OPTION TO PURCHASE

Option granted this 11th day of July, 1994, by Adeline A. Thomsen, a single person, hereinafter called Optionor, to John L. Thomsen, hereinafter called Optionee.

Optionor, in consideration of $1.00 and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, hereby grants to Optionee the first right, at his option, to purchase the following described real estate:

> The Northwest fractional Quarter (NWf¼) and all that part of the West One-half (W½) of the Northeast Quarter (NE¼) lying West of the railroad right of way, all in Section Thirty-one (31), Township Eighty Eight (88) North, Range Five (5), West of the 5th P.M.;

in Delaware County, Iowa and containing 166 acres more or less, upon the following terms and conditions:

1. The option may be exercised at any time during the period March 1, 1994, to and including March 1, 1999, but for the period March 1, 1994 to and including February 28, 1998, it may be exercised only with the consent of Optionor, whose consent may be withheld for whatever reason she may, in her discretion, deem reasonable or valid; for the period March 1, 1998 to and including March 1, 1999 no consent of Optionor shall be required and Optionee may exercise the option at his will. If death of the Optionor should occur prior to March 1, 1999 the Optionee shall have the right to exercise his option on any March 1st anniversary date up to and including March 1, 1999. If the option is exercised under this provision, the Optionee shall have the right to finance the farm through the Estate and/or successors, heirs or assigns of the Optionor at the current Federal Land Credit Association rate in effect at the time of exercising the option and minimum annual principal payments shall be no less than $5,000 per year with principal payments of $2,500.00 paid semi-annually. If the option is exercised under the provisions of this paragraph, the provision of the current year or preceding annual rent being applied as down payment shall apply as stated in paragraph four, hereof.

2. Optionee shall notify Optionor of his intent to exercise his option by giving her written notice of said intent, addressed to her place of residence and sent by ordinary mail.

3. Within 30 days of mailing such notice (and if consent has been given if required), the option shall be finalized by the execution of a contract for the sale and purchase of the real estate; the purchase price shall be $213,960.00 and down payment of $16,000.00 shall be made at the time of execution; all other terms of the contract, including the time and intervals of payment, duration, and rate of interest shall be mutually agreed upon by the parties.

4. If Optionee exercises this option within the 5 year period for which he is paying $16,000.00 per year rent, Optionor agrees that the rent payment for that year (or the preceding year - if the option is exercised at the end of the rent fiscal year) shall serve as the down payment under the contract.

FILE No. 54-242
RECORDING FEE $ 11.00
TRANSFER FEE $
FILED FOR RECORD THE 25 DAY OF July, 19 94 AT 3:12 O'CLOCK P M. BOOK 5 PAGE 33
STATE OF IOWA, DELAWARE COUNTY
Deborah L. Peyton, Recorder
Misc.

5. If this option is not exercised in accordance with the terms herein provided, it shall be null and void and of no further force or effect.

6. No provision of this grant of option is intended to prevent Optionee from making a bona fide offer of purchase to the Optionor, nor to prevent Optionor from making a bona fide offer of sale to Optionee, at any time in regard to the land that is the subject of this option.

7. This grant of option is exclusive to Optionee and shall lapse and be null and void upon his death.

Optionor

Adeline A. Thomsen

Adeline A. Thomsen

Optionee

John L. Thomsen

John L. Thomsen

State of Iowa, County of Delaware) ss:

On this 11th day of July, 1994, before me, the undersigned, a Notary Public in and for said State, personally appeared Adeline A. Thomsen and John L. Thomsen, 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.

Mary Lou Tracey

Mary Lou Tracey, Notary Public in and for the State of Iowa.