless due to the gross negligence or willful misconduct of any of the Indemnified Parties.

13. DAMAGES TO PROPERTY:

TENANT agrees to be solely responsible for any and all injury, loss or damage to **TENANT'S** person, crops, equipment, and property or to equipment and property of others which may be placed on the leased land at **TENANT'S** request, and **TENANT** waives and releases any and all claims or rights against **DEPARTMENT** with respect thereto.

14. INSURANCE:

TENANT shall be insured against liability resulting from any agricultural practice or presence upon the leased land.

15. ASSIGNMENT, INSOLVENCY OR BANKRUPTCY:

Either (a) the appointment of a receiver to take possession of all or substantially all of the assets of TENANT or (b) a general assignment by TENANT for the benefit of creditors or (c) any action taken or suffered by TENANT under any insolvency or bankruptcy act shall constitute a breach of this Lease by TENANT and cause this Lease to terminate immediately.

16. TERMINATION OF LEASE:

TENANT agrees that if it fails to observe or perform any of the conditions or covenants on its part to be observed or performed, or if TENANT knowingly permits any unlawful acts to be carried out upon the leased land, then DEPARTMENT shall have the right to terminate the Lease and to re-enter and repossess the leased land in the manner provided for by the laws of the State of Delaware. If DEPARTMENT terminates this Lease while TENANT has crops growing in the fields, the DEPARTMENT agrees not to take possession of the leased land until after TENANT has harvested the crop during the normal harvest period or, at DEPARTMENT'S option, DEPARTMENT will reimburse TENANT at the fair market value for crops destroyed. TENANT may terminate this Lease by giving DEPARTMENT ninety (90) days' notice in writing. TENANT shall yield peaceable possession of the leased land at the termination of the Lease.

17. TERMINATION FOR CONVENIENCE:

Leases shall remain in effect for the time period and quantity specified unless the Lease is terminated by the State. The State may terminate the Lease at any time by giving written notice of such termination and specifying the effective date thereof, at least sixty (60) days before the effective date of termination.

18. NOTICES:

Any notice, demand, request, consent, approval, or communication that either Party desires or is required to give to the other shall be in writing and either served personally or sent by first class mail, postage prepaid and addressed as per Paragraph 1. Upon written notice from a Party, or a successor in interest, to the other Party hereto, any such notice, demand or other written communication shall be given to that Party or successor at the address indicated in such notice.

19. WAIVER OF BREACH:

The waiver or acceptance by DEPARTMENT of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any continuing or subsequent breach of the same or any

other term, covenant or condition herein contained. All waivers or acceptances must be in writing. The subsequent acceptance of rent hereunder by DEPARTMENT shall not be deemed to be a waiver or acceptance of any preceding breach by TENANT of any term, covenant or condition of this Lease, other than the failure of TENANT to pay the particular rental fee so accepted, regardless of DEPARTMENT'S knowledge of such preceding breach at the time of acceptance of such rental fee.

20. LEGAL COSTS AND EXPENSES:

TENANT shall pay and discharge all costs, attorneys' fees and expenses arising from enforcing any covenant or forfeiture hereof.

21. RULES AND REGULATIONS:

The rules and regulations contained in this Lease, as well as such reasonable rules and regulations as may be hereafter adopted by DEPARTMENT for the safety, care and protection of its leased lands and the preservation of good order thereon, are hereby expressly made a part hereof, and TENANT agrees to adhere to all such rules and regulations, after notice of same.

22. REMEDIES:

It is understood and agreed that the remedies herein given to DEPARTMENT shall be cumulative, and the exercise of any one remedy by DEPARTMENT shall not be to the exclusion of any other remedy.

23. BINDING AGREEMENT:

The covenants and conditions herein contained shall apply to and bind the heirs, executors, administrators, successors, and assigns of all of the Parties hereto; and all of the Parties hereto shall be jointly and severally liable hereunder. This Lease shall not be interpreted as a waiver of the sovereign immunity of DEPARTMENT.

24. TIME:

Time is of the essence of this Lease.

25. LAW:

This Lease shall be construed and interpreted in accordance with the laws of the State of Delaware.

26. ENTIRE CONTRACT:

This instrument contains the entire agreement of the Parties and supersedes, cancels, and revokes any and all other agreements between the Parties relating to the subject matter of this Lease. There are no representations or warranties, either oral or written, except those contained in this Lease. This Lease may be modified only by an amendment in writing signed by both Parties.

27. SEVERABILITY:

If any portion of this Lease shall be held invalid or unenforceable, the validity of the remaining portion shall be unaffected and this Lease shall remain in full force and effect as if it had been executed with the invalid portion omitted.

28. SPECIAL PROVISIONS:

Cover Crop Requirements

1. The purpose of the cover crop program is to protect and control soil, water and nutrient resources on the leased land. All leased land is required to have a cover crop based on the following conditions.
2. Eligible species of cover crop are rye, wheat, barley, and spring oats.
3. Early planting is defined as cover crops planted by October 1st.
4. Normal planting is defined as cover crops planted by October 15th.
5. All seed purchased for cover crops should be tested and properly labeled in accordance with Delaware Seed Law and Regulations.
6. If homegrown seed is used, it should be tested prior to planting for purity, germination, and noxious weeds by either the Maryland or Delaware State Seed Laboratory.
7. Cover crops shall be established and actively growing before the expected period(s) of nutrient leaching. No fall application of commercial fertilizers (N and P) or manure is allowed prior to planting the cover crop. No winter application of commercial fertilizer or manure is allowed. Spring application of manure can resume after March 1st in Sussex County and March 15th in Kent and New Castle Counties.
8. TENANT shall maintain a winter cover crop on all tillable acres, unless specifically exempted in writing by DIVISION.

9. If TENANT plans on harvesting the cover crop for grain, then TENANT can apply fertilizer or manure after March 1st.
10. If TENANT plans on planting early peas, then TENANT may destroy the cover crop after February 15th and fertilizer and manure can be applied after such date.
11. TENANT may destroy cover crops by applying an herbicide, by plowing the crop under or by green chopping for on-farm use, only after March 15th.
12. There will be a minimum of a 5% spot check of cover crop acres in the spring after removal of the cover crop.

IN WITNESS WHEREOF, this Lease has been executed by the Parties hereto as of the day and year above written.

STATE OF DELAWARE
 DEPARTMENT OF NATURAL RESOURCES &
 ENVIRONMENTAL CONTROL
 DIVISION OF PARKS AND RECREATION

Original on File

Witness

Original on File

By: _____

Name: Collin P. O'Mara

Title: Secretary

Original on File

Witness

Original on File

By: _____

Name: Raymond E. Bivens

Title: Division Director

Twenty Twenty Farms, Inc.

Original on File

Witness

Original on File

By: _____

Name: *Collin P. O'Mara*

Title: *U.P.*

STATE OF DELAWARE)
) SS.
COUNTY OF)

BE IT REMEMBERED, That on this 4 day of February, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Colin P. O'Mara, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on 8/22/15

STATE OF DELAWARE)
) SS.
COUNTY OF Bent)



BE IT REMEMBERED, That on this 30th day of January, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Raymond E. Bivens, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on _____.

GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires at the end of government service

STATE OF DELAWARE)
) SS.
COUNTY OF Sussex)

BE IT REMEMBERED, That on this 29th day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Christopher Horsey known personally to be such, and acknowledged the foregoing instrument to be his/her act and deed.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

GW
NOTARY PUBLIC

My commission expires on _____.

GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires at the end of government service.

Delaware State Parks Agricultural Land Lease TPSP-01-2014

- Park
 - Trap Pond State Park
- FSA Tracts and Field numbers
 - Tract 5480 Field 1Crops
- Acres
 - 34.64
- County
 - Sussex
- Hundred
 - Gumboro Hundred
- Tax Parcel Numbers
 - 3-33-2.00-1.00

Trap Pond State Park
Crop Land for Lease
Ag Lease Number - TPSP-01-2014
FSA Tract 5480
34.64 Total Acres +/-



LEASE # TPSP-04-2014
AGRICULTURAL LANDS
AT
TRAP POND STATE PARK

THIS LEASE, made and entered into this 1st day of January, 2014 by and between the State of Delaware, Delaware Division of Parks and Recreation Party of the First Part, hereinafter referred to as "DIVISION,"

AND

Twenty Twenty Farms, Inc. of 32846 Hastings Drive, Laurel, DE 19956, Party of the Second Part, hereinafter referred to as "TENANT."

WITNESSETH, for and in consideration of the covenants and promises hereinafter contained and the payment of rentals as herein set forth, DEPARTMENT leases and rents TENANT and TENANT leases and rents from DEPARTMENT, all that certain cleared agricultural land Tract 1830 of Trap Pond State Park, said certain tract of land situate in Little Creek Hundred, Sussex County, State of Delaware, described as Parcel No. 532-15.00-13.00 according to the Sussex County Tax Records and more specifically located on the attached map, hereinafter referred to as "leased land".

1. PARTIES:

The name and address of the Parties are:

DEPARTMENT: Delaware Division of Parks and Recreation
89 Kings Hwy
Dover, DE 19901

TENANT: Twenty Twenty Farms, Inc.
32846 Hastings Drive
Laurel, DE 19956
(410) 251-2337

2. TERM OF LEASE:

The term of this Lease shall be for ten (10) years beginning in January 2014 and terminating on December 31, 2023 without notice of such termination.

3. ACREAGE:

Fields that are designated and offered for lease by Delaware Division of Parks and Recreation are approximately 13.53 acres. Delaware Division of Parks and Recreation does not guarantee the exact acres of the land for lease.

4. LAND USAGE:

The Land covered under this lease is to be used for the specific agricultural purposes as noted on the map and for no other purposes. Tenant covenants and agrees that it will farm in accordance with generally accepted farming practices and procedures. Failures to do so will be cause for immediate termination of the lease.

5. RENTAL FEE:

TENANT shall pay DIVISION an annual rental fee of \$2,381.28 for each of years one through five. For each of years six through ten, TENANT shall pay a fixed 5% above the years one through five rental fee. The annual rental fee is based on \$176.00 per acre charge for approximately 13.53 acres. DIVISION does not guarantee the exact total acreage of leased land. Rental fees shall be paid to DIVISION on or before January 1st for that lease year. Failure to make timely payments shall be a condition to cancel the lease at any time.

6. ASSIGNMENT OF LEASE:

TENANT shall not assign any interest in this lease without prior written consent of the DIVISION. TENANT shall not sublease any part of the leased land.

7. SECURITY:

TENANT covenants and agrees that he will in no way interfere with the security of the Institution or in the Department's ability to carry out its mission.

8. SECURITY INTEREST:

TENANT hereby grants to DIVISION a security interest in the agricultural commodities grown by TENANT on the leased land during the term of this Lease, whether such crops are standing, grown, in storage or in transit, and in any proceeds from the sale, exchange, transfer or other disposition of the collateral or proceeds, to ensure the performance by TENANT under all agreements with DIVISION, as well as payment of any and all sums now, heretofore and hereafter owing to DIVISION by TENANT as a result of TENANT entering into this Lease with DIVISION.

9. USE OF LEASED LAND:

The leased land may be used for producing agricultural commodities, including, but not limited to, grain, vegetable and forage crops and pasture. TENANT agrees to follow good farm management practices and to farm the land in a good and reasonable manner to avoid degradation of the environment and further agrees to the following:

- a) DIVISION reserves the right to cancel this lease on or before January 31 of each year by written notice, given at least sixty (60) calendar days prior to January 31 for non-performance of the contract.
- b) TENANT shall enter into a Conservation Plan for the leased land with the Natural Resources Conservation Service. The Plan shall contain instructions for management of soil fertility, nutrients, erosion control, agricultural chemicals, integrated pest management, and wildlife concerns. The plan shall follow all appropriate state regulations. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- c) TENANT shall enter into a Nutrient Management Plan for the leased land with the Delaware Department of Agriculture. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- d) TENANT shall use all reasonable precautions to avoid the establishment of any noxious weeds, including Johnson grass, Canada thistle, bur cucumber, giant ragweed, Texas panicum, Palmer amaranth, and any additional noxious weeds as specified under Delaware State Law. If TENANT fails to control said vegetation, then DIVISION may terminate this Lease and may contract with an independent vendor to apply appropriate control measures to eradicate said noxious weeds and the cost of such measures shall be the responsibility of the TENANT.
- e) TENANT shall submit to DIVISION, upon request, a list of all agricultural pesticides, herbicides and other chemical sprays to be used on the leased land. All such products shall meet Federal and State standards and, if required, be applied by certified applicators in the appropriate manner and rate as per label instructions. Violation of Federal, State pesticide, herbicide or other chemical spray laws, rules and regulations shall be a condition to cancel the Lease. DIVISION reserves the right to prohibit the use of certain agricultural chemicals, including, but not limited to, fertilizers, herbicides, and pesticides on the leased land. TENANT shall be required to notify the Park Superintendent specifically responsible for the leased land within 48 hours prior to any spraying on leased land. The use of carbofuran (Furadan) in liquid or granular form is prohibited on DIVISION lands.
- f) Any DIVISION leased lands designated as hay fields shall not be cut prior to July 1st for each growing season.
- g) Dumping, depositing, abandoning, discharging, releasing, or storing of any gaseous, liquid or solid hazardous wastes, substances, materials, or debris

of whatever nature on, in, over, or under the ground or into surface or ground water is prohibited, except as permitted by law.

- h) Excavation, digging, removing, or selling of loam, peat, gravel, soil, rock, sand, or any similar material by the TENANT is prohibited. Cover crops are required on DIVISION leased lands. Refer to Special Provisions section (pgs. 8-9) for cover crop requirements.
- i) TENANT shall submit to DIVISION, upon request, an annual harvest report indicating type and amount of agricultural commodity harvested from the leased land.
- j) TENANT may be permitted to participate in Farm Service Agency or similar agricultural assistance programs. Participation in these programs is subject to the written approval of DIVISION.
- k) TENANT shall not construct or install any structures on the leased land without prior written approval of DIVISION.
- l) TENANT may place a well on leased land with prior written approval of DIVISION. Such well would be a fixture to the land and becomes property of DIVISION upon termination of the lease. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such well, the soundness of new or existing wells, and water quantity and quality associated with such wells.
- m) TENANT may install an irrigation system on leased land with prior written approval of DIVISION. All aboveground pipes, pumps, power units, wheeled irrigation units and any other related equipment is property of TENANT. Upon termination of lease TENANT shall remove such property, subject to a removal plan approved by DIVISION, or convey such property to the succeeding TENANT. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such irrigation system.
- n) DIVISION is not responsible for wildlife damages to agricultural commodities on the leased land.
- o) All hunting and trapping rights and privileges and all land use except agricultural leased rights are reserved by DIVISION.
- p) TENANT shall use products and/or services that are provided by Agricultural Businesses which are certified for Best Management Practices (BMP), Good Food Handling Practices (GHP) and Good Agricultural Practices (GAP) through the Delaware Department of Agriculture or surrounding State's equivalent program.

10. RESERVED RIGHTS:

DIVISION reserves the following rights related to the leased land:

- a) Reserves the right to grant easements and rights of way across or upon the leased land. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- b) Reserves the right to create pathways, buffer strips, and hedgerows or to divert land for other **DIVISION** uses. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- c) Reserves the right of ingress and egress onto and over the leased land for inspection purposes, for enforcement of all laws, rules and regulations of **DIVISION** and for any other lawful purpose.

11. LIMITATION ON PUBLIC ACCESS:

DIVISION shall coordinate with **TENANT** any public use of the leased land in order to not negatively impact normal farming operations.

12. HOLD HARMLESS:

TENANT agrees to exercise the rights herein granted at its own risk fees, arising from or in any way connected with injury to or death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the leased land, regardless of cause, unless due to the gross negligence or willful misconduct of any of the Indemnified Parties.

13. DAMAGES TO PROPERTY:

TENANT agrees to be solely responsible for any and all injury, loss or damage to **TENANT'S** person, crops, equipment, and property or to equipment and property of others which may be placed on the leased land at **TENANT'S** request, and **TENANT** waives and releases any and all claims or rights against **DEPARTMENT** with respect thereto.

14. INSURANCE:

TENANT shall be insured against liability resulting from any agricultural practice or presence upon the leased land.

15. ASSIGNMENT, INSOLVENCY OR BANKRUPTCY:

Either (a) the appointment of a receiver to take possession of all or substantially all of the assets of TENANT or (b) a general assignment by TENANT for the benefit of creditors or (c) any action taken or suffered by TENANT under any insolvency or bankruptcy act shall constitute a breach of this Lease by TENANT and cause this Lease to terminate immediately.

16. TERMINATION OF LEASE:

TENANT agrees that if it fails to observe or perform any of the conditions or covenants on its part to be observed or performed, or if TENANT knowingly permits any unlawful acts to be carried out upon the leased land, then DEPARTMENT shall have the right to terminate the Lease and to re-enter and repossess the leased land in the manner provided for by the laws of the State of Delaware. If DEPARTMENT terminates this Lease while TENANT has crops growing in the fields, the DEPARTMENT agrees not to take possession of the leased land until after TENANT has harvested the crop during the normal harvest period or, at DEPARTMENT'S option, DEPARTMENT will reimburse TENANT at the fair market value for crops destroyed. TENANT may terminate this Lease by giving DEPARTMENT ninety (90) days' notice in writing. TENANT shall yield peaceable possession of the leased land at the termination of the Lease.

17. TERMINATION FOR CONVENIENCE:

Leases shall remain in effect for the time period and quantity specified unless the Lease is terminated by the State. The State may terminate the Lease at any time by giving written notice of such termination and specifying the effective date thereof, at least sixty (60) days before the effective date of termination.

18. NOTICES:

Any notice, demand, request, consent, approval, or communication that either Party desires or is required to give to the other shall be in writing and either served personally or sent by first class mail, postage prepaid and addressed as per Paragraph 1. Upon written notice from a Party, or a successor in interest, to the other Party hereto, any such notice, demand or other written communication shall be given to that Party or successor at the address indicated in such notice.

19. WAIVER OF BREACH:

The waiver or acceptance by DEPARTMENT of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any continuing or subsequent breach of the same or any

other term, covenant or condition herein contained. All waivers or acceptances must be in writing. The subsequent acceptance of rent hereunder by DEPARTMENT shall not be deemed to be a waiver or acceptance of any preceding breach by TENANT of any term, covenant or condition of this Lease, other than the failure of TENANT to pay the particular rental fee so accepted, regardless of DEPARTMENT'S knowledge of such preceding breach at the time of acceptance of such rental fee.

20. LEGAL COSTS AND EXPENSES:

TENANT shall pay and discharge all costs, attorneys' fees and expenses arising from enforcing any covenant or forfeiture hereof.

21. RULES AND REGULATIONS:

The rules and regulations contained in this Lease, as well as such reasonable rules and regulations as may be hereafter adopted by DEPARTMENT for the safety, care and protection of its leased lands and the preservation of good order thereon, are hereby expressly made a part hereof, and TENANT agrees to adhere to all such rules and regulations, after notice of same.

22. REMEDIES:

It is understood and agreed that the remedies herein given to DEPARTMENT shall be cumulative, and the exercise of any one remedy by DEPARTMENT shall not be to the exclusion of any other remedy.

23. BINDING AGREEMENT:

The covenants and conditions herein contained shall apply to and bind the heirs, executors, administrators, successors, and assigns of all of the Parties hereto; and all of the Parties hereto shall be jointly and severally liable hereunder. This Lease shall not be interpreted as a waiver of the sovereign immunity of DEPARTMENT.

24. TIME:

Time is of the essence of this Lease.

25. LAW:

This Lease shall be construed and interpreted in accordance with the laws of the State of Delaware.

26. ENTIRE CONTRACT:

This instrument contains the entire agreement of the Parties and supersedes, cancels, and revokes any and all other agreements between the Parties relating to the subject matter of this Lease. There are no representations or warranties, either oral or written, except those contained in this Lease. This Lease may be modified only by an amendment in writing signed by both Parties.

27. SEVERABILITY:

If any portion of this Lease shall be held invalid or unenforceable, the validity of the remaining portion shall be unaffected and this Lease shall remain in full force and effect as if it had been executed with the invalid portion omitted.

28. SPECIAL PROVISIONS:

Cover Crop Requirements

1. The purpose of the cover crop program is to protect and control soil, water and nutrient resources on the leased land. All leased land is required to have a cover crop based on the following conditions.
2. Eligible species of cover crop are rye, wheat, barley, and spring oats.
3. Early planting is defined as cover crops planted by October 1st.
4. Normal planting is defined as cover crops planted by October 15th.
5. All seed purchased for cover crops should be tested and properly labeled in accordance with Delaware Seed Law and Regulations.
6. If homegrown seed is used, it should be tested prior to planting for purity, germination, and noxious weeds by either the Maryland or Delaware State Seed Laboratory.
7. Cover crops shall be established and actively growing before the expected period(s) of nutrient leaching. No fall application of commercial fertilizers (N and P) or manure is allowed prior to planting the cover crop. No winter application of commercial fertilizer or manure is allowed. Spring application of manure can resume after March 1st in Sussex County and March 15th in Kent and New Castle Counties.
8. TENANT shall maintain a winter cover crop on all tillable acres, unless specifically exempted in writing by DIVISION.

9. If TENANT plans on harvesting the cover crop for grain, then TENANT can apply fertilizer or manure after March 1st.
10. If TENANT plans on planting early peas, then TENANT may destroy the cover crop after February 15th and fertilizer and manure can be applied after such date.
11. TENANT may destroy cover crops by applying an herbicide, by plowing the crop under or by green chopping for on-farm use, only after March 15th.
12. There will be a minimum of a 5% spot check of cover crop acres in the spring after removal of the cover crop.

IN WITNESS WHEREOF, this Lease has been executed by the Parties hereto as of the day and year above written.

STATE OF DELAWARE
 DEPARTMENT OF NATURAL RESOURCES &
 ENVIRONMENTAL CONTROL
 DIVISION OF PARKS AND RECREATION

Original on File

 Witness

By: *Original on File*

 Name: Collin P. O'Mara
 Title: Secretary

Original on File

 Witness

By: *Original on File*

 Name: Raymond E. Bivens
 Title: Division Director

Twenty Twenty Farms, Inc

Original on File

 Witness

By: *Original on File*

 Name: *[Signature]*
 Title: *J.P.*

STATE OF DELAWARE)
) SS.
COUNTY OF)

BE IT REMEMBERED, That on this 4 day of February, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Colin P. O'Mara, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on 8/22/15

STATE OF DELAWARE)
) SS.
COUNTY OF KENT)



BE IT REMEMBERED, That on this 30th day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Raymond E. Bivens, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC
GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires at the end of government service

My commission expires on _____.

STATE OF Delaware)
) SS.
COUNTY OF Sussex)

BE IT REMEMBERED, That on this 29th day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Christopher Horsey, known personally to be such, and acknowledged the foregoing instrument to be his/her act and deed.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

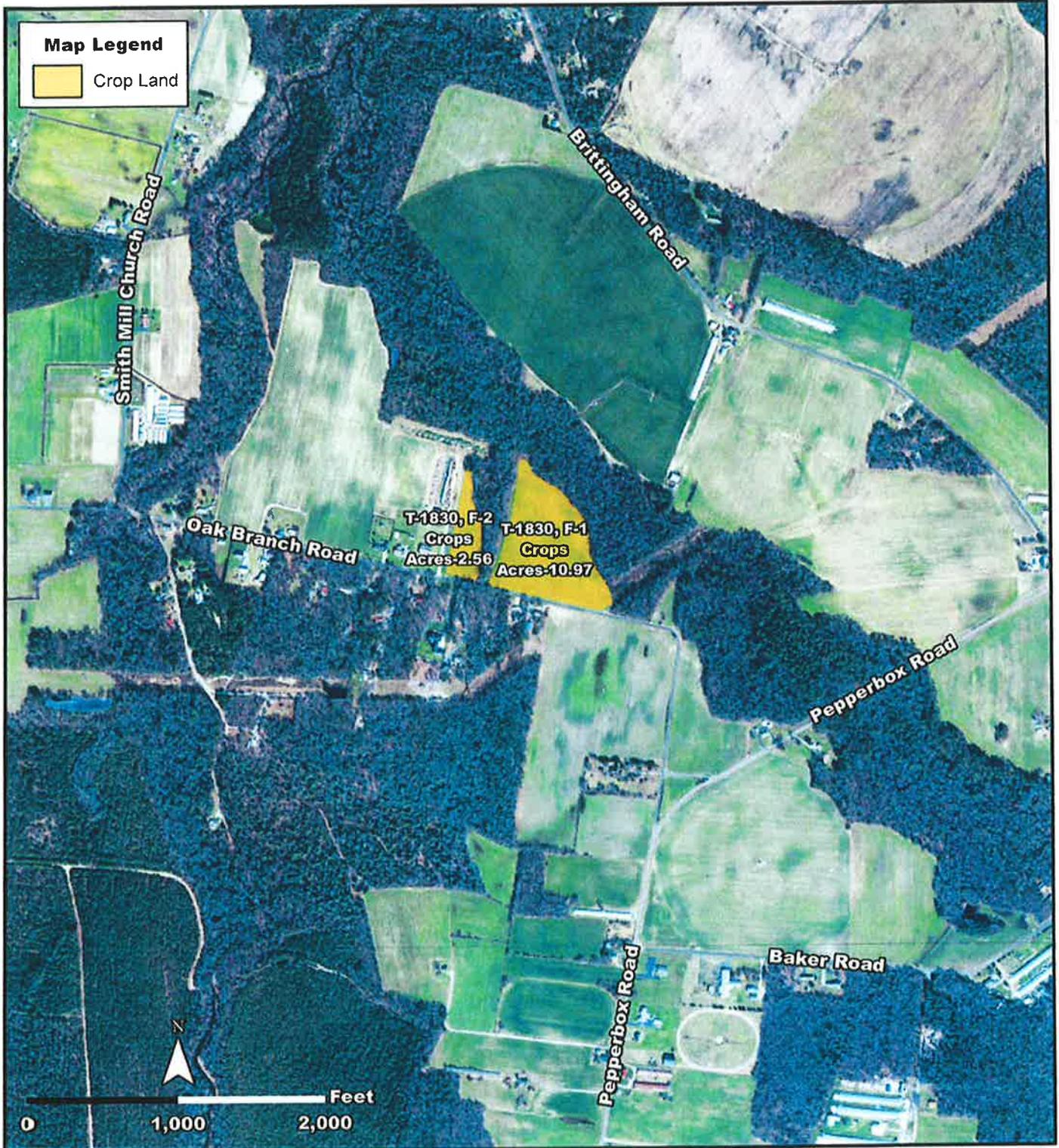
My commission expires on _____.

GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires at the end of government service

Delaware State Parks Agricultural Land Lease TPSP-04-2014

- Park
 - Trap Pond State Park
- FSA Tracts and Field numbers
 - Tract 1830 Fields 1, 2 Crops
- Acres
 - 13.53
- County
 - Sussex
- Hundred
 - Little Creek Hundred
- Tax Parcel Numbers
 - 532-15.00-13.00

Trap Pond State Park
Crop Land for Lease
Ag Lease Number - TPSP-04-2014
FSA Tract 1830
13.53 Total Acres +/-



Vincent Farms, Inc.

LEASE # TPSP-02-2014
AGRICULTURAL LANDS
AT
TRAP POND STATE PARK

THIS LEASE, made and entered into this 1st day of January, 2014 by and between the State of Delaware, Delaware Division of Parks and Recreation Party of the First Part, hereinafter referred to as "DIVISION,"

AND

Vincent Farms, Inc. of 12487 Salt Barn Road, Laurel, DE 19956, Party of the Second Part, hereinafter referred to as "TENANT."

WITNESSETH, for and in consideration of the covenants and promises hereinafter contained and the payment of rentals as herein set forth, DEPARTMENT leases and rents TENANT and TENANT leases and rents from DEPARTMENT, all that certain cleared agricultural land Tract 1780, 1804, 1806, 1807, 1814 of Trap Pond State Park, said certain tract of land situate in Little Creek Hundred, Sussex County, State of Delaware, described as Parcel No. 332-4.00-72.00, 332-4.00-74.00, 332-8.00-20.00, 532-7.00-34.00, 532-7.00-39.00 according to the Sussex County Tax Records and more specifically located on the attached map, hereinafter referred to as "leased land".

1. PARTIES:

The name and address of the Parties are:

DEPARTMENT: Delaware Division of Parks and Recreation
89 Kings Hwy
Dover, DE 19901

TENANT: Vincent Farms, Inc.
12487 Salt Barn Road
Laurel, DE 19956
(302) 875-5707

2. TERM OF LEASE:

The term of this Lease shall be for ten (10) years beginning in January 2014 and terminating on December 31, 2023 without notice of such termination.

3. ACREAGE:

Fields that are designated and offered for lease by Delaware Division of Parks and Recreation are approximately 182.49 acres. Delaware Division of Parks and Recreation

does not guarantee the exact acres of the land for lease.

4. LAND USAGE:

The Land covered under this lease is to be used for the specific agricultural purposes as noted on the map and for no other purposes. Tenant covenants and agrees that it will farm in accordance with generally accepted farming practices and procedures. Failures to do so will be cause for immediate termination of the lease.

5. RENTAL FEE:

TENANT shall pay DIVISION an annual rental fee of \$58,214.31 for each of years one through five. For each of years six through ten, TENANT shall pay a fixed 5% above the years one through five rental fee. The annual rental fee is based on \$319.00 per acre charge for approximately 182.49 acres. DIVISION does not guarantee the exact total acreage of leased land. Rental fees shall be paid to DIVISION on or before January 1st for that lease year. Failure to make timely payments shall be a condition to cancel the lease at any time.

6. ASSIGNMENT OF LEASE:

TENANT shall not assign any interest in this lease without prior written consent of the DIVISION. TENANT shall not sublease any part of the leased land.

7. SECURITY:

TENANT covenants and agrees that he will in no way interfere with the security of the Institution or in the Department's ability to carry out its mission.

8. SECURITY INTEREST:

TENANT hereby grants to DIVISION a security interest in the agricultural commodities grown by TENANT on the leased land during the term of this Lease, whether such crops are standing, grown, in storage or in transit, and in any proceeds from the sale, exchange, transfer or other disposition of the collateral or proceeds, to ensure the performance by TENANT under all agreements with DIVISION, as well as payment of any and all sums now, heretofore and hereafter owing to DIVISION by TENANT as a result of TENANT entering into this Lease with DIVISION.

9. USE OF LEASED LAND:

The leased land may be used for producing agricultural commodities, including, but not limited to, grain, vegetable and forage crops and pasture. TENANT agrees to follow good farm management practices and to farm the land in a good and reasonable manner to avoid degradation of the environment and further agrees to the

following:

- a) DIVISION reserves the right to cancel this lease on or before January 31 of each year by written notice, given at least sixty (60) calendar days prior to January 31 for non-performance of the contract.
- b) TENANT shall enter into a Conservation Plan for the leased land with the Natural Resources Conservation Service. The Plan shall contain instructions for management of soil fertility, nutrients, erosion control, agricultural chemicals, integrated pest management, and wildlife concerns. The plan shall follow all appropriate state regulations. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- c) TENANT shall enter into a Nutrient Management Plan for the leased land with the Delaware Department of Agriculture. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- d) TENANT shall use all reasonable precautions to avoid the establishment of any noxious weeds, including Johnson grass, Canada thistle, bur cucumber, giant ragweed, Texas panicum, Palmer amaranth, and any additional noxious weeds as specified under Delaware State Law. If TENANT fails to control said vegetation, then DIVISION may terminate this Lease and may contract with an independent vendor to apply appropriate control measures to eradicate said noxious weeds and the cost of such measures shall be the responsibility of the TENANT.
- e) TENANT shall submit to DIVISION, upon request, a list of all agricultural pesticides, herbicides and other chemical sprays to be used on the leased land. All such products shall meet Federal and State standards and, if required, be applied by certified applicators in the appropriate manner and rate as per label instructions. Violation of Federal, State pesticide, herbicide or other chemical spray laws, rules and regulations shall be a condition to cancel the Lease. DIVISION reserves the right to prohibit the use of certain agricultural chemicals, including, but not limited to, fertilizers, herbicides, and pesticides on the leased land. TENANT shall be required to notify the Park Superintendent specifically responsible for the leased land within 48 hours prior to any spraying on leased land. The use of carbofuran (Furadan) in liquid or granular form is prohibited on DIVISION lands.
- f) Any DIVISION leased lands designated as hay fields shall not be cut prior to July 1st for each growing season.
- g) Dumping, depositing, abandoning, discharging, releasing, or storing of any

gaseous, liquid or solid hazardous wastes, substances, materials, or debris of whatever nature on, in, over, or under the ground or into surface or ground water is prohibited, except as permitted by law.

- h) Excavation, digging, removing, or selling of loam, peat, gravel, soil, rock, sand, or any similar material by the TENANT is prohibited. Cover crops are required on DIVISION leased lands. Refer to Special Provisions section (pgs. 8-9) for cover crop requirements.
- i) TENANT shall submit to DIVISION, upon request, an annual harvest report indicating type and amount of agricultural commodity harvested from the leased land.
- j) TENANT may be permitted to participate in Farm Service Agency or similar agricultural assistance programs. Participation in these programs is subject to the written approval of DIVISION.
- k) TENANT shall not construct or install any structures on the leased land without prior written approval of DIVISION.
- l) TENANT may place a well on leased land with prior written approval of DIVISION. Such well would be a fixture to the land and becomes property of DIVISION upon termination of the lease. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such well, the soundness of new or existing wells, and water quantity and quality associated with such wells.
- m) TENANT may install an irrigation system on leased land with prior written approval of DIVISION. All aboveground pipes, pumps, power units, wheeled irrigation units and any other related equipment is property of TENANT. Upon termination of lease TENANT shall remove such property, subject to a removal plan approved by DIVISION, or convey such property to the succeeding TENANT. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such irrigation system.
- n) DIVISION is not responsible for wildlife damages to agricultural commodities on the leased land.
- o) All hunting and trapping rights and privileges and all land use except agricultural leased rights are reserved by DIVISION.
- p) TENANT shall use products and/or services that are provided by Agricultural Businesses which are certified for Best Management Practices (BMP), Good Food Handling Practices (GHP) and Good Agricultural

Practices (GAP) through the Delaware Department of Agriculture or surrounding State's equivalent program.

10. RESERVED RIGHTS:

DIVISION reserves the following rights related to the leased land:

- a) Reserves the right to grant easements and rights of way across or upon the leased land. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- b) Reserves the right to create pathways, buffer strips, and hedgerows or to divert land for other DIVISION uses. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- c) Reserves the right of ingress and egress onto and over the leased land for inspection purposes, for enforcement of all laws, rules and regulations of DIVISION and for any other lawful purpose.

11. LIMITATION ON PUBLIC ACCESS:

DIVISION shall coordinate with TENANT any public use of the leased land in order to not negatively impact normal farming operations.

12. HOLD HARMLESS:

TENANT agrees to exercise the rights herein granted at its own risk fees, arising from or in any way connected with injury to or death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the leased land, regardless of cause, unless due to the gross negligence or willful misconduct of any of the Indemnified Parties.

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14. INSURANCE:

TENANT shall be insured against liability resulting from any agricultural practice or presence upon the leased land.

15. ASSIGNMENT, INSOLVENCY OR BANKRUPTCY:

Either (a) the appointment of a receiver to take possession of all or substantially all of the assets of TENANT or (b) a general assignment by TENANT for the benefit of creditors or (c) any action taken or suffered by TENANT under any insolvency or bankruptcy act shall constitute a breach of this Lease by TENANT and cause this Lease to terminate immediately.

16. TERMINATION OF LEASE:

TENANT agrees that if it fails to observe or perform any of the conditions or covenants on its part to be observed or performed, or if TENANT knowingly permits any unlawful acts to be carried out upon the leased land, then DEPARTMENT shall have the right to terminate the Lease and to re-enter and repossess the leased land in the manner provided for by the laws of the State of Delaware. If DEPARTMENT terminates this Lease while TENANT has crops growing in the fields, the DEPARTMENT agrees not to take possession of the leased land until after TENANT has harvested the crop during the normal harvest period or, at DEPARTMENT'S option, DEPARTMENT will reimburse TENANT at the fair market value for crops destroyed. TENANT may terminate this Lease by giving DEPARTMENT ninety (90) days' notice in writing. TENANT shall yield peaceable possession of the leased land at the termination of the Lease.

17. TERMINATION FOR CONVENIENCE:

Leases shall remain in effect for the time period and quantity specified unless the Lease is terminated by the State. The State may terminate the Lease at any time by giving written notice of such termination and specifying the effective date thereof, at least sixty (60) days before the effective date of termination.

18. NOTICES:

Any notice, demand, request, consent, approval, or communication that either Party desires or is required to give to the other shall be in writing and either served personally or sent by first class mail, postage prepaid and addressed as per Paragraph 1. Upon written notice from a Party, or a successor in interest, to the other Party hereto, any such notice, demand or other written communication shall be given to that Party or successor at the address indicated in such notice.

19. WAIVER OF BREACH:

The waiver or acceptance by DEPARTMENT of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any continuing or subsequent breach of the same or any other term, covenant or condition herein contained. All waivers or acceptances must be in writing. The subsequent acceptance of rent hereunder by DEPARTMENT shall not be deemed to be a waiver or acceptance of any preceding breach by TENANT of any term, covenant or condition of this Lease, other than the failure of TENANT to pay the particular rental fee so accepted, regardless of DEPARTMENT'S knowledge of such preceding breach at the time of acceptance of such rental fee.

20. LEGAL COSTS AND EXPENSES:

TENANT shall pay and discharge all costs, attorneys' fees and expenses arising from enforcing any covenant or forfeiture hereof.

21. RULES AND REGULATIONS:

The rules and regulations contained in this Lease, as well as such reasonable rules and regulations as may be hereafter adopted by DEPARTMENT for the safety, care and protection of its leased lands and the preservation of good order thereon, are hereby expressly made a part hereof, and TENANT agrees to adhere to all such rules and regulations, after notice of same.

22. REMEDIES:

It is understood and agreed that the remedies herein given to DEPARTMENT shall be cumulative, and the exercise of any one remedy by DEPARTMENT shall not be to the exclusion of any other remedy.

23. BINDING AGREEMENT:

The covenants and conditions herein contained shall apply to and bind the heirs, executors, administrators, successors, and assigns of all of the Parties hereto; and all of the Parties hereto shall be jointly and severally liable hereunder. This Lease shall not be interpreted as a waiver of the sovereign immunity of DEPARTMENT.

24. TIME:

Time is of the essence of this Lease.

25. LAW:

This Lease shall be construed and interpreted in accordance with the laws of the State of Delaware.

26. ENTIRE CONTRACT:

This instrument contains the entire agreement of the Parties and supersedes, cancels, and revokes any and all other agreements between the Parties relating to the subject matter of this Lease. There are no representations or warranties, either oral or written, except those contained in this Lease. This Lease may be modified only by an amendment in writing signed by both Parties.

27. SEVERABILITY:

If any portion of this Lease shall be held invalid or unenforceable, the validity of the remaining portion shall be unaffected and this Lease shall remain in full force and effect as if it had been executed with the invalid portion omitted.

28. SPECIAL PROVISIONS:

Cover Crop Requirements

1. The purpose of the cover crop program is to protect and control soil, water and nutrient resources on the leased land. All leased land is required to have a cover crop based on the following conditions.
2. Eligible species of cover crop are rye, wheat, barley, and spring oats.
3. Early planting is defined as cover crops planted by October 1st.
4. Normal planting is defined as cover crops planted by October 15th.
5. All seed purchased for cover crops should be tested and properly labeled in accordance with Delaware Seed Law and Regulations.
6. If homegrown seed is used, it should be tested prior to planting for purity, germination, and noxious weeds by either the Maryland or Delaware State Seed Laboratory.
7. Cover crops shall be established and actively growing before the expected period(s) of nutrient leaching. No fall application of commercial fertilizers (N and P) or manure is allowed prior to planting the cover crop. No winter application of commercial fertilizer or manure is allowed. Spring application of manure can resume after March 1st in Sussex County and March 15th in Kent and New Castle Counties.

8. TENANT shall maintain a winter cover crop on all tillable acres, unless specifically exempted in writing by DIVISION.
9. If TENANT plans on harvesting the cover crop for grain, then TENANT can apply fertilizer or manure after March 1st.
10. If TENANT plans on planting early peas, then TENANT may destroy the cover crop after February 15th and fertilizer and manure can be applied after such date.
11. TENANT may destroy cover crops by applying an herbicide, by plowing the crop under or by green chopping for on-farm use, only after March 15th.
12. There will be a minimum of a 5% spot check of cover crop acres in the spring after removal of the cover crop.

IN WITNESS WHEREOF, this Lease has been executed by the Parties hereto as of the day and year above written.

STATE OF DELAWARE
 DEPARTMENT OF NATURAL RESOURCES &
 ENVIRONMENTAL CONTROL
 DIVISION OF PARKS AND RECREATION

Original on File

Witness

By: *Original on File*

Name: Collin P. O'Mara

Title: Secretary

Original on File

Witness

By: *Original on File*

Name: Raymond E. Bivens

Title: Division Director

Vincent Farms, Inc.

Original on File

Witness

By: *Original on File*

Name: Raymond Vincent

Title: *Secretary*

STATE OF DELAWARE)
) SS.
COUNTY OF)

BE IT REMEMBERED, That on this 4 day of February, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Colin P. O'Mara, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on 8/22/15

STATE OF DELAWARE)
) SS.
COUNTY OF Sussex)



BE IT REMEMBERED, That on this 30TH day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Raymond E. Bivens, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires at the end of government service

My commission expires on _____.

STATE OF Delaware)
) SS.
COUNTY OF Sussex)

BE IT REMEMBERED, That on this 29th day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Raymond T. Vincent, known personally to be such, and acknowledged the foregoing instrument to be his/her act and deed.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on _____.

GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires at the end of government service

Delaware State Parks Agricultural Land Lease TPSP-02-2014

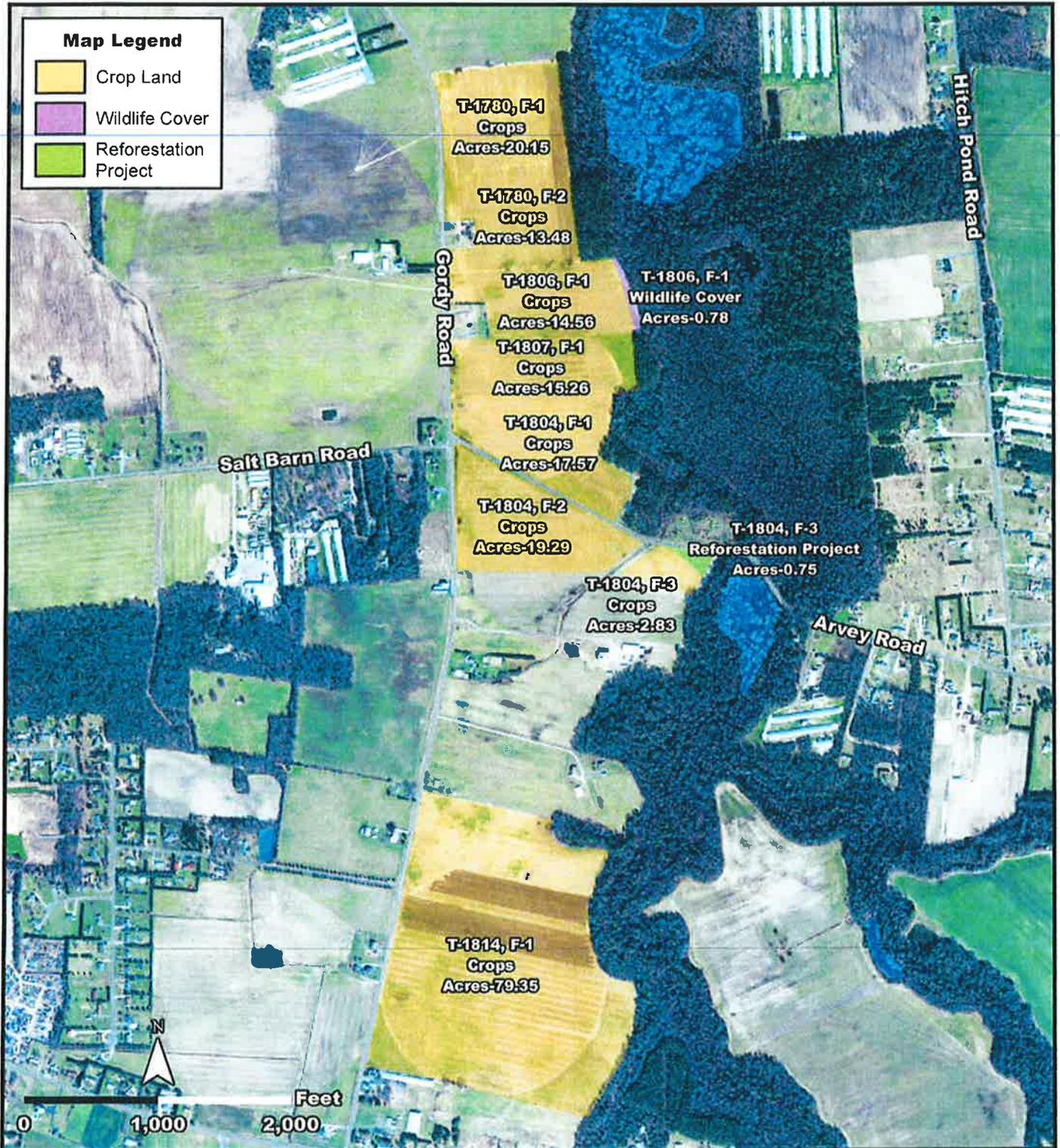
- Park
 - Trap Pond State Park
- FSA Tracts and Field numbers
 - Tract 1780 Fields 1, 2 Crops
 - Tract 1804 Fields 1, 2, 3 Crops
 - Tract 1806 Field 1 Crops
 - Tract 1807 Field 1 Crops
 - Tract 1814 Field 1 Crops
- Acres
 - 182.49
- County
 - Sussex
- Hundred
 - Little Creek Hundred
- Tax Parcel Numbers
 - 332-4.00-72.00, 332-4.00-74.00, 332-8.00-20.00, 532-7.00-34.00, 532-7.00-39.00

- Well/Irrigation Information
 - FSA Tract 1804, Field 1 contains two permitted wells
 - Permit 165203 and 96473
 - Information on file
 - FSA Tract 1806, Field 1 contains a permitted well
 - Permit 164491
 - Information on file

- Wildlife Cover
 - Area identified as Wildlife Cover is not to be mowed, tilled or harvested. This area will be maintained by the Division. This acreage **is not** part of the Agricultural Lease acres.

- Reforestation Project
 - Area identified as Reforestation Project is not to be mowed, tilled or harvested. This area will be maintained by the Division. This acreage **is not** part of the Agriculture Lease acres.

Trap Pond State Park
Crop Land for Lease
Ag Lease Number - TPSP-02-2014
FSA Tract 1780, Tract 1806, Tract 1807 and Tract 1814
182.49 Total Acres +/-



LEASE # TPSP-03-2014
AGRICULTURAL LANDS
AT
TRAP POND STATE PARK

THIS LEASE, made and entered into this 1st day of January, 2014 by and between the State of Delaware, Delaware Division of Parks and Recreation Party of the First Part, hereinafter referred to as "DIVISION,"

AND

Vincent Farms, Inc. of 12487 Salt Barn Road, Laurel, DE 19956, Party of the Second Part, hereinafter referred to as "TENANT."

WITNESSETH, for and in consideration of the covenants and promises hereinafter contained and the payment of rentals as herein set forth, DEPARTMENT leases and rents TENANT and TENANT leases and rents from DEPARTMENT, all that certain cleared agricultural land Tract 1790 and 41304 of Trap Pond State Park, said certain tract of land situate in Little Creek Hundred, Sussex County, State of Delaware, described as Parcel No. 332.-5.00-9.00, 332.-5.00-8.00 according to the Sussex County Tax Records and more specifically located on the attached map, hereinafter referred to as "leased land".

1. PARTIES:

The name and address of the Parties are:

DEPARTMENT: Delaware Division of Parks and Recreation
89 Kings Hwy
Dover, DE 19901

TENANT: Vincent Farms, Inc.
12487 Salt Barn Road
Laurel, DE 19956
(302) 875-5707

2. TERM OF LEASE:

The term of this Lease shall be for ten (10) years beginning in January 2014 and terminating on December 31, 2023 without notice of such termination.

3. ACREAGE:

Fields that are designated and offered for lease by Delaware Division of Parks and Recreation are approximately 84.48 acres. Delaware Division of Parks and Recreation does not guarantee the exact acres of the land for lease.

4. LAND USAGE:

The Land covered under this lease is to be used for the specific agricultural purposes as noted on the map and for no other purposes. Tenant covenants and agrees that it will farm in accordance with generally accepted farming practices and procedures. Failures to do so will be cause for immediate termination of the lease.

5. RENTAL FEE:

TENANT shall pay DIVISION an annual rental fee of \$22,999.68 for each of years one through five. For each of years six through ten, TENANT shall pay a fixed 5% above the years one through five rental fee. The annual rental fee is based on \$272.25 per acre charge for approximately 84.48 acres. DIVISION does not guarantee the exact total acreage of leased land. Rental fees shall be paid to DIVISION on or before January 1st for that lease year. Failure to make timely payments shall be a condition to cancel the lease at any time.

6. ASSIGNMENT OF LEASE:

TENANT shall not assign any interest in this lease without prior written consent of the DIVISION. TENANT shall not sublease any part of the leased land.

7. SECURITY:

TENANT covenants and agrees that he will in no way interfere with the security of the Institution or in the Department's ability to carry out its mission.

8. SECURITY INTEREST:

TENANT hereby grants to DIVISION a security interest in the agricultural commodities grown by TENANT on the leased land during the term of this Lease, whether such crops are standing, grown, in storage or in transit, and in any proceeds from the sale, exchange, transfer or other disposition of the collateral or proceeds, to ensure the performance by TENANT under all agreements with DIVISION, as well as payment of any and all sums now, heretofore and hereafter owing to DIVISION by TENANT as a result of TENANT entering into this Lease with DIVISION.

9. USE OF LEASED LAND:

The leased land may be used for producing agricultural commodities, including, but not limited to, grain, vegetable and forage crops and pasture. TENANT agrees to follow good farm management practices and to farm the land in a good and reasonable manner to avoid degradation of the environment and further agrees to the following:

- a) DIVISION reserves the right to cancel this lease on or before January 31 of each year by written notice, given at least sixty (60) calendar days prior to January 31 for non-performance of the contract.
- b) TENANT shall enter into a Conservation Plan for the leased land with the Natural Resources Conservation Service. The Plan shall contain instructions for management of soil fertility, nutrients, erosion control, agricultural chemicals, integrated pest management, and wildlife concerns. The plan shall follow all appropriate state regulations. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- c) TENANT shall enter into a Nutrient Management Plan for the leased land with the Delaware Department of Agriculture. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- d) TENANT shall use all reasonable precautions to avoid the establishment of any noxious weeds, including Johnson grass, Canada thistle, bur cucumber, giant ragweed, Texas panicum, Palmer amaranth, and any additional noxious weeds as specified under Delaware State Law. If TENANT fails to control said vegetation, then DIVISION may terminate this Lease and may contract with an independent vendor to apply appropriate control measures to eradicate said noxious weeds and the cost of such measures shall be the responsibility of the TENANT.
- e) TENANT shall submit to DIVISION, upon request, a list of all agricultural pesticides, herbicides and other chemical sprays to be used on the leased land. All such products shall meet Federal and State standards and, if required, be applied by certified applicators in the appropriate manner and rate as per label instructions. Violation of Federal, State pesticide, herbicide or other chemical spray laws, rules and regulations shall be a condition to cancel the Lease. DIVISION reserves the right to prohibit the use of certain agricultural chemicals, including, but not limited to, fertilizers, herbicides, and pesticides on the leased land. TENANT shall be required to notify the Park Superintendent specifically responsible for the leased land within 48 hours prior to any spraying on leased land. The use of carbofuran (Furadan) in liquid or granular form is prohibited on DIVISION lands.
- f) Any DIVISION leased lands designated as hay fields shall not be cut prior to July 1st for each growing season.
- g) Dumping, depositing, abandoning, discharging, releasing, or storing of any gaseous, liquid or solid hazardous wastes, substances, materials, or debris

of whatever nature on, in, over, or under the ground or into surface or ground water is prohibited, except as permitted by law.

- h) Excavation, digging, removing, or selling of loam, peat, gravel, soil, rock, sand, or any similar material by the TENANT is prohibited. Cover crops are required on DIVISION leased lands. Refer to Special Provisions section (pgs. 8-9) for cover crop requirements.
- i) TENANT shall submit to DIVISION, upon request, an annual harvest report indicating type and amount of agricultural commodity harvested from the leased land.
- j) TENANT may be permitted to participate in Farm Service Agency or similar agricultural assistance programs. Participation in these programs is subject to the written approval of DIVISION.
- k) TENANT shall not construct or install any structures on the leased land without prior written approval of DIVISION.
- l) TENANT may place a well on leased land with prior written approval of DIVISION. Such well would be a fixture to the land and becomes property of DIVISION upon termination of the lease. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such well, the soundness of new or existing wells, and water quantity and quality associated with such wells.
- m) TENANT may install an irrigation system on leased land with prior written approval of DIVISION. All aboveground pipes, pumps, power units, wheeled irrigation units and any other related equipment is property of TENANT. Upon termination of lease TENANT shall remove such property, subject to a removal plan approved by DIVISION, or convey such property to the succeeding TENANT. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such irrigation system.
- n) DIVISION is not responsible for wildlife damages to agricultural commodities on the leased land.
- o) All hunting and trapping rights and privileges and all land use except agricultural leased rights are reserved by DIVISION.
- p) TENANT shall use products and/or services that are provided by Agricultural Businesses which are certified for Best Management Practices (BMP), Good Food Handling Practices (GHP) and Good Agricultural Practices (GAP) through the Delaware Department of Agriculture or surrounding State's equivalent program.

10. RESERVED RIGHTS:

DIVISION reserves the following rights related to the leased land:

- a) Reserves the right to grant easements and rights of way across or upon the leased land. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- b) Reserves the right to create pathways, buffer strips, and hedgerows or to divert land for other **DIVISION** uses. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- c) Reserves the right of ingress and egress onto and over the leased land for inspection purposes, for enforcement of all laws, rules and regulations of **DIVISION** and for any other lawful purpose.

11. LIMITATION ON PUBLIC ACCESS:

DIVISION shall coordinate with **TENANT** any public use of the leased land in order to not negatively impact normal farming operations.

12. HOLD HARMLESS:

TENANT agrees to exercise the rights herein granted at its own risk fees, arising from or in any way connected with injury to or death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the leased land, regardless of cause, unless due to the gross negligence or willful misconduct of any of the Indemnified Parties.

13. DAMAGES TO PROPERTY:

TENANT agrees to be solely responsible for any and all injury, loss or damage to **TENANT'S** person, crops, equipment, and property or to equipment and property of others which may be placed on the leased land at **TENANT'S** request, and **TENANT** waives and releases any and all claims or rights against **DEPARTMENT** with respect thereto.

14. INSURANCE:

TENANT shall be insured against liability resulting from any agricultural practice or presence upon the leased land.

15. ASSIGNMENT, INSOLVENCY OR BANKRUPTCY:

Either (a) the appointment of a receiver to take possession of all or substantially all of the assets of TENANT or (b) a general assignment by TENANT for the benefit of creditors or (c) any action taken or suffered by TENANT under any insolvency or bankruptcy act shall constitute a breach of this Lease by TENANT and cause this Lease to terminate immediately.

16. TERMINATION OF LEASE:

TENANT agrees that if it fails to observe or perform any of the conditions or covenants on its part to be observed or performed, or if TENANT knowingly permits any unlawful acts to be carried out upon the leased land, then DEPARTMENT shall have the right to terminate the Lease and to re-enter and repossess the leased land in the manner provided for by the laws of the State of Delaware. If DEPARTMENT terminates this Lease while TENANT has crops growing in the fields, the DEPARTMENT agrees not to take possession of the leased land until after TENANT has harvested the crop during the normal harvest period or, at DEPARTMENT'S option, DEPARTMENT will reimburse TENANT at the fair market value for crops destroyed. TENANT may terminate this Lease by giving DEPARTMENT ninety (90) days' notice in writing. TENANT shall yield peaceable possession of the leased land at the termination of the Lease.

17. TERMINATION FOR CONVENIENCE:

Leases shall remain in effect for the time period and quantity specified unless the Lease is terminated by the State. The State may terminate the Lease at any time by giving written notice of such termination and specifying the effective date thereof, at least sixty (60) days before the effective date of termination.

18. NOTICES:

Any notice, demand, request, consent, approval, or communication that either Party desires or is required to give to the other shall be in writing and either served personally or sent by first class mail, postage prepaid and addressed as per Paragraph 1. Upon written notice from a Party, or a successor in interest, to the other Party hereto, any such notice, demand or other written communication shall be given to that Party or successor at the address indicated in such notice.

19. WAIVER OF BREACH:

The waiver or acceptance by DEPARTMENT of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any continuing or subsequent breach of the same or any

other term, covenant or condition herein contained. All waivers or acceptances must be in writing. The subsequent acceptance of rent hereunder by DEPARTMENT shall not be deemed to be a waiver or acceptance of any preceding breach by TENANT of any term, covenant or condition of this Lease, other than the failure of TENANT to pay the particular rental fee so accepted, regardless of DEPARTMENT'S knowledge of such preceding breach at the time of acceptance of such rental fee.

20. LEGAL COSTS AND EXPENSES:

TENANT shall pay and discharge all costs, attorneys' fees and expenses arising from enforcing any covenant or forfeiture hereof.

21. RULES AND REGULATIONS:

The rules and regulations contained in this Lease, as well as such reasonable rules and regulations as may be hereafter adopted by DEPARTMENT for the safety, care and protection of its leased lands and the preservation of good order thereon, are hereby expressly made a part hereof, and TENANT agrees to adhere to all such rules and regulations, after notice of same.

22. REMEDIES:

It is understood and agreed that the remedies herein given to DEPARTMENT shall be cumulative, and the exercise of any one remedy by DEPARTMENT shall not be to the exclusion of any other remedy.

23. BINDING AGREEMENT:

The covenants and conditions herein contained shall apply to and bind the heirs, executors, administrators, successors, and assigns of all of the Parties hereto; and all of the Parties hereto shall be jointly and severally liable hereunder. This Lease shall not be interpreted as a waiver of the sovereign immunity of DEPARTMENT.

24. TIME:

Time is of the essence of this Lease.

25. LAW:

This Lease shall be construed and interpreted in accordance with the laws of the State of Delaware.

26. ENTIRE CONTRACT:

This instrument contains the entire agreement of the Parties and supersedes, cancels, and revokes any and all other agreements between the Parties relating to the subject matter of this Lease. There are no representations or warranties, either oral or written, except those contained in this Lease. This Lease may be modified only by an amendment in writing signed by both Parties.

27. SEVERABILITY:

If any portion of this Lease shall be held invalid or unenforceable, the validity of the remaining portion shall be unaffected and this Lease shall remain in full force and effect as if it had been executed with the invalid portion omitted.

28. SPECIAL PROVISIONS:

Cover Crop Requirements

1. The purpose of the cover crop program is to protect and control soil, water and nutrient resources on the leased land. All leased land is required to have a cover crop based on the following conditions.
2. Eligible species of cover crop are rye, wheat, barley, and spring oats.
3. Early planting is defined as cover crops planted by October 1st.
4. Normal planting is defined as cover crops planted by October 15th.
5. All seed purchased for cover crops should be tested and properly labeled in accordance with Delaware Seed Law and Regulations.
6. If homegrown seed is used, it should be tested prior to planting for purity, germination, and noxious weeds by either the Maryland or Delaware State Seed Laboratory.
7. Cover crops shall be established and actively growing before the expected period(s) of nutrient leaching. No fall application of commercial fertilizers (N and P) or manure is allowed prior to planting the cover crop. No winter application of commercial fertilizer or manure is allowed. Spring application of manure can resume after March 1st in Sussex County and March 15th in Kent and New Castle Counties.
8. TENANT shall maintain a winter cover crop on all tillable acres, unless specifically exempted in writing by DIVISION.

9. If TENANT plans on harvesting the cover crop for grain, then TENANT can apply fertilizer or manure after March 1st.
10. If TENANT plans on planting early peas, then TENANT may destroy the cover crop after February 15th and fertilizer and manure can be applied after such date.
11. TENANT may destroy cover crops by applying an herbicide, by plowing the crop under or by green chopping for on-farm use, only after March 15th.
12. There will be a minimum of a 5% spot check of cover crop acres in the spring after removal of the cover crop.

IN WITNESS WHEREOF, this Lease has been executed by the Parties hereto as of the day and year above written.

STATE OF DELAWARE
 DEPARTMENT OF NATURAL RESOURCES &
 ENVIRONMENTAL CONTROL
 DIVISION OF PARKS AND RECREATION

Original on File

Original on File

Witness

By: _____
 Name: Collin P. O'Mara
 Title: Secretary

Original on File

Original on File

Witness

By: _____
 Name: Raymond E. Bivens
 Title: Division Director

Vincent Farms, Inc.

Original on File

Original on File

Witness

By: _____
 Name: Raymond Vincent
 Title: Secretary

STATE OF DELAWARE)
) SS.
COUNTY OF)

BE IT REMEMBERED, That on this 4 day of February, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Colin P. O'Mara, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on 8/22/15

STATE OF DELAWARE)
) SS.
COUNTY OF KENT)



BE IT REMEMBERED, That on this 30th day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Raymond E. Bivens, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires at the end of government service
My commission expires on _____.

STATE OF DELAWARE)
) SS.
COUNTY OF Sussex)

BE IT REMEMBERED, That on this 29TH day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Raymond T. Vincent, known personally to be such, and acknowledged the foregoing instrument to be his/her act and deed.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on _____.

GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires at the end of government service

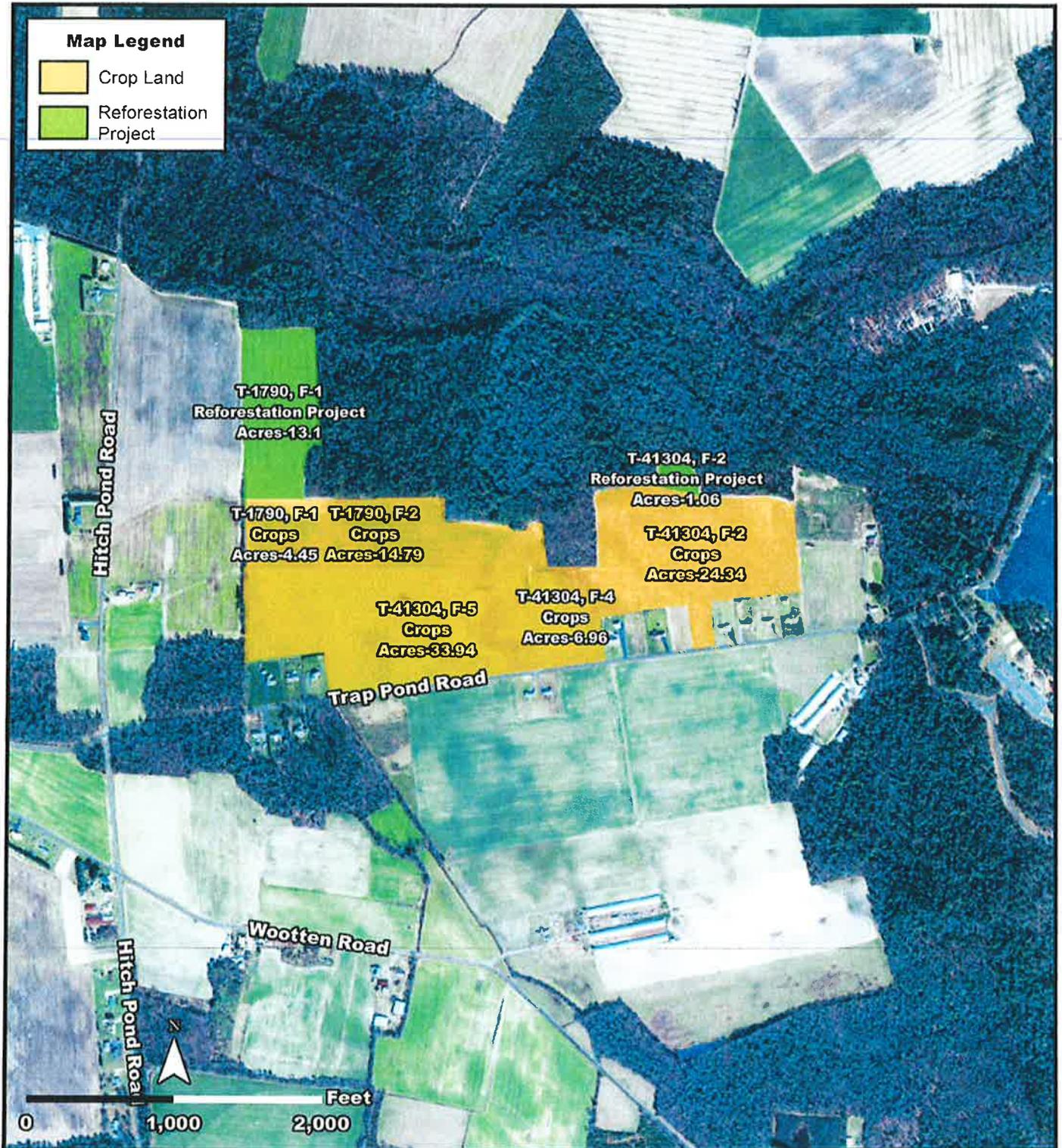
Delaware State Parks Agricultural Land Lease TPSP-03-2014

- Park
 - Trap Pond State Park
- FSA Tracts and Field numbers
 - Tract 1790 Fields 1, 2 Crops
 - Tract 41304 Fields 2, 4, 5 Crops
- Acres
 - 84.48
- County
 - Sussex
- Hundred
 - Little Creek Hundred
- Tax Parcel Numbers
 - 332.-5.00-9.00, 332.-5.00-8.00

- Reforestation Project
 - Area identified as Reforestation Project is not to be mowed, tilled or harvested. This area will be maintained by the Division. This acreage **is** not part of the Agriculture Lease acres.

- Well/Irrigation Information
 - Tract 1790 Field 1 contains a permitted well
 - Permit 234321
 - Information on file

Trap Pond State Park
Crop Land for Lease
Ag Lease Number - TPSP-03-2014
FSA Tract 1790 and Tract 41304
84.48 Total Acres +/-



LEASE # TPSP-05-2014
AGRICULTURAL LANDS
AT
TRAP POND STATE PARK

THIS LEASE, made and entered into this 1st day of January, 2014 by and between the State of Delaware, Delaware Division of Parks and Recreation Party of the First Part, hereinafter referred to as "DIVISION,"

AND

Vincent Farms, Inc. of 12487 Salt Barn Road, Laurel, DE 19956, Party of the Second Part, hereinafter referred to as "TENANT."

WITNESSETH, for and in consideration of the covenants and promises hereinafter contained and the payment of rentals as herein set forth, DEPARTMENT leases and rents TENANT and TENANT leases and rents from DEPARTMENT, all that certain cleared agricultural land Tract 2110 of Trap Pond State Park, said certain tract of land situate in Little Creek Hundred, Sussex County, State of Delaware, described as Parcel No. 332.-9.00-18.00 according to the Sussex County Tax Records and more specifically located on the attached map, hereinafter referred to as "leased land".

1. PARTIES:

The name and address of the Parties are:

DEPARTMENT: Delaware Division of Parks and Recreation
89 Kings Hwy
Dover, DE 19901

TENANT: Vincent Farms, Inc.
12487 Salt Barn Road
Laurel, DE 19956
(302) 875-5707

2. TERM OF LEASE:

The term of this Lease shall be for ten (10) years beginning in January 2014 and terminating on December 31, 2023 without notice of such termination.

3. ACREAGE:

Fields that are designated and offered for lease by Delaware Division of Parks and Recreation are approximately 33 acres. Delaware Division of Parks and Recreation does not guarantee the exact acres of the land for lease.

4. LAND USAGE:

The Land covered under this lease is to be used for the specific agricultural purposes as noted on the map and for no other purposes. Tenant covenants and agrees that it will farm in accordance with generally accepted farming practices and procedures. Failures to do so will be cause for immediate termination of the lease.

5. RENTAL FEE:

TENANT shall pay DIVISION an annual rental fee of \$9,294.78 for each of years one through five. For each of years six through ten, TENANT shall pay a fixed 5% above the years one through five rental fee. The annual rental fee is based on \$281.66 per acre charge for approximately 33 acres. DIVISION does not guarantee the exact total acreage of leased land. Rental fees shall be paid to DIVISION on or before January 1st for that lease year. Failure to make timely payments shall be a condition to cancel the lease at any time.

6. ASSIGNMENT OF LEASE:

TENANT shall not assign any interest in this lease without prior written consent of the DIVISION. TENANT shall not sublease any part of the leased land.

7. SECURITY:

TENANT covenants and agrees that he will in no way interfere with the security of the Institution or in the Department's ability to carry out its mission.

8. SECURITY INTEREST:

TENANT hereby grants to DIVISION a security interest in the agricultural commodities grown by TENANT on the leased land during the term of this Lease, whether such crops are standing, grown, in storage or in transit, and in any proceeds from the sale, exchange, transfer or other disposition of the collateral or proceeds, to ensure the performance by TENANT under all agreements with DIVISION, as well as payment of any and all sums now, heretofore and hereafter owing to DIVISION by TENANT as a result of TENANT entering into this Lease with DIVISION.

9. USE OF LEASED LAND:

The leased land may be used for producing agricultural commodities, including, but not limited to, grain, vegetable and forage crops and pasture. TENANT agrees to follow good farm management practices and to farm the land in a good and reasonable manner to avoid degradation of the environment and further agrees to the following:

- a) DIVISION reserves the right to cancel this lease on or before January 31 of each year by written notice, given at least sixty (60) calendar days prior to January 31 for non-performance of the contract.
- b) TENANT shall enter into a Conservation Plan for the leased land with the Natural Resources Conservation Service. The Plan shall contain instructions for management of soil fertility, nutrients, erosion control, agricultural chemicals, integrated pest management, and wildlife concerns. The plan shall follow all appropriate state regulations. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- c) TENANT shall enter into a Nutrient Management Plan for the leased land with the Delaware Department of Agriculture. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- d) TENANT shall use all reasonable precautions to avoid the establishment of any noxious weeds, including Johnson grass, Canada thistle, bur cucumber, giant ragweed, Texas panicum, Palmer amaranth, and any additional noxious weeds as specified under Delaware State Law. If TENANT fails to control said vegetation, then DIVISION may terminate this Lease and may contract with an independent vendor to apply appropriate control measures to eradicate said noxious weeds and the cost of such measures shall be the responsibility of the TENANT.
- e) TENANT shall submit to DIVISION, upon request, a list of all agricultural pesticides, herbicides and other chemical sprays to be used on the leased land. All such products shall meet Federal and State standards and, if required, be applied by certified applicators in the appropriate manner and rate as per label instructions. Violation of Federal, State pesticide, herbicide or other chemical spray laws, rules and regulations shall be a condition to cancel the Lease. DIVISION reserves the right to prohibit the use of certain agricultural chemicals, including, but not limited to, fertilizers, herbicides, and pesticides on the leased land. TENANT shall be required to notify the Park Superintendent specifically responsible for the leased land within 48 hours prior to any spraying on leased land. The use of carbofuran (Furadan) in liquid or granular form is prohibited on DIVISION lands.
- f) Any DIVISION leased lands designated as hay fields shall not be cut prior to July 1st for each growing season.
- g) Dumping, depositing, abandoning, discharging, releasing, or storing of any gaseous, liquid or solid hazardous wastes, substances, materials, or debris

of whatever nature on, in, over, or under the ground or into surface or ground water is prohibited, except as permitted by law.

- h) Excavation, digging, removing, or selling of loam, peat, gravel, soil, rock, sand, or any similar material by the TENANT is prohibited. Cover crops are required on DIVISION leased lands. Refer to Special Provisions section (pgs. 8-9) for cover crop requirements.
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DIVISION shall coordinate with **TENANT** any public use of the leased land in order to not negatively impact normal farming operations.

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14. INSURANCE:

TENANT shall be insured against liability resulting from any agricultural practice or presence upon the leased land.

15. ASSIGNMENT, INSOLVENCY OR BANKRUPTCY:

Either (a) the appointment of a receiver to take possession of all or substantially all of the assets of TENANT or (b) a general assignment by TENANT for the benefit of creditors or (c) any action taken or suffered by TENANT under any insolvency or bankruptcy act shall constitute a breach of this Lease by TENANT and cause this Lease to terminate immediately.

16. TERMINATION OF LEASE:

TENANT agrees that if it fails to observe or perform any of the conditions or covenants on its part to be observed or performed, or if TENANT knowingly permits any unlawful acts to be carried out upon the leased land, then DEPARTMENT shall have the right to terminate the Lease and to re-enter and repossess the leased land in the manner provided for by the laws of the State of Delaware. If DEPARTMENT terminates this Lease while TENANT has crops growing in the fields, the DEPARTMENT agrees not to take possession of the leased land until after TENANT has harvested the crop during the normal harvest period or, at DEPARTMENT'S option, DEPARTMENT will reimburse TENANT at the fair market value for crops destroyed. TENANT may terminate this Lease by giving DEPARTMENT ninety (90) days' notice in writing. TENANT shall yield peaceable possession of the leased land at the termination of the Lease.

17. TERMINATION FOR CONVENIENCE:

Leases shall remain in effect for the time period and quantity specified unless the Lease is terminated by the State. The State may terminate the Lease at any time by giving written notice of such termination and specifying the effective date thereof, at least sixty (60) days before the effective date of termination.

18. NOTICES:

Any notice, demand, request, consent, approval, or communication that either Party desires or is required to give to the other shall be in writing and either served personally or sent by first class mail, postage prepaid and addressed as per Paragraph 1. Upon written notice from a Party, or a successor in interest, to the other Party hereto, any such notice, demand or other written communication shall be given to that Party or successor at the address indicated in such notice.

19. WAIVER OF BREACH:

The waiver or acceptance by DEPARTMENT of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any continuing or subsequent breach of the same or any

other term, covenant or condition herein contained. All waivers or acceptances must be in writing. The subsequent acceptance of rent hereunder by DEPARTMENT shall not be deemed to be a waiver or acceptance of any preceding breach by TENANT of any term, covenant or condition of this Lease, other than the failure of TENANT to pay the particular rental fee so accepted, regardless of DEPARTMENT'S knowledge of such preceding breach at the time of acceptance of such rental fee.

20. LEGAL COSTS AND EXPENSES:

TENANT shall pay and discharge all costs, attorneys' fees and expenses arising from enforcing any covenant or forfeiture hereof.

21. RULES AND REGULATIONS:

The rules and regulations contained in this Lease, as well as such reasonable rules and regulations as may be hereafter adopted by DEPARTMENT for the safety, care and protection of its leased lands and the preservation of good order thereon, are hereby expressly made a part hereof, and TENANT agrees to adhere to all such rules and regulations, after notice of same.

22. REMEDIES:

It is understood and agreed that the remedies herein given to DEPARTMENT shall be cumulative, and the exercise of any one remedy by DEPARTMENT shall not be to the exclusion of any other remedy.

23. BINDING AGREEMENT:

The covenants and conditions herein contained shall apply to and bind the heirs, executors, administrators, successors, and assigns of all of the Parties hereto; and all of the Parties hereto shall be jointly and severally liable hereunder. This Lease shall not be interpreted as a waiver of the sovereign immunity of DEPARTMENT.

24. TIME:

Time is of the essence of this Lease.

25. LAW:

This Lease shall be construed and interpreted in accordance with the laws of the State of Delaware.

26. ENTIRE CONTRACT:

This instrument contains the entire agreement of the Parties and supersedes, cancels, and revokes any and all other agreements between the Parties relating to the subject matter of this Lease. There are no representations or warranties, either oral or written, except those contained in this Lease. This Lease may be modified only by an amendment in writing signed by both Parties.

27. SEVERABILITY:

If any portion of this Lease shall be held invalid or unenforceable, the validity of the remaining portion shall be unaffected and this Lease shall remain in full force and effect as if it had been executed with the invalid portion omitted.

28. SPECIAL PROVISIONS:

Cover Crop Requirements

1. The purpose of the cover crop program is to protect and control soil, water and nutrient resources on the leased land. All leased land is required to have a cover crop based on the following conditions.
2. Eligible species of cover crop are rye, wheat, barley, and spring oats.
3. Early planting is defined as cover crops planted by October 1st.
4. Normal planting is defined as cover crops planted by October 15th.
5. All seed purchased for cover crops should be tested and properly labeled in accordance with Delaware Seed Law and Regulations.
6. If homegrown seed is used, it should be tested prior to planting for purity, germination, and noxious weeds by either the Maryland or Delaware State Seed Laboratory.
7. Cover crops shall be established and actively growing before the expected period(s) of nutrient leaching. No fall application of commercial fertilizers (N and P) or manure is allowed prior to planting the cover crop. No winter application of commercial fertilizer or manure is allowed. Spring application of manure can resume after March 1st in Sussex County and March 15th in Kent and New Castle Counties.
8. TENANT shall maintain a winter cover crop on all tillable acres, unless specifically exempted in writing by DIVISION.

9. If TENANT plans on harvesting the cover crop for grain, then TENANT can apply fertilizer or manure after March 1st.
10. If TENANT plans on planting early peas, then TENANT may destroy the cover crop after February 15th and fertilizer and manure can be applied after such date.
11. TENANT may destroy cover crops by applying an herbicide, by plowing the crop under or by green chopping for on-farm use, only after March 15th.
12. There will be a minimum of a 5% spot check of cover crop acres in the spring after removal of the cover crop.

IN WITNESS WHEREOF, this Lease has been executed by the Parties hereto as of the day and year above written.

STATE OF DELAWARE
 DEPARTMENT OF NATURAL RESOURCES &
 ENVIRONMENTAL CONTROL
 DIVISION OF PARKS AND RECREATION

By: Original on File
 Name: Collin P. O'Mara
 Title: Secretary

By: Original on File
 Name: Raymond E. Bivens
 Title: Division Director

Vincent Farms, Inc.
 By: Original on File
 Name: Raymond Vincent
 Title: secretary

Original on File

Witness

Original on File

Witness

Original on File

Witness

STATE OF DELAWARE)
) SS.
COUNTY OF)

BE IT REMEMBERED, That on this 4 day of February, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Colin P. O'Mara, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on 8/22/15

STATE OF DELAWARE)
) SS.
COUNTY OF KENT)



BE IT REMEMBERED, That on this 30th day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Raymond E. Bivens, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires at the end of government service

My commission expires on _____.

Delaware State Parks Agricultural Land Lease TPSP-05-2014

- Park
 - Trap Pond State Park
- FSA Tracts and Field numbers
 - Tract 2110 Field 1 Crops
- Acres
 - 33
- County
 - Sussex
- Hundred
 - Little Creek Hundred
- Tax Parcel Numbers
 - 332-9.00-18.00

- Well/Irrigation Information
 - FSA Tract 2110, Field 1 contains a permitted well
 - Permit 166007
 - Information on file

Trap Pond State Park
Crop Land for Lease
Ag Lease Number - TPSP-05-2014
FSA Tract 2110
33.00 Total Acres +/-



Warihay Farms

LEASE # AHP-01-2014
AGRICULTURAL LANDS
AT
AUBURN HEIGHTS PRESERVE

THIS LEASE, made and entered into this 1st day of January, 2014 by and between the State of Delaware, Delaware Division of Parks and Recreation Party of the First Part, hereinafter referred to as "DIVISION,"

AND

Warihay Farms & Harvesting of 580 N. Colebrook Road, Manheim, PA 17545, Party of the Second Part, hereinafter referred to as "TENANT."

WITNESSETH, for and in consideration of the covenants and promises hereinafter contained and the payment of rentals as herein set forth, DEPARTMENT leases and rents TENANT and TENANT leases and rents from DEPARTMENT, all that certain cleared agricultural land Tract #743 and #1077 of Auburn Heights Preserve, said certain tract of land situate in Mill Creek Hundred and Christiana Hundred, New Castle County, State of Delaware, described as Parcel Nos. 0700900003, 0700900074, 0700900075, 0800100005, 0800100020 according to the New Castle County Tax Records and more specifically located on the attached map, hereinafter referred to as "leased land".

1. PARTIES:

The name and address of the Parties are:

DEPARTMENT: Delaware Division of Parks and Recreation
89 Kings Hwy
Dover, DE 19901

TENANT: Warihay Farms & Harvesting
580 N. Colebrook Road
Manheim, PA 17545
(717) 664-0810

2. TERM OF LEASE:

The term of this Lease shall be for ten (10) years beginning in January 2014 and terminating on December 31, 2023 without notice of such termination.

3. ACREAGE:

Fields that are designated and offered for lease by Delaware Division of Parks and Recreation are approximately 79.49 acres. Delaware Division of Parks and Recreation

does not guarantee the exact acres of the land for lease.

4. LAND USAGE:

The Land covered under this lease is to be used for the specific agricultural purposes as noted on the map and for no other purposes. Tenant covenants and agrees that it will farm in accordance with generally accepted farming practices and procedures. Failures to do so will be cause for immediate termination of the lease.

5. RENTAL FEE:

TENANT shall pay DIVISION an annual rental fee of \$4,948.25 for each of years one through five. For each of years six through ten, TENANT shall pay a fixed 5% above the years one through five rental fee. The annual rental fee is based on \$62.25 per acre charge for approximately 79.49 acres. DIVISION does not guarantee the exact total acreage of leased land. Rental fees shall be paid to DIVISION on or before January 1st for that lease year. Failure to make timely payments shall be a condition to cancel the lease at any time.

6. ASSIGNMENT OF LEASE:

TENANT shall not assign any interest in this lease without prior written consent of the DIVISION. TENANT shall not sublease any part of the leased land.

7. SECURITY:

TENANT covenants and agrees that he will in no way interfere with the security of the Institution or in the Department's ability to carry out its mission.

8. SECURITY INTEREST:

TENANT hereby grants to DIVISION a security interest in the agricultural commodities grown by TENANT on the leased land during the term of this Lease, whether such crops are standing, grown, in storage or in transit, and in any proceeds from the sale, exchange, transfer or other disposition of the collateral or proceeds, to ensure the performance by TENANT under all agreements with DIVISION, as well as payment of any and all sums now, heretofore and hereafter owing to DIVISION by TENANT as a result of TENANT entering into this Lease with DIVISION.

9. USE OF LEASED LAND:

The leased land may be used for producing agricultural commodities, including, but not limited to, grain, vegetable and forage crops and pasture. TENANT agrees to follow good farm management practices and to farm the land in a good and reasonable manner to avoid degradation of the environment and further agrees to the

following:

- a) DIVISION reserves the right to cancel this lease on or before January 31 of each year by written notice, given at least sixty (60) calendar days prior to January 31 for non-performance of the contract.
- b) TENANT shall enter into a Conservation Plan for the leased land with the Natural Resources Conservation Service. The Plan shall contain instructions for management of soil fertility, nutrients, erosion control, agricultural chemicals, integrated pest management, and wildlife concerns. The plan shall follow all appropriate state regulations. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- c) TENANT shall enter into a Nutrient Management Plan for the leased land with the Delaware Department of Agriculture. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- d) TENANT shall use all reasonable precautions to avoid the establishment of any noxious weeds, including Johnson grass, Canada thistle, bur cucumber, giant ragweed, Texas panicum, Palmer amaranth, and any additional noxious weeds as specified under Delaware State Law. If TENANT fails to control said vegetation, then DIVISION may terminate this Lease and may contract with an independent vendor to apply appropriate control measures to eradicate said noxious weeds and the cost of such measures shall be the responsibility of the TENANT.
- e) TENANT shall submit to DIVISION, upon request, a list of all agricultural pesticides, herbicides and other chemical sprays to be used on the leased land. All such products shall meet Federal and State standards and, if required, be applied by certified applicators in the appropriate manner and rate as per label instructions. Violation of Federal, State pesticide, herbicide or other chemical spray laws, rules and regulations shall be a condition to cancel the Lease. DIVISION reserves the right to prohibit the use of certain agricultural chemicals, including, but not limited to, fertilizers, herbicides, and pesticides on the leased land. TENANT shall be required to notify the Park Superintendent specifically responsible for the leased land within 48 hours prior to any spraying on leased land. The use of carbofuran (Furadan) in liquid or granular form is prohibited on DIVISION lands.
- f) Any DIVISION leased lands designated as hay fields shall not be cut prior to July 1st for each growing season.
- g) Dumping, depositing, abandoning, discharging, releasing, or storing of any

- gaseous, liquid or solid hazardous wastes, substances, materials, or debris of whatever nature on, in, over, or under the ground or into surface or ground water is prohibited, except as permitted by law.
- h) Excavation, digging, removing, or selling of loam, peat, gravel, soil, rock, sand, or any similar material by the TENANT is prohibited. Cover crops are required on DIVISION leased lands. Refer to Special Provisions section (pgs. 8-9) for cover crop requirements.
 - i) TENANT shall submit to DIVISION, upon request, an annual harvest report indicating type and amount of agricultural commodity harvested from the leased land.
 - j) TENANT may be permitted to participate in Farm Service Agency or similar agricultural assistance programs. Participation in these programs is subject to the written approval of DIVISION.
 - k) TENANT shall not construct or install any structures on the leased land without prior written approval of DIVISION.
 - l) TENANT may place a well on leased land with prior written approval of DIVISION. Such well would be a fixture to the land and becomes property of DIVISION upon termination of the lease. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such well, the soundness of new or existing wells, and water quantity and quality associated with such wells.
 - m) TENANT may install an irrigation system on leased land with prior written approval of DIVISION. All aboveground pipes, pumps, power units, wheeled irrigation units and any other related equipment is property of TENANT. Upon termination of lease TENANT shall remove such property, subject to a removal plan approved by DIVISION, or convey such property to the succeeding TENANT. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such irrigation system.
 - n) DIVISION is not responsible for wildlife damages to agricultural commodities on the leased land.
 - o) All hunting and trapping rights and privileges and all land use except agricultural leased rights are reserved by DIVISION.
 - p) TENANT shall use products and/or services that are provided by Agricultural Businesses which are certified for Best Management Practices (BMP), Good Food Handling Practices (GHP) and Good Agricultural

Practices (GAP) through the Delaware Department of Agriculture or surrounding State's equivalent program.

10. RESERVED RIGHTS:

DIVISION reserves the following rights related to the leased land:

- a) Reserves the right to grant easements and rights of way across or upon the leased land. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- b) Reserves the right to create pathways, buffer strips, and hedgerows or to divert land for other **DIVISION** uses. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- c) Reserves the right of ingress and egress onto and over the leased land for inspection purposes, for enforcement of all laws, rules and regulations of **DIVISION** and for any other lawful purpose.

11. LIMITATION ON PUBLIC ACCESS:

DIVISION shall coordinate with **TENANT** any public use of the leased land in order to not negatively impact normal farming operations

12. HOLD HARMLESS:

TENANT agrees to exercise the rights herein granted at its own risk fees, arising from or in any way connected with injury to or death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the leased land, regardless of cause, unless due to the gross negligence or willful misconduct of any of the Indemnified Parties.

13. DAMAGES TO PROPERTY:

TENANT agrees to be solely responsible for any and all injury, loss or damage to **TENANT'S** person, crops, equipment, and property or to equipment and property of others which may be placed on the leased land at **TENANT'S** request, and **TENANT** waives and releases any and all claims or rights against **DEPARTMENT** with respect thereto.

14. INSURANCE:

TENANT shall be insured against liability resulting from any agricultural practice or presence upon the leased land.

15. ASSIGNMENT, INSOLVENCY OR BANKRUPTCY:

Either (a) the appointment of a receiver to take possession of all or substantially all of the assets of TENANT or (b) a general assignment by TENANT for the benefit of creditors or (c) any action taken or suffered by TENANT under any insolvency or bankruptcy act shall constitute a breach of this Lease by TENANT and cause this Lease to terminate immediately.

16. TERMINATION OF LEASE:

TENANT agrees that if it fails to observe or perform any of the conditions or covenants on its part to be observed or performed, or if TENANT knowingly permits any unlawful acts to be carried out upon the leased land, then DEPARTMENT shall have the right to terminate the Lease and to re-enter and repossess the leased land in the manner provided for by the laws of the State of Delaware. If DEPARTMENT terminates this Lease while TENANT has crops growing in the fields, the DEPARTMENT agrees not to take possession of the leased land until after TENANT has harvested the crop during the normal harvest period or, at DEPARTMENT'S option, DEPARTMENT will reimburse TENANT at the fair market value for crops destroyed. TENANT may terminate this Lease by giving DEPARTMENT ninety (90) days' notice in writing. TENANT shall yield peaceable possession of the leased land at the termination of the Lease.

17. TERMINATION FOR CONVENIENCE:

Leases shall remain in effect for the time period and quantity specified unless the Lease is terminated by the State. The State may terminate the Lease at any time by giving written notice of such termination and specifying the effective date thereof, at least sixty (60) days before the effective date of termination.

18. NOTICES:

Any notice, demand, request, consent, approval, or communication that either Party desires or is required to give to the other shall be in writing and either served personally or sent by first class mail, postage prepaid and addressed as per Paragraph 1. Upon written notice from a Party, or a successor in interest, to the other Party hereto, any such notice, demand or other written communication shall be given to that Party or successor at the address indicated in such notice.

19. WAIVER OF BREACH:

The waiver or acceptance by DEPARTMENT of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any continuing or subsequent breach of the same or any other term, covenant or condition herein contained. All waivers or acceptances must be in writing. The subsequent acceptance of rent hereunder by DEPARTMENT shall not be deemed to be a waiver or acceptance of any preceding breach by TENANT of any term, covenant or condition of this Lease, other than the failure of TENANT to pay the particular rental fee so accepted, regardless of DEPARTMENT'S knowledge of such preceding breach at the time of acceptance of such rental fee.

20. LEGAL COSTS AND EXPENSES:

TENANT shall pay and discharge all costs, attorneys' fees and expenses arising from enforcing any covenant or forfeiture hereof.

21. RULES AND REGULATIONS:

The rules and regulations contained in this Lease, as well as such reasonable rules and regulations as may be hereafter adopted by DEPARTMENT for the safety, care and protection of its leased lands and the preservation of good order thereon, are hereby expressly made a part hereof, and TENANT agrees to adhere to all such rules and regulations, after notice of same.

22. REMEDIES:

It is understood and agreed that the remedies herein given to DEPARTMENT shall be cumulative, and the exercise of any one remedy by DEPARTMENT shall not be to the exclusion of any other remedy.

23. BINDING AGREEMENT:

The covenants and conditions herein contained shall apply to and bind the heirs, executors, administrators, successors, and assigns of all of the Parties hereto; and all of the Parties hereto shall be jointly and severally liable hereunder. This Lease shall not be interpreted as a waiver of the sovereign immunity of DEPARTMENT.

24. TIME:

Time is of the essence of this Lease.

25. LAW:

This Lease shall be construed and interpreted in accordance with the laws of the State of Delaware.

26. ENTIRE CONTRACT:

This instrument contains the entire agreement of the Parties and supersedes, cancels, and revokes any and all other agreements between the Parties relating to the subject matter of this Lease. There are no representations or warranties, either oral or written, except those contained in this Lease. This Lease may be modified only by an amendment in writing signed by both Parties.

27. SEVERABILITY:

If any portion of this Lease shall be held invalid or unenforceable, the validity of the remaining portion shall be unaffected and this Lease shall remain in full force and effect as if it had been executed with the invalid portion omitted.

28. SPECIAL PROVISIONS:

Cover Crop Requirements

1. The purpose of the cover crop program is to protect and control soil, water and nutrient resources on the leased land. All leased land is required to have a cover crop based on the following conditions.
2. Eligible species of cover crop are rye, wheat, barley, and spring oats.
3. Early planting is defined as cover crops planted by October 1st.
4. Normal planting is defined as cover crops planted by October 15th.
5. All seed purchased for cover crops should be tested and properly labeled in accordance with Delaware Seed Law and Regulations.
6. If homegrown seed is used, it should be tested prior to planting for purity, germination, and noxious weeds by either the Maryland or Delaware State Seed Laboratory.
7. Cover crops shall be established and actively growing before the expected period(s) of nutrient leaching. No fall application of commercial fertilizers (N and P) or manure is allowed prior to planting the cover crop. No winter application of commercial fertilizer or manure is allowed. Spring application of manure can resume after March 1st in Sussex County and March 15th in Kent and New Castle Counties.

8. TENANT shall maintain a winter cover crop on all tillable acres, unless specifically exempted in writing by DIVISION.
9. If TENANT plans on harvesting the cover crop for grain, then TENANT can apply fertilizer or manure after March 1st.
10. If TENANT plans on planting early peas, then TENANT may destroy the cover crop after February 15th and fertilizer and manure can be applied after such date.
11. TENANT may destroy cover crops by applying an herbicide, by plowing the crop under or by green chopping for on-farm use, only after March 15th.
12. There will be a minimum of a 5% spot check of cover crop acres in the spring after removal of the cover crop.
13. The cover crop requirements should apply to all lands with the possible exception of the wastewater treatment facility land that is part of lease CHSP-02-2014.

IN WITNESS WHEREOF, this Lease has been executed by the Parties hereto as of the day and year above written.

STATE OF DELAWARE
 DEPARTMENT OF NATURAL RESOURCES &
 ENVIRONMENTAL CONTROL
 DIVISION OF PARKS AND RECREATION

Original on File

Witness

By: *Original on File*
 Name: Collin P. O'Mara
 Title: Secretary

Original on File

Witness

Original on File
 By: _____
 Name: Raymond E. Bivens
 Title: Division Director

Original on File

Witness

Warihay Farms & Harvesting
 By: *Original on File*
 Name: Robert Warihay
 Title: OWNER

STATE OF DELAWARE)
) SS.
COUNTY OF)

BE IT REMEMBERED, That on this 4 day of February, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Colin P. O'Mara, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on 8/22/15

STATE OF DELAWARE)
) SS.
COUNTY OF KENT)



BE IT REMEMBERED, That on this 27th day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Raymond E. Bivens, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on 8/22/15
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires at the end of government service

STATE OF DELAWARE)
) SS.
COUNTY OF New Castle)

BE IT REMEMBERED, That on this 27th day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Robert M. Worley, Jr. known personally to be such, and acknowledged the foregoing instrument to be his/her act and deed.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

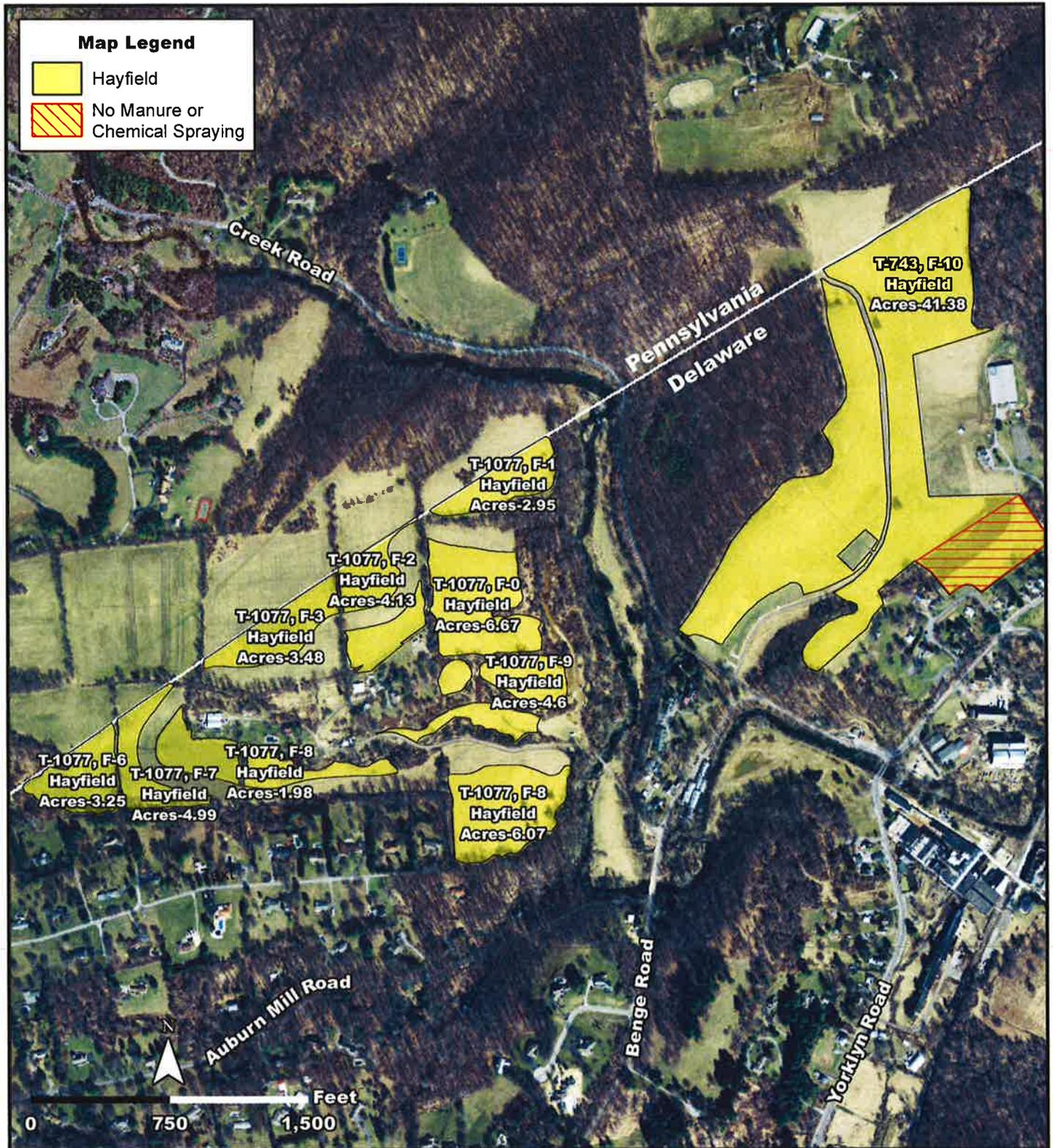
Original on File

NOTARY PUBLIC
GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires at the end of government service
My commission expires on _____.

Delaware State Parks Agricultural Land Lease AHP-01-2014

- Park
 - Auburn Heights Preserve
- FSA Tracts and Field numbers, Acres
 - Tract 743 Field 10 Hayfield
 - Tract 1077 Fields 0,1,2,3,6,7,8,9-Hayfields
- Acres
 - 79.49
- County
 - New Castle
- Hundred
 - Mill Creek Hundred and Christiana Hundred
- Tax Parcel Numbers
 - 0700900003, 0700900074, 0700900075, 0800100005, 0800100020
- No Manure or Chemical Spraying as indicated on Agricultural Land Lease Map
 - Because of specific resource issues, manure and chemical spraying is not allowed in areas identified on Agricultural Land Lease Map. This acreage is part of the Agriculture Lease acres.
 - Portions of tract 743 Field 10
- Tract 1077 contains a hiking/biking pathway.

Auburn Heights Preserve
Crop Land for Lease
Ag Lease Number - AHP-01-2014
FSA Tract 743 and Tract 1077
79.49 Total Acres +/-



LEASE # AHP-02-2014
AGRICULTURAL LANDS
AT
AUBURN HEIGHTS PRESERVE

THIS LEASE, made and entered into this 1st day of January, 2014 by and between the State of Delaware, Delaware Division of Parks and Recreation Party of the First Part, hereinafter referred to as "DIVISION,"

AND

Warihay Farms & Harvesting of 580 N. Colebrook Road, Manheim, PA 17545, Party of the Second Part, hereinafter referred to as "TENANT."

WITNESSETH, for and in consideration of the covenants and promises hereinafter contained and the payment of rentals as herein set forth, DEPARTMENT leases and rents TENANT and TENANT leases and rents from DEPARTMENT, all that certain cleared agricultural land Tract #916 of Auburn Heights Preserve, said certain tract of land situate in Christiana Hundred, New Castle County, State of Delaware, described as Parcel No.0701000015 according to the New Castle County Tax Records and more specifically located on the attached map, hereinafter referred to as "leased land".

1. PARTIES:

The name and address of the Parties are:

DEPARTMENT: Delaware Division of Parks and Recreation
89 Kings Hwy
Dover, DE 19901

TENANT: Warihay Farms & Harvesting
580 N. Colebrook Road
Manheim, PA 17545
(717) 664-0810

2. TERM OF LEASE:

The term of this Lease shall be for ten (10) years beginning in January 2014 and terminating on December 31, 2023 without notice of such termination.

3. ACREAGE:

Fields that are designated and offered for lease by Delaware Division of Parks and Recreation are approximately 31.94 acres. Delaware Division of Parks and Recreation does not guarantee the exact acres of the land for lease.

4. LAND USAGE:

The Land covered under this lease is to be used for the specific agricultural purposes as noted on the map and for no other purposes. Tenant covenants and agrees that it will farm in accordance with generally accepted farming practices and procedures. Failures to do so will be cause for immediate termination of the lease.

5. RENTAL FEE:

TENANT shall pay DIVISION an annual rental fee of \$1,988.26 for each of years one through five. For each of years six through ten, TENANT shall pay a fixed 5% above the years one through five rental fee. The annual rental fee is based on \$62.25 per acre charge for approximately 31.94 acres. DIVISION does not guarantee the exact total acreage of leased land. Rental fees shall be paid to DIVISION on or before January 1st for that lease year. Failure to make timely payments shall be a condition to cancel the lease at any time.

6. ASSIGNMENT OF LEASE:

TENANT shall not assign any interest in this lease without prior written consent of the DIVISION. TENANT shall not sublease any part of the leased land.

7. SECURITY:

TENANT covenants and agrees that he will in no way interfere with the security of the Institution or in the Department's ability to carry out its mission.

8. SECURITY INTEREST:

TENANT hereby grants to DIVISION a security interest in the agricultural commodities grown by TENANT on the leased land during the term of this Lease, whether such crops are standing, grown, in storage or in transit, and in any proceeds from the sale, exchange, transfer or other disposition of the collateral or proceeds, to ensure the performance by TENANT under all agreements with DIVISION, as well as payment of any and all sums now, heretofore and hereafter owing to DIVISION by TENANT as a result of TENANT entering into this Lease with DIVISION.

9. USE OF LEASED LAND:

The leased land may be used for producing agricultural commodities, including, but not limited to, grain, vegetable and forage crops and pasture. TENANT agrees to follow good farm management practices and to farm the land in a good and reasonable manner to avoid degradation of the environment and further agrees to the following:

- a) DIVISION reserves the right to cancel this lease on or before January 31 of each year by written notice, given at least sixty (60) calendar days prior to January 31 for non-performance of the contract.
- b) TENANT shall enter into a Conservation Plan for the leased land with the Natural Resources Conservation Service. The Plan shall contain instructions for management of soil fertility, nutrients, erosion control, agricultural chemicals, integrated pest management, and wildlife concerns. The plan shall follow all appropriate state regulations. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- c) TENANT shall enter into a Nutrient Management Plan for the leased land with the Delaware Department of Agriculture. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- d) TENANT shall use all reasonable precautions to avoid the establishment of any noxious weeds, including Johnson grass, Canada thistle, bur cucumber, giant ragweed, Texas panicum, Palmer amaranth, and any additional noxious weeds as specified under Delaware State Law. If TENANT fails to control said vegetation, then DIVISION may terminate this Lease and may contract with an independent vendor to apply appropriate control measures to eradicate said noxious weeds and the cost of such measures shall be the responsibility of the TENANT.
- e) TENANT shall submit to DIVISION, upon request, a list of all agricultural pesticides, herbicides and other chemical sprays to be used on the leased land. All such products shall meet Federal and State standards and, if required, be applied by certified applicators in the appropriate manner and rate as per label instructions. Violation of Federal, State pesticide, herbicide or other chemical spray laws, rules and regulations shall be a condition to cancel the Lease. DIVISION reserves the right to prohibit the use of certain agricultural chemicals, including, but not limited to, fertilizers, herbicides, and pesticides on the leased land. TENANT shall be required to notify the Park Superintendent specifically responsible for the leased land within 48 hours prior to any spraying on leased land. The use of carbofuran (Furadan) in liquid or granular form is prohibited on DIVISION lands.
- f) Any DIVISION leased lands designated as hay fields shall not be cut prior to July 1st for each growing season.
- g) Dumping, depositing, abandoning, discharging, releasing, or storing of any gaseous, liquid or solid hazardous wastes, substances, materials, or debris of whatever nature on, in, over, or under the ground or into surface or

ground water is prohibited, except as permitted by law.

- h) Excavation, digging, removing, or selling of loam, peat, gravel, soil, rock, sand, or any similar material by the TENANT is prohibited. Cover crops are required on DIVISION leased lands. Refer to Special Provisions section (pgs. 8-9) for cover crop requirements.
- i) TENANT shall submit to DIVISION, upon request, an annual harvest report indicating type and amount of agricultural commodity harvested from the leased land.
- ~~j) TENANT may be permitted to participate in Farm Service Agency or similar agricultural assistance programs. Participation in these programs is subject to the written approval of DIVISION.~~
- k) TENANT shall not construct or install any structures on the leased land without prior written approval of DIVISION.
- l) TENANT may place a well on leased land with prior written approval of DIVISION. Such well would be a fixture to the land and becomes property of DIVISION upon termination of the lease. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such well, the soundness of new or existing wells, and water quantity and quality associated with such wells.
- m) TENANT may install an irrigation system on leased land with prior written approval of DIVISION. All aboveground pipes, pumps, power units, wheeled irrigation units and any other related equipment is property of TENANT. Upon termination of lease TENANT shall remove such property, subject to a removal plan approved by DIVISION, or convey such property to the succeeding TENANT. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such irrigation system.
- n) DIVISION is not responsible for wildlife damages to agricultural commodities on the leased land.
- o) All hunting and trapping rights and privileges and all land use except agricultural leased rights are reserved by DIVISION.
- p) TENANT shall use products and/or services that are provided by Agricultural Businesses which are certified for Best Management Practices (BMP), Good Food Handling Practices (GHP) and Good Agricultural Practices (GAP) through the Delaware Department of Agriculture or surrounding State's equivalent program.

10. RESERVED RIGHTS:

DIVISION reserves the following rights related to the leased land:

- a) Reserves the right to grant easements and rights of way across or upon the leased land. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- b) Reserves the right to create pathways, buffer strips, and hedgerows or to divert land for other DIVISION uses. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- c) Reserves the right of ingress and egress onto and over the leased land for inspection purposes, for enforcement of all laws, rules and regulations of DIVISION and for any other lawful purpose.

11. LIMITATION ON PUBLIC ACCESS:

DIVISION shall coordinate with TENANT any public use of the leased land in order to not negatively impact normal farming operations.

12. HOLD HARMLESS:

TENANT agrees to exercise the rights herein granted at its own risk fees, arising from or in any way connected with injury to or death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the leased land, regardless of cause, unless due to the gross negligence or willful misconduct of any of the Indemnified Parties.

13. DAMAGES TO PROPERTY:

TENANT agrees to be solely responsible for any and all injury, loss or damage to TENANT'S person, crops, equipment, and property or to equipment and property of others which may be placed on the leased land at TENANT'S request, and TENANT waives and releases any and all claims or rights against DEPARTMENT with respect thereto.

14. INSURANCE:

TENANT shall be insured against liability resulting from any agricultural practice or presence upon the leased land.

15. ASSIGNMENT, INSOLVENCY OR BANKRUPTCY:

Either (a) the appointment of a receiver to take possession of all or substantially all of the assets of TENANT or (b) a general assignment by TENANT for the

benefit of creditors or (c) any action taken or suffered by TENANT under any insolvency or bankruptcy act shall constitute a breach of this Lease by TENANT and cause this Lease to terminate immediately.

16. TERMINATION OF LEASE:

TENANT agrees that if it fails to observe or perform any of the conditions or covenants on its part to be observed or performed, or if TENANT knowingly permits any unlawful acts to be carried out upon the leased land, then DEPARTMENT shall have the right to terminate the Lease and to re-enter and repossess the leased land in the manner provided for by the laws of the State of Delaware. If DEPARTMENT terminates this Lease while TENANT has crops growing in the fields, the DEPARTMENT agrees not to take possession of the leased land until after TENANT has harvested the crop during the normal harvest period or, at DEPARTMENT'S option, DEPARTMENT will reimburse TENANT at the fair market value for crops destroyed. TENANT may terminate this Lease by giving DEPARTMENT ninety (90) days' notice in writing. TENANT shall yield peaceable possession of the leased land at the termination of the Lease.

17. TERMINATION FOR CONVENIENCE:

Leases shall remain in effect for the time period and quantity specified unless the Lease is terminated by the State. The State may terminate the Lease at any time by giving written notice of such termination and specifying the effective date thereof, at least sixty (60) days before the effective date of termination.

18. NOTICES:

Any notice, demand, request, consent, approval, or communication that either Party desires or is required to give to the other shall be in writing and either served personally or sent by first class mail, postage prepaid and addressed as per Paragraph 1. Upon written notice from a Party, or a successor in interest, to the other Party hereto, any such notice, demand or other written communication shall be given to that Party or successor at the address indicated in such notice.

19. WAIVER OF BREACH:

The waiver or acceptance by DEPARTMENT of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any continuing or subsequent breach of the same or any other term, covenant or condition herein contained. All waivers or acceptances must be in writing. The subsequent acceptance of rent hereunder by DEPARTMENT shall not be deemed to be a waiver or acceptance of any preceding breach by TENANT of any term, covenant or condition of this Lease, other than the failure of TENANT to pay the particular rental fee so accepted,

regardless of DEPARTMENT'S knowledge of such preceding breach at the time of acceptance of such rental fee.

20. LEGAL COSTS AND EXPENSES:

TENANT shall pay and discharge all costs, attorneys' fees and expenses arising from enforcing any covenant or forfeiture hereof.

21. RULES AND REGULATIONS:

The rules and regulations contained in this Lease, as well as such reasonable rules and regulations as may be hereafter adopted by DEPARTMENT for the safety, care and protection of its leased lands and the preservation of good order thereon, are hereby expressly made a part hereof, and TENANT agrees to adhere to all such rules and regulations, after notice of same.

22. REMEDIES:

It is understood and agreed that the remedies herein given to DEPARTMENT shall be cumulative, and the exercise of any one remedy by DEPARTMENT shall not be to the exclusion of any other remedy.

23. BINDING AGREEMENT:

The covenants and conditions herein contained shall apply to and bind the heirs, executors, administrators, successors, and assigns of all of the Parties hereto; and all of the Parties hereto shall be jointly and severally liable hereunder. This Lease shall not be interpreted as a waiver of the sovereign immunity of DEPARTMENT.

24. TIME:

Time is of the essence of this Lease.

25. LAW:

This Lease shall be construed and interpreted in accordance with the laws of the State of Delaware.

26. ENTIRE CONTRACT:

This instrument contains the entire agreement of the Parties and supersedes, cancels, and revokes any and all other agreements between the Parties relating to the subject matter of this Lease. There are no representations or warranties, either oral or written, except those contained in this Lease. This Lease may be modified only by an amendment in writing signed by both Parties.

27. SEVERABILITY:

If any portion of this Lease shall be held invalid or unenforceable, the validity of the remaining portion shall be unaffected and this Lease shall remain in full force and effect as if it had been executed with the invalid portion omitted.

28. SPECIAL PROVISIONS:

Cover Crop Requirements

1. The purpose of the cover crop program is to protect and control soil, water and nutrient resources on the leased land. All leased land is required to have a cover crop based on the following conditions.
2. Eligible species of cover crop are rye, wheat, barley, and spring oats.
3. Early planting is defined as cover crops planted by October 1st.
4. Normal planting is defined as cover crops planted by October 15th.
5. All seed purchased for cover crops should be tested and properly labeled in accordance with Delaware Seed Law and Regulations.
6. If homegrown seed is used, it should be tested prior to planting for purity, germination, and noxious weeds by either the Maryland or Delaware State Seed Laboratory.
7. Cover crops shall be established and actively growing before the expected period(s) of nutrient leaching. No fall application of commercial fertilizers (N and P) or manure is allowed prior to planting the cover crop. No winter application of commercial fertilizer or manure is allowed. Spring application of manure can resume after March 1st in Sussex County and March 15th in Kent and New Castle Counties.
8. TENANT shall maintain a winter cover crop on all tillable acres, unless specifically exempted in writing by DIVISION.
9. If TENANT plans on harvesting the cover crop for grain, then TENANT can apply fertilizer or manure after March 1st.
10. If TENANT plans on planting early peas, then TENANT may destroy the cover crop after February 15th and fertilizer and manure can be applied after such date.

11. TENANT may destroy cover crops by applying an herbicide, by plowing the crop under or by green chopping for on-farm use, only after March 15th.
12. There will be a minimum of a 5% spot check of cover crop acres in the spring after removal of the cover crop.
13. The cover crop requirements should apply to all lands with the possible exception of the wastewater treatment facility land that is part of lease CHSP-02-2014.

IN WITNESS WHEREOF, this Lease has been executed by the Parties hereto as of the day and year above written.

STATE OF DELAWARE
 DEPARTMENT OF NATURAL RESOURCES &
 ENVIRONMENTAL CONTROL
 DIVISION OF PARKS AND RECREATION

Original on File

Witness

By: *Original on File*

Name: Collin P. O'Mara

Title: Secretary

Original on File

Witness

Original on File

By:

Name: Raymond E. Bivens

Title: Division Director

Original on File

Witness

Warihay Farms & Harvesting

By: *Original on File*

Name: Robert Warihay

Title: OWNER

STATE OF DELAWARE)
) SS.
COUNTY OF)

BE IT REMEMBERED, That on this 4 day of February, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Colin P. O'Mara, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on 8/22/15

STATE OF DELAWARE)
) SS.
COUNTY OF KENT)



BE IT REMEMBERED, That on this 27th day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Raymond E. Bivens, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires on _____

STATE OF DELAWARE)
) SS.
COUNTY OF New Castle

BE IT REMEMBERED, That on this 27th day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Robert M. Worsham, JR. known personally to be such, and acknowledged the foregoing instrument to be his/her act and deed.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

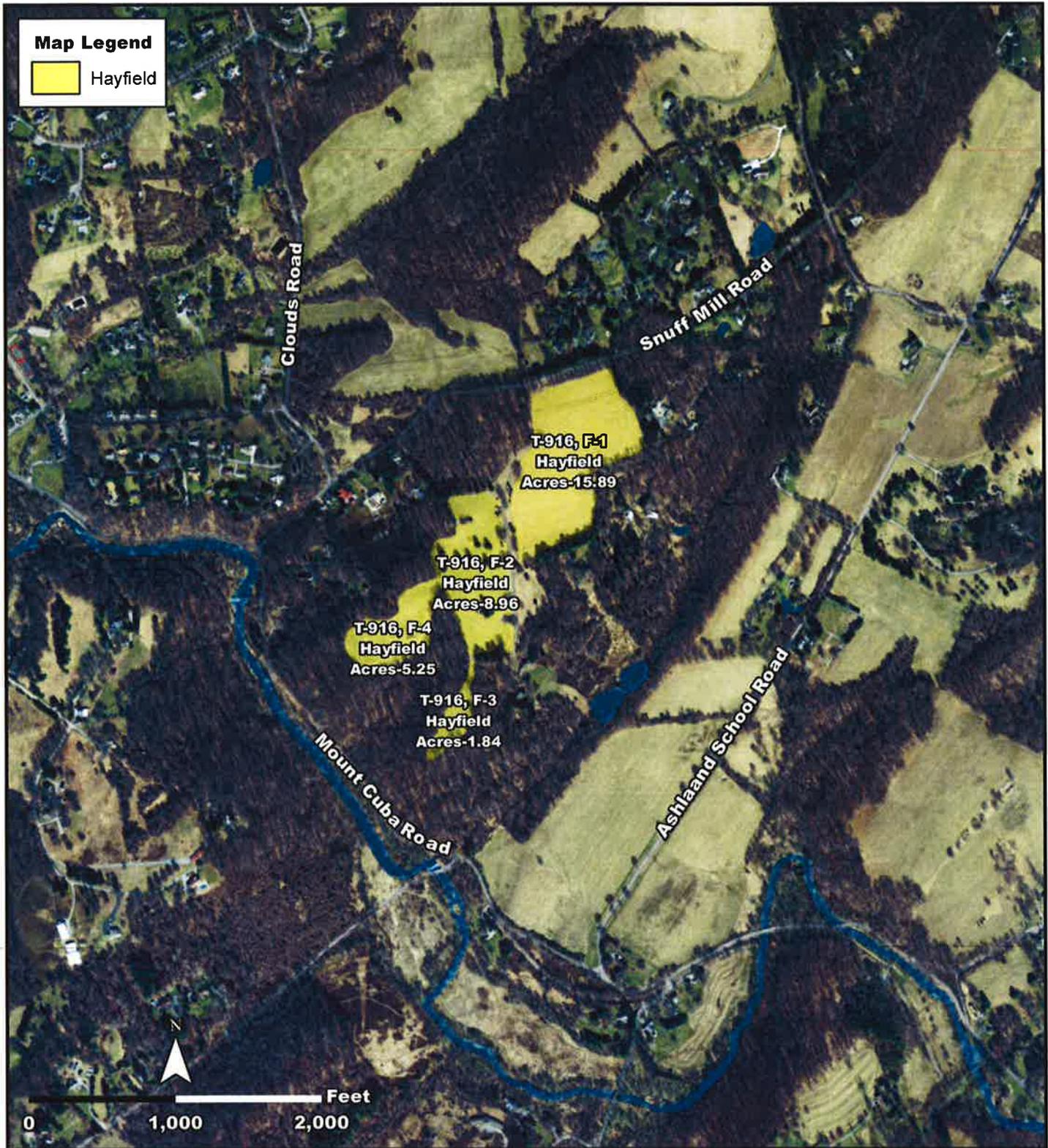
NOTARY PUBLIC
GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires at the end of government service

My commission expires on _____.

Delaware States Parks Agricultural Land Lease AHP-02-2014

- Park
 - Auburn Heights Preserve
- FSA Tracts and Field numbers
 - Tract 916 Field 1 Hayfield
 - Tract 916 Field 2 Hayfield
 - Tract 916 Field 3 Hayfield
 - Tract 916 Field 4 Hayfield
- Acres
 - 31.94
- County
 - New Castle
- Hundred
 - Christiana Hundred
- Tax Parcel Numbers
 - 0701000015

Auburn Heights Preserve
Crop Land for Lease
Ag Lease Number - AHP-02-2014
FSA Tract 916
31.94 Total Acres +/-



LEASE # SLP-01-2014
AGRICULTURAL LANDS
AT
SUNSET LAKE PRESERVE

THIS LEASE, made and entered into this 1st day of January, 2014 by and between the State of Delaware, Delaware Division of Parks and Recreation Party of the First Part, hereinafter referred to as "DIVISION,"

AND

Warihay Farms & Harvesting of 580 N. Colebrook Road, Manheim, PA 17545, Party of the Second Part, hereinafter referred to as "TENANT."

WITNESSETH, for and in consideration of the covenants and promises hereinafter contained and the payment of rentals as herein set forth, DEPARTMENT leases and rents TENANT and TENANT leases and rents from DEPARTMENT, all that certain cleared agricultural land Tract #733 of Sunset Lake Preserve, said certain tract of land situate in Pencader Hundred, New Castle County, State of Delaware, described as Parcel No. 11018000012 according to the New Castle County Tax Records and more specifically located on the attached map, hereinafter referred to as "leased land".

1. PARTIES:

The name and address of the Parties are:

DEPARTMENT: Delaware Division of Parks and Recreation
89 Kings Hwy
Dover, DE 19901

TENANT: Warihay Farms & Harvesting
580 N. Colebrook Road
Manheim, PA 17545
(717) 664-0810

2. TERM OF LEASE:

The term of this Lease shall be for ten (10) years beginning in January 2014 and terminating on December 31, 2023 without notice of such termination.

3. ACREAGE:

Fields that are designated and offered for lease by Delaware Division of Parks and Recreation are approximately 50.85 acres. Delaware Division of Parks and Recreation does not guarantee the exact acres of the land for lease.

4. LAND USAGE:

The Land covered under this lease is to be used for the specific agricultural purposes as noted on the map and for no other purposes. Tenant covenants and agrees that it will farm in accordance with generally accepted farming practices and procedures. Failures to do so will be cause for immediate termination of the lease.

5. RENTAL FEE:

TENANT shall pay DIVISION an annual rental fee of \$5,344.33 for each of years one through five. For each of years six through ten, TENANT shall pay a fixed 5% above the years one through five rental fee. The annual rental fee is based on \$105.10 per acre charge for approximately 50.85 acres. DIVISION does not guarantee the exact total acreage of leased land. Rental fees shall be paid to DIVISION on or before January 1st for that lease year. Failure to make timely payments shall be a condition to cancel the lease at any time.

6. ASSIGNMENT OF LEASE:

TENANT shall not assign any interest in this lease without prior written consent of the DIVISION. TENANT shall not sublease any part of the leased land.

7. SECURITY:

TENANT covenants and agrees that he will in no way interfere with the security of the Institution or in the Department's ability to carry out its mission.

8. SECURITY INTEREST:

TENANT hereby grants to DIVISION a security interest in the agricultural commodities grown by TENANT on the leased land during the term of this Lease, whether such crops are standing, grown, in storage or in transit, and in any proceeds from the sale, exchange, transfer or other disposition of the collateral or proceeds, to ensure the performance by TENANT under all agreements with DIVISION, as well as payment of any and all sums now, heretofore and hereafter owing to DIVISION by TENANT as a result of TENANT entering into this Lease with DIVISION.

9. USE OF LEASED LAND:

The leased land may be used for producing agricultural commodities, including, but not limited to, grain, vegetable and forage crops and pasture. TENANT agrees to follow good farm management practices and to farm the land in a good and reasonable manner to avoid degradation of the environment and further agrees to the following:

- a) DIVISION reserves the right to cancel this lease on or before January 31 of each year by written notice, given at least sixty (60) calendar days prior to January 31 for non-performance of the contract.
- b) TENANT shall enter into a Conservation Plan for the leased land with the Natural Resources Conservation Service. The Plan shall contain instructions for management of soil fertility, nutrients, erosion control, agricultural chemicals, integrated pest management, and wildlife concerns. The plan shall follow all appropriate state regulations. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- c) TENANT shall enter into a Nutrient Management Plan for the leased land with the Delaware Department of Agriculture. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- d) TENANT shall use all reasonable precautions to avoid the establishment of any noxious weeds, including Johnson grass, Canada thistle, bur cucumber, giant ragweed, Texas panicum, Palmer amaranth, and any additional noxious weeds as specified under Delaware State Law. If TENANT fails to control said vegetation, then DIVISION may terminate this Lease and may contract with an independent vendor to apply appropriate control measures to eradicate said noxious weeds and the cost of such measures shall be the responsibility of the TENANT.
- e) TENANT shall submit to DIVISION, upon request, a list of all agricultural pesticides, herbicides and other chemical sprays to be used on the leased land. All such products shall meet Federal and State standards and, if required, be applied by certified applicators in the appropriate manner and rate as per label instructions. Violation of Federal, State pesticide, herbicide or other chemical spray laws, rules and regulations shall be a condition to cancel the Lease. DIVISION reserves the right to prohibit the use of certain agricultural chemicals, including, but not limited to, fertilizers, herbicides, and pesticides on the leased land. TENANT shall be required to notify the Park Superintendent specifically responsible for the leased land within 48 hours prior to any spraying on leased land. The use of carbofuran (Furadan) in liquid or granular form is prohibited on DIVISION lands.
- f) Any DIVISION leased lands designated as hay fields shall not be cut prior to July 1st for each growing season.
- g) Dumping, depositing, abandoning, discharging, releasing, or storing of any gaseous, liquid or solid hazardous wastes, substances, materials, or debris

of whatever nature on, in, over, or under the ground or into surface or ground water is prohibited, except as permitted by law.

- h) Excavation, digging, removing, or selling of loam, peat, gravel, soil, rock, sand, or any similar material by the TENANT is prohibited. Cover crops are required on DIVISION leased lands. Refer to Special Provisions section (pgs. 8-9) for cover crop requirements.
- i) TENANT shall submit to DIVISION, upon request, an annual harvest report indicating type and amount of agricultural commodity harvested from the leased land.
- j) TENANT may be permitted to participate in Farm Service Agency or similar agricultural assistance programs. Participation in these programs is subject to the written approval of DIVISION.
- k) TENANT shall not construct or install any structures on the leased land without prior written approval of DIVISION.
- l) TENANT may place a well on leased land with prior written approval of DIVISION. Such well would be a fixture to the land and becomes property of DIVISION upon termination of the lease. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such well, the soundness of new or existing wells, and water quantity and quality associated with such wells.
- m) TENANT may install an irrigation system on leased land with prior written approval of DIVISION. All aboveground pipes, pumps, power units, wheeled irrigation units and any other related equipment is property of TENANT. Upon termination of lease TENANT shall remove such property, subject to a removal plan approved by DIVISION, or convey such property to the succeeding TENANT. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such irrigation system.
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- o) All hunting and trapping rights and privileges and all land use except agricultural leased rights are reserved by DIVISION.
- p) TENANT shall use products and/or services that are provided by Agricultural Businesses which are certified for Best Management Practices (BMP), Good Food Handling Practices (GHP) and Good Agricultural Practices (GAP) through the Delaware Department of Agriculture or surrounding State's equivalent program.

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DIVISION reserves the following rights related to the leased land:

- a) Reserves the right to grant easements and rights of way across or upon the leased land. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- b) Reserves the right to create pathways, buffer strips, and hedgerows or to divert land for other **DIVISION** uses. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- c) Reserves the right of ingress and egress onto and over the leased land for inspection purposes, for enforcement of all laws, rules and regulations of **DIVISION** and for any other lawful purpose.

11. LIMITATION ON PUBLIC ACCESS:

DIVISION shall coordinate with **TENANT** any public use of the leased land in order to not negatively impact normal farming operations

12. HOLD HARMLESS:

TENANT agrees to exercise the rights herein granted at its own risk fees, arising from or in any way connected with injury to or death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the leased land, regardless of cause, unless due to the gross negligence or willful misconduct of any of the Indemnified Parties.

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TENANT agrees to be solely responsible for any and all injury, loss or damage to **TENANT'S** person, crops, equipment, and property or to equipment and property of others which may be placed on the leased land at **TENANT'S** request, and **TENANT** waives and releases any and all claims or rights against **DEPARTMENT** with respect thereto.

14. INSURANCE:

TENANT shall be insured against liability resulting from any agricultural practice or presence upon the leased land.

15. ASSIGNMENT, INSOLVENCY OR BANKRUPTCY:

Either (a) the appointment of a receiver to take possession of all or substantially all of the assets of **TENANT** or (b) a general assignment by **TENANT** for the benefit

of creditors or (c) any action taken or suffered by TENANT under any insolvency or bankruptcy act shall constitute a breach of this Lease by TENANT and cause this Lease to terminate immediately.

16. TERMINATION OF LEASE:

TENANT agrees that if it fails to observe or perform any of the conditions or covenants on its part to be observed or performed, or if TENANT knowingly permits any unlawful acts to be carried out upon the leased land, then DEPARTMENT shall have the right to terminate the Lease and to re-enter and repossess the leased land in the manner provided for by the laws of the State of Delaware. If DEPARTMENT terminates this Lease while TENANT has crops growing in the fields, the DEPARTMENT agrees not to take possession of the leased land until after TENANT has harvested the crop during the normal harvest period or, at DEPARTMENT'S option, DEPARTMENT will reimburse TENANT at the fair market value for crops destroyed. TENANT may terminate this Lease by giving DEPARTMENT ninety (90) days' notice in writing. TENANT shall yield peaceable possession of the leased land at the termination of the Lease.

17. TERMINATION FOR CONVENIENCE:

Leases shall remain in effect for the time period and quantity specified unless the Lease is terminated by the State. The State may terminate the Lease at any time by giving written notice of such termination and specifying the effective date thereof, at least sixty (60) days before the effective date of termination.

18. NOTICES:

Any notice, demand, request, consent, approval, or communication that either Party desires or is required to give to the other shall be in writing and either served personally or sent by first class mail, postage prepaid and addressed as per Paragraph 1. Upon written notice from a Party, or a successor in interest, to the other Party hereto, any such notice, demand or other written communication shall be given to that Party or successor at the address indicated in such notice.

19. WAIVER OF BREACH:

The waiver or acceptance by DEPARTMENT of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any continuing or subsequent breach of the same or any other term, covenant or condition herein contained. All waivers or acceptances must be in writing. The subsequent acceptance of rent hereunder by DEPARTMENT shall not be deemed to be a waiver or acceptance of any preceding breach by TENANT of any term, covenant or condition of this Lease, other than the failure of TENANT to pay the particular rental fee so accepted,

regardless of DEPARTMENT'S knowledge of such preceding breach at the time of acceptance of such rental fee.

20. LEGAL COSTS AND EXPENSES:

TENANT shall pay and discharge all costs, attorneys' fees and expenses arising from enforcing any covenant or forfeiture hereof.

21. RULES AND REGULATIONS:

The rules and regulations contained in this Lease, as well as such reasonable rules and regulations as may be hereafter adopted by DEPARTMENT for the safety, care and protection of its leased lands and the preservation of good order thereon, are hereby expressly made a part hereof, and TENANT agrees to adhere to all such rules and regulations, after notice of same.

22. REMEDIES:

It is understood and agreed that the remedies herein given to DEPARTMENT shall be cumulative, and the exercise of any one remedy by DEPARTMENT shall not be to the exclusion of any other remedy.

23. BINDING AGREEMENT:

The covenants and conditions herein contained shall apply to and bind the heirs, executors, administrators, successors, and assigns of all of the Parties hereto; and all of the Parties hereto shall be jointly and severally liable hereunder. This Lease shall not be interpreted as a waiver of the sovereign immunity of DEPARTMENT.

24. TIME:

Time is of the essence of this Lease.

25. LAW:

This Lease shall be construed and interpreted in accordance with the laws of the State of Delaware.

26. ENTIRE CONTRACT:

This instrument contains the entire agreement of the Parties and supersedes, cancels, and revokes any and all other agreements between the Parties relating to the subject matter of this Lease. There are no representations or warranties, either oral or written, except those contained in this Lease. This Lease may be modified only by an amendment in writing signed by both Parties.

27. SEVERABILITY:

If any portion of this Lease shall be held invalid or unenforceable, the validity of the remaining portion shall be unaffected and this Lease shall remain in full force and effect as if it had been executed with the invalid portion omitted.

28. SPECIAL PROVISIONS:

Cover Crop Requirements

1. The purpose of the cover crop program is to protect and control soil, water and nutrient resources on the leased land. All leased land is required to have a cover crop based on the following conditions.
2. Eligible species of cover crop are rye, wheat, barley, and spring oats.
3. Early planting is defined as cover crops planted by October 1st.
4. Normal planting is defined as cover crops planted by October 15th.
5. All seed purchased for cover crops should be tested and properly labeled in accordance with Delaware Seed Law and Regulations.
6. If homegrown seed is used, it should be tested prior to planting for purity, germination, and noxious weeds by either the Maryland or Delaware State Seed Laboratory.
7. Cover crops shall be established and actively growing before the expected period(s) of nutrient leaching. No fall application of commercial fertilizers (N and P) or manure is allowed prior to planting the cover crop. No winter application of commercial fertilizer or manure is allowed. Spring application of manure can resume after March 1st in Sussex County and March 15th in Kent and New Castle Counties.
8. TENANT shall maintain a winter cover crop on all tillable acres, unless specifically exempted in writing by DIVISION.
9. If TENANT plans on harvesting the cover crop for grain, then TENANT can apply fertilizer or manure after March 1st.
10. If TENANT plans on planting early peas, then TENANT may destroy the cover crop after February 15th and fertilizer and manure can be applied after such date.
11. TENANT may destroy cover crops by applying an herbicide, by plowing the crop under or by green chopping for on-farm use, only after March 15th.

12. There will be a minimum of a 5% spot check of cover crop acres in the spring after removal of the cover crop.
13. The cover crop requirements should apply to all lands with the possible exception of the wastewater treatment facility land that is part of lease CHSP-02-2014.

IN WITNESS WHEREOF, this Lease has been executed by the Parties hereto as of the day and year above written.

STATE OF DELAWARE
DEPARTMENT OF NATURAL RESOURCES &
ENVIRONMENTAL CONTROL
DIVISION OF PARKS AND RECREATION

Original on File

Witness

By: *Original on File*
Name: Collin P. O'Mara
Title: Secretary

Original on File

Witness

Original on File
By: _____
Name: Raymond E. Bivens
Title: Division Director

Original on File

Witness V

Warihay Farms & Harvesting
By: *Original on File*
Name: Robert Warihay
Title: OWNER

STATE OF DELAWARE)
) SS.
COUNTY OF)

BE IT REMEMBERED, That on this 4 day of February, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Colin P. O'Mara, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on 8/22/14

STATE OF DELAWARE)
) SS.
COUNTY OF Kent)



BE IT REMEMBERED, That on this 27th day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Raymond E. Bivens, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on _____.

GREGORY J. ABBOTT
NOTARY PUBLIC STATE OF DELAWARE
My Commission expires 8/22/2014

STATE OF Delaware)
) SS.
COUNTY OF New Castle)

BE IT REMEMBERED, That on this 27th day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Robert M. Warwick, JR. known personally to be such, and acknowledged the foregoing instrument to be his/her act and deed.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC
GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires at the end of government service

My commission expires on _____.

Delaware State Parks Agricultural Land Lease SLP-01-2014

- Park
 - Sunset Lake Preserve/Lums Pond State Park
- FSA Tracts and Field numbers
 - Tract 733 Fields 1, 2, 3 Crops
- Acres
 - 50.85
- County
 - New Castle
- Hundred
 - Pencader Hundred
- Tax Parcel Numbers
 - 1101800012

- Reforestation Project
 - Area identified as Reforestation Project is not to be mowed, tilled or harvested. This area will be maintained by the Division. This acreage **is not** part of the Agriculture Lease acres.

Sunset Lake Preserve
Crop Land for Lease
Ag Lease Number - SLP-01-2014
FSA Tract 733
50.85 Total Acres +/-



LEASE # LPSP-01-2014
AGRICULTURAL LANDS
AT
LUMS POND STATE PARK

THIS LEASE, made and entered into this 1st day of January, 2014 by and between the State of Delaware, Delaware Division of Parks and Recreation Party of the First Part, hereinafter referred to as "DIVISION,"

AND

Warihay Farms & Harvesting of 580 N. Colebrook Road, Manheim, PA 17545, Party of the Second Part, hereinafter referred to as "TENANT."

WITNESSETH, for and in consideration of the covenants and promises hereinafter contained and the payment of rentals as herein set forth, DEPARTMENT leases and rents TENANT and TENANT leases and rents from DEPARTMENT, all that certain cleared agricultural land Tracts #157 and #267 of Lums Pond State Park, said certain tract of land situate in Pencader Hundred, New Castle County, State of Delaware, described as Parcel Nos.1104800007,1105100002, 1104700017,1104700016,1104700015,1104700014,1104700013,1104700012,1104700011, 1104700010,1104700009,1104700008,1104700005,1104700004 according to the New Castle County Tax Records and more specifically located on the attached map, hereinafter referred to as "leased land".

1. PARTIES:

The name and address of the Parties are:

DEPARTMENT: Delaware Division of Parks and Recreation
89 Kings Hwy
Dover, DE 19901

TENANT: Warihay Farms & Harvesting
580 N. Colebrook Road
Manheim, PA 17545
(717) 664-0810

2. TERM OF LEASE:

The term of this Lease shall be for ten (10) years beginning in January 2014 and terminating on December 31, 2023 without notice of such termination.

3. ACREAGE:

Fields that are designated and offered for lease by Delaware Division of Parks and

Recreation are approximately 223.41 acres. Delaware Division of Parks and Recreation does not guarantee the exact acres of the land for lease.

4. LAND USAGE:

The Land covered under this lease is to be used for the specific agricultural purposes as noted on the map and for no other purposes. Tenant covenants and agrees that it will farm in accordance with generally accepted farming practices and procedures. Failures to do so will be cause for immediate termination of the lease.

5. RENTAL FEE:

TENANT shall pay DIVISION an annual rental fee of \$52, 523.69 for each of years one through five. For each of years six through ten, TENANT shall pay a fixed 5% above the years one through five rental fee. The annual rental fee is based on \$235.10 per acre charge for approximately 223.41 acres. DIVISION does not guarantee the exact total acreage of leased land. Rental fees shall be paid to DIVISION on or before January 1st for that lease year. Failure to make timely payments shall be a condition to cancel the lease at any time.

6. ASSIGNMENT OF LEASE:

TENANT shall not assign any interest in this lease without prior written consent of the DIVISION. TENANT shall not sublease any part of the leased land.

7. SECURITY:

TENANT covenants and agrees that he will in no way interfere with the security of the Institution or in the Department's ability to carry out its mission.

8. SECURITY INTEREST:

TENANT hereby grants to DIVISION a security interest in the agricultural commodities grown by TENANT on the leased land during the term of this Lease, whether such crops are standing, grown, in storage or in transit, and in any proceeds from the sale, exchange, transfer or other disposition of the collateral or proceeds, to ensure the performance by TENANT under all agreements with DIVISION, as well as payment of any and all sums now, heretofore and hereafter owing to DIVISION by TENANT as a result of TENANT entering into this Lease with DIVISION.

9. USE OF LEASED LAND:

The leased land may be used for producing agricultural commodities, including, but not limited to, grain, vegetable and forage crops and pasture. TENANT agrees to follow good farm management practices and to farm the land in a good and

reasonable manner to avoid degradation of the environment and further agrees to the following:

- a) DIVISION reserves the right to cancel this lease on or before January 31 of each year by written notice, given at least sixty (60) calendar days prior to January 31 for non-performance of the contract.
- b) TENANT shall enter into a Conservation Plan for the leased land with the Natural Resources Conservation Service. The Plan shall contain instructions for management of soil fertility, nutrients, erosion control, agricultural chemicals, integrated pest management, and wildlife concerns. The plan shall follow all appropriate state regulations. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- c) TENANT shall enter into a Nutrient Management Plan for the leased land with the Delaware Department of Agriculture. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- d) TENANT shall use all reasonable precautions to avoid the establishment of any noxious weeds, including Johnson grass, Canada thistle, bur cucumber, giant ragweed, Texas panicum, Palmer amaranth, and any additional noxious weeds as specified under Delaware State Law. If TENANT fails to control said vegetation, then DIVISION may terminate this Lease and may contract with an independent vendor to apply appropriate control measures to eradicate said noxious weeds and the cost of such measures shall be the responsibility of the TENANT.
- e) TENANT shall submit to DIVISION, upon request, a list of all agricultural pesticides, herbicides and other chemical sprays to be used on the leased land. All such products shall meet Federal and State standards and, if required, be applied by certified applicators in the appropriate manner and rate as per label instructions. Violation of Federal, State pesticide, herbicide or other chemical spray laws, rules and regulations shall be a condition to cancel the Lease. DIVISION reserves the right to prohibit the use of certain agricultural chemicals, including, but not limited to, fertilizers, herbicides, and pesticides on the leased land. TENANT shall be required to notify the Park Superintendent specifically responsible for the leased land within 48 hours prior to any spraying on leased land. The use of carbofuran (Furadan) in liquid or granular form is prohibited on DIVISION lands.
- f) Any DIVISION leased lands designated as hay fields shall not be cut prior to July 1st for each growing season.

- g) Dumping, depositing, abandoning, discharging, releasing, or storing of any gaseous, liquid or solid hazardous wastes, substances, materials, or debris of whatever nature on, in, over, or under the ground or into surface or ground water is prohibited, except as permitted by law.
- h) Excavation, digging, removing, or selling of loam, peat, gravel, soil, rock, sand, or any similar material by the TENANT is prohibited. Cover crops are required on DIVISION leased lands. Refer to Special Provisions section (pgs. 8-9) for cover crop requirements.
- i) TENANT shall submit to DIVISION, upon request, an annual harvest report indicating type and amount of agricultural commodity harvested from the leased land.
- j) TENANT may be permitted to participate in Farm Service Agency or similar agricultural assistance programs. Participation in these programs is subject to the written approval of DIVISION.
- k) TENANT shall not construct or install any structures on the leased land without prior written approval of DIVISION.
- l) TENANT may place a well on leased land with prior written approval of DIVISION. Such well would be a fixture to the land and becomes property of DIVISION upon termination of the lease. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such well, the soundness of new or existing wells, and water quantity and quality associated with such wells.
- m) TENANT may install an irrigation system on leased land with prior written approval of DIVISION. All aboveground pipes, pumps, power units, wheeled irrigation units and any other related equipment is property of TENANT. Upon termination of lease TENANT shall remove such property, subject to a removal plan approved by DIVISION, or convey such property to the succeeding TENANT. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such irrigation system.
- n) DIVISION is not responsible for wildlife damages to agricultural commodities on the leased land.
- o) All hunting and trapping rights and privileges and all land use except agricultural leased rights are reserved by DIVISION.
- p) TENANT shall use products and/or services that are provided by Agricultural Businesses which are certified for Best Management Practices (BMP), Good Food Handling Practices (GHP) and Good Agricultural

Practices (GAP) through the Delaware Department of Agriculture or surrounding State's equivalent program.

10. RESERVED RIGHTS:

DIVISION reserves the following rights related to the leased land:

- a) Reserves the right to grant easements and rights of way across or upon the leased land. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- b) Reserves the right to create pathways, buffer strips, and hedgerows or to divert land for other DIVISION uses. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- c) Reserves the right of ingress and egress onto and over the leased land for inspection purposes, for enforcement of all laws, rules and regulations of DIVISION and for any other lawful purpose.

11. LIMITATION ON PUBLIC ACCESS:

DIVISION shall coordinate with TENANT any public use of the leased land in order to not negatively impact normal farming operations

12. HOLD HARMLESS:

TENANT agrees to exercise the rights herein granted at its own risk fees, arising from or in any way connected with injury to or death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the leased land, regardless of cause, unless due to the gross negligence or willful misconduct of any of the Indemnified Parties.

13. DAMAGES TO PROPERTY:

TENANT agrees to be solely responsible for any and all injury, loss or damage to TENANT'S person, crops, equipment, and property or to equipment and property of others which may be placed on the leased land at TENANT'S request, and TENANT waives and releases any and all claims or rights against DEPARTMENT with respect thereto.

14. INSURANCE:

TENANT shall be insured against liability resulting from any agricultural practice or presence upon the leased land.

15. ASSIGNMENT, INSOLVENCY OR BANKRUPTCY:

Either (a) the appointment of a receiver to take possession of all or substantially all of the assets of TENANT or (b) a general assignment by TENANT for the benefit of creditors or (c) any action taken or suffered by TENANT under any insolvency or bankruptcy act shall constitute a breach of this Lease by TENANT and cause this Lease to terminate immediately.

16. TERMINATION OF LEASE:

TENANT agrees that if it fails to observe or perform any of the conditions or covenants on its part to be observed or performed, or if TENANT knowingly permits any unlawful acts to be carried out upon the leased land, then DEPARTMENT shall have the right to terminate the Lease and to re-enter and repossess the leased land in the manner provided for by the laws of the State of Delaware. If DEPARTMENT terminates this Lease while TENANT has crops growing in the fields, the DEPARTMENT agrees not to take possession of the leased land until after TENANT has harvested the crop during the normal harvest period or, at DEPARTMENT'S option, DEPARTMENT will reimburse TENANT at the fair market value for crops destroyed. TENANT may terminate this Lease by giving DEPARTMENT ninety (90) days' notice in writing. TENANT shall yield peaceable possession of the leased land at the termination of the Lease.

17. TERMINATION FOR CONVENIENCE:

Leases shall remain in effect for the time period and quantity specified unless the Lease is terminated by the State. The State may terminate the Lease at any time by giving written notice of such termination and specifying the effective date thereof, at least sixty (60) days before the effective date of termination.

18. NOTICES:

Any notice, demand, request, consent, approval, or communication that either Party desires or is required to give to the other shall be in writing and either served personally or sent by first class mail, postage prepaid and addressed as per Paragraph 1. Upon written notice from a Party, or a successor in interest, to the other Party hereto, any such notice, demand or other written communication shall be given to that Party or successor at the address indicated in such notice.

19. WAIVER OF BREACH:

The waiver or acceptance by DEPARTMENT of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any continuing or subsequent breach of the same or any other term, covenant or condition herein contained. All waivers or acceptances

must be in writing. The subsequent acceptance of rent hereunder by DEPARTMENT shall not be deemed to be a waiver or acceptance of any preceding breach by TENANT of any term, covenant or condition of this Lease, other than the failure of TENANT to pay the particular rental fee so accepted, regardless of DEPARTMENT'S knowledge of such preceding breach at the time of acceptance of such rental fee.

20. LEGAL COSTS AND EXPENSES:

TENANT shall pay and discharge all costs, attorneys' fees and expenses arising from enforcing any covenant or forfeiture hereof.

21. RULES AND REGULATIONS:

The rules and regulations contained in this Lease, as well as such reasonable rules and regulations as may be hereafter adopted by DEPARTMENT for the safety, care and protection of its leased lands and the preservation of good order thereon, are hereby expressly made a part hereof, and TENANT agrees to adhere to all such rules and regulations, after notice of same.

22. REMEDIES:

It is understood and agreed that the remedies herein given to DEPARTMENT shall be cumulative, and the exercise of any one remedy by DEPARTMENT shall not be to the exclusion of any other remedy.

23. BINDING AGREEMENT:

The covenants and conditions herein contained shall apply to and bind the heirs, executors, administrators, successors, and assigns of all of the Parties hereto; and all of the Parties hereto shall be jointly and severally liable hereunder. This Lease shall not be interpreted as a waiver of the sovereign immunity of DEPARTMENT.

24. TIME:

Time is of the essence of this Lease.

25. LAW:

This Lease shall be construed and interpreted in accordance with the laws of the State of Delaware.

26. ENTIRE CONTRACT:

This instrument contains the entire agreement of the Parties and supersedes, cancels, and revokes any and all other agreements between the Parties relating to the subject matter of this Lease. There are no representations or warranties, either oral or written, except those contained in this Lease. This Lease may be modified only by an amendment in writing signed by both Parties.

27. SEVERABILITY:

If any portion of this Lease shall be held invalid or unenforceable, the validity of the remaining portion shall be unaffected and this Lease shall remain in full force and effect as if it had been executed with the invalid portion omitted.

28. SPECIAL PROVISIONS:

Cover Crop Requirements

1. The purpose of the cover crop program is to protect and control soil, water and nutrient resources on the leased land. All leased land is required to have a cover crop based on the following conditions.
2. Eligible species of cover crop are rye, wheat, barley, and spring oats.
3. Early planting is defined as cover crops planted by October 1st.
4. Normal planting is defined as cover crops planted by October 15th.
5. All seed purchased for cover crops should be tested and properly labeled in accordance with Delaware Seed Law and Regulations.
6. If homegrown seed is used, it should be tested prior to planting for purity, germination, and noxious weeds by either the Maryland or Delaware State Seed Laboratory.
7. Cover crops shall be established and actively growing before the expected period(s) of nutrient leaching. No fall application of commercial fertilizers (N and P) or manure is allowed prior to planting the cover crop. No winter application of commercial fertilizer or manure is allowed. Spring application of manure can resume after March 1st in Sussex County and March 15th in Kent and New Castle Counties.
8. TENANT shall maintain a winter cover crop on all tillable acres, unless specifically exempted in writing by DIVISION.

9. If TENANT plans on harvesting the cover crop for grain, then TENANT can apply fertilizer or manure after March 1st.
10. If TENANT plans on planting early peas, then TENANT may destroy the cover crop after February 15th and fertilizer and manure can be applied after such date.
11. TENANT may destroy cover crops by applying an herbicide, by plowing the crop under or by green chopping for on-farm use, only after March 15th.
12. There will be a minimum of a 5% spot check of cover crop acres in the spring after removal of the cover crop.
13. The cover crop requirements should apply to all lands with the possible exception of the wastewater treatment facility land that is part of lease CHSP-02-2014.

IN WITNESS WHEREOF, this Lease has been executed by the Parties hereto as of the day and year above written.

STATE OF DELAWARE
 DEPARTMENT OF NATURAL RESOURCES &
 ENVIRONMENTAL CONTROL
 DIVISION OF PARKS AND RECREATION

Original on File

Witness

By: *Original on File*

Name: Collin P. O'Mara

Title: Secretary

Original on File

Witness

Original on File

By: _____

Name: Raymond E. Bivens

Title: Division Director

Original on File

Witness

Warihay Farms & Harvesting

Original on File

By: _____

Name: Robert Warihay

Title: OWNER

STATE OF DELAWARE)
) SS.
COUNTY OF)

BE IT REMEMBERED, That on this 4 day of February, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Colin P. O'Mara, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on



STATE OF DELAWARE)
) SS.
COUNTY OF KENT)

BE IT REMEMBERED, That on this 27th day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Raymond E. Bivens, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on _____.

GREGORY J. ABBOTT
NOTARY PUBLIC STATE OF DELAWARE
My Commission Expires _____ My Department service _____

STATE OF *Delaware*)
) SS.
COUNTY OF *New Castle*

BE IT REMEMBERED, That on this 27th day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Robert M. Warky, Jr., known personally to be such, and acknowledged the foregoing instrument to be his/her act and deed.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

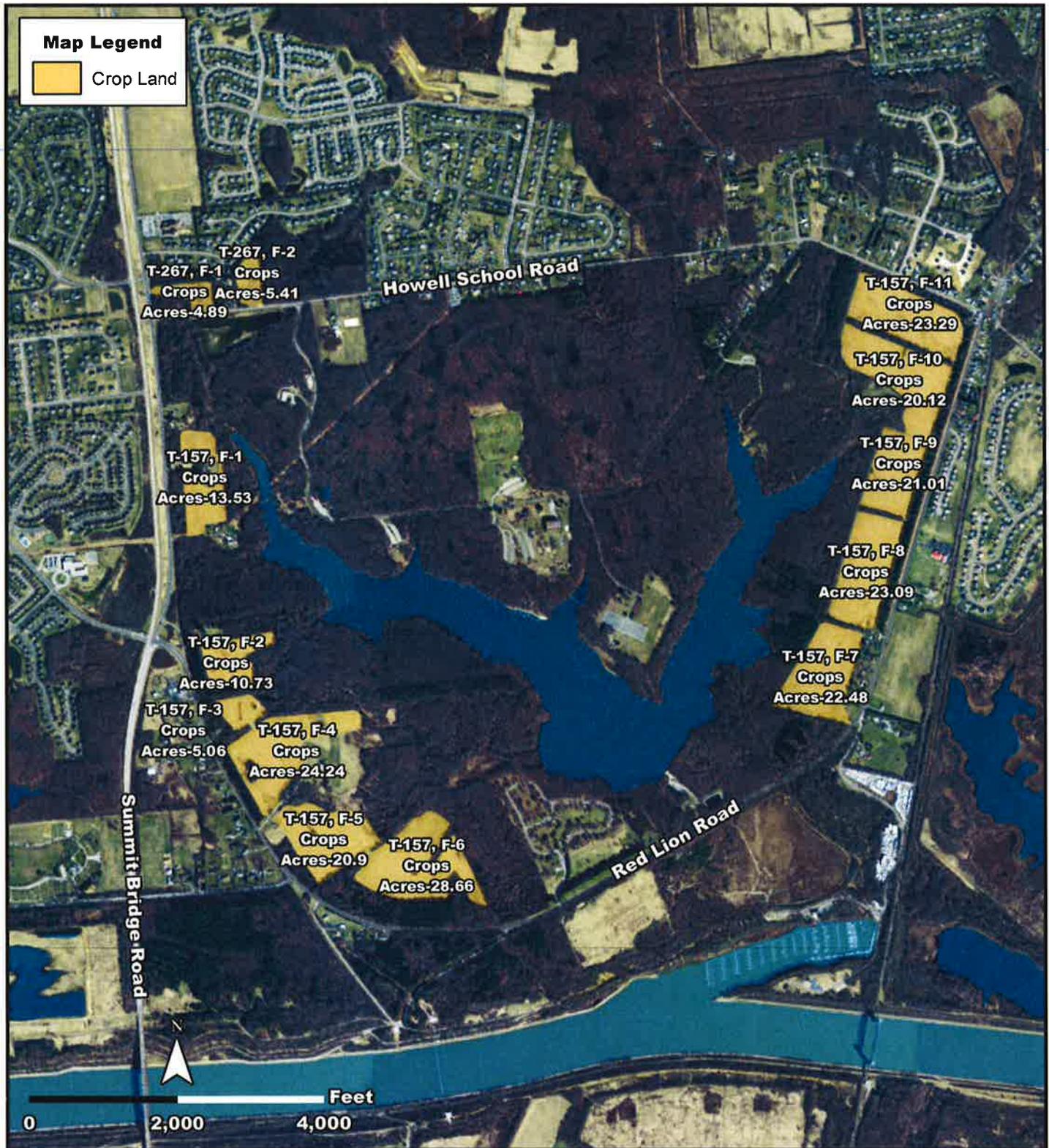
Original on File

NOTARY PUBLIC
GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires at the end of government service
My commission expires on _____.

Delaware State Parks Agricultural Land Lease LPSP-01-2014

- Park
 - Lums Pond State Park
- FSA Tracts and Field numbers
 - Tract 157 Fields 1-10 Crops
 - Tract 267 Fields 1, 2 Crops
- Acres
 - 223.41
- County
 - New Castle
- Hundred
 - Pencader Hundred
- Tax Parcel Numbers
 - 1104800007, 1105100002, 1104700017, 1104700016, 1104700015,
1104700014, 1104700013, 1104700012, 1104700011, 1104700010,
1104700009, 1104700008, 1104700005, 1104700004

Lums Pond State Park
Crop Land for Lease
Ag Lease Number - LPSP-01-2014
FSA Tract 157 and Tract 267
223.41 Total Acres +/-



LEASE # WCCSP-01-2014
AGRICULTURAL LANDS
AT
WHITE CLAY CREEK STATE PARK

THIS LEASE, made and entered into this 1st day of January, 2014 by and between the State of Delaware, Delaware Division of Parks and Recreation Party of the First Part, hereinafter referred to as "DIVISION,"

AND

Warihay Farms & Harvesting of 580 N. Colebrook Road, Manheim, PA 17545, Party of the Second Part, hereinafter referred to as "TENANT."

WITNESSETH, for and in consideration of the covenants and promises hereinafter contained and the payment of rentals as herein set forth, DEPARTMENT leases and rents TENANT and TENANT leases and rents from DEPARTMENT, all that certain cleared agricultural land Tract #935 of White Clay Creek State Park, said certain tract of land situate in Mill Creek Hundred, New Castle County, State of Delaware, described as Parcel Nos. 08055410003 and 0805400033 according to the New Castle County Tax Records and more specifically located on the attached map, hereinafter referred to as "leased land".

1. PARTIES:

The name and address of the Parties are:

DEPARTMENT: Delaware Division of Parks and Recreation
89 Kings Hwy
Dover, DE 19901

TENANT: Warihay Farms & Harvesting
580 N. Colebrook Road
Manheim, PA 17545
(717) 664-0810

2. TERM OF LEASE:

The term of this Lease shall be for ten (10) years beginning in January 2014 and terminating on December 31, 2023 without notice of such termination.

3. ACREAGE:

Fields that are designated and offered for lease by Delaware Division of Parks and Recreation are approximately 120.67 acres. Delaware Division of Parks and Recreation does not guarantee the exact acres of the land for lease.

4. LAND USAGE:

The Land covered under this lease is to be used for the specific agricultural purposes as noted on the map and for no other purposes. Tenant covenants and agrees that it will farm in accordance with generally accepted farming practices and procedures. Failures to do so will be cause for immediate termination of the lease.

5. RENTAL FEE:

TENANT shall pay DIVISION an annual rental fee of \$25,757.01 for each of years one through five. For each of years six through ten, TENANT shall pay a fixed 5% above the years one through five rental fee. The annual rental fee is based on \$213.45 per acre charge for approximately 120.67 acres. DIVISION does not guarantee the exact total acreage of leased land. Rental fees shall be paid to DIVISION on or before January 1st for that lease year. Failure to make timely payments shall be a condition to cancel the lease at any time.

6. ASSIGNMENT OF LEASE:

TENANT shall not assign any interest in this lease without prior written consent of the DIVISION. TENANT shall not sublease any part of the leased land.

7. SECURITY:

TENANT covenants and agrees that he will in no way interfere with the security of the Institution or in the Department's ability to carry out its mission.

8. SECURITY INTEREST:

TENANT hereby grants to DIVISION a security interest in the agricultural commodities grown by TENANT on the leased land during the term of this Lease, whether such crops are standing, grown, in storage or in transit, and in any proceeds from the sale, exchange, transfer or other disposition of the collateral or proceeds, to ensure the performance by TENANT under all agreements with DIVISION, as well as payment of any and all sums now, heretofore and hereafter owing to DIVISION by TENANT as a result of TENANT entering into this Lease with DIVISION.

9. USE OF LEASED LAND:

The leased land may be used for producing agricultural commodities, including, but not limited to, grain, vegetable and forage crops and pasture. TENANT agrees to follow good farm management practices and to farm the land in a good and reasonable manner to avoid degradation of the environment and further agrees to the following:

- a) DIVISION reserves the right to cancel this lease on or before January 31 of each year by written notice, given at least sixty (60) calendar days prior to January 31 for non-performance of the contract.
- b) TENANT shall enter into a Conservation Plan for the leased land with the Natural Resources Conservation Service. The Plan shall contain instructions for management of soil fertility, nutrients, erosion control, agricultural chemicals, integrated pest management, and wildlife concerns. The plan shall follow all appropriate state regulations. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- c) TENANT shall enter into a Nutrient Management Plan for the leased land with the Delaware Department of Agriculture. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- d) TENANT shall use all reasonable precautions to avoid the establishment of any noxious weeds, including Johnson grass, Canada thistle, bur cucumber, giant ragweed, Texas panicum, Palmer amaranth, and any additional noxious weeds as specified under Delaware State Law. If TENANT fails to control said vegetation, then DIVISION may terminate this Lease and may contract with an independent vendor to apply appropriate control measures to eradicate said noxious weeds and the cost of such measures shall be the responsibility of the TENANT.
- e) TENANT shall submit to DIVISION, upon request, a list of all agricultural pesticides, herbicides and other chemical sprays to be used on the leased land. All such products shall meet Federal and State standards and, if required, be applied by certified applicators in the appropriate manner and rate as per label instructions. Violation of Federal, State pesticide, herbicide or other chemical spray laws, rules and regulations shall be a condition to cancel the Lease. DIVISION reserves the right to prohibit the use of certain agricultural chemicals, including, but not limited to, fertilizers, herbicides, and pesticides on the leased land. TENANT shall be required to notify the Park Superintendent specifically responsible for the leased land within 48 hours prior to any spraying on leased land. The use of carbofuran (Furadan) in liquid or granular form is prohibited on DIVISION lands.
- f) Any DIVISION leased lands designated as hay fields shall not be cut prior to July 1st for each growing season.
- g) Dumping, depositing, abandoning, discharging, releasing, or storing of any gaseous, liquid or solid hazardous wastes, substances, materials, or debris of whatever nature on, in, over, or under the ground or into surface or

ground water is prohibited, except as permitted by law.

- h) Excavation, digging, removing, or selling of loam, peat, gravel, soil, rock, sand, or any similar material by the TENANT is prohibited. Cover crops are required on DIVISION leased lands. Refer to Special Provisions section (pgs. 8-9) for cover crop requirements.
- i) TENANT shall submit to DIVISION, upon request, an annual harvest report indicating type and amount of agricultural commodity harvested from the leased land.
- j) TENANT may be permitted to participate in Farm Service Agency or similar agricultural assistance programs. Participation in these programs is subject to the written approval of DIVISION.
- k) TENANT shall not construct or install any structures on the leased land without prior written approval of DIVISION.
- l) TENANT may place a well on leased land with prior written approval of DIVISION. Such well would be a fixture to the land and becomes property of DIVISION upon termination of the lease. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such well, the soundness of new or existing wells, and water quantity and quality associated with such wells.
- m) TENANT may install an irrigation system on leased land with prior written approval of DIVISION. All aboveground pipes, pumps, power units, wheeled irrigation units and any other related equipment is property of TENANT. Upon termination of lease TENANT shall remove such property, subject to a removal plan approved by DIVISION, or convey such property to the succeeding TENANT. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such irrigation system.
- n) DIVISION is not responsible for wildlife damages to agricultural commodities on the leased land.
- o) All hunting and trapping rights and privileges and all land use except agricultural leased rights are reserved by DIVISION.
- p) TENANT shall use products and/or services that are provided by Agricultural Businesses which are certified for Best Management Practices (BMP), Good Food Handling Practices (GHP) and Good Agricultural Practices (GAP) through the Delaware Department of Agriculture or surrounding State's equivalent program.

10. RESERVED RIGHTS:

DIVISION reserves the following rights related to the leased land:

- a) Reserves the right to grant easements and rights of way across or upon the leased land. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- b) Reserves the right to create pathways, buffer strips, and hedgerows or to divert land for other DIVISION uses. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- c) Reserves the right of ingress and egress onto and over the leased land for inspection purposes, for enforcement of all laws, rules and regulations of DIVISION and for any other lawful purpose.

11. LIMITATION ON PUBLIC ACCESS:

DIVISION shall coordinate with TENANT any public use of the leased land in order to not negatively impact normal farming operations

12. HOLD HARMLESS:

TENANT agrees to exercise the rights herein granted at its own risk fees, arising from or in any way connected with injury to or death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the leased land, regardless of cause, unless due to the gross negligence or willful misconduct of any of the Indemnified Parties.

13. DAMAGES TO PROPERTY:

TENANT agrees to be solely responsible for any and all injury, loss or damage to TENANT'S person, crops, equipment, and property or to equipment and property of others which may be placed on the leased land at TENANT'S request, and TENANT waives and releases any and all claims or rights against DEPARTMENT with respect thereto.

14. INSURANCE:

TENANT shall be insured against liability resulting from any agricultural practice or presence upon the leased land.

15. ASSIGNMENT, INSOLVENCY OR BANKRUPTCY:

Either (a) the appointment of a receiver to take possession of all or substantially all of the assets of TENANT or (b) a general assignment by TENANT for the

benefit of creditors or (c) any action taken or suffered by TENANT under any insolvency or bankruptcy act shall constitute a breach of this Lease by TENANT and cause this Lease to terminate immediately.

16. TERMINATION OF LEASE:

TENANT agrees that if it fails to observe or perform any of the conditions or covenants on its part to be observed or performed, or if TENANT knowingly permits any unlawful acts to be carried out upon the leased land, then DEPARTMENT shall have the right to terminate the Lease and to re-enter and repossess the leased land in the manner provided for by the laws of the State of Delaware. If DEPARTMENT terminates this Lease while TENANT has crops growing in the fields, the DEPARTMENT agrees not to take possession of the leased land until after TENANT has harvested the crop during the normal harvest period or, at DEPARTMENT'S option, DEPARTMENT will reimburse TENANT at the fair market value for crops destroyed. TENANT may terminate this Lease by giving DEPARTMENT ninety (90) days' notice in writing. TENANT shall yield peaceable possession of the leased land at the termination of the Lease.

17. TERMINATION FOR CONVENIENCE:

Leases shall remain in effect for the time period and quantity specified unless the Lease is terminated by the State. The State may terminate the Lease at any time by giving written notice of such termination and specifying the effective date thereof, at least sixty (60) days before the effective date of termination.

18. NOTICES:

Any notice, demand, request, consent, approval, or communication that either Party desires or is required to give to the other shall be in writing and either served personally or sent by first class mail, postage prepaid and addressed as per Paragraph 1. Upon written notice from a Party, or a successor in interest, to the other Party hereto, any such notice, demand or other written communication shall be given to that Party or successor at the address indicated in such notice.

19. WAIVER OF BREACH:

The waiver or acceptance by DEPARTMENT of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any continuing or subsequent breach of the same or any other term, covenant or condition herein contained. All waivers or acceptances must be in writing. The subsequent acceptance of rent hereunder by DEPARTMENT shall not be deemed to be a waiver or acceptance of any preceding breach by TENANT of any term, covenant or condition of this Lease, other than the failure of TENANT to pay the particular rental fee so accepted,

regardless of DEPARTMENT'S knowledge of such preceding breach at the time of acceptance of such rental fee.

20. LEGAL COSTS AND EXPENSES:

TENANT shall pay and discharge all costs, attorneys' fees and expenses arising from enforcing any covenant or forfeiture hereof.

21. RULES AND REGULATIONS:

The rules and regulations contained in this Lease, as well as such reasonable rules and regulations as may be hereafter adopted by DEPARTMENT for the safety, care and protection of its leased lands and the preservation of good order thereon, are hereby expressly made a part hereof, and TENANT agrees to adhere to all such rules and regulations, after notice of same.

22. REMEDIES:

It is understood and agreed that the remedies herein given to DEPARTMENT shall be cumulative, and the exercise of any one remedy by DEPARTMENT shall not be to the exclusion of any other remedy.

23. BINDING AGREEMENT:

The covenants and conditions herein contained shall apply to and bind the heirs, executors, administrators, successors, and assigns of all of the Parties hereto; and all of the Parties hereto shall be jointly and severally liable hereunder. This Lease shall not be interpreted as a waiver of the sovereign immunity of DEPARTMENT.

24. TIME:

Time is of the essence of this Lease.

25. LAW:

This Lease shall be construed and interpreted in accordance with the laws of the State of Delaware.

26. ENTIRE CONTRACT:

This instrument contains the entire agreement of the Parties and supersedes, cancels, and revokes any and all other agreements between the Parties relating to the subject matter of this Lease. There are no representations or warranties, either oral or written, except those contained in this Lease. This Lease may be modified only by an amendment in writing signed by both Parties.

27. SEVERABILITY:

If any portion of this Lease shall be held invalid or unenforceable, the validity of the remaining portion shall be unaffected and this Lease shall remain in full force and effect as if it had been executed with the invalid portion omitted.

28. SPECIAL PROVISIONS:

Cover Crop Requirements

1. The purpose of the cover crop program is to protect and control soil, water and nutrient resources on the leased land. All leased land is required to have a cover crop based on the following conditions.
2. Eligible species of cover crop are rye, wheat, barley, and spring oats.
3. Early planting is defined as cover crops planted by October 1st.
4. Normal planting is defined as cover crops planted by October 15th.
5. All seed purchased for cover crops should be tested and properly labeled in accordance with Delaware Seed Law and Regulations.
6. If homegrown seed is used, it should be tested prior to planting for purity, germination, and noxious weeds by either the Maryland or Delaware State Seed Laboratory.
7. Cover crops shall be established and actively growing before the expected period(s) of nutrient leaching. No fall application of commercial fertilizers (N and P) or manure is allowed prior to planting the cover crop. No winter application of commercial fertilizer or manure is allowed. Spring application of manure can resume after March 1st in Sussex County and March 15th in Kent and New Castle Counties.
8. TENANT shall maintain a winter cover crop on all tillable acres, unless specifically exempted in writing by DIVISION.
9. If TENANT plans on harvesting the cover crop for grain, then TENANT can apply fertilizer or manure after March 1st.
10. If TENANT plans on planting early peas, then TENANT may destroy the cover crop after February 15th and fertilizer and manure can be applied after such date.
11. TENANT may destroy cover crops by applying an herbicide, by plowing the crop under or by green chopping for on-farm use, only after March 15th.

12. There will be a minimum of a 5% spot check of cover crop acres in the spring after removal of the cover crop.

13. The cover crop requirements should apply to all lands with the possible exception of the wastewater treatment facility land that is part of lease CHSP-02-2014.

IN WITNESS WHEREOF, this Lease has been executed by the Parties hereto as of the day and year above written.

STATE OF DELAWARE
DEPARTMENT OF NATURAL RESOURCES &
ENVIRONMENTAL CONTROL
DIVISION OF PARKS AND RECREATION

Original on File

Witness

By: *Original on File*

Name: Collin P. O'Mara

Title: Secretary

Original on File

Witness

Original on File

By:

Name: Raymond E. Bivens

Title: Division Director

Original on File

Warihay Farms & Harvesting

By: *Original on File*

Name: Robert Warihay

Title: OWNER

Witness

STATE OF DELAWARE)
) SS.
COUNTY OF)

BE IT REMEMBERED, That on this 4 day of February, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Colin P. O'Mara, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on 5/22/15



STATE OF DELAWARE)
) SS.
COUNTY OF KENT)

BE IT REMEMBERED, That on this 27TH day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Raymond E. Bivens, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

~~NOTARY PUBLIC~~

My commission expires on _____.

GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires at the end of government service

STATE OF Delaware)
) SS.
COUNTY OF New Castle

BE IT REMEMBERED, That on this 27th day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Robert M. Worley, JR. known personally to be such, and acknowledged the foregoing instrument to be his/her act and deed.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC
GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires at the end of government service
My commission expires on _____.

Delaware State Parks Agricultural Land Lease WCCSP-01-2014

- **Park**
 - White Clay Creek State Park
- **FSA Tracts and Field numbers**
 - Tract 935 Fields 5, 10 Hayfields
 - Tract 935 Fields 1, 2, 3, 4, 6, 7, 8, 9 Crops
- **Acres**
 - 120.67
- **County**
 - New Castle
- **Hundred**
 - Mill Creek Hundred
- **Tax Parcel Numbers**
 - 0805410003, 0805400033

White Clay Creek State Park
Crop Land for Lease
Ag Lease Number - WCCSP-01-2014
FSA Tract 935
120.67 Total Acres +/-



LEASE # WCCSP-02-2014
AGRICULTURAL LANDS
AT
WHITE CLAY CREEK STATE PARK

THIS LEASE, made and entered into this 1st day of January, 2014 by and between the State of Delaware, Delaware Division of Parks and Recreation Party of the First Part, hereinafter referred to as "DIVISION,"

AND

Warihay Farms & Harvesting of 580 N. Colebrook Road, Manheim, PA 17545, Party of the Second Part, hereinafter referred to as "TENANT."

WITNESSETH, for and in consideration of the covenants and promises hereinafter contained and the payment of rentals as herein set forth, DEPARTMENT leases and rents TENANT and TENANT leases and rents from DEPARTMENT, all that certain cleared agricultural land Tracts #749 and #1474 of White Clay Creek State Park, said certain tract of land situate in Mill Creek Hundred, New Castle County, State of Delaware, described as Parcel Nos. 0803400006 and 0802800005 according to the New Castle County Tax Records and more specifically located on the attached map, hereinafter referred to as "leased land".

1. PARTIES:

The name and address of the Parties are:

DEPARTMENT: Delaware Division of Parks and Recreation
89 Kings Hwy
Dover, DE 19901

TENANT: Warihay Farms & Harvesting
580 N. Colebrook Road
Manheim, PA 17545
(717) 664-0810

2. TERM OF LEASE:

The term of this Lease shall be for ten (10) years beginning in January 2014 and terminating on December 31, 2023 without notice of such termination.

3. ACREAGE:

Fields that are designated and offered for lease by Delaware Division of Parks and Recreation are approximately 41.48 acres. Delaware Division of Parks and Recreation does not guarantee the exact acres of the land for lease.

4. LAND USAGE:

The Land covered under this lease is to be used for the specific agricultural purposes as noted on the map and for no other purposes. Tenant covenants and agrees that it will farm in accordance with generally accepted farming practices and procedures. Failures to do so will be cause for immediate termination of the lease.

5. RENTAL FEE:

TENANT shall pay DIVISION an annual rental fee of \$4,199.85 for each of years one through five. For each of years six through ten, TENANT shall pay a fixed 5% above the years one through five rental fee. The annual rental fee is based on \$101.25 per acre charge for approximately 41.48 acres. DIVISION does not guarantee the exact total acreage of leased land. Rental fees shall be paid to DIVISION on or before January 1st for that lease year. Failure to make timely payments shall be a condition to cancel the lease at any time.

6. ASSIGNMENT OF LEASE:

TENANT shall not assign any interest in this lease without prior written consent of the DIVISION. TENANT shall not sublease any part of the leased land.

7. SECURITY:

TENANT covenants and agrees that he will in no way interfere with the security of the Institution or in the Department's ability to carry out its mission.

8. SECURITY INTEREST:

TENANT hereby grants to DIVISION a security interest in the agricultural commodities grown by TENANT on the leased land during the term of this Lease, whether such crops are standing, grown, in storage or in transit, and in any proceeds from the sale, exchange, transfer or other disposition of the collateral or proceeds, to ensure the performance by TENANT under all agreements with DIVISION, as well as payment of any and all sums now, heretofore and hereafter owing to DIVISION by TENANT as a result of TENANT entering into this Lease with DIVISION.

9. USE OF LEASED LAND:

The leased land may be used for producing agricultural commodities, including, but not limited to, grain, vegetable and forage crops and pasture. TENANT agrees to follow good farm management practices and to farm the land in a good and reasonable manner to avoid degradation of the environment and further agrees to the following:

- a) DIVISION reserves the right to cancel this lease on or before January 31 of each year by written notice, given at least sixty (60) calendar days prior to January 31 for non-performance of the contract.
- b) TENANT shall enter into a Conservation Plan for the leased land with the Natural Resources Conservation Service. The Plan shall contain instructions for management of soil fertility, nutrients, erosion control, agricultural chemicals, integrated pest management, and wildlife concerns. The plan shall follow all appropriate state regulations. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- c) TENANT shall enter into a Nutrient Management Plan for the leased land with the Delaware Department of Agriculture. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- d) TENANT shall use all reasonable precautions to avoid the establishment of any noxious weeds, including Johnson grass, Canada thistle, bur cucumber, giant ragweed, Texas panicum, Palmer amaranth, and any additional noxious weeds as specified under Delaware State Law. If TENANT fails to control said vegetation, then DIVISION may terminate this Lease and may contract with an independent vendor to apply appropriate control measures to eradicate said noxious weeds and the cost of such measures shall be the responsibility of the TENANT.
- e) TENANT shall submit to DIVISION, upon request, a list of all agricultural pesticides, herbicides and other chemical sprays to be used on the leased land. All such products shall meet Federal and State standards and, if required, be applied by certified applicators in the appropriate manner and rate as per label instructions. Violation of Federal, State pesticide, herbicide or other chemical spray laws, rules and regulations shall be a condition to cancel the Lease. DIVISION reserves the right to prohibit the use of certain agricultural chemicals, including, but not limited to, fertilizers, herbicides, and pesticides on the leased land. TENANT shall be required to notify the Park Superintendent specifically responsible for the leased land within 48 hours prior to any spraying on leased land. The use of carbofuran (Furadan) in liquid or granular form is prohibited on DIVISION lands.
- f) Any DIVISION leased lands designated as hay fields shall not be cut prior to July 1st for each growing season.
- g) Dumping, depositing, abandoning, discharging, releasing, or storing of any gaseous, liquid or solid hazardous wastes, substances, materials, or debris of whatever nature on, in, over, or under the ground or into surface or

ground water is prohibited, except as permitted by law.

- h) Excavation, digging, removing, or selling of loam, peat, gravel, soil, rock, sand, or any similar material by the TENANT is prohibited. Cover crops are required on DIVISION leased lands. Refer to Special Provisions section (pgs. 8-9) for cover crop requirements.
- i) TENANT shall submit to DIVISION, upon request, an annual harvest report indicating type and amount of agricultural commodity harvested from the leased land.
- j) TENANT may be permitted to participate in Farm Service Agency or similar agricultural assistance programs. Participation in these programs is subject to the written approval of DIVISION.
- k) TENANT shall not construct or install any structures on the leased land without prior written approval of DIVISION.
- l) TENANT may place a well on leased land with prior written approval of DIVISION. Such well would be a fixture to the land and becomes property of DIVISION upon termination of the lease. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such well, the soundness of new or existing wells, and water quantity and quality associated with such wells.
- m) TENANT may install an irrigation system on leased land with prior written approval of DIVISION. All aboveground pipes, pumps, power units, wheeled irrigation units and any other related equipment is property of TENANT. Upon termination of lease TENANT shall remove such property, subject to a removal plan approved by DIVISION, or convey such property to the succeeding TENANT. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such irrigation system.
- n) DIVISION is not responsible for wildlife damages to agricultural commodities on the leased land.
- o) All hunting and trapping rights and privileges and all land use except agricultural leased rights are reserved by DIVISION.
- p) TENANT shall use products and/or services that are provided by Agricultural Businesses which are certified for Best Management Practices (BMP), Good Food Handling Practices (GHP) and Good Agricultural Practices (GAP) through the Delaware Department of Agriculture or surrounding State's equivalent program.

10. RESERVED RIGHTS:

DIVISION reserves the following rights related to the leased land:

- a) Reserves the right to grant easements and rights of way across or upon the leased land. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- b) Reserves the right to create pathways, buffer strips, and hedgerows or to divert land for other **DIVISION** uses. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- c) Reserves the right of ingress and egress onto and over the leased land for inspection purposes, for enforcement of all laws, rules and regulations of **DIVISION** and for any other lawful purpose.

11. LIMITATION ON PUBLIC ACCESS:

DIVISION shall coordinate with **TENANT** any public use of the leased land in order to not negatively impact normal farming operations

12. HOLD HARMLESS:

TENANT agrees to exercise the rights herein granted at its own risk fees, arising from or in any way connected with injury to or death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the leased land, regardless of cause, unless due to the gross negligence or willful misconduct of any of the Indemnified Parties.

13. DAMAGES TO PROPERTY:

TENANT agrees to be solely responsible for any and all injury, loss or damage to **TENANT'S** person, crops, equipment, and property or to equipment and property of others which may be placed on the leased land at **TENANT'S** request, and **TENANT** waives and releases any and all claims or rights against **DEPARTMENT** with respect thereto.

14. INSURANCE:

TENANT shall be insured against liability resulting from any agricultural practice or presence upon the leased land.

15. ASSIGNMENT, INSOLVENCY OR BANKRUPTCY:

Either (a) the appointment of a receiver to take possession of all or substantially all of the assets of **TENANT** or (b) a general assignment by **TENANT** for the

benefit of creditors or (c) any action taken or suffered by TENANT under any insolvency or bankruptcy act shall constitute a breach of this Lease by TENANT and cause this Lease to terminate immediately.

16. TERMINATION OF LEASE:

TENANT agrees that if it fails to observe or perform any of the conditions or covenants on its part to be observed or performed, or if TENANT knowingly permits any unlawful acts to be carried out upon the leased land, then DEPARTMENT shall have the right to terminate the Lease and to re-enter and repossess the leased land in the manner provided for by the laws of the State of Delaware. If DEPARTMENT terminates this Lease while TENANT has crops growing in the fields, the DEPARTMENT agrees not to take possession of the leased land until after TENANT has harvested the crop during the normal harvest period or, at DEPARTMENT'S option, DEPARTMENT will reimburse TENANT at the fair market value for crops destroyed. TENANT may terminate this Lease by giving DEPARTMENT ninety (90) days' notice in writing. TENANT shall yield peaceable possession of the leased land at the termination of the Lease.

17. TERMINATION FOR CONVENIENCE:

Leases shall remain in effect for the time period and quantity specified unless the Lease is terminated by the State. The State may terminate the Lease at any time by giving written notice of such termination and specifying the effective date thereof, at least sixty (60) days before the effective date of termination.

18. NOTICES:

Any notice, demand, request, consent, approval, or communication that either Party desires or is required to give to the other shall be in writing and either served personally or sent by first class mail, postage prepaid and addressed as per Paragraph 1. Upon written notice from a Party, or a successor in interest, to the other Party hereto, any such notice, demand or other written communication shall be given to that Party or successor at the address indicated in such notice.

19. WAIVER OF BREACH:

The waiver or acceptance by DEPARTMENT of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any continuing or subsequent breach of the same or any other term, covenant or condition herein contained. All waivers or acceptances must be in writing. The subsequent acceptance of rent hereunder by DEPARTMENT shall not be deemed to be a waiver or acceptance of any preceding breach by TENANT of any term, covenant or condition of this Lease, other than the failure of TENANT to pay the particular rental fee so accepted,

regardless of DEPARTMENT'S knowledge of such preceding breach at the time of acceptance of such rental fee.

20. LEGAL COSTS AND EXPENSES:

TENANT shall pay and discharge all costs, attorneys' fees and expenses arising from enforcing any covenant or forfeiture hereof.

21. RULES AND REGULATIONS:

The rules and regulations contained in this Lease, as well as such reasonable rules and regulations as may be hereafter adopted by DEPARTMENT for the safety, care and protection of its leased lands and the preservation of good order thereon, are hereby expressly made a part hereof, and TENANT agrees to adhere to all such rules and regulations, after notice of same.

22. REMEDIES:

It is understood and agreed that the remedies herein given to DEPARTMENT shall be cumulative, and the exercise of any one remedy by DEPARTMENT shall not be to the exclusion of any other remedy.

23. BINDING AGREEMENT:

The covenants and conditions herein contained shall apply to and bind the heirs, executors, administrators, successors, and assigns of all of the Parties hereto; and all of the Parties hereto shall be jointly and severally liable hereunder. This Lease shall not be interpreted as a waiver of the sovereign immunity of DEPARTMENT.

24. TIME:

Time is of the essence of this Lease.

25. LAW:

This Lease shall be construed and interpreted in accordance with the laws of the State of Delaware.

26. ENTIRE CONTRACT:

This instrument contains the entire agreement of the Parties and supersedes, cancels, and revokes any and all other agreements between the Parties relating to the subject matter of this Lease. There are no representations or warranties, either

oral or written, except those contained in this Lease. This Lease may be modified only by an amendment in writing signed by both Parties.

27. SEVERABILITY:

If any portion of this Lease shall be held invalid or unenforceable, the validity of the remaining portion shall be unaffected and this Lease shall remain in full force and effect as if it had been executed with the invalid portion omitted.

28. SPECIAL PROVISIONS:

Cover Crop Requirements

1. The purpose of the cover crop program is to protect and control soil, water and nutrient resources on the leased land. All leased land is required to have a cover crop based on the following conditions.
2. Eligible species of cover crop are rye, wheat, barley, and spring oats.
3. Early planting is defined as cover crops planted by October 1st.
4. Normal planting is defined as cover crops planted by October 15th.
5. All seed purchased for cover crops should be tested and properly labeled in accordance with Delaware Seed Law and Regulations.
6. If homegrown seed is used, it should be tested prior to planting for purity, germination, and noxious weeds by either the Maryland or Delaware State Seed Laboratory.
7. Cover crops shall be established and actively growing before the expected period(s) of nutrient leaching. No fall application of commercial fertilizers (N and P) or manure is allowed prior to planting the cover crop. No winter application of commercial fertilizer or manure is allowed. Spring application of manure can resume after March 1st in Sussex County and March 15th in Kent and New Castle Counties.
8. TENANT shall maintain a winter cover crop on all tillable acres, unless specifically exempted in writing by DIVISION.
9. If TENANT plans on harvesting the cover crop for grain, then TENANT can apply fertilizer or manure after March 1st.
10. If TENANT plans on planting early peas, then TENANT may destroy the cover crop after February 15th and fertilizer and manure can be applied after such date.

STATE OF DELAWARE)
) SS.
COUNTY OF)

BE IT REMEMBERED, That on this 4 day of February, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Colin P. O'Mara, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on 8/22/15

STATE OF DELAWARE)
) SS.
COUNTY OF KENT)



BE IT REMEMBERED, That on this 27th day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Raymond E. Bivens, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on _____.

GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission Expires _____
My Office Address _____
My Office Phone Number _____
My Office E-mail Address _____
My Office Fax Number _____
My Office Website _____
My Office Hours _____
My Office Services _____

STATE OF Delaware)
) SS.
COUNTY OF New Castle

BE IT REMEMBERED, That on this 27th day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Robert M. Wintz, III known personally to be such, and acknowledged the foregoing instrument to be his/her act and deed.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

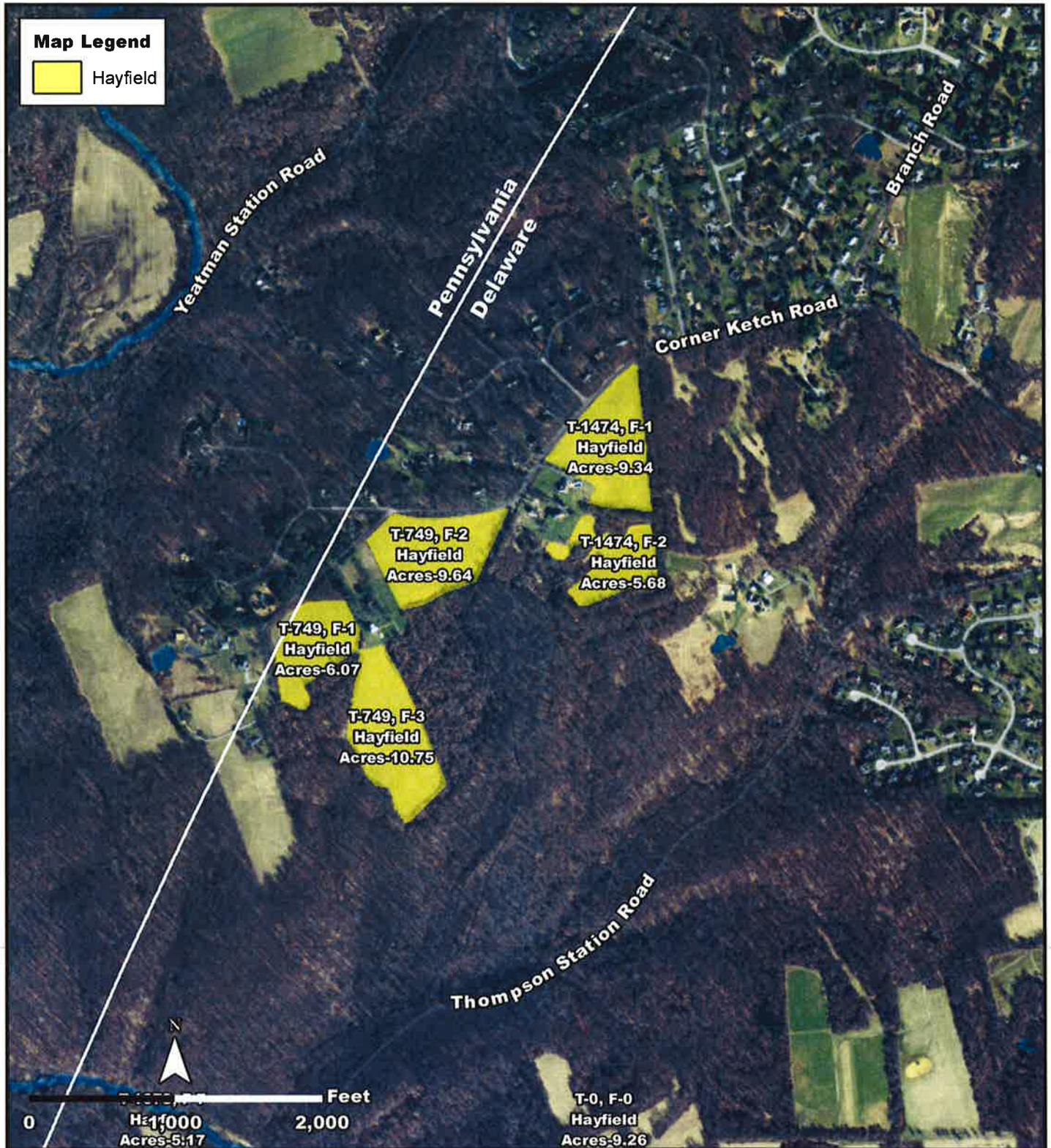
GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires at the end of government service

My commission expires on _____.

Delaware State Parks Agricultural Land Lease WCCSP-02-2014

- **Park**
 - White Clay Creek State Park
- **FSA Tracts and Field numbers**
 - Tract 749 Fields 1, 2, 3 Hayfields
 - Tract 1474 Fields 1, 2 Hayfields
- **Acres**
 - 41.48
- **County**
 - New Castle
- **Hundred**
 - Mill Creek Hundred
- **Tax Parcel Numbers**
 - 0803400006, 0802800005

White Clay Creek State Park
Crop Land for Lease
Ag Lease Number - WCCSP-02-2014
FSA Tract 749 and Tract 1474
41.48 Total Acres +/-



LEASE # WCCSP-03-2014
AGRICULTURAL LANDS
AT
WHITE CLAY CREEK STATE PARK

THIS LEASE, made and entered into this 1st day of January, 2014 by and between the State of Delaware, Delaware Division of Parks and Recreation Party of the First Part, hereinafter referred to as "DIVISION,"

AND

Warihay Farms & Harvesting of 580 N. Colebrook Road, Manheim, PA 17545, Party of the Second Part, hereinafter referred to as "TENANT."

WITNESSETH, for and in consideration of the covenants and promises hereinafter contained and the payment of rentals as herein set forth, DEPARTMENT leases and rents TENANT and TENANT leases and rents from DEPARTMENT, all that certain cleared agricultural land Tract #1078 of White Clay Creek State Park, said certain tract of land situate in Mill Creek Hundred, New Castle County, State of Delaware, described as Parcel Nos. 0900200007 and 0803400006 according to the New Castle County Tax Records and more specifically located on the attached map, hereinafter referred to as "leased land".

1. PARTIES:

The name and address of the Parties are:

DEPARTMENT: Delaware Division of Parks and Recreation
89 Kings Hwy
Dover, DE 19901

TENANT: Warihay Farms & Harvesting
580 N. Colebrook Road
Manheim, PA 17545
(717) 664-0810

2. TERM OF LEASE:

The term of this Lease shall be for ten (10) years beginning in January 2014 and terminating on December 31, 2023 without notice of such termination.

3. ACREAGE:

Fields that are designated and offered for lease by Delaware Division of Parks and Recreation are approximately 57.64 acres. Delaware Division of Parks and Recreation does not guarantee the exact acres of the land for lease.

4. LAND USAGE:

The Land covered under this lease is to be used for the specific agricultural purposes as noted on the map and for no other purposes. Tenant covenants and agrees that it will farm in accordance with generally accepted farming practices and procedures. Failures to do so will be cause for immediate termination of the lease.

5. RENTAL FEE:

TENANT shall pay DIVISION an annual rental fee of \$5,836.05 for each of years one through five. For each of years six through ten, TENANT shall pay a fixed 5% above the years one through five rental fee. The annual rental fee is based on \$101.25 per acre charge for approximately 57.64 acres. DIVISION does not guarantee the exact total acreage of leased land. Rental fees shall be paid to DIVISION on or before January 1st for that lease year. Failure to make timely payments shall be a condition to cancel the lease at any time.

6. ASSIGNMENT OF LEASE:

TENANT shall not assign any interest in this lease without prior written consent of the DIVISION. TENANT shall not sublease any part of the leased land.

7. SECURITY:

TENANT covenants and agrees that he will in no way interfere with the security of the Institution or in the Department's ability to carry out its mission.

8. SECURITY INTEREST:

TENANT hereby grants to DIVISION a security interest in the agricultural commodities grown by TENANT on the leased land during the term of this Lease, whether such crops are standing, grown, in storage or in transit, and in any proceeds from the sale, exchange, transfer or other disposition of the collateral or proceeds, to ensure the performance by TENANT under all agreements with DIVISION, as well as payment of any and all sums now, heretofore and hereafter owing to DIVISION by TENANT as a result of TENANT entering into this Lease with DIVISION.

9. USE OF LEASED LAND:

The leased land may be used for producing agricultural commodities, including, but not limited to, grain, vegetable and forage crops and pasture. TENANT agrees to follow good farm management practices and to farm the land in a good and reasonable manner to avoid degradation of the environment and further agrees to the following:

- a) DIVISION reserves the right to cancel this lease on or before January 31 of each year by written notice, given at least sixty (60) calendar days prior to January 31 for non-performance of the contract.
- b) TENANT shall enter into a Conservation Plan for the leased land with the Natural Resources Conservation Service. The Plan shall contain instructions for management of soil fertility, nutrients, erosion control, agricultural chemicals, integrated pest management, and wildlife concerns. The plan shall follow all appropriate state regulations. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- c) TENANT shall enter into a Nutrient Management Plan for the leased land with the Delaware Department of Agriculture. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- d) TENANT shall use all reasonable precautions to avoid the establishment of any noxious weeds, including Johnson grass, Canada thistle, bur cucumber, giant ragweed, Texas panicum, Palmer amaranth, and any additional noxious weeds as specified under Delaware State Law. If TENANT fails to control said vegetation, then DIVISION may terminate this Lease and may contract with an independent vendor to apply appropriate control measures to eradicate said noxious weeds and the cost of such measures shall be the responsibility of the TENANT.
- e) TENANT shall submit to DIVISION, upon request, a list of all agricultural pesticides, herbicides and other chemical sprays to be used on the leased land. All such products shall meet Federal and State standards and, if required, be applied by certified applicators in the appropriate manner and rate as per label instructions. Violation of Federal, State pesticide, herbicide or other chemical spray laws, rules and regulations shall be a condition to cancel the Lease. DIVISION reserves the right to prohibit the use of certain agricultural chemicals, including, but not limited to, fertilizers, herbicides, and pesticides on the leased land. TENANT shall be required to notify the Park Superintendent specifically responsible for the leased land within 48 hours prior to any spraying on leased land. The use of carbofuran (Furadan) in liquid or granular form is prohibited on DIVISION lands.
- f) Any DIVISION leased lands designated as hay fields shall not be cut prior to July 1st for each growing season.
- g) Dumping, depositing, abandoning, discharging, releasing, or storing of any gaseous, liquid or solid hazardous wastes, substances, materials, or debris

of whatever nature on, in, over, or under the ground or into surface or ground water is prohibited, except as permitted by law.

- h) Excavation, digging, removing, or selling of loam, peat, gravel, soil, rock, sand, or any similar material by the TENANT is prohibited. Cover crops are required on DIVISION leased lands. Refer to Special Provisions section (pgs. 8-9) for cover crop requirements.
- i) TENANT shall submit to DIVISION, upon request, an annual harvest report indicating type and amount of agricultural commodity harvested from the leased land.
- j) TENANT may be permitted to participate in Farm Service Agency or similar agricultural assistance programs. Participation in these programs is subject to the written approval of DIVISION.
- k) TENANT shall not construct or install any structures on the leased land without prior written approval of DIVISION.
- l) TENANT may place a well on leased land with prior written approval of DIVISION. Such well would be a fixture to the land and becomes property of DIVISION upon termination of the lease. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such well, the soundness of new or existing wells, and water quantity and quality associated with such wells.
- m) TENANT may install an irrigation system on leased land with prior written approval of DIVISION. All aboveground pipes, pumps, power units, wheeled irrigation units and any other related equipment is property of TENANT. Upon termination of lease TENANT shall remove such property, subject to a removal plan approved by DIVISION, or convey such property to the succeeding TENANT. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such irrigation system.
- n) DIVISION is not responsible for wildlife damages to agricultural commodities on the leased land.
- o) All hunting and trapping rights and privileges and all land use except agricultural leased rights are reserved by DIVISION.
- p) TENANT shall use products and/or services that are provided by Agricultural Businesses which are certified for Best Management Practices (BMP), Good Food Handling Practices (GHP) and Good Agricultural Practices (GAP) through the Delaware Department of Agriculture or surrounding State's equivalent program.

10. RESERVED RIGHTS:

DIVISION reserves the following rights related to the leased land:

- a) Reserves the right to grant easements and rights of way across or upon the leased land. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- b) Reserves the right to create pathways, buffer strips, and hedgerows or to divert land for other DIVISION uses. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- c) Reserves the right of ingress and egress onto and over the leased land for inspection purposes, for enforcement of all laws, rules and regulations of DIVISION and for any other lawful purpose.

11. LIMITATION ON PUBLIC ACCESS:

DIVISION shall coordinate with TENANT any public use of the leased land in order to not negatively impact normal farming operations

12. HOLD HARMLESS:

TENANT agrees to exercise the rights herein granted at its own risk fees, arising from or in any way connected with injury to or death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the leased land, regardless of cause, unless due to the gross negligence or willful misconduct of any of the Indemnified Parties.

13. DAMAGES TO PROPERTY:

TENANT agrees to be solely responsible for any and all injury, loss or damage to TENANT'S person, crops, equipment, and property or to equipment and property of others which may be placed on the leased land at TENANT'S request, and TENANT waives and releases any and all claims or rights against DEPARTMENT with respect thereto.

14. INSURANCE:

TENANT shall be insured against liability resulting from any agricultural practice or presence upon the leased land.

15. ASSIGNMENT, INSOLVENCY OR BANKRUPTCY:

Either (a) the appointment of a receiver to take possession of all or substantially all of the assets of TENANT or (b) a general assignment by TENANT for the benefit

of creditors or (c) any action taken or suffered by TENANT under any insolvency or bankruptcy act shall constitute a breach of this Lease by TENANT and cause this Lease to terminate immediately.

16. TERMINATION OF LEASE:

TENANT agrees that if it fails to observe or perform any of the conditions or covenants on its part to be observed or performed, or if TENANT knowingly permits any unlawful acts to be carried out upon the leased land, then DEPARTMENT shall have the right to terminate the Lease and to re-enter and repossess the leased land in the manner provided for by the laws of the State of Delaware. If DEPARTMENT terminates this Lease while TENANT has crops growing in the fields, the DEPARTMENT agrees not to take possession of the leased land until after TENANT has harvested the crop during the normal harvest period or, at DEPARTMENT'S option, DEPARTMENT will reimburse TENANT at the fair market value for crops destroyed. TENANT may terminate this Lease by giving DEPARTMENT ninety (90) days' notice in writing. TENANT shall yield peaceable possession of the leased land at the termination of the Lease.

17. TERMINATION FOR CONVENIENCE:

Leases shall remain in effect for the time period and quantity specified unless the Lease is terminated by the State. The State may terminate the Lease at any time by giving written notice of such termination and specifying the effective date thereof, at least sixty (60) days before the effective date of termination.

18. NOTICES:

Any notice, demand, request, consent, approval, or communication that either Party desires or is required to give to the other shall be in writing and either served personally or sent by first class mail, postage prepaid and addressed as per Paragraph 1. Upon written notice from a Party, or a successor in interest, to the other Party hereto, any such notice, demand or other written communication shall be given to that Party or successor at the address indicated in such notice.

19. WAIVER OF BREACH:

The waiver or acceptance by DEPARTMENT of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any continuing or subsequent breach of the same or any other term, covenant or condition herein contained. All waivers or acceptances must be in writing. The subsequent acceptance of rent hereunder by DEPARTMENT shall not be deemed to be a waiver or acceptance of any preceding breach by TENANT of any term, covenant or condition of this Lease, other than the failure of TENANT to pay the particular rental fee so accepted,

regardless of DEPARTMENT'S knowledge of such preceding breach at the time of acceptance of such rental fee.

20. LEGAL COSTS AND EXPENSES:

TENANT shall pay and discharge all costs, attorneys' fees and expenses arising from enforcing any covenant or forfeiture hereof.

21. RULES AND REGULATIONS:

The rules and regulations contained in this Lease, as well as such reasonable rules and regulations as may be hereafter adopted by DEPARTMENT for the safety, care and protection of its leased lands and the preservation of good order thereon, are hereby expressly made a part hereof, and TENANT agrees to adhere to all such rules and regulations, after notice of same.

22. REMEDIES:

It is understood and agreed that the remedies herein given to DEPARTMENT shall be cumulative, and the exercise of any one remedy by DEPARTMENT shall not be to the exclusion of any other remedy.

23. BINDING AGREEMENT:

The covenants and conditions herein contained shall apply to and bind the heirs, executors, administrators, successors, and assigns of all of the Parties hereto; and all of the Parties hereto shall be jointly and severally liable hereunder. This Lease shall not be interpreted as a waiver of the sovereign immunity of DEPARTMENT.

24. TIME:

Time is of the essence of this Lease.

25. LAW:

This Lease shall be construed and interpreted in accordance with the laws of the State of Delaware.

26. ENTIRE CONTRACT:

This instrument contains the entire agreement of the Parties and supersedes, cancels, and revokes any and all other agreements between the Parties relating to the subject matter of this Lease. There are no representations or warranties, either

oral or written, except those contained in this Lease. This Lease may be modified only by an amendment in writing signed by both Parties.

27. SEVERABILITY:

If any portion of this Lease shall be held invalid or unenforceable, the validity of the remaining portion shall be unaffected and this Lease shall remain in full force and effect as if it had been executed with the invalid portion omitted.

28. SPECIAL PROVISIONS:

Cover Crop Requirements

1. The purpose of the cover crop program is to protect and control soil, water and nutrient resources on the leased land. All leased land is required to have a cover crop based on the following conditions.
2. Eligible species of cover crop are rye, wheat, barley, and spring oats.
3. Early planting is defined as cover crops planted by October 1st.
4. Normal planting is defined as cover crops planted by October 15th.
5. All seed purchased for cover crops should be tested and properly labeled in accordance with Delaware Seed Law and Regulations.
6. If homegrown seed is used, it should be tested prior to planting for purity, germination, and noxious weeds by either the Maryland or Delaware State Seed Laboratory.
7. Cover crops shall be established and actively growing before the expected period(s) of nutrient leaching. No fall application of commercial fertilizers (N and P) or manure is allowed prior to planting the cover crop. No winter application of commercial fertilizer or manure is allowed. Spring application of manure can resume after March 1st in Sussex County and March 15th in Kent and New Castle Counties.
8. TENANT shall maintain a winter cover crop on all tillable acres, unless specifically exempted in writing by DIVISION.
9. If TENANT plans on harvesting the cover crop for grain, then TENANT can apply fertilizer or manure after March 1st.
10. If TENANT plans on planting early peas, then TENANT may destroy the cover crop after February 15th and fertilizer and manure can be applied after such date.

11. TENANT may destroy cover crops by applying an herbicide, by plowing the crop under or by green chopping for on-farm use, only after March 15th.
12. There will be a minimum of a 5% spot check of cover crop acres in the spring after removal of the cover crop.
13. The cover crop requirements should apply to all lands with the possible exception of the wastewater treatment facility land that is part of lease CHSP-02-2014.

IN WITNESS WHEREOF, this Lease has been executed by the Parties hereto as of the day and year above written.

STATE OF DELAWARE
 DEPARTMENT OF NATURAL RESOURCES &
 ENVIRONMENTAL CONTROL
 DIVISION OF PARKS AND RECREATION

Original on File

 Witness

By: *Original on File*
 Name: Collin P. O'Mara
 Title: Secretary

Original on File

 Witness

By: *Original on File*
 Name: Raymond E. Bivens
 Title: Division Director

Original on File

 Witness

Warihay Farms & Harvesting
 By: *Original on File*
 Name: Robert Warihay
 Title: OWNER

STATE OF DELAWARE)
) SS.
COUNTY OF)

BE IT REMEMBERED, That on this 4 day of February 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Colin P. O'Mara, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on

STATE OF DELAWARE)
) SS.
COUNTY OF KENT)



BE IT REMEMBERED, That on this 27TH day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Raymond E. Bivens, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on _____.

GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires at the end of government ser

STATE OF Delaware)
) SS.
COUNTY OF New Castle)

BE IT REMEMBERED, That on this 27TH day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Robert M. Worley, JR. known personally to be such, and acknowledged the foregoing instrument to be his/her act and deed.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

GREGORY J. ABBOTT

NOTARY PUBLIC, STATE OF DELAWARE

My Commission expires at the end of government service

My commission expires on _____.

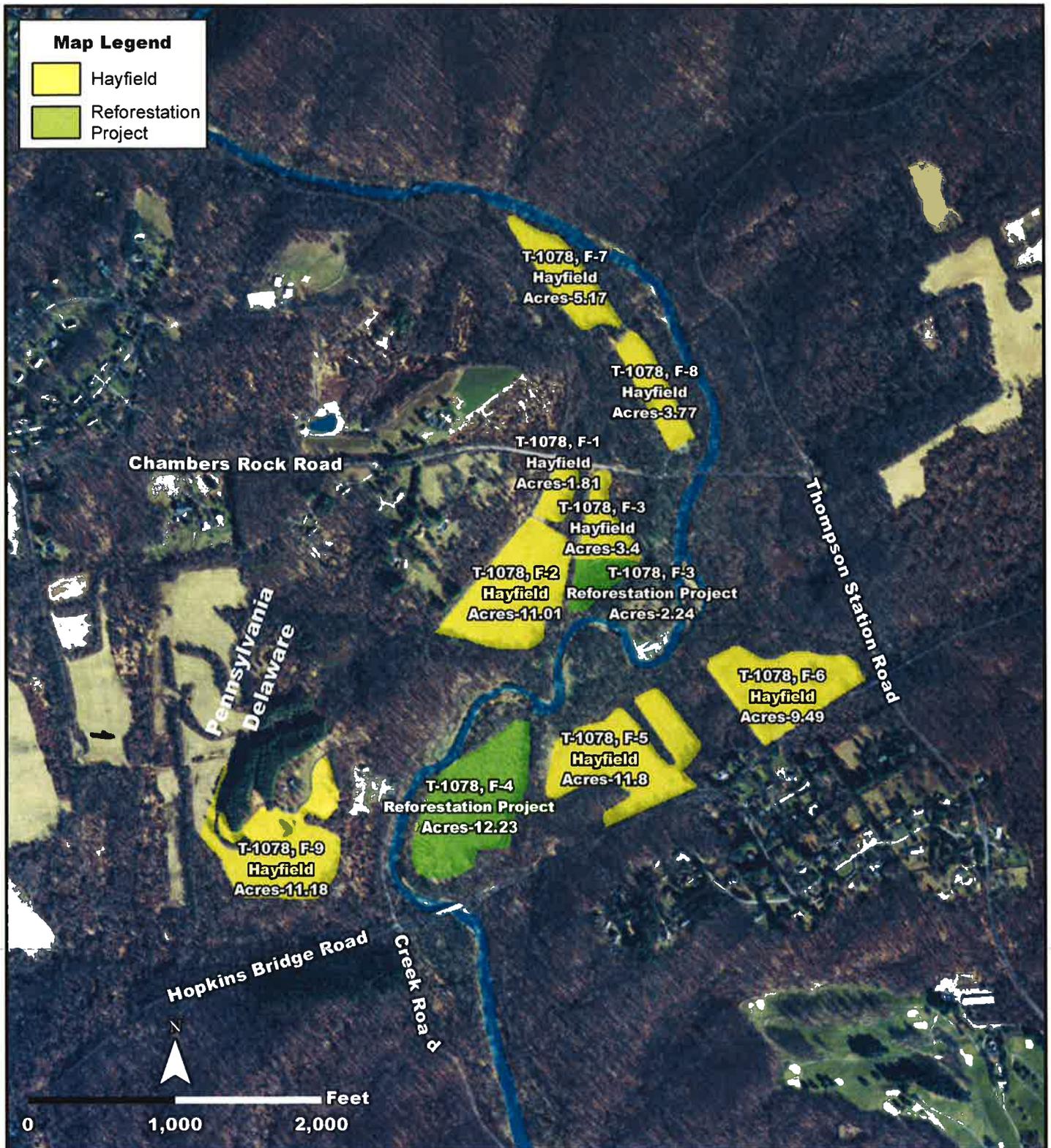
Delaware State Parks Agricultural Land Lease WCCSP-03-2014

- Park
 - White Clay Creek State Park
- FSA Tracts and Field numbers
 - Tract 1078 Fields 1, 2, 3, 5, 6, 7, 8, 9 Hayfields
- Acres
 - 57.64
- County
 - New Castle
- Hundred
 - Mill Creek Hundred
- Tax Parcel Numbers
 - 0900200007, 0803400006

- Reforestation Project
 - Area identified as Reforestation Project is not to be mowed, tilled or harvested. This area will be maintained by the Division. This acreage **is not** part of the Agriculture Lease acres.

T1078-F9 - Check w/PA

White Clay Creek State Park
Crop Land for Lease
Ag Lease Number - WCCSP-03-2014
FSA Tract 1078
57.64 Total Acres +/-



LEASE # WCCSP-04-2014
AGRICULTURAL LANDS
AT
WHITE CLAY CREEK STATE PARK

THIS LEASE, made and entered into this 1st day of January, 2014 by and between the State of Delaware, Delaware Division of Parks and Recreation Party of the First Part, hereinafter referred to as "DIVISION,"

AND

Warihay Farms & Harvesting of 580 N. Colebrook Road, Manheim, PA 17545, Party of the Second Part, hereinafter referred to as "TENANT."

WITNESSETH, for and in consideration of the covenants and promises hereinafter contained and the payment of rentals as herein set forth, DEPARTMENT leases and rents TENANT and TENANT leases and rents from DEPARTMENT, all that certain cleared agricultural land Tract #1416 and #1417 of White Clay Creek State Park, said certain tract of land situate in Mill Creek Hundred, New Castle County, State of Delaware, described as Parcel Nos. 0804100028, 0804700097, 0804100030 and 0804000054 according to the New Castle County Tax Records and more specifically located on the attached map, hereinafter referred to as "leased land".

1. PARTIES:

The name and address of the Parties are:

DEPARTMENT: Delaware Division of Parks and Recreation
89 Kings Hwy
Dover, DE 19901

TENANT: Warihay Farms & Harvesting
580 N. Colebrook Road
Manheim, PA 17545
(717) 664-0810

2. TERM OF LEASE:

The term of this Lease shall be for ten (10) years beginning in January 2014 and terminating on December 31, 2023 without notice of such termination.

3. ACREAGE:

Fields that are designated and offered for lease by Delaware Division of Parks and Recreation are approximately 132.74 acres. Delaware Division of Parks and Recreation does not guarantee the exact acres of the land for lease.

4. LAND USAGE:

The Land covered under this lease is to be used for the specific agricultural purposes as noted on the map and for no other purposes. Tenant covenants and agrees that it will farm in accordance with generally accepted farming practices and procedures. Failures to do so will be cause for immediate termination of the lease.

5. RENTAL FEE:

TENANT shall pay DIVISION an annual rental fee of \$24, 287.43 for each of years one through five. For each of years six through ten, TENANT shall pay a fixed 5% above the years one through five rental fee. The annual rental fee is based on \$182.97 per acre charge for approximately 132.74 acres. DIVISION does not guarantee the exact total acreage of leased land. Rental fees shall be paid to DIVISION on or before January 1st for that lease year. Failure to make timely payments shall be a condition to cancel the lease at any time.

6. ASSIGNMENT OF LEASE:

TENANT shall not assign any interest in this lease without prior written consent of the DIVISION. TENANT shall not sublease any part of the leased land.

7. SECURITY:

TENANT covenants and agrees that he will in no way interfere with the security of the Institution or in the Department's ability to carry out its mission.

8. SECURITY INTEREST:

TENANT hereby grants to DIVISION a security interest in the agricultural commodities grown by TENANT on the leased land during the term of this Lease, whether such crops are standing, grown, in storage or in transit, and in any proceeds from the sale, exchange, transfer or other disposition of the collateral or proceeds, to ensure the performance by TENANT under all agreements with DIVISION, as well as payment of any and all sums now, heretofore and hereafter owing to DIVISION by TENANT as a result of TENANT entering into this Lease with DIVISION.

9. USE OF LEASED LAND:

The leased land may be used for producing agricultural commodities, including, but not limited to, grain, vegetable and forage crops and pasture. TENANT agrees to follow good farm management practices and to farm the land in a good and reasonable manner to avoid degradation of the environment and further agrees to the following:

- a) DIVISION reserves the right to cancel this lease on or before January 31 of each year by written notice, given at least sixty (60) calendar days prior to January 31 for non-performance of the contract.
- b) TENANT shall enter into a Conservation Plan for the leased land with the Natural Resources Conservation Service. The Plan shall contain instructions for management of soil fertility, nutrients, erosion control, agricultural chemicals, integrated pest management, and wildlife concerns. The plan shall follow all appropriate state regulations. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- c) TENANT shall enter into a Nutrient Management Plan for the leased land with the Delaware Department of Agriculture. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- d) TENANT shall use all reasonable precautions to avoid the establishment of any noxious weeds, including Johnson grass, Canada thistle, bur cucumber, giant ragweed, Texas panicum, Palmer amaranth, and any additional noxious weeds as specified under Delaware State Law. If TENANT fails to control said vegetation, then DIVISION may terminate this Lease and may contract with an independent vendor to apply appropriate control measures to eradicate said noxious weeds and the cost of such measures shall be the responsibility of the TENANT.
- e) TENANT shall submit to DIVISION, upon request, a list of all agricultural pesticides, herbicides and other chemical sprays to be used on the leased land. All such products shall meet Federal and State standards and, if required, be applied by certified applicators in the appropriate manner and rate as per label instructions. Violation of Federal, State pesticide, herbicide or other chemical spray laws, rules and regulations shall be a condition to cancel the Lease. DIVISION reserves the right to prohibit the use of certain agricultural chemicals, including, but not limited to, fertilizers, herbicides, and pesticides on the leased land. TENANT shall be required to notify the Park Superintendent specifically responsible for the leased land within 48 hours prior to any spraying on leased land. The use of carbofuran (Furadan) in liquid or granular form is prohibited on DIVISION lands.
- f) Any DIVISION leased lands designated as hay fields shall not be cut prior to July 1st for each growing season.
- g) Dumping, depositing, abandoning, discharging, releasing, or storing of any gaseous, liquid or solid hazardous wastes, substances, materials, or debris of whatever nature on, in, over, or under the ground or into surface or

ground water is prohibited, except as permitted by law.

- h) Excavation, digging, removing, or selling of loam, peat, gravel, soil, rock, sand, or any similar material by the TENANT is prohibited. Cover crops are required on DIVISION leased lands. Refer to Special Provisions section (pgs. 8-9) for cover crop requirements.
- i) TENANT shall submit to DIVISION, upon request, an annual harvest report indicating type and amount of agricultural commodity harvested from the leased land.
- j) TENANT may be permitted to participate in Farm Service Agency or similar agricultural assistance programs. Participation in these programs is subject to the written approval of DIVISION.
- k) TENANT shall not construct or install any structures on the leased land without prior written approval of DIVISION.
- l) TENANT may place a well on leased land with prior written approval of DIVISION. Such well would be a fixture to the land and becomes property of DIVISION upon termination of the lease. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such well, the soundness of new or existing wells, and water quantity and quality associated with such wells.
- m) TENANT may install an irrigation system on leased land with prior written approval of DIVISION. All aboveground pipes, pumps, power units, wheeled irrigation units and any other related equipment is property of TENANT. Upon termination of lease TENANT shall remove such property, subject to a removal plan approved by DIVISION, or convey such property to the succeeding TENANT. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such irrigation system.
- n) DIVISION is not responsible for wildlife damages to agricultural commodities on the leased land.
- o) All hunting and trapping rights and privileges and all land use except agricultural leased rights are reserved by DIVISION.
- p) TENANT shall use products and/or services that are provided by Agricultural Businesses which are certified for Best Management Practices (BMP), Good Food Handling Practices (GHP) and Good Agricultural Practices (GAP) through the Delaware Department of Agriculture or surrounding State's equivalent program.

10. RESERVED RIGHTS:

DIVISION reserves the following rights related to the leased land:

- a) Reserves the right to grant easements and rights of way across or upon the leased land. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- b) Reserves the right to create pathways, buffer strips, and hedgerows or to divert land for other DIVISION uses. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- c) Reserves the right of ingress and egress onto and over the leased land for inspection purposes, for enforcement of all laws, rules and regulations of DIVISION and for any other lawful purpose.

11. LIMITATION ON PUBLIC ACCESS:

DIVISION shall coordinate with TENANT any public use of the leased land in order to not negatively impact normal farming operations

12. HOLD HARMLESS:

TENANT agrees to exercise the rights herein granted at its own risk fees, arising from or in any way connected with injury to or death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the leased land, regardless of cause, unless due to the gross negligence or willful misconduct of any of the Indemnified Parties.

13. DAMAGES TO PROPERTY:

TENANT agrees to be solely responsible for any and all injury, loss or damage to TENANT'S person, crops, equipment, and property or to equipment and property of others which may be placed on the leased land at TENANT'S request, and TENANT waives and releases any and all claims or rights against DEPARTMENT with respect thereto.

14. INSURANCE:

TENANT shall be insured against liability resulting from any agricultural practice or presence upon the leased land.

15. ASSIGNMENT, INSOLVENCY OR BANKRUPTCY:

Either (a) the appointment of a receiver to take possession of all or substantially all of the assets of TENANT or (b) a general assignment by TENANT for the benefit

of creditors or (c) any action taken or suffered by TENANT under any insolvency or bankruptcy act shall constitute a breach of this Lease by TENANT and cause this Lease to terminate immediately.

16. TERMINATION OF LEASE:

TENANT agrees that if it fails to observe or perform any of the conditions or covenants on its part to be observed or performed, or if TENANT knowingly permits any unlawful acts to be carried out upon the leased land, then DEPARTMENT shall have the right to terminate the Lease and to re-enter and repossess the leased land in the manner provided for by the laws of the State of Delaware. If DEPARTMENT terminates this Lease while TENANT has crops growing in the fields, the DEPARTMENT agrees not to take possession of the leased land until after TENANT has harvested the crop during the normal harvest period or, at DEPARTMENT'S option, DEPARTMENT will reimburse TENANT at the fair market value for crops destroyed. TENANT may terminate this Lease by giving DEPARTMENT ninety (90) days' notice in writing. TENANT shall yield peaceable possession of the leased land at the termination of the Lease.

17. TERMINATION FOR CONVENIENCE:

Leases shall remain in effect for the time period and quantity specified unless the Lease is terminated by the State. The State may terminate the Lease at any time by giving written notice of such termination and specifying the effective date thereof, at least sixty (60) days before the effective date of termination.

18. NOTICES:

Any notice, demand, request, consent, approval, or communication that either Party desires or is required to give to the other shall be in writing and either served personally or sent by first class mail, postage prepaid and addressed as per Paragraph 1. Upon written notice from a Party, or a successor in interest, to the other Party hereto, any such notice, demand or other written communication shall be given to that Party or successor at the address indicated in such notice.

19. WAIVER OF BREACH:

The waiver or acceptance by DEPARTMENT of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any continuing or subsequent breach of the same or any other term, covenant or condition herein contained. All waivers or acceptances must be in writing. The subsequent acceptance of rent hereunder by DEPARTMENT shall not be deemed to be a waiver or acceptance of any preceding breach by TENANT of any term, covenant or condition of this Lease, other than the failure of TENANT to pay the particular rental fee so accepted,

regardless of DEPARTMENT'S knowledge of such preceding breach at the time of acceptance of such rental fee.

20. LEGAL COSTS AND EXPENSES:

TENANT shall pay and discharge all costs, attorneys' fees and expenses arising from enforcing any covenant or forfeiture hereof.

21. RULES AND REGULATIONS:

The rules and regulations contained in this Lease, as well as such reasonable rules and regulations as may be hereafter adopted by DEPARTMENT for the safety, care and protection of its leased lands and the preservation of good order thereon, are hereby expressly made a part hereof, and TENANT agrees to adhere to all such rules and regulations, after notice of same.

22. REMEDIES:

It is understood and agreed that the remedies herein given to DEPARTMENT shall be cumulative, and the exercise of any one remedy by DEPARTMENT shall not be to the exclusion of any other remedy.

23. BINDING AGREEMENT:

The covenants and conditions herein contained shall apply to and bind the heirs, executors, administrators, successors, and assigns of all of the Parties hereto; and all of the Parties hereto shall be jointly and severally liable hereunder. This Lease shall not be interpreted as a waiver of the sovereign immunity of DEPARTMENT.

24. TIME:

Time is of the essence of this Lease.

25. LAW:

This Lease shall be construed and interpreted in accordance with the laws of the State of Delaware.

26. ENTIRE CONTRACT:

This instrument contains the entire agreement of the Parties and supersedes, cancels, and revokes any and all other agreements between the Parties relating to the subject matter of this Lease. There are no representations or warranties, either oral or written, except those contained in this Lease. This Lease may be modified only by an amendment in writing signed by both Parties.

27. SEVERABILITY:

If any portion of this Lease shall be held invalid or unenforceable, the validity of the remaining portion shall be unaffected and this Lease shall remain in full force and effect as if it had been executed with the invalid portion omitted.

28. SPECIAL PROVISIONS:

Cover Crop Requirements

1. The purpose of the cover crop program is to protect and control soil, water and nutrient resources on the leased land. All leased land is required to have a cover crop based on the following conditions.
2. Eligible species of cover crop are rye, wheat, barley, and spring oats.
3. Early planting is defined as cover crops planted by October 1st.
4. Normal planting is defined as cover crops planted by October 15th.
5. All seed purchased for cover crops should be tested and properly labeled in accordance with Delaware Seed Law and Regulations.
6. If homegrown seed is used, it should be tested prior to planting for purity, germination, and noxious weeds by either the Maryland or Delaware State Seed Laboratory.
7. Cover crops shall be established and actively growing before the expected period(s) of nutrient leaching. No fall application of commercial fertilizers (N and P) or manure is allowed prior to planting the cover crop. No winter application of commercial fertilizer or manure is allowed. Spring application of manure can resume after March 1st in Sussex County and March 15th in Kent and New Castle Counties.
8. TENANT shall maintain a winter cover crop on all tillable acres, unless specifically exempted in writing by DIVISION.
9. If TENANT plans on harvesting the cover crop for grain, then TENANT can apply fertilizer or manure after March 1st.
10. If TENANT plans on planting early peas, then TENANT may destroy the cover crop after February 15th and fertilizer and manure can be applied after such date.
11. TENANT may destroy cover crops by applying an herbicide, by plowing the crop under or by green chopping for on-farm use, only after March 15th.

- 12. There will be a minimum of a 5% spot check of cover crop acres in the spring after removal of the cover crop.
- 13. The cover crop requirements should apply to all lands with the possible exception of the wastewater treatment facility land that is part of lease CHSP-02-2014.

IN WITNESS WHEREOF, this Lease has been executed by the Parties hereto as of the day and year above written.

STATE OF DELAWARE
DEPARTMENT OF NATURAL RESOURCES &
ENVIRONMENTAL CONTROL
DIVISION OF PARKS AND RECREATION

Original on File

Witness

Original on File

By: _____
Name: Collin P. O'Mara
Title: Secretary

Original on File

Witness

Original on File

By: _____
Name: Raymond E. Bivens
Title: Division Director

Original on File

Witness

Warihay Farms & Harvesting

Original on File

By: _____
Name: Robert Warihay
Title: OWNER

STATE OF DELAWARE)
) SS.
COUNTY OF)

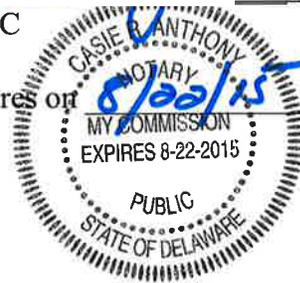
BE IT REMEMBERED, That on this 4 day of February, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Colin P. O'Mara, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on



STATE OF DELAWARE)
) SS.
COUNTY OF KENT)

BE IT REMEMBERED, That on this 27th day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Raymond E. Bivens, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on _____.

GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires at the end of government service

Delaware State Parks Agricultural Land Lease WCCSP-04-2014

- Park
 - White Clay Creek State Park
- FSA Tracts and Field numbers
 - Tract 1416 Fields 27, 28, 29, 41* Hayfields
 - Tract 1416 Fields 30, 31, 40, 41*, 43 Crops
 - Field 41 combination of hay and crops
 - Tract 1417 Fields 1, 2 Hayfields
- Acres
 - 132.74
- County
 - New Castle
- Hundred
 - Mill Creek Hundred
- Tax Parcel Numbers
 - 0804100028, 0804700097, 0804100030, 0804000054

- Wildlife Cover
 - Area identified as Wildlife Cover is not to be mowed, tilled or harvested. This area will be maintained by the Division. This acreage **is not** part of the Agricultural Lease acres.

- Reforestation Project
 - Area identified as Reforestation Project is not to be mowed, tilled or harvested. This area will be maintained by the Division. This acreage **is not** part of the Agriculture Lease acres.

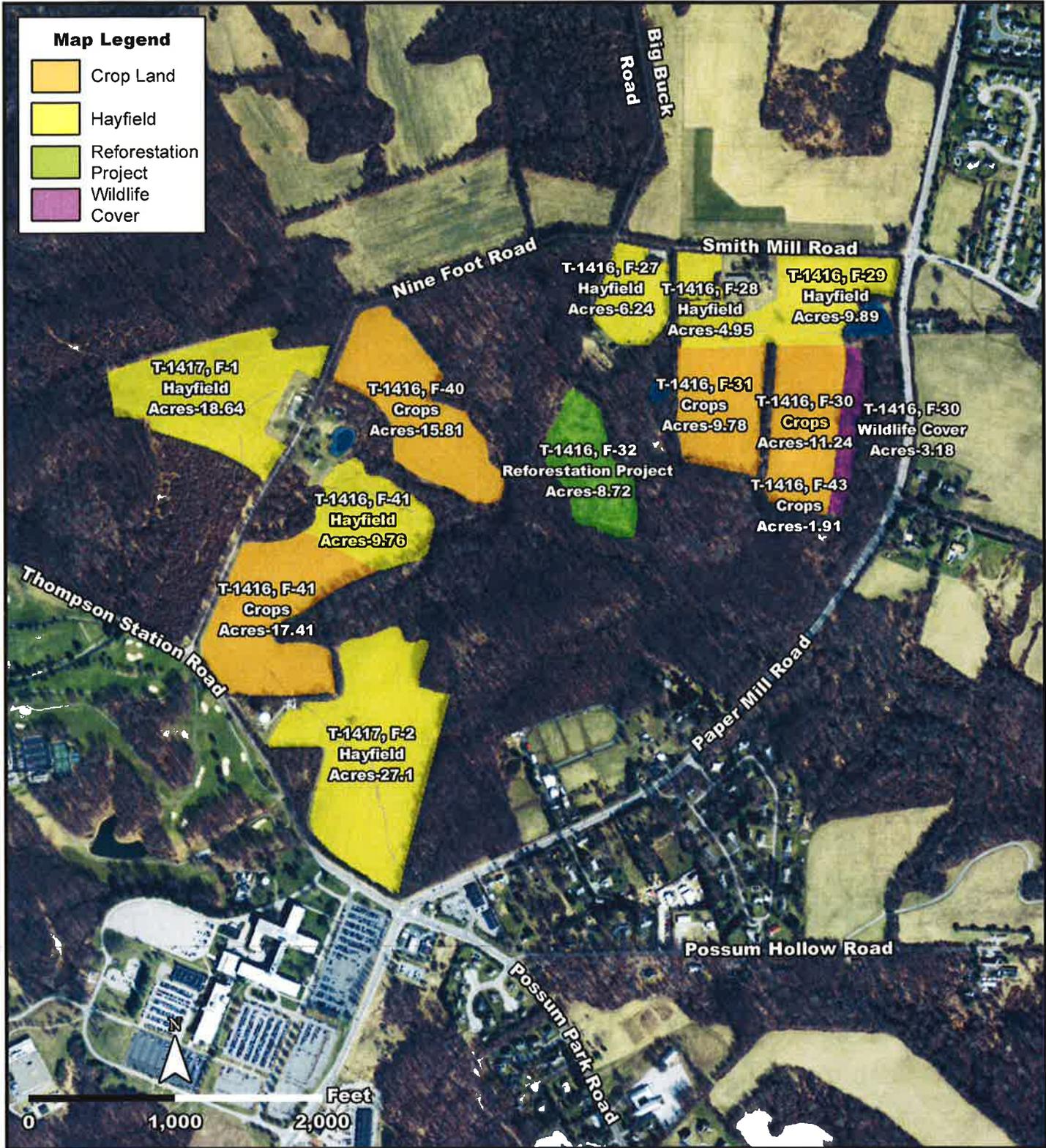
White Clay Creek State Park

Crop Land for Lease

Ag Lease Number - WCCSP-04-2014

FSA Tract 1416 and Tract 1417

132.74 Total Acres +/-



LEASE # WCCSP-05-2014
AGRICULTURAL LANDS
AT
WHITE CLAY CREEK STATE PARK

THIS LEASE, made and entered into this 1st day of January, 2014 by and between the State of Delaware, Delaware Division of Parks and Recreation Party of the First Part, hereinafter referred to as "DIVISION,"

AND

Warihay Farms & Harvesting of 580 N. Colebrook Road, Manheim, PA 17545, Party of the Second Part, hereinafter referred to as "TENANT."

WITNESSETH, for and in consideration of the covenants and promises hereinafter contained and the payment of rentals as herein set forth, DEPARTMENT leases and rents TENANT and TENANT leases and rents from DEPARTMENT, all that certain cleared agricultural land Tract #1015 and #1018 of White Clay Creek State Park, said certain tract of land situate in Mill Creek Hundred, New Castle County, State of Delaware, described as Parcel Nos. 0804100028, 0804700097, 0804100030 and 0804000054 according to the New Castle County Tax Records and more specifically located on the attached map, hereinafter referred to as "leased land".

1. **PARTIES.** The name and address of the Parties are:

DEPARTMENT: Delaware Division of Parks and Recreation
89 Kings Hwy
Dover, DE 19901

TENANT: Warihay Farms & Harvesting
580 N. Colebrook Road
Manheim, PA 17545
(717) 664-0810

2. **TERM OF LEASE.** The term of this Lease shall be for ten (10) years beginning in January 2014 and terminating on December 31, 2023 without notice of such termination.

3. **ACREAGE:**

Fields that are designated and offered for lease by Delaware Division of Parks and Recreation are approximately 96.77 acres. Delaware Division of Parks and Recreation does not guarantee the exact acres of the land for lease.

4. LAND USAGE:

The Land covered under this lease is to be used for the specific agricultural purposes as noted on the map and for no other purposes. Tenant covenants and agrees that it will farm in accordance with generally accepted farming practices and procedures. Failures to do so will be cause for immediate termination of the lease.

5. RENTAL FEE:

TENANT shall pay DIVISION an annual rental fee of \$9,797.96 for each of years one through five. For each of years six through ten, TENANT shall pay a fixed 5% above the years one through five rental fee. The annual rental fee is based on \$101.25 per acre charge for approximately 96.77 acres. DIVISION does not guarantee the exact total acreage of leased land. Rental fees shall be paid to DIVISION on or before January 1st for that lease year. Failure to make timely payments shall be a condition to cancel the lease at any time.

6. ASSIGNMENT OF LEASE:

TENANT shall not assign any interest in this lease without prior written consent of the DIVISION. TENANT shall not sublease any part of the leased land.

7. SECURITY:

TENANT covenants and agrees that he will in no way interfere with the security of the Institution or in the Department's ability to carry out its mission.

8. SECURITY INTEREST:

TENANT hereby grants to DIVISION a security interest in the agricultural commodities grown by TENANT on the leased land during the term of this Lease, whether such crops are standing, grown, in storage or in transit, and in any proceeds from the sale, exchange, transfer or other disposition of the collateral or proceeds, to ensure the performance by TENANT under all agreements with DIVISION, as well as payment of any and all sums now, heretofore and hereafter owing to DIVISION by TENANT as a result of TENANT entering into this Lease with DIVISION.

9. USE OF LEASED LAND:

The leased land may be used for producing agricultural commodities, including, but not limited to, grain, vegetable and forage crops and pasture. TENANT agrees to follow good farm management practices and to farm the land in a good and reasonable manner to avoid degradation of the environment and further agrees to the following:

- a) DIVISION reserves the right to cancel this lease on or before January 31 of each year by written notice, given at least sixty (60) calendar days prior to January 31 for non-performance of the contract.
- b) TENANT shall enter into a Conservation Plan for the leased land with the Natural Resources Conservation Service. The Plan shall contain instructions for management of soil fertility, nutrients, erosion control, agricultural chemicals, integrated pest management, and wildlife concerns. The plan shall follow all appropriate state regulations. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- c) TENANT shall enter into a Nutrient Management Plan for the leased land with the Delaware Department of Agriculture. A copy of the plan shall be submitted to the DIVISION prior to the end of the first year of the lease term.
- d) TENANT shall use all reasonable precautions to avoid the establishment of any noxious weeds, including Johnson grass, Canada thistle, bur cucumber, giant ragweed, Texas panicum, Palmer amaranth, and any additional noxious weeds as specified under Delaware State Law. If TENANT fails to control said vegetation, then DIVISION may terminate this Lease and may contract with an independent vendor to apply appropriate control measures to eradicate said noxious weeds and the cost of such measures shall be the responsibility of the TENANT.
- e) TENANT shall submit to DIVISION, upon request, a list of all agricultural pesticides, herbicides and other chemical sprays to be used on the leased land. All such products shall meet Federal and State standards and, if required, be applied by certified applicators in the appropriate manner and rate as per label instructions. Violation of Federal, State pesticide, herbicide or other chemical spray laws, rules and regulations shall be a condition to cancel the Lease. DIVISION reserves the right to prohibit the use of certain agricultural chemicals, including, but not limited to, fertilizers, herbicides, and pesticides on the leased land. TENANT shall be required to notify the Park Superintendent specifically responsible for the leased land within 48 hours prior to any spraying on leased land. The use of carbofuran (Furadan) in liquid or granular form is prohibited on DIVISION lands.
- f) Any DIVISION leased lands designated as hay fields shall not be cut prior to July 1st for each growing season.
- g) Dumping, depositing, abandoning, discharging, releasing, or storing of any gaseous, liquid or solid hazardous wastes, substances, materials, or debris of whatever nature on, in, over, or under the ground or into surface or

ground water is prohibited, except as permitted by law.

- h) Excavation, digging, removing, or selling of loam, peat, gravel, soil, rock, sand, or any similar material by the TENANT is prohibited. Cover crops are required on DIVISION leased lands. Refer to Special Provisions section (pgs. 8-9) for cover crop requirements.
- i) TENANT shall submit to DIVISION, upon request, an annual harvest report indicating type and amount of agricultural commodity harvested from the leased land.
- j) TENANT may be permitted to participate in Farm Service Agency or similar agricultural assistance programs. Participation in these programs is subject to the written approval of DIVISION.
- k) TENANT shall not construct or install any structures on the leased land without prior written approval of DIVISION.
- l) TENANT may place a well on leased land with prior written approval of DIVISION. Such well would be a fixture to the land and becomes property of DIVISION upon termination of the lease. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such well, the soundness of new or existing wells, and water quantity and quality associated with such wells.
- m) TENANT may install an irrigation system on leased land with prior written approval of DIVISION. All aboveground pipes, pumps, power units, wheeled irrigation units and any other related equipment is property of TENANT. Upon termination of lease TENANT shall remove such property, subject to a removal plan approved by DIVISION, or convey such property to the succeeding TENANT. TENANT waives and releases all claims and rights against DIVISION with respect to the costs of installing and/or operating such irrigation system.
- n) DIVISION is not responsible for wildlife damages to agricultural commodities on the leased land.
- o) All hunting and trapping rights and privileges and all land use except agricultural leased rights are reserved by DIVISION.
- p) TENANT shall use products and/or services that are provided by Agricultural Businesses which are certified for Best Management Practices (BMP), Good Food Handling Practices (GHP) and Good Agricultural Practices (GAP) through the Delaware Department of Agriculture or surrounding State's equivalent program.

10. RESERVED RIGHTS:

DIVISION reserves the following rights related to the leased land:

- a) Reserves the right to grant easements and rights of way across or upon the leased land. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- b) Reserves the right to create pathways, buffer strips, and hedgerows or to divert land for other DIVISION uses. Annual rental fee shall be reduced to reflect any leased land acreage taken out of production.
- c) Reserves the right of ingress and egress onto and over the leased land for inspection purposes, for enforcement of all laws, rules and regulations of DIVISION and for any other lawful purpose.

11. LIMITATION ON PUBLIC ACCESS:

DIVISION shall coordinate with TENANT any public use of the leased land in order to not negatively impact normal farming operations

12. HOLD HARMLESS:

TENANT agrees to exercise the rights herein granted at its own risk fees, arising from or in any way connected with injury to or death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the leased land, regardless of cause, unless due to the gross negligence or willful misconduct of any of the Indemnified Parties.

13. DAMAGES TO PROPERTY:

TENANT agrees to be solely responsible for any and all injury, loss or damage to TENANT'S person, crops, equipment, and property or to equipment and property of others which may be placed on the leased land at TENANT'S request, and TENANT waives and releases any and all claims or rights against DEPARTMENT with respect thereto.

14. INSURANCE:

TENANT shall be insured against liability resulting from any agricultural practice or presence upon the leased land.

15. ASSIGNMENT, INSOLVENCY OR BANKRUPTCY:

Either (a) the appointment of a receiver to take possession of all or substantially all of the assets of TENANT or (b) a general assignment by TENANT for the benefit

of creditors or (c) any action taken or suffered by TENANT under any insolvency or bankruptcy act shall constitute a breach of this Lease by TENANT and cause this Lease to terminate immediately.

16. TERMINATION OF LEASE:

TENANT agrees that if it fails to observe or perform any of the conditions or covenants on its part to be observed or performed, or if TENANT knowingly permits any unlawful acts to be carried out upon the leased land, then DEPARTMENT shall have the right to terminate the Lease and to re-enter and repossess the leased land in the manner provided for by the laws of the State of Delaware. If DEPARTMENT terminates this Lease while TENANT has crops growing in the fields, the DEPARTMENT agrees not to take possession of the leased land until after TENANT has harvested the crop during the normal harvest period or, at DEPARTMENT'S option, DEPARTMENT will reimburse TENANT at the fair market value for crops destroyed. TENANT may terminate this Lease by giving DEPARTMENT ninety (90) days' notice in writing. TENANT shall yield peaceable possession of the leased land at the termination of the Lease.

17. TERMINATION FOR CONVENIENCE:

Leases shall remain in effect for the time period and quantity specified unless the Lease is terminated by the State. The State may terminate the Lease at any time by giving written notice of such termination and specifying the effective date thereof, at least sixty (60) days before the effective date of termination.

18. NOTICES:

Any notice, demand, request, consent, approval, or communication that either Party desires or is required to give to the other shall be in writing and either served personally or sent by first class mail, postage prepaid and addressed as per Paragraph 1. Upon written notice from a Party, or a successor in interest, to the other Party hereto, any such notice, demand or other written communication shall be given to that Party or successor at the address indicated in such notice.

19. WAIVER OF BREACH:

The waiver or acceptance by DEPARTMENT of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any continuing or subsequent breach of the same or any other term, covenant or condition herein contained. All waivers or acceptances must be in writing. The subsequent acceptance of rent hereunder by DEPARTMENT shall not be deemed to be a waiver or acceptance of any preceding breach by TENANT of any term, covenant or condition of this Lease, other than the failure of TENANT to pay the particular rental fee so accepted,

regardless of DEPARTMENT'S knowledge of such preceding breach at the time of acceptance of such rental fee.

20. LEGAL COSTS AND EXPENSES:

TENANT shall pay and discharge all costs, attorneys' fees and expenses arising from enforcing any covenant or forfeiture hereof.

21. RULES AND REGULATIONS:

The rules and regulations contained in this Lease, as well as such reasonable rules and regulations as may be hereafter adopted by DEPARTMENT for the safety, care and protection of its leased lands and the preservation of good order thereon, are hereby expressly made a part hereof, and TENANT agrees to adhere to all such rules and regulations, after notice of same.

22. REMEDIES:

It is understood and agreed that the remedies herein given to DEPARTMENT shall be cumulative, and the exercise of any one remedy by DEPARTMENT shall not be to the exclusion of any other remedy.

23. BINDING AGREEMENT:

The covenants and conditions herein contained shall apply to and bind the heirs, executors, administrators, successors, and assigns of all of the Parties hereto; and all of the Parties hereto shall be jointly and severally liable hereunder. This Lease shall not be interpreted as a waiver of the sovereign immunity of DEPARTMENT.

24. TIME:

Time is of the essence of this Lease.

25. LAW:

This Lease shall be construed and interpreted in accordance with the laws of the State of Delaware.

26. ENTIRE CONTRACT:

This instrument contains the entire agreement of the Parties and supersedes, cancels, and revokes any and all other agreements between the Parties relating to the subject matter of this Lease. There are no representations or warranties, either oral or written, except those contained in this Lease. This Lease may be modified only by an amendment in writing signed by both Parties.

27. SEVERABILITY:

If any portion of this Lease shall be held invalid or unenforceable, the validity of the remaining portion shall be unaffected and this Lease shall remain in full force and effect as if it had been executed with the invalid portion omitted.

28. SPECIAL PROVISIONS:

Cover Crop Requirements

1. The purpose of the cover crop program is to protect and control soil, water and nutrient resources on the leased land. All leased land is required to have a cover crop based on the following conditions.
2. Eligible species of cover crop are rye, wheat, barley, and spring oats.
3. Early planting is defined as cover crops planted by October 1st.
4. Normal planting is defined as cover crops planted by October 15th.
5. All seed purchased for cover crops should be tested and properly labeled in accordance with Delaware Seed Law and Regulations.
6. If homegrown seed is used, it should be tested prior to planting for purity, germination, and noxious weeds by either the Maryland or Delaware State Seed Laboratory.
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13. The cover crop requirements should apply to all lands with the possible exception of the wastewater treatment facility land that is part of lease CHSP-02-2014.

IN WITNESS WHEREOF, this Lease has been executed by the Parties hereto as of the day and year above written.

STATE OF DELAWARE
 DEPARTMENT OF NATURAL RESOURCES &
 ENVIRONMENTAL CONTROL
 DIVISION OF PARKS AND RECREATION

Original on File

 Witness

By: *Original on File*

 Name: Collin P. O'Mara
 Title: Secretary

Original on File

 Witness

By: *Original on File*

 Name: Raymond E. Bivens
 Title: Division Director

Original on File

 Witness

Warihay Farms & Harvesting
Original on File
 By: _____
 Name: Robert Warihay
 Title: *owner*

STATE OF DELAWARE)
) SS.
COUNTY OF)

BE IT REMEMBERED, That on this 4 day of February, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Colin P. O'Mara, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on _____

STATE OF DELAWARE)
) SS.
COUNTY OF KENT)



BE IT REMEMBERED, That on this 27th day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Raymond E. Bivens, Party of the First Part, known personally to be such, and acknowledged the foregoing instrument to be his act and deed and the act and deed of said DEPARTMENT.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC

My commission expires on _____

GREGORY J. ABBOTT
NOTARY PUBLIC STATE OF DELAWARE
My Commission expires at the end of government service

STATE OF Delaware)
) SS.
COUNTY OF New Castle)

BE IT REMEMBERED, That on this 27th day of JANUARY, 2014, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Robert M. Worley, known personally to be such, and acknowledged the foregoing instrument to be his/her act and deed.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Original on File

NOTARY PUBLIC
GREGORY J. ABBOTT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission expires at the end of government service

My commission expires on _____.

Delaware State Parks Agricultural Land Lease WCCSP-05-2014

- Park
 - White Clay Creek State Park
- FSA Tracts and Field numbers
 - Tract 1015 Fields 1, 2, 3, 5 Hayfields
 - Tract 1018 Fields 1, 2, 3, 4 Hayfields
- Acres
 - 96.77
- County
 - New Castle
- Hundred
 - Mill Creek Hundred
- Tax Parcel Numbers
 - 0804100028, 0804700097, 0804100030, 0804000054

- No Manure or Chemical Spraying as indicated on Agricultural Land Lease Map
 - Because of specific resource issues, manure and chemical spraying is not allowed in areas identified on Agricultural Land Lease Map. This acreage is part of the Agriculture Lease acres.
 - Tract 1018 Field 1

T1015, FS 11.5 ACRES

White Clay Creek State Park
Crop Land for Lease
Ag Lease Number - WCCSP-05-2014
FSA Tract 1015 and Tract 1018
96.77 Total Acres +/-

