

ASSIGNMENT OF RIGHTS OF FIRST REFUSAL

This Assignment of Rights of First Refusal is executed and delivered this 9th day of July, 2003 by Steve Reed Developments, Inc., an Iowa corporation ("Seller").

WHEREAS, Seller and Stanley L. Birchem as Buyer ("Buyer") have entered into an Asset Purchase Agreement dated May 15, 2003, pursuant to which Buyer will purchase substantially all of the assets used in the operation of the assisted living facility commonly known as Madison Square (the "Facility"); and

WHEREAS, Buyer has assigned his interest in the Agreement to Assignee pursuant to Section 5.6 of the Agreement but remains personally liable for all of Buyer's obligations under the Agreement; and

WHEREAS, Seller holds rights of first refusal to Units 205 and 207 of Jefferson Place in the City of Winterset, with the following legal descriptions:

Unit #205 of Jefferson Place in the City of Winterset, Madison County, Iowa and an undivided 1/23rd interest in the common elements and areas of Jefferson Place as shown in the Declaration of Condominium of Jefferson Place filed for record on April 14, 1995 in Town Lot Deed Record 60 at Page 159 in the Madison County Recorder's Office together with any easements and appurtenant servient estates, including storage and parking lots.

Unit # 207 of Jefferson Place in the City of Winterset, Madison County, Iowa and an undivided 1/23rd interest in the common elements and areas of Jefferson Place as shown in the Declaration of Condominium of Jefferson Place filed for record on April 14, 1995 in Town Lot Deed Record 60 at Page 159 in the Madison County Recorder's Office together with any easements and appurtenant servient estates, including storage and parking lots.

NOW THEREFORE, Seller hereby assigns and conveys to Assignee, all of its right, title and interest in and to the Rights of First Refusal to Units 205 and 207, recorded in the Madison County Recorder's Office in Book 2003, Page 4052 + Book 2003, Page 4051.

COMPUTER	<input checked="" type="checkbox"/>
RECORDED	<input checked="" type="checkbox"/>
COMPARED	<input type="checkbox"/>

FILED NO. 4053
BOOK 2003 PAGE 4053

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✓ Prepared By: Heather Campbell
Dorsey & Whitney, LLP
801 Grand Ave., Suite 3900
Des Moines, IA 50309

cc

HICKI UTSLER
RECORDER
MADISON COUNTY, IOWA

REC \$ 10⁰⁰
AUD \$ _____
R.M.F. \$ 1⁰⁰
5⁰⁰

Dated this 9th day of July, 2003.

STEVE REED DEVELOPMENTS, INC.



By: Steven H. Reed, President

STATE OF IOWA, COUNTY OF Polk, ss:

On this 9th day of July, 2003, before me, the undersigned, a Notary Public in and for the said State, personally appeared Steven H. Reed, to me personally known, who being by me duly sworn, did say that he is the President and Secretary of the corporation executing the within and foregoing instrument to which this is attached; that the instrument was signed on behalf of the corporation by authority of its Board of Directors; and that Steven H. Reed, as President and Secretary acknowledged the execution of the foregoing instrument to be the voluntary act and deed of the corporation, by it and by them voluntarily executed.




Notary Public