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DEBORAH L PEYTON, RECORDER/REGISTRAR
DELAWARE COUNTY IOWA

OPTION AGREEMENT

Recorder's Cover Sheet

Preparer Information:
Thomas J. Hanson
401 East Main Street
Manchester, (563) 927-5920

Taxpayer Information:
John J. Tinker
1983 140th Street
Manchester, Iowa 52057

Return Address
Thomas J. Hanson
401 E Main Street
Manchester, Iowa 52057

Grantors:
John J. Tinker
Gladys M. Tinker

Grantees:
Eugene D. Tinker

Legal Description: See Page 2

OPTION AGREEMENT

This Agreement made this 24th day of September, 2007 by and between John J. Tinker and Gladys M. Tinker, husband and wife (hereinafter the Seller) and Eugene D. Tinker (hereinafter the Purchaser).

WITNESSETH, that for and in consideration of the sum of ten thousand dollars ($10,000.00), paid by the Purchaser, the receipt of which is hereby acknowledged by the Seller, the Seller hereby gives and grants to the Purchaser the exclusive option, right and privilege of purchasing the following real estate located in Delaware County, Iowa

> The Southwest Quarter (SW 1/4) of Section Twenty-three (23), Township Ninety (90) North, Range Five (5), West of the 5th P.M., in Delaware County, Iowa, (including Parcel A, part of the SW¼ of the SW¼, 23-90-5 according to plat recorded in Book 1999, Page 585) except the North 254 feet of the West 600 feet of the SW¼ of said Section 23-90-5.

For the sum of $616,000.00 payable as follows: $10,000.00 upon the execution and delivery of this option as hereinbefore provided, and the balance of $606,000.00 due and payable in full upon delivery of possession.

This option shall commence with the date of this agreement and shall be exercisable by the Purchaser during the lifetime of the said John J. Tinker and for a period of six (6) months following the death of the said John J. Tinker. During the lifetime of John J. Tinker the option may only be exercised with the consent of the said John J. Tinker. Following the death of John J. Tinker the Purchaser may exercise the option without any consent necessary. In the event that the option is exercised, notice of exercise of option shall be given by the Purchaser in writing to the Seller at their address and closing shall take place within sixty (60) days of the date of delivery of said notice of exercise of option. Upon receipt of notice of election the Seller shall have the Abstract of Title brought up to date for examination by Purchaser's attorney. Real estate taxes shall be prorated to the date of delivery of possession.

Seller shall convey said premises to the Purchaser in fee simple, free and clear of all liens, rights of dower or other encumbrances (unless herein otherwise specified), by a good and sufficient deed of conveyance, in the usual form of a Warranty Deed, except that if Seller conveys as executor, trustee, administrator or guardian, or in any trust capacity, the usual deed given in such cases shall be accepted. Said conveyance shall also be made subject to all restrictions, easements and conditions of record, if any. Seller currently leases certain agricultural buildings on the premises to Chad Rave and any purchase of the premises would be subject to the lease to Chad Rave.

Seller shall maintain the currently existing insurance on the premises and shall keep the premises in good repair.

In the event of the death of the Purchaser during the option period, the Seller agrees to return the $10,000.00 to the estate of the Purchaser. Purchaser may, with the consent of the Seller, add improvements to the premises. The Sellers grant their consent for the Purchaser to remove the east end of the dairy barn and replace it with a new cattle shed. In the event of the death of the Purchaser during the term of this option Seller also agrees to reimburse to the Purchaser's estate the cost of said improvement, provided however, that for each year that the improvement is in place the reimbursement amount shall be reduced by five percent (5%) of the original cost.

This option is not assignable by the Purchaser. The option is binding upon the Seller, theirs heirs, successors and assigns.

Seller:

John J. Tinker

John J. Tinker

Gladys M. Tinker

Gladys M. Tinker

Purchaser:

Eugene D. Tinker

Eugene D. Tinker

STATE OF IOWA, COUNTY OF DELAWARE, ss:

On this 24th day of September, 2007, before me, the undersigned, a Notary Public in and for said State, personally appeared John J. Tinker and Gladys M. Tinker, husband and wife, 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.

THOMAS J. HANSON
Commission Number 115040
My Commission Expires
September 22, 2010

Notary Public in and for the State of Iowa

STATE OF IOWA, COUNTY OF DELAWARE, ss:

On this 24th day of September, 2007, before me, the undersigned, a Notary Public in and for said State, personally appeared Eugene D. Tinker to me known to be the identical person named in and who executed the foregoing instrument and acknowledged that he executed the same as their voluntary act and deed.

Notary Public in and for the State of Iowa

THOMAS J. HANSON
Commission Number 115040
My Commission Expires
September 22, 2010