THE IOWA STATE BAR ASSOCIATION
Official Form No. 143

ISBA# 04384

FOR THE LEGAL EFFECT OF THE USE OF THIS FORM, CONSULT YOUR LAWYER

DELAWARE COUNTY IOWA
FILED
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BOOK 2000 PAGE 1510
DEBORAH L. PEYTON
DELAWARE CO. RECORDER
26.00

Mary Lou Tracy

Preparer Information: John S. Pieters, Sr. (Individual's Name) | 611 Young St. (Street Address) | PIETERS, PIETERS & CORZINE P.O. Box 397 (Street Address) | Jesup, IA 50648 (City) | (319) 827-6920 (Phone)

Address Tax Statement: Rocky Nook Assoc. C/O Richard Rambo, 8100 JESUP RD, LaPorte City, Iowa 50651

REAL ESTATE CONTRACT (SHORT FORM)

IT IS AGREED between

CLIFFORD K. FIRST & HELEN M. FIRST, husband & wife,

("Sellers"); and

ROCKY NOOK ASSOCIATION, INC.,

("Buyers").

Sellers agree to sell and Buyers agree to buy real estate in Delaware County, Iowa, described as:

Parcel "J" Plat of Survey of Part of the West Half (W½) of the Northwest Quarter (NW¼), Section 29, Township 88, Range 4, Delaware County, Iowa, (See Exhibit 1 attached for copy of Plat) Recorded in Book 7 of Plats at Page 143 in the office of the Delaware County Recorder.
Also all rights and privileges of Sellers in perpetual use of lands as described in Exhibit 2 attached,

with any easements and appurtenant servient estates, but subject to the following: a. any zoning and other ordinances; b. any covenants of record; c. any easements of record for public utilities, roads and highways; and d. (consider: liens; mineral rights; other easements; interest of others.)

(the "Real Estate"), upon the following terms:

1. **PRICE.** The total purchase price for the Real Estate is ONE HUNDRED SIXTY THOUSAND, SEVEN HUNDRED FIFTY & NO/100 Dollars ($ 160,750.00) of which FIVE HUNDRED AND NO/100---------- Dollars ($ 500.00) has been paid. Buyers shall pay the balance to Sellers at residence of Sellers, or as directed by Sellers, as follows: The balance of $160,250.00 as follows: The Sellers shall collect all rental income from the premises and apply it to the outstanding balance until May 1, 2008, at which time the remaining outstanding principal and interest balance, if any, shall be waived by the Sellers and this Contract will be considered completed and paid in full or until the entire principal and interest balance has been paid in full, whichever shall first occur. The Buyer shall have no right of prepayment. The Sellers shall be solely responsible for the collection of the rental payments. The Buyer will agree to keep the rental payments at a rate at least equal to the current rental rates during the term of this Contract. See paragraph 18 below.

2. **INTEREST.** Buyers shall pay interest from May 1, 1999 on the unpaid balance, at the rate of 7½ percent per annum, payable yearly as aforesaid. Buyers shall also pay interest at the rate of _____ percent per annum on all delinquent amounts and any sum reasonably advanced by Sellers to protect their interest in this contract, computed from the date of the delinquency or advance.

3. **REAL ESTATE TAXES.** Sellers shall pay all taxes for the fiscal year of July 1, 1997 - June 30, 1998, and a pro-rata share up to date of possession of the taxes for the fiscal year of July 1, 1998 - June 30, 1999, and any unpaid real estate taxes payable in prior years. Buyers shall pay all subsequent real estate taxes. Any proration of real estate taxes on the Real Estate shall be based upon such taxes for the year currently payable unless the parties state otherwise.

4. **SPECIAL ASSESSMENTS.** Sellers shall pay all special assessments which are a lien on the Real Estate as of the date of this contract or _____. All other special assessments shall be paid by Buyers.

5. **POSSESSION CLOSING.** Sellers shall give Buyers possession of the Real Estate on May 1, 19 99, provided Buyers are not in default under this contract. Closing shall be on May 1, 1999.

6. **INSURANCE.** Sellers shall maintain existing insurance upon the Real Estate until the date of possession. Buyers shall accept insurance proceeds instead of Sellers replacing or repairing damaged improvements. After possession and until full payment of the purchase price, Buyers shall keep the improvements on the Real Estate insured against loss by fire, tornado, and extended coverage for a sum not less than 80 percent of full insurable value payable to the Sellers and Buyers as their interests may appear. Buyers shall provide Sellers with evidence of such insurance.

7. **ABSTRACT AND TITLE.** Sellers, at their expense, shall promptly obtain an abstract of title to the Real Estate continued through the date of this contract _____, and deliver it to Buyers for examination. It shall show merchantable title in Sellers in or conformity with this contract, Iowa law and the 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, however, Buyers reserve the right to occasionally use the abstract prior to full payment of the purchase price. Sellers shall pay the costs of any additional abstracting and title work due to any act or omission of Sellers, including transfers by or the death of Sellers or their assignees.

8. **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: (consider: rental items.) N/A

9. **CARE OF PROPERTY.** Buyers shall take good care of the property; shall keep the buildings and other improvements now or later placed on the Real Estate in good and reasonable repair and shall not injure, destroy or remove the property during the term of this contract. Buyers shall not make any material alteration to the Real Estate without the written consent of the Sellers.

10. **DEED.** Upon payment of purchase price, Sellers shall convey the Real Estate to Buyers or their assignees, by WARRANTY deed, free and clear of all liens, restrictions, and encumbrances except as provided herein. Any general warranties of title shall extend only to the date of this contract, with special warranties as to acts of Sellers continuing up to time of delivery of the deed.

11. **REMEDIES OF THE PARTIES.** a. If Buyers fail to timely perform this contract, Sellers may, at Sellers' option, forfeit Buyers' rights in this contract as provided in the Iowa Code, and all payments made by Buyers shall be forfeited. If Buyers fail to timely perform this contract, Sellers, at their option, may elect to declare the entire balance immediately due and payable after such notice, if any, as may be required by Chapter 654, The Code. Thereafter this contract may be foreclosed in equity and the court may appoint a receiver to take immediate possession of the property and of the revenues and income accruing therefrom and to rent or cultivate the same as the receiver may deem best for the interest of all parties concerned, and such receiver shall be liable to account to Buyers only for the net profits, after application of rents, issues and profits from the costs and expenses of the receivership and foreclosure and upon the contract obligation.

It is agreed that if this contract covers less than ten (10) acres of land, and in the event of the foreclosure of this contract and sale of the property by sheriff's sale in such foreclosure proceedings, the time of one year for redemption from said sale provided by the statutes of the State of Iowa shall be reduced to six (6) months provided the Sellers, in such action file an election to waive any deficiency judgment against Buyers which may arise out of the foreclosure proceedings; all to be consistent with the provisions of Chapter 628 of the Iowa Code. If the redemption period is so reduced, for the first three (3) months after sale such right of redemption shall be exclusive to the Buyers, and the time periods in Sections 628.5, 628.15 and 628.16 of the Iowa Code shall be reduced to four (4) months.

It is further agreed that the period of redemption after a foreclosure of this contract shall be reduced to sixty (60) days if all of the three following contingencies develop: (1) The real estate is less than ten (10) acres in size; (2) the Court finds affirmatively that the said real estate has been abandoned by the owners and those persons personally liable under this contract at the time of such foreclosure; and (3) Sellers in such action file an election to waive any deficiency judgment against Buyers or their successor in interest in such action. If the redemption period is so reduced, Buyers or their successors in interest or the owner shall have the exclusive right to redeem for the first thirty (30) days after such sale, and the time provided for redemption by creditors as provided in Sections 628.5, 628.15 and 628.16 of the Iowa Code shall be reduced to forty (40) days. Entry of appearance by pleading or docket entry by or on behalf of Buyers shall be presumption that the property is not abandoned. Any such redemption period shall be consistent with all of the provisions of Chapter 628 of the Iowa Code. This paragraph shall not be construed to limit or otherwise affect any other redemption provisions contained in Chapter 628 of the Iowa Code.

b. If Sellers fail to timely perform their obligations under this contract, Buyers shall have the right to terminate this contract and have all payments made returned to them.

c. Buyers and Sellers are also entitled to utilize any and all other remedies or actions at law or in equity available to them.

d. In any action or proceeding relating to this contract the successful party shall be entitled to receive reasonable attorney's fees and costs as permitted by law.

12. **JOINT TENANCY IN PROCEEDS AND IN REAL ESTATE.** If Sellers, immediately preceding this contract, hold title to the Real Estate in joint tenancy with full right of survivorship, and the joint tenancy is not later destroyed by operation of law or by acts of Sellers, then the proceeds of this sale, and any continuing or recaptured rights of Sellers in the Real Estate, shall belong to Sellers as joint tenants with full right of survivorship and not as tenants in common; and Buyers, in the event of the death of either Seller, agree to pay any balance of the price due Sellers under this contract to the surviving Seller and to accept a deed from the surviving Seller consistent with paragraph 10.

13. **JOINDER BY SELLER'S SPOUSE.** Seller's spouse, if not a titleholder immediately preceding acceptance of this offer, executes this contract only for the purpose of relinquishing all rights of dower, homestead and distributive shares or in compliance with Section 561.13 of the Iowa Code and agrees to execute the deed for this purpose.

14. **TIME IS OF THE ESSENCE.** Time is of the essence in this contract.

15. **PERSONAL PROPERTY.** If this contract includes the sale of any personal property, Buyers grant the Sellers a security interest in the personal property and Buyers shall execute the necessary financing statements and deliver them to Sellers.

16. **CONSTRUCTION.** Words and phrases in this contract shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender, according to the context.

17. **RELEASE OF RIGHTS.** Each of the Buyers hereby relinquishes all rights of dower, homestead and distributive share in and to the property and waives all rights of exemption as to any of the property.

18. **ADDITIONAL PROVISIONS.** Buyers shall be given ninety (90) days from the date of service of a "Notice of Forfeiture" within which to correct any non-performance.

$160,750.00 represents the maximum total estimated principal and interest payments to be made hereunder.

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: July 1st, 19 99 ROCKY NOOK ASSOCIATION, INC.

BY: Richard A. Rawlo
Richard A. Rawlo ITS President

Dated: _____, 19

Clifford K. First
CLIFFORD K. FIRST

Helen M. First
HELEN M. FIRST SELLERS

ROCKY NOOK ASSOCIATION, INC.

BY: Richard A. Rawlo
ITS BUYERS

STATE OF IOWA, COUNTY OF DELAWARE, ss:

This instrument was acknowledged before me on July 7, 1999

by CLIFFORD K. FIRST & HELEN M. FIRST, husband & wife,

Mary Lou Tracey
Mary Lou Tracey, Notary Public

FOR THE LEGAL EFFECT OF THE USE OF THIS FORM, CONSULT YOUR LAWYER

STATE OF IOWA, BUCHANAN COUNTY, ss:

On this 1st day of July, A.D. 19 99, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Richard A. Rambo and _____, to me personally known, who, being by me duly sworn, did say that ~~they are~~ he is the President and _____, ~~respectively~~, of said corporation executing the within and foregoing instrument **to which this is attached,** that (no seal has been procured by the said) corporation; that said instrument was signed **(and sealed)** on behalf of ~~(the seal affixed thereto is the seal of said~~)

said corporation by authority of its Board of Directors; and that the said Richard A. Rambo and _____ as such officers acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by ~~them~~ him voluntarily executed.

JOHN S. PIETERS SR
MY COMMISSION EXPIRES
April 8, 2001

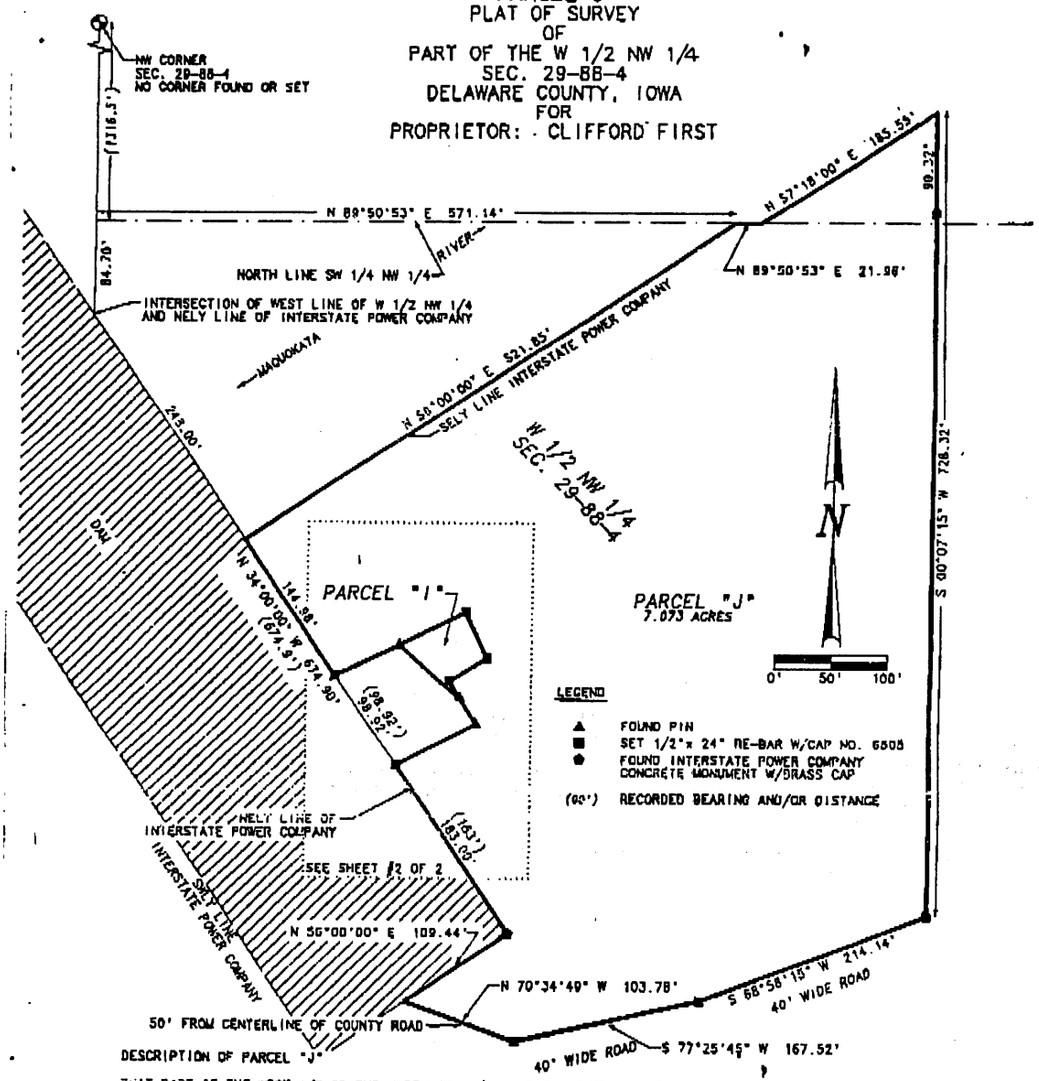
John S. Pieters Sr
_____, Notary Public in and for said County and State.

IOWA STATE BAR ASSOCIATION
Official Form No. 12 (Trade-Mark Registered, State of Iowa, 1967)
This Printing May, 1984

(Sections 558.38 and 558.39, Code of Iowa)

EXHIBIT 1

PARCEL "J"
PLAT OF SURVEY
OF
PART OF THE W 1/2 NW 1/4
SEC. 29-88-4
DELAWARE COUNTY, IOWA
FOR
PROPRIETOR: CLIFFORD FIRST



DESCRIPTION OF PARCEL "J"

THAT PART OF THE WEST 1/2 OF THE NORTHWEST 1/4 OF SECTION NO. 29, TOWNSHIP NO. 88 NORTH, RANGE NO. 4 WEST OF THE 5TH P.M., IN DELAWARE COUNTY, IOWA, DESCRIBE AS FOLLOWS: COMMENCING AT THE INTERSECTION OF THE WEST LINE OF SAID 1/4 AND THE NORTHEASTERLY LINE OF INTERSTATE POWER COMPANY SURVEY AS SHOWN ON PAGES 3 AND 4, BOOK B OF PLATS IN THE OFFICE OF THE DELAWARE COUNTY RECORDER; THENCE SOUTH 34°00'00" EAST 248.00 FEET ALONG SAID NORTHEASTERLY LINE OF INTERSTATE POWER COMPANY TO THE POINT OF BEGINNING; THENCE NORTH 56°00'00" EAST 521.85 FEET TO THE NORTH LINE OF THE SOUTHWEST 1/4 OF SAID NORTHWEST 1/4; THENCE NORTH 89°50'53" EAST 21.96 FEET ALONG SAID NORTH LINE; THENCE NORTH 57°18'00" EAST 185.55 FEET TO THE EAST LINE OF THE WEST 762 FEET OF SAID NORTHWEST 1/4; THENCE SOUTH 00°07'15" WEST 728.32 FEET; THENCE SOUTH 68°56'15" WEST 214.14 FEET; THENCE SOUTH 77°25'45" WEST 167.52 FEET; THENCE NORTH 70°34'49" WEST 103.78 FEET TO THE SOUTHEASTERLY LINE OF SAID INTERSTATE POWER COMPANY; THENCE NORTH 56°00'00" EAST 109.44 FEET ALONG SAID SOUTHEASTERLY LINE TO THE MOST EASTERLY CORNER OF SAID INTERSTATE POWER COMPANY; THENCE NORTH 34°00'00" WEST 183.00 FEET ALONG THE NORTHEASTERLY LINE OF SAID INTERSTATE POWER COMPANY; THENCE NORTH 61°27'52" EAST 80.43 FEET; THENCE NORTH 31°21'52" WEST 45.70 FEET; THENCE NORTH 57°55'41" EAST 39.24 FEET; THENCE NORTH 25°53'23" WEST 44.33 FEET; THENCE SOUTH 63°49'51" WEST 64.96 FEET; THENCE SOUTH 64°32'50" WEST 64.00 FEET TO THE NORTHEASTERLY LINE OF SAID INTERSTATE POWER COMPANY; THENCE NORTH 34°00'00" WEST 144.98 FEET ALONG SAID NORTHEASTERLY LINE TO THE POINT OF BEGINNING. CONTAINS 7.073 ACRES.

NOTE: THE NORTHEASTERLY LINE OF INTERSTATE POWER COMPANY IS ASSUMED TO BEAR S 34°00'00" EAST.
THE ABOVE PARCEL LETTER IS APPROVED BY COUNTY AUDITOR'S OFFICE.

I HEREBY CERTIFY THAT THIS PLAT, MAP, SURVEY OR REPORT WAS MADE BY ME OR UNDER MY DIRECT PERSONAL SUPERVISION AND THAT I AM A DULY REGISTERED LAND SURVEYOR UNDER THE LAWS OF THE STATE OF IOWA

DATE 01-20-99

PAUL H. HELLAND, P.E. & R.L.S., IOWA REGISTRATION NO. 6505
MY REGISTRATION EXPIRES DECEMBER 31, 1999

HELLAND ENGINEERING & SURVEYING, LTD.
CEDAR FALLS, IOWA
PROJECT NO. 95-237

SHEET #1 OF 2

PROF. ENGR. & LND SURVEYOR
PAUL H. HELLAND
6505
IOWA

EXHIBIT 2

Description for perpetual use of lands.

All rights and privileges for perpetual use of lands and premises owned by INTERSTATE POWER COMPANY in that part of South east corner of Southeast Quarter (SE¼) of Northeast Quarter (NE¼) of Section Thirty (30), Township Eighty-eight (88) North, Range Four (4) West of the Fifth P.M. and South west corner of Southwest Quarter (SW¼) of Northwest Quarter (NW¼) of Section Twenty-Nine (29), Township Eighty-Eight (88) North, Range Four (4) West of the Fifth P.M., lying East and South of Overflow Lake (Delhi Lake) and South of Power Dam which is not overflowed by construction and maintenance of Dam, and as reserved in conveyance to Interstate Power Co. as recorded in Book 59, Pages 550 and 551; and perpetual use of lands and abutting premises as follows: Beginning at the Quarter Section corner between Section 29-88-4 and Section 30-88-4; thence West 39.2 feet, thence N 15° 51' West, 423.3 feet, thence N 67° 26'E, 399.6 feet, thence S 20° 55' West, 600 feet to place of beginning.

The above description includes the perpetual use of the land adjacent to the lake, and riparian rights to the center of the lake of this property. This frontage commences at the dam structure, extending southward to the North boundary of Parcel C, First's Third Addition. This boundary is 84.5 feet in length, commencing at Center line of County Raod X31. The seller claim no ownership North of this boundary of Parcel C.