
SPACE ABOVE THIS LINE FOR RECORDER

FARM LEASE

This lease ("Lease") is entered into between **Etcher Family Farms, LLC**, whose mailing address is 1422 576th Avenue, Lovilia, IA 50150 ("**Landlord**") and _____, whose mailing address is _____ ("**Tenant**").

1. REAL ESTATE AND TERM.

The Landlord hereby leases to the Tenant, for agricultural and related purposes, the following described property (the "Real Estate"):

See Attached Exhibit A.

And containing a total of _____ tillable acres, with possession by Tenant for a term of One (1) year commencing on March 1, 2019, and ending on February 29, 2020. The Tenant has had or been offered an opportunity to make an independent investigation as to the acres and boundaries of the Real Estate.

2. RENT. The Tenant shall pay to Compeer Financial, FLCA, f/k/a AgStar Financial Services, PCA ("**Compeer**") in consideration of the leasing of _____ acres within the Real Estate above described the sum of \$_____ payable as follows:

\$_____ on or before May 3, 2019

Payments shall be made and mailed to Compeer to the following address: 7540 Airport View Dr., PO Box 7438, Rochester, MN 55902, ATTN: Chris Hawkins.

Failure to meet the above payment schedule shall constitute a default in this agreement and this lease shall be terminated immediately. Rent must be in Compeer's possession on or before the due date. Participation of this farm in any offered program by the U.S. Department of Agriculture or any state for crop production control or soil conservation, the observance of the terms and conditions of this program, and the division of farm program payments, requires Landlord's consent.

3. LANDLORD'S LIEN AND SECURITY INTEREST. As security for all sums due or which will become due from Tenant to Compeer, Tenant hereby grants to Landlord, in addition to any statutory liens, a security interest as provided in the Iowa Uniform Commercial Code and a contractual lien in all crops produced on the Real Estate and the proceeds and products thereof, all contract rights concerning such crops, proceeds and/or products, all proceeds of insurance collected on account of destruction of such crops, all contract rights and U.S. government and/or state agricultural farm program payments in connection with the above described Real Estate whether such contract rights be payable in cash or in kind, including the proceeds from such rights, and any and all other personal property kept or used on the real estate that is not exempt from execution. Tenant shall sign and deliver to Landlord a UCC-1 financing statement showing the existence of this security interest. Tenant shall also sign any additional forms required to validate the security interest in government program payments.

Tenant shall pay the full rent for the crop year in which the crop is produced, whether due or not, at the time of sale pursuant to Landlord's consent to release Landlord's security interests. Upon payment in full Landlord shall release Landlord's lien on the crop produced in that crop year on the Real Estate. The parties agree that by the Landlord releasing the lien as to the crop in one year, the Landlord in no way releases the lien or agrees to release the lien in any prior or subsequent year.

At Landlord's request, Tenant shall sign and deliver to Compeer a list of potential buyers of the crops upon which Landlord has been granted a security interest in this lease. Unless Landlord otherwise consents, Tenant will not sell these crops to a buyer who is not on the potential list of buyers unless Tenant pays the full rent due for the crop year to Compeer at or prior to the date of sale. Landlord may give notice to the potential buyers of the existence of this security interest.

4. INPUT COSTS AND EXPENSES. Tenant, at Tenant's expense, shall prepare the Real Estate and plant such crops in a timely fashion.

5. PROPER HUSBANDRY; HARVESTING OF CROPS; CARE OF SOIL, TREES, SHRUBS AND GRASS. Tenant shall farm the Real Estate in a manner consistent with good husbandry, seek to obtain the best crop production that the soil and crop season will permit, properly care for all growing crops in a manner consistent with good husbandry, and harvest all crops on a timely basis. In the event Tenant fails to do so, Landlord and Compeer each reserve the right, personally or by 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. Tenant shall timely control all weeds, including noxious weeds, weeds in the fence rows, along driveways and around buildings throughout the Real Estate. Tenant shall comply with all terms of the conservation plan and all other required environmental plans for the leased Real Estate. 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. Tenant shall follow any applicable conservation plan approved for the Real Estate by the Landlord and the Soil Conservation Service (SCS). The conservation plan may be obtained at the local SCS office or the Landlord will provide a copy.

6. ENVIRONMENTAL. Tenant shall comply with all applicable environmental laws concerning application, storage and handling of chemicals (including, without limitation, herbicides and insecticides) and fertilizers. Tenant shall apply any chemicals used for weed or insect control at levels not to exceed the manufacturer's recommendation for the soil types involved. Farm chemicals shall not be stored on the Real Estate for more than one year. Farm chemicals for use on other properties shall not be stored on this property. Chemicals stored on the Real Estate shall be stored in clearly marked, tightly closed containers. No chemicals or chemical containers will be disposed of on the Real Estate. Application of chemicals for agricultural purposes or manufacture's recommendation shall not be construed to constitute disposal.

Tenant shall employ all means appropriate to insure that well or ground water contamination does not occur, and shall be responsible to follow all applicator's licensing requirements. Tenant shall install and maintain safety check valves for injection of any chemicals and/or fertilizers into an irrigation system (injection valve only, not main well check valve). Tenant shall properly post all fields (when posting is required) whenever chemicals are applied by ground or air. Tenant shall haul and spread all manure on appropriate fields at times and in quantities consistent with environmental protection requirements. Tenant shall not dispose of waste oil, tires, batteries, paint, other chemicals or containers anywhere on the Real Estate. Solid waste shall not be disposed of on the Real Estate. Dead livestock shall not be buried on the Real Estate. If disposal of solid waste or burial of dead animals is permitted in the previous two sentences, the disposal or burial shall be in compliance with all applicable environmental laws. Tenant shall not use waste oil as a means to suppress dust on any roads on or near the Real Estate. No underground storage tanks, except human waste septic systems that meet current codes, rules, and regulations, shall be maintained on the Real Estate.

Tenant shall immediately notify Landlord and Compeer of any chemical discharge, leak, or spill which occurs on the Real Estate. Tenant shall assume liability and shall indemnify and hold Landlord and Compeer harmless for any claim or violation of standards which results from Tenant's use of the Real Estate. Tenant shall assume defense of all claims, except claims resulting from Landlord's or Compeer's negligence, in which case each party shall be responsible for that party's defense of any claim. After termination, Tenant shall remain liable for violations which occurred during the term of this Lease.

7. 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 within the time specified by Iowa law (on or before September 1st). If renewed, the tenancy shall terminate on February 28th 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.

8. 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 Compeer \$50.00 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 when

received by Tenant at the commencement of this Lease, excusable or insurable loss by fire, unavoidable accidents and ordinary wear, excepted.

9. LANDLORD'S AND COMPEER'S RIGHT OF ENTRY AND INSPECTION. In the event notice of termination of this Lease has been properly served, Landlord and Compeer may each enter upon the Real Estate or authorize someone else to enter upon the Real Estate to conduct any normal tillage or fertilizer operation after Tenant has completed the harvesting of crops even if this is prior to the date of termination of the lease. Landlord and Compeer may each enter upon the Real Estate at any reasonable time for the purpose of viewing or seeding and making repairs, or for other reasonable purposes.

10. VIOLATION OF TERMS OF LEASE. If Tenant or Landlord violates the terms of this Lease, the other may pursue the legal and equitable remedies to which each 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.

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

12. 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 unless the Landlord has agreed in writing prior to the erection that the Tenant may remove the improvements at the end of the lease.

13. EXPENSES INCURRED WITHOUT THE CONSENT OF LANDLORD. No expense shall be incurred for or on account of the Landlord without first obtaining Landlord's and Compeer's respective written authorizations. Tenant shall take no actions that might cause a mechanic's lien to be imposed on the Real Estate.

14. NO AGENCY. Tenant is not an agent of the Landlord and/or Compeer.

15. ATTORNEY FEES AND COURT COSTS. If the Tenant fails to pay the rent due or fails to keep the agreements of this Lease, all costs and attorney fees of Compeer in enforcing collection or performance shall be added to and become a part of the obligations payable by the Tenant hereunder.

16. 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.

17. 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.

18. 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, certified mail to the recipients last known mailing address, except for the notice of termination set forth in Section 7, which shall be governed by the Code of Iowa.

19. ASSIGNMENT; AGREEMENT BINDING ON HEIRS. Tenant shall not assign this Lease or sublet the Real Estate or any portion thereof without prior written authorization of Landlord and Compeer. The provisions of this Lease shall be binding upon the heirs, personal representatives, and successors of the parties.

20. ADDITIONAL PROVISIONS.

- A. If Landlord and Tenant do not extend the terms of this Lease, any subsequent tenant shall have the privilege of entering onto the real estate after crop removal to do fall tillage.
- B. Landlord agrees to indemnify Tenant for any liability arising out of any claim for personal injuries or property damage occurring on the Real Estate resulting from Tenant's use of the Real Estate and as further protection to Landlord, Tenant agrees to maintain and carry a policy of insurance for all liability for injuries or property damage which may occur on the Real Estate, said policy to contain minimum limits of \$1,000,000.00 for any one person, \$1,000,000.00 for any one occurrence and \$300,000.00 for property damage. The policy shall name Landlord and Compeer as additional insureds. Landlord and Compeer each reserve the right to require the amount of the insurance coverage to be adjusted from time to time if in the opinion of Landlord or Compeer the amount of insurance in force is not adequate to properly protect Landlord from possible liability.
- C. Tenant shall carry crop insurance acceptable to Compeer and naming Compeer as a co-loss payee to the extent of rent due and owing.

Executed in duplicate on the date shown below:

LANDLORD:

Dated: _____

Donald Etcher, as Manager of Etcher Family Farms, LLC

TENANT:

Dated: _____

STATE OF IOWA)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on May ____, 2019, by Donald Etcher, as Manager of Etcher Family Farms, LLC.

Notary Public
My Commission Expires: _____

STATE OF IOWA)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on May ____, 2019, by _____.

Notary Public
My Commission Expires: _____

This Instrument Was Drafted By:

Dustan J. Cross
Gislason & Hunter LLP
2700 South Broadway
P. O. Box 458
New Ulm, MN 56073
Phone: 507-354-3111

2716256.1