

**FARM LEASE - CASH**

**THIS LEASE** ("Lease") is made between **Linn-Mar Community Schools**, ("Landlord"), whose address for the purpose of this Lease is **3556 Winslow Road, Marion, IA 52302**, and **R.J. Carson and Picket Fence Family Farms** ("Tenant"), whose address for the purpose of this Lease is **2830 Brandon Court, Marion, IA 52302**.

**THE PARTIES AGREE AS FOLLOWS:**

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

**WaterLinn Park 1<sup>st</sup> Addition, Lot 1 to the City of Marion, Iowa**

and containing 15 (total) acres, more or less, with possession by Tenant for a term of no more than one (1) year to commence on March 1, 2026, and end on February 28, 2027. 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"):

Total annual cash rent of \$ 323 per acre, payable, unless otherwise agreed, as follows: December 1<sup>st</sup>, 2026.

All Rent is to be paid to Landlord at the above address. Rent must be in Landlord's possession on or before the due date.

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.

4. **INPUT COSTS AND EXPENSES.** Tenant only shall prepare the Real Estate and plant crops Tenant shall only be entitled to pasture or till those portions of the Real Estate designated by Landlord. All necessary machinery and equipment, as well as labor, necessary to carry out the terms of this lease shall be furnished by and at the expense of the Tenant.

5. **ALLOWED USE; PROPER HUSBANDRY; HARVESTING OF CROPS; CARE OF SOIL, TREES, SHRUBS AND GRASS.** Tenant shall use the Real Estate only for the purpose

of crop farming. No hunting shall be allowed. 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 reserves 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 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.

Upon request from the Landlord, Tenant shall by August 15 of the lease year provide to the Landlord a written listing showing all crops planted, including the acres of each crop planted, fertilizers, herbicides and insecticides applied showing the place of application, the name and address of the applicator, the type of application and the quantity of such items applied on the lease premises during such year.

Tenant shall not remove from the Real Estate, nor burn, any straw, stalks, stubble, or similar plant materials, all of which are recognized as the property of Landlord. Tenant may use these materials, however, upon the Real Estate for the farming operations. Tenant shall protect all trees, vines and shrubbery upon the Real Estate from injury by Tenant's cropping operation.

**6. CONSERVATION PLAN REQUIREMENTS.** The Operator shall adhere to an approved Conservation Plan(s), by this reference made part of this lease agreement, a cropping program, and utilize conservation practices as specified by Owner that meet requirements set forth by the USDA Natural Resources Conservation Service (NRCS). The Operator shall implement the Conservation Plan(s) for the leased real estate developed by the Natural Resources Conservation Service or representative thereof and approved by the Linn Soil and Water Conservation District. Changes thereto shall be made only with the consent of the Owner. The Owner and NRCS or representative thereof may grant approval of deviation from the Conservation Plan and excuses the Operator's failure to adhere to the Conservation Plan, insofar as NRCS or representative has approved deviation. Such approved deviation does not act as a waiver of any other provision of this lease agreement.

At minimum, but not limited to, the following NRCS conservation standards as detailed in the Iowa NRCS Field Office Technical Guide shall be utilized for implementation of the Conservation Plan:

- Conservation Crop Rotation(328)
- Critical Area Planting (342) and/or Grassed Waterway(412)
- Residue and Tillage Management, No-Till (329)
- Cover Crop(340)

As directed by the Owner and through consultation with NRCS or representative thereof the following additional agricultural practices are considered components of this lease agreement:

- No-Till farming on all grain crop acres.
- No fall application of commercial or livestock waste fertilizers

-For the purposes of improving soil health and limiting impacts on adjoining water resources, utilize fall cover crop seeding systems approved by NRCS or representative thereof.

-Use of variable rate technologies for the purposes of nutrient application

-Utilizing guidelines for soil testing, crop nutrient removal and application rates, and nitrogen credits as described in current Iowa State University Extension Publications.

If the larger tract of the remaining land owned by Dawn Thillmany McFadden is sold and the Tenant is no longer able to rent the larger tract of land the Tenant will not be required to install the cover crop on the 3 acres of ground described above.

**7. ENVIRONMENTAL.** Landlord makes no warranties or representations as to the environmental condition of the real estate. Tenant has been a prior tenant of this Real Estate.

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 may not be stored on the premises for more than one year. Farm chemicals for use on other properties may not be stored on this property. No chemicals or chemical containers will be disposed of on the premises. Application of chemicals for agricultural purposes per manufacturer'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 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 premises. Solid waste may not be disposed of on the premises. Dead livestock may not be buried on the premises. Tenant shall not use waste oil as a means to suppress dust on any roads on or near the premises. No underground storage tanks shall be maintained on the premises.

Tenant shall immediately notify Landlord of any chemical discharge, leak, or spill which occurs on premises. Tenant shall assume liability and shall indemnify and hold Landlord harmless for any claim or violation of standards which results from Tenant's use of the premises. After termination, Tenant shall remain liable for violations which occurred during the term of this Lease.

**8. TERMINATION OF LEASE.** This Lease shall terminate on the last date provided in Paragraph 1 hereof. The Lease can be renewed only upon the agreement of both parties upon terms and conditions mutually acceptable.

**9. 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 \$150 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.

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. **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.

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

13. **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.

14. **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.

15. **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.

16. **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, which shall be governed by the Code of Iowa.

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

18. **ADDITIONAL PROVISIONS.**

a. **LANDLORD'S CONTINUED ACCESS; ULTIMATE USE.** Tenant acknowledges that Landlord intends to ultimately use the Real Estate as a sanitary landfill and that, in preparation for such use, during the term of this Lease, Landlord or persons authorized by Landlord may come onto the Real Estate for any lawful purpose related to the ultimate intended use of the Real Estate without further notice to Tenant. Tenant hereby consents to such entry and activity.

Further, Tenant acknowledges that during the term of this Lease, Landlord or persons authorized by Landlord, may undertake sampling and monitoring activities, including without limitation, the installation of groundwater monitoring wells. Landlord will advise Tenant of the location of any and all such wells or other sampling/monitoring equipment. Tenant shall take all due care not to disrupt or disturb or damage such equipment and activities. Tenant shall reimburse Landlord for any damage to any sampling or monitoring equipment.

In the event Landlord's activities related to the ultimate intended use of the Real Estate result in the inability of Tenant to plant or harvest crops on a portion(s) of the Real Estate in a combined area of ¼ acre or more, Landlord shall reimburse Tenant in an amount equal to the per acre rental rate, prorated for the acreage impacted. Tenant acknowledges that his damages and relief are hereby limited

to such rental reimbursement and Tenant hereby waives any other claim for damages for such loss as against Landlord and those authorized to act on behalf of Landlord.

It is the intent of the parties that Tenant's right to use the Real Estate be limited by the Landlord's need to prepare the Real Estate for its ultimate intended purpose and that Tenant shall work around and accommodate the activities taken by or on behalf of Landlord for that purpose.

b. TENANT HOLD HARMLESS. Tenant shall indemnify and hold Landlord harmless from any and all claims (including, without limitation, attorneys fees, consultant's fees, and court costs) arising out of Tenant's use or access to the Real Estate under this Lease. This provision shall survive the termination of this Lease.

DATED: February 23, 2026

TENANT:

LANDLORD:

RJ Carson  
Greg Carson - Picket Fence Family Farms      Katie Lowe Lancaster, Board President