

**FARM LEASE
CASH RENT**

This Farm Lease Cash Rent, hereinafter referred to as Lease, is entered into this _____ day of January, 2010, between the Wahoo Board of Public Works, Saunders County, Nebraska, a political subdivision of the State of Nebraska, whose address is City Hall, 605 North Broadway, Wahoo, Nebraska 68066, hereinafter referred to as Owner and (name) _____ whose address is, _____, hereinafter referred to as Tenant.

1. Description of Property. Owner hereby leases to the Tenant to occupy and use for agricultural purposes only, the following described property located in Saunders County, State of Nebraska:

SEE EXHIBIT "A" ATTACHED HERETO,

hereinafter referred to as Property, subject to easements of record, together with all irrigation equipment belonging to Owner located thereon, including Lockwood center irrigation pivot, gear head, fuel tanks, irrigation well and grain storage metal bin.

2. Term of Lease. The term of this Farm Lease shall commence as of the 1st day of March, 2010, for crop year 2010, and shall terminate with no further notice as of December 31, 2012, or the harvest and removal of the 2012 crop, whichever occurs first, subject to the following:

- a. Owner shall have the right to terminate and cancel this Farm Lease at anytime during the term of this Farm Lease. If owner notifies Tenant of the termination of this Farm Lease before March 1 of any crop year of this Farm Lease or after November 1 but before March 1st of the ensuing crop year of this Farm Lease, Owner shall owe no damages to Tenant. If Owner notifies Tenant of this Farm Lease between March 1 and November 1 of the current crop year, Owner shall pay to Tenant the following:
 - i. All cash rent paid by Tenant to Owner for the crop year during which this Farm Lease is terminated;
 - ii. All out of pocket cost of Tenant for seeds, herbicides, chemicals, fertilizers, and other related items actually purchased by Tenant and incorporated onto Property;
 - iii. Tenant's labor for soil preparation and the planting of seeds and the application of herbicides, chemicals, fertilizers, and other related items, said labor to be paid pursuant to the existing custom

labor charges then existing for said services as complied by the University of Nebraska for this area.

3. Rental. Tenant agrees to pay Owner rental for Property the sum of \$ _____ for each crop year of this Farm Lease payable to the Wahoo Board of Public Works as follows:

- a. Fifty (50%) on or before March 1 of each crop year of this Farm Lease;
- b. Fifty (50%) on or before November 1 of each crop year of this Farm Lease.

4. Tenant agrees that:

- a. Tenant shall bear all crop expenses, including, but not limited to, seed, fertilizer, herbicides, insecticides, and all other miscellaneous crop expenses, including, machinery costs, and cost of harvesting crops.
- b. Tenant shall have the option to use, for no additional rental, the aforementioned Lockwood center irrigation pivot, gear head, fuel tanks, and irrigation well. However, Tenant shall bear all costs of repair and expense of said center irrigation pivot, gear head, fuel tanks, and irrigation well, if needed, including, but not limited to, gear box drives, tires, and motors.
- c. Tenant shall have the option of furnishing an engine and generator for the Lockwood center irrigation pivot and will be responsible for all repairs associated therewith.
- d. Tenant shall furnish all power, fuel, grease and oil for the Lockwood center irrigation pivot, gear head, fuel tanks, and irrigation well. Tenant agrees to maintain all irrigation equipment as prescribed by the manufacturer and set out in the respective manuals pertaining to the irrigation equipment including using adequate drip oil on gear head.
- e. Tenant shall deliver to Owner at the end of this Farm Lease all irrigation equipment in as good a condition as at the beginning of this Farm Lease, except for normal wear from usage during the term of this Farm Lease. If not delivered as aforementioned, Owner shall repair said equipment at the expense of Tenant.
- f. Tenant shall care for Property in a diligent, thorough, efficient, workmanlike and husbandlike manner using such methods and techniques as is usual and customary for such operation under similar conditions, and perform all necessary conservation practices to maintain the Property for

continued future use and cultivation, including, but not limited to, prevention of soil erosion, prevention of pollution and/or contamination of surface and underground water sources and supplies, and prevention of all other forms of contamination of and/or pollution.

- g. Tenant **shall advise Owner of all chemicals** he will be using on the Property and will **not use Septer or Commense** chemicals on the Property during the term of this Farm Lease.
- h. The Tenant shall obtain Comprehensive General Liability Insurance of \$250,000.00, combined single bodily injury and property damage covering the Property and operations, and naming Owner as an additional insured as its interests may appear.
- i. Tenant is prohibited from assigning or subletting the Property or any part thereof without first obtaining the express written consent of Owner. Any attempt to assign or sublet any part of the Property covered by this Farm Lease without securing the required written consent shall constitute a default.
- j. Tenant shall notify Owner if any irrigation equipment, which is the property of the Owner, should fail or be in need of repair.
- k. Tenant shall promptly return possession of the Property to the Owner upon the termination date set forth above unless earlier terminated by mutual agreement or by default of Tenant under the terms of this Farm Lease. If possession is wrongfully withheld, Tenant shall pay \$100.00 as liquidated damages for each day he remains in possession. Additionally, any and all court costs and attorney fees incurred by Owner as a result of Tenant's wrongful possession shall be considered rent and will be paid by Tenant.
- l. The Tenant shall indemnify and hold the Owner and the property of the Owner, including the Property, free and harmless from any and all claims, liability, loss, damage, or expenses resulting from Tenant's occupation and use of the Property including any claim, liability, loss or damage arising by reason of the injury to or death of any person or persons or by reason of damage to any property caused by the condition of the Property, the condition of any improvements or personal property in or on the Property, or the acts or omissions of Tenant or any persons in or on the Property with the express or implied consent of Tenant. The duties of Tenant under this paragraph to indemnify and hold the Owner and the Property of the Owner free and harmless from any such claim, liability, loss, or damage

shall extend to any claim, liability, loss or damage arising by reason of the injury to or death of the following:

- i. The Tenant;
 - ii. Any agent, officer or employee of the Tenant;
 - iii. Any independent contractor hired by Tenant to perform work or render services on the Property; or
 - iv. Any agent, officer, or employee of any agent, officer, or employee of any independent contractor hired by Owner to perform work or render services on the Property.
- m. Tenant shall incorporate into Property, during the non-crop growing season, sludge from Owner's sewage treatment plant. The sludge is to be put on the farm ground in both the spring and fall seasons; the Owner will haul sludge to the farm ground and apply sludge to the fields. Said sludge shall be provided to the Tenant at no cost to Tenant. Tenant shall be responsible for the incorporation of said sludge on approximately 80 acres. The owner's will be responsible for the transporting and spreading of the sludge and for all soil testing due to sludge application.

5. Owner Agrees That:

- a. It will pay all taxes on said Property.
- b. If Owner should sell or otherwise transfer the Property, it will do so subject to the provisions of this Farm Lease.
- c. Tenant shall receive all grain crops and 100% of any Farm Service Agency payments, if any.
- d. Owner shall pay Tenant for any damages caused by Owner to Tenant's property as a direct result of actions by Owner or Owner's employees or agents.

6. It Is Mutually Agreed Between Owner and Tenant That:

- a. Time is of the essence in this Farm Lease and should Tenant fail to pay rent as required or fail to comply with any other term, condition, covenant or agreement contained herein, Owner may, at its option, cancel and terminate this Farm Lease, and shall have the right to take immediate possession of the Property. Further, upon any default, all unpaid rent may be declared immediately due and payable and all payments previously made will be retained as rent and liquidated damages. All costs and attorney fees incurred by Owner as a result of enforcing the terms of this Farm Lease will be considered rent and shall be paid by Tenant.
- b. Owner shall have the right to enter the Property, either by elected official, employee or by agent, at any reasonable time for the purpose of consulting with Tenant, making repairs, improvements and inspections, surveying, obtaining soil samples, and other related matters.
- c. Owner makes no guaranty, representation, or warranty as to merchantability or condition of the Lockwood center irrigation pivot, gear head, fuel tanks, and irrigation well, Owner permitting Tenant to use said items "as is".
- d. The term of this Lease is personal to Tenant. Should Tenant die or be unable to continue this Lease due to physical or medical disability this lease shall terminate though Tenant's heirs, personal representatives, or agents, shall be permitted to harvest any crop growing on Property.
- e. The Owner holds and retains all hunting and recreational activities on the entire property and may assign said activities at Owner's sole discretion.
- f. That the highly erodible portion in the SE 1/4 of SE 1/4 of SW 1/4 Sec 2 T14N R7E planted in ground cover shall not be cultivated.

DATED this _____ day of _____, 20__.

THE CITY OF WAHOO, SAUNDERS COUNTY,
NEBRASKA, A Political Subdivision,

By: _____
Gerry Tyler, Chair
Wahoo Board of Public Works

EXHIBIT "A"

Approximately 149.6 tillable acres, more or less, located in the following described real estate, to wit:

The South 6.5 rods of the East 30 rods of the Northeast Quarter Southeast Quarter; and that portion of the Southeast Quarter Southeast Quarter described as commencing at the Northeast corner thereof, thence South 87° 22' West 495 feet, thence South 7° 22' East 210 feet, thence South 37°37' East 240 feet, thence South 54° East 138 feet, thence South 74° 02' East 218.7 feet to the East line thereof, thence North 562.8 feet to the place of beginning, all in Section 3, Township 14 North, Range 7 East, Saunders County, Nebraska.

AND

Part of the Southeast Quarter of the Southeast Quarter of Section 3, Township 14, Range 7, Saunders County, Nebraska, commencing at the Northeast corner of the Southeast Quarter of the Southeast Quarter of Section 3, Township 14, Range 7, Saunders County, Nebraska, thence South 87°24' West 495 feet; thence South 7°22' East 210 feet, thence South 37°37'E 240 feet; thence South 54° East 138 feet, thence South 74°02' East, 218.7 feet to the East line of said forty, thence South to the Southeast corner of said forty, thence West to a point 65 feet West of the Southwest corner of the East Half of the Southeast Quarter of the Southeast Quarter, thence North to a point 65 feet West of the Northwest corner of said East Half of the Southeast Quarter of the Southeast Quarter, thence East to the place of beginning,

EXCEPT

1. The existing farm site and structures located thereon and the existing building site located east of the North Wahoo Cemetery and all structures located thereon.

AND

The Northeast Quarter of the Northwest Quarter of Section 11, Township 14, Range 7, Saunders County, Nebraska.

AND

All that portion of the Southwest Quarter of Section 2, Township 14, Range 7, Saunders County, Nebraska,

EXCEPT

1. A tract of land in the Southwest Quarter of Section 2, Township 14, Range 7, Saunders County, Nebraska, described as follows: Commencing 140.00 feet East of the Northwest corner thereof, thence North 89-39-43E (assumed bearing) on the North line of the Southwest Quarter, a distance of 2,506.24 feet to the Northeast corner of said Southwest Quarter; thence South 5-32-40 W on the East line of the Southwest Quarter, a distance of 82.94 feet; thence South 89-39-43 W on a line parallel with and 82.5 feet distant from the North line of the Southwest Quarter, a distance of 2,495.51 feet to a point on the centerline of the Old Creek Channel; thence North 1-53-12 West on the centerline of the Old Creek Channel a distance of 82.53 feet to the point of beginning.
2. A tract of land in the Southwest Quarter of Section 2, Township 14, Range 7, Saunders County, Nebraska, described as follows: Commencing at the Northwest corner of said Southwest Quarter, thence South along the West line of said Southwest Quarter 845.2 feet, thence North 86°47' East 93 feet; thence North 21°19' East 410 feet; thence North 8°8' West 102.5 feet; thence North 23°7' West 275.6 feet; thence North 15°45' West 113.5 feet to the North line of said Southwest Quarter; thence South 87°45' West 85.7 feet, to the place of beginning.
3. A tract of land in the Northwest Quarter, Southwest Quarter of Section 2, Township 14, Range 7, Saunders County, Nebraska, more particularly described as follows: Commencing at a point on the East-West centerline of said Section 2, said point being 350 feet East of the West Quarter Corner of said Section 2; thence East on said centerline a distance of 600 feet; thence South parallel to the West line of said Section 2, a distance of approximately 1,250 feet to the South line of said Northwest Quarter Southwest Quarter; thence West on said South line a distance of 600 feet; thence North approximately 1,250 feet to the point of beginning.
4. A tract of land in the Southwest Quarter of Section 2, Township 14, Range 7, Saunders County, Nebraska, more particularly described as follows: Commencing at the Southeast corner of the Southwest Quarter, Southwest Quarter, thence North on the East line of said Southwest Quarter Southwest Quarter, a distance of 293.98 feet; thence West parallel with the South line of said Southwest Quarter Southwest Quarter, a distance of 668.0 feet; thence South on a line parallel with the East line of said Southwest Quarter Southwest Quarter a distance of 293.98 feet, to a point on the South line of said Southwest Quarter Southwest Quarter, said point being 673.45 feet East of the Southwest corner of said Section; thence East on the South line of said Southwest Quarter Southwest Quarter a distance of 668.0 feet to the place of beginning.