'91 AUG 19 AM 9 31
JO ANN E. REYNOLDS
COUNTY RECORDER
DUBUQUE CO., IOWA FEES
8453-91
$10.00

REAL ESTATE CONTRACT - INSTALLMENTS

IT IS AGREED this 6th day of June, 1991, by and between Loyd J. Jasper and Carol L. Jasper, husband and wife of the County of Dubuque, State of Iowa, Sellers; and Iowa Agricultural Development Authority, of the County of Polk, State of Iowa, Buyers:

That the Sellers, as in this contract provided, agree to sell to the Buyers, and the Buyers in consideration of the premises, hereby agree with the Sellers to purchase the following described real estate situated in the Counties of Dubuque and Delaware State of Iowa, to-wit:

The North Fractional One-Half of the Northwest Fractional Quarter (N Frl 1/2 NW Frl 1/4) of Section Nineteen (19), in Township Eighty-Nine (89) North, Range Two (2) West of the 5th P.M., subject to highways, restrictions and easements of record. And also real estate situated in Delaware County, Iowa, to wit: The East One-Half of the Northeast Quarter of the Northeast Quarter of Section 24, Township 89 North, Range 3 West of the 5th P.M.

together with any easements and servient estates appurtenant thereto, but with such reservations and exceptions of title as may be below stated, and certain personal property if and as may be herein described or if and as an itemized list is attached hereto and marked Exhibit "B" all upon the terms and conditions following:

1. **TOTAL PURCHASE PRICE**. The buyer agrees to pay for said property the total of $250,000.00 due and payable at Seller's Residence, Dubuque County, Iowa as follows:

(a) **DOWN PAYMENT** of $25,000.00 RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED: and $50,000 due on date of possession.

(b) **BALANCE OF PURCHASE PRICE** $175,000.00 as follows $8,844.65 INCLUDING 8% INTEREST, or more at the option of the Buyers, and more as may be increased by the provisions of the last sentence of this paragraph, on or before the 1st day of July, 1992, and $8,844.65 INCLUDING 8% INTEREST, or more at the option of the Buyers, and more as may be increased by the provisions of the last sentence of this paragraph, on or before the 1st day of each and every January 1st and July 1st thereafter until all sums due under this contract are paid in full, INCLUDING INTEREST on unpaid balances thereof at the rate of 8% per annum, payable January 1st and July 1st thereafter from January 1, 1992, date of possession until fully paid, said payments to be applied first to the interest then unpaid and next upon the balance of the principal.

Parties agree that the first $75,000 principal payments shall apply to the personal residence located on the hereinabove described premises. Payments thereafter shall be applied to Section 1245 Assets until all are paid for and the remainder of all principal payments shall apply to all other farm assets until principal due herein is fully paid.

(c) Buyers may prepay any and all amounts due under this contract at any time without penalty. Should buyers prepay principal at anytime, the semi-annual payments set out hereinabove must be recalculated and a new payment schedule prepared if payments of principal continue in advance. Regardless of principal prepayments, Buyers continue to be obligated to make the semi-annual interest payments to Sellers. If buyers prepay principal, they are excused from further principal payments until such time as they would have been required to do so on the original 20 year plan at 8% interest

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FILE No. 121-609
RECORDING FEE $ 40.00
TRANSFER FEE $

FILED FOR RECORD THE 5 DAY OF September, 19 91 AT 10:45 O'CLOCK A.M. BOOK 128 PAGE 200

STATE OF IOWA, DELAWARE COUNTY
Jane A. Lloyd, Recorder
LD

which required $8,844.65 payment semi-annually with the intent being that Buyers may in no event be delinquent under the original amortization schedule set out hereinabove.

2. **POSSESSION.**

Buyers, concurrently with due performance on their part shall be entitled to possession of said premises on the 1st day of January, 1992; and thereafter so long as they shall perform the obligations of this contract.

Buyers are taking subject to the rights of lessees and are entitled to rentals therefrom on and after date of possession.

3. **TAXES.** All regular taxes due and payable in the fiscal year ending June 30, 1992, are to be paid by SELLERS. All regular taxes for the current fiscal year ending June 30, 1992, are to be pro-rated between the BUYERS and SELLERS as of the date of possession. The basis of such pro-ration shall be the last known actual taxes payable. In addition, SELLER shall pay any unpaid taxes thereon payable in prior years. BUYERS shall pay any taxes not assumed by SELLERS and all subsequent taxes before same become delinquent. Whoever may be responsible for the payment of said taxes and the special assessments, if any, each year, shall furnish to the other parties evidence of payment of such items not later than July 15, of each year.

4. **SPECIAL ASSESSMENTS.** Sellers shall pay the special assessments against this property:

(a) Which are a lien thereon as of date of possession.

(b) Including all sewage disposal assessments for overage charge heretofore assessed by any municipality having jurisdiction as of date of possession. Buyers, except as above stated, shall pay all subsequent assessments and charges, before they become delinquent.

5. **MORTGAGE.** Any mortgage or encumbrance of a similar nature against the said property shall be timely paid by Sellers so as not to prejudice the Buyers' equity herein. Should Sellers fail to pay, Buyers may pay any such sums in default and shall receive credit on this contract for such sums so paid. MORTGAGE BY SELLERS. Sellers their successors in interest or assigns may, and hereby reserve the right to at any time mortgage their right, title or interest in such premises or to renew or extend any existing mortgage for any amount not exceeding 80% of the then unpaid balance of the purchase price herein provided. Buyers hereby expressly consent to such a mortgage and agree to execute and deliver all necessary papers to aid Sellers in securing such a mortgage which shall be prior and paramount to any of the Buyers' then rights in said property. DEED FOR BUYERS SUBJECT TO MORTGAGE. If Buyers have reduced the balance of this contract to the amount of any existing mortgage balance on said premises, they may at their option, assume and agree to pay said mortgage according to its terms, and subject to such mortgage shall receive a deed to said premises; or Sellers, at their option, any time before Buyers have made such a mortgage commitment, may reduce or pay off such mortgage. ALLOCATED PAYMENTS. Buyers, in the event of acquiring this property from an equity holder instead of a holder of the fee title, or in the event of a mortgage against said premises, reserve the right, if reasonably necessary for their protection to divide or allocate the payments to the interested parties as their interests may appear. SELLERS AS TRUSTEES. Sellers agree that they will collect no money hereunder in excess of the amount of the unpaid balance under the terms of this contract less the total amount of the encumbrance on the interest of Sellers or their assigns in said real estate; and if Sellers shall hereafter collect or receive any moneys hereunder beyond such amount, they shall be considered and held

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as collecting and receiving said money as the agent and trustee of the Buyers for the use and benefit of the Buyers.

6. **INSURANCE.** Except as may be otherwise included in the last sentence of paragraph 1(b) above, Buyers as and from said date of possession, shall constantly keep in force, insurance premiums therefore to be prepaid by Buyers (without notice or demand) against loss by fire, tornado and other hazards, casualties and contingencies as Seller may reasonably require on all buildings and improvements, now on or hereafter placed on said premises and any personal property which may be the subject of this contract, in companies to be reasonably approved by Sellers in an amount not less than the full insurable replacement value of such improvements and personal property or not less than the unpaid purchase price herein whichever amount is smaller with such insurance payable to Sellers and Buyers as their interests may appear. BUYERS SHALL PROMPTLY DEPOSIT SUCH POLICY WITH PROPER RIDERS WITH SELLERS for the further security for the payment of the sums herein mentioned. In the event of any such casualty loss, the insurance proceeds may be used under the supervision of the Sellers to replace or repair the loss if the proceeds be adequate; if not, then some other reasonable application of such funds shall be made; but in any event such proceeds shall stand as security for the payment of the obligations herein.

6(B) **INSURANCE.** Buyers shall procure and maintain policies of insurance at their expense insuring Sellers and Buyers from all claims, demands, or actions for injury to or death of any person or persons in an amount not less than $500,000.00 and for damage to property in an amount of not less than $100,000.00 made by or on behalf of, any person or persons, firm or corporations, arising from or relating to the use of the purchased premises. Said liability insurance shall be written on an occurrence basis. Sellers shall be furnished a copy of said insurance policy by Buyers on or before the date of possession and throughout the period covered by the contract. Said insurance policy shall contain a provision requiring the insurer to give Sellers at least ten (10) days notice of any cancellation of such insurance.

The Buyers agree to hold harmless and indemnify the Sellers for any loss, liability or expense Sellers shall become obligated to pay with respect to the aforementioned premises after Buyers take possession.

7. **CARE OF PROPERTY.** Buyers shall take good care of this property; shall keep the buildings and other improvements now or hereafter placed on the said premises in good and reasonable repair and shall not injure, destroy or remove the same during the life of this contract. Buyers shall not make any material alterations in said premises without the written consent of the Sellers. Buyers shall not use or permit said premises to be used for any illegal purpose.

8. **LIENS.** No mechanics' lien shall be imposed upon or foreclosed against the real estate described herein.

9. **ADVANCEMENT BY SELLERS.** If Buyers fail to pay such taxes, special assessments and insurance and effect necessary repairs, as above agreed, Sellers may, but need not, pay such taxes, special assessments, insurance and make necessary repairs, and all sums so advanced shall be due and payable on demand or such sums so advanced may, at the election of Sellers, be added to the principal amount due hereunder and so secured.

10. **JOINT TENANCY IN PROCEEDS AND SECURITY RIGHTS IN REAL ESTATE.** If and only if, the Sellers immediately preceding this sale, hold the title to the above described property in joint tenancy, and such joint tenancy has not later been destroyed by

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operation of law or by acts of the Sellers, this sale shall not constitute such destruction and the proceeds of this contract, and any continuing and/or recaptured rights or Sellers in said real estate, shall be and continue in Sellers as joint tenants with rights of survivorship and not as tenants in common; and Buyers, in the event of the death of one of such joint tenants, agree to pay any balance of the proceeds of this contract to the surviving Seller (or Sellers) and to accept deed solely from him or them consistent with paragraph 13 below unless and except this paragraph is stricken from this agreement.

10-1/2. **"SELLERS".** Spouse, if not titleholder immediately preceding this sale, shall be presumed to have executed this instrument only for the purpose of relinquishing all rights of dower, homestead and distributive share and/or in compliance with Section 561.13 Code of Iowa; and the use of the word "Sellers" in the printed portion of this contract, without more, shall not rebut such presumption, nor in any way enlarge or extend the previous interest of such spouse in said property, or in the sale proceeds, nor bind such spouse except as aforesaid, to the terms and provisions of this contract.

11. **TIME IS OF THE ESSENCE** of this Agreement. Failure to promptly assert rights of Sellers herein shall not, however, be a waiver of such rights or a waiver of any existing or subsequent default.

12. **EXCEPTIONS TO WARRANTIES OF TITLE.** The warranties of title in any Deed made pursuant to this contract shall be without reservation or qualification EXCEPT; (a) Zoning Ordinance; (b) Such restrictive covenants as may be shown of record; (c) Easements of record, if any; (d) As limited by paragraphs 1, 2, 3 and 4 of this contract; (e) Sellers shall give Special Warranty as to the period after equitable title passes to Buyers; (f) Spouse if not a titleholder, need not join in any warranties of the deed unless otherwise stipulated.

13. **DEED AND ABSTRACT, BILL OF SALE.** If all said sums of money and interest are paid to Sellers during the life of this contract, and all other agreements for performance by Buyers have been complied with, Sellers will execute and deliver to Buyers a Special Warranty Deed conveying said premises in fee simple pursuant to and in conformity with this contract; and Sellers will at this time deliver to Buyers an abstract showing merchantable title, in conformity with this contract. Such abstract shall begin with the government patent (unless pursuant to the Iowa State Bar Association title standards there is a lesser requirement as to period of abstracting) to said premises and shall show title thereto in Sellers as of the date of this contract; or as of such earlier date if and as designated in the next sentence. This contract supersedes the previous written offer of Buyers to buy the above described property which was accepted by Sellers. Sellers shall also pay the cost of any abstracting due to any act or change in the personal affairs of Sellers resulting in a change of title by operation of law or otherwise. If any personal property is a part of this agreement, then upon due performance by Buyers, Sellers shall execute and deliver a Bill of Sale consistent with the terms of this contract. Sellers shall pay all taxes on any such personal property and all taxes thereon payable prior thereof, in same manner as payment of taxes as provided in Paragraph 3 herein.

14. **APPROVAL OF ABSTRACT.** Buyers have not examined the abstract of title to this property and such abstract is not accepted. Seller will pay for one abstract continuation only, during the life of this contract.

15.1 **FORFEITURE.** If Buyers (a) fail to make the payments aforesaid, or any part thereof, as same become due; or (b) fail to pay the taxes or special assessments or charges, or any part

thereof, levied upon said property, or assessed against it, by any taxing body before any of such items become delinquent; or (c) fail to keep the property insured; or (d) fail to keep it in reasonable repair as herein required; or (e) fail to perform any of the agreements as herein made or required; then sellers, in addition to any and all other legal and equitable remedies which they may have, at their option, may proceed to forfeit and cancel this contract as provided by law (Chapter 656 Code of Iowa). Upon completion of such forfeiture Buyers shall have no right of reclamation or compensation for money paid, or improvements made; but such payments and/or improvements if any shall be retained and kept by Sellers as compensation for the use of said property, and/or as liquidated damages for breach of this contract; and upon completion of such forfeiture, if the Buyers, or any other person or persons shall be in possession of said real estate or any part thereof, such party or parties in possession shall at once peacefully remove therefrom, or failing to do so may be treated as tenants holding over, unlawfully after the expiration of a lease, and may accordingly be ousted and removed as such as provided by law.

15.2 **FORECLOSURE.** If Buyers fail, in any one or more of the specified ways to comply with this contract, as in (a), (b), (c), (d), or (e) of numbered paragraph 15.1 above provided, Sellers may upon thirty (30) days written notice of intention to accelerate the payment of the entire balance, during which thirty days such default or defaults are not removed, declare the entire balance hereunder immediately due and payable; and thereafter at the option of the Sellers this contract may then be foreclosed in equity and a receiver may be appointed to take charge of said premises and collect the rents and profits thereof to be applied as may be directed by the Court.

16. **ATTORNEY'S FEES.** In case of any action, or in any proceedings in any Court to collect any sums payable or secured herein, or to protect the lien or title herein of Sellers, or in any other case permitted by law in which reasonable attorney's fees may be collected from Buyers, or imposed upon them, or upon the above described property, Buyers agree to pay reasonable attorney's fees.

17. **INTEREST ON DELINQUENT AMOUNTS.** Either party will pay interest at the highest legal contract rate applicable to a natural person to the other on all amounts herein as and after they become delinquent, and/or on cash reasonably advanced by either party pursuant to the terms of this contract, as protective disbursements.

18. **ASSIGNMENT.** In case of the assignment of this Contract by either of the parties, prompt notice shall be given to the other parties, who shall at the time of such notice be furnished with a duplicate of such assignment by such assignors. Any such assignment shall not terminate the liability of the assignor to perform, unless a specific release in writing is given and signed by the other party to this contract.

In the event said partnership sells, conveys, assigns or transfers their interest by any means, form, or manner in the real estate purchased herein, or any portion thereof, then at the option of the Sellers, all sums due under this contract shall be due and payable in full.

19. **PERSONAL PROPERTY.** If this contract includes the sale of any personal property, then in the event of the forfeiture or foreclosure of this contract, such personalty shall be considered indivisible with the real estate above described; and any such termination of Buyers' rights in said real estate shall concurrently operate as the forfeiture or foreclosure hereof against all such personal property.

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20. **CONSTRUCTION.** Words and phrases herein, including acknowledgments hereof, shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender, according to the context. See paragraph 10-1/2 above, for construction of the word "Sellers".

21. **PARTIAL INVALIDITY.** If any provision of this contract or any specific application shall be invalid or unenforceable, the remainder of this contract, or the application of the provision in other circumstances, shall not be affected, and each provision of this contract shall be valid and enforceable to the fullest extent permitted by law.

22. **HOMESTEAD EXEMPTION.** **I UNDERSTAND THAT HOMESTEAD PROPERTY IS IN MANY CASES PROTECTED FROM THE CLAIMS OF CREDITORS AND EXEMPT FROM JUDICIAL SALE; AND THAT BY SIGNING THIS CONTRACT, I VOLUNTARILY GIVE UP MY RIGHT TO THIS PROTECTION FOR THIS PROPERTY WITH RESPECT TO CLAIMS BASED UPON THIS CONTRACT.**

Dated Aug. 16, 1991

William H. Greiner
Buyer's Name

Buyer's Name

23. **CONDITION OF PROPERTY.** As to the present and continuing habitability, the Buyer has inspected the property and fixtures and acknowledges that they are in a reasonable and acceptable condition of habitability or for their intended use and that the price agreed upon is fair and reasonable in this community for premises in their condition. The entire premises and improvements are sold "As Is". Buyers acknowledge that they did have every opportunity to have professional people inspect the farm and all the equipment before signing the applicable agreements in conjunction with this contract, and before signing this contract.

24. **PERSONAL PROPERTY.** Also included in this sale are the following items of personal property: microwave and stove located in the kitchen; safe in the kitchen; all attached items; all drapes in entire house; all attached carpet; TV in the attic. THESE ITEMS ARE SOLD "AS IS", AND THE SELLER MAKES NO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, EITHER EXPRESS OR IMPLIED.

25. **COMPLETE AGREEMENT.** This contract constitutes the full and complete agreement of the parties. The buyers are purchasing the above described property on the terms and conditions stated herein and are not relying on any statements made by the sellers or their agents that are not contained in this contract.

26. Seller has absolute option to stay and possess the personal residence and garage through and including March 31, 1992, with obligation to pay purchasers $500 per month. Should Seller vacate the personal residence and garage prior to January 1, 1992, then and in that event, purchaser shall pay Seller $500 per month. (Any fraction of a month shall be prorated as to said $500 on a per day basis.)

27. The parties hereto have acknowledged that this contract will be assigned to Riverside Farms, Partnership, an Iowa Partnership, said partners being Dennis L. Steffensmeier of R.R. #2, Box 159, Dyersville, Iowa, 52040, and Larry Steffensmeier of 138 - 1st Avenue, East, Dyersville, Iowa, 52040, and Buyer herein agrees that said assignment shall incorporate an obligation to both the partnership and the partners as though they were the

original purchasers herein to make their obligations to the seller joint and several as follows: "The parties Riverside Farms, Partnership and Dennis L. Steffensmeier and Larry Steffensmeier undertake the duties and obligations of this contract for ourselves, our successors, heirs and executors and by this instrument intend to create a joint and several obligation to sellers. And further, the partnership, Dennis L. Steffensmeier and Larry Steffensmeier do agree that any default on this contract by any purchaser, assignee, partnership Riverside Farms, or partners Dennis L. Steffensmeier and/or Larry Steffensmeier or their successors, heirs and executors shall be deemed as default in its entirety and Seller may foreclose or forfeit the entire contract.

28. This contract will be assigned by the Buyer (Iowa Agricultural Development Authority) to Riverside Farms Partnership (Beginning Farmer(s) and may not be reassigned by Beginning Farmer(s) without the written consent of Seller(s) and the Iowa Agricultural Development Authority which consent, if given, shall not operate as a waiver of the requirement of written consent on any subsequent assignment. Any attempt by Beginning Farmer(s) to reassign this contract without written consent shall entitle Seller(s) to declare all amounts due hereunder immediately due and payable.

To evidence its payment obligations under this contract, the Iowa Agricultural Development Authority will issue its tax exempt bond (the "Bond") in an amount equal to the unpaid balance of the purchase price contained herein and bearing interest at the rate of 8% per annum (the "Tax Exempt Rate") with payment terms identical to those contained herein. Beginning Farmer(s) have expressly warranted to Seller(s) that the interest payments received pursuant to the terms contained herein will come to the Seller(s) in the form that will make it not includable in gross income for federal income tax purposes. Seller(s) are relying on the representations made by the Beginning Farmer(s) in this regard and in the event the interest payments are determined to be the includable in gross income for federal income tax purposes, then all interest payments will be computed on the basis of interest at the rate of 12% per annum (the "Taxable Rate") and Beginning Farmer(s) shall be responsible to make payment to the Seller(s) for the difference between interest paid at the Tax Exempt Rate and the amount calculated on the basis of interest at the Taxable Rate. This provision shall not apply in the event the Bond is held by a Related Person (as defined by the Internal Revenue Code) to the Beginning Farmer(s).

The Seller(s) acknowledge that this contract will be assigned by the Iowa Agricultural Development Authority by separate instrument, the Guarantee, Assignment and Assumption Agreement (the "Guarantee") to the Beginning Farmer(s) who will assume the rights, duties, obligations and liabilities of the Iowa Agricultural Development Authority hereunder and guarantee the payment of principal of and interest on the Bond. Seller(s) approves such assignment and assumption and acknowledges that the principal of, premium, if any, and interest on the Bond, the installment payments under this contract and other amounts due and owing to the Seller(s) as holder of the Bond and Seller under this contract are special limited obligations of the Iowa Agricultural Development Authority and payable solely and only from the obligations of the Beginning Farmer(s) under the Guarantee and are not general obligations of the State of Iowa or any political subdivision or agency thereof, including the Iowa Agricultural Development Authority, within the meaning of any constitutional or statutory limitation and do not constitute or give rise to a pecuniary liability of the State of Iowa or any political subdivision or agency thereof, including the Iowa Agricultural Development Authority, or a charge against their general credit or general funds.

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Loyd Jasper

Loyd, Jasper

Carol L. Jasper

Carol L. Jasper, SELLERS

IOWA AGRICULTURAL DEVELOPMENT AUTHORITY

By: William H. Greiner
William H. Greiner
Executive Director
BUYERS

14971 Christoph Road
Dyersville, IA 52040
Seller's Address

Henry A. Wallace Building
Des Moines, IA 50319
Buyer's Address

STATE OF IOWA, DUBUQUE COUNTY, SS:

On this 6th day of June, A.D., 1991, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Loyd and Carol L. Jasper to me known to be the identical persons named in and who executed the within and foregoing instrument, and acknowledged that they executed the same as their voluntary act and deed.

Louis F. Heims, Notary Public
In and for said County & State

STATE OF IOWA, POLK COUNTY, SS:

On this 14th day of ~~June~~ August, A.D. 1991, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared William H. Greiner to me personally known, who being by me duly sworn, did say that he is the Executive Director of the corporation executing the within and foregoing instrument, that (no seal has been procured by the)(the seal affixed thereto is the seal of the) corporation; that said instrument was signed (and sealed) on behalf of the corporation by authority of its Board of Directors; and that William H. Greiner as officer acknowledged the execution of the foregoing instrument to be the voluntary act and deed of the corporation, by it and by him voluntarily executed.

Judy Frazier
Notary Public
In and For Said County and State

JUDY FRAZIER
MY COMMISSION EXPIRES
1-18-92

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