

Pasture

**FARM LEASE - CASH  
Recorder's Cover Sheet**

**Preparer Information:** (name, address and phone number)

Lawrence B. Cutler, 1305 12th St., Eldora, IA 50627, Phone: (641) 939-5475

**Taxpayer Information:** (name and complete address)

Merlin J. Clock, 28787 H Ave., Hubbard, IA 50122

**Return Document To:** (name and complete address)

Lawrence B. Cutler, 1305 12th St., Eldora, IA 50627

**Grantors:**

Merlin J. Clock

**Grantees:**

Phil Eller

Carla Eller

**Legal Description:** See Page 2

**Document or instrument number of previously recorded documents:**

## FARM LEASE - CASH

THIS LEASE ("Lease") is made between Merlin J. Clock ("Landlord"), whose address for the purpose of this Lease is 18844 125th St., Alden, IA 50006 and Phil Eller and Carla Eller, husband and wife ("Tenant"), whose address for the purpose of this Lease is 28787 H Ave., Hubbard, IA 50122.

THE PARTIES AGREE AS FOLLOWS:

**1. PREMISES AND TERM.** Landlord leases to Tenant the following real estate situated in Hardin County, Iowa (the "Real Estate"):

All pasture land located in the following described real estate:

The South Half (S 1/2) of Section 16, Township 89 North of Range 21, West of the 5th P.M., Hardin County, Iowa lying north of County Highway D-20, EXCEPT for a parcel of land conveyed by a warranty deed dated August 20, 2013 and recorded as Year 2013, Instrument No. 2496 in the records of the County Recorder of Hardin County, Iowa; AND A parcel of land described in a warranty deed dated May 22, 1990 and recorded May 23, 1990 as Year 1990, Inst. No. 1283 in the records of the office of the County Recorder of Hardin County, Iowa; AND All tillable land located in the West 7/10 of the North Quarter (N 1/4) of the Northeast Quarter of the Northeast Quarter (NE 1/4 NE 1/4), and the South Half (S 1/2) of the North Quarter (N 1/4) of the Northwest Quarter of the Northeast Quarter (NW 1/4 NE 1/4), and the South 30 feet of the East 3 acres of the North Quarter (N 1/4) of the Northeast Quarter of the Northeast Quarter (NE 1/4 NE 1/4), all in Section 15, Township 89 North of Range 21, West of the 5th P.M., Hardin County, Iowa; EXCEPT for any structures or non-pastured grass yards in the immediate vicinity of structures,

and containing 54 acres, more or less, with possession by Tenant for a term of 1 year(s) to commence on March 1, 2017, and end on February 28, 2018. The Tenant has had or been offered an opportunity to make an independent investigation as to the acres and boundaries of the premises. In the event that possession cannot be delivered within fifteen (15) days after commencement of this Lease, Tenant may terminate this Lease by giving the Landlord notice in writing.

**2. RENT.** Tenant shall pay to Landlord as rent for the Real Estate (the "Rent"):

a. Total annual cash rent of \$ 4,050.00 payable, unless otherwise agreed, as follows: \$4,050.00 on March 1, 2017;

All Rent is to be paid to Landlord at the address above or at such other place as Landlord may direct in writing. Rent must be in Landlord'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. Payments from participation in these programs shall be divided 0 % Landlord 100 % Tenant. Governmental cost-sharing payments for permanent soil conservation structures shall be divided 100 % Landlord 0 % Tenant. Crop disaster payments shall be divided 0 % Landlord 100 % Tenant.

**3. LANDLORD'S LIEN AND SECURITY INTEREST.** As security for all sums due or which will become due from Tenant to Landlord, 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 premises 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 premises 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 also sign any additional forms required to validate the security interest in government program payments.

Tenant shall not sell such crops unless Landlord agrees otherwise. Tenant shall notify Landlord of Tenant's intention to sell crop at least three (3) business days prior to sale of the crop (with business days being described as Monday through Friday, except any Iowa or federal holidays). 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 premises. 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.

Tenant shall sign and deliver to Landlord 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 the Landlord at or prior to the date of sale. Landlord may give notice to the potential buyers of the existence of this security interest.

Landlord is further granted the power, coupled with an interest, to sign on behalf of Tenant as attorney-in-fact and to file one or more financing statements under the Iowa Uniform Commercial Code naming Tenant as Debtor and Landlord as Secured Party and describing the collateral herein specified. Tenant consents to the financing statement being filed immediately after execution of this Lease.

**4. PROPER HUSBANDRY; CARE OF SOIL, TREES, SHRUBS AND GRASS.** Tenant shall timely control all weeds, including noxious weeds, weeds in the fence rows, along driveways and around buildings throughout the premises. Tenant shall comply with all terms of the conservation plan and any other required environmental plans for the leased premises. 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.

**5. 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. If renewed, the tenancy shall terminate on March 1 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.

**6. 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 Landlord \$24.00 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.

**7. LANDLORD'S RIGHT OF ENTRY AND INSPECTION.** In the event notice of termination of this Lease has been properly served, Landlord may 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 may enter upon the Real Estate at any reasonable time for the purpose of viewing or seeding or making repairs, or for other reasonable purposes.

**8. 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.

**9. REPAIRS.** Tenant shall provide the labor to maintain the fences on the leased premises 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.

**10. 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 improvement at the end of the lease.

**11. WELL, WINDMILL, WATER AND SEPTIC SYSTEMS.** Tenant shall maintain all well, windmill, water and septic systems on the Real Estate in good repair at Tenant's expense

except damage caused by windstorm or weather. Tenant shall not be responsible for replacement or installation of well, windmill, water and septic systems on the Real Estate, beyond ordinary maintenance expenses. Landlord does not guarantee continuous or adequate supplies of water for the premises.

**12. EXPENSES INCURRED WITHOUT CONSENT OF LANDLORD.** No expense shall be incurred for or on account of the Landlord without first obtaining Landlord's written authorization. Tenant shall take no actions that might cause a mechanic's lien to be imposed upon the Real Estate.

**13. NO AGENCY.** Tenant is not an agent of the Landlord.

**14. TELEVISION AND RADIO.** Tenant may install and remove, without causing material injury to the premises, Tenant's television reception antennas, microwave dishes, and radio reception and transmission antennas.

**15. ACCOUNTING.** The method used for dividing and accounting for the harvested grain shall be the customary and usual method used in the locale.

**16. ATTORNEY FEES AND COURT COSTS.** If either party files suit to enforce any of the terms of this Lease, the prevailing party shall be entitled to recover court costs and reasonable attorneys' fees.

**17. 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.

**18. 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.

**19. 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 recipient's last known mailing address, except for the notice of termination set forth in Section 9, which shall be governed by the Code of Iowa.

**20. ASSIGNMENT.** Tenant shall not assign this Lease or sublet the Real Estate or any portion thereof without prior written authorization of Landlord.

**21. 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.

**22. ADDITIONAL PROVISIONS.**

A. Tenant is given full hunting rights and is given full authority to determine who may hunt on the leased premises.

B. Notwithstanding any terms previously set forth regarding repairs, Tenant and Landlord expressly agree that Tenant will provide materials for repairs of electric fences and Landlord shall provide all labor and materials for repairs of water systems.

C. Tenant agrees to inspect fences at least weekly.

D. This lease specifically excludes the pasture land located in the Southeast Quarter of the Northwest Quarter of Section 16, Township 89 North of Range 21, West of the 5th P.M., Hardin County Iowa. A COPY OF A MAP OF THE PASTURE LEASED IS ATTACHED.

E. This lease revokes and replaces any prior lease of the parties.

DATED: 11-17-16

Phil Eller  
Phil Eller, TENANT

\_\_\_\_\_  
Merlin J. Clock, LANDLORD

Carla M Eller  
Carla Eller, TENANT

Joseph McCreary, Executor

STATE OF IOWA, COUNTY OF HARDIN

This record was acknowledged before me on 11-17-16 by Merlin J. Clock.

[Signature]  
Signature of Notary Public



STATE OF IOWA, COUNTY OF HARDIN

This record was acknowledged before me on \_\_\_\_\_ by Phil Eller  
and Carla Eller, husband and wife.

\_\_\_\_\_  
Signature of Notary Public



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**Search**

**Area of Interest Properties**

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**AOI Information**

Name

- Map Unit Symbols
- Use Soil Survey Area Map Unit Symbols
  - Use National Map Unit Symbols

Area (acres) 61.7

**Soil Data Available from Web Soil Survey**

**Hardin County, Iowa (IA083)**

Soil Maps Version 4, Feb 23, 2009

Soil Data Version 15, Feb 23, 2009

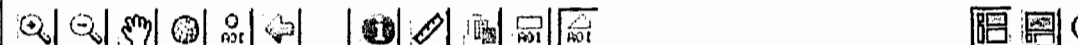
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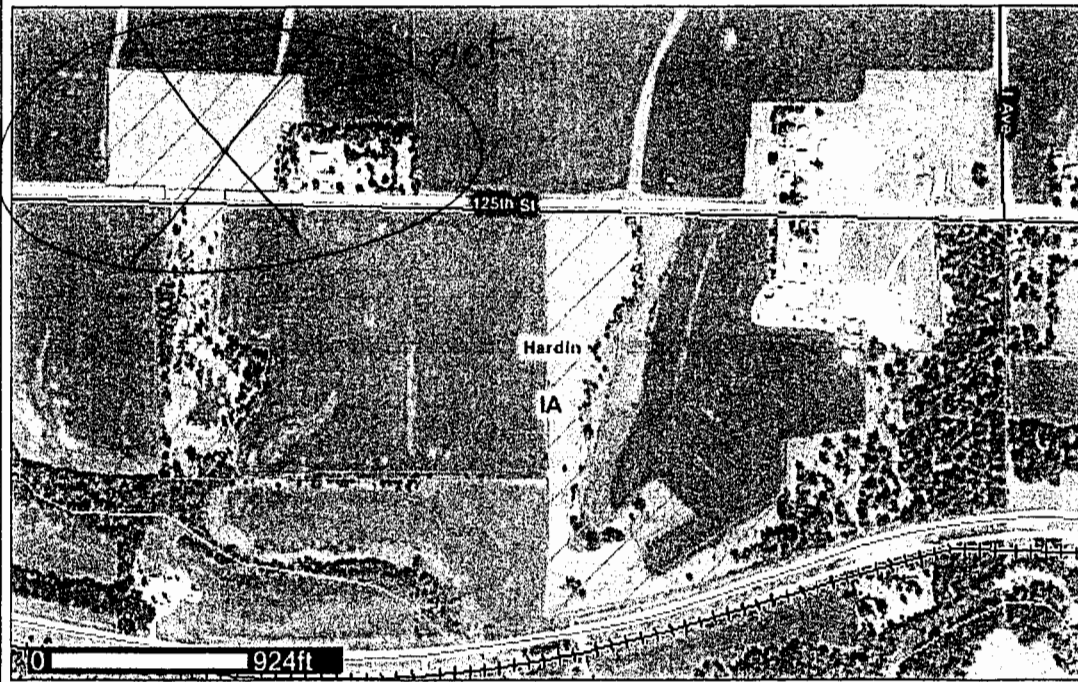
**Navigate By...**

- Address
- State and County
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**Area of Interest Interactive Map**



View Extent  **Scale** (not to scale)



*(X) = not included*