

LEASE AGREEMENT
BETWEEN
GOVERNMENT OF THE U.S. VIRGIN ISLANDS
AND
TENANT AND PROPERTY ADDRESS

Prepared by

Department of Property and Procurement
On behalf of the
Department of Agriculture

Government of the U.S. Virgin Islands

THIS LEASE AGREEMENT is made this _____ day of _____, **CURRENT YEAR**, by and between the **Government of the Virgin Islands**, through the **Department of Property and Procurement** on behalf of the **Department of Agriculture** (hereinafter the "Lessor" or "Government"), and **TENANT** (hereinafter the "Lessee"):

WITNESSETH: In consideration of agreements herein it is hereby agreed:

1.00. DEFINITIONS As used in this Lease:

1.01. Premises:

Premises means the property which is the subject of the Lease, including all structures, fixtures, and appurtenances that are on the land, and is described as follows: The Premises is **PROPERTY ADDRESS**. For information purposes the description is set forth on a **DATE, O.L.G. Drawing No. XX-XX-XXX** entitled **PROPERTY ADDRESS** (attached as Exhibit A). The calculated area consists of **XXXXXX** U.S. sq. ft. or **20.79** U.S. acres of improved land more-or-less.

1.02. Government Regulation:

Government regulation means all laws, rules, regulations, requirements, orders and directives of any governmental entity, officer, or employee that is applicable to this Lease, to the use of the Premises or to the conduct of activities on the Premises.

2.00. RESTRICTIONS

2.01. Restrictions:

This Lease is subject to all easements and restrictions of record, and public utilities, and any zoning or building restrictions, regulations, or laws.

3.00. PURPOSES AND USE OF PREMISES

3.01. Purposes:

The purpose of this Lease is to operate **(TYPE OF OPERATION)**, and for other related purposes.

3.02. Use of Premises:

The Premises is to be used expressly for the designated purposes described in Paragraph 3.01 and no other purposes. The Premises shall not be used for the growing of illegal plants. Use of the Premises for any purposes other than those specifically designated in Paragraph 3.01 or for the cultivation of illegal plants will result in the immediate termination of the Lease and expulsion of the Lessee from the Premises.

3.03. Cultivation Grazing Requirement:

The Lessee shall, within two (2) years of the execution of this Lease, utilize the Premises for the production of honey and its biproducts. Upon the Lessee's failure to comply with the conditions stated herein, such Premises shall revert to the Lessor as provided in § 9.01(e) herein. In-the-event the Lessee fails to comply with the provisions herein, the Lessor may exercise its right of re-entry in accordance with Section 9.02 of this Lease.

4.00. TERM, TERMINATION

4.01. Term:

The term of this Lease shall start on the effective date of this Lease as set forth in Section 15.00 and shall expire **XX (XX)** years (Initial Term) thereafter.

4.02. Renewal:

At the expiration of the Lease period, the Lessee shall have the right to renew this Lease for **XX (XX)** additional term of **XX (XX)** years. To exercise this right to renew, the Lessee must not be in violation of any of the requirements of this Lease and must give written "Notice of Intent-to-Exercise-Renewal Option" at least sixty (60) days prior to the expiration of the initial Lease term.

4.03. Holdover by Lessee:

If for any reason, Lessee holds over after the term or the renewal of this Lease has expired, Lessee's tenancy shall convert to a month-to-month tenancy. All other terms

of this Lease not consistent with a month-to-month tenancy, shall remain in effect during any holdover period.

4.04. Failure to Give Possession:

The Lessor shall not be liable for failure to give possession of the Premises upon commencement date by reason of the fact that the demised Premises are not ready for occupancy, or due to a prior Lessee wrongfully holding over or any other person wrongfully in possession or for any other reason. In such event, the rent shall not commence until possession is given or is available, but the term herein granted shall not be extended.

5.00. RENT AND CHARGES

5.01. Rent:

For billing purposes, the Lease year shall commence on June 1, and end on May 31, of the following year. Lessee shall pay the Lessor **RATE** commencing June 1. In-the-event the Initial Term begins on a day after the first (1st) of the year (June 1), the rent for that period shall be prorated.

5.02. Charges:

Any sums paid or obligations incurred by the Lessor which are expenses or obligations of the Lessee shall be a charge upon the Lessee. The Lessor shall give the Lessee written notice of such sums of expenses paid by the Lessor for the benefit of the Lessee. Such charges shall be treated as additional rent owed by the Lessee and may be added to any rent installment due to the Lessor.

5.03. Delinquency Charge:

If any rent is not paid within fifteen (15) days of the due date and the Lessor does not exercise its right to terminate the Lease, the Lessee shall pay a delinquency charge based on nine percent (9%) per annum, on the balance owed. Delinquency charge shall be treated as additional rent owned by the Lessee.

6.00. CONDUCT AND OPERATION OF PREMISES

6.01. Debris Accumulation and Clean Up:

Lessee shall keep the Premises free from accumulation of waste materials or rubbish. At the termination of the Lease, Lessee shall remove from the Premises all waste materials, rubbish, tools, equipment, machinery, and surplus materials. If the Lessee fails to clean up as provided herein, the Government may do so and the cost thereof shall be charged to Lessee.

6.02. Nuisances:

Lessee shall conduct his operations in an orderly and proper manner so as not to annoy, disturb, or offend others in proximity to the Premises or not to create any nuisance or waste upon the Premises or adjoining premises.

6.03. Government Requirements:

Lessee shall procure all licenses, certificates, permits, or other authorizations that may be required for the conduct of agricultural activities by the Lessee from any governmental authority having jurisdiction over the operations of the Lessee. Lessee shall promptly observe and comply with any governmental regulations, which may apply to Lessee, its agricultural operations, or to the Premises.

6.04. Government Registration:

Lessee covenants that it has registered as a producer with the following government agencies: Department of Licensing and Consumer Affairs, and Virgin Islands Department of Agriculture.

6.05. Schedule F Filing with Internal Revenue and Minimum Production Requirements:

(a) Lessee shall file with his annual income tax return, a Schedule "F" showing all income earned from the use of the Premises during the subject tax year. Lessee will forward a copy of said Schedule "F" (Profit or Loss Form) to the Commissioner of Agriculture, or its designee, after Lessee has filed his annual income tax return with the Bureau of Internal Revenue.

- (b) Lessee's use of the Premises shall annually yield a gross income, as evidenced by the Schedule "F" to be filed with its annual income tax return, and as determined annually by the Commissioner of Agriculture.
- (c) Lessee shall file an annual Harvest Report with the Virgin Islands Department of Agriculture by June 30 of each year. In the case where Lessee has no production, a written report must be provided stating reasons for same.

6.06. Transfers of Interests:

Lessee shall not sell, transfer, assign, mortgage, or pledge this Lease or any interest without the express advance consent of the Lessor nor shall Lessee permit any other person to use the Premises or any portion of them for any purpose other than provided in this Lease. Transfer of interests will result in immediate termination of the Lease and expulsion of Lessee from the Premises.

6.07. Non-Discrimination:

Lessee in exercising any of the rights or privileges granted by this Lease shall not discriminate against any person or group of persons based on race, color, national origin, handicap, religious belief, or sex.

6.08. Acts of Lessee:

Lessee shall be responsible for all acts committed on the Premises by officers, members, its employees, agents, independent contractors, guests, or invitees.

6.09. Fencing and Stocking Rates:

Any livestock farm operated under this Lease shall be fenced in and sectioned internally for proper pasture management. The stocking rates for livestock farms shall be as follows:

- (i) St. Croix District: 1000 lbs. of livestock to three acres of land.
- (ii) St. Thomas - St. John District: 1000 lbs. of livestock to five acres of land.

All livestock farms shall adhere to the applicable ratio of pounds of livestock to acreage of land, as set out above. Overstocking is strictly prohibited, and violation of stocking rates will be grounds for the immediate termination of this Lease and the expulsion of Lessee from the premises.

7.0 IMPROVEMENTS

7.01 Improvements:

- (a) Lessee may, in accordance with the provisions of Section 7.02 of this Lease, erect or place on the Premises any fixtures and other installations that may be necessary or proper to the purposes of this Lease, and to the use of the Premises, according to Section 3.00. However, the Lessee shall not erect any building or other structure, which may be utilized for residential purposes, without the written consent of the Commissioner of Agriculture or its designee. Further, any building, shed, storage facility or other structure erected on the Premises by Lessee shall be made of wood and shall not exceed 320 square feet. Any improvement to the leased premises shall be done at Lessee's expense and liability.
- (c) Failure to obtain written consent for the construction of structures is reason for immediate termination of the Lease.

7.02. Approval:

Prior to making any improvement to the Premises which is attached or affixed to the land or lying beneath the earth's surface, including wells and cisterns, the Lessee must secure advance written approval from the Lessor and any other governmental agency whose permission is required by governmental regulation to be obtained before installation.

7.03. Legal Title to Improvements:

The legal title to improvements erected by or on the part of or on behalf of, or for the benefit or use of Lessee, shall remain in Lessee during the term of this Lease. However,

upon termination or cancellation of the Lease, for whatever cause, Lessor shall automatically acquire title to any-and-all improvements installed or erected by Lessee free of cost to Lessor and free of any liens or encumbrances not previously agreed to in writing by Lessor.

7.04. Utilities:

Unless otherwise agreed, the Lessee shall obtain in its own name all utilities required by Lessee on the Premises and pay all charges for the services as they become due. If Lessee fails to pay such charges for services, Lessor may pay them and add its payments to the rental installment next due. Lessor may terminate this Lease if Lessee fails or refuses to pay charges incurred for utility services.

7.05. Emergency Improvements and Repair:

Nothing in this section shall prevent either party from making any emergency improvements or repairs for the purpose of preserving, maintaining, or protecting the premises or agricultural products on the Premises from loss or damage. The party making such improvement or repair shall promptly notify the other party of the purpose and nature of such improvement or repair.

7.06. Right to Remove Crops and Livestock:

Upon the expiration or termination of this Lease, the Lessee shall have the right to free access to the Premises to retrieve all livestock raised by the Lessee before the expiration of the Lease or before the service of a notice to quit the Premises for failure to pay rent in accordance with Virgin Islands law.

7.07. Forfeiture:

Any furniture or other personal items owned or controlled by the Lessee shall be removed by the Lessee within sixty (60) days after the termination or expiration of this Lease. Any such unencumbered property not removed after the time for removal has passed shall be forfeited to the Lessor.

8.00. CONDEMNATION

8.01. Notice of Condemnation:

The party receiving any notice of the kind specified below which involves the Premises shall promptly give the other party notice of the receipt, contents, and date of notice received:

- (1) Notice of Intended Taking.
- (2) Service of any legal process relating to condemnation of the Premises or improvements.
- (3) Notice in connection with any proceedings or negotiations with respect to such a condemnation.

8.02. Rights of Lessor and Lessee:

Lessor and Lessee shall each have the right to represent its respective interest in each proceeding or negotiation with respect to a taking or intended taking and to make full proof of its claims. No agreement, settlement, sale, or transfer to or with the condemning authority shall be made without the consent of both parties. Lessor and Lessee each agree to execute and deliver to the other any instrument that may be required by the provisions of this Lease relating to the condemnation.

8.03. Taking of Leasehold

Upon a taking, Lessee's obligation to pay rent and other charges hereunder shall terminate on the date of taking, or possession given, whichever is earlier.

9.00. CANCELLATION, TERMINATION, ASSIGNMENT AND TRANSFER

9.01. Cancellation:

This Lease shall be subject to cancellation by Lessor in the event Lessee shall:

- (a) Be in arrears in the payment of the whole or any part of the amount of rent agreed upon hereunder for a period of thirty (30) days after Lessor has notified Lessee in writing that payment was not received when due.

- (b) File in any court a petition in bankruptcy or insolvency or for the appointment of a receiver or trustee of all or a portion of Lessee's property.
- (c) Make any general assignment for the benefit of creditors without the written consent of the Commissioners of Property and Procurement and Agriculture as provided in Paragraph 9.04 hereof.
- (d) Abandoning the Premises. If Lessee abandons, deserts, or vacates the premises or discontinues his operation for a period totaling six (6) months, the Lease will terminate automatically and be rendered null-and-void.
- (e) Default in the performance of any of the covenants and conditions required herein kept and performed by Lessee, and such default continues for a period of thirty (30) days after receipt of written notice from Lessor to cure such default.
- (f) Be adjudged as bankrupt in involuntary bankruptcy proceedings.
- (g) Be made a party to any receivership proceeding in which a receiver is appointed for the property or affairs of Lessee where such receivership is not vacated within sixty (60) days after the appointment of such receiver.

In any of the aforesaid events, Lessor may institute a forcible entry and detainer action against the lessee to regain possession of the leased property.

Failure of Lessor to declare this Lease terminated upon the default of Lessee for any of the reasons set out shall not operate to bar or destroy the right of Lessor to cancel this Lease by reason of any subsequent violation of the terms of this Lease.

9.02. Repossessing and Reletting:

In the event of default by Lessee hereunder which shall remain uncured for a period of thirty (30) days after notice of the default has been given to Lessee, Lessor may at once thereafter, or at any time subsequent during the existence of such breach or default:

- (a) Institute a forcible entry and detainer action against the Lessee to regain possession of the Premises.
- (b) Either cancel this Lease by notice or without canceling his Lease, relet the Premises or any part thereof upon such terms and conditions as shall appear advisable to Lessor. If Lessor shall proceed to relet the Premises during any month or part thereof at less than the rent due and owing from Lessee during such month or part thereof under the terms of this Lease, Lessee shall pay such deficiency to Lessor upon calculation thereof provided Lessor has exercised good faith in the terms and conditions of re-letting. Payment of any such deficiencies shall be made monthly within ten (10) days after receipt of notice deficiency.

If any suit or action is brought by Lessor against the Lessee to enforce any of the provisions of the Lease, the Lessor shall be entitled to collect its costs and attorney's fees in the action or proceeding.

9.03. Subleasing Prohibited:

Lessee may not sublet the Premises in whole or in part.

9.04. Assignment of Lessee's Rights and Interests Prohibited:

Lessee shall not assign, in whole or in part, any right or interest, including riparian and water rights, arising under this Lease or incidental to his use of the Premises, without the prior written consent of the Commissioners of Property and Procurement and Agriculture. Further, Lessee shall not enter into any agreement to share such rights and interests concurrently with any other party without first obtaining the written consent and approval of the Commissioners of Property and Procurement and Agriculture.

10.00. GENERAL TERMS AND CONDITIONS

10.01. Citizenship and Residency Status:

Lessee covenants that he is a United States citizen or a permanent resident of the United States. If Lessee is a corporation or other business entity, Lessee covenants that

at least fifty-one (51%) percent of their interests and assets are owned by U.S. citizens or permanent residents of the United States.

10.02. Agreement Made in the Virgin Islands:

The laws of the U.S. Virgin Islands shall govern the validity, performance, and enforcement of this Lease.

10.03. Counterparts:

This document is executed in one (1) part, which shall be deemed an original.

10.04. Cumulative Rights and Remedies:

All rights and remedies of Lessor here enumerated shall be cumulative, and none shall exclude any other right or remedy allowed by law. Likewise, the exercise by Lessor of any remedy provided for herein or allowed by law shall not be to the exclusion of any other remedy.

10.05. Agreement Made In Writing

This Lease contains the agreements and conditions made between the parties hereto and may not be modified orally or in any manner other than by agreement in writing signed by the parties hereto or their respective successor in interest.

10.06. Successors and Assigns

All terms, provisions, covenants, and conditions of this Lease shall be null and void and the Lease shall be terminated upon Lessee death (or incapacitation) and Lessor shall herein (take) re-possess the Premises. The terms, provisions, covenants, and conditions of this Lease shall inure to benefit of and be binding upon assignees.

10.07. Interpretation:

Words of gender used in this Lease shall be held to include singular, plural, and vice versa unless the context otherwise requires.

11.00. NOTICES

11.01. By Lessor:

Notices or communications by the Lessor to the Lessee shall be made by mail to the Lessee at:

TENANT AND MAILING ADDRESS

11.02. By Lessee:

Notices or communications by Lessee to the Lessor shall be made by personal delivery or by mail to the offices of the Lessor:

CURRENT COMMISSIONER
Department of Property and Procurement
#3274 Estate Richmond
Christiansted, St. Croix, V.I. 00820

and,

CURRENT COMMISSIONER
Virgin Islands Department of Agriculture
RR1 Box 10345
Kingshill, St. Croix, V.I. 00850

11.03. Payment of Rent and Charges:

Payment of rent and charges incidental to the Lease shall be made at the Department of Agriculture in the district where the Premises is located.

12.00. OTHER TERMS AND CONDITIONS

12.01. Indemnification:

Lessee shall indemnify and hold the Lessor and the Virgin Islands Government harmless from all claims, demands, or other civil liabilities, including death, personal injury, or property damage, which arise out of the use or occupancy of the Premises by the Lessee or by others using or occupying the Premises with the Lessee's consent or acquiescence.

12.02. Rights Reserved:

Lessor shall have the express right to enter upon the premises at any time to inspect the Premises, observe the Lessee's performance of his obligations, verify Lessee's proper use of the Premises under this Lease and for the doing of any act required by the Lessor.

12.03. Lessor and Lessee

This agreement is a Lease. Under the terms of this Lease, the Lessor has relinquished immediate possession of the Premises to Lessee for the duration of the term of this Lease and under the conditions hereinafter provided. It is understood by the parties that Lessor retains ultimate legal ownership and title to the Premises. Nothing herein shall be construed to establish any relationship or status between the parties other than that of Lessor and Lessee.

12.04. No Representation:

Lessee acknowledges that he takes the Premises "as is" and as described under § 1.00 of the Lease and that it has not relied upon any representation or statement of the Lessor as to the condition or suitability of the Premises. Lessee acknowledges that Lessee has thoroughly examined the Premises and found it to be in good order and suitable for Lessee operations.

12.05. Surrender:

Lessee agrees to, peaceably and promptly, yield and deliver possession of the premises to the Lessor on the date of the termination of this Lease, whether termination is caused by expiration, or re-entry and re-possession by the Lessor, in the same condition as the Lessee received the property except for improvements placed on the Premises in accordance with this Lease and excepting reasonable wear and tear.

13.00. SURVIVAL OF LESSEE'S OBLIGATIONS

If this Lease is terminated, expires, or the Premises is abandoned, all obligations of the Lessee surviving shall remain in full force and effect. Amounts, that are or will become due, are

payable to the same extent and at the time and manner as if no termination, cancellation, or expiration had taken place. Any additional expense to recover or restore the Premises, including legal expenses, shall remain as an obligation of the Lessee.

14.00. OFFICIALS NOT TO BENEFIT

- (a) No territorial officer or employee, as defined under Title 3 V.I.C. § 1101(8), member of the U.S. Congress, or other official of the United States Government shall have any interest in this lease or receive any benefit or anything of value that may arise there from, without first disclosing such governmental position and authority to the Commissioner of Agriculture. Thereafter, such person or persons shall be allowed an interest in this Lease at the discretion of the Commissioner of Agriculture and as provided by law.
- (b) If Lessee becomes a territorial officer or employee, as defined under Title 3 V.I.C. § 1101(8), or assumes an official position in the United States Government subsequent to the granting of this Lease, the Lease will remain in effect for the duration of the then existing term. Thereafter renewal of the Lease shall be at the discretion of the Commissioner of Agriculture and as provided by law.

15.00. APPROVALS REQUIRED

This Lease shall not become effective until approved by the Governor and the Legislature of the Virgin Islands.

16.00. INSURANCE

16.01 Disaster:

- (a) Lessee shall register his farm production annually with the USDA-Farm Service Agency on an ongoing basis for natural disaster insurance purposes.
- (b) If Lessee prefers, a private insurance policy can be purchased at Lessee's expense, to cover natural disasters. A copy of this policy must be submitted to the Commissioners of Property and Procurement and Agriculture annually.

16.02 Liability:

During the term of this Lease, Lessee shall at its own expense carry public liability insurance in a policy or policies, naming the Lessee and Lessor as the co-insured, and in limits of no less than **One Million Dollars (U.S.) (\$1,000,000.00)** to cover claims for bodily injury or death and in limits of no less than **One Million Dollars (U.S.) (\$1,000,000)** to cover property damage. Tenant shall furnish Lessor with Certificates of Insurance evidencing the coverage required by this Lease. A copy of all insurance policies shall be delivered to the Lessor within twenty (20) days of the effective date of this Lease.

17.00 LICENSURE

The Lessee covenants that it has:

- (a) Familiarized itself with the applicable provisions of Title 27 of the Virgin Islands Code pertaining to professions and occupations; and
- (b) Obtained all the applicable licenses or permits, temporary or otherwise, as required by Title 27 of the Virgin Islands Code, for the designated purposes and use of the Premises, as set out in Section 3.01 above.

18.00. CONFLICT OF INTEREST

- (a) Lessee covenants that he has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Lease.
- (b) Lessee further covenants that:
 - 1. he is not a territorial officer or employee (i.e., the Governor, Lieutenant Governor, member of the Legislature or any other elected territorial official; or an officer or employee of the Legislative, Executive or Judicial Branch of the Government or of any agency, board, commission or independent instrumentality of the Government,

whether compensated on a salary, fee or contractual basis; or otherwise); or

2. he is a territorial officer or employee and, as such has:
 - (i) familiarized himself with the provisions of Title 3, Chapter 37, Virgin Islands Code, pertaining to conflicts of interest, including the penalties provision set forth in § 1108 thereof;
 - (ii) not made, negotiated or influenced this Lease in his official capacity; and
 - (iii) no financial interest in the contract as that term is defined in § 1101(1) of said Code Chapter.

[INTENTIONALLY LEFT BLANK – SIGNATURES FOLLOW]

GOVERNMENT OF THE VIRGIN ISLANDS

WITNESSES:

BY: _____
CURRENT COMMISSIONER
Virgin Islands Department of Agriculture

(Print)

Date: _____

(Sign)

(Print)

(Sign)

BY: _____
CURRENT COMMISSIONER
Department of Property and Procurement

(Print)

Date: _____

(Sign)

(Print)

(Sign)

APPROVED AS TO LEGAL SUFFICIENCY
CURRENT ATTORNEY GENERAL

BY: _____
Assistant Attorney General

Date: _____

APPROVED

Honorable **CURRENT GOVERNOR**
Governor of the U.S. Virgin Islands

Date: _____

APPROVED

Honorable **CURRENT PRESIDENT**
President of the 35th Legislature of the U.S. Virgin Islands

Date: _____