

## **GENERAL INFORMATION**

Following are answers to some of the most commonly asked questions regarding the properties to be auctioned:

### **QUESTION #1: Who owns the fences, barns, windmills, etc., on School Land Trust leases?**

Generally, improvements belong to the lessee. Improvements must be removed or disposed of within 60 days after expiration of lease contract. They may be sold to the new lessee or removed by the former lessee. The value of the improvements is established by the owner.

### **QUESTION #2: Does the School Land Trust pay for fences, which are needed on a lease?**

Any fences required by agreement or by operation of law shall be constructed and paid for by lessee. An Improvement Request must be approved before construction; fences then become the property of the lessee.

### **QUESTION #3: Can I plant a wheat or oat crop during the final year of the contract if I have already planted and harvested a summer crop that same year?**

No. According to Paragraph 4.3.11 of the School Land lease contract: "Double cropping shall not be permitted" ... "Lessee is afforded the opportunity to harvest one crop per year of lease contract." However, Green manure or leguminous crops may be grown at any time in crop rotation. Bean or pea seed may be harvested. These crops may not be baled for hay, cut for silage, or grazed by livestock.

### **QUESTION #4: When does new lessee take possession of the lease?**

Leases consisting of strictly pasture are to be relinquished to the new lessee not later than January 1, 2013. If the lease contains cropland with a growing small grain crop, then the lessee prior to the auction and owner of the small grain crop has the right to graze the grain and relinquish the lease no later than June 1, 2013, or mechanically harvest the crop and relinquish the lease no later than July 1, 2013. Extensions of time to complete harvest of crops may be granted by the Land Office.

### **QUESTION #5: Can I let other people hunt on my lease?**

Yes, as the lessee you have the right to allow other people on the lease, but you also have the responsibility to indemnify the School Land Trust against all claims arising out of use of the Land as per Paragraph 3.6 of the lease contract.

### **QUESTION #6: Do I have to plow the cropland acres if I only run cattle?**

Yes, you are required to maintain bases and protect the land from waste. If you allow weeds to grow on the cropland, you are permitting waste on the property, which violates Paragraph 4.5 of the lease contract.

### **QUESTION #7: Can I run more cattle on a lease than the number shown in the advertisement?**

The estimated cow units shown on the ad is just that, an estimate; but it is a close estimate. Any adjustment in cow units requires written permission from the Real Estate Management Specialist (RMS). If there is an abundance of grass on the leased property, the RMS may increase the number of cow units. On the other hand, if the grass is depleted too quickly, the number of animals allowed on the leased property may be reduced.

### **QUESTION #8: Can I plow up the pastureland to grow more crops?**

No. Under Paragraph 4.3.5 of the lease contract, "Prior written permission from CLO will be required before any permanent pastures are plowed out, timber cleared or cut, or any sod or sprigs are removed from lease." This means that the School Land Trust does not normally allow pasture to be plowed out, and if permission is granted it must be in writing.

### **QUESTION #9: Is the final bid price my annual rent or a bonus?**

The final bid price at the auction is the amount to be paid for each year of the contract. If you bid \$1,000 for a lease and it is a 5-year lease, you will pay a total of \$5,000 for the lease, \$1,000 each year of the contract.