

## LONG-TERM LEASE

By and Between  
MONTANA STATE UNIVERSITY  
and the  
UNITED STATES OF AMERICA

This Long-Term Lease Agreement ("Lease") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2004, by and between Montana Agricultural Experiment Station, State University, as Lessor, hereinafter referred to as the "UNIVERSITY," and the United States of America, acting by and through the Administrator, Agricultural Research Service, United States Department of Agriculture, as Lessee, hereinafter referred to as the "GOVERNMENT."

### WITNESSETH:

WHEREAS, under the authority of Section 1 of the Act of August 4, 1965 (79 Stat. 431, 7 U.S.C. 2250a), the GOVERNMENT wishes to lease certain lands herein described, owned by the UNIVERSITY and located as described in Article 1 of this Lease (Leased Premises), for the purpose of constructing and operating thereon such buildings and facilities as needed for use in conducting research by said Agricultural Research Service, in full cooperation with the UNIVERSITY, so as to increase the research base of the GOVERNMENT; and

WHEREAS, the UNIVERSITY desires to have the GOVERNMENT so lease and utilize the said premises, and thereby add to the educational and research base of the UNIVERSITY;

NOW THEREFORE, in consideration of the premises and of other good and valuable considerations herein mentioned, the UNIVERSITY and GOVERNMENT hereto covenant and agree as follows:

### 1. Leased Premises

1.1 The UNIVERSITY hereby leases to the GOVERNMENT a total of 2.08 acres of land, hereinafter referred to as the "Leased Premises," located within the property owned by the UNIVERSITY, at the Eastern Agricultural Research Station, Sidney, Montana, said Leased Premises being further described in Exhibit "A", and illustrated on Exhibit "B", both Exhibits being attached hereto and by this reference made a part hereof.

### 2. Term

2.1 The UNIVERSITY hereby leases to the GOVERNMENT the Leased Premises for a primary term of fifty (50) years, beginning \_\_\_\_\_, 2004, subject to termination and renewal rights thereafter as hereinafter set forth.

2.2 This lease may, at the option of the GOVERNMENT, be renewed for an additional period of twenty-five (25) years, provided notice is given in writing to the UNIVERSITY at

lease six (6) months before this lease would otherwise expire.

### **3. Termination Rights**

**3.1** The GOVERNMENT may terminate this Lease at any time by issuing a written notice to the UNIVERSITY at least twelve (12) months in advance of the desired termination date. The period for said termination notice will commence on the day following the day of mailing.

**3.2** The UNIVERSITY and GOVERNMENT, by mutual agreement, may provide for alternative advance notification procedures, as appropriate, for purposes of termination. Said mutual agreement must take the form of a Supplemental Agreement to the Lease, executed by both parties and attached hereto.

### **4. Rental**

**4.1** The GOVERNMENT shall pay to the UNIVERSITY a rental fee of one dollar (\$1.00) for the first year of the primary term, receipt of which is hereby acknowledged, with no further rental fees chargeable or payable during the remainder of the term. The UNIVERSITY does not currently use the land and will gain a benefit from the close proximity of the buildings to other research activities engaged in on the Agricultural Experiment Station. Such enhanced cooperative activities are other bases of consideration for the lease.

### **5. Construction**

**5.1** The GOVERNMENT shall have the right during the existence of this Lease to erect upon the Leased Premises greenhouses and related research buildings and support facilities as may be needed; to erect additions thereto, and to place appropriate signs in or upon the buildings and premises. Failure on the part of the GOVERNMENT to perform in accordance with any and all provisions of this Lease shall in no way affect the GOVERNMENT's right, title, and interest in and to any and all structures and facilities constructed hereunder, which are included and covered by the terms and conditions of this Lease.

### **6. Maintenance and Repair**

**6.1** The GOVERNMENT shall, at its sole expense, maintain the interior and exterior of all buildings, improvements and facilities in good condition and repair, in a manner appropriate to the intended use thereof.

### **7. Replacement**

**7.1** If, at any time during the term of this Lease, the structures and facilities erected upon the Leased Premises shall be substantially damaged or destroyed by fire or other casualty, the GOVERNMENT shall have the option of:

(a) commencing and thereafter proceeding with reasonable diligence (subject to a reasonable time allowance for appropriation of any additional funds required and for any other unavoidable delay), at its sole expense, to restore or rebuild the same as nearly as possible to its value immediately prior to such damage or destruction, or

(b) terminating this Lease in accordance with disposal provisions of Article 8 hereof.

## **8. Disposal**

8.1 Any and all improvements, buildings, structures, and facilities constructed under or included in this Lease shall be and remain the property of the GOVERNMENT and within one (1) year after termination or expiration of this Lease, the GOVERNMENT shall dispose of such facilities and improvements as follows:

In accordance with applicable laws and regulations in effect at the time of the disposal, dispose of such facilities and improvements by dismantling or demolishing them and removing them from the Leased Premises, including completely removing all hazardous and non-hazardous waste materials, and restoring the areas affected by such removal to return them to the same condition as before the GOVERNMENT leased the property.

## **9. Sublet**

9.1 The GOVERNMENT shall not sublet or assign the Leased Premises, in whole or in part, without the consent of the UNIVERSITY. Such consent will not be unreasonably withheld. Such sublease shall be only for agricultural and other uses that are consistent and compatible with the UNIVERSITY environment.

## **10. Liability**

10.1 If the death of or injury to any person, or the loss of or damage to any property, is caused by the GOVERNMENT in the course of its use of the Leased Premises, the liability, if any, of the GOVERNMENT therefore shall be determined in accordance with the applicable provisions of the Federal Tort Claims Act (62 Stat. 869, 982; 28 U.S.C. 2671-2680).

## **11. Applicable Regulations and Permitted Use of Chemicals**

11.1 The GOVERNMENT shall not suffer any waste to be committed in or about said premises, shall keep the premises free and clear of any and all refuse and other nuisance, shall strictly adhere to applicable regulations for the use and disposal of chemicals; and observe all other applicable laws, rules, regulations, and ordinances relating to the maintenance, use and occupancy of the premises.

## **12. Mineral Development**

12.1 The UNIVERSITY agrees that it shall not conduct nor shall it cause to be conducted any surface and/or subsurface drilling and/or excavation of the Leased Premises without the written consent of the GOVERNMENT, which shall not be unreasonably withheld.

## **13. Default**

13.1 Any omission of the UNIVERSITY to exercise any right upon the default of the GOVERNMENT shall not preclude the UNIVERSITY from the exercise of such right upon any subsequent default of the GOVERNMENT.

## **14. Severability**

**14.1** Should any provision or portion of such provision of this Lease be held invalid, the remainder of this Lease or the remainder of such provision shall not be affected thereby.

**15. Successors and Assigns**

**15.1** The terms and provisions of this Lease and the conditions herein shall bind the GOVERNMENT and the UNIVERSITY, their successors and assigns.

**16. Congress**

**16.1** No Member of or Delegate to Congress shall be admitted to any share or part of this Lease, or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this Lease if made with a corporation for its general benefit.

**17. Notification**

**17.1** All notices or official communications which may be required under this Lease, given by either party to the other, shall be in writing and addressed to such party's address, unless otherwise provided herein, as follows:

a. Notice to UNIVERSITY: Office of the Dean and Director  
Montana State University  
Linfield Hall  
Bozeman, MT 59717

b. Notice to GOVERNMENT: U.S. Department of Agriculture  
Agricultural Research Service, USDA  
Office of the Director, Facilities Division  
Mail Stop 5123  
5601 Sunnyside Avenue  
Beltsville, Maryland 20705-5123

Either party may from time to time, by written notice to the other, designate a different address to which notices shall be sent.

**18. Representation**

**18.1** The making, execution, and delivery of this Lease have been induced by no representations, statements, or warranties other than those herein expressed. This Lease embodies the entire understanding of the parties, and there are no further or other agreements or understandings, written or oral, in effect between the parties relating to the subject matter hereof. This Lease may be amended or modified only by an instrument of equal dignity and formally signed by both of the respective parties hereto. This Lease shall not be effective unless and until it is approved by the Montana Board of Regents of Higher Education.

**IN WITNESS WHEREOF, both the UNIVERSITY and GOVERNMENT have hereunto executed, signed, sealed, and delivered this Lease, the day, month, and year first above written.**

**MONTANA AGRICULTURAL EXPERIMENT STATION, MONTANA STATE  
UNIVERSITY**

**By:**

**Title: Director of the Montana Agricultural Experiment Station**

**Date:**

**By:**

**Title: President**

**Date:**

**THE UNITED STATES OF AMERICA**

**By:**

**Office of the Administrator  
Agricultural Research Service**

**Date:**