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DELAWARE COUNTY IOWA

REAL ESTATE CONTRACT-INSTALLMENTS

THE IOWA STATE BAR ASSOCIATION
Official Form No. 142
Recorder's Cover Sheet

Preparer Information: (name, address and phone number)
Michael O. McDermott, Shuttleworth & Ingersoll, P.L.C., P.O. Box 2107, Cedar Rapids, IA 52406; (319) 365-9461

Taxpayer Information: (name and complete address)
RBI Family Farms, LLC, 2914 180th Avenue, Ryan, IA 52330-8553

Return Document To: (name and complete address)
EWP Michael O. McDermott, Shuttleworth & Ingersoll, P.L.C., P.O. Box 2107, Cedar Rapids, IA 52406

Grantors:
Joseph A. Ryan Trust

Grantees:
Michael J. Ryan, John F. Ryan and Patrick W. Ryan

Legal Description: See Page 2

Document or instrument number of previously recorded documents:

REAL ESTATE CONTRACT-INSTALLMENTS

IT IS AGREED this 22 day of December, 2012 by and between BERNADETTE A. RYAN, MICHAEL RYAN AND JOHN RYAN, Trustees of the TRUST ESTABLISHED UNDER ARTICLE VI OF THE LAST WILL AND TESTATMENT OF JOSEPH A. RYAN, DECEASED, of the County of Delaware, State of Iowa, Seller; and MICHAEL J. RYAN, a married person, JOHN F. RYAN, a married person, and PATRICK W. RYAN, a married person, as tenants in common, of the County of Delaware, State of Iowa, Buyers, as follows:

That the Seller, as in this contract provided, agrees to sell to the Buyers, and the Buyers in consideration of the premises, hereby agree with the Seller to purchase the following described real estate situated in the County of Delaware, State of Iowa, to-wit:

An undivided one-half (1/2) interest in the following described real estate:

(a) The Northwest Quarter (NW ¼) of Section Nine (9), Township Eighty-Seven (87) North, Range Five (5) West of the 5th P.M. subject to highways and easements of record, except the following described portion thereof:

Commencing at the northwest corner of said Northwest Quarter (NW ¼), thence proceeding south along the west line of said Northwest Quarter (NW ¼) a distance of 550 feet to the point of beginning; thence due east a distance of 245 feet to a point; thence due south a distance of 345 feet to a point; thence due west a distance of 245 feet to a point on the west line of said Northwest Quarter (NW ¼); thence due north along the west line of said Northwest Quarter (NW ¼) a distance of 345 feet to the point of beginning.

and

(b) The North One-half (N ½) of the Southwest Quarter (SW ¼) of Section Four (4), Township Eighty-Seven (87) North, Range Five (5) West of the 5th P.M. in Delaware County, Iowa, subject to highways and easements of record

Subject, nevertheless, to all conditions, covenants, easements and restrictions of record.

together with any easements and servient estates appurtenant thereto, but with such reservations and exceptions of title as may be below stated, and certain personal property if and as may be herein described or if and as an itemized list [illegible] all upon the terms and conditions following:

1. **TOTAL PURCHASE PRICE.** The Buyers agree to pay for said property the total purchase price of $1,231,879.00 due and payable at Ryan, Iowa, as follows:

Interest only shall be payable on the entire principal balance from January 1, 2013 in quarterly installments due and payable on the final day of each calendar quarter beginning with the first payment due and payable March 31, 2013 at the initial rate of 3.5% per annum; provided, however, the rate of interest shall be adjusted every two years during the term of the Contract effective the first day of January of each odd numbered calendar year beginning with the first adjustment date of January 1, 2015 to a mutually agreed rate that is generally reflective of prevailing interest rates on comparable real estate contracts, though not less than the Applicable Federal Rate on long term obligations at each to a rate adjustment date, nor to a rate more than 1% in excess of the prime rate generally quoted by major banks to preferred commercial customers on the adjustment date. The entire principal balance and all accrued interest shall be due and payable ninety (90) days following the date of death of Bernadette A. Ryan. Buyers may prepay all or any part of the principal balance at any time and without penalty.

2. **POSSESSION.** Buyers, concurrently with due performance on their part shall be entitled to possession of said premises on the 1st day of January, 2013, and thereafter so long as they shall perform the obligations of this Contract. If Buyers are taking subject to the rights of lessees and are entitled to rentals therefrom on and after date of possession. so indicate by 'yes' in the space following: _____.

3. **TAXES.** Seller shall pay one-half (1/2) of the installments of real estate taxes assessed against the above-described premises due and payable on or before March 31, 2013 and September 30, 2013, and one-half (1/2) of any previously unpaid installments of real estate taxes assessed against the property. Buyers shall pay its one-half (1/2) share of the real estate taxes assessed against the property for all period from and after January 1, 2013, beginning with the installment of real estate taxes due and payable on or before March 31, 2014.

4. **SPECIAL ASSESSMENTS.** Seller shall pay the special assessments against this property:

(a) Which, if not paid in the year 2012, would become delinquent and all assessments payable prior thereto.

(b) Including all sewage disposal assessments for overage charge heretofore assessed by any municipality having jurisdiction as of date of possession.

Buyers, except as above stated, shall pay all subsequent special assessments and charges, before they become delinquent.

5. **MORTGAGE.** Any mortgage or encumbrance of a similar nature against the said property shall be timely paid by Seller so as not to prejudice the Buyers' equity herein. Should Sellers fail to pay, Buyers may pay any such sums in default and shall receive credit on this Contract for such sums so paid. MORTGAGE BY SELLER. Seller,

its successor in interest or assigns may, and hereby reserve the right to at any time mortgage their right, title or interest in such premises or to renew or extend any existing mortgage for any amount not exceeding 25% of the then unpaid balance of the purchase price herein provided. The interest rate and amortization thereof shall be no more onerous than the installment requirements of this Contract. Buyers hereby expressly consent to such a mortgage and agree to execute and deliver all necessary papers to aid Seller in securing such a mortgage which shall be prior and paramount to any of Buyers' then rights in said property. DEED FOR BUYERS SUBJECT TO MORTGAGE. If Buyers have reduced the balance of this Contract to the amount of any existing mortgage balance on said premises, they may at their option, assume and agree to pay said mortgage according to its terms, and subject to such mortgage shall receive a deed to said premises or Seller, at its option, any time before Buyers have made such a mortgage commitment, may reduce or pay off such mortgage. ALLOCATED PAYMENTS. Buyers, in the event of acquiring this property from an equity holder instead of a holder of the fee title, or in the event of a mortgage against said premises, reserve the right, if reasonably necessary for their protection to divide or allocate the payments to the interested parties as their interests may appear. SELLER AS TRUSTEE. Seller agrees that it will collect no money hereunder in excess of the amount of the unpaid balance under the terms of this contract less the total amount of the encumbrance on the interest of Seller or its assigns in said real estate and if Seller shall hereafter collect or receive any moneys hereunder beyond such amount, they shall be considered and held as collecting and receiving said money as the agent and trustee of the Buyers for the use and benefit of the Buyers.

6. **INSURANCE.** Except as may be otherwise included in the last sentence of paragraph 1 (b) above, Buyers on and from said date of possession, shall constantly keep in force insurance, premiums therefore to be prepaid by Buyers (without notice or demand) against loss by fire, tornado and other hazards, casualties and contingencies as Seller may reasonably require on all buildings and improvements, now on or hereafter placed on said premises and any personal property which may be the subject of this contract, in companies to be reasonably approved by Seller in an amount not less than the full insurable value of such improvements and personal property or not less than the unpaid purchase price herein whichever amount is smaller with such insurance payable to Sellers and Buyers as their interests may appear. Sellers' interest shall be protected in accordance with a standard or union-type loss payable clause. BUYERS SHALL PROMPTLY DEPOSIT SUCH POLICY WITH PROPER RIDERS WITH SELLER for the further security for the payment of the sums herein mentioned. In the event of any such casualty loss, the insurance proceeds may be used under the supervision of the Seller to replace or repair the loss If the proceeds be adequate; if not, then some other reasonable application of such funds shall be made; but in any event such proceeds shall stand as security for the payment of the obligations herein.

7. **CARE OF PROPERTY.** Buyers shall take good care of this property; shall keep the buildings and other improvements now or hereafter placed on the said premises in good and reasonable repair and shall not injure, destroy or remove the same during the life of this Contract. Buyers shall not make any material alteration in said premises without the written consent of the Seller. Buyers shall not use or permit said premises to be used for any illegal purpose.

8. **LIENS.** No mechanics' lien shall be imposed upon or foreclosed against the real estate described herein.

9. **ADVANCEMENT BY SELLERS.** If Buyers fail to pay such taxes, special assessments and insurance and effect necessary repairs, as above agreed, Sellers may, but need not, pay such taxes, special assessments, insurance and make necessary repairs, and all sums so advanced shall be due and payable on demand or such sums so advanced may, at the election of Sellers, be added to the principal amount due hereunder and so secured. (For Buyers' rights to make advancements, see paragraph 5 above.)

10. **TIME IS OF THE ESSENCE.** Time is of the essence in this Agreement. Failure to promptly assert rights of Seller herein shall not, however, be a waiver of such rights or a waiver of any existing or subsequent default.

11. **EXCEPTIONS TO WARRANTIES OF TITLE.** The warranties of title in any Deed made pursuant to this contract (See paragraph 12) shall be without reservation or qualification EXCEPT: (a) Zoning ordinances; (b) Such restrictive covenants as may be shown of record; (c) Easements of record, if any; (d) As limited by paragraphs 1, 2, 3 and 4 of this contract; (e) Sellers shall give Special Warranty as to the period after equitable title passes to Buyers; (f) Spouse if not titleholder, need not join in any warranties of the deed unless otherwise stipulated:

(g) _____
(mineral reservations of record?)

(h) _____
(liens?) (easements not recorded?) (interests of other parties) (Lessees?)

12. **DEED AND ABSTRACT, BILL OF SALE.** If all said sums of money and interest are paid to Seller during the life of this Contract, and all other agreements for performance by Buyers have been complied with, Seller will execute and deliver to Buyers a Trustee's Warranty Deed conveying said premises in fee simple pursuant to and in conformity with this contract and Seller will at this time deliver to Buyers an abstract showing merchantable title, in conformity with this Contract. Such abstract shall begin with the government patent (unless pursuant to the Iowa State Bar Association title standards there is a lesser requirement as to period of abstracting) to said premises and shall show title thereto in Seller as of the date of this Contract; or as of such earlier date if and as designated in the next sentence. Seller shall also pay the cost of any abstracting due to any act or change in the personal affairs of Sellers resulting in a change of title by operation of law or otherwise. If any personal property is a part of this agreement, then upon due performance by Buyers, Seller shall execute and deliver a Bill of Sale consistent with the terms of this contract. Seller shall pay all taxes on any such personal property payable in 2012, and all taxes thereon payable prior thereto.

13. **APPROVAL OF ABSTRACT.** Buyers have not examined the abstract of title to this property and such abstract is not accepted.

14. **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 Seller, 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/or improvements if any shall be retained and kept by Seller 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.

15. **FORECLOSURE AND REDEMPTION.** If Buyers fail to timely perform this Contract, Seller, at its 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 at 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 end 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 Seller, 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) Seller 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.

16. **ATTORNEY'S FEES.** In case of any action, or in any proceedings in any Court to collect any sums payable or secured herein, or to protect the lien or title herein of Sellers, or in any other case permitted by law in which attorney's fees may be collected from Buyers, or imposed upon them, or upon the above described property, Buyers agree to pay reasonable attorneys' fees.

17. **INTEREST ON DELINQUENT AMOUNTS.** Either party will pay interest at the highest legal contract rate applicable to a natural person to the other on all amounts herein as and after they became delinquent, and/or on cash reasonably advanced by either party pursuant to the terms of this Contract, as protective disbursements.

18. **ASSIGNMENT.** Seller understands and agrees that Buyers may assign their rights under this Contract to RBI Family Farms, LLC, an Iowa limited liability company of which Buyers represent all Members holding all of the ownership interests at the date hereof. Any such assignment shall not terminate the liability of Buyers as assignor to perform the obligations under this Contract.

In case of the assignment of this Contract by either of the parties, prompt notice shall be given to the other parties, who shall at the time of such notice be furnished with a duplicate of such assignment by such assignors. Any such assignment shall not terminate the liability of the assignor to perform, unless a specific release in writing is given and signed by the other party to this contract.

19. **PERSONAL PROPERTY.** If this Contract includes the sale of any personal property, then in the event of the forfeiture or foreclosure of this contract, such personalty shall be considered indivisible with the real estate above described; and any such termination of Buyers' rights in said real estate shall concurrently operate as the forfeiture or foreclosure hereof against all such personal property.

20. **CONSTRUCTION.** Words and phrases herein, including acknowledgments hereof, shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender, according to the context.

21. **RELEASE OF RIGHTS.** The Seller 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.

22. **CERTIFICATION**. Buyers and Seller each certify that they are not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by any Executive Order or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person" or any other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control; and are not engaged in this transaction, directly or indirectly on behalf of, any such person, group, entity or nation. Each party hereby agrees to defend, indemnify and hold harmless

the other party from and against any and all claims, damages, losses, risks, liabilities and expenses (including attorney's fees and costs) arising from or related to my breach of the foregoing certification.

23. **INSPECTION OF PRIVATE SEWAGE DISPOSAL SYSTEM.** Delete inappropriate alternatives below. If no deletions are made, the provisions set forth in Paragraph A shall be deemed selected.

A. Seller represents and warrants to Buyer that the Property is not served by a private sewage disposal system, and there are no known private sewage disposal systems on the property.

B. Seller and Buyers agree that this transaction IS exempt from the time of transfer inspection requirement by reason that _____ _____.

26. **SPECIAL PROVISIONS.**

Executed in duplicate or triplicate

THE TRUST ESTABLISHED UNDER ARTICLE VI OF THE LAST WILL AND TESTAMENT OF JOSEPH A. RYAN, DECEASED

BY: Bernadette A. Ryan
Bernadette A. Ryan, Trustee

BY: _____
Michael Ryan, Trustee

BY: _____
John Ryan, Trustee

_____
Michael J. Ryan

_____
John F. Ryan

_____
Patrick W. Ryan

SELLER

BUYERS

2914 180th Avenue
Ryan, IA 52330-8553

Sellers' Address

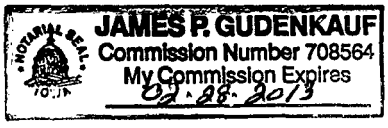
2914 180th Avenue
Ryan, IA 52330-8553

Buyers' Address***

STATE OF IOWA, COUNTY OF Delaware :ss

This instrument was acknowledged before me on December 22, 2012 by Bernadette A. Ryan, Michael Ryan and John Ryan as Trustees of the Trust

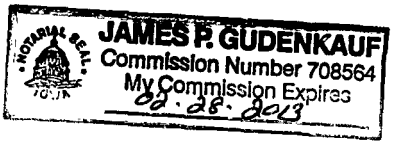
Established Under Article VI of the Last Will and Testament of Joseph A. Ryan as such fiduciaries.



Notary Public in and for the State of Iowa

STATE OF IOWA, COUNTY OF Delaware :ss

This instrument was acknowledged before me on December 22, 2012 by Michael J. Ryan, a married person, John F. Ryan, a married person, and Patrick W. Ryan, a married person.



Notary Public in and for the State of Iowa