Wilbur Kehrli
1596 210th St
Manchester IA 52057

Book 2017 Page 970

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Daneen Schindler, RECORDER/REGISTRAR
DELAWARE COUNTY IOWA

Prepared by and Return to: D. Flint Drake, 300 Main Street, Suite 323, Dubuque, IA 52001 (563) 582-2000

NOTICE OF OPTION AND RIGHT OF FIRST REFUSAL AFFIDAVIT

RE: LOT TWO (2) OF EF ACRES, A SUBDIVISION OF PART OF THE E 1/2 OF THE NW1/4 OF SECTION 36, TOWNSHIP 89 NORTH, RANGE 6 WEST OF THE FIFTH P.M., DELAWARE COUNTY, IOWA, ACCORDING TO PLAT RECORDED IN BOOK 7 PLATS, PAGE 167, EXCEPT PARCEL E IN LOT 2 OF EF ACRES SUBDIVISION IN THE E ½ OF THE NW 1/4 OF SECTION 36, TOWNSHIP 89 NORTH, RANGE 6 WEST, DELAWARE COUNTY, IOWA, ACCORDING TO PLAT RECORDED IN BOOK 2011, PAGE 3744;

STATE OF IOWA) SS:
COUNTY OF DELAWARE)

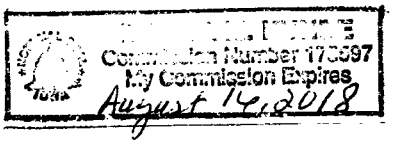
The undersigned, Wilbur E. Kehrli is the lessee of the above described real estate by virtue of a Lease-Business Property between Willie D. Miller, as Landlord, and Wilber E. Kehrli, as Tenant, dated August 19, 2013 (the "Lease"). A true and correct copy of the Lease is attached hereto. The Lease has been extended and remains in full force and effect as of the date hereof. Pursuant to paragraph 19 of the Lease, the undersigned holds an Option to purchase the above described real estate and a Right of First Refusal with respect to the above described real estate. Under the terms of the Right of First Refusal, the Landlord is to provide written notice to the undersigned of the Landlord's intent to sell or a copy of the bonafide offer Landlord desires to accept. The undersigned may then exercise my right of first refusal within 10 days of such written notification. This Notice is intended to provide notice to the public of the undersigned's rights with respect to the above real estate.

Further Affiant Sayeth Not.

Wilbur E. Kehrli

STATE OF IOWA]
COUNTY OF DELAWARE] ss:

On this 7th day of April, 2017, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Wilbur E. Kehrli, to me known to be the person named in and who executed the foregoing instrument, and acknowledged that he executed the same as his voluntary act and deed.



Notary Public In and For the State of Iowa

COPY

William A. Conzett

LEASE - BUSINESS PROPERTY - SHORT FORM

THIS AGREEMENT, made and entered into this 19 day of August, 2013 by and between Willie D. Miller ("Landlord"), whose address, for the purpose of this lease is 1532 210th St., Manchester, Iowa 52057, and Wilbur E. Kehrli ("Tenant"), whose address for the purpose of this lease is 1596 210th St., Manchester, Iowa 52057.

The parties agree as follows:

1. **PREMISES AND TERM.** Landlord leases to Tenant the following real estate, situated in DELAWARE County, Iowa:

Lot Two (2) of EF Acres, A Subdivision Of Part Of The E½ of the NW¼ Section 36, T89N, R6W Of the Fifth P.M., Delaware County, Iowa, according to plat recorded in Book 7 Plats, Page 167, except Parcel E in Lot 2 of EF Acres Subdivision in the E½ of the NW¼ of Section 36-T89N-R6W Delaware County, Iowa, according to plat recorded in Book 2011, Page 3744.

together with all improvements thereon, and all rights, easements and appurtenances thereto belonging, for a term beginning on Sept 1 2013, and ending on August 31, 2016 2016, upon the condition that Tenant performs as provided in this lease.

2. RENT. Tenant agrees to pay Landlord as rent $ 5,000.00 per year for a period of three (3) years, the lease to begin on the 1st day of Sept. 2013, and end on the 31 day of August 2016. Rent for any partial month shall be prorated as additional rent. All sums shall be paid at the address of Landlord, or at such other place as Landlord may designate in writing.

3. **POSSESSION.** Tenant shall be entitled to possession on the first day of the lease term, and shall yield possession to Landlord at the termination of this lease. SHOULD LANDLORD BE UNABLE TO GIVE POSSESSION ON SAID DATE, TENANT'S ONLY DAMAGES SHALL BE A PRO RATA ABATEMENT OF RENT.

4. **USE.** Tenant shall use the premises only for a pony and livestock placed on the premises by Wilbur E. Kehrli or Ken Kehrli.

5. **CARE AND MAINTENANCE.** Tenant takes the premises as is, except as herein provided.

6. **UTILITIES AND SERVICES.** Tenant shall pay for all utilities and services which may be used on the premises. Landlord shall not be liable for damages for failure to perform as herein provided, or for any stoppage for needed repairs or for

improvements or arising from causes beyond the control of Landlord, provided Landlord uses reasonable diligence to resume such services.

7. **SURRENDER.** Upon the termination of this lease, Tenant will surrender the premises to Landlord in good and clean condition, except for ordinary wear and tear or damage without fault or liability of Tenant. Continued possession, beyond the term of this Lease and the acceptance of rent by Landlord shall constitute a month-to-month extension of this lease.

8. **ASSIGNMENT AND SUBLETTING.** No assignment or subletting, either voluntary or by operation of law, shall be effective without the prior written consent of Landlord, which consent shall not unreasonably be withheld.

9. **INSURANCE.**

A. PROPERTY INSURANCE. Landlord and Tenant agree to insure their respective real and personal property for the full insurable value. Such insurance shall cover losses included in the special form causes of loss (formerly all risks coverage). To the extent permitted by their policies the Landlord and Tenant waive all rights of recovery against each other.

B. LIABILITY INSURANCE. Tenant shall obtain commercial general liability insurance in the amounts of $_____ each occurrence and $5,000,000.00 annual aggregate per location. This policy shall be endorsed to include the Landlord as an additional insured.

10. **LIABILITY FOR DAMAGE.** Each party shall be liable to the other for all damage to the property of the other negligently, recklessly or intentionally caused by that party (or their agents, employees or invitees), except to the extent the loss is insured and subrogation is waived under the owner's policy.

11. **INDEMNITY** Except for any negligence of Landlord, Tenant will protect, defend, and indemnify 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 or damage to any person or property, happening or done in, upon or about the premises, or due directly or indirectly to the tenancy, use or occupancy thereof, or any part thereof by Tenant or any person claiming through or under Tenant.

12. **DAMAGE.** In the event of damage to the premises, so that Tenant is unable to conduct business on the premises, this lease may be terminated at the option of either party. Such termination shall be effected by notice of one party to the other within 20 days after such notice; and both parties shall thereafter be released from all future obligations hereunder.

13. **MECHANICS' LIENS.** Neither Tenant, nor anyone claiming by, through, or under Tenant, shall have the right to file any mechanic's lien against the premises. Tenant shall give notice in advance to all contractors and subcontractors who may

furnish, or agree to furnish, any material, service or labor for any improvement on the premises.

14. DEFAULT, NOTICE OF DEFAULT AND REMEDIES.

EVENTS OF DEFAULT

A. Each of the following shall constitute an event of default by Tenant: (1) Failure to pay rent when due; (2) failure to observe or perform any duties, obligations, agreements, or conditions imposed on Tenant pursuant to the terms of the lease; (3) abandonment of the premises. "Abandonment" means the Tenant has failed to engage in its usual and customary business activities on the premises for more than fifteen (15) consecutive business days; (4) institution of voluntary bankruptcy proceedings by Tenant; institution of involuntary bankruptcy proceedings in which the Tenant thereafter is adjudged a bankruptcy; assignment for the benefit of creditors of the interest of Tenant under this lease agreement; appointment of a receiver for the property or affairs of Tenant, where the receivership is not vacated within ten (10) days after the appointment of the receiver.

NOTICE OF DEFAULT

B. Landlord shall give Tenant a written notice specifying the default and giving the Tenant ten (10) days in which to correct the default. If there is a default (other than for nonpayment of a monetary obligation of Tenant, including rent) that cannot be remedied in ten (10) days by diligent efforts of the Tenant, Tenant shall propose an additional period of time in which to remedy the default. Consent to additional time shall not be unreasonably withheld by Landlord. Landlord shall not be required to give Tenant any more than three notices for the same default within any 365 day period.

REMEDIES

C. In the event Tenant has not remedied a default in a timely manner following a Notice of Default, Landlord may proceed with all available remedies at law or in equity, including but not limited to the following: (1) Termination. Landlord may declare this lease to be terminated and shall give Tenant a written notice of such termination. In the event of termination of this lease, Landlord shall be entitled to prove claim for and obtain judgment against Tenant for the balance of the rent agreed to be paid for the term herein provided, plus all expenses of Landlord in regaining possession of the premises and the re-letting thereof, including attorney's fees and court costs, crediting against such claim, however, any amount obtained by reason of such re-letting; (2) Forfeiture. If a default is not remedied in a timely manner, Landlord may then declare this lease to be forfeited and shall give Tenant a written notice of such forfeiture, and may, at the time, give Tenant the notice to quit provided for in Chapter 648 of the Code of Iowa.

15. **SIGNS.** Landlord, during the last 90 days of this lease, shall have the right to maintain on the premises either or both a "For Rent" or "For Sale" sign. Tenant will permit prospective tenants or buyers to enter and examine the premises.

16. **NOTICES AND DEMANDS.** All notices shall be given to the parties hereto at the addresses designated unless either party notifies the other, in writing, of a different address. Without prejudice to any other method of notifying a party in writing or making a demand or other communication, such notice shall be considered given under the terms of this lease when it is deposited in the U.S. Mail, registered or certified, properly addressed, return receipt requested, and postage prepaid.

17. **PROVISIONS BINDING.** Each and every covenant and agreement herein contained shall extend to and be binding upon the respective successors, heirs, administrators, executors and assigns of the parties hereto.

18. **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, liabilities and expenses (including attorney's fees and costs) arising from or related to any breach of the foregoing certification.

19. **ADDITIONAL PROVISIONS.** (a) This lease is for the pasture and buildings with the exception that the buildings leased will not include the finishing shed, warehouse, the house and two small buildings. (b) During the term of this lease or any extension thereof, should Landlord decide to sell property being leased, the tenant shall have the option to purchase the leased property at an agreed upon price or at the appraised price. Should the Landlord receive a bonafide offer to purchase the property being leased during the term of the lease or any extension thereof, the tenant shall have the right of first refusal to purchase the property at the price and terms of such bonafide written offer. These rights are to be exercised by notifying the Landlord in writing within 10 days of tenant receiving written notice of Landlord's intention to sell or receipt of the bonafide offer.

Willie D. Miller

Willie D. Miller, LANDLORD

Wilbur E. Kehrli

Wilbur E. Kehrli, TENANT