Book 2012 Page 2746
Document 2012 2746 Type 06 006 Pages 6
Date 8/17/2012 Time 2:56:09PM
Rec Amt $32.00

DEBORAH L PEYTON, RECORDER/REGISTRAR
DELAWARE COUNTY IOWA

& RETURN TO
Prepared by George Davis, Attorney at Law, P.O. Box 304, Dyersville, Iowa 52040 563-875-9112

OPTION AGREEMENT

WHEREAS, Robert and Lillian Steger, hereinafter "Landowners" desire to grant to their son, Jim Steger, and their daughter, Lisa Goedken, "Option Buyers", an option to purchase approximately 224 acres of farmland, hereinafter "Option Property", they own in Delaware County, Iowa;

WHEREAS, the 224 acres of Option Property is included in a larger tract of farmland legally described on the attached Exhibit A; **ON PAGE #5**

WHEREAS, several parcels of property included in the legal description on the attached Exhibit A are not included in the 224 acres of Option Property, namely the house and building site designated on Exhibit B as Parcel A, the property adjoining the J and K entity property designated as Parcel B, and the non-farmable pasture property surrounding the creek and bordering the railroad on the south portion of the property designated as Parcel C;

WHEREAS, the option property does include a parcel including timber, machine sheds and grain and storage facilities north of the existing home site and bordering the Bard Concrete quarry;

WHEREAS, Robert and Lillian Steger wish to allow their son, Jim Steger, and their daughter, Lisa Goedken, to each purchase a one-half interest in the 224 acres of property legally described on the attached Exhibit A, less the various pieces of property that are excluded, namely Parcels A, B and C, for a purchase price totaling $4,500.00 per acre ($2,250.00 to each Jim Steger and Lisa Goedken for their one-half interest);

WHEREAS, various existing easement rights need to be preserved.

NOW AND THEREFORE, the Landowners and Option Buyers agree as follows:

1. Robert and Lillian Steger, the Landowners, agree to grant to their son, Jim Steger, and

their daughter, Lisa Goedken, an irrevocable option to purchase the Option Property representing approximately 224 acres of farmland including a small timber site and including the grain facilities and machine sheds on the northern portion of the property, for a price of $4,500.00 an acre;

2. That our son, Jim Steger, and daughter, Lisa Goedken, will each be entitled to purchase a one-half interest in the Option Property for the option price effective upon the death of the second to die of Robert and Lillian Steger;

3. That Jim Steger and Lisa Goedken, or their survivors and assigns, shall have 120 days from the date of the second to die of Robert and Lillian Steger to exercise this option;

4. The option shall cover property legally described in the attached Exhibit A, less:

A. The house and building site noted on the attached Exhibit B as Parcel A;

B. The property abutting the J & K entity property denoted on Exhibit B as Parcel B, and;

C. Less the creek property north of the railroad tracks and south of the farm ground designated on the attached Exhibit B as Parcel C.

5. That all existing access, utility and septic easements related to this property legally described on Exhibit A are to be preserved, including but not limited to the following:

A. Access and utility easements over the Option Property to the current home and building site which is not included in the option property;

B. Septic field easements rights over the option property that benefit our son-in-law, Mike Meyer's property which is designated as Parcel D on the attached Exhibit B.

C. Access rights to the option property machine sheds and grain storage facility north of the existing house over the homestead and building site which is denoted as Parcel A on the attached Exhibit B. The Option Buyers will need to access the Option Property through the Parcel A property not covered by the option. Further, the Option Buyers shall have an access easement over Parcel A for all existing field entrances through the Parcel A property to the Option Property.

6. The Option Buyers shall have the right to draw water for the machine shed and grain storage facility property from the Parcel A property. At the time the option agreement is exercised the parties shall enter into an agreement for the well water rights under customary terms between unrelated parties to provide well water access to the Option Property from the Parcel A property. The Parcel A property shall also maintain the existing easement over the cattle lane included in the Option Property from the land and building site in Parcel A southwards towards the property surrounded by the creek and north of the railroad tracks noted

as Parcel C. This easement shall be over the existing easement area for the purposes of allowing cattle to get from the Parcel A site to the Parcel C site.

7. The Landowners retain the right to further subdivide the option property to allow their son-in-law Mike Meyer to purchase up to one acre of property included in the Option Property which borders his existing homestead denoted as Parcel D on the attached Exhibit B.

8. The Landowners also reserve the right to sell up to one acre of property to their daughter, Linda Hansel surrounding her home designated as Parcel E on the attached Exhibit B.

9. To the extent the property is transferred to Mike Meyer or Linda Hansel, referenced in Paragraph 8 and the Option Property acreage subject to the Jim Steger and Lisa Goedken option shall be accordingly reduced.

10. That the Landowners also retain the right to transfer up to four acres of property to Bard Concrete which currently borders the Bard Concrete quarry on the north portion of the property. To the extent property is transferred to Bard Concrete under this provision, the acreage subject to the option will be accordingly reduced.

11. That Jim Steger and Lisa Goedken shall each be the owner of an option to purchase one-half of the option property. That Jim Steger and Lisa Goedken may transfer their option rights to each other during their lifetime and after their death. Further, Jim Steger and Lisa Goedken shall be allowed to transfer their option rights under their Last Will and Testament. Neither Jim Steger nor Lisa Goedken shall be allowed to transfer their option rights under this agreement to an unrelated third party during their lifetime.

12. The Landowners intend to make a transfer of the above option to go into effect immediately and become a vested property right in the hands of Jim Steger and Lisa Goedken.

13. The Landowners intend for this option to be binding on all successors, heirs and assigns and to run with the land.

14. Upon exercise of the option by Jim Steger or his successors and assigns and Lisa Goedken or her successors and assigns, a closing date shall be set within 30 days after the exercise of the option with the estate of Robert or Lillian Steger providing clear and merchantable title to the Option Property to the Option Buyers at the real estate closing.

Agreed to this 13th day of August, 2012.

Robert J Steger
Robert Steger

Lillian Steger
Lillian Steger

Subscribed and sworn to before me by Robert Steger and Lillian Steger this 13th day of August, 2012.

Notary Public in and for the State of Iowa

GEORGE A. DAVIS
Iowa Notarial Seal
Commission Number: 199715
My Commission Expires: 12/17/13

EXHIBIT A

The West one-half (W1/2) of the Northwest Quarter (NW1/4), and all that part of the Northwest Quarter (NW1/4) of the Southwest Quarter (SW1/4) that lies North of the railroad lands in Section Twenty Five (25), and the Northeast Quarter (NE1/4), and all that part of the Southeast Quarter (SE1/4) lying North of the railroad lands in Section Twenty Six (26), all in Township Eighty Nine (89) North, Range Three (3), West of the Fifth P.M.

EXHIBIT B

10-12-00

Farm #203
Tract #1682

212.97 acres TLBillodeau

