Recorded: 1/19/2016 at 2:11:39.0 PM
Fee Amount: $27.00
Revenue Tax:
Delaware County, Iowa
Daneen Schindler RECORDER
BK: 2016 PG: 141

FARM LEASE

THE IOWA STATE BAR ASSOCIATION
Official Form #135
Recorder's Cover Sheet

Preparer Information: (Name, address and phone number)
Cover Sheet prepared by: Jospeh A. Peiffer, Day Rettig Peiffer, P.C., 150 1st Avenue NE, Suite 415, Cedar Rapids, IA 52401, Phone: (319) 365-0437
Farm Lease prepared by: Gale and Edna Flannagan, 3032 230th Ave., Hopkinton IA 52237 (563) 926-2694

Taxpayer Information: (Name and complete address)
Gale and Edna Flannagan, 3032 230th Ave., Hopkinton, IA 52237

Return Document To: (Name and complete address)
Jospeh A. Peiffer, Day Rettig Peiffer, P.C., 150 1st Avenue NE, Suite 415, Cedar Rapids, IA 52401

Grantors:
Gale Flannagan
Edna Flannagan

Grantees:
Mike Flannagan
Chad Bonert

Legal description: See Exhibits A & B

Document or instrument number of previously recorded documents:

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Iowa Cash Rent Farm Lease (Short Form) for 20 12

Owner (s): Gale & Edna Flannagan

Operator (s): Mike Flannagan & Chad Bonert

1. **Legal Description:**
   190 Acres of tillable land, along with the use of a harvestor, barn, and pasture(s).

2. **Term of Lease:** Beginning March 1st, 20 12, and ending the last day of February, 2025. Continuing thereafter from year to year, unless terminated by either party according to Iowa Law on or before September 1st effective the following March 1st.

3. There are 190 contract acres available according to county FSA records (FSA form 578).

   The following housing, buildings and storage structures located on the Real Estate may be used by the Operator for the following purposes:

Structure	Purpose
Harvestor	Grain Storage
Barn	Hay Storage
Pasture	Cattle Grazing

In the event of damage or destruction of buildings or structures listed above the Owner will have the option to replace them or provide their functional equivalent operator for the purpose described above within a reasonable period of time, or make adjustments to the terms of this lease in lieu of replacement.

4. **Cash Rent:** Operator agrees to pay the Owner cash rent for the use of part or all of the Real Estate as follows:

Description			Amount
Cropland	_____acres	@ $_____	$ _____
Cropland	_____acres	@ $_____	$ _____
Established hay land	_____acres	@ $_____	$ _____
Pasture	_____acres	@ $_____	$ _____
Buildings and storage structures, housing			$ _____
Total annual rent			$ 41,000

The cash rent shall be due and payable as follows:

Due Date 3/1 Amount $ 10,250
Due Date 6/1 Amount $ 10,250
Due Date 12/1 Amount $ 20,500

5. **USDA Commodity Program Payments:** Payments shall be paid to the Operator unless otherwise agreed on with the Farm Service Agency.

6. **Recreational Use:** Use of the real estate is not allowed for hunting or other recreational purposes without consent of the Owner.

7. **Division of Expense:** All crop production expenses are the responsibility of the Operator. Cost of lime and application will be treated as follows: _____

8. **Expenses**: No expense shall be incurred by the Operator for or on account of the Owner without first obtaining written permission from the Owner. The Operator agrees to take no actions that might cause a mechanic's or other lien to be imposed upon the Real Estate and agrees to indemnify the Owner if actions are taken by the Operator that result in such a lien being imposed.

9. **Repair and Maintenance:** Buildings and Fences for minor repairs: Owner will furnish all materials and Operator will provide the labor at no charge. New Fence: Owner to furnish all materials and one-half of the cost of labor. Operator to provide one-half of the labor and all of the equipment to construct fence. Owner will pay 100% of the cost to clear fence row when necessary.

10. **Operator's Duties:** Operator agrees to operate the farm in an efficient and steward-like manner, control weeds and brush in the fields, fence rows, road ditches, provide proper maintenance to control erosion and maintain waterways and tiles, and building lots and all other areas of the farm where access is possible. Operator agrees, on termination of the lease, to yield prompt possession of the farm to the Owner.

11. **Owner's Duties:** Owner agrees to warrant and defend the Operator's possessions against all persons as long as this lease remains in effect. The Owner will promptly pay taxes and carry insurance on his/her interest in the property.

12. **Compensation:** Operator shall have the right to take away from the farm any movable buildings and fixtures which he/she has replaced upon the farm at his/her own expense. Such moving must be done within 60 days after termination of the lease. The Operator must leave the premises from which such improvements are removed in as good condition as they were before said removal or compensate the Owner for damages. Each party shall present to the other all such claims for compensation in writing at the termination of the lease. The Operator shall receive compensation from the Owner for the undepreciated value for the **following items** upon termination of the lease provided that the value and date of completion are documented.

Item a. _____ **Item b.** _____ **Item c.** _____ **Item d.** _____

13. **Transfer of Interest:** The Operator agrees not to 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 permission of the Owner. This lease shall be binding upon the heirs, assignees, or successors in interest of both parties. If the Owner should sell or otherwise transfer title to the Real Estate, the Owner will do so subject to the provisions of this lease.

14. **Changes in Lease Terms:** The conduct, representation, or statement 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 an addendum to this lease.

15. **Right of Entry:** The Owner reserves the right to enter the premise at any time for any reason. Upon notice of the lease termination, the Operator agrees to permit the Owner or the Owner's lessee or agent to enter the premise to do customary tillage and operations on any land from which the current crops have been removed.

16. **Violation of Terms:** If the Operator fails to keep any agreement contained in this lease, the lease shall then terminate and the Owner or legal representative shall have the right to take immediate possession of the premises.

17. **Other Provisions:**

18. **Arbitration:** Any disputes between the Owner and Operator not covered by the terms of this lease may be submitted by either party for arbitration at a reasonable fee by three disinterested persons, one of whom shall be selected by the Owner, one by the Operator, and the third by the previously named two. If and when disputes are submitted, a majority decision of the arbitrators shall be binding upon the parties to the lease.

In Witness whereof, we agree to the terms and conditions of this lease and we affix our signatures this 13th **day of** September ,20 11 .

Operator	Owner
Spouse	Spouse
For (business entity)	By (owner's representative)
Address	Address
Telephone	Telephone

Optional Notarization

On this _____day of _____; A.D., 20___before me the undersigned, a Notary public for the county of _____, State of Iowa, personally appeared to me known to be identical persons named in who executed the foregoing instrument and acknowledged that they executed the same as their voluntary act and deed.

_____

Notary Public

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Many materials can be made available in alternative formats for ADA clients. To file a complaint of discrimination, write USDA, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, DC 20250-9410 or call 202-720-5964.

EXHIBIT A

The Southeast Quarter (SE¼) of the Southwest Quarter (SW¼) and the East eighteen (18) acres of the Southwest Quarter (SW¼) of the Southwest Quarter (SW¼) of Section Eight (8), and the Northeast Quarter (NE¼) of the Northwest Quarter (NW¼) and the East one-half (E½) of the Northwest Quarter (NW¼) of the Northwest Quarter (NW¼) and the Southwest Quarter (SW¼) of the Northwest Quarter (NW¼), except the South sixty five (65) feet thereof, and that part of the West one-half (W½) of the Northwest Quarter (NW¼) of the Northwest Quarter (NW¼) lying South of the road, of Section Seventeen (17), all in Township Eighty Seven (87) North, Range Four (4), West of the Fifth P.M., except Parcel A, Part Of The E 1/2 Of The NW 1/4-NW 1/4 Sec. 17, T87N, R4W Of The Fifth P.M., Delaware County, Iowa, **AS RECORDED IN BOOK 2003, PAGE 3257.**

EXHIBIT B

The West one-fourth (W¼) of the Southwest Quarter (SW¼) of the Southwest Quarter (SW¼) of Section Sixteen (16), and the Southeast Quarter (SE¼) of the Southeast Quarter (SE¼) and the West one-half (W½) of the Northeast Quarter (NE¼) of the Southeast Quarter (SE¼) of Section Seventeen (17), and the North three-fourths (N¾) of the East one-half (E½) of the Northeast Quarter (NE¼), and the Southwest Quarter (SW¼) of the Southeast Quarter (SE¼) of the Northeast Quarter (NE¼), of Section Twenty (20), all in Township Eighty Seven (87) North, Range Four (4), West of the Fifth Principal Meridian

A strip of land two rods wide and eighty-four rods long, described as commencing at the South West corner of the South East quarter of the North East quarter of Section Twenty, Township Eighty Seven North, Range Four, West of the Fifth P.M.; thence East two rods; thence at right angles North Eighty Four rods; thence at right angles West two rods; thence at right angles South Eighty Four rods to the place of beginning.