

FARM LEASE – FIXED CASH RENT

THIS FARM LEASE (“Lease”) is made between the City of Waverly (“Landlord”), whose address for the purpose of this Lease is 200 First Street NE, Waverly, Iowa 50677, and _____ (“Tenant”), whose address for the purpose of this Lease is _____.

THE PARTIES AGREE AS FOLLOWS:

- 1. REAL ESTATE AND TERM.** Landlord leases to Tenant the following premises situated in Bremer, County, Iowa, generally depicted on Exhibit A attached hereto and legally described as follows (the “Real Estate”):

The NW ¼ and the NE ¼ of the NW ¼ of 33-92-14

Parcel Numbers:

0533100017

0533100022

0533100003

0533100006

0533200002

containing roughly 35 (total acres), more or less, of grassland to within 15 feet of the paved runway, taxiway and apron, and excluding drainageways or other sensitive areas, with possession by Tenant for a term of one (1) year to commence on March 2, 2026, and end on March 1, 2027 (the “Term”). The Tenant has had or been offered an opportunity to make an independent investigation as to the acres and boundaries of the Real Estate. 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 Landlord notice in writing.

- 2. RENT.** Tenant shall pay to Landlord \$_____ as annual cash rent for the Real Estate (the “Rent”). The Rent shall be payable in a single installment on or before February 3, 2025. All Rent is to be paid to Landlord at the address above or at such other place as Landlord may direct in writing. Rent must be in Landlord’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 Landlord’s consent. All payments from participation in governmental programs shall be received by Tenant.
- 3. INPUT COSTS AND EXPENSES.** Tenant shall only be entitled to cut and bale those portions of the Real Estate designated by Landlord. All machinery, equipment, and labor, necessary to carry out the terms of this Lease shall be furnished by and at the expense of the Tenant. All materials, in the amounts required by good husbandry, shall be acquired and paid for by Tenant.

- 4. PROPER HUSBANDRY; HARVESTING OF CROPS; CARE OF SOIL, TREES, SHRUBS, AND GRASS.** 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 cut and bale grass on a timely basis. In the event Tenant fails to do so, Landlord reserves the rights, personally or by designated agents, to enter upon the Real Estate and properly cut and bale grass, charging the cost of the care and harvest to the Tenant, as part of the Rent. Tenant shall comply with all terms of any Natural Resource and Conservation Service (NRCS) conservation plan and any other required environmental plans for the Real Estate. 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.
- 5. ENVIRONMENTAL.** 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 Real Estate.

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 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). Tenant shall properly post all fields (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 Real Estate. Solid waste may not be disposed of on the Real Estate. Dead livestock may not be buried on the Real Estate. Tenant shall not use waste oil as means to suppress dust on any roads on or near the Real Estate. No underground storage tanks, except human waste septic systems that meet current codes, rules, and regulations, shall be maintained on the Real Estate.

Tenant shall immediately notify Landlord of any chemical discharge, leak, or spill which occurs on the Real Estate. 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 Real Estate. 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.

- 6. TERMINATION OF LEASE.** This Lease may be terminated in accordance with Iowa Code § 562.6. This Lease shall automatically renew upon expiration from year-to-year,

upon the same terms and conditions unless either party gives written notice to the other of an election not to renew this Lease by September 1st prior to renewal. If terminated, the tenancy shall terminate on March 1 of the year following, provided that the tenancy shall not continue because of an absence of notice in the event there is a default in the performance of this Lease.

- 7. POSSESSION AND CONDITION AT END OF TERM.** At the termination of this Lease, Tenant will relinquish possession of the Real Estate to the 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.
- 8. LANDLORD'S RIGHT OF ENTRY AND INSPECTION.** Landlord may enter upon the Real Estate at any reasonable time for the purpose of viewing, seeding, making repairs, recreational activities, or for other reasonable purposes. 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. During the Term of this Lease, Landlord or its agents, representatives and designees shall have the right to enter upon the Real Estate for site analysis, surveying, boring, percolation, and other soil tests to determine the physical characteristics of the substrata of the Real Estate, environmental testing, engineering studies, determining utility availability, determining the appropriateness of access of highways and other modes of transportation, obtaining approval of public and governmental authorities relating to zoning, special use permits or similar requirements. Moreover, Tenant fully agrees to cooperate with Landlord in executing or approving all applications, petitions, agreements, or other documents relating to Landlord engaging in such undertakings. Landlord shall compensate Tenant for damage to crops that arise out of such entry.
- 9. 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.
- 10. EXPENSES INCURRED WITHOUT CONSENT OF LANDLORD.** No expense shall be incurred for or on account of the Landlord without first obtaining the Landlord's written authorization. Tenant shall take no actions that might cause a mechanic's lien to be imposed upon the Real Estate.
- 11. NO AGENCY.** Tenant is not an agent of the Landlord.

12. 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 attorneys' fees.

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

15. 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 6, which shall be governed by the Code of Iowa.

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

17. 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 States 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, liability and expenses (including attorney's fees and costs) arising from or related to any breach of the foregoing certification.

18. INDEMNIFICATION. Tenant shall indemnify the Landlord from any liabilities arising out of Tenant's use of the Real Estate, except to the extent caused directly by the Landlord or a person for whom the Landlord is legally responsible.

19. LIABILITY INSURANCE. Throughout the duration of this Lease, the Tenant shall carry, at its own expense, liability insurance and automobile insurance with reasonable and customary limits.

20. CHOICE OF LAW. This Lease shall be construed under the laws of the State of Iowa.

21. USE. The Real Estate shall be used by Tenant only for farming operations. Tenant may not use the Real Estate for hunting, fishing, or recreational purposes.

22. AIRPORT LIMITATIONS. All activities must be coordinated through the Airport Manager. The Tenant will not pile hay bales at the ends of the paved runway or within 50 feet on either side of the paved runway, taxiway and apron areas. Bales must be removed within 24 hours of production. Tenant will not cross the paved runway with heavy loads. Equipment and bales may be staged in areas approved by the Airport Manager.

23. ADDITIONAL AREAS. Tenant may cut additional areas of hay or grass as specifically agreed upon on an annual basis by the Airport Commission.

TENANT: _____

By: _____
(Tenant's Name)

Date: _____

LANDLORD: CITY OF WAVERLY, IOWA

By: _____
Kristin Happel, Mayor

Date: _____

By: _____
Carla Guyer, City Clerk

Date: _____