

Palmer, Cherie

From: Greg Sullivan [greg.sullivan@brockwayeng.com]
Sent: Thursday, July 18, 2013 4:39 PM
To: Palmer, Cherie
Subject: Winburg Farm Lease
Attachments: Winburg Farm Lease.pdf

Cherie,

Attached is the farm lease agreement between Lance Funk and Winburg. Let me know if there is anything else that needs to be done for the ± 20 rental to be processed.

Greg Sullivan
Brockway Engineering
2016 N. Washington St. Suite 4
Twin Falls, Id 83301
208-736-8543

Real Estate Lease

This Lease agreement (this "Lease") is dated Oct 15, 2007 by and between Richard Winberg ("Landlord"), and Lance Funk Farms ("Tenant"). The parties agree as follows:

Premises: Landlord in consideration of the lease payments provided in this Lease leases to Tenant 405 acres of farmland (the "Premises"). The Premises are located in Bingham County.

Legal Description: The legal description for the Premises is:

RP0022180; T3S R31E Sec 35
RP0014902; T4S R31E Sec 14 NW1/4 lying S East of Highway W1/2NE1/4 Less RW

Term: The lease term will begin on October 15, 2007 and will terminate October 31, 2022.

Lease Payments: Tenants shall pay the Landlord 160 per acre totaling [REDACTED] payable in 2 payment(s). The 1st payment of [REDACTED] will be due on April 15. The 2nd payment of [REDACTED] will be due on November 15. Lease payments shall be made to the Landlord at: Richard Winberg, 1027 South 2600 West whose address may change from time to time.

Possession: Tenant shall be entitled to possession on the first day of the term of the lease, and shall yields possession to Landlord on the last day of the term of this Lease, unless otherwise agreed to by both parties in writing. At expiration of the term, Tenant shall remove its goods and effects and peaceably yield up the Premises to Landlord in as good a condition as when delivered to Tenant, ordinary wear and tear excepted.

Use of Premises: Tenant may use the Premises only for the production of wheat, potatoes, sugar beets and barley. The Premises may be used for any other purpose only with prior written consent of Landlord which may not be unreasonably withheld. Tenant shall notify Landlord of any anticipated extended absence from the Premises no later than the first day of the extended absence.

Property Insurance: Landlord and Tenant shall each maintain appropriate insurance for their respective interests in the Premises and property located on the Premises. Landlord shall be named as and additional insured in such policies. Tenant shall deliver appropriate evidence to Landlord as proof that adequate insurance is in force issued by companies reasonably satisfactory to Landlord. Landlord shall receive advance written notice from insurer prior to any termination of such insurance policies. Tenant shall also maintain any other insurance which Landlord may reasonably require for the protection of Landlord's interest in the Premises. Tenant is responsible for maintaining casualty insurance on its own property.

Instrument # 644885

BINGHAM COUNTY

12-20-2012 04:02:51 No. of Pages: 5

Recorded for : LANCE FUNK

SARA J. STAUB

Fee: 22.00

Ex-Officio Recorder Deputy

Orniles

Liability Insurance: Tenant shall maintain liability insurance on the Premises in total aggregate sum of at least [REDACTED] Tenant shall deliver appropriate evidence to Landlord as proof that adequate insurance is in force issued by companies reasonably satisfactory to Landlord. Landlord shall receive advance written notice from insurer prior to any termination of such insurance policies.

Maintenance:

Landlord's obligations for maintenance shall include:

- all items of maintenance not specifically delegated to the Tenant under this lease

Tenant's obligations for maintenance shall include:

- the Tenant will repair or replace equipment or property that is damaged or destroyed by himself, his employees, or anyone associated with
- the repair and upkeep of all minor items of the sprinkler system
- all items of maintenance not specifically delegated to the Landlord under this lease
- Monitor and maintain the dripper oil on the irrigation system
- Tenant shall install plastic mainline and wheelines on the corner place.
- Tenant shall leave all irrigation in working condition upon completion of lease

Utilities and Services: Tenant shall be responsible for all utilities and services incurred in connection with the Premises. Landlord shall be responsible for all water expenses.

Taxes: Taxes attributable to the Premises or the use of the Premises shall be allocated as follows:

Real Estate Taxes: Landlord shall pay all real estate taxes and assessments for the Premises.

Defaults: Tenant shall be in default of this lease if Tenant fails to fulfill any obligation or term by which Tenant is bound. Subject to any governing provisions of law to the contrary, if Tenant fails to cure any financial obligation within 5 days (or any other obligation within 10 days) after written notice of such default is provided by Landlord to Tenant, Landlord may take possession of the Premises without prejudicing Landlord's rights to damages. In the alternative, Landlord may elect to cure any default and the cost of such action shall be added to Tenant's financial obligations under this Lease. Tenant shall pay all costs, damages, and expenses (including reasonable attorney fees and expenses) suffered by Landlord by reason of Tenant's defaults. All sums of money or charges required to be paid by Tenant under this Lease shall be additional rent, whether or no such sums or charges are designated as "additional rent." The rights provided by this paragraph are cumulative in nature and are in addition to any other rights afforded by law.

Late Payments: Payments not paid within 3 days of its due date shall bear interest at 18% per annum until paid beginning with the day after the due date.

Cumulative Rights: The rights of the parties under this lease are cumulative, and shall not be constructed as exclusive unless otherwise required by law.

Non-sufficient Funds: Tenant shall be charged [REDACTED] each check that is returned to Landlord for lack of sufficient funds.

Access by Landlord to Premises: Subject to Tenant's consent (which shall not be unreasonably withheld), Landlord shall have the right to enter the Premises to make inspections, provide necessary services, or show the Premises to prospective buyers, mortgagees, tenant, or workers. However, Landlord does not assume any liability for the care or supervision of Premises. As provided by law, in case of an emergency, Landlord may enter the Premises without Tenant's consent. During the last three months of the Lease, or any extension of the Lease, Landlord shall be allowed to display the usual "To Let" signs and show the Premises to prospective tenants.

Indemnity Regarding Use of Premises: To the extent permitted by law, Tenant agrees to indemnify, hold harmless, and defend Landlord from and against any and all losses' claims, liabilities, and expenses, including reasonable attorney fees if any, which Landlord may suffer or incur in connection with Tenant's possession, use or misuse of the Premises, except Landlord's act or negligence.

Compliance with Regulations: Tenant shall promptly comply with all laws, ordinances, requirements and regulations of the federal, state, county, municipal and other authorities, and the fire insurance underwriters.

Arbitration: Any controversy or claim relating to this Lease, including the construction or application of this Lease, will be settled by binding arbitration under the rules of the American Arbitration Association, and any judgment granted by the arbitrator(s) may be enforced in any court of proper jurisdiction.

Ability to Assign/Subletting: tenant may not assign or sublease any interest in the Premises, nor effect a change in the majority ownership of the Tenant (from ownership existing at the inception of this lease), nor assign, mortgage or pledge this Lease, without prior written consent of Landlord, which shall not be unreasonably withheld.

Notice: Notices under this Lease shall not be deemed valid unless given or served in writing and forwarded by mail, postage prepaid, addressed as follows:

Landlord:
Richard Winberg
1027 S 2600 West
Aberdeen, ID 83210

Tenant:
Lance Funk Farms
P.O. Box 310
Aberdeen, ID 83211

Such addresses may be changed from time to time by either party by providing notice as set forth above. Notices mailed in accordance with the above provisions shall be deemed received on the third day after posting.

Governing Law: This Lease shall be construed in accordance with the laws of the State of Idaho.

Entire Agreement/Amendment: This Lease Agreement contains the entire agreement of the parties and there are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of this Lease. This Lease may be modified or amended in writing, if the writing is signed by the party obligated under the amendment.

Severability: If any portion of this Lease shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Lease is invalid or unenforceable, but that by limiting such provisions, it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

Waiver: The failure of either party to enforce any provisions of this Lease shall not be construed as a waiver or limited of that party's right to subsequently enforce and compel strict compliance with every provision of this Lease.

Binding Effect: The provisions of this Lease shall be binding upon and inure to the benefit of both parties and their respective legal representatives, successors and assigns.

Landlord:

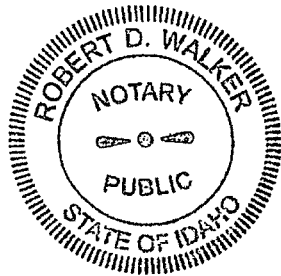
Richard Winberg Date 1 28 08

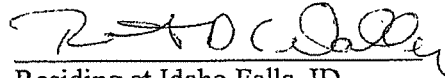
Tenant:

[Signature] Date 1-28-08

State of Idaho
County of Power

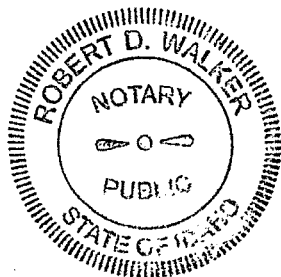
On this 28th day of January 2008, before me a notary public in and for the State personally appeared Lance Funk, know to me to be the person whose name is subscribed to the within and acknowledged to me that he executed the same.

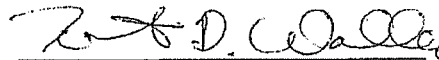



Residing at Idaho Falls, ID
Commission Expires: 10-29-2011

State of Idaho
County of Power

On this 28th day of January 2008, before me a notary public in and for the State personally appeared Richard Winberg, know to me to be the person whose name is subscribed to the within and acknowledged to me that he executed the same.




Residing at Idaho Falls, ID
Commission Expires: 10-29-2011

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