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DEBORAH L PEYTON, RECORDER/REGISTRAR
DELAWARE COUNTY IOWA

Entered for taxation 2nd day
of January AD 2014
Carla K. Books Auditor
By D. Hilleborand Deputy

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Prepared by and Return to:
Atty. Jay A. Willems, 301 E. Main St., PO Box 228, Anamosa, IA 52205-0228; Telephone (319)462-3577
Taxpayer Information: Stahlberg, LLC, c/o Michael Stahlberg, 2504 Pheasant Road, Hopkinton, IA 52237
Grantor: M. Lester Stahlberg & Linda M. Stahlberg
Grantee: Stahlberg, LLC

REAL ESTATE CONTRACT-INSTALLMENTS

IT IS AGREED this Dec 31, 2013, by and between M. Lester Stahlberg and Linda M. Stahlberg, husband and wife, 2861 Ridge Road, Hopkinton, Iowa, 52237 (Sellers); and Stahlberg LLC, an Iowa manager-managed limited liability company, c/o Michael Stahlberg, 2504 Pheasant Road, Hopkinton, Iowa, 52237 (Buyer):

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

Parcel B, a part of Lot 2 and part of Lot 4, all of the North Half (N1/2) of the Northwest Quarter (NW1/4), Section Thirty-one (31), Township Eighty-eight North (T88N), Range Three West (R3W) of the Fifth Principal Meridian, Delaware County, Iowa, as shown by the Plat of Survey recorded on December 1, 2010, at Book 2010, Page 3858, Delaware County Recorder's Office, containing 44.99 acres.

AND

Parcel 2013-114 in the Northwest Quarter (NW1/4) of the Northeast Quarter (NE1/4) of Section Thirty One (31), Township Eighty Eight (88) North, Range Three (3), West of the Fifth P.M., Delaware County, Iowa, per the Plat of Survey filed of record on December 13, 2013, at Book 2013, Page 3852, containing 28.032 acres, including .277 acre of Ridge Road Right-of-Way and .055 acre of 285th Avenue Right-of-Way, subject to easements 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 is attached hereto and marked Exhibit A" all upon the terms and conditions following:

1. **TOTAL PURCHASE PRICE.** The Buyers agree to pay for said property the total of $379,714.40 due and payable at Hopkinton, Delaware County, Iowa, as follows:

(a) **DOWN PAYMENT** of $71,000.00, **RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED:** and

(b **BALANCE OF PURCHASE PRICE.** $118,857.20 on December 31, 2013; $189,857.20 on January 6, 2014. Any interest that is able to be earned on the earnest money down payment shall be paid to Buyer at time of closing on or about December 31, 2013.

2. **POSSESSION.** Buyer, concurrently with due performance on its part, shall be entitled to possession of said premises on the 31st day of December, 2013, and thereafter so long as Buyer shall perform the obligation of this contract. If Buyer is 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.** Property taxes shall be prorated to December 31, 2013 the date of possession, and Sellers shall pay all unpaid real estate taxes payable for prior years. Buyer shall pay all subsequent real estate taxes. Any proration of real estate taxes shall be based upon the taxes for the year currently payable.

4. **SPECIAL ASSESSMENTS.** Sellers shall pay the special assessments against this property: (Strike out either (a) or (b) below.)

(a) Which, if not paid in the year 2013, would become delinquent and all assessments payable prior thereto.

~~(b) Which are a lien thereon as of _____.~~

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

Buyer, 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 Sellers so as not to prejudice the Buyer's equity herein. Should Sellers fail to pay, Buyer may pay any such sums in default and shall receive credit on this contract for such sums so paid. MORTGAGE BY SELLER. Sellers, their successors 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 _____% 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. Buyer hereby expressly consents to such a mortgage and agree to execute and deliver all necessary papers to aid Sellers in securing such a mortgage which shall be prior and paramount to any of Buyer's then rights in said property. DEED FOR BUYERS SUBJECT TO MORTGAGE. If Buyer has reduced the balance of this contract to the amount of any existing mortgage balance on said premises, it may at its 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 Sellers, at their option, any time before Buyer has made such a mortgage commitment, may reduce or pay off such mortgage. ALLOCATED PAYMENTS. Buyer, 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, reserves 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. Sellers agree that they 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 Sellers or their assigns in said real estate and if Sellers 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 Buyer for the use and benefit of the Buyer.

6. **INSURANCE.** Except as may be otherwise included in the last sentence of paragraph 1 (b) above, Buyer on and from said date of possession, shall constantly keep in force insurance, premiums therefore to be prepaid by Buyer (without notice or demand) against loss by fire, tornado and other hazards, casualties and contingencies as Sellers 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 Sellers 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 Buyer as their interests may appear. Sellers' interest shall be protected in accordance with a standard or union-type loss payable clause. BUYER SHALL PROMPTLY DEPOSIT SUCH POLICY WITH PROPER RIDERS WITH SELLERS 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 Sellers 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.** Buyer 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. Buyer shall not make any material alteration in said premises without the written consent of the Sellers. Buyer 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 SELLER.** If Buyer fails 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 Buyer's rights to make advancements, see paragraph 5 above.)

10. **JOINT TENANCY IN PROCEEDS AND SECURITY RIGHTS IN REAL ESTATE.** If and only if, the Seller immediately preceding this sale, holds the title to the above described property in joint tenancy, and such joint tenancy has not later been destroyed by operation of law or by acts of the Sellers, this sale shall not constitute such destruction and the proceeds of this contract, and any continuing and/or recaptured rights of Sellers in said real estate, shall be and continue in Sellers as joint tenants with rights of survivorship and not as tenants in common; and Buyers, in the event of the death of one of such joint tenants, agree to pay any balance of the proceeds of this contract to the surviving Seller (or Sellers) and to accept deed solely from him or them consistent with paragraph 14 below unless and except this paragraph is stricken from the agreement.

11. **SELLER.** Spouse, if not titleholder immediately preceding this sale, shall be presumed to have executed this Instrument only for the purpose of relinquishing all rights of dower, homestead and distributive share and/or in compliance with section 561.13 Code of Iowa; and the use of the word "Sellers" in the printed portion of this contract, without more, shall not rebut such presumption, nor in any way enlarge or extend the previous interest of such Spouse in said property, or in the sale proceeds, nor bind such spouse except as aforesaid, to the terms and provisions of this contract.

12. **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.

13. **EXCEPTIONS TO WARRANTIES OF TITLE.** The warranties of title in any Deed made pursuant to this contract (See paragraph 14) 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 Buyer; (f) Spouse if not titleholder, need not join in any warranties of the deed unless otherwise stipulated:

14. **DEED AND ABSTRACT, BILL OF SALE.** If all said sums of money and interest are paid to Sellers during the life of this contract, and all other agreements for performance by Buyer have been complied with, Sellers will execute and deliver to Buyer a General Warranty Deed conveying said premises in fee simple pursuant to and in conformity with this contract and Sellers will at this time deliver to Buyer 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 Sellers as of the date of this contract; or as of such earlier date if and as designated in the next sentence. This contract supersedes the previous written offer of Buyer to buy the above described property which was accepted by Sellers on the _____. Sellers 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 Buyer, Sellers shall execute and deliver a Bill of Sale consistent with the terms of this contract. Sellers shall pay all taxes on any such personal property payable in _____, and all taxes thereon payable prior thereto.

15. **APPROVAL OF ABSTRACT.** As soon as a new abstract has been prepared, it will be forwarded to Buyer's attorney for examination well in advance of the final payment due on the contract on January ____, 2014.

16. **FORFEITURE.** If Buyer (a) fails to make the payments aforesaid, or any part thereof, as same become due; or (b) fails 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) fails to keep the property insured; or (d) fails to keep it in reasonable repair as herein required; or (e) fails 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 Buyer 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 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 Buyer. 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.

17. **FORECLOSURE AND REDEMPTION.** If Buyer fails 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 at all parties concerned, and such receiver shall be liable to

account to Buyer 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 Buyer 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 Buyer or its successor in interest in such action. If the redemption period is so reduced, Buyer or its 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 Buyer 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.

18. **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 Buyer, or imposed upon them, or upon the above described property, Buyer agrees to pay reasonable attorneys' fees.

19. **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.

20. **ASSIGNMENT.** 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.

21. **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 Buyer's rights in said real estate shall concurrently operate as the forfeiture or foreclosure hereof against all such personal property.

22. **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. See paragraph 11 above, for construction of the word "Seller."

23. **RELEASE OF RIGHTS.** The Sellers hereby relinquish 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.

24. **LEAD-BASED PAINT NOTICE.** If applicable, see attached Disclosure of Information on Lead-Based and/or Lead-Based Paint Hazards.

25. **CERTIFICATION.** Buyer and Sellers 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.

26. **EASEMENT**. Sellers grant to Buyer a 20-foot wide easement for purposes of ingress and egress across Parcel 2013-115, all as more particularly set forth on the Plat of Survey of Parcel 2013-114 and Parcel 2013-115 described above. The purpose of the granting of this easement is to allow Buyer access to the property it is purchasing from Sellers, who are retaining ownership of Parcel 2013-115. This easement shall be deemed a covenant running with the land and shall be binding on all successors in interest to the Sellers herein.

I UNDERSTAND THAT HOMESTEAD PROPERTY IS IN MANY CASES PROTECTED FROM THE CLAIMS 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: December 31, 2013

STAHLBERG, LLC, an Iowa member-managed Limited Liability Company

By: _____
Michael L. Stahlberg, Member

By: _____
Karla Stahlberg, Member

SELLERS

_____
M. Lester Stahlberg

_____
Linda M. Stahlberg

BUYER

STAHLBERG, LLC, an Iowa member-managed Limited Liability Company

_____
Michael L. Stahlberg, Member

_____
Karla Stahlberg, Member

STATE OF IOWA, COUNTY OF JONES: ss.

This record was acknowledged before me this 31st day of December, 2013, before me, by **M. Lester Stahlberg and Linda M. Stahlberg**, husband and wife.

Signature of Notary Public

NOTARIAL SEAL IOWA
JAY A WILLEMS
Commission Number 100561
My Commission Expires
August 29, 2014

STATE OF IOWA, COUNTY OF JONES: ss.

This record was acknowledged before me this 31st day of December, 2013, before me, by Michael L. Stahlberg, Member, and Karla Stahlberg, Member, of **Stahlberg, LLC**, and Iowa member-managed Limited Liability Company.

Signature of Notary Public

NOTARIAL SEAL IOWA
JAY A WILLEMS
Commission Number 100561
My Commission Expires
August 29, 2014