



FARM LEASE - CASH

THIS LEASE ("Lease") is made between City of Oelwein, as agent for the landowners ("Land owner"), whose address for the purpose of this Lease is 20 2nd Ave SW, Oelwein, Iowa 50662 and Travis Seehase ("Tenant"), whose address for the purpose of this Lease is
3045 Vanderbilt Avenue, Sumner, Iowa 50674

THE PARTIES AGREE AS FOLLOWS:

1. PREMISES AND TERM. Land owner leases to Tenant the following real estate situated in Fayette County, Iowa (the "Real Estate"): and containing 115 acres, more or less (with 31 of those 115 acres reserved and available to rent only as outlined below), with possession by Tenant for a term of two years to commence on March 1, 2019 and end on 1 March 2022. In the event that possession cannot be delivered within fifteen (15) days after commencement of this Lease, Tenant may terminate this Lease by giving the Land owner notice in writing.
2. RENT. Tenant shall pay to Land owner as rent for the Real Estate (the "Rent"): Total annual cash rent of \$31,625.00 lump sum payable, unless otherwise agreed, as follows: \$31,625.00 on MARCH 1st yearly.
 - a. The Tenant has had or been offered an opportunity to make an independent investigation as to the acres and boundaries of the premises. No further review or dispute of actual acres available for use for any particular purpose will be allowed. Therefore, no rebating based on subsequent survey or GPS mapping will be allowed.
 - b. All Rent is to be paid to Land owner at the address above or at such other place as Land owner may direct in writing. Rent must be in Land owner's possession on or before the due date. Participation of this farm in any offered program by the U.S. Department of Agriculture or any state for crop production control or soil conservation, the observance of the terms and conditions of this program, and the division of farm program payments, requires Land owner's consent. Payments from participation in these programs shall be divided 0 % Land owner 100 % Tenant.
 - c. Governmental cost-sharing payments for permanent soil conservation structures shall be divided 100% Land owner 0 % Tenant.
 - d. Crop disaster payments shall be divided 0% Land owner 100 % Tenant.
 - e. CRP remains the property of the Landowner
 - f. This Lease confers no interests in or rights to or regarding the subsurface of and air space above the Property; minerals, oil, gas and other hydrocarbons located on or under the Property; staging areas, shops, etc; and/or any buildings or other improvements.



3. LAND OWNER'S LIEN AND SECURITY INTEREST. As security for all sums due or which will become due from Tenant to Land owner, Tenant hereby grants to Land owner, in addition to any statutory liens, a security interest as provided in the Iowa Uniform Commercial Code and a contractual lien in all crops produced on the premises and the proceeds and products thereof, all contract rights concerning such crops, proceeds and/or products, all proceeds of insurance collected on account of destruction of such crops, all contract rights and U.S. government and/or state agricultural farm program payments in connection with the above described premises whether such contract rights be payable in cash or in kind, including the proceeds from such rights, and any and all other personal property kept or used on the real estate that is not exempt from execution. Tenant shall also sign any additional forms required to validate the security interest in government program payments.
 - a. Land owner is further granted the power, coupled with an interest, to sign on behalf of Tenant as attorney-in-fact and to file one or more financing statements under the Iowa Uniform Commercial Code naming Tenant as Debtor and Land owner as Secured Party and describing the collateral herein specified. Tenant consents to the financing statement being filed immediately after execution of this Lease.

4. INPUT COSTS AND EXPENSES. Tenant shall prepare the Real Estate and plant such crops in a timely fashion as may be directed by Land owner.
 - a. Tenant shall only be entitled to till those portions of the Real Estate designated by Land owner. All necessary machinery and equipment, as well as labor, necessary to carry out the terms of this lease shall be furnished by and at the expense of the Tenant. The following materials, in the amounts required by good husbandry, shall be acquired by Tenant and paid for by the parties as follows: 100% Tenant
 - i. Commercial Fertilizer
 - ii. Lime and Trace Minerals
 - iii. Herbicides
 - iv. Insecticides
 - v. Seed
 - vi. Seed cleaning
 - vii. Harvesting
 - viii. Other
 - b. Lime and trace minerals shall be allocated over 3 years. If this Lease is not renewed, and Tenant does not therefore receive the full allocated benefits, Tenant shall be reimbursed by Land owner to the extent Tenant has not received the benefits on a 1/3 per year basis. Tenant agrees to furnish, without cost, all labor, equipment and application for all fertilizer, lime, trace minerals and chemicals.
 - c. Fertilizers and Chemicals. Tenant shall be responsible for the cost of all fertilizers, herbicides, insecticides, and other required sprays and chemicals necessary for



crop production on the Property during the Lease Term. The application of such fertilizers, herbicides, insecticides, sprays and chemicals shall be in accordance with applicable laws, statutes, ordinances and regulations of all federal, state, county, and city bodies having jurisdiction in such matters. Tenant shall not spray, spread, irrigate, inject, deposit, dispose or otherwise apply under, on or upon the Property any fertilizers, chemicals, waste products or other substances which are toxic, illegal or otherwise inappropriate for application upon agricultural or horticultural real property.

- d. No fertilizer, herbicide, pesticide, poison chemical or similar substance, except those approved by the United States Department of Agriculture, shall be applied by Tenant to the Property or crops growing thereon. The use of any such substance by Tenant shall be in strict conformity with the manufacturer's instructions and all governmental regulations respecting the manner and timing of the application.
- e. No experimental fertilizer, herbicide, pesticide, poison or other foreign substance shall be applied to the Property or to the crops growing thereon, except with Land owner written consent. Tenant shall not use any agricultural chemical or similar substance with a residual effective life longer than the remaining term of this Lease at the time of its application, or of such nature as to prevent the use of the soil for other crops of any type following the term of this Lease unless Land owner written consent is first obtained.

See additional terms paragraph for special provisions regarding bio solid application.

5. **PROPER HUSBANDRY; HARVESTING OF CROPS; CARE OF SOIL, TREES, SHRUBS AND GRASS: INFORMATION REPORTING.** Tenant shall farm the Real Estate in a manner consistent with good husbandry, seek to obtain the best crop production that the soil and crop season will permit, properly care for all growing crops in a manner consistent with good husbandry, and harvest all crops on a timely basis.
 - a. In the event Tenant fails to do so, Land owner reserves the right, by designated agents, to enter upon the Real Estate and properly care for and harvest all growing crops, charging the cost of the care and harvest to the Tenant, as part of the Rent. Tenant shall timely control all weeds, including noxious weeds, weeds in the fence rows, along driveways and around buildings throughout the premises. Tenant shall comply with all terms of the conservation plan and any other required environmental plans for the leased premises. Tenant shall do what is reasonably necessary to control soil erosion including, but not limited to, the maintenance of existing watercourses, waterways, ditches, drainage areas, terraces and tile drains, and abstain from any practice which will cause damage to the Real Estate.
 - b. Tenant shall by JUNE 15 of each lease year provide to the Land owner a written listing showing all crops planted, including the acres of each crop planted, fertilizers, herbicides and insecticides applied showing the place of application, the name and address of the applicator, the type of application and the quantity



- of such items applied on the lease premises during such year. THIS SHALL include any grid sampling including coordinates and provider of grid sampling.
- c. Tenant shall share all GPS/drone sourced data with the landowner, to include yield maps, planting maps, fertilizer grid samples and soil samples of any type. The tenant shall proactively provide these materials without prompting from the land owner.
 - d. Tenant shall maintain complete and accurate records reflecting the time, place, quantity, kind and method of application of all chemical substances as may be utilized by the Tenant and shall furnish to Land owner true and correct copies thereof without further prompting by the Land owner.
 - e. Tenant shall maintain accurate yield records for the real estate and shall disclose to Land owner all yield base information required for participation in government program without further prompting by the Land Owner.
 - f. No bales shall be made of crop residue or stover unless separate written permission is obtained from the Land owner.
6. UTILITIES. Tenant shall pay, as additional Rent, all charges for all utilities, including but not limited to any water, gas, electricity, sewer, fuel, and any other power or utility services furnished to Tenant in connection with the use and possession of the Property, including all taxes thereon
7. CONDITION OF THE PROPERTY. Tenant enters into this Lease and accepts the Property with full knowledge of, and accepts the condition of the Property, "as how and where is." This "ASIS" acceptance includes but is not limited to the condition of the land, soil, water, ditches, and culverts. No patent or latent physical condition of the Property, whether known or not known to or discovered by Tenant shall affect the rights of Landowner and Tenant under this Lease.
- a. Tenant acknowledges that:
 - i. neither Landowner nor any of Landowner's employees, representatives or agents have made any express or implied written or verbal representations or warranties respecting the physical condition of the Property or any other aspect or condition of the Property, including, without limit, zoning, entitlements, land, soil, ditches, silt ponds, drainage, culverts, and or any and all other improvements now on the Property;
 - ii. TENANT has fully and thoroughly inspected the Property and has conducted any and all inspections relevant to a determination by Tenant of the Property's condition and suitability for Tenant's intended use;
 - iii. Land Owner shall have no obligation or liability whatsoever for any clean up, disking, weeding, preparation, improvements, alterations or repairs of any nature to the Property, or to pay or reimburse TENANT for any part of the cost thereof.
 - iv. Landowner will only make repairs to tiling when it is convenient for the landowner



- v. Requests made to the landowner will be answered when convenient for the landowner

8. ENVIRONMENTAL.

- a. Land owner. To the best of Land owner's knowledge to date:
 - i. Neither Land owner nor, Land owner's former or present tenants, are subject to any investigation concerning the premises by any governmental authority under any applicable federal, state, or local codes, rules, and regulations pertaining to air and water quality, the handling, transportation, storage, treatment, usage, or disposal of toxic or hazardous substances, air emissions, other environmental matters, and all zoning and other land use matters.
 - ii. Any handling, transportation, storage, treatment, or use of toxic or hazardous substances that has occurred on the premises has been in compliance with all applicable federal, state, and local codes, rules, and regulations.
 - iii. No leak, spill release, discharge, emission, or disposal of toxic or hazardous substances has occurred on the premises.
 - iv. The soil, groundwater, and soil vapor on or under the premises is free of toxic or hazardous substances except for chemicals (including without limitation fertilizer, herbicides, insecticides) applied in conformance with good farming methods, applicable rules and regulations and the label directions of each chemical.
- b. Tenant. Tenant shall comply with all applicable environmental laws concerning application, storage and handling of chemicals (including, without limitation, herbicides and insecticides) and fertilizers.
 - i. Tenant shall apply any chemicals used for weed or insect control at levels not to exceed the manufacturer's recommendation for the soil types involved. Farm chemicals SHALL NOT be stored on the premises. No chemicals or chemical containers will be disposed of on the premises. Application of chemicals for agricultural purposes per manufacturer's recommendation shall not be construed to constitute disposal.
- c. Tenant shall employ all means appropriate to ensure that well or ground water contamination does not occur and shall be responsible to follow all applicator's licensing requirements. Tenant shall properly post all fields (when posting is required) whenever chemicals are applied by ground or air.
- d. Tenant 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. Dead livestock MAY NOT be buried on the premises. Tenant shall not use waste oil as a means to suppress dust on any roads on or near the premises. No underground storage tanks shall be maintained on the premises.
- e. Tenant shall immediately notify Land owner of any chemical discharge, leak, or



spill which occurs on premises.

- f. Tenant shall assume liability and shall indemnify and hold Land owner harmless for any claim or violation of standards which results from Tenant's use of the premises. Tenant shall assume defense of all claims, except claims resulting from Land owner's negligence, in which case each party shall be responsible for that party's defense of any claim. After termination, Tenant shall remain liable for violations which occurred during the term of this Lease.

See additional provisions regarding biosolid applications below.

9. TERMINATION OF LEASE. This Lease shall NOT automatically renew upon expiration. All notices of termination of this Lease shall be as provided by law.
10. POSSESSION AND CONDITION AT END OF TERM. At the termination of this Lease, Tenant will relinquish possession of the Real Estate to the Land owner. If Tenant fails to do so Tenant agrees to pay Land owner \$ 10 per day, as liquidated damages until possession is delivered to Land owner. At the time of delivery of the Real Estate to Land owner, Tenant shall assure that the Real Estate is in good order and condition, and substantially the same as it was when received by Tenant at the commencement of this Lease, excusable or insurable loss by fire, unavoidable accidents and ordinary wear excepted.
11. LAND OWNER'S RIGHT OF ENTRY AND INSPECTION. In the event notice of termination of this Lease has been properly served, Land owner may enter upon the Real Estate or authorize someone else to enter upon the Real Estate to conduct any normal tillage or fertilizer operation after Tenant has completed the harvesting of crops even if this is prior to the date of termination of the lease. Land owner may enter upon the Real Estate at any reasonable time for the purpose of viewing or seeding or making repairs, or for other reasonable purposes.
12. VIOLATION OF TERMS OF LEASE. If Tenant or Land owner violates the terms of this Lease, the other may pursue the legal and equitable remedies to which each is entitled. Tenant's failure to pay any Rent when due shall cause all unpaid Rent to become immediately due and payable, without any notice to or demand upon Tenant.
13. REPAIRS. Tenant shall maintain the fences on the leased premises in current repair. Tenant shall not remove, widen or alter gates of any type. Tenant shall not modify driveways without prior written consent of the Land owner
14. NEW IMPROVEMENTS. All buildings, fences and improvements of every kind and nature that may be erected or established upon the Real Estate during the term of the Lease by the Tenant shall constitute additional rent and shall inure to the Real Estate, becoming the property of Land owner unless the Land owner has agreed in writing prior to the erection that the Tenant may remove the improvement at the end of the lease.



15. **INSURANCE.** Tenant, at its sole cost and expense, shall procure and keep in force public liability insurance of not less than \$1,000,000.00. Tenant shall not use or permit others to use the Property in any manner that will increase existing insurance rates on the Property, the Property or its improvements. Tenant shall provide Land owner with a full copy of its liability insurance policy and declarations pages.
16. **EXPENSES INCURRED WITHOUT CONSENT OF LAND OWNER.** No expense shall be incurred for or on account of the Land owner without first obtaining Land owner's written authorization. Tenant shall take no actions that might cause a mechanic's lien to be imposed upon the Real Estate.
17. **NO AGENCY.** Tenant is not an agent of the Land owner.
18. **THIRD PARTY USE OF PROPERTY.** Tenant has no rights in any radio, cell phone or television broadcasting or reception devices that are now or may be placed upon property. Tenant has no right to allow the establishment of any reception or broadcasting devices upon the property.
 - a. In the event that a wind tower, wind metering or other wind energy related device is placed upon the property, all proceeds from the placement belong to the landowner. Any crop damage payments are payable to the tenant, any compaction payments are the property of the landowner.
 - b. This lease shall be subject and subordinate to any existing or future wind farm easement agreement on the property ("Easement Agreement"). Tenant agrees not to disturb the grantee under any existing or future Easement Agreement's use and possession of the portion of the property that is subject to the Easement Agreement, agrees not to disturb any other rights in the property granted to the grantee of any existing or future Easement Agreements on the property and agrees not to do anything that would materially interfere with the construction, operation and maintenance of any existing or future wind farm improvements located on the property. Tenant shall execute and deliver to landlord within ten (10) days from the date of landlord's request, such instruments, releases, certificates or other documents as landlord may request to confirm and acknowledge the foregoing.
 - c. **Eminent Domain.** If all or any part of the Property is taken for any public or quasi-public use, this Lease shall terminate with regard to the portions so taken, it being expressly understood that Tenant shall have no further obligation to pay Rent with respect to the part of the Property so taken. Landowner shall be entitled to the entire award in condemnation.
19. **USE OF PROPERTY.** The Property is leased for the purpose of the growing of various row crops ("Crops"). Landowner makes no representations that the Property is suitable for growing said crops and makes no guarantee that Tenant will be able to reap any specific



return or yield or any specific crops. Tenant is solely responsible for ascertaining the suitability of the Property for its use. Tenant shall not use any portion of the Property for any other purpose whatsoever.

- a. TENANT shall not perform any burning on the Property without the express approval of Landowner and with all necessary permits from the fire department or any agency with jurisdiction of burning. Any fines imposed for illegal burning shall be the sole responsibility of the Tenant. Tenant agrees not to destroy, change or remove fence or any survey or boundary line marker or monument, nor allow the same to be done by others under Tenant's control.
- b. This lease does not allow any recreational rights to the Tenant, Tenant's bailees, invitees, or agents on the Property. Landowner reserves all recreational rights, to include access to the property for the same. Recreational rights include, but is not limited to hunting, fishing, trapping, horseback riding, trail riding, use of All Terrain Vehicles, bird watching, picnicking and photography.
- c. Tenant shall comply with all requirements of all governmental authorities, in force either now or in the future, affecting Tenant's use of the Property, and shall faithfully observe during its use, maintenance, or occupancy of the Property all laws, rules, and regulations of these authorities, in force either now or in the future relating to Tenant's use of the Property.

20. ATTORNEY FEES AND COURT COSTS VENUE and CHOICE OF LAW. If the landowner files suit to enforce any of the terms of this Lease, the landowner shall be entitled to recover court costs and reasonable attorneys' fees. Governing Law is the State of Iowa and the Venue for this contract is agreed to be Fayette County, Iowa.

21. CHANGE IN LEASE TERMS. The conduct 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 addendum to this Lease.

22. CONSTRUCTION. Words and phrases herein, including the acknowledgment, are construed as in the singular or plural and as the appropriate gender, according to the context.

23. NOTICES. The notices contemplated in this Lease shall be made in writing and shall either be delivered in person, or be mailed in the U.S. mail, certified mail to the recipient's last known mailing address, except for the notice of termination set forth in Section 9, which shall be governed by the Code of Iowa.

24. ASSIGNMENT. Tenant shall not assign this Lease or sublet the Real Estate or any portion thereof without prior written authorization of Land owner.



25. ADDITIONAL PROVISIONS.

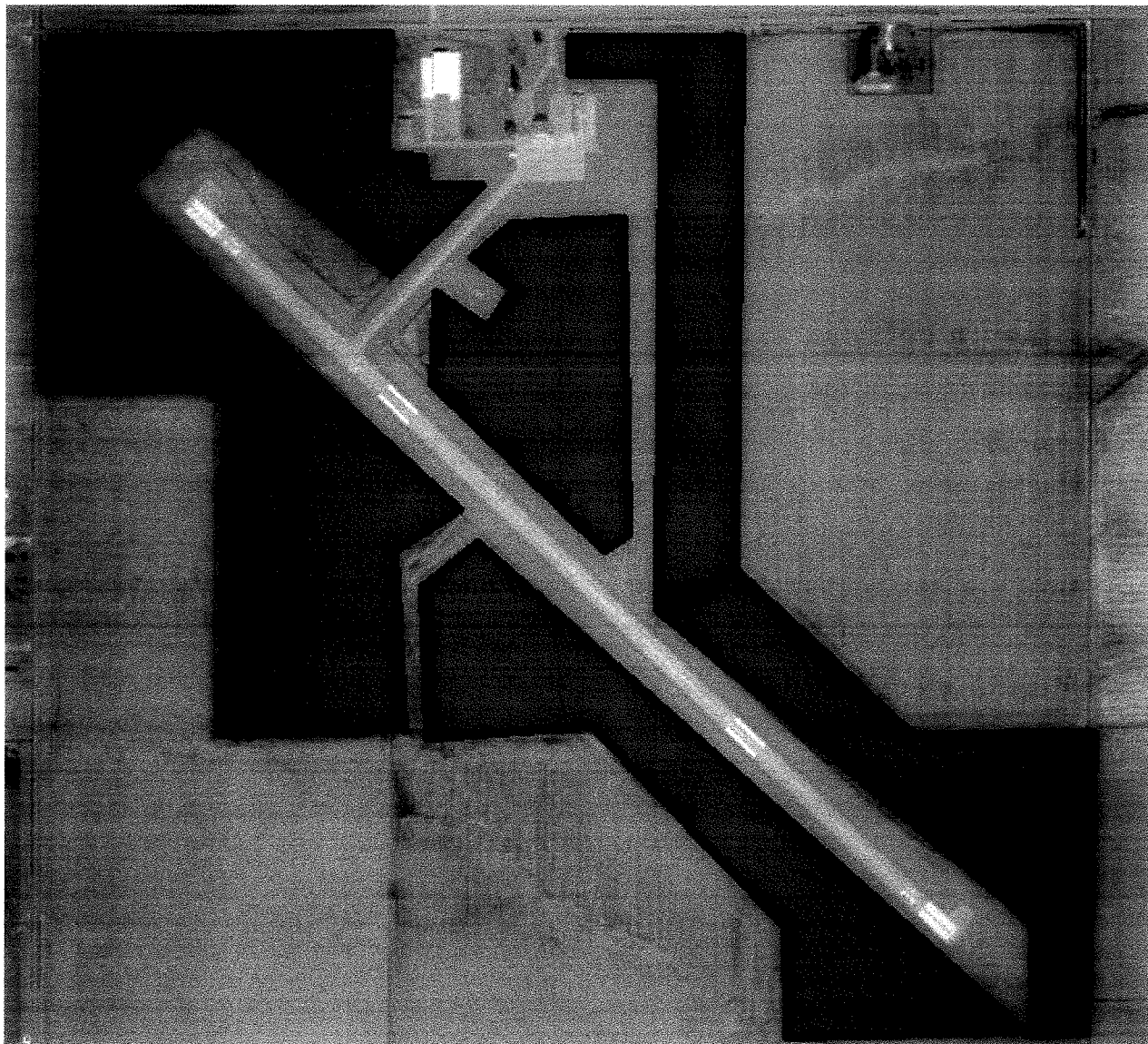
- a. The use of UAV's or Drones for crop production purposes by the tenant or 3d parties is not authorized.
- b. Tenant understands that the location in and around the Oelwein Municipal Airport may impact the growing crop and the land owner makes no guarantee regarding suitability or successful crop potential.
- c. Tenant will agree to take actions to comply with FAA directives and land owner directives that are required to comply with FAA rules regarding operation of the airport.
- d. Tenant will warrant that all crop will be harvested timely and, in all cases, no later than 1 November of the crop year. Any crop standing after that date is subject to removal by the land owner without compensation the tenant. The tenant expressly understands that regardless of weather conditions at planting or harvesting, this provision will be enforced.

26. Reserved Acres 31 acres mil

- a. Currently the city of Oelwein uses a local farmer for the Biosolids, so these acres are not needed, but if the agreement with the local farmer does not work out, the city will use the airport farm ground for the Biosolids.
- b. Should the tenant desire, and the city agrees, the tenant enter into a contract to rent the reserve area under the following conditions Biosolids Area
- c. Approximately 31 acres m/1, as designated by the land owner, is to have biosolids applied to the ground. The biosolids will be provided by the land owner to the field site. The tenant or its agents will be responsible for loading spreaders and incorporating the applied solid.
- d. The tenant understands that the application of the bio solid is a requirement, not an option. If the tenant fails to make timely arrangements to apply the biosolid, the land owner may do so and charge the cost of application and incorporation to the tenant.
- e. Tenant acknowledges the municipal status of the land owner may restrict access to land owner agents to provide biosolids and covenants to proactively coordinate with the land owner's designee to ensure timely and appropriate application.
- f. The land owner will complete all required testing and coordination with the Iowa Department of Natural Resources. The process will be done under the direction of the landowner following EPA 501 regulations, land owner application dates, and application rates on designated acceptable grounds. The tenant agrees that all directives from the land owners' Utility Department will dictate the terms of the application of the bio solid.

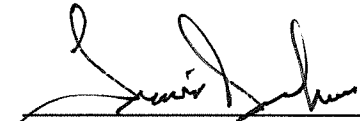


Farmable Area: All shaded areas are farmable

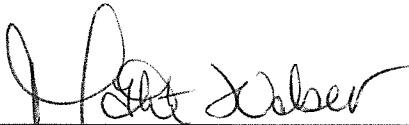




Date: March 4, 2019



Name, Tenant:



City of Oelwein, Landowner