

**FARM LEASE – CASH OR CROP SHARES**

THE IOWA STATE BAR ASSOCIATION

Official Form No. 135

**Recorder's Cover Sheet**

**Preparer Information:** Kasey Wadding, Bremer County Attorney  
415 E Bremer Ave Waverly, IA 50677 (319)-352-0214

**Taxpayer Information:** N/A

**Return Document To:** Tim Neil, Chairman, Bremer Board of Supervisors  
415 E Bremer Ave Waverly, IA 50677 (319)-352-0340

**Grantors:** Bremer County

**Grantees:**

## FARM LEASE – CASH OR CROP SHARES

THIS LEASE (“Lease”) is made between Bremer County (“Landlord”), whose address for the purpose of this Lease is Bremer County Courthouse, Auditor’s Office, 415 E. Bremer Ave. Waverly, IA 50677 and (renter name and address here)

### THE PARTIES AGREE AS FOLLOWS:

1. **PREMISES AND TERM.** Landlord leases to Tenant the following real estate situated in Bremer County, Iowa (the “Real Estate”): (INSERT LEGAL DESCRIP HERE) with possession by Tenant for a term of three year(s) to commence on March 1, 2021, and end on February 29, 2024 continuing thereafter from year to year, unless terminated by either party according to Iowa Law on or before September 1<sup>st</sup> effective the following March 1<sup>st</sup>. The Tenant has had or been offered an opportunity to make an independent investigation as to the acres and boundaries of the premises. In the event that possession cannot be delivered within fifteen (15) days after commencement of this Lease, either Landlord or Tenant may terminate this Lease by giving the other party notice in writing.

2. **RENT.** Tenant shall pay to Landlord as rent for the Real Estate (the “Rent):

- a. Total annual cash rent of \$...../yr payable, unless otherwise agreed, as follows: \$..... on or before March 1<sup>st</sup> each year, beginning March 1, 2021 and \$..... on or before October 1<sup>st</sup> each year, beginning with October 1, 2021.

3. **LANDLORD’S LIEN AND SECURITY INTEREST.** As security to all sums due or which will become due from Tenant to Landlord, Tenant hereby grants to Landlord, 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.

Tenant shall not sell such crops unless Landlord agrees otherwise. Tenant shall notify Landlord of Tenant’s intention to sell crop at least three (3) business days prior to sale of the crop (with business days being described as Monday through Friday, except any Iowa or federal holidays). Tenant shall pay the full rent for the crop year in which the crop is produced, whether due or not, at the time of sale pursuant to Landlord’s consent to release Landlord’s security interests. Upon payment in full Landlord shall release Landlord’s lien on the crop produced in the crop year on the premises. The parties agree that by the Landlord releasing the lien as to the crop in one year, the Landlord in no way releases the lien or agrees to release the lien in any prior or subsequent year.

Tenant shall sign and deliver to Landlord a list of potential buyers of the crops upon which Landlord has been granted a security interest in this lease. Unless Landlord otherwise consents, Tenant will not sell these crops to a buyer who is not on the potential list of buyers unless Tenant pays the full rent due for the crop year to the Landlord at or prior to the date of sale. Landlord may give notice to the potential buyers of the existence of this security interest.

Landlord 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 Landlord as Secured Party and describing the collateral herein specified. Tenant consents to the financing statement being filed immediately after execution of this Lease.

4. **USDA COMMODITY PROGRAM PAYMENTS.** The participation of the Real Estate in any offered program by the United States Department of Agriculture for crop production control or soil conservation shall be the Landlord's option. Payments from participation in these programs shall be paid to the Tenant unless otherwise agreed on with the Farm Service Agency.
  
5. **INPUT COSTS AND EXPENSES.** Tenant shall prepare the Real Estate and plant such crops in a timely fashion as may be directed by Landlord. Tenant shall only be entitled to pasture or till those portions of the Real Estate designated by Landlord. 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:

		% Landlord	% Tenant
(1)	Commercial Fertilizer	0%	100%
(2)	Lime and Trace Minerals	0%	100%
(3)	Herbicides	0%	100%
(4)	Insecticides	0%	100%
(5)	Seed	0%	100%
(6)	Seed cleaning	0%	100%
(7)	Harvesting and/or Shelling Expense	0%	100%
(8)	Grain Drying Expense	0%	100%
(9)	Grain Storage Expense	0%	100%
(10)	Other	0%	100%

In the event that Tenant applies AgLime to the field and the lease is discontinued for any reason prior to the harvest of the 4<sup>th</sup> crop after that application, a credit will be given to the Tenant for the unused value of that application equal to 25% of the applied AgLime per year.

Landlord requires Tenant to apply nutrient removal rates equal to or greater than the actual removal rate yields for each year of the contract following Iowa State University Extension guidelines. Tenant shall deliver electronic yield files (raw yield monitor data

or shape file data) to the Landlord's Crop Consulting Agent (see ADDENDUM), in order for services to be administered by the Crop Consulting agent.

6. **PROPER HUSBANDRY; HARVESTING OF CROPS; CARE OF SOIL, TREES, SHRUBS AND GRASS.** Tenant shall prepare the land and plant such crops as agreed on in a timely fashion, as weather conditions permit. 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. In the event Tenant fails to do so, Landlord reserves the right, personally or 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.

Tenant shall distribute upon the poorest tillable soil on the Real Estate, unless directed otherwise by Landlord, all of the manure and compost from the farming operation suitable to be used. Tenant shall not remove from the Real Estate, nor burn, any straw, stalks, stubble, or similar plant materials, all of which are recognized as the property of Landlord. Tenant may use these materials, however, upon the Real Estate for the farming operations. Tenant shall protect all trees, vines and shrubbery upon the Real Estate from injury by Tenant's cropping operation or livestock.

7. **ACCOUNTING.** Upon request from the Landlord, Tenant shall by August 15 of each lease year provide to the Landlord and Landlord's Crop Consulting Agent (see ADDENDUM), a written listing and electronic records 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. Tenant shall maintain accurate yield records for the real estate, and upon request, during or after lease term, shall disclose to Landlord, all yield base information required for participation in government program.

8. **ENVIRONMENTAL.**

a. Landlord. To the best of the Landlord's knowledge to date:

- i. Neither Landlord nor, Landlord's former or present tenant's, 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.

Landlord shall hold Tenant liable for any solid waste disposal site that is created by the Tenant.

Landlord shall assume liability and shall indemnify and hold Tenant harmless against any liability or expense arising from any condition which existed, whether known or unknown, at the time of execution of the lease which is not a result of actions of the Tenant or which arises after date of execution but which is not a result of actions of the Tenant.

Landlord shall disclose in writing to Tenant the existence of any known wells, underground storage tanks, hazardous waste sites, and solid waste disposal sites. Disclosure may be provided by a property completed groundwater hazard statement to be supplemented if changes occur.

- 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. 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 may not be stored on the premises for more than one year. Farm chemicals for use on other properties may not be stored on this property. Chemicals stored on the premises shall be stored in clearly marked, tightly closed containers. 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.

Tenant shall employ all means appropriate to insure that well or ground contamination does not occur, and shall be responsible to follow all applicator's licensing requirements. Tenant shall install and maintain safety check valves for injection of any chemicals and/or fertilizers into irrigation system (injection valve only, not main well check valve). Tenant shall properly post all field (when posting is required) whenever chemicals are applied by ground or air. Tenant shall haul and spread all manure on appropriate fields at times and in quantities consistent with environmental protection requirements. 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. If the disposal of solid waste or burial of dead animals is permitted as stated in the previous two sentences, the disposal or burial shall be in compliance with all applicable environmental laws. Tenant shall not use waste oil as a means to suppress dust on any roads on or near the premises. No underground storage tanks, except human waste septic systems that meet current codes, rules and regulations, shall be maintained on the premises.

Tenant shall immediately notify Landlord of any chemical discharge, leak, or spill which occurs on premises. Tenant shall assume liability and shall indemnify and hold Landlord 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 Landlord'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.

9. **POSSESSION AND CONDITIONS AT END OF TERM.** At the termination of this Lease, Tenant will relinquish possession of the Real Estate to the Landlord. If Tenant fails to do so Tenant agrees to pay Landlord as agreed at a later date if needed per day, as liquidated damages until possession is delivered to Landlord. At the time of delivery of the Real Estate to Landlord, 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.

A soil test on all county-owned leased land will be conducted at the discretion of the Landlord and at the Landlord's expense. Tenant shall be required to maintain or return soil fertility to optimum range as established by Iowa State University Extension guidelines at the end of the lease term at the Tenant's expense.

10. **LANDLORD'S RIGHT OF ENTRY AND INSPECTION.** In the event notice of termination of this Lease has been properly served, Landlord 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. Landlord and Landlord's contractors 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.

11. **TRANSFER OF INTEREST.** Tenant shall not assign this Lease or sublet any part of the Real Estate nor assign this lease to any other person, nor sublease any or all of the property described herein without prior written authorization of the Landlord. This Lease shall be binding upon the heirs, assignees, or successors in interest of both parties. If the Landlord shall sell or otherwise transfer title to the Real Estate, the Landlord will do so subject to the provisions of this lease.

12. **VIOLATION OF TERMS OF LEASE.** If Tenant or Landlord 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. **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.
14. **RECREATIONAL USE.** Use of the Real Estate is not allowed for hunting or other recreational purposes.
15. **REPAIRS.** Tenant agrees to maintain the Real Estate, including hedges and fences, in good and proper repair. Landlord shall furnish necessary materials for repairs that Landlord deems necessary within a reasonable time after being notified of the need for repairs. Tenant shall haul the materials to the repair site without charge to Landlord.
16. **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 Landlord unless the Landlord has agreed in writing prior to the erection that the Tenant may remove the improvement at the end of the lease.
17. **EXPENSES INCURRED WITHOUT CONSENT OF LANDLORD.** No expense shall be incurred for or on account of the Landlord without first obtaining Landlord's written authorization. Tenant shall take no actions that might cause a mechanic's lien or other lien to be imposed upon the Real Estate and agrees to indemnify the Landlord if actions are taken by the Tenant that result in such a lien being imposed.
18. **NO AGENCY.** Tenant is not an agent of the Landlord.
19. **ATTORNEY 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 attorney's fees.
20. **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.
21. **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.
22. **CERTIFICATION.** Tenant certifies that it is not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by any Executive Order or the United

State Treasury Department as a terrorist, "Specially Designated National and Blocked Person" or any other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control; and it is not engaged in this transaction, directly or indirectly on behalf of, or instigating or facilitating this transaction, directly or indirectly on behalf of, any such person, group, entity or nation. Tenant hereby agrees to defend, indemnify and hold harmless Landlord from and against any and all claims, damages, losses, risks, liabilities and expenses (including attorney's fees and costs) arising from or related to any breach of the foregoing certification.

DATED: \_\_\_\_\_

TENANT:

LANDLORD:

\_\_\_\_\_

\_\_\_\_\_

Tim Neil, Chairman  
Bremer County Board of Supervisors

STATE OF IOWA  
COUNTY OF BREMER

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me,

\_\_\_\_\_, a Notary Public within and for said county and state,

personally appeared \_\_\_\_\_ known to me to be the person named in and who executed the foregoing instrument and acknowledged to me that he/she executed the same as his/her voluntary act and deed.

\_\_\_\_\_  
Notary Public in and for said county.

STATE OF IOWA  
COUNTY OF BREMER

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

, before me,

\_\_\_\_\_, a Notary Public within and for said county and state,

personally appeared \_\_\_\_\_ known to me to be

the person named in and who executed the foregoing instrument and acknowledged to me that he/she executed the same as his/her voluntary act and deed.



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Notary Public in and for said county.

**ADDENDUM**

CROP CONSULTANT:

Labre Crop Consulting, Inc  
1805 Ralston Ave  
Manson, IA 50563

[info@gpssoilsampling.com](mailto:info@gpssoilsampling.com)

(712) 469-7512