

GRAZING LEASE

THE STATE OF TEXAS }{
 }{
COUNTY OF SCHLEICHER }{

KNOW ALL MEN BY THESE PRESENTS:

THIS GRAZING LEASE is made this 12th day of October, 2021, between Triad Land Investments, LTD its heirs, representatives, successors and assigns, 1001 Water Str., Ste. B200, Kerrville, Texas 78028 (hereinafter called "Lessors") and Koerth Cattle Company, 8501 W Hwy 84, Gatesville, TX 76528. ("Lessee").

WITNESSETH

1. **Purpose:** This lease shall be for the purpose of grazing cattle. Any other use of the property by Lessee must be approved in advance by Lessors.
2. **Property Description:** This lease shall be for all certain lands described below: +/- 5,475.12 acres more or less, and formerly known as the Figure 3 Ranch. See attached survey.
3. **Primary Term:** This lease is for a primary term of (2) year(s) beginning 10/12/21, 2021.
4. **Consideration:** As consideration for this lease, Lessee agrees to the following: Lessee to maintain all water wells, water lines and fences on the ranch.
5. **Stocking Rate:** Lessee agrees to only stock the lease premises with a maximum of 100 animal units with the option of increasing the number of animal units no greater than the industry standard for commercial livestock operations in Schleicher County in the second year per mutual agreement of Lessor and Lessee. Lessee also agrees to use good grazing management practices, including a rotation grazing system on the lease.
6. **Lessors's Reservations:** Lessors hereby reserves:
 - a. **Hunting Rights:** Lessors has reserved for his personal use, all the hunting privileges associated with the property.
 - b. **Access to the Property:** Lessors reserves for himself and his employees agents and representatives, the right to go upon the property at all times.
 - c. **Use of the Property:** Lessors reserves the right to use the property for any purpose, other than grazing livestock, which Lessors may desire, so long as such use does not materially interfere with Lessee's rights hereunder.
7. **Right to Terminate Lease:** Lessors or Lessee may terminate this agreement at any

time by written notice 60 days prior to termination. Any individual tract owner at any time will have the right to cancel the lease on part or all of his property by constructing fencing that meets local standards and specifications for fencing Schleicher County and then giving Lessee thirty (30) days advance written notice that the owner wishes to withdraw his property from this lease.

8. **Lessee's Indemnity:** Lessee does hereby hold harmless Lessors from and against any and all liability whatsoever arising out of, resulting from or in connection with Lessee's activities upon the property, whether property damage or personal injury. Property owners shall be held personally liable for any injury or death to Lessee's livestock that can be proven to be directly attributable to said property owner's actions.
9. **No Partnership:** This lease shall not be deemed to give rise to a partnership relation between Lessors and Lessee and neither Lessors nor Lessee shall have the right or authority to obligate the other for any debts incurred in connection with the activities of Lessors and Lessee, respectively, upon the property. Further Lessee covenants and agrees not to permit any person to file a lien upon the property in connection with the activities of Lessee on the property.
10. **Enforceability:** This lease shall be binding upon Lessors and Lessee, and their respective heirs, legal representatives, successors and assigns. This lease shall be governed and construed in accordance with the laws of the State of Texas and the obligations of the parties hereto are and shall be performable in Kerrville, Texas.
11. **No Representations:** Lessee acknowledges that Lessors has made no representations or warranties, written or verbal, express or implied, with respect to the condition of the property or the adequacy of the property for livestock grazing activities.
12. **Attorney's Fee:** In the event of any dispute concerning this lease, the prevailing party in any litigation shall be entitled to recover in addition to any other relief, such party's attorney's fees and costs incurred.

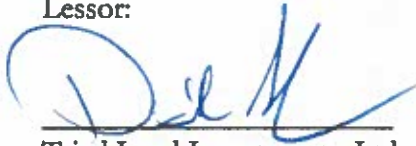
To secure loans from lenders, purchasers of tracts will be required to allow lenders to place a lien on the Property, which is a portion of the premises described in the Lease. Tenant is in possession of all or part of the premises. As a condition for closing the loans, advancing the funds, and accepting the notes and deeds of trust from purchasers, lenders will require that Tenant make the following agreements and warranties.

In return for valuable consideration, Tenant (1) subordinates the Lease and all of Tenant's rights under it to any deed of trust lien, (2) agrees that any deed of trust liens will remain superior to the Lease and all of Tenant's rights under it, regardless of the frequency and manner of

renewal, extension, or alteration of the notes and the liens securing it, and (3) warrants that the rent specified in the Lease is being paid to Landlord.

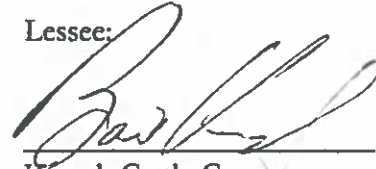
IN WITNESS WHEREOF, Lessors and Lessee have executed this lease effective as of the 26th day of October, 2021.

Lessor:



Triad Land Investments, Ltd

Lessee:



Koerth Cattle Co.


TRIAD LAND INVESTMENTS, LTD.
BY ITS GENERAL PARTNER:



GENERAL TRIAD, LLC
DAVID E. LEHMANN, MANAGER

STATE OF TEXAS ~
COUNTY OF Kerr ~

THIS INSTRUMENT WAS ACKNOWLEDGED BEFORE ME ON THE 26th DAY OF October, 2021, BY DAVID E. LEHMANN, MANAGER OF GENERAL TRIAD, LLC, GENERAL PARTNER OF TRIAD LAND INVESTMENTS, LTD. ON BEHALF OF SAID LIMITED PARTNERSHIP.

SIGNED: 



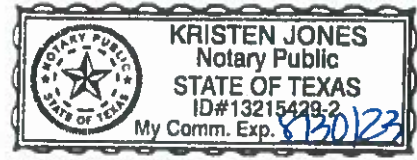
NOTARY PUBLIC IN & FOR THE STATE OF TEXAS

MY COMMISSION EXPIRES ON _____, 20____.

STATE OF TEXAS ~
COUNTY OF Comal ~

THIS INSTRUMENT WAS ACKNOWLEDGED BEFORE ME ON THE 27 DAY OF Oct, 2021, BY BART KOERTH, OWNER OF KOERTH CATTLE COMPANY, ON BEHALF OF SAID COMPANY.

SIGNED: Kristen Jones



NOTARY PUBLIC IN & FOR THE STATE OF TEXAS

MY COMMISSION EXPIRES ON 8/30/, 2023.

FILED FOR RECORD

**STATE OF TEXAS
COUNTY OF SCHLEICHER**

AT 11:34 O'CLOCK A. M.
ON THE 1st DAY OF November
A.D., 20 21.

I hereby certify that this instrument was FILED on the date and at the time stamped hereon by me and was duly RECORDED in the Official Records of Schleicher County, Texas

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Mary Ann Gonzalez
COUNTY AND DISTRICT CLERK
SCHLEICHER COUNTY, TEXAS
BY Michael Skell



COUNTY AND DISTRICT
CLERK SCHLEICHER
COUNTY, TEXAS