

## CROP SHARE LEASE AGREEMENT

**THIS AGREEMENT** made in duplicate this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**BETWEEN:**

\_\_\_\_\_  
(Landlord's name)  
being the registered owner or purchaser under an  
Agreement for Sale of the land described in Schedule "A".

of \_\_\_\_\_  
in the Province of Manitoba,  
(address)

(the "**Landlord**")

- and -

\_\_\_\_\_  
(Tenant's name)  
of \_\_\_\_\_  
in the Province of Manitoba,  
(address)

(the "**Tenant**").

**WHEREAS** the Landlord has agreed to lease the land described in Schedule "A" for the sole purpose of being cultivated and harvested by the Tenant.

**AND WHEREAS** the Tenant has agreed to provide a share of the crops that are harvested from the Leased Lands in annual rent.

**AND WHEREAS** that the Landlord hereby demises and leases unto the Tenant and the Tenant hereby leases and takes from the Landlord, the Leased Lands identified in Schedule "A".

**NOW THIS AGREEMENT WITNESSETH** that in consideration of the mutual agreements and undertakings herein, the parties covenant and agree with each other as follows:

### **SECTION 1.00 DEFINITIONS**

1.01 "Alterations and Improvements" means any and all fixtures, improvements, installations, alterations and additions made, erected or installed by or on behalf of the Tenant in or upon the Leased Lands with the exception of the Tenant's equipment and machinery.

**Disclaimer:** This Agreement has been prepared for general information purposes only and is intended to provide a starting point for farmers, as they develop Agreements for use in their business. Persons relying on such information do so entirely at their own risk. Since it is impossible to cover all legal contingencies and provisions in every situation, please consult with a legal professional to ensure that the Agreement accurately reflects the arrangements and relationship between the concerned parties.

- 1.02 "Leased Lands" means the agricultural lands identified in Schedule "A" hereto.
- 1.03 "Term" means the term specified in Section 3.01 hereof.
- 1.04 "Taxes" means all taxes, including (but not limited to) goods and services tax, real property tax and school tax, rates, duties, levies and assessments of any kind levied, imposed or assessed against the Leased Lands, any building thereon, or any Alterations and Improvements made thereto, or with respect to the Tenant's use of the Leased Lands.
- 1.05 "Crop" means the commodity or produce grown on the Leased Lands.
- 1.06 "Share of Crop" means (a) the Landlord's percentage of the Crop produced on the Leased Lands or (b) the Landlord's percentage of the proceeds of the sale of the Crop cultivated on the Leased Lands. **(the parties, depending on their intention, can choose which definition applies)**

**SECTION 2.00 DESCRIPTION OF BUILDINGS ON LEASED LAND**

- 2.01 In consideration of the rents, covenants, promises and agreements contained in this Lease Agreement on the part of the Tenant to be paid, observed and performed, the Landlord does hereby lease to the Tenant the farm lands and premises as described in Schedule "A", together with the following portable buildings, namely:

\_\_\_\_\_

\_\_\_\_\_

**SECTION 3.00 DEMISE AND TERM, AS IS BASIS**

- 3.01 The term of this Lease shall be \_\_\_\_\_ year(s) commencing on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, and ending on the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_ (the "Term").
- 3.02 The Tenant accepts the Leased Lands on an "As Is" and "Where Is" basis and any Alterations and Improvements made, erected or installed during the Term, with the Landlord's prior written approval, shall be at the risk, cost and expense of the Tenant and to the entire satisfaction of the Landlord.

**SECTION 4.00 SHARE OF CROP**

- 4.01 The Tenant shall pay to the Landlord the annual rental of a \_\_\_\_\_% of the Crop. The Share of Crop shall become payable to the Landlord at the time agreed to by the Parties.
- 4.02 Payments and/or subsidies to the Tenant derived from any source (such as any government agency in connection with grain production) in which the Landlord is eligible to participate during the Term of this Lease, shall be shared with the Landlord as follows:  
 \_\_\_\_\_ (the "Payments").

## **SECTION 5.00 SHARED EXPENSES**

- 5.01 The type and acreage of each Crop to be cultivated, seeded and harvested on the Leased Lands, are as described in Schedule "B."
- 5.02 The Landlord's share of the costs of seed, fertilizer, chemicals and crop/hail insurance (the "Landlord's Share of Expenses") are as itemized in Schedule "B".
- 5.03 The Landlord shall reimburse the Tenant for the Landlord's Share of Expenses if the Tenant provides satisfactory receipts or supporting documents to the Landlord.
- 5.04 Reimbursement to the Tenant for the Landlord's Share of Expenses shall be made, within \_\_\_\_\_days after the receipt and approval of an invoice and satisfactory receipts or supporting documents.

## **SECTION 6.00 USE OF THE LEASED LAND**

The Landlord and Tenant agree as follows:

- 6.01 The Tenant will cultivate, seed and harvest all of the Leased Land in a good husbandlike and proper manner and will perform all fall work necessary in order to leave the Leased Land in a proper condition for the following year's cultivation.
- 6.02 The Tenant will not impoverish or waste the Leased Land and will use this Leased Land and premises for the purpose of crop production only unless otherwise limited or restricted in writing by the Landlord.
- 6.03 The Tenant has no rights to sand, gravel, or clay from the Leased Land, except for his own use, and he has no rights whatsoever to valuable stone or other such substances existing on, or under the surface of the Leased Land.
- 6.04 The Tenant will not change the natural course of any waterways on the Leased Land, or cut down trees growing upon the Leased Land, nor will he permit any other person to do so, without the written consent of the Landlord.
- 6.05 The Tenant shall use all best efforts to rid the Leased Lands of noxious weeds and in this regard, the Tenant shall comply with all lawful orders imposed by the relevant municipal or local government district.
- 6.06 The Tenant shall at no time allow or permit any liens, (including, but not limited to builders' liens) to arise or be filed against any of the Leased Land on account of any work, labour, services or materials supplied to, or on behalf of the Tenant.
- 6.07 The Landlord, including its employees, agents and representatives shall be permitted to enter upon the Leased Land at any time for the purpose of inspecting the Leased Land, including any Alterations and Improvements thereon.

**SECTION 7.00 STORAGE OF CROP HARVESTED FROM THE LEASED LAND**

7.01 The Landlord shall provide \_\_\_\_\_ (tonnes, bushels) of Crop storage. In the event additional Crop storage is required, it shall be the sole responsibility of the Tenant.

**SECTION 8.00 TAXES**

8.01 Unless otherwise agreed upon, all Taxes on the Leased Land shall be paid by the Landlord.

**SECTION 9.00 REPAIR OF BUILDINGS, FENCES, AND IMPROVEMENTS**

9.01 Responsibility for normal maintenance and repair to buildings, as described in Section 2.01, and fences on the Leased Land shall be as follows:

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**SECTION 10.00 ALTERATIONS AND IMPROVEMENTS**

10.01 Title to all Alterations and Improvements shall vest in the Landlord and no alterations and improvements shall be sold, removed, disposed of, or encumbered without the written consent of the Landlord.

**SECTION 11.00 SUBLETTING**

11.01 The Tenant shall not sublet, or assign this Lease, or any part thereof, or any interest therein without obtaining the written consent of the Landlord.

**SECTION 12.00 RENEWAL**

12.01 The Term of this Lease may be extended by mutual agreement between the Landlord and Tenant, for a further period, upon the same terms and conditions as contained herein, except as otherwise agreed in writing by the parties.

**SECTION 13.00 DEFAULT**

13.01 If the Tenant fails to pay the Share of Crop or other amount due and owing within 15 (fifteen) days after it is due and owing, or if the Tenant fails to observe, keep or perform any other provision of this Lease, the Landlord may give to the Tenant a notice in writing requiring the Tenant to remedy the default within the period of fifteen (15) days from the notice, and if the Tenant fails to remedy the default within the period of fifteen (15) days, the Landlord shall have the right to exercise any one or more of the following remedies:

- (a) To declare the entire amount of Share of Crop immediately due and payable without notice or demand to the Tenant;
- (b) to sue for and recover all Share of Crop, and other payments, then accrued or thereafter accruing;

- (c) to take possession of the Leased Land, or any portion thereof in the name of the Landlord and enjoy same without demand or notice, as if this Lease Agreement had not been executed;
- (d) re-enter the Leased Land without terminating this Lease and the Tenant shall be liable for any actual loss in Share of Crop which the Landlord may incur during the unexpired portion of the Term, provided that the Landlord shall take all reasonable steps to re-lease the Leased Land and to mitigate the Landlord's losses and damages.

#### **SECTION 14.00 YIELDING UP LANDS, RESTORATION**

14.01 Upon the expiry of this Lease, the Tenant shall yield up the Leased Land, together with any Alterations and Improvements that the Tenant has elected to leave, in such condition that is consistent with good farm management, husbandry and conservation practices. Nothing herein amends or modifies the Tenant's obligations as set out in Section 6.00.

#### **SECTION 15.00 TERMINATION**

15.01 The Tenant may terminate this Lease as of January 1<sup>st</sup> of any year during the Term provided that:

- (a) the Tenant gives the Landlord written notice of termination no later than December 1<sup>st</sup> of the previous year; and
- (b) the Tenant is not otherwise in default or in arrears in remitting any amount payable by the Tenant under this Lease, or in default with respect to any other covenant or undertaking contained in this Lease.

15.02 Notwithstanding any other provision of this Lease, the Landlord may terminate this Lease by giving \_\_\_\_ days written notice to the Tenant.

#### **SECTION 16.00 ARBITRATION**

16.01 Any disagreement which may arise between the Landlord and Tenant shall, when a mutually satisfactory settlement cannot be reached, be submitted to arbitration. The arbitration authority may either be a single person mutually satisfactory to both parties, or a board of three, one member to be proposed by each party and a third selected by the two as chosen. The recommendation of the arbitrator or arbitration board shall be accepted as final. The cost of arbitration will be split 50/50 between the Landlord and Tenant.

#### **SECTION 17.00 GENERAL**

17.01 Time shall be of the essence of this Lease.

17.02 This document and the attached Schedules "A" and "B" contain the entire agreement between the parties. There are no undertakings, representations or promises express or implied, other than those contained in this Lease.

17.03 No amendment or change to, or modification of this Agreement shall be valid unless it is in writing and signed by both parties, and specifically states the intention to affect this Lease.

17.04 This Agreement shall be interpreted, performed and enforced in accordance with the laws of Manitoba.

17.05 This Lease shall enure to the benefit of and be binding upon the parties and their respective heirs, successors and assigns.

**SIGNED, SEALED, AND DELIVERED**  
in the presence of:

\_\_\_\_\_  
(Witness)

\_\_\_\_\_  
(Landlord)

Where the Landlord is a Corporation

\_\_\_\_\_  
(Corporation's Name) (c/s)

Per:  
\_\_\_\_\_  
(Name of Signatory)

**SIGNED, SEALED, AND DELIVERED**  
in the presence of:

\_\_\_\_\_  
(Witness)

\_\_\_\_\_  
(Tenant)

Where the Tenant is a Corporation

\_\_\_\_\_  
(Corporation's Name) (c/s)

Per:  
\_\_\_\_\_  
(Name of Signatory)

**SCHEDULE "A"**

LEGAL DESCRIPTION OF LEASED LANDS

- A. PARCEL (QUARTER/SECTION/TOWNSHIP/RANGE)
- B. TOTAL ACRES (HECTARES)
- C. EXCEPTING AND RESERVING UNTO THE LANDLORD THE FOLLOWING LANDS AND BUILDINGS  
NAMELY:
  - LANDS RESERVED: \_\_\_\_\_
  - BUILDINGS RESERVED: \_\_\_\_\_

