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DEBORAH L PEYTON, RECORDER/REGISTRAR
DELAWARE COUNTY IOWA

REAL ESTATE CONTRACT

Recorder's Cover Sheet

Preparer Information: (name, address and phone number)
SCHUSTER AND MICK LAW OFFICE
P.O. Box 609
Guttenberg, Iowa 52052
Phone: 563-252-1733

Taxpayer Information: (name and complete address)
Larry & Brenda Lansing, 5101 Waterhouse Lane NE, Cedar Rapids, IA 52411

Return Document To: (name and complete address)
SCHUSTER AND MICK LAW OFFICE
P.O. Box 609
Guttenberg, Iowa 52052

Grantors: **Lawrence A. & Rita J. Lansing, 1525 Hosch Road, New Vienna, IA 52065**

Grantees: **Larry & Brenda Lansing, 5101 Waterhouse Lane NE, Cedar Rapids, IA 52411**

Legal Description: See Page 2

Document or instrument number of previously recorded documents:

REAL ESTATE CONTRACT

IT IS AGREED between LAWRENCE A. LANSING and RITA J. LANSING, husband and wife, Sellers, and LARRY FRANCIS LANSING and BRENDA K. LANSING, husband and wife, As Joint Tenants With Full Rights of Survivorship and Not As Tenants In Common, Buyers:

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

> The South Half (S ½) of the Southeast Quarter (SE ¼), and the Southeast Quarter (SE ¼) of the Southwest Quarter (SW ¼) of Section Twenty-Five (25), and the North Half (N ½) of the Northeast Quarter (NE ¼) of Section Thirty-Six (36), Township Ninety (90) North, Range Three (3), West of the 5th P.M., Delaware County, Iowa. Sellers RETAIN a life estate to the house, garage, summer kitchen, and the one acre yard upon which they sit; and the right of ingress and egress to and from Hosch Road, which is described as being ten feet on either side of the center line of the existing driveway. This life estate includes the right of possession and occupancy for the period of the natural life of Sellers, or the survivor; or until such time as the property subject of this life estate has been permanently vacated by both Sellers, whichever shall first occur. Sellers, as life tenants, shall have all responsibility for the maintenance, upkeep, and insurance on the property subject of this life estate.

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;
d. this property is sold "AS IS"

designated the Real Estate, upon the following terms:

1. PRICE. The total purchase price for the real estate is $600,000 due and payable at 1525 Hosch Road, New Vienna, Iowa, 52065 as follows:

> Buyers have made a DOWN PAYMENT of $5,000, receipt of which is hereby acknowledged by Sellers.
>
> The BALANCE OF THE PURCHASE PRICE in the amount of $595,000 shall be paid as follows: On the date of possession, which is the date of closing, Buyers shall pay to Sellers an additional down payment of at least $5,000.

On March 1 of each year thereafter Buyers shall pay to Sellers a minimum annual payment of $35,000, which shall be applied first to interest as described below, with the balance applied to the reduction of principal. All sums due by reason of this contract shall be paid in full on the 25th anniversary of closing/possession.

Buyers may prepay in increments of at least One Thousand Dollars ($1,000) even to the extent of paying the entire unpaid balance; without penalty, so long as such payments are made on the first day of a month.

2. INTEREST. Buyers shall pay interest from the date of possession, which is the date of closing, on the unpaid balance of the purchase price, at the rate of 5 percent per annum, payable annually as described at paragraph one. Buyers shall also pay interest at the rate of 5 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 real estate taxes that are due and payable as of the date of possession and constitute a lien against the real estate, including any unpaid real estate taxes for prior years. Sellers shall also pay their prorated share, based on the date of possession, of the real estate taxes for the fiscal year in which possession is given (ending June 30) due and payable in the subsequent fiscal year (commencing July 1). Buyer shall pay all subsequent real estate taxes before they become delinquent.

4. POSSESSION. Sellers shall give Buyer possession of the Real Estate on March 1 following the date both Sellers are deceased, or March 1, 2010, whichever first occurs.

5. 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 interest may appear. Buyers shall provide Sellers with evidence of such insurance.

Buyers, at their expense, shall provide public liability insurance designating Sellers as additional insureds, with insurance limits of at least $300,000.00 for personal injury, death or property damage arising out of any single occurrence. Buyers shall arrange for their insurance agent or company to furnish Sellers at all times a certificate certifying that the liability insurance required by this paragraph and the insurance required by the previous paragraph shall at all times be in effect and such certificate of insurance shall further provide for no less than ten (10) days notice to Sellers of Buyers' insurance company if the insurance is going to be cancelled or not renewed.

6. ABSTRACT AND TITLE. Sellers, at their expense, shall promptly obtain an Abstract of Title to the Real Estate continued through the date of possession, and deliver it to Buyers for examination. It shall show merchantable title in Sellers in conformity with this agreement, 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.

7. 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.

8. 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 life of this contract. Buyers shall not make any material alteration to the Real Estate without the written consent of the Sellers.

Additionally, Buyers shall do what is reasonably necessary to control soil erosion including, but not limited to, maintenance of existing watercourses, waterways, and ditches, drainage areas, terraces and tile drains, and abstain from any practice which will cause damage to the Real Estate.

9. DEED. Upon payment of the 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 the time of delivery of the deed.

10. FORFEITURE. If Buyers (a) fail to make the payments aforesaid, or any part thereof, as same become due; or (b) fail to pay the taxes or special assessments or charges, or any part thereof, levied upon said property, or assessed against it, by any taxing body before any of such items become delinquent; or (c) fail to keep the property insured; or (d) fail to keep it in reasonable repair as herein required; or (e) fail to perform any of the agreements as herein made or required; then Sellers, in addition to any and all other legal and equitable remedies which they may have, at their option, may proceed to forfeit and cancel this contract as provided by law (Chapter 656 Code of Iowa). Upon completion of such forfeiture Buyers shall have no right of reclamation or compensation for money paid, or improvements made; but such payments and for improvements if any shall be retained and kept by Sellers as compensation for the use

of said property, and/or as liquidated damages for breach of this contract; and upon completion of such forfeiture, if the Buyers, or any other person or persons shall be in possession of said real estate or any part thereof, such party or parties in possession shall at once peacefully remove therefrom, or failing to do so may be treated as tenants holding over, unlawfully after the expiration of a lease, and may accordingly be ousted and removed as such as provided by law.

11. FORECLOSURE AND REDEMPTION. 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 successor 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.

12. ATTORNEY'S FEES AND COURT COSTS. If either party files suit to enforce any of the terms of this Purchase Agreement, the prevailing party shall be entitled to recover court costs and reasonable attorney's fees.

13. 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 rights 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.

14. LEAD-BASED PAINT. Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead-based paint that may place young children at risk of developing poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligent quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the Buyer with any information on lead-based paint hazards from risk assessments or inspections in the Seller' possession and notify the Buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

15. LEAD-BASED PAINT RISK ASSESSMENT AND INSPECTION WAIVER. Buyer acknowledge receipt of the "Protect Your Family From Lead in Your Home" pamphlet. Buyer further acknowledge and state they have been given the opportunity to conduct a risk assessment or inspection of the property for the presence of lead-based paint and/or lead-based paint hazards and hereby WAIVE their right to do so.

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

17. CONSTRUCTION. Words or 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.

18. LIENS. No mechanic's lien shall be imposed upon or foreclosed against the real estate described herein. However, the filing of a lien shall not constitute a default hereunder if Buyer, in good faith, is contesting the legitimacy or amount of said lien and pays same upon an adverse judicial determination.

19. WAIVER OF HOMESTEAD EXEMPTION. I understand that homestead property is in many cases protected from the claim 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 this 6 day of March, 2008.

Larry F. Lansing Brenda Lansing, Buyers

Larry Francis Lansing Brenda K. Lansing

20. RIGHT OF FIRST REFUSAL. During the combined lives of the Sellers, Lawrence & Rita J. Lansing, the Buyers, their heirs, successors, and assigns do hereby grant, transfer and convey onto Sellers a Right of First Refusal to purchase all or any part of the real estate which is the subject of this Contract before any sale, transfer, conveyance, assignment or devise, except for a devise to a lineal descendant(s) of Sellers, to any person or entity.

a. This Right of First Refusal is personal to Sellers, or the survivor, and may not be assigned by either Seller.

b. No sale, transfer, conveyance, assignment or devise (except for a devise to a lineal descendant(s)) to any person or entity shall be effective nor shall transfer any title whatsoever until Sellers, or the survivor, have had the opportunity to exercise their right of first refusal, as herein defined.

c. This Right of First Refusal shall guarantee Sellers, or the survivor, the right to purchase the real estate which is the subject of this Real Estate Contract upon such terms and conditions as the Buyers, their heirs, successors, or assigns are willing to transfer the property to any other person or entity, or for a purchase price not to exceed $3,000 per acre, whichever is less.

d. The Transferor shall notify Sellers, or the survivor, by certified mail granting Sellers, or the survivor, a ninety (90) day period to exercise their right of first refusal.

e. Upon exercise of the right of first refusal by Sellers, or the survivor, the transfer shall be completed for the purchase price described at c. above, as soon as is reasonably possible and in any event within one hundred eighty (180) days of the original notice by certified mail described above.

f. In the event Sellers, or the survivor, do not exercise their right of first refusal, the transferor shall be free to make the transfer described in the notice of proposed transfer.

g. Seller's, or the survivor, failure to exercise their right of first refusal as to the proposed transfer of a portion of the real estate in no way shall limit their right to exercise the right of first refusal as to any future or later transfer of a portion of the real estate which is the subject of this Contract.

h. This right of first refusal shall survive delivery of the Deed.

Larry Francis Lansing, Buyer

Lawrence A. Lansing, Seller

Brenda K. Lansing, Buyer

Rita J. Lansing, Seller

STATE OF IOWA, COUNTY OF Linn, ss:

On this 6th day of March, 2008, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Larry Francis Lansing and Brenda K. Lansing, 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.

PATRICIA J. RATHJENS
COMMISSION NO. 113697
MY COMMISSION EXPIRES
Oct. 1, 2009

Notary Public

STATE OF IOWA, COUNTY OF Clayton, ss:

On this 29th day of February, 2008, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Lawrence A. Lansing and Rita J. Lansing, 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.

Notary Public

MICHAEL J. SCHUSTER
Commission Number 406435
My Commission Expires
December 9, 2008