

IOWA CASH RENT FARM LEASE

Owner: The City of Knoxville

Year: April, 2016

Operator: Cory J. Moore

1. Legal Description: 57.3 acres located in Section 5, Township 75 North, Range 19 West, of Marion County, Iowa. Individual Real Estate shown as Field 2, 3, 4 and 7 on Exhibit 'A' map attached.

2. Term of Lease: Beginning April 1, 2016 and ending on February 28, 2021, unless terminated by either party according to Iowa Law on or before September 1st effective the following April 1st.

3. There are 57.3 contract acres available according to Country 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
None	

In the event damage or destruction of buildings or structures listed above, the Owner will have the option to replace them or provide their functional equivalent to 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 the above real estate as follows:

Description	Amount
Crop Ground 57.3 Acres for	\$7,794.00 per year

The cash rent shall be due and payable as follows:	
	\$3,897.00 on April 1, 2016
	\$3,897.00 on December 1, 2016
	\$3,897.00 on April 1, 2017
	\$3,897.00 on December 1, 2017
	\$3,897.00 on April 1, 2018
	\$3,897.00 on December 1, 2018
	\$3,897.00 on April 1, 2019
	\$3,897.00 on December 1, 2019
	\$3,897.00 on April 1, 2020
	\$3,897.00 on December 1, 2020
	\$3,897.00 on April 1, 2021
	\$3,897.00 on December 1, 2021

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

6. Hunting Rights: Hunting rights belong to the X Owner _____ Operator.

7. Division of Expenses: All crop production expenses are the responsibility of the Operator.

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 on 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: Operator will not be responsible for repair and maintenance of fences unless existing fence is damaged during the course of Operator activity.

10. Operator's Duties: Operator agrees to farm the real estate in a good and husband-like manner and consistent with the terms of the lease and further agrees to control all noxious weeds on the real estate covered by the lease. Operator agrees, on termination of the lease, to yield prompt possession of the farm to the Owner.

11. Owner's Duties: Owner agrees to warranty and defend the Operators possessions against all persons as long as this lease remains in effect. The Owner will promptly pay taxes and carry insurance on its 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 placed on the farm at his/her own expense. Such removal must be done within sixty (60) days after the termination of the lease. The Operator must leave the premises from which such improvements are removed in as good conditions 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 unprotected value for the following items upon termination of the lease provided that the value and date of completion are documented.

Item a. _____

Item b. _____

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 premises at any time for any reason. Upon notice of the lease termination, the Operator agrees to permit the Owner or Owner's lessee or agent to enter the premises 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: The Owner shall be allowed to periodically enter the real estate for the injected application of liquid sludge from the Knoxville Wastewater Treatment Plant and the Owner shall provide fourteen (14) days advance notice to the Operator of such intended application.

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 (3) disinterested persons, one of whom shall be selected by the Owner, one by the Operator, and a third by the previously named two (2). If and when disputes are submitted, a majority decision of the arbitrators shall be binding upon the parties to the lease. Costs of such arbitration shall be equally shared by Owner and Operator.

IN WITNESS WHEREOF, we agree to the terms and conditions of this lease and we affix our signatures on this ____ day of March, 2016.

OPERATOR

CITY OF KNOXVILLE, IOWA, OWNER

Cory J. Moore

Brian J. Hatch, MAYOR

Heather Ussery, CITY CLERK

305 South Third Street
Knoxville, IA 50138
641/828-0550

EXHIBIT 'A'

Farm # 605
Tract # 1312

City of Knoxville Farm Cash Rent Land, Exhibit A



Field 2 = 2.97 ac.
Field 3 = 5.24 ac.
Field 4 = 17.63 ac.
Field 7 = 31.46 ac.
TOTAL = 57.3 ac.

