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Individual's Name Street Address City Phone

MUTUAL AGREEMENT FOR OPTION TO BUY AND RIGHT OF FIRST REFUSAL

This Agreement is entered this 8th day of August, 2002, by and between SHANNON FELDERMAN and DAVID FELDERMAN, Wife and Husband, of Dubuque, Iowa, referred to in this Agreement as "Felderman" and DAVID SCHMERBACH and PENNY SCHMERBACH, Husband and Wife, of Dubuque, Iowa, referred to in this Agreement as "Schmerbach".

WHEREAS, Felderman is the owner of real estate located at Lake Delhi, in Delaware County, Iowa, legally described as:

> Commencing at a point on the east line of the southwest quarter of the southeast quarter of Section 24, Township 88 North, Range 5 West of the 5th P.M., 2012.8 feet south of the northeast corner of the northwest quarter of the southeast quarter of said section 24 and running thence north 67° 06' west 592 feet to the point of beginning; thence north 19° 47' east 103.4 feet thence north 59° 11' west 45.7 feet, thence south 19° 47' west 109.8 feet thence south 67° 6' east 45 feet to the point of beginning; also the right of use of roadway described in deed to Harold H. Brown dated August 6, 1938, and filed for record in Book 66, page 446, Delaware County, Iowa, with others rightfully using the same.
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> and
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> All lake frontage running to the middle of the Maquoketa River bed with regard to the following described real estate:
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> Commencing at a point on the east line of the southwest quarter of the southeast quarter of Section 24, Township 88 North, Range 5 West of the 5th P.M., 2012.8 feet south of the northeast corner of the northwest quarter of the southeast quarter of said section 24 and running thence north 67° 06' west 592 feet to the point of beginning; thence north 19° 47' east 103.4 feet thence north 59° 11' west 45.7 feet, thence south 19° 47' west 109.8 feet thence south 67° 6' east 45 feet to the point of beginning; also the right of use of roadway described in deed to Harold H. Brown dated August 6, 1938, and filed for record in Book 66, page 446, Delaware County, Iowa, with others rightfully using the same.
>
> and
>
> PT SW SE ADJ TO SHANNON FELDERMAN'S PROPERTY @ CAMP O DELHI AS FURTHER DESCRIBED: Commencing at a point on the east line of the southwest quarter (SW 1/4) of the southeast quarter (SE 1/4) of Section Twenty-Four (24), Township Eighty-Eight (88) North, Range Five (5), West of the 5th P.M., which is 2012.8 feet south of the northeast corner of the northwest quarter (NW1/4) of the southeast quarter (SE 1/4) of Section Twenty-Four (24) and running thence north 67° 06' west 592 feet; thence north 19° 47' east 103.4 feet to the point of beginning; thence north 59° 11' west 45.74 feet; thence north 19° 47' east 35.05 feet to the southerly line of a platted roadway as shown on the plat of Camp-O-Delhi as recorded in book 5 plats, page 78; thence along said southerly line south 39° 57' 57" east 51.97 feet; thence south 19° 47' west to the point of beginning.

which property is referred to in this Agreement as "Felderman Property." The three tracts of real estate described above are informally referred in this agreement as "cottage lot," "beach/lake lot" and "parking lot" respectively.

WHEREAS, Schmerbach is the owner of real estate located at Lake Delhi, in Delaware County, Iowa, legally described as:

Lot 79 in the Sub-division of Camp-O-Delhi, Camp-O-Delhi, Inc., Delaware County, Iowa. Also the right of use of the roadway described in deed of A. R. Wheeless and Josie M. Wheeless, husband and wife, to Harold H. Brown, dated August 6, 1938, and filed August 9, 1938, in Book 66, of deed records of the Office of the Recorder of Delaware County, Iowa, in common with others rightfully using same.

which property is referred to in this Agreement as "Schmerbach Property."

WHEREAS, Felderman was previously the owner of both the Felderman Property and the Schmerbach Property; and

WHEREAS, Shannon Felderman and Penny Schmerbach, who are half sisters, and who are the children of Vivian Riniker, have enjoyed the use of the Felderman Property and the Schmerbach Property both as children and adults; and

WHEREAS, it is the purpose of this document to give Felderman the first right to purchase the Schmerbach Property if it is to be sold, and the further purpose of this document to give Schmerbach the first right to purchase the Felderman Property if it is sold, the parties therefore agree as follows:

FELDERMAN'S OPTION TO BUY AND RIGHT OF FIRST REFUSAL

1. In the event Schmerbach decides to sell all or part of the Schmerbach Property described above, Schmerbach shall promptly notify Felderman in writing of this decision. Schmerbach shall offer the property to Felderman upon the following terms:

A. If Schmerbach and Felderman agree on the terms of a sale and purchase, then the parties may enter an agreement for a sale and purchase.

B. If the parties cannot agree on the terms of a sale or purchase, then the fair market value for the property shall be determined. The fair market value shall be determined by an appraiser jointly selected by the parties; if the parties cannot agree on an appraiser, then each party shall select an appraiser and the three appraisers shall then determine the fair market value of the real estate. Each party shall pay the appraiser that party selects and the expenses of the third appraiser shall be paid equally by each party.

C. Once the fair market value of the real estate has been so determined, a written declaration of the fair market value shall be mailed to each party and Schmerbach shall then determine within 30 days of the date of mailing whether they still desire to sell the property at that price. If they elect to do so, then they shall so advise Felderman in writing of their decision to sell the property for that price. Felderman shall then have 20 days from receipt of the notice in which to accept or reject the right to purchase the property at that price. If Felderman does not timely accept such terms, then Schmerbach may market the property for sale and sell it on terms no more favorable to the ultimate purchaser than those in a notice to Felderman.

D. If Schmerbach receives a solicited or unsolicited offer to purchase the property or any part thereof from a third party which, in Schmerbach's sole discretion, Schmerbach is willing to accept, and Felderman has not previously been notified of the terms of such proposal, then Schmerbach shall give prompt written notice to Felderman of the terms of the proposed offer and of Schmerbach's intent to accept those terms. Felderman shall have 14 days from the date of the notice to agree to purchase the property from Schmerbach on the same terms and conditions as so set forth in the written notice or on such other terms as Schmerbach and Felderman may agree. If Felderman fails to agree to purchase under the terms of the proposed Offer, and Schmerbach and Felderman cannot agree on other terms within the 14 day period, then Schmerbach shall be free to accept the proposed Offer of the third party, and Felderman shall have no objection to that sale under this agreement.

2. Nothing in this agreement shall infringe or limit Schmerbach's right to list the property for sale or attempt to sell the property without a realtor, nor shall it affect Schmerbach's right to attempt to secure the highest and best price available for this property by advising Felderman and other potential purchasers of the nature and amounts of other offers.

3. If, for any reason, a proposed sale with terms which Felderman was unwilling to accept, but which was agreed to between Schmerbach and a third party, is not consummated, then Felderman will retain

the option to buy and right of first refusal as described above. Schmerbach will give written notice of any subsequent proposed sale by Schmerbach or any proposed Offer to purchase which Schmerbach is willing to accept to Felderman pursuant to Paragraphs 1 and 2 above.

SCHMERBACH'S OPTION TO BUY AND RIGHT OF FIRST REFUSAL

1. In the event Felderman decides to sell all or part of the Felderman Property described above, Felderman shall promptly notify Schmerbach in writing of this decision. Felderman shall offer the property to Schmerbach upon the following terms.

A. If Schmerbach and Felderman agree on the terms of a sale and purchase, then the parties may enter an agreement for a sale and purchase.

B. If the parties cannot agree on the terms of a sale or purchase, then the fair market value for the property shall be determined. The fair market value shall be determined by an appraiser jointly selected by the parties; if the parties cannot agree on an appraiser, then each party shall select an appraiser and those appraisers shall pick a third appraiser and the three appraisers shall then determine the fair market value of the real estate. Each party shall pay the appraiser that party selects and the expenses of the third appraiser shall be paid equally by each party.

C. Once the fair market value of the real estate has been so determined, a written declaration of the fair market value shall be mailed to each party and Felderman shall then determine within 30 days of the date of mailing whether they still desire to sell the property at that price. If they elect to do so, then they shall so advise Schmerbach in writing of their decision to sell the property for that price. Schmerbach shall then have 20 days from receipt of the notice in which to accept or reject the right to purchase the property at that price. If Schmerbach does not timely accept such terms, then Felderman may market the property for sale and sell it on terms no more favorable to the ultimate purchaser than those in a notice to Schmerbach.

D. If Felderman receives a solicited or unsolicited offer to purchase the property or any part thereof from a third party which, in Felderman's sole discretion, Felderman is willing to accept, and Schmerbach has not previously been notified of the terms of such proposal, then Felderman shall give prompt written notice to Schmerbach of the terms of the proposed offer and of Felderman's intent to accept those terms. Schmerbach shall have 14 days from the date of the notice to agree to purchase the property from Felderman on the same terms and conditions as so set forth in the written notice or on such other terms as Schmerbach and Felderman may agree. If Schmerbach fails to agree to purchase under the terms of the proposed Offer, and Schmerbach and Felderman cannot agree on other terms within the 14 day period, then Felderman shall be free to accept the proposed Offer of the third party and Schmerbach shall have no objection to that sale under this agreement.

2. Nothing in this agreement shall infringe or limit Felderman's right to list the property for sale or attempt to sell the property without a realtor, nor shall it affect Felderman's right to attempt to secure the highest and best price available for this property by advising Schmerbach and other potential purchasers of the nature and amounts of other offers.

3. If, for any reason, a proposed sale with terms which Schmerbach was unwilling to accept, but which was agreed to between Felderman and a third party, is not consummated, then Schmerbach will retain the option to buy and right of first refusal as described above. Felderman will give written notice of any subsequent proposed sale by Felderman or any proposed Offer to purchase which Felderman is willing to accept to Schmerbach pursuant to Paragraphs 1 and 2 above.

NOTICE

Written notice shall be mailed by restricted certified mail or personally delivered. If mailed, it shall be sent to the other party's residence or last known residence. Restricted certified mail shall mean mail requiring the recipient to sign a Receipt for the mailing.

SALES AND DISPOSITIONS WITHIN THE FAMILY

It is the intent of this Agreement to allow the ownership of these properties to remain within the families of Penny and David Schmerbach and David and Shannon Felderman. If either party (or that party's heirs, beneficiaries, personal representatives, successors or assigns who have acquired the property under conditions where it was not subject to the exercise of an Option under this Agreement) gives, transfers, sells

or otherwise disposes of that party's property to a lineal descendant (child, grandchild, great grandchild, etc.), then the option to buy and right of refusal to the other party shall not be exercisable regarding that sale, transfer, gift or other disposition. However, should lineal descendant elect to sell, gift, transfer or otherwise convey its interest to all or part of the Schmerbach Property or Felderman Property, as the case may be to someone other than a lineal descendant, then the Option to Buy and Right of First Refusal shall be exercisable.

CONSIDERATION

The consideration for this Agreement is the fact that each party has received an Option and Right of First Refusal with respect to the other party's property.

ATTORNEY FEES AND COSTS

If any proceedings are instituted by any party with respect to a dispute arising under the terms of this Agreement, the prevailing party in the proceedings shall be entitled to recover the costs of the proceedings and reasonable attorney fees from the other party.

DURATION OF AGREEMENT

The provisions of this Agreement shall be binding on the parties and their heirs, beneficiaries, personal representatives, successors and assigns. This Agreement shall remain binding until such time as either party, through a sale made by the Seller in good faith, shall transfer and convey the interest in the real estate owned by that party to someone other than a lineal descendant in compliance with this agreement.

Dated this 8th day of August, 2002.

Shannon Felderman

David Schmerbach

David Felderman

Penny Schmerbach

STATE OF IOWA)
) ss.
DUBUQUE COUNTY)

On this 8th day of August, 2002, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Shannon Felderman and David Felderman, to me known to be the identical person named in and who executed the foregoing instrument, and acknowledged that they executed the same as their voluntary act and deed.

NOTARIAL SEAL IOWA
STEPHEN W. SCOTT
COMMISSION # 405725
MY COMMISSION EXPIRES
3-5-03

Notary Public in and for the State of Iowa

STATE OF IOWA)
) ss.
DUBUQUE COUNTY)

On this 8th day of August, 2002, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Penny Schmerbach and David Schmerbach, to me known to be the identical person named in and who executed the foregoing instrument, and acknowledged that they executed the same as their voluntary act and deed.

NOTARIAL SEAL IOWA
STEPHEN W. SCOTT
COMMISSION # 405725
MY COMMISSION EXPIRES
3-5-03

Notary Public in and for the State of Iowa

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