

NOTICE OF MADISON COUNTY SCHOOL LAND LEASE SALE

Notice is hereby given that an authorized representative of the Board of Educational Lands and Funds of the State of Nebraska will offer for lease at public auction on the day and time set forth below, at the office of the County Treasurer of Madison County in Madison, Nebraska, the following educational lands within said County:

DATE: November 15, 2019

TIME: 10:00 a.m.

In the event of inclement weather and/or bad roads, the Board's Field Representative may postpone the sale until December 2, 2019, at 10:00 a.m. If this occurs, the County Treasurer and the Board's Lincoln Office will both be notified at least 90 minutes prior to the originally scheduled sale time.

<u>TRACT</u>	<u>DESCRIPTION</u>	<u>SEC.TWP.RGE</u>	<u>2020 RENTAL</u>	<u>LEASE EXPIRATION</u>
2b	W1/2NW1/4NW1/4 except 1.67 acres (18.33 acres, more or less)	16-23-01	\$2,565.00	December 31, 2024

Predominant Land Use: Dryland cropland
This tract is located 3 miles south and 1 mile west of Norfolk, NE.
Improvements to be sold include: None.
STIPULATION: See Below.

2c	W1/2SE1/4SW1/4 (20 acres, more or less)	16-23-01	\$1,490.78	December 31, 2024
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Predominant Land Use: Grassland
This tract is located 4 miles south and 1/2 mile west of Norfolk, NE.
Improvements to be sold include: 240 rods of fence and stockwell. Total Value: \$1,140.00
Personal Property Items: Stock tanks and livestock equipment.
STIPULATION: See Below.

2d	SE1/4SE1/4 except 0.79 acres for Hwy 81 ROW (39.21 acres, more or less)	16-23-01	\$2,605.92	December 31, 2024
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Predominant Land Use: Grassland
This tract is located 4 miles south of Norfolk, NE.
Improvements to be sold include: 240 rods of fence and stockwell. Total Value: \$1,200.00
Personal Property Items: Stock tanks and livestock equipment.
STIPULATION: See Below.

6	NW1/4 (160 acres, more or less)	28-23-03	\$36,459.92	December 31, 2025
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Predominant Land Use: 138.31 acres of pivot irrigated cropland, 10 acres of dryland cropland and 10.17 acres of CRP

This tract is located 4 miles west and 3 miles south of Battle Creek, NE.

Trust Owned Improvements to be sold as appraisable items: Irrigation pump and column, irrigation electrical panels, electric motor, flow meter and connection pipe. Total Value: \$9,000.00

Trust Owned Improvements to be sold as personal property items: 10 tower pivot irrigation system. Total Value: \$24,500.00

Lessee owned improvements to be sold: 160 rods of boundary fence. Total Value: \$0.00

Personal Property Items: Fertilizer pump and tank.

Trust Owned Improvements: Irrigation well and all underground electrical power lines.

STIPULATION: This parcel includes 10.17 former cropland acres in the pivot corners in the S½NW¼ enrolled in the Conservation Reserve Program (CRP) and reseeded to native grass. These 10.17 reseeded acres have been enrolled into the CRP from April 1, 2015 through September 30, 2025 at a rate of \$174.17 per acre or \$1,771 annually, which the Lessee will receive after October 1st in calendar years 2020 through 2025. Lessee shall abide by, fully perform and conform to all requirements and specifications of the CRP at all times, all at Lessee's sole and exclusive cost and expense. The cash rent for such 10.17 reseeded acres enrolled in the CRP shall be \$160 per acre per year for calendar years 2020 through 2025. This Lease shall be subject to forfeiture (termination) for failure on the part of Lessee to abide by, fully perform and conform to all terms, provisions, covenants, conditions, requirements and specifications of this Lease or the Conservation Reserve Program Contract; and upon any such forfeiture (termination), the Lessee shall assign to whomever the Board designates, all federal payments under and pursuant to the CRP pertaining to the 10.17 reseeded acres enrolled which would have been payable to Lessee in the absence of such forfeiture of this Lease. These 10.17 acres will be classified to the appropriate grass classification and grade effective with calendar year 2026, unless these acres are re-entered into the Conservation Reserve Program and the appropriate rental will be determined if, and when, these acres are entered and accepted into the program. In the event these acres are re-entered into the CRP for the 2026 calendar year, Lessee shall sign a waiver of interest to any CRP payments / benefits accrued after September 30, 2025, unless Lessee is the successful bidder at the next Lease or Land auction for this real estate. Lessee shall not hay, graze, break, crop or otherwise use any of the 10.17 reseeded acres enrolled in the CRP, at any time during the term of any CRP Contract, unless such use is authorized by the federal government, and also authorized in writing by the Board, before it occurs. If any use of the acres enrolled in the CRP is so authorized by the Board, additional cash rental may be charged for such use as determined by the Board at the time of the authorization.

8	NE1/4 (160 acres, more or less)	27-24-04	\$24,893.00	December 31, 2027
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Predominant Land Use: 126 acres of pivot irrigated cropland, 21 acres of dryland cropland and 5 acres of grassland

This tract is located 1 mile west of Meadow Grove, NE.

Improvements to be sold include: Irrigation well, irrigation pump, column and gearhead. Total Value: \$13,800.00

Personal Property Items: 320 rods of fence, underground gas line, center pivot system, engine, check valve, generator and fuel tanks.

STIPULATION: Prior to April 1, 2020, Lessee will furnish and install a flow meter to the existing irrigation system on this land. Said flow meter will be classified as an appraisable improvement, owned by Lessee.

STIPULATION: (applicable to Tracts #2b, 2c and 2d): The Board may terminate this Lease prior to its scheduled expiration date by 1) giving at least nine (9) months notice of termination to the Lessee, or 2) giving written notice of termination to the Lessee stating that the lease shall terminate on December 31st of the year notice was given. In the event of such early termination, any bonus paid for this Lease will be partially refunded. The unused percentage of the original lease term shall be multiplied by the bonus previously paid to determine the refund amount.

Any item(s) listed above as "personal property" are subject to removal by the previous lessee. All right, title and interest in any items listed as "Trust owned", shall remain with the School Land Trust.

To be eligible to bid on a school land lease, you must be able to contract in accordance with Nebraska Law and have deposited with a representative of the Board, or with the County Treasurer of the County in which the land is located, a bank draft, cashier's check, certified check or money order made payable to the Board of Educational Lands and Funds equal to the 2020 rental of said tract. Said rental deposit may be submitted at any time until the tract is announced "Sold".

If more than one qualified bidder is interested in a lease, it will be sold subject to Board approval, to the party bidding the highest bonus, in addition to the first year's rent, at the auction. Bonus bids must be paid to the Board of Educational Lands and Funds immediately following the auction. Bonus bids are a one-time payment covering the entire term of the lease.

All sales of educational land leases at public auction are non-revocable offers from the bidder, which shall become binding contracts only upon acceptance and approval by the Board of Educational Lands and Funds. Leases will be effective January 1, 2020, or upon acceptance and approval by the Board, whichever occurs later.

Leases will be issued only to those who sign the "Lease and Application" in person or through an Attorney-In-Fact who presents a Power of Attorney at the time of the auction. A sample Power of Attorney form is available on the Board's website. Lease assignments submitted to the Board within 30 days of the auction will be processed without fee. The Board's standard form lease sets out the terms of the lease of the real estate to which this notice pertains; provided, however, any additional stipulations pertaining specifically to this real estate, which are included in this notice, shall become a part of the complete terms of the lease pertaining to this real estate. The Board's standard form lease may be inspected at the County Treasurer's office or on the Board's website and a copy, which includes any additional stipulations pertaining to this real estate, can be obtained by contacting the Board's Lincoln office or the Field Representative for this county named above.

The successful bidder shall, within thirty days of the date of Board approval, pay the amount of the value of the improvements (and growing crops, if applicable) as stated above, to the County Treasurer of the County wherein the land is situated. If such payment is not made on time and in full, all payments made by the successful bidder to the Board may be declared forfeited and a new lease or sale of the land may be authorized. All improvements affixed to the land which are not listed above are and shall remain owned by the School Trust. No improvements shall be placed on the land by Lessee without the prior written approval of the Board; and any improvements made by Lessee without the prior written approval of the Board shall be permanently owned exclusively by the Board.

All monies received by the Board's agents will be deposited subject to approval of the lease by the Board of Educational Lands and Funds. In the event a lease is not approved, the appropriate refunds will be issued.

All County Farm Service Agency information for the Board of Educational Lands and Funds is public information and is obtainable by contacting the local office.

Rental is subject to change by the Board semi-annually at any time during the term of the lease.

For further information contact:

BOARD OF EDUCATIONAL LANDS AND FUNDS

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