Official Form No. 135 | ISBA# 02110 | FOR THE LEGAL EFFECT OF THE USE OF THIS FORM, CONSULT YOUR LAWYER

FARM LEASE - CASH OR CROP SHARES

THIS LEASE ("Lease") is made between Gordon J. Mattice ("Landlord"), whose address for the purpose of this Lease is RR 1, Box 144, Manchester, Iowa 52057, and Herbert Fangmann and Mary Fangmann ("Tenant"), whose address for the purpose of this Lease is RR 1, Dundee, Iowa 52038.

THE PARTIES AGREE AS FOLLOWS:

1. **PREMISES AND TERM.** Landlord leases to Tenant the following real estate situated in Delaware County, Iowa (the"Real Estate"):

See attached.

and containing 300 acres, more or less, possession by Tenant to commence on March 1, 1995, and end on February 28, 1996.

2. **RENT.** Tenant agrees to pay to Landlord as rent for the Real Estate (the "Rent"): Total cash rent of $30,000.00 payable as follows:
$7,500.00 on or before March 22, 1995, $7,500.00 on or before June 20, 1995; $7,500.00 on or before September 20, 1995; and $7,500.00 on or before October 20, 1995.

All Rent is to be paid to Landlord at the address above or at such other place as Landlord may direct inwriting.

3. **PLANTING OF CROPS.** Tenant shall prepare the Real Estate and plant such crops in a timely fashion as may be designated and directed by Landlord. Tenant shall only be entitled to pasture or plow those portions of the Real Estate designated by Landlord.

4. **PROPER HUSBANDRY.** Tenant agrees to farm the Real Estate in a good and husbandmanlike manner, and to seek to obtain the best crop production that the soil and crop season will permit. 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. **HARVESTING OF CROPS.** Tenant agrees to appropriately care for all growing crops in a good and husbandmanlike manner, and to harvest all crops in a timely fashion. In the event Tenant fails to do so, Landlord reserves the right, by himself or 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.

6. **TERMINATION OF LEASE.** This Lease shall automatically renew upon expiration from year-to-year, upon the same terms and conditions unless either party gives due and timely written notice to the other of an election not to renew this Lease. If renewed, 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. All notices of termination of this Lease shall be as provided by law.

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. If Tenant fails to do so, Tenant agrees to pay Landlord $ 85.00 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 received by Tenant at the commencement of this Lease, excusable or insurable loss by fire, unavoidable accidents and ordinary wear, excepted.

8. **CARE OF SOIL.** Tenant agrees to 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 further agrees not to 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.

9. **FERTILIZER, LIME AND CHEMICALS.** 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		
(2) Lime and Trace Minerals		
(3) Weed Control Chemicals		
(4) Pest Control Chemicals		
(5) Weed Spraying, Weed or Pest		
(6) Other		

Phosphate and potash on oats or beans shall be allocated _____% the first year and _____% the second year, and on all other crops allocated _____% the first year and _____% the second year. Lime and trace minerals shall be allocated over _____ years. If this Lease is not renewed, and Tenant does not therefore receive the full allocated benefits, Tenant shall be reimbursed by Landlord to the extent Tenant has not received the benefits. Unless specifically stated otherwise in writing by an addendum to this Lease, Tenant agrees to furnish, without cost, all labor, equipment and application for all fertilizer, lime, trace minerals and chemicals.

10. **COST OF COMBINING AND SHELLING OF CROPS.** The expense of combining and shelling of crops shall be borne as follows: _____% Landlord 100 % Tenant.

11. **FARM MACHINERY AND EQUIPMENT.** All necessary machinery and equipment shall be furnished at the expense of Tenant.

12. **CARE OF TREES, SHRUBS AND GRASS.** Tenant agrees to preserve and keep from injury all trees, vines and shrubbery that are now or may be planted upon the Real Estate.

13. **WEED CONTROL.** All noxious weeds shall be sprayed or otherwise timely destroyed by Tenant, at Tenant's expense. Tenant shall timely cut or spray with herbicide weeds in fence rows.

14. **FURNISHING AND CLEANING SEED.** Cleaned seed shall be furnished as follows: If lease is extended for future years Landlord will furnish 50% of grass seed.

FILE No. 116-2537
RECORDING FEE $ 16.00
TRANSFER FEE $ _____
FILED FOR RECORD THE 3 DAY OF April, 1995 AT 3:19 O'CLOCK P M. BOOK 5 PAGE 130
STATE OF IOWA, DELAWARE COUNTY
Deborah L. Peyton, Recorder
Misc.

15. **LANDLORD'S RIGHT OF ENTRY AND INSPECTION.** In the event notice of termination of this Lease has been properly served, Landlord reserves the right to enter upon and plow the Real Estate after Tenant has completed the harvesting of crops. Landlord may enter upon the Real Estate at any reasonable time for the purpose of viewing or seeding and making repairs, or for other reasonable purposes.

16. **VIOLATION OF TERMS OF LEASE.** If Tenant or Landlord violates the terms of this Lease, the other shall have the right to pursue the legal and equitable remedies to which it 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.

~~DELIVERY OF GRAIN. Tenant, without cost to Landlord, shall deliver Landlord's grain pursuant to request, at reasonable times, to elevator at _____ or elsewhere at no further distant point.~~

~~LANDLORD'S STORAGE SPACE. Landlord reserves _____% of all bins and granary space for storage of the rent share crops.~~

19. **LANDLORD'S LIEN AND SECURITY INTEREST.** Tenant agrees as an element of this Lease to waive and relinquish any rights of exemption to any of Tenant's personal property located on the Real Estate from sale or seizure under distress or execution on property that he holds at the time of the execution of this Lease or thereafter acquires as his exemption applies to any claim of Landlord against Tenant resulting from any violation of any term of this Lease. Tenant grants to Landlord, in addition to any statutory liens, a security interest as provided in the Iowa Uniform Commercial Code and a contractual lien on all Tenant's exempt and non-exempt personal property kept or used on the Real Estate including, but not limited to, all crops growing or grown on the Real Estate, as security for all sums due or which will become due from Tenant to Landlord. At Landlord's request, Tenant shall provide Landlord with a list of potential buyers of the crops grown on the Real Estate and shall sign financing statements prepared by Landlord to perfect Landlord's liens and security interests. If a list of potential buyers is requested by Landlord, Tenant shall not sell any crops grown on the Real Estate to a buyer who does not appear on the list.

20. **REPAIRS.** Tenant agrees to maintain the Real Estate, including hedges and fences, in good and proper repair. Landlord agrees to furnish necessary materials for repairs that Landlord deems necessary, and shall furnish the materials within a reasonable time after being notified of the need for repairs. Tenant agrees to haul the materials to the repair site without charge to Landlord.

21. **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.

22. **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 agrees that Tenant will take no actions that might cause a mechanic's lien to be imposed upon the Real Estate.

23. **PARTICIPATION IN GOVERNMENT PROGRAMS.** The participation of the Real Estate in any offered program by the United n. States Department of Agriculture for crop production control or soil conservation shall be Landlord's option. ~~Payments from participation in these programs shall be divided _____% to landlord _____% to tenant~~

24. **WELL, WINDMILL AND WATER SYSTEM.** Tenant agrees to maintain all well, windmill and water systems on the Real Estate in good repair at Tenant's expense except such damage caused by windstorm or weather. This Lease includes no guarantee, either expressed or implied, by Landlord relative to continuous or adequate supplies of water for the Real Estate.

~~25. ACCOUNTING. The method used for dividing and accounting for the harvested grain shall be the customary and usual method used in the locality.~~

26. **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.

27. **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.

28. **DELAY IN GIVING POSSESSION.** In the event that possession cannot be delivered within fifteen (15) days of commencement of this Lease, either Landlord or Tenant may terminate this Lease by giving the other party notice in writing.

29. **TELEVISION AND RADIO.** Tenant shall have the right to install and remove, without causing material injury to any structures or the Real Estate, television reception antennas, microwave dishes, and radio reception and transmission antennas placed upon the Real Estate by Tenant.

30. **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.

31. **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, registered mail, return receipt requested, to the recipient's last known mailing address. The notice provisions of this Section 31 shall not apply to the notice of termination set forth in Section 6. The notice of termination is specifically governed by the Code of Iowa.

32. **ASSIGNMENT.** Tenant shall not assign this Lease or sublet the Real Estate or any portion thereof.

33. **ADDITIONAL PROVISIONS.**

See attached for additional provisions, which are hereby incorporated in and made a part hereof.

DATED: March 30, 1995

TENANT:

Herbert Fangmann

Mary Fangmann

LANDLORD:

Gordon J. Mattice

STATE OF IOWA, COUNTY OF Delaware, ss.

On this 30th day of March, 1995, before me, the undersigned, a Notary Public in and for said County and said State, personally appeared Herbert Fangmann & Mary Fangmann, husband ~~and wife~~, to me known to be the identical persons named in and who executed the foregoing Lease and acknowledged that they executed the same as their voluntary act and deed.

VONDA BILLHORN Iowa NOTARIAL SEAL

Vonda Billhorn

Notary Public in the State of Iowa

[ATTACH OTHER APPROPRIATE ACKNOWLEDGMENT(S) HERE]

STATE OF IOWA, DELAWARE COUNTY, ss:

On this 27th day of March, A.D. 19 95, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Gordon J. Mattice, to me known to be the person named in and who executed the foregoing instrument, and acknowledged that (he) (she) executed the same as (his) (her) voluntary act and deed.

VONDA BILLHORN Iowa NOTARIAL SEAL

Vonda Billhorn

Vonda Billhorn, Notary Public in and for said State.

The following provisions are part of that certain farm lease between the undersigned of even date herewith:

1. Description of Leased Premises:

   The Southeast Quarter (SE 1/4) of Section Twenty Five (25) and the Northeast Quarter (NE 1/4) of the Northeast Quarter (NE 1/4) of Section Thirty Six (36), and 15 acres, more or less, of crop ground located in the Southeast Quarter (SE 1/4) of the Northwest Quarter (NW 1/4) of Section Thirty Six (36), all in Township Ninety (90) North, Range Six (6), West of the Fifth P.M.; the Southwest Quarter (SW 1/4) of the Northwest Quarter (NW 1/4) and the Northwest Quarter (NW 1/4) of the Southwest Quarter (SW 1/4) of Section Thirty (30), Township Ninety (90) North, Range Five (5), West of the Fifth P.M.; all of the foregoing in Delaware County, Iowa, subject to highways and easements of record.

2. Tenant shall haul and distribute upon the poorest soil on said premises all the manure and compost suitable to be used, such manure as is unfit for use to be left upon said premises.

3. Landlord reserves the privilege of plowing the stubble ground when the Party of the Second Part may have secured the grain grown thereon.

4. Tenant shall not sublease any portion of the leased premises or buildings without written consent of the Landlord.

5. Any lime applied to any of above premises, shall be at total expense to Landlord.

6. Landlord is not required to sign any agreement in connection with any ASCS or other farm programs whereby the Tenant would receive payments thereunder until all rent due under this Agreement is fully paid.

7. Tenant shall not have the right to charge any expense to the Landlord for the purchase of any permanent equipment or other equipment that shall remain on the farm after termination of this Lease Agreement.

8. Not more than 150 acres of the leased premises may be planted to corn unless otherwise agreed in writing by Landlord.

9. It is understood that no major improvements shall be made upon the leased premises during the term of this lease.

10. Tenant shall leave a grass strip at least one rod wide on each side of the creek, and shall stay back at least one rod from all boundary fences.