

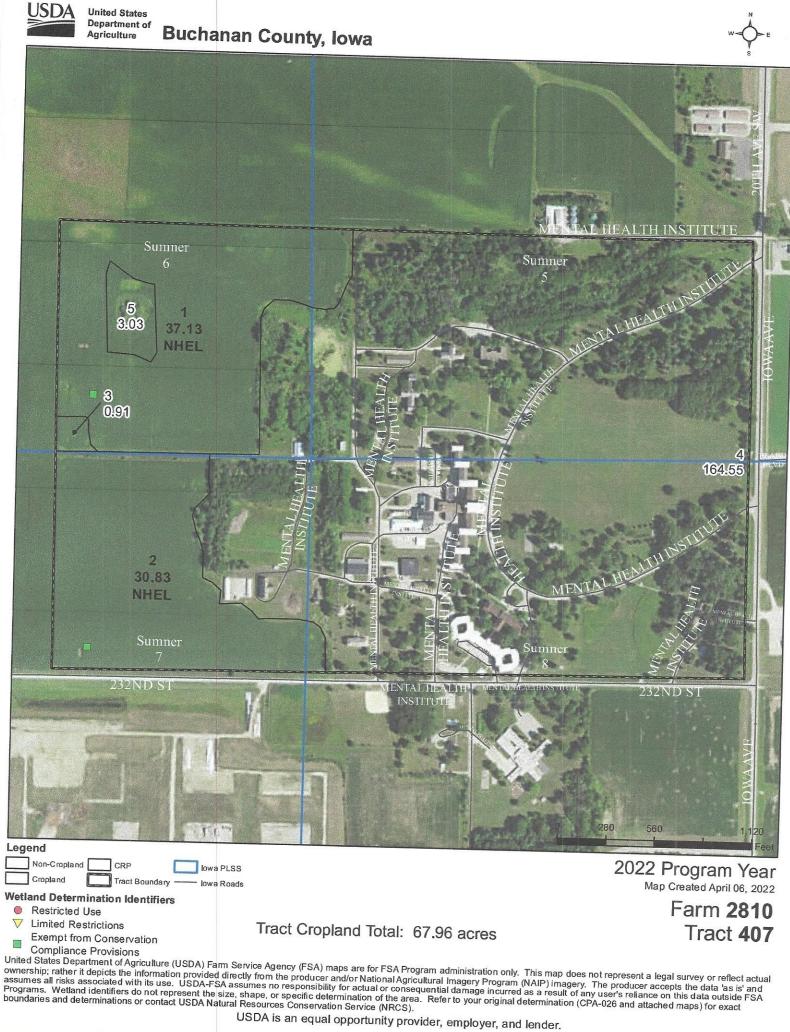
NOTICE TO BIDDERS

Iowa Prison Industries (IPI) Farms intend to enter into a lease agreement;

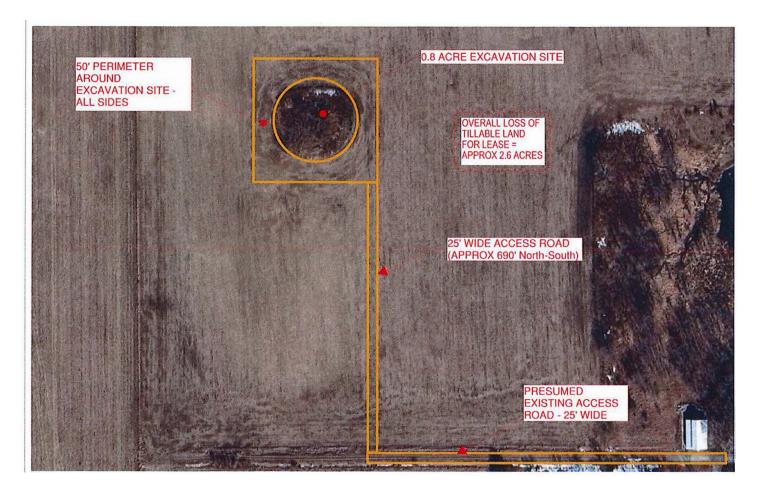
Description of Farm for rent: Approx. 66.16 acres (m/l) cropland located in Buchanan County, at the Mental Health Institute, Independence, IA.

Cash Rent - 1 year lease per terms and conditions of contract. Min. acceptable bid \$350/acre. Bids must be received by 3/31/25 at 1 pm, submitted on a bid application ONLY- via U.S. Mail, email to <u>mike.lynch@iowa.gov</u>, or in person delivery to 406 N High St, Anamosa, IA. Bids must include a letter of credit and reference statement. We reserve the right to reject any and all bids.

Questions may be directed to Mike Lynch, Farm Director, IPI Farms, (319)480-0078, mike.lynch@iowa.gov.



Please note: There will be an access road and excavation site marked off as untillable within the leased property to allow for a soil remediation project. This area has been excluded from the total leased acres for calculating the lease payment.



BID APPLICATION

LANDLORD RESERVES THE RIGHT TO REJECT ANY AND ALL BIDS

Submit to: IPI FARMS Business Office 406 N High St Anamosa, IA 52205 Mike.lynch@iowa.gov

Due: 1:00 p.m., 3/31/25

I (we) hereby submit the following bid for cash rent on the State farm located at the Mental Health Institute, Independence, Iowa.

Approximately: <u>66.16 Acres</u>

Minimum acceptable bid: <u>\$ 350.00/acre</u>

\$ per acre \$ $x _{66.16}$ acres = \$

Lease period to run from April 15, 2025 to February 28, 2026.

I (we) agree to pay cash rent as follows unless other payment arrangements are agreed upon before the contract is signed:

100% of yearly lease payment on or before April 15, 2025

A LETTER OF CREDIT MUST ACCOMPANY YOUR BID APPLICATION FOR THE 2025 CROP YEAR. YOUR BID MAY NOT BE ACCEPTED WITHOUT THIS DOCUMENT.

Name: Address:	
Phone Number Email Address	
Signature	 Date:

I (we) currently farm _ the town of	acres	of tillable lar	Id located in		County near
I (we) have been farmi	ng for	_years.			
I (we) have the followi	ng other qual	ifications:			
REFERENCES:					
I (we) have rented the	following far	ms during the	past three ye	ars:	
LANDLORD	ADDRESS	PHONE #	EMAIL	ACRES	YEARS
I (we) have done busin past five years:	ess with the f	following ban	ks and lendin	g institutions	during the
PERSON/INSTITUTI	ON AE	DDRESS P	HONE #	EMAIL	YEARS
Other references as to a	my (our) farm	ning ability/in	tegrity:		
NAME	ADDRESS	PHONE	# EMAII	2 000	UPATION
I (we) give the Department references.	nent of Corre	ctions permis	sion to check	any of the al	pove listed
Dated		Sign	ed		

CASH FARM LEASE

The undersigned, <u>Iowa Prison Industries (IPI) Farms</u> (Owner) and (Operator) enter into the following lease agreement:

SECTION I. DESCRIPTION OF FARM

In consideration of the rental specified below, the Owner hereby leases to the Operator the farm of <u>66.16</u> acres, more or less, located in <u>Buchanan</u> County, State of <u>IA</u>, subject to easements now existing or which the Owner may grant in the future.

The description of the farm is as follows: <u>located at the Mental Health Institute</u>, <u>Independence, IA</u>.

SECTION II. LENGTH OF TERM

The term of this agreement shall be for $\underline{11}$ months(s) from <u>April 15, 2025</u> and ending the last day of <u>February 2026</u>. However, the Owner reserves the right to cancel the lease within the lease period for any of the following reasons:

- 1. Operator fails to make a rent payment.
- 2. Operator doesn't pay rent in a timely manner.
- 3. Operator doesn't provide the required bank letter of credit for rent payments for each crop year as detailed in Section VII.
- 4. Operator isn't following obligations as detailed in Section VI.

Written notification of lease cancellation in accordance with Iowa Code Chapter 562 will be given prior to September 1st effective the following March 1st.

SECTION III. EXTENT OF AGREEMENT

The terms of this agreement shall be binding on the heirs, executors, administrators, and assigns of both Owner and Operator in like manner as upon the original parties, except as shall be provided for by mutual agreement otherwise.

SECTION IV. AMOUNT OF RENTAL

The Operator will pay to the Owner as rental for the above described farm annual rent totaling \$ _____. The cash rental shall be due and payable as follows:

\$ /acre, or \$, due on or before April 15, 2025.

SECTION V. PAYMENT OF RENTAL

The rent is to be paid to IPI Farms, 406 N High St, Anamosa, IA 52205. If the rent is not paid when due, the Operator agrees to pay interest on the amount of unpaid rent at the rate of 12 percent per annum from the due date until paid. Alternatively, the Owner may, in its discretion, declare the Operator to be in default and terminate activities until after the first rental payment has been made. Operator may, at its option and risk, enter the farmland under the terms of this agreement to accomplish fall tillage operations provided that the previous crop has been harvested.

SECTION VI. THE SYSTEM OF FARMING

- A. The Owner agrees to:
 - 1. Furnish materials reasonably necessary for repair and upkeep of the fixed improvements on the farm, including fence and tile.
 - 2. Furnish skilled labor necessary in making permanent improvements.
 - 3. Reserve the right to enter the premise at any reasonable time for the purpose of consulting with the Operator, viewing the property, making repairs or improvements, or for other reasonable purposes that do not interfere with the Operator's ability to carry out regular farming operations.
- B. The Operator agrees to:
 - 1. Manage and operate the farm in an efficient and husband-like manner, consistent with modern agricultural practices.
 - 2. Investigate broken and inoperative tile lines and report them to the Owner. Perform the unskilled labor necessary in making minor repairs to fence and tile.
 - 3. Plow or otherwise break up no permanent pasture, drainage ways, grassed waterways, terraces or ditches without the consent of the Owner, and undertake no operations that will injure the land. Nor shall corn stalks or bean stubble be removed from the premises without Owner's consent.
 - 4. Be aggressive in the control of noxious weeds and to keep fence rows and roadsides cut or sprayed.

- 5. Use of leased acres is not allowed for hunting or other recreational purposes.
- 6. Upon properly served notice of lease termination, the Operator agrees to permit the Owner or the Owner's lessee or agents to enter the premise to perform fall tillage, seeding, fertilizing or other customary seasonal operations on any land from which the current crops have been removed.

SECTION VII. SECURITY INTERESTS

The Operator grants unto Owner a security interest in all crops and livestock produced on the premises to secure payment of the cash rental due under the terms of this lease. Operator agrees to execute any and all necessary financing statements for filing by Owner. Owner may request the buyer of any of the farm products produced by Operator upon the leased premises to issue any check for payment or partial payment of those farm products jointly in the name of both Owner and Operator.

SECTION VIII. TRANSFER OF INTEREST

The parties agree not to assign, sublease, or sublet any part of the property without written consent of the other, provided that nothing herein shall bar or prevent the sale or exchange of the property by the Owner.

SECTION IX. CHANGE OF LEASE TERMS

No act of either party, or both parties, shall be construed as an extension of this lease, or any change in the terms and provisions, unless the changes are reduced to writing and assigned by both parties. The terms of this agreement may be amended by mutual agreement in writing.

SECTION XI. ADDITIONAL PROVISIONS

- A. At the expiration of the term of this lease, Operator will yield up the possession of premises to Owner. If the Operator fails to deliver up the premises, the Operator agrees to pay the Owner \$5.00 per acre per day, and liquidated damages for any holding over period. Premises at the time of delivery of possession shall be in as good order and condition as when entered by the Operator except for excusable or insurable loss by fire, inevitable accidents or ordinary wear.
- B. Crop Rotation This ground is on a corn/bean rotation. Any change would need to be discussed by the Owner and Operator each year.

- C. Operator is to fertilize to grounds maintenance program.
- D. The leased ground must be used for <u>crop purposes only</u>. The Operator must have a farm background history or must be a farmer with continuous farming experience. The Operator must provide their farming qualifications to the Owner along with a list of the machinery they own or lease in their present farming operation.
- E. In the event a judgment is granted to either party as a result of legal action related to the terms of this lease, each party is responsible for the payment and discharge of their own costs and attorney's fees or other expenses incurred to enforce the terms of this lease.
- F. It is particularly understood and agreed that this lease shall not be deemed to be nor intended to give rise to a partnership relation.

OPERATOR (SIGNATURE)	OWNER (SIGNATURE)
	IPI Farms 406 N High Anamosa IA 52205
OPERATOR (NAME & ADDRESS)	OWNER (NAME & ADDRESS)
DATE	DATE