

Dane County Conditional Use Permit Application

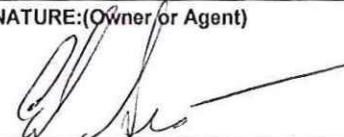
Application Date	C.U.P Number
06/18/2015	DCPCUP-2015-02324
Public Hearing Date	
08/25/2015	

OWNER INFORMATION		AGENT INFORMATION	
OWNER NAME KNIGHT FAMILY FARM	Phone with Area Code	AGENT NAME ED SHORT	Phone with Area Code (608) 712-1040
BILLING ADDRESS (Number, Street) 6420 SUNSET DR		ADDRESS (Number, Street) N8096 BUOL RD	
(City, State, Zip) VERONA, WI 53593		(City, State, Zip) BELLEVILLE, WI 53508	
E-MAIL ADDRESS mike.knight@customeranalytics.com		E-MAIL ADDRESS exeterdesign@yahoo.com	

ADDRESS/LOCATION 1	ADDRESS/LOCATION 2	ADDRESS/LOCATION 3
ADDRESS OR LOCATION OF CUP	ADDRESS OR LOCATION OF CUP	ADDRESS OR LOCATION OF CUP
6610 SUN VALLEY PARKWAY		
TOWNSHIP Montrose VERONA	SECTION 2	TOWNSHIP
		SECTION
PARCEL NUMBERS INVOLVED	PARCEL NUMBERS INVOLVED	PARCEL NUMBERS INVOLVED
0508-024-9500-3	---	---

CUP DESCRIPTION
SECONDARY SINGLE FAMILY RESIDENCE

DANE COUNTY CODE OF ORDINANCE SECTION	ACRES
10.123(A)1.(4)	4.56

DEED RESTRICTION REQUIRED? <input type="checkbox"/> Yes <input type="checkbox"/> No Applicant Initials <u>EAS</u>	Inspectors Initials SSA1	SIGNATURE: (Owner or Agent) 
		PRINT NAME: ed Short
		DATE: 6/18/15



DANE COUNTY
PLANNING & DEVELOPMENT

Zoning Division
Room 116, City-County Building
210 Martin Luther King Jr. Blvd.
Madison, Wisconsin 53703-3342
Phone: (608) 266-4266
Fax: (608) 267-1540

Conditional Use Application

Application Fee: \$486 Mineral Extraction: \$1136

Items required to be submitted with application:

- Written Legal Description of Conditional Use Permit boundaries
- Scaled drawing of the property showing existing/proposed buildings, setback requirements, driveway, parking area, outside storage areas, location/type of exterior lighting, any natural features, and proposed signs.
- Scaled map showing neighboring area land uses and zoning districts
- Written operations plan describing the items listed below (additional items needed for mineral extraction sites)
- Written statement on how the proposal meets the 6 standards of a Conditional Use

Owner	<u>Knight Family Farm</u>	Agent	<u>Ed Stewart</u>
Address	<u>6420 Sunset Drive</u>	Address	<u>N Bruce Paul Rd</u>
Phone	<u>Verona, WI 53593</u>	Phone	<u>Bellefonte, WI 53508</u>
Email	<u>mike.knight@customeranalytics.com</u>	Email	<u>712-1040</u> <u>exeterdesign@yahoo.com</u>

Parcel numbers affected: 0508-024-95003 Town: Montrose Section: 2
 Property Address: 6410 Sun Valley Parkway
Bellefonte, WI

Existing/ Proposed Zoning District : A1-EX

Type of Activity proposed:

Additional Residence on A1-EX

- Hours of Operation
- Number of employees
- Anticipated customers
- Outside storage
- Outdoor activities
- Outdoor lighting
- Outside loudspeakers
- Proposed signs
- Trash removal
- Six Standards of CUP (see back)

The statements provided are true and provide an accurate depiction of the proposed land use. I authorize that I am the owner or have permission to act on behalf of the owner of the property.

Submitted By: [Signature]

Date: 6/10/15

Background

There currently is no one living full time on this parcel in question. There exists the original farm house which has been updated for a combination of business space with some living quarters. The living quarters are used when someone makes a site visit or when employee(s) are stranded on site due to weather conditions.

There also exists an old trailer placed on a concrete block foundation. This was the living quarters for the former owner's son which was covered in CUP #183 and was rental property until December of 2014. The rental was terminated and this structure became the cold storage and produce preparation area located in the concrete block basement.

Six Standards

- 1. The addition of the new residence (full time) meets the original intent of having a resident on site.*
- 2. Again, the new house will have no effect on neighboring property.*
- 3. This is a rural area with ag land surrounding this parcel on all four sides. There will be no impact on anyone's future development potential.*
- 4. New construction will sit on a hill and will obtain appropriate permits to construct both local and county.*
- 5. Ingress/Egress will come off the existing driveway (see map). Minor increase in traffic from current use due to no full time residence.*
- 6. The CUP will conform to all applicable regulations for both the town and county.*

Knight Family Farm Description:

The farm is located at 6610 Sun Valley Parkway, Belleville, WI 53508 and consists of 116.6 acres. The tillable acreage is under lease and is used to grow organic corn, soybean, and alfalfa.

Situated on the farm is an aquaponics facility made of a 10,000 square foot greenhouse with an attached occluded space for raising fish. The fish wastewater is used to grow vegetables. The physical aspects of this facility are owned by Mike Knight/Knight Family Farm, but are operated by another entity, Clean Fresh Food, LLC. The aquaponics facility has been operational since 2013, and is projected to be in full production by November 2015. Clean Fresh Food operations currently require 2 non-family FTE.

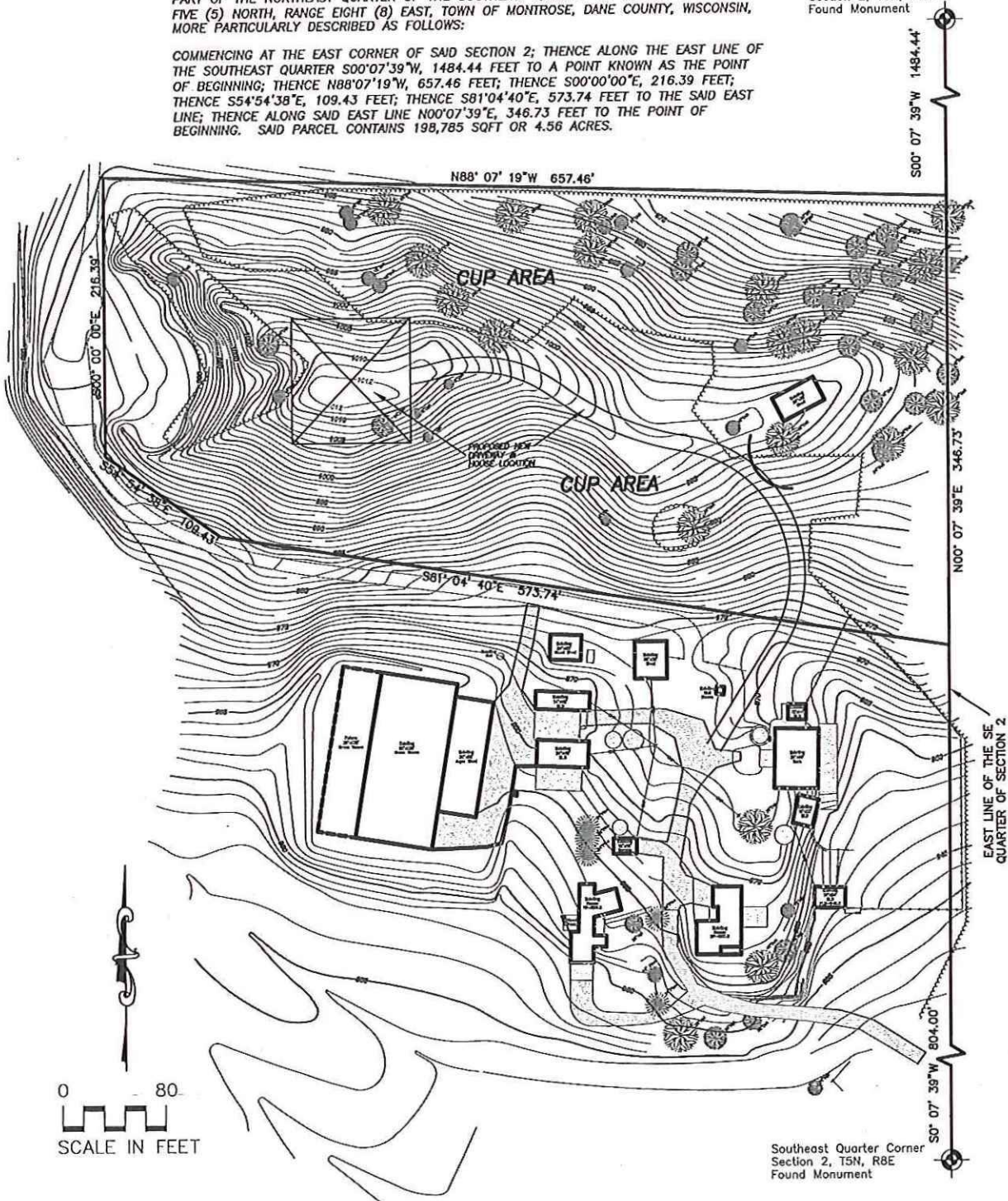
Knight Family Farm derives income from the leasing of the tillable acreage, as well as the leasing of the aquaponics facility.

See attachment of tax returns and lease agreements.

CUP LEGAL DESCRIPTION
 PART OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 2, TOWN FIVE (5) NORTH, RANGE EIGHT (8) EAST, TOWN OF MONTROSE, DANE COUNTY, WISCONSIN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE EAST CORNER OF SAID SECTION 2; THENCE ALONG THE EAST LINE OF THE SOUTHEAST QUARTER S00°07'39"W, 1484.44 FEET TO A POINT KNOWN AS THE POINT OF BEGINNING; THENCE N88°07'19"W, 657.46 FEET; THENCE S00°00'00"E, 216.39 FEET; THENCE S54°54'38"E, 109.43 FEET; THENCE S81°04'40"E, 573.74 FEET TO THE SAID EAST LINE; THENCE ALONG SAID EAST LINE N00°07'39"E, 346.73 FEET TO THE POINT OF BEGINNING. SAID PARCEL CONTAINS 198,785 SQFT OR 4.56 ACRES.

East Quarter Corner
 Section 2, T5N, R8E
 Found Monument



KNIGHT FAMILY FARM
 EXISTING CONDITIONS MAP
 6610 SUN VALLEY PARKWAY
 BELLEVILLE, WI 53508

SCHEDULE F
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Profit or Loss From Farming

▶ Attach to Form 1040, Form 1040NR, Form 1041, Form 1065, or Form 1065-B.
▶ Information about Schedule F and its separate Instructions is at www.irs.gov/schedulef.

OMB No. 1545-0074

2014

Attachment
Sequence No. **14**

Name of proprietor Social security number (SSN)

Clean Fresh Food LLC

A Principal crop or activity **B** Enter code from Part IV **C** Accounting method: **D** Employer ID number (EIN), (see Instr)

Vegetables and Fish ▶ 111400 Cash Accrual 46-1298434

- E** Did you 'materially participate' in the operation of this business during 2014? If 'No,' see instructions for limit on passive losses Yes No
- F** Did you make any payments in 2014 that would require you to file Form(s) 1099 (see instructions)? Yes No
- G** If 'Yes,' did you or will you file required Forms 1099? Yes No

Part I Farm Income – Cash Method. Complete Parts I and II (Accrual method. Complete Parts II and III, and Part I, line 9.)

1 a Sales of livestock and other resale items (see instructions)	1 a		
b Cost or other basis of livestock or other items reported on line 1a	1 b	469.	
c Subtract line 1b from line 1a	1 c	-469.	
2 Sales of livestock, produce, grains, and other products you raised	2	26,059.	
3 a Cooperative distributions (Form(s) 1099-PATR)	3 a		3 b Taxable amount
4 a Agricultural program payments (see instructions)	4 a		4 b Taxable amount
5 a Commodity Credit Corporation (CCC) loans reported under election	5 a		5 c Taxable amount
b CCC loans forfeited	5 b		5 c Taxable amount
6 Crop insurance proceeds and federal crop disaster payments (see instructions)			
a Amount received in 2014	6 a		6 b Taxable amount
c If election to defer to 2015 is attached, check here <input type="checkbox"/>		6 d Amount deferred from 2013	6 d
7 Custom hire (machine work) income	7		
8 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	8	WI Power, & Light Co	1,726.
9 Gross income. Add amounts in the right column (lines 1c, 2, 3b, 4b, 5a, 5c, 6b, 6d, 7, and 8). If you use the accrual method, enter the amount from Part III, line 50 (see instructions)	9		27,316.

Part II Farm Expenses – Cash and Accrual Method. Do not include personal or living expenses (see instructions).

10 Car and truck expenses (see instructions). Also attach Form 4562	10		
11 Chemicals	11	1,393.	
12 Conservation expenses (see instructions)	12		
13 Custom hire (machine work)	13		
14 Depreciation and section 179 expense (see instructions)	14	758.	
15 Employee benefit programs other than on line 23	15	14,455.	
16 Feed	16	4,595.	
17 Fertilizers and lime	17		
18 Freight and trucking	18	226.	
19 Gasoline, fuel, and oil	19	1,829.	
20 Insurance (other than health)	20	1,106.	
21 Interest:			
a Mortgage (paid to banks, etc)	21 a		
b Other	21 b		
22 Labor hired (less employment credits)	22	45,847.	
23 Pension and profit-sharing plans	23		
24 Rent or lease (see instructions):			
a Vehicles, machinery, equipment	24 a	910.	
b Other (land, animals, etc)	24 b		
25 Repairs and maintenance	25	1,439.	
26 Seeds and plants	26	8,820.	
27 Storage and warehousing	27		
28 Supplies	28	4,072.	
29 Taxes	29	3,813.	
30 Utilities	30	18,354.	
31 Veterinary, breeding, and medicine	31		
32 Other expenses (specify):			
a Small tools & equip	32 a	1,415.	
b Professional fees	32 b	3,505.	
c License/permits	32 c	161.	
d Meals & Ent (50%)	32 d	251.	
e Advertising/promotion	32 e	1,716.	
f * STMT	32 f	6,131.	
33 Total expenses. Add lines 10 through 32f. If line 32f is negative, see instructions.	33	120,796.	
34 Net farm profit or (loss). Subtract line 33 from line 9.	34	-93,480.	

- If a profit, stop here and see instructions for where to report. If a loss, complete lines 35 and 36.
- 35** Did you receive an applicable subsidy in 2014? (see instructions) Yes No
- 36** Check the box that describes your investment in this activity and see instructions for where to report your loss.
- a All investment is at risk. b Some investment is not at risk.

SCHEDULE F
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Profit or Loss From Farming

▶ Attach to Form 1040, Form 1040NR, Form 1041, Form 1065, or Form 1065-B.
▶ Information about Schedule F and its separate instructions is at www.irs.gov/schedulef.

OMB No. 1545-0074

2013

Attachment
Sequence No. **14**

Name of proprietor Clean Fresh Food LLC		Social security number (SSN)	
A Principal crop or activity Vegetables and Fish	B Enter code from Part IV ▶ 111400	C Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual	D Employer ID number (EIN), (see Instr) 46-1298434

- E Did you 'materially participate' in the operation of this business during 2013? If 'No,' see instructions for limit on passive losses Yes No
- F Did you make any payments in 2013 that would require you to file Form(s) 1099 (see instructions) Yes No
- G If 'Yes,' did you or will you file all required Forms 1099? Yes No

Part I Farm Income — Cash Method. Complete Parts I and II (Accrual method. Complete Parts II and III, and Part I, line 9.)

1 a Sales of livestock and other resale items (see instructions)	1 a		
b Cost or other basis of livestock or other items reported on line 1a	1 b	680.	
c Subtract line 1b from line 1a	1 c		-680.
2 Sales of livestock, produce, grains, and other products you raised	2		1,550.
3 a Cooperative distributions (Form(s) 1099-PATR)	3 a		
3 b Taxable amount	3 b		
4 a Agricultural program payments (see instructions)	4 a		
4 b Taxable amount	4 b		
5 a Commodity Credit Corporation (CCC) loans reported under election	5 a		
b CCC loans forfeited	5 b		
5 c Taxable amount	5 c		
6 Crop insurance proceeds and federal crop disaster payments (see instructions):			
a Amount received in 2013	6 a		
6 b Taxable amount	6 b		
c If election to defer to 2014 is attached, check here <input type="checkbox"/>	6 c		
6 d Amount deferred from 2012	6 d		
7 Custom hire (machine work) income	7		
8 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions) WI. Power & Light Co.	8		10,000.
9 Gross income. Add amounts in the right column (lines 1c, 2, 3b, 4b, 5a, 5c, 6b, 6d, 7, and 8) if you use the accrual method, enter the amount from Part III, line 50 (see instructions)	9		10,870.

Part II Farm Expenses — Cash and Accrual Method. Do not include personal or living expenses (see Instrs).

10 Car and truck expenses (see instructions). Also attach Form 4562	10		23 Pension and profit-sharing plans	23	
11 Chemicals	11	370.	24 Rent or lease (see instructions):		
12 Conservation expenses (see instructions)	12		a Vehicles, machinery, equipment	24 a	
13 Custom hire (machine work)	13		b Other (land, animals, etc.)	24 b	
14 Depreciation and section 179 expense (see instructions)	14	296.	25 Repairs and maintenance	25	2,529.
15 Employee benefit programs other than on line 23	15	6,381.	26 Seeds and plants	26	2,072.
16 Feed	16	2,327.	27 Storage and warehousing	27	
17 Fertilizers and lime	17		28 Supplies	28	1,391.
18 Freight and trucking	18	27.	29 Taxes	29	1,800.
19 Gasoline, fuel, and oil	19	80.	30 Utilities	30	7,997.
20 Insurance (other than health)	20	549.	31 Veterinary, breeding, and medicine	31	
21 Interest:			32 Other expenses (specify):		
a Mortgage (paid to banks, etc.)	21 a		a Small tools & equip	32 a	1,095.
b Other	21 b		b Professional fees	32 b	1,369.
22 Labor hired (less employment credits)	22	23,012.	c License/permits	32 c	331.
			d Meals & Ent (50%)	32 d	84.
			e Advertising/promotion	32 e	143.
			f Office & Miscel	32 f	265.
33 Total expenses. Add lines 10 through 32f. If line 32f is negative, see instructions	33				52,118.
34 Net farm profit or (loss). Subtract line 33 from line 9	34				-41,248.

- If a profit, stop here and see instructions for where to report. If a loss, complete lines 35 and 36.
- 35 Did you receive an applicable subsidy in 2013? (see instructions) Yes No
- 36 Check the box that describes your investment in this activity and see instructions for where to report your loss.
- a All investment is at risk b Some investment is not at risk

**SCHEDULE E
(Form 1040)**

Supplemental Income and Loss

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc.)

▶ Attach to Form 1040, 1040NR, or Form 1041.

▶ Information about Schedule E and its separate instructions is at www.irs.gov/form1040.

OMB No. 1545-0074

2012

Attachment
Sequence No. **13**

Department of the Treasury
Internal Revenue Service (99)

Name(s) shown on return

Michael D and Dagny L Knight

Your social security number

529-92-5967

Part I **Income or Loss From Rental Real Estate and Royalties** Note. If you are in the business of renting personal property, use Schedule C or C-EZ (see instructions). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

- A** Did you make any payments in 2012 that would require you to file Form(s) 1099? (see instructions) Yes No
B If "Yes," did you or will you file required Forms 1099? Yes No

1a	Physical address of each property (street, city, state, ZIP code)				
A	182 Depot Drive Verona, WI 53593				
B	6610 Sun Valley Parkway Belleville, WI 53508				
C					
1b	Type of Property (from list below)	2 For each rental real estate property listed above, report the number of fair rental and personal use days. Check the QJV box only if you meet the requirements to file as a qualified joint venture. See instructions.	Fair Rental Days	Personal Use Days	QJV
A	1		A		
B	1		B		
C			C		

Type of Property:

- 1 Single Family Residence 3 Vacation/Short-Term Rental 5 Land 7 Self-Rental
 2 Multi-Family Residence 4 Commercial 6 Royalties 8 Other (describe)

Income:	Properties:	A	B	C
3 Rents received	3	7,968	16,460	
4 Royalties received	4			
Expenses:				
5 Advertising	5			
6 Auto and travel (see instructions)	6		37	
7 Cleaning and maintenance	7		214	
8 Commissions	8			
9 Insurance	9		1,625	
10 Legal and other professional fees	10		81	
11 Management fees	11			
12 Mortgage interest paid to banks, etc. (see instructions)	12	4,891		
13 Other interest	13			
14 Repairs	14	124	6,388	
15 Supplies	15		2,522	
16 Taxes	16			
17 Utilities	17		1,901	
18 Depreciation expense or depletion	18	1,754	40,664	
19 Other (list) ▶ See attached statement	19		4,270	
20 Total expenses. Add lines 5 through 19	20	6,769	57,702	
21 Subtract line 20 from line 3 (rents) and/or 4 (royalties). If result is a (loss), see instructions to find out if you must file Form 6198	21	1,199	-41,242	
22 Deductible rental real estate loss after limitation, if any, on Form 8582 (see instructions)	22	(1,199)	()	()
23 a Total of all amounts reported on line 3 for all rental properties	23a		24,428	
b Total of all amounts reported on line 4 for all royalty properties	23b		0	
c Total of all amounts reported on line 12 for all properties	23c		4,891	
d Total of all amounts reported on line 18 for all properties	23d		42,418	
e Total of all amounts reported on line 20 for all properties	23e		64,471	
24 Income. Add positive amounts shown on line 21. Do not include any losses	24			1,199
25 Losses. Add royalty losses from line 21 and rental real estate losses from line 22. Enter total losses here	25	(1,199)		()
26 Total rental real estate and royalty income or (loss). Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2	26			0

For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule E (Form 1040) 2012

HTA

Name(s) shown on return. Do not enter name and social security number if shown on other side.

Michael D and Dagny L Knight

Your social security number

529-92-5967

Caution. The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.

Part II Income or Loss From Partnerships and S Corporations Note. If you report a loss from an at-risk activity for which any amount is not at risk, you must check the box in column (e) on line 28 and attach Form 6198. See instructions.

27 Are you reporting any loss not allowed in a prior year due to the at-risk or basis limitations, a prior year unallowed loss from a passive activity (if that loss was not reported on Form 8582), or unreimbursed partnership expenses? If you answered "Yes," see instructions before completing this section. Yes No

28	(a) Name	(b) Enter P for partnership; S for S corporation	(c) Check if foreign partnership	(d) Employer identification number	(e) Check if any amount is not at risk
A	Tepike LLC	P	<input type="checkbox"/>	20-3362863	<input type="checkbox"/>
B	Verona Downtown LLC	P	<input type="checkbox"/>	20-1767641	<input type="checkbox"/>
C	Edgerton C -Store LLC	P	<input type="checkbox"/>	45-1650929	<input type="checkbox"/>
D	Customer Analytics LLC	S	<input type="checkbox"/>	90-0697828	<input type="checkbox"/>

Passive Income and Loss		Nonpassive Income and Loss		
(f) Passive loss allowed (attach Form 8582 if required)	(g) Passive income from Schedule K-1	(h) Nonpassive loss from Schedule K-1	(i) Section 179 expense deduction from Form 4562	(j) Nonpassive income from Schedule K-1
A				
B				
C				
D		88,413		
29 a Totals				
b Totals		88,413		
30	Add columns (g) and (j) of line 29a			30
31	Add columns (f), (h), and (i) of line 29b			31 (88,413)
32	Total partnership and S corporation income or (loss). Combine lines 30 and 31. Enter the result here and include in the total on line 41 below			32 -88,413

Part III Income or Loss From Estates and Trusts

33	(a) Name	(b) Employer identification number
A		
B		

Passive Income and Loss		Nonpassive Income and Loss	
(c) Passive deduction or loss allowed (attach Form 8582 if required)	(d) Passive income from Schedule K-1	(e) Deduction or loss from Schedule K-1	(f) Other income from Schedule K-1
A			
B			
34 a Totals			
b Totals			
35	Add columns (d) and (f) of line 34a		35
36	Add columns (c) and (e) of line 34b		36 ()
37	Total estate and trust income or (loss). Combine lines 35 and 36. Enter the result here and include in the total on line 41 below		37 0

Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs)—Residual Holder

38	(a) Name	(b) Employer identification number	(c) Excess inclusion from Schedules Q, line 2c (see instructions)	(d) Taxable income (net loss) from Schedules Q, line 1b	(e) Income from Schedules Q, line 3b
39	Combine columns (d) and (e) only. Enter the result here and include in the total on line 41 below				39 0

Part V Summary

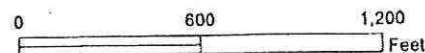
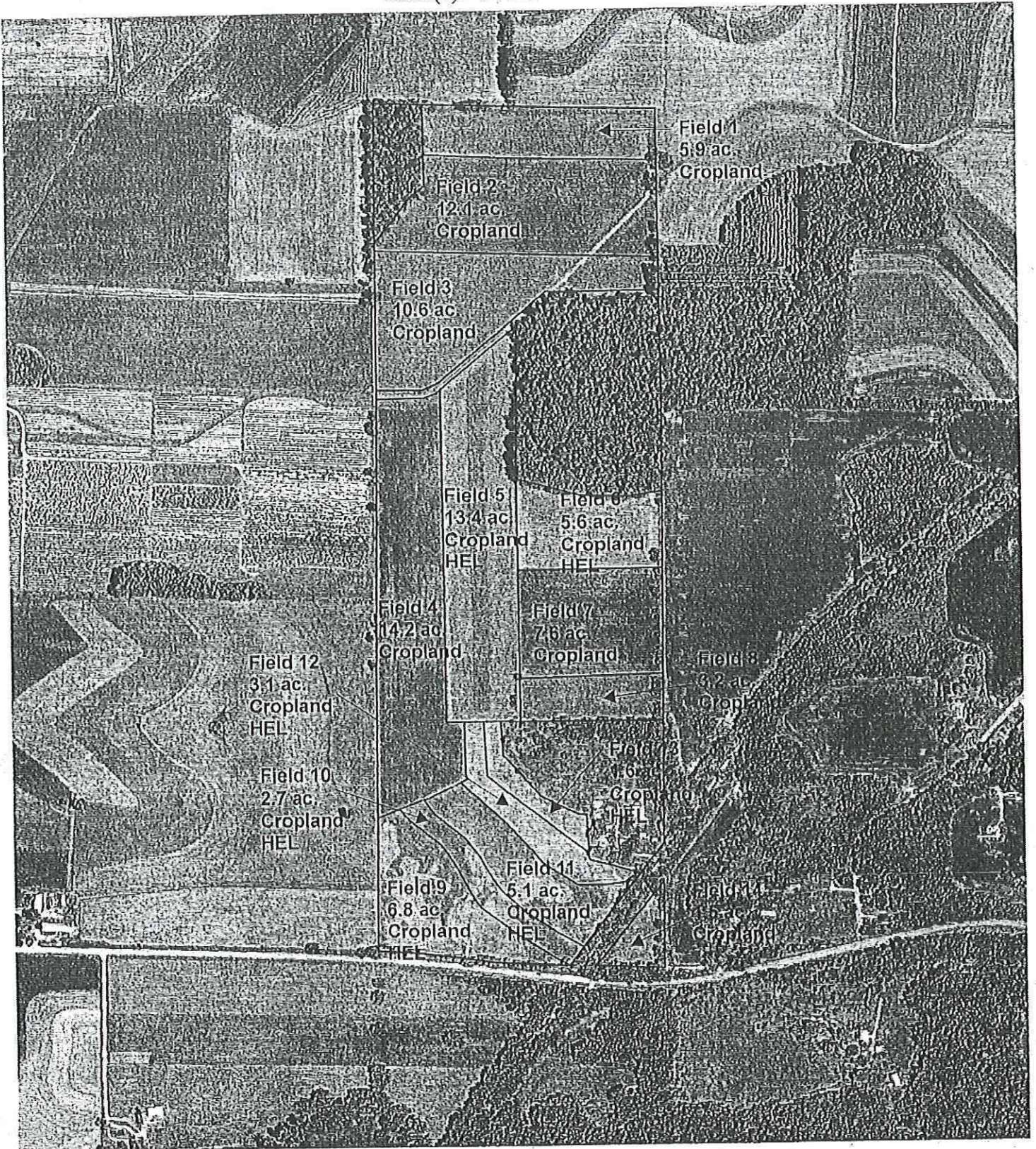
40	Net farm rental income or (loss) from Form 4835. Also, complete line 42 below	40	
41	Total income or (loss). Combine lines 26, 32, 37, 39, and 40. Enter the result here and on Form 1040, line 17, or Form 1040NR, line 18	41	-88,413
42	Reconciliation of farming and fishing income. Enter your gross farming and fishing income reported on Form 4835, line 7; Schedule K-1 (Form 1065), box 14, code B; Schedule K-1 (Form 1120S), box 17, code U; and Schedule K-1 (Form 1041), box 14, code F (see instructions)	42	
43	Reconciliation for real estate professionals. If you were a real estate professional (see instructions), enter the net income or (loss) you reported anywhere on Form 1040 or Form 1040NR from all rental real estate activities in which you materially participated under the passive activity loss rules	43	

Conservation Plan Map

Owner: Knight Family Farm LLC
Operator: Harold Eichelkraut Jr

Township(s): Montrose
Sections(s): 2
Tract(s): 17069

Completed by: Lambert
Phone: (608) 224-3730
Date: 12-28-11



Dane County Land & Water Resources Department
USDA Natural Resources Conservation Service
Digital orthophoto taken 2010.

Clean Fresh Food Lease

This Lease made between Knight Family Farm, LLC as Landlord and Clean Fresh Food, LLC as Tenant effective the 15th day of August, 2013.

1. **Property.** Landlord is the owner of improvements ("the Property") located at 6610 Sun Valley Parkway, Belleville, WI 53508 consisting of a greenhouse and a fish house, including an outdoor wood burner used for heating the greenhouse and fish house, and all equipment, including a generator, in and adjacent to the greenhouse and fish house

2. **Term.** Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the Property for Tenant's exclusive use for a term of one (1) year commencing on August 15, 2013 through August 14, 2014 for an aquaculture operation. During the term of the Lease or any renewals as set forth below, Tenant shall also have: non-exclusive use of Landlord's driveway and parking areas; nonexclusive right to harvest firewood from Landlord's adjacent land for use in heating the Property; and nonexclusive right to use water from the Landlord's well for the purposes of operating the greenhouse and fish house.

3. **Renewal.** This Lease shall renew each August 15 on such terms and conditions as the parties may agree by an addendum to this Lease unless written notice of non-renewal is provided to Landlord ninety (90) days prior to the end of the term, or as otherwise agreed in writing by the parties.

4. **Rent.** Rent shall be payable in advance in monthly installments of \$10,000.00 each with each installment being due on the 1st day of each month. The monthly rent shall be prorated as set forth on Schedule A, attached, for months in which the Property is less than 100% complete. For purposes of determining monthly rent, 100% complete means that the Property contains six (6) operational grow beds.

5. **Permits and Licenses.** Tenant shall obtain all permits and licenses for its operations as require by local, state and/or federal laws, rules and/or regulations. Tenant shall comply with all applicable laws, ordinances, regulations and/or deed and plat restrictions affecting the use and occupancy of the Property. Tenant shall not commit, or permit to be committed, any waste or nuisance on the Property.

No use shall be permitted, or acts done, which will cause a cancellation of any insurance policy covering the Property. Tenant shall not sell, permit to be kept, used or sold in or about the Property any article which may be prohibited by the standard form of fire insurance policy. Tenant shall, at its own expense, comply with all requirements of any insurance company necessary for the maintenance of insurance required in this Lease.

Tenant shall not cause or permit any hazardous substances to be brought upon, stored, used, generated, released into the environment or disposed of on, under, from or about the Property by Tenant, its agents, employees, contractors or representatives. Tenant agrees to at

all times comply with all environmental laws, rules and regulations, federal, state and local. Tenant agrees to defend, indemnify, and hold harmless Landlord from and against any and all administrative and judicial actions and rulings, claims, causes of action, demands of liability including, but not limited to, damages, costs, expenses, assessments, penalties, fines, losses, judgments and reasonable attorney fees that the Landlord may suffer or incur due to the existence of discovery of any hazardous substances or the release of any hazardous substances into the environment that arise from the Tenant's activities at or about the Property.

6. **Tenant's Obligations.** Tenant shall mow and maintain the land immediately adjacent to the Property to control rodents.

7. **Utilities.** The Property has separate meters for electricity and propane. Tenant shall be solely responsible for the costs of electricity and propane during the term of this Lease and any renewals thereunder.

8. **Landlord's Obligations.**

a. **Well.** Landlord shall be solely responsible for maintaining the well, including the electrical service serving the well, to guarantee a continuous adequate supply of water for operating the greenhouse and fish house during the term of this Lease and any renewals thereunder.

b. **Generator.** Landlord shall be solely responsible for maintaining the generator to guarantee electrical service in the event that the traditional electrical service to the Property fails during the term of this Lease and any renewals thereunder.

9. **Landlord's Entry.** Tenant shall permit Landlord and its agents and employees, upon prior notice, to enter into and upon the Property at all reasonable times during business hours for the purpose of inspecting the same. Notwithstanding the above, Landlord may enter the Property without advance notice in the event of an emergency to guarantee the preservation of the Property.

10. **Insurance.**

a. **Loss and Damage.** Tenant shall be solely responsible for carrying personal property insurance sufficient to cover loss of all personal property on the Property. Landlord shall not be liable for any damage to or loss of property of Tenant or others located on the Property.

b. **Hold Harmless.** Landlord shall not be liable for any loss, injury, death, or damage to persons or property which at any time may be suffered or sustained by Tenant or by any person whatsoever may at any time be using or occupying or visiting the Property or be in, or about the same, whether such loss, injury, death, or damage shall be caused by or in any way result from or arise out of any act, omission, or negligence of Tenant or of any occupant, subtenant, visitor, or user of any portion of the Property, or shall result from or be caused by any

other matter or thing whether of the same kind as or of a different kind than the matters or things above set forth, and Tenant shall indemnify Landlord against all claims, liability, loss, or damage whatsoever on account of any such loss, injury, death or damage. Tenant hereby waives all claims against Landlord for damages to the building and improvements that are now on or hereafter placed or built on the Property and to the property of Tenant in, on, or about the Property, and for injuries to persons or property in or about the Property, from any cause arising at any time. The two preceding sentences shall not apply to loss, injury, death, or damage arising by reason of the negligence or misconduct of Landlord, its agents, or employees.

c. Structure Damage. In the event that the Property, access to the Property, and/or any part of the building that provides essential services to the Property, is fully or partially destroyed or damaged by fire, lightning, windstorm, explosion, collapse, vandalism, civil disturbance, aircraft or other vehicle damage or other casualty so as to be unfit for Tenant's occupancy and intended use hereunder and the Property cannot be restored or rebuilt by Landlord within sixty (60) days, then either Tenant or Landlord may elect to terminate this Lease by written notice to the other party. Under no circumstances shall Landlord be liable to any financial loss due to business interruption caused by the aforementioned circumstances.

Unless the damage is caused by Tenant's willful misconduct, the Rent shall abate in proportion to that part of the Property that is unfit for use in Tenant's business. The abatement shall consider the nature and extent of interference to Tenant's ability to conduct business in the Property and the need for access and essential services. The abatement shall continue from the date the damage occurred until ten (10) business days after Landlord completes repairs and restoration to the Property, or to the part rendered unusable and notice to Tenant that the repairs and restoration are completed, or until Tenant again uses the Property or the part rendered unusable, whichever is first.

d. Service Interruption. Landlord shall incur no liability to Tenant for failure to furnish space, as provided herein, or the rendition of any services, if prevented by war, fires, strikes, labor troubles, accidents, or other causes beyond its control, including but not limited to, temporary or intermittent service interruptions resulting from maintenance and repair work to the Property or to the utilities serving the Property, or alterations to the Property required by any tenants of the Property, or alterations to the Property required by any governmental authority. Notwithstanding the above, the Landlord remains liable to keep the Well and Generator in good working order as required under Paragraphs 8 a.-8 b. above

11. Default in the payment of rentals under this lease shall be cured by Tenant without notice from Landlord within ten (10) days of the due date under the terms of this Lease. In the event of default without cure within the ten (10) day period Landlord may declare this lease at an end.

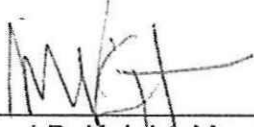
12. All improvements to the property, including but not limited to, crops planted in the grow beds and fish in the fish house(s) or other improvements of any form shall become the property of Landlord upon the termination of the lease unless as otherwise agreed to in writing by the parties.

13. Tenant agrees, upon request of the Landlord, to execute such documents as are necessary to grant and perfect a security interest in the crops and fish grown upon the Property To secure the payments due under the lease.


14. The Tenant shall not sublease all or part of the above Property without written consent by the Landlord.


Dated this 7th day of MARCH, 2014, but effective August 15, 2013.

Landlord: Knight Family Farm, LLC by:


Michael D. Knight, Member

Tenant: Clean Fresh Food, LLC by:


Michael D. Knight, Member


Holly S. Szytkowski, Member