### Ritter & Godde

<table>
<thead>
<tr>
<th>APN</th>
<th>TERMS OF LEASES</th>
</tr>
</thead>
<tbody>
<tr>
<td>3258-001-005</td>
<td>January 2008 thru 2010 Ext 2011</td>
</tr>
<tr>
<td>3258-001-039</td>
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<tr>
<td>3258-010-068</td>
<td></td>
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<tr>
<td>3258-010-069</td>
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<tr>
<td>3261-001-005</td>
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</tr>
<tr>
<td>3261-009-001</td>
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<tr>
<td>3258-001-004</td>
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</tr>
<tr>
<td>3261-001-007</td>
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</table>

### Maritorena Farms

<table>
<thead>
<tr>
<th>APN</th>
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</thead>
<tbody>
<tr>
<td>375-020-01</td>
<td>September 2010 thru August 2015</td>
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### Scott Harter

<table>
<thead>
<tr>
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<td>374-020-55</td>
<td>September 2010 thru August 2015</td>
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<td>374-011-13</td>
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</tbody>
</table>
FARM LEASE

Preamble

ANTELOPE VALLEY-EAST KERN WATER AGENCY ("AVEK") ("Landlord"), hereby leases to RITTER & GODDE (a Partnership) ("Tenant"), to occupy for the use of agricultural purposes only, the following real estate ("Premises"), located in the County of Los Angeles, State of California, described as follows:

<table>
<thead>
<tr>
<th>Assessor's Parcel Numbers:</th>
</tr>
</thead>
<tbody>
<tr>
<td>3258-001-005; 3258-001-039; 3258-010-001; 3258-010-068;</td>
</tr>
<tr>
<td>3258-010-069; 3261-001-005; 3261-009-001; 3258-001-004; 3261-001-007</td>
</tr>
</tbody>
</table>

1. Term of Lease

The term of this lease ("Lease") shall be for a period of two (2) crop years, commencing on ___/___/___ and ending on ___/___/___, at a rental rate of One-Hundred Dollars ($100) per year, pursuant to the real property Purchase Agreement dated ___/___/___.

2. Option to Renew Lease

In the event that the Lease remains in force and effect for a period of two (2) years without default on behalf of the Tenant, the Landlord hereby grants to Tenant an option to renew this Lease for an additional two (2) years, upon terms and conditions acceptable to Landlord. In order to exercise this option to renew, Lessee must first give written notice to Lessor of his intention to do so at least sixty (60) days prior to the expiration of the Term hereof.

3. Tenants Duties in Operating Farm

The Tenant further agrees to perform and carry out the stipulations below:

A. Activities Required:

1. To cultivate the farm faithfully and in a timely, thorough, and businesslike manner.

2. To prevent noxious weeds from going to seed on said premises but to destroy the same and to keep the weeds and grass cut on the Premises.
3. To haul and spread all manure on appropriate fields at times and in quantities consistent with environmental protection requirements and any applicable federal, state, or local standards.

4. To preserve established watercourses, tile drains, tile outlets, grass waterways, and terraces, and to refrain from any operation that will injure them.

5. To maintain all pumps and wells used by Tenant, and purchase in-lieu water from the Antelope Valley-East Kern Water Agency (AVEK) as directed by the Agency, in Agency's sole discretion, except for use on onions—must be able to use wells.

6. To keep the buildings, fences, drains, and other improvements in as good repair and condition as they may be put by the Landlord during the Term of the Lease, ordinary wear, loss by fire, or unavoidable destruction excepted.

7. To take proper care of all trees, vines, and shrubs, and to prevent injury to the same.

8. To keep the Premises neat and orderly by the use of general farming practices common to the area to minimize blowing dust and sand.

9. To prevent all unnecessary waste or loss, or damage to the property of the Landlord.

10. To comply with all pollution control and environmental protection requirements.

11. Any cultivation or other activities on acreage not farmed by Tenant and requested by Landlord shall be billed to Landlord at an agreed upon rate.

B. Activities Restricted

1. The Tenant further agrees, without prior written consent of Landlord:
   a. To farm from 0 to 1,455 acres of land for any one season. The area which will be farmed will be at the sole discretion of the Landlord.
   b. Not to use any acreage of the Premises for livestock.
   c. Not to enter into any other business, occupation, or sideline on the Premises.
   d. Not to house automobiles, motor trucks, or tractors in buildings that
would violate restrictions in any applicable insurance contract

e. Not to erect or permit to be erected any structure or building or to incur any expense to the Landlord for such purposes.

f. Not to add electrical wiring, plumbing, or heating to any buildings. (If consent is given, such additions must meet standards and requirements of utility and insurance companies.)

2. The Tenant further agrees, unless written consent of the Landlord is first obtained:

a. Not to plow permanent pasture or meadowland

b. Not to allow any stock on any tillable land except by annual agreement

c. Not to burn or remove crop residues grown upon the farm

d. Not to pasture new seedlings of legumes or grasses the year they are seeded.

e. Not to cut live trees for sale purposes or other personal uses

f. Not to erect or permit to be erected any commercial advertising signs or banners

4. Use of Premises

The Premises are demised to Tenant for the following purposes, and for no other purpose except with the prior written consent of the Landlord:

A. The planting, growing, and harvesting of agricultural crops.

B. The residence of any employees of Tenant engaged in farming activities of the lease premises.

C. The portions of the Premises not dedicated to use for farming, or residence shall be reserved for Landlord to be used for water storage and banking by Landlord.

For each succeeding year that this Lease remains in effect, the two parties shall review this Lease, before the lease year begins, to decide upon, (1) any changes in the cropping system, (2) acreage to be planted, and (3) the location of crops after rotation. The Landlord shall counsel with the Tenant at appropriate intervals on the best time for locating, rotating, planting, and working crops. In the event that a mutual determination cannot be reached as to crop rotation and location, the Landlord's decision shall control.
5. Operating Costs

The Tenant shall pay all costs in connection with Tenant's operations on the leased Premises, including, but not limited to costs of preparing the leased premises for planting of crops, production costs, costs of tools and labor, electricity and other utilities, maintenance of pumps and wells, and any assessment imposed on the Premises for the provision of water required by Tenant when pumped or purchased from Landlord pursuant to their in-lieu program.

6. Taxes and Assessments

Tenant shall pay, before delinquency, all personal property taxes or assessments levied on Tenant's personal property situated on or about the Premises during the term of this Lease. On demand, Tenant shall provide to Landlord satisfactory evidence of payment of personal property taxes or assessments levied on the Premises. Landlord shall pay any real property taxes, if any.

7. Insurance

Tenant shall, at all times during the term of this Lease, maintain and keep in force insurance coverage with insurers which will adequately protect both Tenant and Landlord against public liability and property damage on the Premises, naming Landlord as an additional insured. The minimum coverage required by this paragraph shall be one million dollars ($1,000,000) bodily injury per individual, three million dollars ($3,000,000) per occurrence, one million dollars ($1,000,000) property damage, and shall include a ten million dollar ($10,000,000) umbrella policy. Proof of the insurance coverage obtained by Tenant shall be given to Landlord within thirty (30) days after the execution of this Lease. Any contract entered into by Tenant for insurance coverage on the Premises shall include a provision requiring timely notice to Landlord in the event of cancellation of coverage by the insurer.

8. Maintenance

Tenant shall, at Tenant's own expense, keep and maintain the Premises, all improvements on the Premises, and all facilities appurtenant to the Premises, in good order and repair and in safe and clean condition as they were when received by Landlord, reasonable wear and tear excepted. Tenant agrees at the expiration of this lease to vacate the land, leaving it in a clean condition. No soil shall be removed from the property.

9. Waste or Nuisance

Tenant shall not commit, or permit others to commit, any waste on the leased premises. Tenant shall not maintain, commit, or permit the maintenance or commission of any nuisance as defined by California Civil Code Section 3479 on the Premises. Tenant shall not use or permit the use of the Premises for any unlawful purpose.
10. Alterations and Mechanics' Liens

A. Tenant shall not make or permit any alterations or improvements to the Premises without the prior written consent of the Landlord. On termination or expiration of this Lease, all improvements and alterations other than trade fixtures shall be property of the Landlord, and no reimbursement to Tenant shall be required. Tenant shall remove all trade fixtures placed by Tenant on the Premises within thirty (30) days after the expiration of the lease.

B. Tenant shall keep the premises free and clear of any and all liens arising out of any work performed or materials furnished at the request of Tenant, or obligations incurred by Tenant.

11. Landlord's Right of Entry During Term of the Lease

Tenant shall permit Landlord or Landlord's agents, representatives, employees, or assigns to enter the leased premises at all reasonable times to determine whether Tenant is complying with terms of this lease and for the purposes of viewing the same, or working, or making repairs or improvements thereon, or developing mineral rights as provided in Section 19 below, or doing any other lawful act that may be necessary to protect the Landlord's interest in the Premises.

12. Acceptance by Tenant

Tenant accepts the leased premises, as well as the improvements on the premises and facilities appurtenant to the premises, in their present condition. Tenant agrees with, and represents to Landlord, that the leased premises have been inspected by him/her and that Tenant has been assured by means independent of Landlord or Landlord's agents of the truth of all facts material to this Lease and that the leased premises are being leased by Tenant as a result of its inspection and investigation and not as a result of any representation made by Landlord or Landlord's agents.

13. Indemnification of Landlord

Throughout the term of this Lease, Tenant shall indemnify and hold Landlord harmless from all damages, injuries, or claims arising in or about the leased premises or arising from Tenant's operations of the leased premises.

14. Assignment and Subleasing

Tenant shall notify the Landlord, prior to commencement of the crop year, of all sublease agreements established with any persons other than Tenant's agents, family, or employees, on all or any part of the Premises. Landlord's consent to one assignment, sublease, occupation, or use by another person shall not be deemed to be a consent to any subsequent assignment, sublease, occupation, or use by any other person.
15. Default by Tenant

The occurrence of any of the following shall constitute a material default and breach of this Lease by Tenant:

A. Any failure by Tenant to pay the rent or make any other payment required to be made by Tenant under this Lease (when that failure continues for ten (10) days after a written notice of the failure is given by Landlord to Tenant);

B. The abandonment or vacation of the Premises by Tenant;

C. A failure by tenant to observe and perform any other provision of this Lease to be observed or performed by Tenant, when that failure continues for ten (10) days after written notice of the Tenant's failure is given by Landlord to Tenant, provided, however, that if the nature of that default is such that it cannot reasonably be cured within a ten (10) day period, Tenant shall not be deemed to be in default if Tenant commences that cure within the ten (10) day period and thereafter diligently prosecutes it to completion; or

D. The making by Tenant of any general assignment for the benefit of creditors; the filing by or against Tenant of a petition to have Tenant adjudged bankrupt or of a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, it is dismissed within sixty (60) days); the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, when possession is not restored to Tenant within thirty (30) days; or the attachment, execution, or the judicial seizure of substantially all of Tenant's assets located at the Premises or of the Tenant's interest in this Lease, when that seizure is not discharged within thirty (30) days.

The notices provided for in subsections A through C of this paragraph are not intended to replace, but rather are in addition to, any required statutory notices for unlawful detainer proceedings under California Code of Civil Procedure Section 1160 et. seq.

16. Recovery of Damages on Tenant's Default

In the event of any default by Tenant under this Lease, in addition to any other remedies available to Landlord at law or in equity, Landlord shall have the right to terminate this Lease and all rights of Tenant under this Lease by giving written notice of the termination. No act of Landlord shall be construed as terminating this Lease except written notice given by Landlord to Tenant advising Tenant that Landlord elects to terminate the Lease. In the event Landlord elects to terminate this Lease, Landlord may recover from Tenant all of the following:

A. The worth at the time of award of any unpaid rent that had been earned at the time of the Lease's termination;

B. The worth at the time of award of the amount by which the unpaid rent that would
have been earned after the Lease's termination until the time of award exceeds the amount of rental loss that Tenant proves could have been reasonably avoided;

C. The worth at the time of award of the amount by which the unpaid rent for the balance of the term of this Lease after the time of award exceeds the amount of rental loss that Tenant proves could be reasonably avoided; and

D. Any other amount necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform its obligations under this Lease.

17. Landlord's Right to Continue Lease in Effect After Breach

If Tenant breaches this Lease and abandons the Premises before the natural expiration of this Lease's term, Landlord may continue this Lease in effect by not terminating Tenant's right to possession of the Premises, in which event Landlord shall be entitled to enforce all its rights and remedies under this Lease, including the right to recover the rent specified in this Lease as it becomes due under this Lease. For as long as Landlord does not terminate this Lease, Tenant shall have the right to assign or sublease the Premises.

18. Condemnation

A. If all or any part of the leased premises is taken by any public or quasi-public agency or entity under the power of eminent domain during the term of this Lease,

B. Either Landlord or Tenant may terminate this Lease by giving the other thirty (30) days written notice of termination; provided, however, that Tenant cannot terminate this Lease unless the portion of the leased premises taken by eminent domain is so extensive as to render the remainder of the premises useless for the uses permitted by this Lease; and

C. If only a portion of the leased premises is taken by eminent domain and neither Landlord nor Tenant terminates this Lease, the rent thereafter payable under this Lease shall be reduced by the same percentage that the total acres of the portion taken by eminent domain bears to the total acreage of the leased premises.

D. Any and all damages and compensation awarded or paid because of a taking of the leased premises shall belong to Landlord, and Tenant shall have no claim against Landlord or the entity exercising eminent domain power for the value of the unexpired term of this Lease or any other right arising from this Lease.

19. Oil, Gas and Mineral Rights

Nothing in this Lease shall confer upon the Tenant any right to minerals underlying said land, but same are hereby reserved by Landlord together with the full right to bore, search, and excavate for same, to work and remove same, and to deposit excavated rubbish, and with full liberty to pass over said Premises with vehicles and lay down and work any railroad tracks, pipelines, power lines, and structures as may be necessary or convenient for the above
purpose. The Landlord agrees to reimburse the Tenant for any actual damage he may suffer for crops destroyed by these activities and to release Tenant from this Lease when development of mineral rights interferes materially with the Tenant's opportunity to make a satisfactory return.

20. Hunting Rights

All of the hunting rights and privileges on the leased premises are reserved to Landlord. Tenant agrees that he/she will not permit any hunting on the leased premises without the prior written consent of Landlord.

21. Attorneys' Fees

If any litigation is commenced between the parties to this Lease concerning the Premises, this Lease, or the rights and duties of either in relation to the Premises or to this Lease, the party prevailing in that litigation shall be entitled to, in addition to any other relief that may be granted in the litigation, a reasonable sum as and for its attorneys' fees in that litigation that are determined by the court in that litigation or in a separate action brought for that purpose.

22. Notices

Except as otherwise expressly provided by law, any and all notices or other communications required or permitted by this Lease or by law to be served on or given to either party by the other party shall be in writing and shall be deemed duly served and given when personally delivered to the party to whom they are directed, or in lieu of personal service when deposited in the United States mail, first-class postage prepaid, as follows:

To Landlord:
Russell E. Fuller, General Manager
Antelope Valley-East Kern Water Agency
6500 West Avenue N.
Paindale, California 93551

To Tenant:
Forrest G. Godde, Partner
Ritter & Godde
P.O. Box 1152
Lancaster, CA 93584-1152

Either party may change its address for the purpose of this paragraph by giving written notice of the change to the other party in the manner provided in this paragraph.
23. Binding on Heirs and Successors

This Lease and each of its provisions shall be binding on and shall inure to the benefit of the respective heirs, devisees, legatees, executors, administrators, trustees, successors, and assigns of the parties to this Lease. Nothing contained in this paragraph shall be construed as a consent by Landlord to any assignment of this Lease or any interest in this Lease by Tenant except as provided in Paragraph 14 of this Lease.

24. Time of Essence

Time is of the essence of this Lease and of each provision contained within, and each provision is made and declared to be a material, necessary, and essential part of this Lease.

25. Sole and Only Agreement

This instrument constitutes the sole and only agreement between Landlord and Tenant respecting the Premises, the leasing of the Premises to Tenant, or the Lease term created under this Lease, and correctly sets forth the obligations of Landlord and Tenant to each other as of its date. Any agreements or representations respecting the premises or their leasing by Landlord to Tenant not expressly set forth in this instrument are null and void. This Lease may not be extended, amended, modified, altered, or changed, except in a writing signed by Landlord and Tenant.

26. Effect of Partial Invalidity

If any term or provision of this Lease or any application of this Lease shall be held invalid or unenforceable, the remainder of this Lease and any application of the terms and provisions shall remain valid and enforceable under this Lease or California law.

27. Governing Law

This agreement shall be governed by and construed in accordance with the laws of the State of California.

28. Waiver

The waiver by Landlord of any breach by Tenant of any of the provisions of this Lease shall not constitute a continuing waiver or a waiver of any subsequent breach by Tenant of the same or another provision of this Lease.

SIGNATURES FOLLOW ON NEXT PAGE
Executed on 1-30-2008 at Los Angeles, County of Los Angeles, State of California.

LANDLORD

[Signature]

Antelope Valley-East Kern Water Agency

TENANT

[Signature]

Forrest Godde, Partner, Representative for Tenant
FARM LEASE
Preamble

ANTELOPE VALLEY-EAST KERN WATER AGENCY ("AVEK" or "Landlord"), hereby leases to Ritter & Godde (a partnership) ("Tenant"), to occupy for the use of agricultural purposes only, the following real estate ("Farm" or "Premises"), located in the County of __Los Angeles_____, State of California, described as follows:

That portion of ______ T60N, R14W,______, San Bernardino Base and Meridian,

according to the official plat of a survey of said land on file in the office of the Bureau of Land Management, more particularly described as follows:

"See Attachment A"

INSERT FARM LAND DESCRIPTION

Portion of A.T.N.: ______________________, approximately 400 Acres.

1. Term of Lease. The term of this lease ("Lease") shall be for a period of two (2) crop years ("years"), commencing on and ending on 12/31/2011______, at a rental rate of Twenty thousand dollars ($20,000) per acre, per year, payable as set forth in Paragraph 15 below.

2. Option to Renew Lease. In the event that the Lease remains in force and effect for a period of two (2) years without an uncured default on behalf of the Tenant, the Landlord hereby grants to Tenant an option to renew this Lease for an additional two (2) years, upon terms and conditions acceptable to Landlord. In order to exercise this option to renew, Lessee must give written notice to Landlord of its intention to do so at least sixty (60) days prior to the expiration of the term hereof. If Landlord and Tenant are unable to agree on the terms for a renewal of the Lease by not later than thirty (30) days prior to the expiration of the term hereof, then the option to renew will be deemed to have lapsed and this Lease will expire as the end of the original term.

3. Tenants Duties in Operating Farm. The Tenant agrees to perform and carry out the following:

A. Activities Required:

1. To cultivate the Farm faithfully and in a timely, thorough, and businesslike manner.

2. To prevent noxious weeds from going to seed on the Premises and to destroy the same and to keep the weeds and grass cut on the Premises.
3. To haul and spread all manure on appropriate fields at times and in quantities consistent with environmental protection requirements and any applicable federal, state, or local standards.

4. To preserve established watercourses, tile drains, tile outlets, grass waterways, and terraces, and to refrain from any operation that will injure them.

5. To purchase surface water from the AVEK when available for delivery to the Premises as directed by AVEK in lieu of pumping groundwater. AVEK surface water will be available to the Tenant at a rate of One-Hundred Dollars ($100.00) per acre-foot for row crop farming, or ($50.00) per acre-foot for alfalfa or other hay and grain crop farming, subject to an In-Lieu Agreement for cost-sharing with local Public/Private Entity (see cost-sharing example below). If AVEK surface water is not available during the term of the Lease, as determined by Landlord, Tenant may use groundwater from well(s) located on the Premises with prior consent of Landlord. No water shall leave the Premises for use outside of the Farm area. No water shall leave the Premises for use outside of the Farm area.

The cost of groundwater to Tenant will be determined by Landlord based on actual energy, operation, and maintenance costs incurred at the time of pumping and is estimated at: Dollars ($) per acre-foot.

<table>
<thead>
<tr>
<th>In-Lieu Agreement Cost Example Only (based on 2009 rates):</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cost of Surface Water: $206/AF</td>
</tr>
<tr>
<td>Cost of pumping groundwater: $110/AF</td>
</tr>
<tr>
<td>Incentive discount to &quot;Customer&quot;: ($10/AF)</td>
</tr>
<tr>
<td>Final &quot;Customer&quot; cost of pumping groundwater: $100/AF</td>
</tr>
<tr>
<td>Remaining cost to be paid by &quot;Public/Private Entity&quot;: $106/AF</td>
</tr>
</tbody>
</table>

6. To operate and maintain, as the sole responsible party, all piping, valves, pumps, groundwater well pump facilities (when applicable), and electrical facilities servicing the Premises according to applicable best management practices. This excludes only the AVEK surface water turnout(s). Any willful neglect, failure, or refusal from the Tenant to operate these facilities properly, as determined by the Landlord, will leave the Tenant responsible for such neglect. Tenant shall own, install/uninstall, and control all mentioned piping, valves, and booster pumps, with main valve(s) from such facilities operated by the Tenant for proper flow and pressure. To keep the Premises' buildings (and their facilities), fences, drains, and other improvements in as good repair and condition as they may be put by the Landlord during the Term of the Lease. Ordinary wear, loss by fire, or unavoidable destruction excepted.

7. To take proper care of all trees, vines, and shrubs, and to prevent injury to the same.

8. To keep the Premises neat and orderly by the use of general farming practices common to the area to minimize blowing dust and sand. Farm land shall be disked clean or mowed and left level at the completion of each crop year or as required per the Landlord's direction.
9. To prevent all unnecessary waste or loss, or damage to the property of the Landlord.

10. To comply with all pollution control and environmental protection requirements as required by local, state, and federal agencies, as well as to implement soil erosion control practices to comply with the soil loss standards mandated by local, state, and federal agencies.

11. To use prudence and care in transporting, storing, handling, and applying all fertilizers, pesticides, herbicides, and other chemicals and similar substances on the Premises; to read and follow label instructions for the use of such materials in order to avoid injury or damages to persons or property or both on the Premises and adjoining areas; and to comply with California state pesticide training, licensing, permitting, storing, usage, and reporting.

12. Any chemicals for weed or insect control or other use, when used, should be applied at levels not to exceed the manufacturer’s recommendation for the soil types involved.

13. When chemicals or petroleum products are stored on the Farm, they will be only those planned to be used on the Farm and they will be in closed, tight containers above ground and clearly marked. No chemicals or chemical containers will be disposed of on the Premises.

14. Any cultivation or other activities on acreage not farmed by Tenant and requested by Landlord shall be billed to Landlord at an agreed upon rate, under a separate agreement.

B. Activities Restricted.

1. The Tenant further agrees, without prior written consent of Landlord:
   a. Not to use any acreage of the Premises for livestock.
   b. Not to enter into any other business, occupation, or sideline on the Premises.
   c. Not to house automobiles, motor trucks, or tractors in buildings that would violate restrictions in any applicable insurance contract.
   d. Not to erect or permit to be erected any structure or building or to incur any expense to the Landlord for such purposes.
   e. Not to add electrical wiring, plumbing, or heating to any buildings. (If consent is given, such additions must meet standards and requirements of utility and insurance companies.)

2. The Tenant further agrees, unless written consent of the Landlord is first obtained:
   a. Not to plow permanent pasture or meadowland
b. Not to allow any stock on any tillable land except by annual agreement

c. Not to burn or remove crop residues grown upon the Farm

d. Not to pasture new seedlings of legumes or grasses the year they are seeded.

e. Not to cut live trees for sale purposes or other personal uses

f. Not to erect or permit to be erected any commercial advertising signs or banners

4. **Review of Lease.** For each succeeding year that this Lease remains in effect, Landlord and Tenant shall review this Lease, before the lease year begins, to decide upon, (1) any changes in the cropping system, (2) acreage to be planted, and (3) the location of crops after rotation. The Landlord shall counsel with the Tenant at appropriate intervals on the best time for locating, rotating, planting, and working crops. In the event that a mutual determination cannot be reached as to crop rotation and location, the Landlord’s decision shall control.

5. **Operating Costs.** The Tenant shall pay all costs in connection with Tenant’s operations on the Premises, including, but not limited to costs of preparing the Premises for planting of crops, production costs, costs of tools and labor, electricity and other utilities (including groundwater pumping), operation and maintenance of piping, valves, pumps, groundwater well pump facilities (when applicable), and any assessment imposed on the Premises for the provision of water required by Tenant, whether pumped groundwater or surface water purchased from Landlord in-lieu of pumping groundwater.

6. **Taxes and Assessments.** Tenant shall pay, before delinquency, all personal property taxes or assessments levied on Tenant’s personal property situated on or about the Premises during the term of this Lease. On demand, Tenant shall provide to Landlord satisfactory evidence of payment of personal property taxes or assessments levied on the Premises. Landlord shall pay any real property taxes, if any. Landlord hereby notifies Tenant that although Landlord is exempt from payment of real property taxes, Tenant’s use and occupancy of the Premises pursuant to this Lease may subject Tenant to possessorcy interest taxes. Tenant shall be solely responsible for payment of any such taxes levied as a result of Tenant’s use and occupancy of the Premises.

7. **Insurance.** Tenant shall, at all times during the term of this Lease, maintain and keep in force insurance coverage with insurers which will adequately protect both Tenant and Landlord against public liability and property damage on the Premises, naming Landlord as an additional insured. The minimum coverage required by this paragraph shall be two million dollars ($2,000,000) bodily injury per individual, three million dollars ($3,000,000) per occurrence, one million dollars ($1,000,000) property damage, and shall include a ten million dollar ($10,000,000) umbrella policy. Proof of the insurance coverage obtained by Tenant shall be given to Landlord within thirty (30) days after the execution of this Lease. Any contract entered into by Tenant for insurance coverage on the Premises shall include a provision requiring timely notice to Landlord in the event of cancellation of coverage by the insurer.

8. **Maintenance.** Tenant shall, at Tenant’s own expense, keep and maintain the Premises, all improvements on the Premises, and all facilities appurtenant to the Premises, in good order and repair and in safe and clean condition as they were when received by Landlord, reasonable wear and tear excepted. Tenant agrees at the expiration of this lease to vacate the land, leaving it
in a clean condition, with Farm land disked clean or mowed and left level as required per the Landlord's direction. No soil shall be removed from the property.

9. Waste or Nuisance. Tenant shall not commit, or permit others to commit, any waste on the Premises. Tenant shall not maintain, commit, or permit the maintenance or commission of any nuisance as defined by California Civil Code Section 3479 on the Premises. Tenant shall not use or permit the use of the Premises for any unlawful purpose.

10. Alterations and Mechanics' Liens.

   A. Tenant shall not make or permit any alterations or improvements to the Premises without the prior written consent of the Landlord. On termination or expiration of this Lease, all improvements and alterations other than trade fixtures shall be property of the Landlord, and no reimbursement to Tenant shall be required. Tenant shall remove all trade fixtures placed by Tenant on the Premises within thirty (30) days after the expiration of the Lease.

   B. Tenant shall keep the Premises free and clear of any and all liens arising out of any work performed or materials furnished at the request of Tenant, or obligations incurred by Tenant.

11. Landlord's Right of Entry During Term of the Lease. Tenant shall permit Landlord or Landlord's agents, representatives, employees, or assigns to enter the Premises at all reasonable times to determine whether Tenant is complying with terms of this lease and for the purposes of viewing the same, or working, or making repairs or improvements thereon, or developing mineral rights as provided in Section 19 below, or doing any other lawful act that may be necessary to protect the Landlord's interest in the Premises.

12. Acceptance by Tenant. Tenant accepts the leased Premises, as well as the improvements on the Premises and facilities appurtenant to the Premises, in their present condition. Tenant agrees with, and represents to Landlord, that the Premises have been inspected by Tenant and that Tenant has been assured by means independent of Landlord or Landlord's agents of the truth of all facts material to this Lease and that the Premises are being leased by Tenant as a result of its inspection and investigation and not as a result of any representation made by Landlord or Landlord's agents.

13. Indemnification of Landlord. Throughout the term of this Lease, Tenant shall indemnify and hold Landlord harmless from all damages, injuries, or claims arising in or about the Premises or arising from Tenant's operations of the Premises.

14. Assignment and Subleasing. Tenant shall obtain the prior written consent of the Landlord, prior to commencement of the crop year, for any sublease agreements with any persons other than Tenant's agents, family, or employees, on all or any part of the Premises. Landlord's consent to one assignment, sublease, occupation, or use by another person shall not be deemed to be consent to any subsequent assignment, sublease, occupation, or use by any other person.

15. Rent. Tenant agrees to pay to Landlord, as an initial annual rent for the Premises, the sum of Seventeen Thousand Dollars ($17,200.00). Tenant shall pay this annual rent, in advance not later than five (5) business days prior to the commencement of the term of the Lease and each anniversary of such date. The annual rent shall be paid to Landlord at the address set forth in Paragraph 22 hereof or at such other place designated by Landlord. Annual rent that remains unpaid following the period described in Paragraph 16.A. shall be
subject to a late payment charge in an amount equal to six percent (6%) of the delinquent payment amount. Any rent amounts remaining unpaid thirty (30) days after due will bear interest from the date of expiration of such thirty (30) day period until paid, at the highest legal rate.

16. Default by Tenant. The occurrence of any of the following shall constitute a material default and breach of this Lease by Tenant:

A. Any failure by Tenant to pay the rent or make any other payment required to be made by Tenant under this Lease (when that failure continues for ten (10) days after a written notice of the failure is given by Landlord to Tenant);

B. The abandonment or vacation of the Premises by Tenant;

C. A failure by tenant to observe and perform any other provision of this Lease to be observed or performed by Tenant, when that failure continues for ten (10) days after written notice of the Tenant’s failure is given by Landlord to Tenant, provided, however, that if the nature of that default is such that it cannot reasonably be cured within a ten (10) day period, Tenant shall not be deemed to be in default if Tenant commences that cure within the ten (10) day period and thereafter diligently prosecutes it to completion; or

D. The making by Tenant of any general assignment for the benefit of creditors; the filing by or against Tenant of a petition to have Tenant adjudged bankrupt or of a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, it is dismissed within sixty (60) days); the appointment of a trustee or receiver to take possession of substantially all of Tenant’s assets located at the Premises or Tenant’s interest in this Lease, when possession is not restored to Tenant within thirty (30) days; or the attachment, execution, or the judicial seizure of substantially all of Tenant’s assets located at the Premises or Tenant’s interest in this Lease, when that seizure is not discharged within thirty (30) days.

The notices provided for in subsections A through C of this paragraph are not intended to replace, but rather are in addition to, any required statutory notices for unlawful detainer proceedings under California Code of Civil Procedure Section 1160 et. seq.

17. Recovery of Damages on Tenant’s Default. In the event of any default by Tenant under this Lease, in addition to any other remedies available to Landlord at law or in equity, Landlord shall have the right to terminate this Lease and all rights of Tenant under this Lease by giving written notice of the termination. No act of Landlord shall be construed as terminating this Lease except written notice given by Landlord to Tenant advising Tenant that Landlord elects to terminate the Lease. In the event Landlord elects to terminate this Lease, Landlord may recover from Tenant all of the following:

A. The worth at the time of award of any unpaid rent that had been earned at the time of the Lease’s termination;

B. The worth at the time of award of the amount by which the unpaid rent that would have been earned after the Lease’s termination until the time of award exceeds the amount of rental loss that Tenant proves could have been reasonably avoided;
C. The worth at the time of award of the amount by which the unpaid rent for the balance of the term of this Lease after the time of award exceeds the amount of rental loss that Tenant proves could be reasonably avoided; and

D. Any other amount necessary to compensate Landlord for all detriment proximately caused by Tenant’s failure to perform its obligations under this Lease.

18. Landlord’s Right to Continue Lease in Effect After Breach. If Tenant breaches this Lease and abandons the Premises before the natural expiration of this Lease’s term, Landlord may continue this Lease in effect by not terminating Tenant’s right to possession of the Premises, in which event Landlord shall be entitled to enforce all its rights and remedies under this Lease, including the right to recover the rent specified in this Lease as it becomes due under this Lease. For as long as Landlord does not terminate this Lease, Tenant shall have the right to assign or sublease the Premises.


A. If all or any part of the Premises is taken by any public or quasi-public agency or entity under the power of eminent domain during the term of this Lease, either Landlord or Tenant may terminate this Lease by giving the other thirty (30) days written notice of termination; provided, however, that Tenant cannot terminate this Lease unless the portion of the Premises taken by eminent by eminent is so extensive as to render the remainder of the Premises useless for the uses permitted by this Lease; and

B. If only a portion of the Premises is taken by eminent domain and neither Landlord nor Tenant terminates this Lease, the rent thereafter payable under this Lease shall be reduced by the same percentage that the total acres of the portion taken by eminent domain bears to the total acreage of the Premises.

C. Any and all damages and compensation awarded or paid because of a taking of the Premises shall belong to Landlord, and Tenant shall have no claim against Landlord or the entity exercising eminent domain power for the value of the unexpired term of this Lease or any other right arising from this Lease.

20. Water Rights. Nothing in this Lease shall confer upon the Tenant any right to groundwater pumping rights, associated with the Premises that may be finally determined adjudicated in the Coordination Proceeding known as the "Antelope Valley Groundwater Cases", Judicial Council Coordination Proceeding No. 4408, including any right to all overlying and appropriative rights to divert, extract, use, and state percolating groundwater that may be produced from, or that is stored beneath the surface of the Premises or any property of the Landlord.

21. Oil, Gas and Mineral Rights. Nothing in this Lease shall confer upon the Tenant any right to minerals underlying said land, but same are hereby reserved by Landlord together with the full right to bore, search, and excavate for same, to work and remove same, and to deposit excavated rubbish, and with full liberty to pass over the Premises with vehicles and lay down and work any railroad tracks, pipelines, power lines, and structures as may be necessary or convenient for the above purpose. The Landlord agrees to reimburse the Tenant for any actual damage he may suffer for crops destroyed by these activities and to release Tenant from this Lease when development of mineral rights interferes materially with the Tenant’s opportunity to make a satisfactory return.
22. **Hunting Rights.** All of the hunting rights and privileges on the Premises are reserved to Landlord. Tenant agrees that it will not permit any hunting on the Premises without the prior written consent of Landlord.

23. **Attorneys’ Fees.** If any litigation is commenced between the parties to this Lease concerning the Premises, this Lease, or the rights and duties of either in relation to the Premises or to this Lease, the party prevailing in that litigation shall be entitled to, in addition to any other relief that may be granted in the litigation, a reasonable sum as and for its attorneys’ fees in that litigation that are determined by the court in that litigation or in a separate action brought for that purpose.

24. **Notices.** Except as otherwise expressly provided by law, any and all notices or other communications required or permitted by this Lease or by law to be served on or given to either party by the other party shall be in writing and shall be deemed duly served and given when personally delivered to the party to whom they are directed, or in lieu of personal service when deposited in the United States mail, first-class postage prepaid, as follows:

To Landlord:
Michael Flood, Interim General Manager
Antelope Valley-East Kern Water Agency
6500 West Avenue N.
Palmdale, California 93551

To Tenant:

**Forrest G. Godde, Partner**
Tenant Name, Title

**Bittner & Godde**
Company

**P O Box 1152**

**Lancaster, CA 93534-1152**
Address

Either party may change its address for the purpose of this paragraph by giving written notice of the change to the other party in the manner provided in this paragraph.

25. **Binding on Heirs and Successors.** This Lease and each of its provisions shall be binding on and shall inure to the benefit of the respective heirs, devisees, legatees, executors, administrators, trustees, successors, and assigns of the parties to this Lease. Nothing contained in this paragraph shall be construed as consent by Landlord to any assignment of this Lease or any interest in this Lease by Tenant except as provided in Paragraph 14 of this Lease.

26. **Time of Essence.** Time is of the essence of this Lease and of each provision contained within, and each provision is made and declared to be a material, necessary, and essential part of this Lease.

27. **Sole and Only Agreement.** This instrument constitutes the sole and only agreement between Landlord and Tenant respecting the Premises, the leasing of the Premises to Tenant, or the Lease term created under this Lease, and correctly sets forth the obligations of Landlord and Tenant to each other as of its date. Any agreements or representations respecting the premises or
their leasing by Landlord to Tenant not expressly set forth in this instrument are null and void. This Lease may not be extended, amended, modified, altered, or changed, except in a writing signed by Landlord and Tenant.

28. **Effect of Partial Invalidity.** If any term or provision of this Lease or any application of this Lease shall be held invalid or unenforceable, the remainder of this Lease and any application of the terms and provisions shall remain valid and enforceable under this Lease or California law.

29. **Governing Law.** This Lease shall be governed by and construed in accordance with the laws of the State of California.

30. **Waiver.** The waiver by Landlord of any breach by Tenant of any of the provisions of this Lease shall not constitute a continuing waiver or a waiver of any subsequent breach by Tenant either of the same or another provision of this Lease.

SIGNATURES FOLLOW ON NEXT PAGE
Executed on 01/25/2010 at Lancaster, County of Los Angeles, State of California.

LANDLORD

Antelope Valley-East Kern Water Agency

By: [Signature]

Its: PRESIDENT

TENANT

[Signature]

Tenant Name, Title
Attachment A

North ½ of the Southeast ¼ of Section 4 (Apprx. 80 acres),

Southwest ¼ of Section 4 (Apprx. 160 acres),

North 1,980 feet of the Northwest ¼ of Section 9 (Apprx. 120 acres),

Northeast ¼ of Section 8 (Apprx. 160 acres),

North ½ of the Northwest ¼ of Section 8 (Apprx. 80 acres),

Southeast ¼ of the Northwest ¼ of Section 8 (Apprx. 40 acres),

Northeast ¼ of Section 7, **EXCEPT:** Two triangular parcels with height and bases of 933.3 feet (Apprx. 10 acres each) located at the center and the East quarter corner of Section 7 (Apprx. 140 acres),

East ½ of the Southeast ¼ of Section 6 (Apprx. 80 acres).

All property is located in Township 8 North, Range 14 West.
S.B.B.M., Los Angeles County, California.

Total leased property is approximately 860 acres.