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LISA SMITH, COUNTY RECORDER
MADISON COUNTY IOWA

CHEK

REAL ESTATE CONTRACT

Recorder's Cover Sheet

Preparer Information: (name, address and phone number)

John E. Casper, 223 E. Court Avenue, P.O. Box 67, Winterset, Iowa 50273-0067
(515)-462-4912

Taxpayer Information: (name and complete address)

Mary R. Haymond
c/o Dixie L. Erdman, POA
1829 275th Street
Winterset, Iowa 50273

Return Document To: (name and complete address)

John E. Casper
223 E. Court Avenue
P.O. Box 67
Winterset, Iowa 50273-0067

Grantors:

Mary R. Haymond

Grantees:

Michael E. Erdman
Dixie L. Erdman

Legal Description: See page 2.

Document or instrument number of previously recorded documents: N/A

REAL ESTATE CONTRACT

IT IS AGREED between Mary R. Haymond, a single person, SELLER; and Michael E. Erdman and Dixie L. Erdman, husband and wife, as joint tenants with full rights of survivorship and not as tenants in common, BUYERS:

Seller agrees to sell and Buyers agree to buy real estate in Madison County, Iowa, described as:

The Seller's undivided interest in and to:

The East Half (1/2) of the Northwest Quarter (1/4) of Section Thirty-Two (32), Township Seventy-Five (75) North, Range Twenty-Nine (29) West of the 5th P.M., Madison County, Iowa,

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; and d. (consider: liens; mineral rights; other easements; interest of others.) (the "Real Estate"), upon the following terms:

1. **TOTAL PURCHASE PRICE.** The Buyers agree to pay for this property the total of Sixty-Two Thousand Dollars (\$62,000.00) due and payable at Winterset, Madison County, Iowa or as directed by the Seller from time to time, as follows:

(a) The Buyers shall pay as the down payment the sum of Eighteen Thousand Dollars, receipt of which is hereby acknowledged by Seller; and,

(b) The balance of purchase price shall be due and payable as follows: Six Thousand Dollars (\$6,000.00), or more, plus interest shall be due on or before October 1, 2009; and, Six Thousand Dollars (\$6,000.00), or more, plus interest shall be due and payable on or before the first day of every second month thereafter until all balances due and owing under this contract are paid in full. The Buyers shall pay Seller interest upon the unpaid balances from August 1, 2009 at the rate of One Percent (1.00%) per annum payable as above provided. All installment payments shall be first credited towards the interest accrued on the date of the payment and the balance towards the reduction in principal.

2. **DELINQUENT INTEREST.** Buyers shall also pay interest at the rate provided in paragraph 1 above on all delinquent amounts and any sum reasonably advanced by Seller to protect their interest in this contract, computed from the date of the delinquency or advance.

3. **REAL ESTATE TAXES.** Seller shall pay the real estate taxes which are accrued to the date of the Buyers' possession and payable in the fiscal year commencing on July 1, 2009 and in prior fiscal years. Buyers shall pay all other and subsequent real estate taxes. Any proration of real estate taxes on the Real Estate shall be based upon such taxes for the year currently payable unless the parties state otherwise.

4. **SPECIAL ASSESSMENTS.** Seller shall pay all special assessments which are a lien on the Real Estate as of August 1, 2009. All other special assessments shall be paid by Buyers.

5. **POSSESSION CLOSING.** Seller shall give Buyers possession of the Real Estate on August 1, 2009, provided Buyers are not in default under this contract. Closing shall be on or about August 3, 2009.

6. **INSURANCE.** Seller shall maintain existing insurance upon the Real Estate until the date of possession. Buyers shall accept insurance proceeds instead of Seller 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 100 percent of full insurable value payable to the Seller and Buyers as their interests may appear. Buyers shall provide Seller with evidence of such insurance.

7. **ABSTRACT AND TITLE.** Seller, at their expense, shall promptly obtain an abstract of title to the Real Estate continued through the date of this contract, and deliver it to Buyers for examination. It shall show merchantable title in Seller in conformity with this contract, 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. Seller shall pay the costs of any additional abstracting and title work due to any act or omission of Seller, including transfers by or the death of Seller or their assignees.

8. **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.

9. **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 term of this contract. Buyers shall not make any material alteration to the Real Estate without the written consent of the Seller.

10. **DEED.** Upon payment of purchase price, Seller 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 Seller continuing up to time of delivery of the deed.

11. **REMEDIES OF THE PARTIES.** a. 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 lease, and may accordingly be ousted and removed as such as provided by law.

b. If Buyers fail to timely perform this contract, Seller, 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 Seller, in such action files 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 successors 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. 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 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 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.

c. If Seller fails to timely perform their obligations under this contract, Buyers shall have the right to terminate this contract and have all payments made returned to them.

d. Buyers and Seller are also entitled to utilize any and all other remedies or actions at law or in equity available to them.

e. In any action or proceeding relating to this contract the successful party shall be entitled to receive reasonable attorney's fees and costs as permitted by law.

12. JOINT TENANCY IN PROCEEDS AND IN REAL ESTATE. If Seller, immediately preceding this contract, holds title to the Real Estate in joint tenancy with full right of survivorship, and the joint tenancy is not later destroyed by operation of law or by acts of Seller, then the proceeds of this sale, and any continuing or recaptured rights of Seller in the Real Estate, shall belong to Seller 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 Seller under this contract to the surviving Seller and to accept a deed from the surviving Seller consistent with paragraph 10.

13. JOINDER BY SELLER'S SPOUSE. Seller's spouse, if not a titleholder immediately preceding acceptance of this offer, executes this contract only for the purpose of relinquishing all rights of dower, homestead and distributive shares or in compliance with Section 561.13 of the Iowa Code and agrees to execute the deed for this purpose.

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

15. PERSONAL PROPERTY. If this contract includes the sale of any personal property, Buyers grant the Seller a security interest in the personal property and Buyers shall execute the necessary financing statements and deliver them to Seller.

16. CONSTRUCTION. Words and 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.

17. **RELEASE OF RIGHTS.** Each of the Buyers 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.

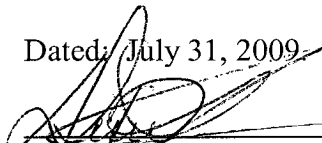
18. **"AS IS" condition.** The parties agree the premises are sold in its "AS IS" condition; the Seller makes no representation or warranties, express or implied, as to the quality or quantity of land or the usability of the premises; and, the Buyers acknowledge full opportunity to inspect the conditions of the premises.

19. **CANCELLATION OF DEBT.** The parties agree upon the Seller's death that all contract balances remaining due under this Contract, if any, shall be deemed cancelled and forgiven by the Seller as of the time of death; the Buyers in this event shall be entitled to a Deed in fulfillment of this Contract; and, the amount of the obligation cancelled, if any, shall not be considered as part of, or credited towards, any testamentary distribution to the Buyers, or either of them, from the Seller's Estate.


20. **2009 CROP.** The parties agree the Buyers who owns the other undivided interest in this real estate has paid all taxes, insurances and other expenses on the real estate including any crop input expenses and the Buyers shall receive all 2009 income from the real estate.


21. **ESCROW FOR DEED.** The Seller at their cost agree to sign and keep in escrow in the manner provided by law a Deed to be delivered by the escrow agent to the Buyers upon Buyers' fulfillment of this contract. The escrow agent is to be designated by the Seller.

Dated: July 31, 2009



Mary R. Haymond, Seller
By Dixie L. Erdman, attorney-in-fact
under Power of Attorney dated February
28, 2003.

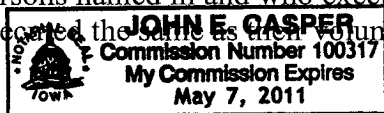


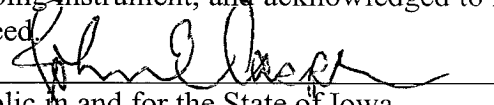
Michael E. Erdman, Buyer


Dixie L. Erdman, Buyer

STATE OF IOWA, MADISON COUNTY, ss:

On this 31st day of July, 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared Michael E. Erdman and Dixie L. Erdman to me known to be the identical persons named in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their voluntary act and deed.

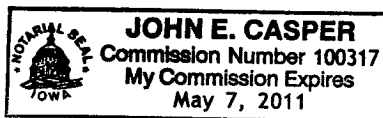


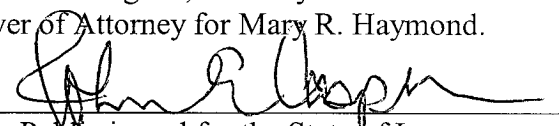


Notary Public in and for the State of Iowa

STATE OF IOWA, MADISON COUNTY, ss:

On this 31st day of July, 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared Dixie L. Erdman as Power of Attorney for Mary R. Haymond.





Notary Public in and for the State of Iowa