FARM LEASE BID SHEET - CASH RENT

DENNING PROPERTY

Owner:
Lee County Conservation
c/o Nathan Unsworth
Lee County Conservation Board
2652 Highway 61
Montrose, IA 52639
(319) 463-7673

Bids Due:
Bids will be received by the Owner at 2652 Highway 61, Montrose, IA 52639 until 3:00 PM on November 12, 2019.
The selection decision for the winning bidder will be made at the Lee County Conservation Board regular monthly meeting on November 12, 2019 at the Conservation Office beginning at 4:00 PM.
Lee County Conservation reserves the right to reject any and all proposals.

Tenant (Bidder):
Name: ________________________________
Address: ________________________________
Phone: ________________________________
Email: ________________________________

Bid Amounts:

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<tr>
<th>Acres</th>
<th>Bid per Acre</th>
<th>Annual Rent Bid Amount</th>
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<td>206 m/l</td>
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Signature of Bidder and Date
Iowa Cash Rent Farm Lease for 2020-2022

Denning Conservation Area

Owner (s): IOWA DNR. LEE COUNTY CONSERVATION BOARD AS PROPERTY MANAGER

Operator (s):

1. Legal Description:
   Land known as the Denning Conservation Area, 216 acres cropland m/l, 1.5 miles SE of Houghton, Lee County, Iowa. Located in the SE ¼ Sec. 18, NE ¼ of the NW ¼ Sec. 19, W ½ of the NE ¼ Sec. 19, NE ¼ of the SE ¼ Sec. 19, T69N R6W

2. Terms of Lease: The term of the lease shall be for a period of three (3) years, beginning March 2, 2020 and ending December 31, 2022

3. The housing, buildings and storage structures located on the Real Estate may not be used by the operator.

4. Cash Rent: Operator agrees to pay the Owner cash rent for the use of part or all of the Real Estate as follows: 206 Cropland acres @ $ ____________/acre, Total annual rent $ ____________

5. The cash rent shall be due and payable as follows: Amount $ ____________ per year. All cash rent is to be mailed or delivered to the Owner at: 2652 Highway 61, Montrose, Iowa 5263 by April 15th for each year of the contract. Please note under Operator's Duties the requirements for areas with Conservation Reserve Programs (CRP). CRP payments are due by December 31st of each year.

6. Recreational Use: This property is open to the public. The Operator has the same recreational rights as the general public on this area

7. Division of Expense: All crop production expenses are the responsibility of the Operator.

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8. Expenses: No expense shall be incurred by the Operator for or on account of the Owner without first obtaining written permission from the Owner. The Operator agrees to take no actions that might cause a mechanic’s or other lien to be imposed upon the Real Estate and agrees to indemnify the Owner if actions are taken by the Operator that result in such a lien being imposed.

9. Repair and Maintenance: Minor repairs for buildings and fences: Owner will furnish all materials and Operator will provide the labor at no charge. New fence: Owner to furnish all materials and one-half of the cost of labor. Operator to provide one-half of the labor and all of the equipment to construct fence. Owner will pay 100% of the cost to clear fence row when necessary.

10. Operator’s Duties: Operator agrees to operate the farm in an efficient and steward-like manner, control weeds and brush in the fields, fence rows, and road ditches, provide proper maintenance to control erosion and maintain terraces, waterways, and tiles, and building lots and all other areas of the farm where access is possible. The Operator agrees to furnish to the Owner by December 15 a report including 1) a summary of fertilizer, lime, and pesticide application records and 2) production or yield information about harvested crops each year, such as may be required for participation in Farm Service Agency programs or for setting crop insurance actual production history yields, and to use measurement methods acceptable for these purposes. Operator agrees, on termination of the lease, to yield prompt possession of the farm to the Owner and to leave the premises in as good condition as before they took possession or to compensate the Owner for damages.

Operator shall only be entitled to pasture or till those portions of the Real Estate designated by Owner. All machinery, inputs equipment, and labor, necessary to carry out the terms of this lease shall be furnished by and at the expense of the Operator.

Operator shall leave one acre of standing crop for a food plot in one of the fields on the south side of the property along a fence row or timber line.

If the Real Estate has a CRP contract, the Operator may retain 15% of the CRP payment(s) for management of the contract. The remainder shall be remitted to the Owner. The Operator is required to carry out any necessary management to fulfill the CRP Contract. CRP payments are due to the Lee County Conservation office by December 31st each year of the contract.

Operator shall employ all means appropriate to insure that well or ground water contamination does not occur, and shall be responsible to follow all applicator’s licensing requirements. Operator shall install and maintain safety check valves for injection of any
chemicals and/or fertilizers into an irrigation system (injection valve only, not main well check valve). Operator shall properly post all fields (when posting is required) whenever chemicals are applied by ground or air. Operator shall haul and spread all manure on appropriate fields at times and in quantities consistent with environmental protection requirements. Operator shall not dispose of waste oil, tires, batteries, paint, other chemicals or containers anywhere on the premises. Solid waste may not be disposed of on the premises.

11. Owner’s Duties: Owner agrees to warrant and defend the Operator’s possession against all persons as long as this lease remains in effect. The Owner will promptly pay real property taxes and carry insurance on his/her interest in the property.

Owner reserves the right to take any portion of the Real Estate out of production to convert it to natural habitat. Owner shall notify Operator by September 1st of any such conversion for the next growing season.

12. Harvested Crop’s Aboveground Plants: Operator does not have the right to take any part of the harvested crop’s aboveground plant without the express written permission of the Owner. This includes burning or removing any crop residues from the property.

13. Transfer of Interest: The Operator agrees not to lease or sublet any part of the Real Estate nor assign this lease to any other person or entity, nor sublease any or all of the property described herein without prior written permission of the Owner. If the Owner should sell or otherwise transfer title to the Real Estate, the Owner will do so subject to the provisions of this lease.

14. Changes in Lease Terms: The conduct, representation, or statement of either party, by act or omission, shall not be construed as a material alteration of this lease until such provision is reduced to writing and executed by both parties as an addendum to this lease.

15. Right of Entry: The Owner reserves the right to enter the premises at any time for any reasonable purpose. Upon notice of the lease termination, the Operator agrees to permit the Owner or the Owner’s lessee or agent to enter the premises to do customary tillage and operations on any land from which the current crops have been harvested.

16. Owner’s Landlord’s Lien and Security Interest. The Operator acknowledges that a statutory Landlord’s Lien exists in favor of the Owner. The Operator also grants to the Owner a security interest in, but not limited to, all growing or mature crops on the Real
Estate as provided in the Iowa Uniform Commercial Code. The Operator shall sign all
doctors and financing statements as requested by the Owner to perfect the Owner’s
security interests. At Owner’s request, the Operator shall provide the Owner a list of
potential buyers for the crops grown on the farm. The Operator agrees to deliver and
sell such crops only to those buyers listed. The Owner shall deliver a Notice of Security
Interest to those buyers and only those buyers listed. The Operator shall not sell such
crops to any buyer not listed without first obtaining written consent of the Owner.

17. Termination upon Default: If Operator defaults in the performance of the existing
rental agreement, the Owner shall serve a notice of default upon the Operator. The
Operator shall have 30 days to cure the default. Failure to cure within the required
timeframe shall terminate the lease. If the lease terminates because the Operator failed
to pay the rent due, all costs and attorney fees of the Owner to enforce collection or
performance shall be added to the obligations payable by the Operator. The Operator
shall also be liable for interest on the unpaid rent at the rate of 3.0 % APR.

18. No Agency: Unless otherwise provided in writing, Operator is not an agent of the
Owner.

19. Arbitration: Any disputes between the Owner and Operator not covered by this lease
may be submitted by either party for arbitration at a reasonable fee by three
disinterested persons, one of whom shall be selected by the Owner, one by the
Operator, and the third by the previously named two. If and when disputes are
submitted, a majority decision of the arbitrators shall be binding upon the parties to the
lease.

20. Attorneys’ Fees and Court Costs: If either party files suit to enforce any of the terms
of this Lease, the prevailing party shall be entitled to recover court costs and reasonable
attorneys’ fees.

We agree to the terms and conditions of this lease and we affix our signatures this
__________ day of ________________, 2019.

__________________________
Signature of Operator

__________________________
Signature of Spouse/Co-operator
Signature of Owner By (Owner’s representative)

Address

Telephone

Notarization

STATE OF IOWA, COUNTY OF LEE before me this day of __________, 2019, by __________________________.

ss: This record was acknowledged

Signature of Notary Public