

## **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 \_\_\_\_\_, 2006, by and between Montana 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 the GOVERNMENT hereto covenant and agree as follows:**

### **1. Leased Premises**

**1.1 The UNIVERSITY hereby leases to the GOVERNMENT a total of \_\_\_\_\_ acres of land, hereinafter referred to as the "Leased Premises," including space for parking (see Article 1.2 below), located within the property owned by the UNIVERSITY, at Bozeman, 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.**

**1.2 All vehicles parked on campus (government-owned and/or privately owned) by the GOVERNMENT or its employees must be registered and permitted in accordance with the UNIVERSITY's Parking Regulations at the expense of the vehicle owner, and are subject to the provisions of the UNIVERSITY's Parking Regulations.**

## **2. Term**

**2.1 The UNIVERSITY hereby leases to the GOVERNMENT the Leased Premises for a primary term of thirty (30) years, beginning \_\_\_\_\_, 2006, 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 (20) years, provided notice is given in writing to the UNIVERSITY at least 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 alternate 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.**

**3.3 It is understood by both parties that upon execution of this Lease, the GOVERNMENT intends to proceed diligently with the design and construction of the facilities to be erected on the Leased Premises. However, in the case that insufficient appropriations, or other reasons beyond the control of the GOVERNMENT, prevent the GOVERNMENT from timely commencement of construction within five years from the date of execution of this Lease, the parties will, unless otherwise agreed to in writing, renegotiate the Term of this Lease or terminate the Lease entirely.**

## **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 have a building on the proposed site and will gain a benefit from the close proximity of the proposed facilities to other research activities it is engaged in. Such enhanced cooperative activities are bases of consideration for this Lease.**

## **5. Construction and Utilities**

**5.1 The GOVERNMENT shall have the right during the existence of this Lease to erect upon the Leased Premises a main research building and support facilities as may be needed; to erect additions thereto, and to place appropriate signs in or upon the buildings and premises.**

**5.2** The GOVERNMENT agrees that in the development of construction plans it will coordinate the review of these plans with the UNIVERSITY. The GOVERNMENT shall seek the concurrence of the UNIVERSITY, to the greatest extent practicable, to ensure that structures, facilities, and signs to be erected upon the Leased Premises conform to general site plans and general architectural requirements which the UNIVERSITY has approved for similar projects, and such concurrence will not be unreasonably withheld.

**5.3** The GOVERNMENT may be required by Federal law or regulations to implement specific site security measures on the Leased Premises. Should this become necessary, the GOVERNMENT shall, to the greatest extent practicable, seek the concurrence of the UNIVERSITY, but such concurrence will not be a prerequisite to the implementation of these measures.

**5.4** The GOVERNMENT will afford the UNIVERSITY ten (10) business days to review the plans and specifications. In the event the UNIVERSITY does not object to the plans and specifications with ten (10) business days after the date of submittal, the plans and specifications shall be deemed acceptable by the UNIVERSITY.

**5.5** 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.

**5.6** The UNIVERSITY conveys the right to the GOVERNMENT to connect to existing or future UNIVERSITY owned or operated utilities and/or services if available. Connections to UNIVERSITY owned or operated utilities, use of these utilities, and/or other related services which the UNIVERSITY may provide at the request of the GOVERNMENT, will be subject to payment from the GOVERNMENT of reasonable and customary connection and monthly service charges as mutually agreed to.

It is understood that required services (including Police, Fire, Hazardous Materials Disposal, Refuse, and Grounds Maintenance) will be provided by the UNIVERSITY, consistent with UNIVERSITY standards for such services, and subject to payment from the GOVERNMENT of reasonable and customary charges. It is also understood that additional optional services (such as custodial, recycling, architectural services, maintenance trades, etc.,) which the UNIVERSITY may provide at the request of the GOVERNMENT, will be subject to payment from the GOVERNMENT of reasonable and customary charges.

## **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 have the option of disposing of such facilities and improvements as follows:**

**(a) 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; or**

**(b) In accordance with applicable laws and regulations in effect at the time of the disposal, provide the UNIVERSITY with the right of first refusal to acquire the improvements. The conveyance of the facilities and improvements to the UNIVERSITY would be made upon payment to the GOVERNMENT of a mutually agreed upon monetary amount based on the appraised fair market value of the facilities and improvements, as may be depreciated and as discounted for the fair market value of the leasehold.**

**(c) In accordance with applicable laws and regulations in effect at the time of the disposal, dispose or have disposed by a third party such facilities and improvements by dismantling 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 the point of returning them to the same condition as before the GOVERNMENT leased the property. The third party would have ninety (90) days to remove the facilities and improvements and if they are not removed within this timeframe they will be deemed abandoned and the UNIVERSITY may dispose of them at its will.**

## **9. Rights of Ingress/Egress**

9.1 The UNIVERSITY agrees to furnish to the GOVERNMENT during the term of this Lease the right of ingress and egress to and from the Leased Premises over and across land, common entrances, and rights of way the UNIVERSITY owns or is a party to.

## **10. Sublet**

10.1 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.

## **11. Liability**

11.1 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).

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

12.1 The GOVERNMENT shall not suffer any waste to be committed in or about the Leased 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.

## **13. Mineral Development**

13.1 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.

## **14. Default**

14.1 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.

## **15. Severability**

15.1 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.

**16. Successors and Assigns**

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

**17. Congress**

**17.1** 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.

**18. Notification**

**18.1** 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: Associate Vice-President for University Services  
Montana State University  
PO Box 172760  
Bozeman, Montana 59717-2760
  
- b. Notice to GOVERNMENT: U.S. Department of Agriculture  
Agricultural Research Service  
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.

**19. Representation**

**19.1** 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.

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

**MONTANA STATE UNIVERSITY**

**By:**

**Title:**

**Date:**

**THE UNITED STATES OF AMERICA**

**By:**

**Office of the Administrator  
Agricultural Research Service**

**Date:**