

ITEM#: 21
DATE: 09-11-18

COUNCIL ACTION FORM

SUBJECT: TEN-YEAR LAND LEASE WITH JOHN DEERE ON AIRPORT PROPERTY

BACKGROUND:

On August 28, 2018, City Council set the date of public hearing for a 10-year land lease with John Deere at the Ames Municipal Airport. As a reminder, John Deere has plans to develop a Spray Lab Building located on Lot 8 of Phase Three of the ISU Research Park, 3rd Addition. This lot is located along S. Riverside Drive, directly west of the Ames Municipal Airport. To facilitate planned equipment research and development, John Deere approached City Staff about the potential to lease approximately 50 acres of the City's Airport farm ground due to its proximity to their Spray Lab.

The lease will allow John Deere to field test their spray equipment on crops (corn, soybeans, etc.) that will be planted on the leased area. **The lease terms (under Section 9: Use/Purpose) limit John Deere only to spray water on Airport property.** Therefore, John Deere cannot spray or use any hazardous chemicals on City property and is responsible for any minor spills related to equipment use. **In addition, any application of chemicals for weed and pest control on the leased property, will be applied by the City's Airport tenant farmer or a commercial applicator in accordance with the City's storm water permit and conservation requirements of the Airport farm lease.** It should be noted that John Deere cannot place any permanent structures on the property without City approval and at the end of the lease must restore the property in the same or better condition that it exists today.

Staff has worked with John Deere to draft a 10-year lease for the use of 53.03 acres of Airport property with the starting rate of \$236/acre/year (e.g., \$12,515 for the first year). The lease term begins on March 1, 2019 and goes through February 28, 2029. **For the remaining nine years of the lease, the annual rate will be adjusted using the same per acre rental rate that the City receives in revenue from the Airport tenant farmer who rents the remainder of the Airport property.**

John Deere has the ability to reduce the number of acres leased if in a given year they feel the annual rent due has become too excessive. In this case, the City would agree to reduce the number of leased acres available to John Deere and the reduced acres would be returned to the City's tenant farmer and put back into production. **Either way, the City will not lose any potential revenue related to the farm land on the Airport property.**

After the first ten-year period, the contract has a provision to extend the lease under the same terms for five additional 5-year periods. This would potentially extend the lease through February 2054. **However, at any time during the lease period, or during the**

extension periods, the City can terminate the lease 1) to protect the safety of air travel at the Airport, or 2) if there is a business purpose or potential development opportunity by giving advanced notice of 365 days.

ALTERNATIVES:

1. Approve the initial 10-year term of the attached lease with John Deere for Airport property.
2. Request the City staff to negotiate different lease terms.
3. Reject the requested lease.

MANAGER'S RECOMMENDED ACTION:

The John Deere Spray Lab Building will be an exciting research facility at the ISU Research Park. Because the lease with John Deere is tied to the City Airport tenant farmer's rate per acre, the Airport will not experience any negative financial impact while supporting cutting-edge research in agriculture.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as noted above.

LEASE

THIS IS AN AGREEMENT made by and between the City of Ames, Iowa and Deere & Company upon the following terms and conditions:

1. **DEFINITIONS.** When used in this Agreement, unless otherwise required by the context:
 - 1.1. “**City**” means the City of Ames, Iowa, a municipal corporation whose mailing address for the purpose of this Agreement is 515 Clark Avenue, Ames IA 50010.
 - 1.2. “**Deere**” means Deere & Company, a Delaware corporation, (hereinafter “Deere”) whose mailing address is One John Deere Place, Moline IL 61265.
 - 1.3. “**Leased Premises**” means that real property containing approximately 53.03 gross acres, situated in the County of Story, State of Iowa, and described as follows:
[See attached Exhibit ‘A’ for description of Leased Premises].
 - 1.4. “**Lease Agreement**” means this instrument in its entirety as signed by the parties and any subsequent amendments thereto signed by the parties.
2. **AGREEMENT TO LEASE.** City leases to Deere and Deere leases from City the Leased Premises. The number of Gross Acres constituting the Leased Premises is: 53.03 gross acres.
3. **TYPE OF TENANCY.** The parties understand and expressly agree that this agreement is not a farm tenancy as defined by Iowa Code 562.1A(2), and that this Lease Agreement is not subject to farm tenancy automatic renewal and termination provisions set forth in Iowa Code sections 562.6 and 562.7.
4. **INITIAL TERM.** The initial term of this Lease Agreement shall be for a period of 10 years commencing on the first day of March, 2019, and expiring on the last day of February, 2029.
5. **EXTENDED TERMS.** After the initial term, this lease may be renewed for five (5) successive additional five-year terms. Deere shall provide written notice to City no less than 360 days prior to lease expiration of its intention to renew the lease. Each extended term shall be upon the same terms and conditions provided by this Lease Agreement for the initial term, unless this Lease Agreement is terminated by the express election of either City or Deere as hereafter provided.
6. **RECIPROCAL TERMINATION OPTION.** Deere may terminate all or a portion of this Lease Agreement during the initial term or any extended term by giving prior written notice to the City of such election at least 360 days prior to the desired termination date. City may terminate all or a portion of this Lease Agreement during the initial term or any extended term by giving prior written notice to Deere of such election at least 360 days prior to the desired termination date. The written notice provided by the City to Deere shall include a written determination made by the City Manager, in his sole discretion, that the City is terminating the lease for a reason related to a development by the City on the Municipal Airport property. If termination is made by the City, City shall refund to Deere any prepaid rent paid to City that is allocable to the period beyond the termination date. The City shall have no obligation to refund prepaid rent if termination is made by Deere prior to the end of the initial term or any extended term.
7. **BASIC CASH RENT.** Deere shall pay cash rent to the City, or City’s designated agent, for the initial term so long as this Lease Agreement is in force, basic annual cash rent for each annual period shall be equal to:

$$(53.03 \text{ acres}) \times (\text{Farm Rate per acre}) = \text{Annual Rent Due}$$

The Farm Rate is the annual rental rate per acre established in Airport Farm Lease and Security Agreement with the City’s tenant farmer (the “Farm Lease”). The Annual Rent Due shall be paid in full prior to the lease commencement date of March 1, 2019, and on each March 1 anniversary of the commencement of this Agreement so long as the Agreement shall remain in force. An estimate of each year’s Annual Rent Due has been provided in Exhibit B. However, it is the intention of the parties that Deere's per acre rental rate shall be equal to the rate charged by the City to its adjacent tenant farmer.

A review of the Annual Rent Due amount will occur no later than January of each year. If Deere determines that the Farm Rate exceeds the amount Deere has budgeted for the rental period, Deere may submit a written request by the City to change the number of leased acres to be multiplied by

that year's current Farm Rate no later than 30 days before the March 1 start of the lease period. Any such request by Deere to modify Leased Area, may be subject to City Council approval and public hearing as required by Iowa Code section 364.7.

The Annual Rent Due for the extended term, or any portion thereof, shall be negotiated by the City and Deere as the parties may mutually agree in writing. If the parties are unable to come to an agreement on the Annual Rent Due for the extended term, or any portion thereof, this Lease Agreement shall terminate.

- 8. LATE PAYMENT CHARGE.** If any payment of cash rent owing under this Lease Agreement is not timely paid in full and becomes overdue by more than 10 days, and upon written notice to Deere by the City, there shall be added to such delinquent amount then due and owing City an additional sum equal to 5.0 percent per annum thereof.
- 9. TAXES.** If the Leased Premises are deemed taxable, Deere shall pay all real property taxes levied upon and attributable to the Leased Premises for any period of time during which this Lease Agreement is in force.
- 10. PURPOSE/USE.** Deere shall use the Leased Premises for the purpose of testing, operating, training, educating, and using of agricultural equipment. This includes planting and maintaining crops and other vegetation related to such uses. Deere may apply organic material (wood chips, straw, etc.) to manage wet conditions for vehicle operation. Deere agrees to use water only, and no other chemicals, when testing equipment. Deere shall not apply chemicals other than water upon the Leased Premises except subject to the following: Deere may hire, at Deere's sole expense, the City's tenant farmer, or other commercial applicator with written approval by the City, to apply chemicals for weed and pest control in accordance with the manufacturer's directions and labeling so long as they do not conflict with the City's stormwater permit. Deere may not use the Leased Premises for long-term storage or parking of any equipment, vehicles, or materials. Deere shall make no unlawful use of the Leased Premises and agrees to comply with all municipal, state and federal regulations and laws, including any Airport Operating Standards, which may be amended from time to time by the City Manager.
- 11. TENANT PRACTICES.** Deere agrees to pay for all public utilities that service the site. Deere shall maintain the Leased Premises in a similar manner to its current condition and neighboring properties. Deere shall not engage in the storage, sale, or dispensing of any form of fuel on the Leased Premises, beyond what is typically required for agricultural use, without first seeking the City's approval in writing which shall not be unreasonably withheld. Deere may operate equipment only in the authorized Leased Premises next to the Airport. The City will provide staking of the Leased Premises boundary as deemed appropriate by the City.

Lessee shall keep the Leased Premises, as particularly described herein, clean and shall dispose of all debris and other waste matter which shall accumulate upon the Leased Premises.
- 12. STRUCTURES/FENCING.** Deere shall not erect any permanent structures, buildings, or fixtures of any kind upon the Leased Premises without the written consent of the City. If the City provides written approval, Deere may be required to remove said structures within 60 days from the date of termination or cancellation of the Lease Agreement. If the City determines that it is necessary, the City may, at its expense, erect a fence upon the boundary line of the Leased Premises for security prior to the Lease commencement date. Maintenance of all fences on the Leased Premises shall be the responsibility of the City. Deere shall be responsible for repairing any fencing damaged by Deere. Deere may install additional fencing if desired and shall seek approval from the City of the type and height of the fencing to be installed. City's approval shall not be unreasonably withheld.
- 13. SIGNS.** Deere may install temporary directional signage, signage related to use which can include branded signage or banners for events or other signage consistent with the neighboring properties in the area. If such signage requires a sign permit or government approvals, Deere will obtain same prior to installing the signage.
- 14. DEERE DUTIES.** Deere shall maintain and preserve existing grassed waterways that would otherwise be subject to soil erosion; keep the Leased Premises in as good condition as reasonable

- use will permit; incur no expense for the City without first obtaining the City's consent; permit no livestock or hogs upon the Leased Premises, and investigate broken or inoperative drainage tile and report same to the City.
15. **POSSESSION.** So long as Deere pays the rents reserved and performs and observes all other terms and conditions of this Lease Agreement, Deere shall at all times during the initial term and any extended term of this Lease Agreement peaceably and quietly have the possession, use and enjoyment of the Leased Premises without any disturbance from City or from any other person claiming through City.
 16. **RIGHTS RESERVED BY CITY.** The City reserves the right to further develop or improve the landing area of the airport located adjacent to the Leased Premises as it sees fit, regardless of the rights granted herein to Deere, without interference or hindrance by Deere. The City reserves the right to take any action it considers necessary to protect the aerial approaches of the airport against obstruction, together with the right to prevent Deere from erecting any building or structure, or parking upon the land or any equipment, which, in the sole judgment of the City, would limit the usefulness of the airport or constitute a hazard to aircraft.
 17. **SUBORDINATION.** This Lease Agreement shall be subordinate to the provisions of any existing or future agreement between the City and the United States, relative to the operation and maintenance of the airport, the execution of which has been or may be required as a condition precedent to the expenditure of Federal funds for the development of the airport.
 18. **UTILITIES.** Deere shall pay all charges of public or private utility companies for utility services currently furnished to the Leased Premises. If Deere fails to timely pay such utility charges when due, City may, at City's election, pay same and in such event Deere shall repay to City, upon demand, such amount as additional rent.
 19. **WATER SUPPLY.** The City does not guarantee a continuous or adequate water supply to the Leased Premises. Deere accepts the Leased Premises in its "as is" condition.
 20. **YIELDING POSSESSION.** Deere agrees that on termination of this Lease Agreement, Deere will yield possession to City without further demand or notice. The Leased Premises shall be in as good order and condition as when same were entered by Deere except for the effects of ordinary wear and depreciation and acts of nature beyond the Deere's control such as fire, tornado, windstorm and hail. If Deere wrongfully withholds possession of the Leased Premises after the date of termination, upon receiving written notice from the City, Deere shall pay to City the sum of \$500.00 for each day Deere remains in possession thereafter as liquidated damages.
 21. **REMOVAL OF PORTABLE BUILDINGS.** Deere shall have the right to remove from the Leased Premises any portable buildings which Deere has placed upon the Leased Premises, with the City's written consent as contemplated above, at Deere's own expense. Such removal must be done prior to termination of the Lease Agreement unless additional time is granted in writing by City. City shall in no way be responsible for any property owned by Deere. If such property is not removed, it shall be considered abandoned and Deere shall claim no further interest in it except by further written agreement between the City and Deere.
 22. **RIGHT OF ENTRY/ACCESS.** City reserves the right to enter the Leased Premises at any reasonable time to inspect the Leased Premises and make improvements as City shall deem necessary, provided, however, the City shall not interfere with Deere's use and enjoyment of the Leased Premises. If City's improvements are not acceptable to Deere, Deere may elect to terminate the Lease Agreement on 90 days prior written notice, and City shall refund to Deere any prepaid rent. Upon notice of termination of this Lease Agreement, the City shall have the right of access to the Leased Premises to allow the City or City's lessee or agent to enter the Leased Premises to do customary tillage and operations on any land after November 1. During the term of this Lease Agreement, and with 48 hours notice given to Deere by the City, Deere shall allow the City's farm tenant(s) access from Riverside Drive across the Leased Premises to any other adjacent property farmed by the City's farm tenant(s) in such a manner that does not unreasonably interfere with Deere's use and enjoyment of the Leased Premises.

- 23. LIABILITY INSURANCE/INDEMNIFICATION.** Deere shall, at its costs, at all times while this Lease Agreement is in force, maintain in force an insurance policy, naming the City as an additional insured, against all liability resulting from injury occurring to persons or damage occurring to property upon the Leased Premises and arising out of Deere's use thereof, the liability coverage of such insurance to be not less than \$1,000,000.00 combined single limit per occurrence of bodily injury, personal injury, and property damage and automotive liability in the amount of \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. A copy of said policy, providing for thirty (30) days' notice to City before cancellation, shall be delivered to City. Deere agrees to indemnify, defend and hold City, its officers, agents and employees harmless as to all loss, claim, judgment, liability, damage, action or cause of action whatsoever (including reasonable attorney's fees and court costs), pertaining to any and all claims by any and all persons, resulting from or arising out of Deere's use or operation of the Leased Premises.
- 24. ACTS OF DEFAULT BY DEERE.** Each of the following shall be deemed a default by Deere and a breach of this Lease Agreement:
- 24.1.** Failure to pay the Annual Rent Due, or any part thereof if not paid within 10 days written notice by the City of the Date it is due.
 - 24.2.** Failure of Deere to use any other substance other than water upon the Leased Premises when testing equipment, or any other use of any chemical upon the Leased Premises in a manner not in accordance with this agreement.
 - 24.3.** Failure to do, observe, keep and perform any of the terms, covenants, conditions, agreements and provisions in this Lease Agreement that are obligations of Deere. If a default complained of under this subparagraph be a default other than one which may be cured by the payment of money, no default on the part of Deere in performance of work required to be performed or acts to be done or conditions to be met shall be deemed to exist if steps shall have been in good faith commenced promptly by Deere to rectify same and shall be prosecuted to completion with diligence and continuity.
 - 24.4.** Assignment of this Lease Agreement by Deere to a nonaffiliated company without City's prior written approval, adjudication of Deere as a bankrupt, making by Deere of a general assignment for benefit of creditors, taking by Deere of the benefit of any insolvency law, the appointment of a permanent receiver or trustee in bankruptcy for Deere's property, and appointment of a temporary receiver or trustee for Deere's property which is not vacated or set aside within 30 days after such appointment.
- 25. TERMINATION ON DEERE'S DEFAULT.** In the event of any default by Deere, and at any time thereafter, City may serve a written notice upon Deere that City elects to terminate this Lease Agreement upon a specified date not less than 10 days after the date of serving such notice and this Lease Agreement shall then expire on the date so specified as if that date had been originally fixed as the expiration date of this Lease Agreement unless such default, as described in said notice, shall have been cured within the applicable period provided in said notice.
- 26. REENTRY BY CITY.** In the event this Lease Agreement shall be terminated by reason of Deere's default, City may immediately reenter and resume possession of the Leased Premises.
- 27. LIENS.** Deere shall do all things necessary to prevent the filing of any mechanics' or other liens against the Leased Premises or any party thereof by reason of work, labor, services or materials supplied or claimed to have been supplied by Deere. If any such lien shall at any time be filed against the Leased Premises, Deere shall either cause the same to be discharged of record within 20 days after the date of notice of the filing the same or, if Deere, in Deere's discretion and in good faith, determines that such lien should be contested, Deere shall furnish such security, in a form acceptable to the City, as may be necessary or required to prevent any foreclosure proceedings against any interest in the Leased Premises during the pendency of such contest. If Deere shall fail to discharge such lien within such period or fail to furnish security, then, in addition to any other right or remedy of the City resulting from Deere's default, the City may, but

- shall not be obligated to, discharge the same either by paying the amount claimed to be due or by procuring the discharge of such lien by giving security or in such other manner as is, or may be, prescribed by law. Deere shall repay to the City, as additional rental, on demand, all sums disbursed or deposited by the City pursuant to this paragraph, including costs, expenses and reasonable attorney fees incurred by the City in connection therewith.
- 28. MEASURE OF DAMAGES ON DEFAULT.** In the event this Lease Agreement shall be terminated by reason of Deere's default, City shall be entitled to recover from Deere and Deere shall pay to City the following:
- 28.1.** A sum equal to all expenses incurred by City in recovering possession of the Leased Premises and all reasonable costs and charges for the care and maintenance of the Leased Premises while vacant, which damages shall be due and payable by Deere to City at such time or times as such expenses shall have been incurred by City.
 - 28.2.** A sum equal to the amount of all rent reserved under this Lease Agreement less the net rent, if any, collected by City on reletting the Leased Premises, which shall be due and payable by Deere to City on the dates on which the rent reserved in this Lease Agreement would have become due and payable.
 - 28.3.** All other damages accruing to the City under the terms of this Lease Agreement or allowed by law.
 - 28.4.** Any direct and actual damages incurred by City, excluding punitive damages.
 - 28.5.** Reasonable attorneys' fees incurred by City in connection with the enforcement of this Lease Agreement.
 - 28.6.** Interest on the aforesaid damages, from the several dates due, at the maximum rate allowed by law.
- 29. WAIVER BY CITY.** The failure of City to enforce any term, covenant, condition or agreement hereof by reason of its breach by Deere after notice thereof is given shall not be deemed to avoid or affect the right of City to enforce the same term, covenant, condition or agreement on the occasion of a subsequent default or breach.
- 30. ASSIGNMENT.** Deere shall have the right to assign this Lease Agreement to an affiliated company or sublet the whole or any part of the Leased Premises provided City's written consent therefor is first obtained, which written consent shall not be unreasonably withheld. Deere shall make no assignment of this Lease to a bank or other financial institution.
- 31. NOTICES.** Unless otherwise required by law, any notice or demand required or permitted by the terms of this Lease Agreement shall be sufficient and deemed complete when expressed in writing and either (a) personally delivered to the person entitled thereto or, (b) deposited at any office of the United States Postal Service in the form of certified mail addressed to the last known mailing address of the person entitled thereto or (c) served on the person entitled thereto in the manner of an original notice under the Iowa Rules of Civil Procedure. Any notices to Deere shall be sent to Deere & Company, One John Deere Place, Moline, Illinois 61265, Attention: Manager Global Real Estate and Deere & Company, Spray Lab Building, 3525 South Riverside Drive, Ames, IA 50010.
- 32. SUCCESSORS BOUND.** Each and every covenant and agreement herein contained shall extend to and be binding upon the respective successors, heirs and assigns of the parties hereto.
- 33. INTERPRETATION.** Words and phrases used in this agreement shall be construed as in the single or plural number, and as masculine, feminine or neuter gender, according to the context. This agreement shall be governed exclusively by and construed in accordance with the laws of the State of Iowa. The paragraph headings in this agreement are for convenience only and in no way define or limit the scope or intent of any provisions of this agreement.
- 34. SEVERABILITY.** If any part of this Lease Agreement shall be adjudged invalid or unenforceable, such adjudication shall not affect the validity or enforceability of this Lease Agreement as a whole or any part thereof not adjudged invalid or unenforceable.

- 35. MULTIPLE COPIES.** This Lease Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.
- 36. CITY'S REPRESENTATIONS AND WARRANTIES.** City, in order to induce Deere to enter into this Lease, hereby represents and warrants that:
- 36.1.** City has full power and authority to enter into this Lease;
 - 36.2.** City is the sole fee simple owner of the Leased Premises;
 - 36.3.** City is not a party to any agreement or litigation the terms of which could reasonably be expected to adversely affect the ability of City to perform its obligations under this Lease or which would constitute a default on the part of the City under this Lease, or otherwise adversely affect Deere's rights or entitlements under this Lease.
- 37. ESTOPPEL.** City shall, at such time or times as Deere may request, upon not less than thirty (30) days' prior written request by Deere, and no more than twice per year, sign and deliver to Deere an estoppel certificate, certifying the amount of the rent, the term of the Lease and whether or not any defaults exist under the Lease. Deere shall cause no liens to be suffered upon the Leased Premises as set forth in Paragraph 24 above.
- 38. BROKERAGE.** City warrants that it has no dealings with any real estate broker or agent in connection with this Lease. City covenants to hold Deere harmless from and against any and all cost, expense or liability for any compensation, commissions and charges claimed by any broker or other agent with respect to this Lease or the negotiation thereof arising out of any acts of City.

IN WITNESS OF THIS LEASE AGREEMENT City and Deere have executed this instrument under date of _____, 2018.

[R E S E R V E D F O R S I G N A T U R E S]

EXHIBIT A

Legal Description

TRACT 'A'

A PARCEL OF LAND LOCATED IN NORTHEAST QUARTER OF SECTION 22, TOWNSHIP 83 NORTH, RANGE 24 WEST OF THE 5TH P.M., IN THE CITY OF AMES, STORY COUNTY, IOWA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 22, TOWNSHIP 83 NORTH, RANGE 24 WEST OF THE 5TH P.M., CITY OF AMES, STORY COUNTY, IOWA. THENCE N 00°19'42" W ON THE WEST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 22, A DISTANCE OF 1259.60 FEET TO THE SOUTHWEST CORNER OF A PARCEL RECORDED IN 2006-09524; THENCE N 89°39'38" E ON SAID SOUTH PARCEL LINE, A DISTANCE OF 730.62 FEET; THENCE N 00°20'23" W, A DISTANCE OF 344.57 FEET; THENCE S 87°11'30" E, A DISTANCE OF 349.16 FEET; THENCE N 89°11'28" E, A DISTANCE OF 50.00 FEET; THENCE N 66°05'51" E, A DISTANCE OF 50.00 FEET; THENCE N 18°46'17" E, A DISTANCE OF 50.00 FEET; THENCE N 05°48'34" E, A DISTANCE OF 888.60 FEET; THENCE N 79°11'25" E, A DISTANCE OF 246.02 FEET; THENCE N 66°03'27" E, A DISTANCE OF 66.35 FEET; THENCE S 44°22'30" E, A DISTANCE OF 480.31 FEET; THENCE S 26°40'35" E, A DISTANCE OF 44.47 FEET; THENCE S 19°20'24" W, A DISTANCE OF 407.16 FEET; THENCE S 15°56'20" W, A DISTANCE OF 283.22 FEET; THENCE S 16°44'17" W, A DISTANCE OF 1175.89 FEET; THENCE N 86°55'31" W, A DISTANCE OF 188.79 FEET; THENCE N 86°35'11" W, A DISTANCE OF 538.65 FEET; THENCE S 73°01'51" W, A DISTANCE OF 75.00 FEET; THENCE S 43°48'22" W, A DISTANCE OF 75.00 FEET; THENCE S 26°18'33" W, A DISTANCE OF 75.00 FEET; THENCE S 07°12'24" W, A DISTANCE OF 282.68 FEET; THENCE S 35°05'49" W, A DISTANCE OF 50.00 FEET; THENCE S 67°28'27" W, A DISTANCE OF 50.00 FEET; THENCE S 71°32'36" W TO A POINT ON THE SOUTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION, A DISTANCE OF 32.17 FEET; THENCE N 89°54'14" W, ON SAID SECTION LINE, A DISTANCE OF 354.17 FEET TO THE POINT OF BEGINNING.

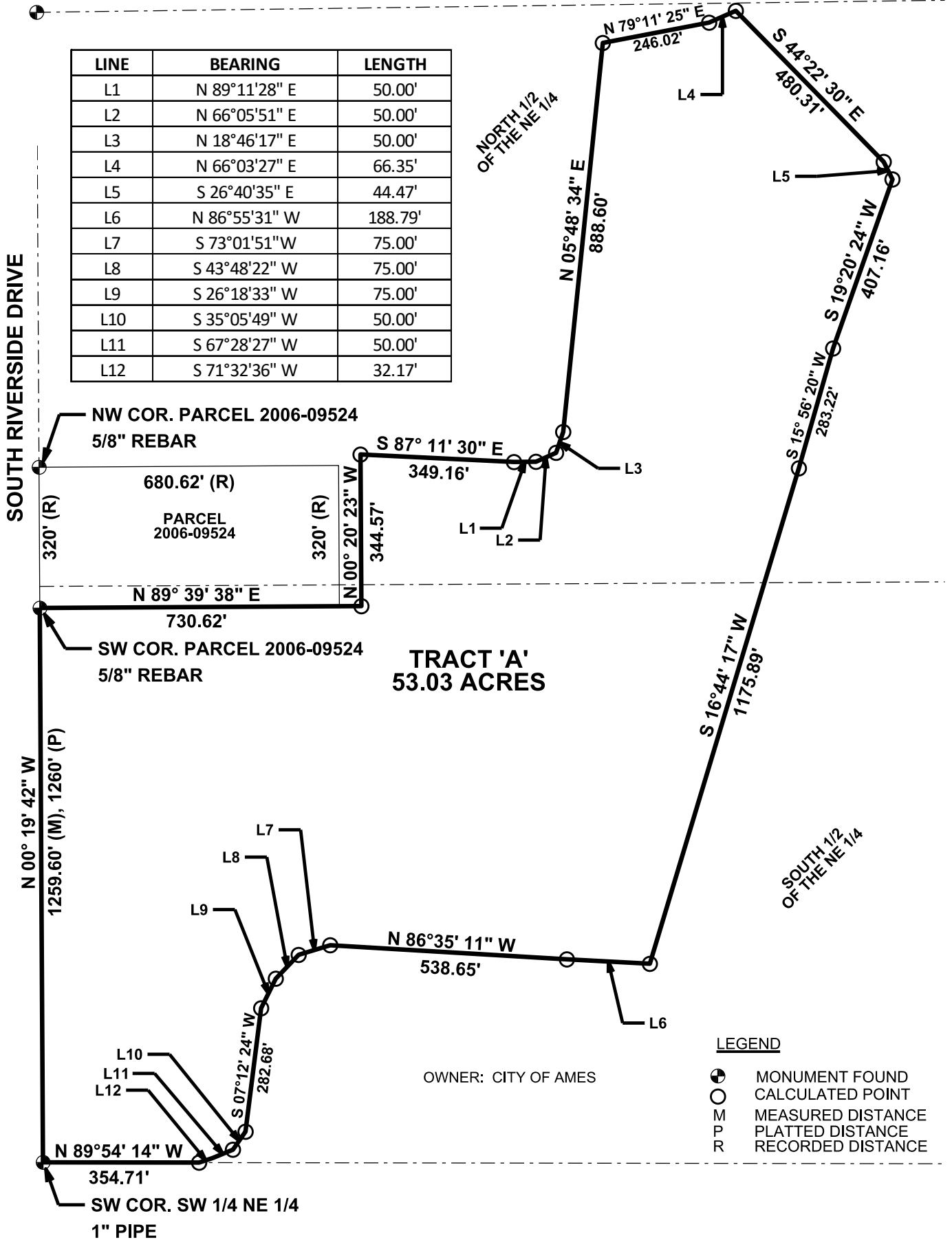
SAID PARCEL CONTAINS 53.03 ACRES.

EXHIBIT A

PLAT OF LEASE AREA

ACCESS ROAD

LINE	BEARING	LENGTH
L1	N 89°11'28" E	50.00'
L2	N 66°05'51" E	50.00'
L3	N 18°46'17" E	50.00'
L4	N 66°03'27" E	66.35'
L5	S 26°40'35" E	44.47'
L6	N 86°55'31" W	188.79'
L7	S 73°01'51" W	75.00'
L8	S 43°48'22" W	75.00'
L9	S 26°18'33" W	75.00'
L10	S 35°05'49" W	50.00'
L11	S 67°28'27" W	50.00'
L12	S 71°32'36" W	32.17'



TRACT 'A'
53.03 ACRES

OWNER: CITY OF AMES

LEGEND

- ⊕ MONUMENT FOUND
- CALCULATED POINT
- M MEASURED DISTANCE
- P PLATTED DISTANCE
- R RECORDED DISTANCE

NOTE: ALL BEARINGS ARE ASSUMED.

LICENSED PROFESSIONAL LAND SURVEYOR

MYRON G DARINGER
19758

IOWA

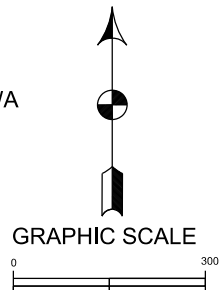
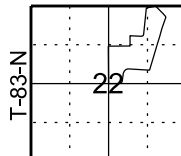
I HEREBY CERTIFY THAT THIS LAND SURVEYING DOCUMENT WAS PREPARED AND THE RELATED SURVEY WORK WAS PERFORMED BY ME OR UNDER MY DIRECT PERSONAL SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL LAND SURVEYOR UNDER THE LAWS OF THE STATE OF IOWA.

MYRON G DARINGER _____ DATE _____
PRINTED OR TYPED NAME

MY LICENSE RENEWAL DATE IS DECEMBER 31, 2019 _____

PAGES OR SHEETS COVERED BY THIS SEAL: _____

VICINITY SKETCH
STORY COUNTY IOWA
R-24-W



DATE	06/20/18
SCALE	1" = 300'
DRAWN	MD
FIELD BOOK	1
SHEET 1 OF 2	

EXHIBIT B

Estimated Rent for Initial Term

Annual Term	Annual Rate Calculation	Annual Rent Estimate
Mar 1, 2019 to Feb 28, 2019	$53.03 \times 236.00 =$	\$12,515
Mar 1, 2020 to Feb 29, 2020	$53.03 \times 241.90 =$	\$12,828
Mar 1, 2021 to Feb 28, 2021	$53.03 \times 247.95 =$	\$13,149
Mar 1, 2022 to Feb 28, 2022	$53.03 \times 254.14 =$	\$13,477
Mar 1, 2023 to Feb 28, 2023	$53.03 \times 260.49 =$	\$13,814
Mar 1, 2024 to Feb 29, 2024	$53.03 \times 267.02 =$	\$14,160
Mar 1, 2025 to Feb 28, 2025	$53.03 \times 273.69 =$	\$14,514
Mar 1, 2026 to Feb 28, 2026	$53.03 \times 280.52 =$	\$14,876
Mar 1, 2027 to Feb 28, 2027	$53.03 \times 287.54 =$	\$15,248
Mar 1, 2028 to Feb 29, 2028	$53.03 \times 294.74 =$	\$15,630

