Thomas J. Hanson, 401 East Main Street, Manchester, Iowa, 52057

OPTION TO PURCHASE

THIS AGREEMENT made this 27th day of December, 1995, between Rosemary A. Lux, as Trustee of the Rosemary A. Lux Trust, Kendra A. Lux, Kali L. Lux, Sarah E. Hahne, Laura A. Hahne, Daniel F. Lux, Karen M. Lux, Terry R. Hahne, and Barbara Anne Hahne, hereinafter described as "Sellers" and Jon L. Ries and Rebecca S. Ries, husband and wife, as tenants in common, hereinafter described as the "Buyers".

WITNESSETH:

The parties agree that for and in consideration of the sum of $15,000.00, paid by the Buyers, receipt of which is hereby acknowledged by the Sellers, the Sellers hereby give and grant to the Buyers the exclusive right, option and privilege of purchasing the following described real estate located in Delaware County, Iowa:

> The West One-Half (W 1/2) of the Northeast Quarter (NE 1/4) and the East One-Half (E 1/2) of the Northwest Quarter (NW 1/4) of Section Three (3), Township Eighty Seven (87) North, Range Five (5), West of the Fifth P.M., except the South thirty six and one-half (36 1/2) feet of the East two hundred ten (210) feet thereof in Delaware County, Iowa,

for the sum of $240,000.00 payable as follows: $15,000.00 upon execution and delivery of this Option as herein before provided, which amount Sellers agree to apply on the purchase price if Buyers elect to exercise the option; $25,000.00 on January 3, 1997, upon the acceptance of this Option by the Buyers as hereinafter provided; and the balance of the purchase price in the amount of $200,000.00 due and payable in full on April 15, 1997.

Notice of election to purchase hereunder shall be given by the Buyers in writing by certified mail, return receipt requested, addressed to the Sellers at the address of their agent, William Lux, 101 Ray's Court, Manchester, Iowa, 52057, on or before January 3, 1997, which said Notice shall be accompanied by the payment of $25,000.00 herein before specified, and title shall close and the Deed shall be delivered to the office of Thomas J. Hanson, attorney for the Buyers, in Manchester, Iowa, on March 1, 1997, or at such time and upon such other date as shall be mutually agreed upon by the parties hereto.

RR QR This option is subject to court approval for Kendra A. Lux, Kali L. Lux, Sarah E. Hahne and Laura A. hahne. If court approval is not obtained then any monies paid to Sellers by Buyers shall be returned plus interest at the rate of 7% per annum.

FILE No. 184-1831
RECORDING FEE $ 26.00
TRANSFER FEE $
FILED FOR RECORD THE 2 DAY OF January, 1996 AT 11:41 O'CLOCK A M. BOOK 6 PAGE 42
STATE OF IOWA, DELAWARE COUNTY
Deborah L. Peyton, Recorder
Misc.

Sellers shall convey said premises to Buyers in fee simple, free and clear of all liens, rights of dower and other encumbrances by good and sufficient deed of conveyance in the usual form of a Warranty Deed. Said conveyance shall also be subject to all restrictions, easements and conditions of record, if any.

Upon receipt of notice of exercising the Option, the Sellers, at their expense, shall promptly obtain an Abstract of Title to the real estate continued through the date of said Option and deliver it to the Buyers for examination. It shall show merchantable title in Sellers in conformity with this Agreement, Iowa law and Title Standards of the Iowa State Bar Association. The abstract shall become the property of the Buyers when the purchase price is paid in full. Sellers shall pay the cost of any additional abstracting and title work due to any act or omission of the Sellers, including transfers by or the death of Sellers or their assignees.

The Sellers shall pay all of the 1995-1996 fiscal year real estate taxes and a portion of the 1996-1997 fiscal year real estate taxes prorated to the date of possession and any unpaid real estate taxes payable in prior years. Buyers shall pay all subsequent real estate taxes. The proration of real estate taxes on the real estate shall be based upon such taxes for the year payable at the time of possession, unless the parties state otherwise.

The parties agree that there is currently no fence separating the real estate described herein and real estate being retained by the Sellers lying directly to the South. The Buyers agree that in the event that the construction of a fence to separate said real estate is required by the Buyers, or their successors in interest, that the same shall be constructed by the Buyers or their agent solely at the cost of the Buyers, or their successors in interest.

If Buyers timely perform all obligations, possession of the real estate shall be delivered to Buyers on April 15, 1997, with any adjustments of rent, insurance and interest to be made as of the date of transfer of possession. The stipulations aforesaid are to apply to and bind the heirs, executors, administrators of the respective parties thereto, and their successors and assigns. This instrument may not be changed orally.

Dated this 26 day of December, 1995.

ROSEMARY A. LUX TRUST

Jon L. Ries
Jon L. Ries

By Rosemary A. Lux
Rosemary A. Lux - Trustee

Rebecca S. Ries
Rebecca S. Ries

Kendra A. Lux
Kendra A. Lux

BUYER

Kali L. Lux
Kali L. Lux

Sarah E. Hahne
Sarah E. Hahne

Laura A. Hahne
Laura A. Hahne

Daniel F. Lux
Daniel F. Lux

Karen M. Lux
Karen M. Lux

Terry R. Hahne
Terry R. Hahne

Barbara Anne Hahne
Barbara Anne Hahne

SELLERS

DIANNE K. FOUST
Iowa
NOTARIAL SEAL

STATE OF Iowa, COUNTY OF Delaware, ss:

On this 29 day of December, 1995, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Rosemary A. Lux, known to me to be the identical person named in and who executed the foregoing instrument and acknowledged that such person, as such Trustee, executed the same as the voluntary act and deed of such person and of such Trustee.

Dianne K. Foust, Dianne K. Foust
Notary Public in and for the State Of Iowa

STATE OF Arizona, COUNTY OF Maricopa, ss:

On this 26th day of December, 1995, before me, the undersigned, a Notary Public in and for said State, personally appeared Kendra A. Lux, to me known to be the identical person named in and who executed the within and foregoing instrument, and acknowledged that she executed the same as her voluntary act and deed.

Notary Public in and for said State

6-1-97

STATE OF Arizona, COUNTY OF Maricopa, ss:

On this 26th day of December, 1995, before me, the undersigned, a Notary Public in and for said State, personally appeared Kali L. Lux, to me known to be the identical person named in and who executed the within and foregoing instrument, and acknowledged that she executed the same as her voluntary act and deed.

6-1-97 Roger White
Notary Public in and for said State

STATE OF Arizona, COUNTY OF Maricopa, ss:

On this 26th day of December, 1995, before me, the undersigned, a Notary Public in and for said State, personally appeared Sarah E. Hahne, to me known to be the identical person named in and who executed the within and foregoing instrument, and acknowledged that she executed the same as her voluntary act and deed.

6-1-97 Roger White
Notary Public in and for said State

STATE OF Arizona, COUNTY OF Maricopa, ss:

On this 26th day of December, 1995, before me, the undersigned, a Notary Public in and for said State, personally appeared Laura A. Hahne, to me known to be the identical person named in and who executed the within and foregoing instrument, and acknowledged that she executed the same as her voluntary act and deed.

6-1-97 Roger White
Notary Public in and for said State

STATE OF Arizona, COUNTY OF Maricopa, ss:

On this 26th day of December, 1995, before me, the undersigned, a Notary Public in and for said State, personally

appeared Daniel F. Lux, to me known to be the identical person named in and who executed the within and foregoing instrument, and acknowledged that he executed the same as his voluntary act and deed.

Notary Public in and for said State

6-1-97

STATE OF Arizona, COUNTY OF Maricopa, ss:

On this 26th day of December, 1995, before me, the undersigned, a Notary Public in and for said State, personally appeared Karen M. Lux, to me known to be the identical person named in and who executed the within and foregoing instrument, and acknowledged that she executed the same as her voluntary act and deed.

Notary Public in and for said State

6-1-97

STATE OF Arizona, COUNTY OF Maricopa, ss:

On this 26th day of December, 1995, before me, the undersigned, a Notary Public in and for said State, personally appeared Terry R. Hahne, to me known to be the identical person named in and who executed the within and foregoing instrument, and acknowledged that he executed the same as his voluntary act and deed.

Notary Public in and for said State

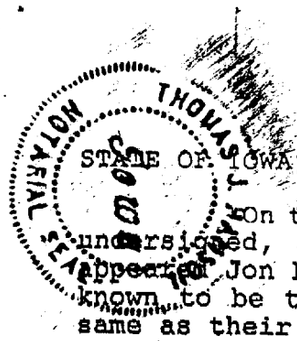
6-1-97

STATE OF Arizona, COUNTY OF Maricopa, ss:

On this 26th day of December, 1995, before me, the undersigned, a Notary Public in and for said State, personally appeared Barbara Anne Hahne, to me known to be the identical person named in and who executed the within and foregoing instrument, and acknowledged that she executed the same as her voluntary act and deed.

Notary Public in and for said State

6-1-97



STATE OF IOWA, COUNTY OF DELAWARE, ss:

On this 2nd day of January, 1996, before me, the undersigned, a Notary Public in and for said State, personally appeared Jon L. Ries and Rebecca S. Ries, husband and wife, to me known to be the identical persons named in and who executed the same as their voluntary act and deed.

Notary Public in and for said State

Thomas J. Hanson

184-1831
DELAWARE COUNTY IOWA
FILED
'96 JAN 2 AM 11 41
BOOK 6 PAGE 42
DEBORAH L. PEYTON
DELAWARE CO. RECORDER
$26.00

Rosemary A. Lux Trustee, Etal

To

Jon L. Ries & Wife

Jon Ries
RR 1, Box 216
Manchester, IA