REAL ESTATE CONTRACT
: : : : : : : : : : :

IT IS AGREED between INDEPENDENCE FEDERAL SAVINGS AND LOAN ASSOCIATION, of Independence, Iowa, an Iowa Corporation, hereinafter called Contract Seller, and Gary Richard Larson and Linda Joanne Larson, Husband and Wife, as Joint Tenants with Full Rights of Survivorship and not as Tenants in Common, of Delaware County, Iowa, hereinafter called Contract Buyer:

That Contract Seller hereby agrees to sell and Contract Buyer hereby agrees to buy the real estate situated in Delaware County, Iowa, described as follows:

> Commencing at a point on the West line of the Northwest Quarter (NW¼) of Section Sixteen (16) Township Eighty Nine (89) North, Range Six (6) West of the 5th P. M. which is four hundred ninety five (495) feet North of the Southwest corner of said Northwest Quarter (NW¼), running thence North 175 feet, thence East (275) feet, thence South one hundred seventy five (175) feet, thence West two hundred seventy five (275) feet to the point of beginning, subject to highway and easements of record,

together with all easements and servient estates appurtenant thereto, upon the following terms:

1. TOTAL PURCHASE PRICE for said property is the sum of Fifteen Thousand Dollars ($15,000.00 of which One Thousand Seven Hundred Dollars ($1700.00) has been paid herewith (being rent previously received) receipt of which is hereby acknowledged by Contract Seller; and Contract Buyer agrees to pay the balance to Contract Seller at its office in Independence, Iowa, or as directed by Contract Seller as follows:

Payment of $156.15 on the 30th day of October, 1989, and $156.15 on the last day of each month thereafter, (monthly payments to be adjusted according to the adjustable rate of interest, as determined by the "Index" set out in Paragraph 2 below), with all unpaid interest and principal to be paid in full on or before October 31, 2002.

2. INTEREST Contract Buyer agrees to pay interest from October 1989, upon the unpaid balances, with interest determined as follows:

> (1) Contract Buyer promises to pay interest on the unpaid principal balance from the date set out above until paid in full, at the initial rate of 10.50 percent per annum, which interest shall increase or decrease as provided below.
>
> (2) Principal and interest shall be payable at 305 First Street West, Independence, Iowa 50644, or such other place as the Contract Seller may designate, in consecutive monthly installments of One Hundred Fifty six and Fifteen Cents ($156.15) on the last day of each month, beginning October 31, 1989; such monthly installments, as increased or decreased, according to the terms hereof, shall continue until the entire indebtedness evidenced by this Contract is full paid, except that any remaining indebtedness, if not paid sooner, shall be due and payble on October 31, 2002.
>
> (3) Each monthly installment shall be applied first to interest then due and the remainder, if any, to principal. For purposes of allocation of any monthly installment payment as between principal and interest, interest shall consist of the outstanding principal balance on this Contract immediately prior to allocation of the monthly installment payment times the annual interest rate in effect at that time, divided by twelve. All other interest calculations on this Contract shall be made on a daily interest basis calculated on the basis of actual days elapsed in a 365-day year.

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For Release, Book 113 Page 118

FILE No. 308-1789 | FILED FOR RECORD THE 9 DAY OF February, 1990 AT 10:23 O'CLOCK A. M. BOOK 125 PAGE 330 | STATE OF IOWA, DELAWARE COUNTY Joan Sheppard, Recorder
RECORDING FEE $ 25.00 | LD
TRANSFER FEE $

(4) The "Index" is the average of the Twenty-Six (26) consecutive weekly auction average rates on Treasury Bills with a constant maturity of 6 months, as published by the Federal Reserve Board in statistical release H.15 (5 19). The average of the Twenty-Six (26) most recently published figures at the time that the Notice of Periodic Adjustment is prepared by the Contract Seller is called the "Current Index". If the Index ceases to be available, a substitute index authorized by the Comptroller of Currency shall be used. Subject to the conditions of this paragraph, the interest rate on this Contract shall first be increased or decreased beginning March 1, 1990 and every sixth (6th) month thereafter (the Change Date) so that the interest rate hereon is the sum of Two and One-Half Percent (2½%) (the Margin), plus the Current Index value, which sum is rounded to the next highest One-Eighth of One percentage point; subject to the limitations set forth in sub-paragraph (b) below.

(a) Changes in the interest rate hereon shall be implemented by changing the amount of each monthly installment payment to the extent necessary so that future installments will fully amortize this Contract over its remaining term at the new interest rate. Each change in installment payments shall begin with the payment due on the first day of the month following related Change Date. The Contract Seller will mail or deliver to the Contract Buyer a notice of any changes in the amount of the monthly payment (Notice of Periodic Adjustment) before the effective date of any change. The notice will include information required by law to be given and also the title and telephone number of a person who will answer any questions regarding the notice.

(b) Any change in the interest rate effective on any Change Date shall be increments of One-Eighth of One percentage point. Any changes in the interest rate effective on any Change Date shall not exceed One-Half of One percentage point. The maximum interest rate which may be imposed shall not exceed the initial interest rate plus 4.5 percentage points and the minimum interest rate which may be imposed shall not be less than the initial interest rate minus 4.5 percentage points.

(5) The Contract Buyer may prepay the principal amount outstanding, in whole or in part, at any time and from time to time without premium of penalty. Any partial prepayment shall be applied first against the accrued but unpaid interest and then to the principal amount outstanding and shall not postpone the due date of any subsequent monthly installments. Partial payments will reduce the amount of the monthly payments only after the first Change Date following the partial payment. However, any reduction of the monthly payment due to the partial prepayment may be offset by an interest rate increase.

(6) If a law, which applies to this Contract and which sets maximum interest rates is finally interpreted so that the interest collected or to be collected in connection with this Contract exceeds the permitted limits, then:

(a) The interest rate shall be reduced by the amount necessary to reduce the charge to the permitted limits.

(b) Any sums already collected from the Contract Buyer which exceeded permitted limits will be refunded to the Contract Buyer. The Contract Seller may choose to make this refund by reducing the principal the Contract Buyer owes under this Contract, or by making a direct payment to the Contract Buyer. If a refund reduces principal, the reduction will be treated as a partial prepayment.

(7) The provisions of this Contract shall be governed by the laws of Iowa, except to the extent such law is contrary to or inconsistent with the laws, rules or regulations of the United States or to the extent such law restricts activities otherwise permitted to federally chartered savings and loan associations in which event the laws, rules and regulations of the United States shall govern.

3. TAXES Contract Seller agrees to pay taxes which would be due and delinquent if not paid April 1, 1989, and any unpaid taxes thereon payable in prior years and any and all special assessments for improvements which have been installed at the date of this Contract; other than improvements to porch which Contract Buyer contracted himself to have made. Contract Buyer agrees to pay, before they become delinquent, all other current and subsequent taxes and assessments against said premises.

4. POSSESSION Contract Seller agrees to give Contract Buyer immediate possession as Buyer already resides in the property.

5. INSURANCE Contract Seller agrees to carry existing insurance until date of possession and Contract Buyer agrees to accept the insurance recovery instead of replacing or repairing buildings or improvements. Thereafter until final settlement, Contract Buyer agrees to keep the improvements upon said premises insured against loss by fire, tornado and extended coverage for a sum not less than Fifteen Thousand Dollars ($15,000.00) or the balance owing under this Contract, whichever is less, with insurance payable to Contract Seller and Contract Buyer as their interests may appear, and to deliver policies thereof to Contract Seller.

6. ABSTRACT Contract Seller agrees to forthwith deliver to Contract Buyer, for their examination abstract of title to said premises continued to the date of this Contract, showing merchantable title in accordance with Iowa Title Standards. After examination by Contract Buyer, the abstract shall be held by Contract Seller until delivery of Deed. Contract Seller agrees to pay for any additional abstracting which may be required by acts or omissions of Contract Seller, occurring before delivery of Deed.

7. FIXTURES All property that integrally belongs to or is part of the real estate, whether attached or detached, such as light fixtures, shades rods, blinds, awnings, windows, storm doors, screens, plumbing fixtures water heaters, water softeners, automatic heating equipment, air conditioning equipment, wall to wall carpeting, built-in items and electrical service cable, outside television towers and antenna, fencing, gates and landscaping shall be considered a part of real estate and included in the sale except: LP gas tank. Buyers accept the property in an "as is" condition.

8. CARE OF PROPERTY Contract Buyer shall not injure, destroy or remove the improvements or fixtures or make any material alterations thereof without written consent of Contract Seller, until final payment is made.

9. DEED Upon payment of all sums owing by Contract Buyer to Contract Seller by virtue of this Contract, Contract Seller agrees to contemporaneously execute and deliver to Contract Buyer a Warranty Deed upon the form approved by the Iowa State Bar Association and which shall be subject to:

(a) Liens and encumbrances suffered or permitted by Contract Buyer, and taxes and assessments payble by Contract Buyer.

(b) Applicable zoning regulations and easements of record for public utilities and established roads and highways.

10. FORFEITURE AND FORECLOSURE If Contract Buyer fails to perform this Contract in any respect, time being made the essence of this Contract, then Contract Seller may forfeit this Contract as provided by Chapter 656 of the Iowa Code and all payments made and improvements made on said premises shall be forfeited; or Contract Seller may declare the full balance owing due and payable and proceed by suit at law or in equity to foreclose this Contract, in which event, Contract Buyer agrees to pay costs and attorney fees and any other expense incurred by Contract Seller. It is agreed that the periods of redemption after sale on foreclosure may be reduced under the conditions set forth in Sections 628.26 and 628.27, Code of Iowa.

11. The Contract Buyer agrees not to sell or transfer their interest in the real estate described above, without Contract Seller's prior written consent. Contract Seller shall not withhold their consent unreasonably.

Words and phrases herein shall be construed as singular or plural and as masculine, feminine or neuter gender according to the context.

Dated this 21 day of ~~October~~ December, 1989.

Gary Richard Larson
Gary Richard Larson

Linda Joanne Larson
Linda Joanne Larson

CONTRACT BUYERS

Route #3
Manchester, Iowa 52057

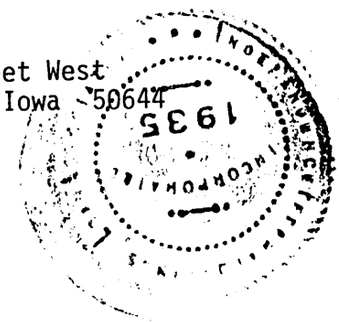
INDEPENDENCE FEDERAL SAVINGS
AND LOAN ASSOCIATION

Michael D. Ruffcorn
Michael D. Ruffcorn, President

A. Horn
A. Horn, Secretary

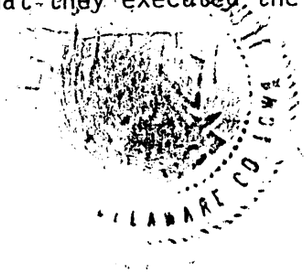
CONTRACT SELLER

305 First Street West
Independence, Iowa 50644



STATE OF IOWA :
: ss
COUNTY :

On this 21 day of ~~October~~ November, 1989, before me, the undersigned, ~~a Notary Public~~ in and for the State of Iowa, personally appeared Gary Richard Larson and Linda Joanne Larson, husband and wife, to me known to be the identical persons named in and who executed the foregoing instrument and acknowledged that they executed the same as their voluntary act and deed.



Clerk District Court
~~Notary Public~~ in and for
County, Iowa
R.W. NIEMAN

STATE OF IOWA :
: ss
BUCHANAN COUNTY :

On this 29th day of ~~October~~ December, 1989, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Michael D. Ruffcorn and A. Horn, to me personally known, who, being by me duly sworn, did say that they are the President and Secretary, respectively, of said corporation executing the within and foregoing instrument to which this is attached, that the seal affixed thereto is the seal of said corporation; that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and that the said Michael D. Ruffcorn and A. Horn, as such officers, acknowledged the execution of the foregoing instrument to be the voluntary act and deed of the corporation by it and by them voluntarily executed.

[illegible] EXPIRES
9-7-92

Notary Public in and for
Buchanan County, Iowa
ANITA H. BARNES