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DEBORAH L. PEYTON
DELAWARE CO. RECORDER
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Prepared by Marcheta R. Cooey, 2607 220th Ave. Delhi, IA 52223-5803, ph 319 922 2792

LEASE

THIS AGREEMENT, made between **HARTWICK LAKE CLUB**, hereinafter designated as "LANDLORD", AND **Andrew P. Coleman and Patty Coleman, husband and wife, of 26240 221 Ave, Delhi, IA 52223**, herein after designated as "TENANTS.

WITNESSETH that the said Landlord has this day leased unto Tenant the following described premises, owned by Landlord, in Delaware County, to wit: **Part of LOT 1 of HLC South Addition at 26240 221 Ave. CG IN THE HARTWICK COTTAGE GROUND AREA, PART OF NW 1/4 QT.OF THE NW 1/4 QT. OF SECTION 30, DELHI TWP., DELAWARE COUNTY, IA,** exclusive of the existing structures and additions located thereon in which Landlord has no interest, according to the present plat, thereof, for a term of twenty five (25)years beginning **MAY 1, 2004 and ending MAY 1, 2029**, at an annual rental due and payable at once, forthwith, each year. To be strictly in advance, and in case of default in payment of said rent when due, time being of the essence of this contract, the same shall bear interest at the highest legal rate per annum from date of default until paid. The first year lease rent shall be **determined as described below from the 2004 lease rent. The 2004 lease rent is $671.00.** Each year thereafter, the rent will be determined by the following factors:

1. Any increase in property tax will be added to the rent. **The property tax on said lot for 2004 was $88.**
2. Any increase in the cost of garbage pick up service or State or Federal mandates.
3. An increase of no more than **three times** established Federal retail cost of living index for the previous calendar year.

At the end of this 25 year lease, the tenant does have the option of extending this lease for an additional 25 years. It is the obligation of the TENANT to make an appointment with the LANDLORD representative of HARTWICK LAKE CLUB during the last year of this lease, for the purpose of signing said lease extension.

Landlord hereby grants to Tenant a first-right-of-refusal in connection with any future potential sale of the above described real estate. The property needs to be appraised by a certified appraiser acceptable to both parties. If the parties are unable to mutually agree upon a purchase price for said real estate the Landlord may withdraw his offer to sell at that time; however, the property will continue to be leased to any immediate member of the Andy Coleman family. This first-right-of-refusal shall be binding on the heirs, successors and assigns of the land owner hereto. Before any sale of

the land can take place, Lot 1 of HLC South Addition must be subdivided, and that part of Lot 1 were Andy and Patty Coleman's personal property is located, must be marked by boundary lines and corner stakes. The Landlord is solely responsible for determining said boundaries.

If Tenants shall fail to comply with any of the terms or conditions of this lease, the Landlord, in addition to any other remedies, may exercise at his discretion, any one or more of the following remedies, to-wit:

1. Declare the rent for said lease that is past due and the none expired term due and proceed to collect the same **or require the sale of said personal property with all past due lease rent, interest, and accrued legal expenses being paid to Landlord before any new lease or transfer will be offered.**
2. Elect to declare a forfeiture of this lease and all Tenants rights hereunder, an ordinary three day Notice to Quit being sufficient for this purpose as well as being the basis for suit for possession.

If forfeiture is elected, Tenant shall have 120 days to remove the existing structures and additions on the premises and all structures and additions Tenant has placed on said premises and shall be liable for payment of rent for this period of time at the current rate in said Lease. All or any part of said structure and addition not removed by Tenant within said time shall become property of Landlord without further notice or action on the part of Landlord and shall not be subject to any liens placed thereon by Tenant.

A partial payment of rent due shall not constitute a waiver of right of action for balance due aided by attachment or of action for forcible entry and detainee on account of the unpaid balance of rent for the period upon which part payment was made. In all provisions under this lease, time is of the essence and the performance of all other obligations is material.

In case of any action or in any proceedings in any Court, to collect any sums payable or secured by this lease or to protect the lien herein given, or in any other case permitted by law in which attorneys' fees may be collected from Tenants or charged upon the property, Tenants agree to indemnify and hold Landlord harmless from all attorney fees and expenses incurred by Landlord in connection with the enforcement of said Lease or any of the terms and conditions thereof.

It is further agreed that all buildings and erections put or placed upon this lot by Tenant during the term of this lease shall be the personal property of said Tenant, and taxable as such, and may be removed there from by said Tenant before the end of the term or extension of this lease, **provided, however, that Tenant repair any damage to the demised premises caused by such removal and provided that any such building or improvement that shall not have been removed by Tenant on, or within thirty (30) days after, the expiration or earlier termination of this Lease Agreement, shall be deemed abandoned by tenant and shall become the absolute property of Landlord without compensation to Tenant, and shall not be subject to any liens placed thereon by Tenant.** Tenant shall be liable for payment of rent for any extended period of time at the current rate in said Lease.

Tenant covenants that he will use said premises and the structures and additions located thereon as a dwelling only; that he will not use or permit same to be used, for any unlawful business or immoral purpose; that he will not cause, or permit to be caused, any unnecessary disturbances, noises, or annoyances to neighbors, that he will keep all weeds on said premises cut, that he will cause all garbage, ashes, refuse, junk or waste, of all kinds whatsoever, to be either buried, burned, or removed from said premises, and that under no circumstances shall any such be thrown, or deposited, in the lake or land adjoining this or any other lot in this tract, and hereby agrees to timely pay for and indemnify and hold Landlord harmless from reasonable payment for same, any trash and garbage disposal or pickup system designated by the Landlord at any time, at the discretion of the Landlord, in addition to the duties herein above described, payment of same to be added to and payable at the time Lease rent is due. Tenant will do, or permit to be done, no waste to the land or destruction of, or damage to, any trees, or shrubs on this lot or on this tract, unless by specific consent of the Landlord first having been obtained. **Tenant shall have the right wholly at Tenant's own expense during the term of this Lease Agreement to improve or alter the demised premises but may not improve or alter same in any manner without the prior, express and written consent of Landlord, but shall, before making any improvements or alterations, submit plans and designs for such improvements or alterations to Landlord for Landlord's approval. In the event that the plans or designs are disapproved, the improvements or alterations shall be made only with such changes as may be required by Landlord and at Tenant's expense.** Landlord does agree to be reasonable in allowing improvements to said lot, rebuilding of any structures existing or placed on said lot if the need should arise or improving the waterfront as long as such improvement does not infringe on other lots or the DNR'S requirements and **consent for improvements have been obtained from Landlord.**

Tenant will not assign this lease, or let or underlet said premises, without the written consent of the Landlord; all under the penalty or a forfeiture of all the Tenant's rights under this lease. Tenant has the right to sell said personal property on leased lot with the written consent of the Landlord and the completion of a Lease Transfer to the Buyer of said personal property.

Landlord shall have, in case of default of payment, in addition to the Landlord's lien provided by statute, a lien upon all personal property of tenants, kept or used on said premises during the term of this lease and belonging to Tenants, whether such property is exempt from execution or not, and upon improvements, if any placed or erected by Tenant on said premises, or already on said premises, and upon the none expired term of this lease, to secure the payments of rent due and all expenses including attorney's fees incurred by Landlord in litigation to collect rent hereunder, or possession, or to procure injunction to prevent removal of personal property, and to secure payment of damages to the premises caused or permitted by Tenants. The lien shall follow the property to whatever location removed until all secured amounts are paid. The Landlord agrees to allow the Tenants to mortgage or

encumber Tenants personal property and if the lender wants first lien on said personal property, **Landlord will release all rights to said personal property with the Lender's agreement to make all yearly lease payments if Tenants fail to comply with the terms of this lease. Nothing contained in this lease agreement shall be construed to authorize Tenant to do any act or make any contract so as to encumber in any manner the title of Landlord in and to the demised premises or to create any claim or lien on or against the interests of Landlord in any building construction that is authorized under this lease agreement. It is expressly agreed that all the expenses of the erection, equipping, repairing, improving, and altering of the building by Tenant shall be promptly paid by Tenant, as required by the terms of any contract pertaining to such matters.**

Landlord reserves to himself the right to enter upon any part of said lot in person or by his Agent, for any lawful purpose or for the making of any general improvement or utility easement inspection.

Landlord expressly does not covenant to make and keep a passable road or roads for ingress or egress to the above described premises and while Landlord will permit access to said premises over the course and in the width and in the manner as designated by Landlord, over other land owned by Landlord, where necessary, Tenant agrees to maintain said access and said road or roads at tenant's sole expense during the times and in the manner as directed by Landlord and area association, and agrees to indemnify and hold harmless Landlord from any expense in connection therewith.

By acceptance of this lease or part ownership of said lease, every person or entity who is a recorded owner of personal property in Lot 1 of HLC South Addition, shall become a member of an association formed by all the personal property owners in Lot 1 of HLC South Addition for the purpose of regulation thereof and providing necessary or desirable services thereto. By acceptance of such conveyance, the Tenant hereby agrees on behalf of himself and his successors to pay to such association any annual assessments or charges for road maintenance or other charges for such capital improvements as may be necessary. The annual and special assessments, together with such interest thereon and costs of collection thereof, shall be a charge on the property of said Tenant and shall be a continuing lien upon the property against which each such assessment is made. Both annual and special assessments shall be equitably spread among the Tenants. Any assessments which are not paid when due will become delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the maximum rate of interest then permitted by the laws of the State of Iowa. Reasonable attorneys fees of any such action shall be added to the amount of such assessment. Sale or transfer of any personal property shall not affect the assessment lien.

Except for negligence of the Landlord, the Landlord will not be responsible for any accident occurring to property or Tenants or their guests and invitees while on the property of the Landlord. Tenant will protect, indemnify, and save harmless the Landlord from and against any and all loss,

costs, damage and expenses occasioned by, or arising out of, any accident or other occurrence causing or inflicting injury and/or damage to any person or property, happening or done, in, upon, on the access or road leading thereto, or any part of **HARTWICK COTTAGE GROUNDS**, and about the leased premises, or due directly or indirectly to the tenancy, use, or occupancy thereof, or any part thereof by the Tenant or any person claiming through or under the Tenant. The Tenant further covenants and agrees that Tenant will at Tenant's own expense procure and maintain casualty and liability insurance in responsible company or companies authorized to do business in the State of Iowa, in amounts of not less than $100,000 for any one person injured and $300,000 for any one accident, and with the limits of $10,000 property damage, protecting the Landlord against such claim, damages, costs or expenses on account of injury to any person or persons or to any property belonging to any person or persons, by reason of such casualty, acts, or other happenings on or about the demised premises where the access or roadway leading thereto, during the term hereof. **Certificates or copies of such policies, naming the Landlord and providing for 30 days notice to Landlord before cancellation shall be delivered to Landlord within 30 days from the date of the beginning of the term of this lease.**

NO FENCE IS TO BE BUILT AROUND SAID LOT. Dogs are not to run at large.

Tenant, on or before the date of commencement of this lease, shall purchase a $100.00 membership share for each cabin, or structure used as a residence on said premises in the lake area, there being no yearly dues or other monetary commitment, said membership share being in the Lake Delhi Recreation Association, a Corporation, or in such amount as required for said membership share, as now or may be in the future, during the term of this lease, required by said Association, and shall exhibit evidence thereof to Landlord.

Tenant further agrees that he shall not change the bottom or shore line of the lake adjoining the premises described herein, if any, without the written approval of the Landlord.

Tenant further agrees to remove from the water, or securely tie all docks, lifts, and buildings that are over the water adjoining said property so that they will not become loose or freed in high water or in early spring when the ice melts, or at any other time and shall inspect and maintain said ties to this end. Landlord is not responsible for any damage caused by docks. All docks must meet DNR requirements.

No statement, representation, or promise with reference to this lease for the premises leased, or change in the term of this lease shall be binding upon either of the parties unless in writing and signed by both Landlord and Tenants.

It is understood that all of the covenants and agreements in this lease shall succeed to and be binding upon the respective heirs, executors,

administrators of the parties hereto.

Building requirements on this Lot are as follows: No boat houses are allowed over the water. **Mobil homes are allowed.**

IN WITNESS WHEREOF, Landlord and Tenants have hereunto set their names this 28th day of July, 2004.

HARTWICK LAKE CLUB

Landlord: Hartwick Lake Club

By Marcheta Cooey

Tenant: **Andrew P. coleman**

Tenant: **Patty Coleman**

Tenant:

STATE OF Iowa)ss
COUNTY OF Delaware)

On this 28th day of July, 2004, before me, the undersigned, a Notary Public in and for said County and State, personally appeared

Andrew P and Patty Coleman

to me known to be the identical person(s) named in and who executed the foregoing instrument, and acknowledged that they executed the same as their voluntary act and deed.

Christine L. Hughes
Print/Type Notary Name

Christine L Hughes
Notary Public in and for said County and State.

STATE OF Iowa)ss
COUNTY OF Delaware)

On this 28th day of July, 2004 before me, the undersigned, a Notary Public in and for said County and State, personally appeared

~~Marcheta Cooey, known to me to be the owner of Hartwick Lake Club, who executed~~ this instrument. That there is no seal. That said instrument was signed on behalf of said Hartwick Lake Club, and Marcheta Cooey, to me known to be the identical person(s) named in and who executed the foregoing instrument, and acknowledged that ~~they~~ she executed the same as ~~their~~ her voluntary act and deed.

Christine L Hughes
Print/Type Notary Name

Christine L Hughes
Notary Public in and for said County and State