



MICHELLE "MICKI" UTSLER, COUNTY RECORDER
MADISON IOWA

FOR PLAT
SEE 2005-1880

PLAT AND CERTIFICATE FOR PHASE II, TIMBER RIDGE ESTATES MADISON COUNTY, IOWA

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

I, C. J. Nicholl, Zoning Administrator of Madison County, Iowa, do hereby certify that the plat to which this certificate is attached is a plat of a subdivision known and designated as Phase II, Timber Ridge Estates, and that the real estate comprising said plat is described as follows:

A part of the Northeast Quarter of Section 29, Township 77 North, Range 26 West of the 5th P.M., Madison County, Iowa more particularly described as follows:

Beginning at the East Quarter corner of Section 29, Township 77 North, Range 26 West of the 5th P.M., Madison County, Iowa; thence South 83°19'09" West 735.31 feet along the South line of Northeast Quarter of said Section 29 to the Southeast corner of Timber Ridge Estates, Phase 1; thence along the Easterly line of Timber Ridge Estates Phase 1, North 16°41'00" West 596.85 feet; thence North 40°41'27" West 710.00 feet; thence North 53°57'52" East 120.00 feet; thence North 15°01'13" West 670.00 feet; thence North 28°52'05" East 330.00 feet; thence North 78°27'06" West 760.00 feet; thence North 01°50'36" East 220.00 feet to the Northeast corner of Timber Ridge Estates, Phase 1 which is a point on the North line of the Northeast Quarter of said Section 29; thence North 83°15'35" East 2042.96 feet to the Northeast corner of said Section 29; thence South 00°12'18" West 2643.06 feet to the Point of Beginning containing 77.089 acres including 1.115 acres of County Road right-of-way. Said Parcel is divided into 21 lots numbered 18 through 38.

I do further certify that attached hereto are true and correct copies of the following documents which have been submitted in connection with said plat:

1. Dedication of Plat of Phase II, Timber Ridge Estates;
2. Attorney's opinion;
3. Certificate of County Treasurer of Madison County, Iowa;
4. Certificate of County Recorder of Madison County, Iowa;
5. Certificate of Clerk of the District court of Madison County, Iowa;

6. Resolution of the Board of Supervisors of Madison County, Iowa, approving said plat; and
7. Agreement with County Engineer;
8. Consent to Platting by Bankers Trust Company;
9. Groundwater Hazard Statement; and
10. Declaration of Covenants, Conditions and Restrictions.

all of which are duly certified in accordance with the Madison County Zoning Ordinance.

Dated this 10th day of September, 2004.



C. J. Nicholl, Zoning Administrator of Madison
County, Iowa

**DEDICATION OF PLAT
OF
PHASE II, TIMBER RIDGE ESTATES**

KNOW ALL MEN BY THESE PRESENTS:

That Exclusive Properties, L.L.C., do hereby certify that they are the sole owner and proprietor of the following-described real state:

A part of the Northeast Quarter of Section 29, Township 77 North, Range 26 West of the 5th P.M., Madison County, Iowa more particularly described as follows:

Beginning at the East Quarter corner of Section 29, Township 77 North, Range 26 West of the 5th P.M., Madison County, Iowa; thence South 83°19'09" West 735.31 feet along the South line of Northeast Quarter of said Section 29 to the Southeast corner of Timber Ridge Estates, Phase 1; thence along the Easterly line of Timber Ridge Estates Phase 1, North 16°41'00" West 596.85 feet; thence North 40°41'27" West 710.00 feet; thence North 53°57'52" East 120.00 feet; thence North 15°01'13" West 670.00 feet; thence North 28°52'05" East 330.00 feet; thence North 78°27'06" West 760.00 feet; thence North 01°50'36" East 220.00 feet to the Northeast corner of Timber Ridge Estates, Phase 1 which is a point on the North line of the Northeast Quarter of said Section 29; thence North 83°15'35" East 2042.96 feet to the Northeast corner of said Section 29; thence South 00°12'18" West 2643.06 feet to the Point of Beginning containing 77.089 acres including 1.115 acres of County Road right-of-way. Said Parcel is divided into 21 lots numbered 18 through 38.

That the subdivision of the above-described real estate as shown by the final plat of Phase II, Timber Ridge Estates is with the free consent and in accordance with the owner's desire as owner of said real estate.

DATED this 24 day of Aug, 2004.

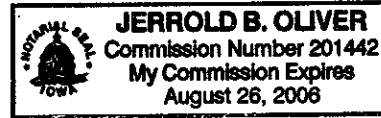
EXCLUSIVE PROPERTIES, L.L.C.

By Douglas D. Redenius, President
Douglas D. Redenius, President

STATE OF IOWA, COUNTY OF MADISON,

This instrument was acknowledged before me on Aug 24,
2004, by Douglas D. Redenius as President of Exclusive Properties, L.L.C.

Jerrold B. Oliver
Notary Public



**ATTORNEY'S OPINION FOR PHASE II, TIMBER RIDGE ESTATES,
MADISON COUNTY, IOWA**

I, Jerrold B. Oliver, an attorney at law licensed to practice under the laws of the State of Iowa, have examined the abstract of title in three (3) parts, last certified to August 4, 2004, at 8:00 A.M., by Madison County Abstract Company, drawing the chain of title to the following described real estate:

A part of the Northeast Quarter of Section 29, Township 77 North, Range 26 West of the 5th P.M., Madison County, Iowa more particularly described as follows:

Beginning at the East Quarter corner of Section 29, Township 77 North, Range 26 West of the 5th P.M., Madison County, Iowa; thence South 83°19'09" West 735.31 feet along the South line of Northeast Quarter of said Section 29 to the Southeast corner of Timber Ridge Estates, Phase 1; thence along the Easterly line of Timber Ridge Estates Phase 1, North 16°41'00" West 596.85 feet; thence North 40°41'27" West 710.00 feet; thence North 53°57'52" East 120.00 feet; thence North 15°01'13" West 670.00 feet; thence North 28°52'05" East 330.00 feet; thence North 78°27'06" West 760.00 feet; thence North 01°50'36" East 220.00 feet to the Northeast corner of Timber Ridge Estates, Phase 1 which is a point on the North line of the Northeast Quarter of said Section 29; thence North 83°15'35" East 2042.96 feet to the Northeast corner of said Section 29; thence South 00°12'18" West 2643.06 feet to the Point of Beginning containing 77.089 acres including 1.115 acres of County Road right-of-way. Said Parcel is divided into 21 lots numbered 18 through 38.

In my opinion, merchantable title to the above described property is in the name of Exclusive Properties, L.L.C.

In my opinion, the holders of mortgages, liens, or other encumbrances on the above described real property, which have not been released, are as follows:

1. A Mortgage from Exclusive Properties, L.L.C., to First American Bank in the principal sum of \$425,000.00, dated March 3, 2003, and filed March 5, 2003, in Book 2003, Page 1222 of the Recorder's office of Madison County, Iowa.

We call your attention to the following Easements which appear in the abstract:

1. An Easement to Madison County Soil Conservation District of Winterset, Iowa, dated May 16, 1961, and filed June 5, 1961, in Deed Record 90, Page 364 of the Recorder's office of Madison County, Iowa.

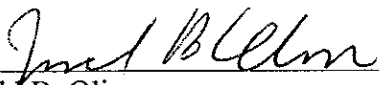
2. An Easement to Madison County Soil Conservation District of Winterset, Iowa, dated April 11, 1961, and filed April 24, 1961, in Deed Record 90, Page 283 of the Recorder's office of Madison County, Iowa.
3. An Easement to Madison County for road purposes dated and filed March 26, 1970, in Deed Record 98, Page 209 of the Recorder's office of Madison County, Iowa.
4. An Agreement between Madison County Soil Conservation District of Madison County, Iowa, to Madison County, Iowa, granting the conservation district the right to excavate across or jack under the county road, dated and filed May 20, 1975, in Deed Record 30, Page 640 of the Recorder's office of Madison County, Iowa.

We call to your attention the following fence agreement which appears in the abstract;

1. An agreement between Exclusive Properties L.L.C. and Daniel Lynch and Sheila Lynch, dated September 18, 2003 and filed November 19, 2003, in Book 2003, Page 6925 of the Recorder's office of Madison County, Iowa, providing for the responsibility for the erection, maintenance and repair of the partition fence between the West Half ($\frac{1}{2}$) of the Northwest Quarter of Section Twenty-eight (28), Township Seventy-seven (77) North, Range Twenty-six (26) West of the 5th P.M., and the Northeast Quarter of Section Twenty-nine (29), Township Seventy-seven (77), Range Twenty-six (26) West of the 5th P.M.
2. An agreement between Exclusive Properties L.L.C. and John Lynch dated September 18, 2003 and filed November 19, 2003, in Book 2003, Page 6926 of the Recorder's office of Madison County, Iowa providing for the responsibility

for the erection, maintenance and repair of the partition fence between the
Northeast Quarter of Section Twenty-nine (29), Township Seventy-seven (77),
Range Twenty-six (26) West of the 5th P.M. and the Southeast Quarter of Section
Twenty (20), Township Seventy-seven (77) North, Range Twenty-six (26) West
of the 5th P.M.

JORDAN, OLIVER & WALTERS, P.C.

By 
Jerrold B. Oliver
Farmers & Merchants State Bank Bldg.
P. O. Box 230
Winterset, IA 50273
Telephone: 515-462-3731


**CERTIFICATE OF THE COUNTY TREASURER
OF MADISON COUNTY, IOWA**

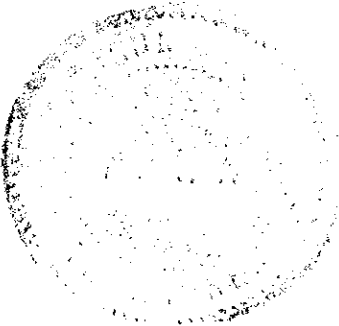
I, G. JoAnn Collins, do hereby certify that I am the duly elected and acting Treasurer of Madison County, Iowa; that I have examined the records in my office, and that there are no unpaid taxes forming a lien against the following-described real estate, to-wit:

A part of the Northeast Quarter of Section 29, Township 77 North, Range 26 West of the 5th P.M., Madison County, Iowa more particularly described as follows:

Beginning at the East Quarter corner of Section 29, Township 77 North, Range 26 West of the 5th P.M., Madison County, Iowa; thence South 83°19'09" West 735.31 feet along the South line of Northeast Quarter of said Section 29 to the Southeast corner of Timber Ridge Estates, Phase 1; thence along the Easterly line of Timber Ridge Estates Phase 1, North 16°41'00" West 596.85 feet; thence North 40°41'27" West 710.00 feet; thence North 53°57'52" East 120.00 feet; thence North 15°01'13" West 670.00 feet; thence North 28°52'05" East 330.00 feet; thence North 78°27'06" West 760.00 feet; thence North 01°50'36" East 220.00 feet to the Northeast corner of Timber Ridge Estates, Phase 1 which is a point on the North line of the Northeast Quarter of said Section 29; thence North 83°15'35" East 2042.96 feet to the Northeast corner of said Section 29; thence South 00°12'18" West 2643.06 feet to the Point of Beginning containing 77.089 acres including 1.115 acres of County Road right-of-way. Said Parcel is divided into 21 lots numbered 18 through 38.

DATED at Winterset, Iowa, this 18th day of August, 2004.


G. JoAnn Collins, Treasurer of Madison County, Iowa



CERTIFICATE OF THE COUNTY RECORDER OF MADISON COUNTY, IOWA

I, Michelle Utsler, do hereby certify that I am the duly elected and acting Recorder of Madison County, Iowa; that Exclusive Properties, L.L.C., is the fee simple owner and record titleholder of the following-described real estate, to-wit:


A part of the Northeast Quarter of Section 29, Township 77 North, Range 26 West of the 5th P.M., Madison County, Iowa more particularly described as follows:

Beginning at the East Quarter corner of Section 29, Township 77 North, Range 26 West of the 5th P.M., Madison County, Iowa; thence South 83°19'09" West 735.31 feet along the South line of Northeast Quarter of said Section 29 to the Southeast corner of Timber Ridge Estates, Phase 1; thence along the Easterly line of Timber Ridge Estates Phase 1, North 16°41'00" West 596.85 feet; thence North 40°41'27" West 710.00 feet; thence North 53°57'52" East 120.00 feet; thence North 15°01'13" West 670.00 feet; thence North 28°52'05" East 330.00 feet; thence North 78°27'06" West 760.00 feet; thence North 01°50'36" East 220.00 feet to the Northeast corner of Timber Ridge Estates, Phase 1 which is a point on the North line of the Northeast Quarter of said Section 29; thence North 83°15'35" East 2042.96 feet to the Northeast corner of said Section 29; thence South 00°12'18" West 2643.06 feet to the Point of Beginning containing 77.089 acres including 1.115 acres of County Road right-of-way. Said Parcel is divided into 21 lots numbered 18 through 38.

and that said real estate is free and clear of all liens and encumbrances, except a Mortgage against said real estate from Exclusive Properties, L.L.C., to First American Bank, in the principal sum of \$425,000.00, dated March 3, 2003, and filed March 5, 2003, in Book 2003, Page 1222 of the Recorder's office of Madison County, Iowa.

DATED at Winterset, Iowa, this 18th day of August, 2004.




Michelle Utsler, Recorder of Madison
County, Iowa

**CERTIFICATE OF THE CLERK OF THE DISTRICT
COURT
OF MADISON COUNTY, IOWA**

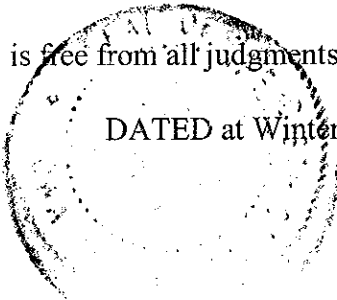
I, Janice Weeks, do hereby certify that I am the duly elected and acting Clerk of the District Court of Madison County, Iowa; that I have examined the records in my office, and that the following-described real estate, to-wit:

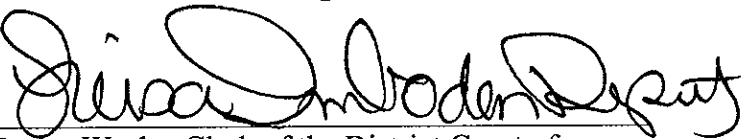
A part of the Northeast Quarter of Section 29, Township 77 North, Range 26 West of the 5th P.M., Madison County, Iowa more particularly described as follows:

Beginning at the East Quarter corner of Section 29, Township 77 North, Range 26 West of the 5th P.M., Madison County, Iowa; thence South 83°19'09" West 735.31 feet along the South line of Northeast Quarter of said Section 29 to the Southeast corner of Timber Ridge Estates, Phase 1; thence along the Easterly line of Timber Ridge Estates Phase 1, North 16°41'00" West 596.85 feet; thence North 40°41'27" West 710.00 feet; thence North 53°57'52" East 120.00 feet; thence North 15°01'13" West 670.00 feet; thence North 28°52'05" East 330.00 feet; thence North 78°27'06" West 760.00 feet; thence North 01°50'36" East 220.00 feet to the Northeast corner of Timber Ridge Estates, Phase 1 which is a point on the North line of the Northeast Quarter of said Section 29; thence North 83°15'35" East 2042.96 feet to the Northeast corner of said Section 29; thence South 00°12'18" West 2643.06 feet to the Point of Beginning containing 77.089 acres including 1.115 acres of County Road right-of-way. Said Parcel is divided into 21 lots numbered 18 through 38.

is free from all judgments, attachments, mechanic's or other liens.

DATED at Winterset, Iowa, this 18th day of Aug., 2004.




Janice Weeks, Clerk of the District Court of
Madison County, Iowa

RESOLUTION APPROVING FINAL PLAT OF PHASE II, TIMBER RIDGE ESTATES MADISON COUNTY, IOWA

WHEREAS, there was filed in the Office of the Zoning Administrator of Madison County, Iowa, a registered land surveyor's plat of a proposed subdivision known as Phase II, Timber Ridge Estates; and

WHEREAS, the real estate comprising said plat is described as follows:

A part of the Northeast Quarter of Section 29, Township 77 North, Range 26 West of the 5th P.M., Madison County, Iowa more particularly described as follows:

Beginning at the East Quarter corner of Section 29, Township 77 North, Range 26 West of the 5th P.M., Madison County, Iowa; thence South 83°19'09" West 735.31 feet along the South line of Northeast Quarter of said Section 29 to the Southeast corner of Timber Ridge Estates, Phase 1; thence along the Easterly line of Timber Ridge Estates Phase 1, North 16°41'00" West 596.85 feet; thence North 40°41'27" West 710.00 feet; thence North 53°57'52" East 120.00 feet; thence North 15°01'13" West 670.00 feet; thence North 28°52'05" East 330.00 feet; thence North 78°27'06" West 760.00 feet; thence North 01°50'36" East 220.00 feet to the Northeast corner of Timber Ridge Estates, Phase 1 which is a point on the North line of the Northeast Quarter of said Section 29; thence North 83°15'35" East 2042.96 feet to the Northeast corner of said Section 29; thence South 00°12'18" West 2643.06 feet to the Point of Beginning containing 77.089 acres including 1.115 acres of County Road right-of-way. Said Parcel is divided into 21 lots numbered 18 through 38.

WHEREAS, there was also filed with said plat a dedication of said plat containing a statement to the effect that the subdivision as it appears on the plat is with the free consent and in accordance with the desire of the proprietor, Exclusive Properties, L.L.C.

WHEREAS, said plat was accompanied by a complete abstract of title and an opinion from an attorney at law showing that title in fee simple is in said proprietors and that the platted land is free from encumbrances, and certified statements from the Treasurer of Madison County, Iowa, that said platted land is free from taxes, and the

Clerk of the District Court of Madison County, Iowa, that said land is free from all judgments, attachments, mechanic's or other liens, and the Recorder of Madison County, Iowa, that title in fee simple is in said proprietors, and that it is free from encumbrances, except Mortgages against said real estate from Exclusive Properties, L.L.C., to First American Bank, in the principal sum of \$425,000.00, dated March 3, 2003, and filed March 5, 2003, in Book 2003, Page 1222 of the Recorder's office of Madison County, Iowa.

WHEREAS, First American Bank, the holder of said Mortgage has consented to the platting and subdivision of said real estate.

WHEREAS, said plat has been approved by the Madison County Planning and Zoning Commission.

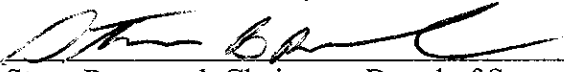
WHEREAS, the Board of Supervisors, Madison County, Iowa, finds that said plat conforms to the provisions of the Zoning Ordinance of Madison County, Iowa, and that the plat, papers and documents presented therewith should be approved by the Board of Supervisors, and that said plat, known as Phase II, Timber Ridge Estates should be approved by the Board of Supervisors, Madison County, Iowa.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors, Madison County, Iowa:

1. That said plat, known as Phase II, Timber Ridge Estates prepared in connection with said plat and subdivision is hereby approved.
2. The Zoning Administrator of Madison County, Iowa, is hereby directed to certify this resolution which shall be affixed to said plat to the County Recorder of

Madison County, Iowa, and attend to the filing and recording of the plat, papers and documents which should be filed and recorded in connection therewith.

DATED at Winterset, Iowa, this 21st day of September, 2004.

Steven B Raymond


Steve Raymond, Chairman, Board of Supervisors,
Madison County, Iowa

ATTEST:

Joan Welch

Madison County Auditor

AGREEMENT

This Agreement, made and entered into, by and between, the proprietor of Phase II, Timber Ridge Estates, and Todd Hagan, Madison County Engineer.

NOW THEREFORE IT IS AGREED AS FOLLOWS:

1. The proprietors of Phase II, Timber Ridge Estates, a Plat of the following described real estate:

A part of the Northeast Quarter of Section 29, Township 77 North, Range 26 West of the 5th P.M., Madison County, Iowa more particularly described as follows:


Beginning at the East Quarter corner of Section 29, Township 77 North, Range 26 West of the 5th P.M., Madison County, Iowa; thence South 83°19'09" West 735.31 feet along the South line of Northeast Quarter of said Section 29 to the Southeast corner of Timber Ridge Estates, Phase 1; thence along the Easterly line of Timber Ridge Estates Phase 1, North 16°41'00" West 596.85 feet; thence North 40°41'27" West 710.00 feet; thence North 53°57'52" East 120.00 feet; thence North 15°01'13" West 670.00 feet; thence North 28°52'05" East 330.00 feet; thence North 78°27'06" West 760.00 feet; thence North 01°50'36" East 220.00 feet to the Northeast corner of Timber Ridge Estates, Phase 1 which is a point on the North line of the Northeast Quarter of said Section 29; thence North 83°15'35" East 2042.96 feet to the Northeast corner of said Section 29; thence South 00°12'18" West 2643.06 feet to the Point of Beginning containing 77.089 acres including 1.115 acres of County Road right-of-way. Said Parcel is divided into 21 lots numbered 18 through 38.

hereby agree that all private roads located within Phase II, Timber Ridge Estates, are private roads and are not being dedicated to Madison County, Iowa. Said proprietor consents and agrees that such roads shall not be maintained in any manner by Madison County, Iowa, or the Madison County Engineer's Department.

PROPRIETORS

EXCLUSIVE PROPERTIES, L.L.C.

By  Douglas D. Redenius, President


Todd Hagan, Madison County Engineer

CONSENT TO PLATTING**BY FIRST AMERICAN BANK**

First American Bank does hereby consent to the platting and subdivision of the following-described real estate:

A part of the Northeast Quarter of Section 29, Township 77 North, Range 26 West of the 5th P.M., Madison County, Iowa more particularly described as follows:

Beginning at the East Quarter corner of Section 29, Township 77 North, Range 26 West of the 5th P.M., Madison County, Iowa; thence South 83°19'09" West 735.31 feet along the South line of Northeast Quarter of said Section 29 to the Southeast corner of Timber Ridge Estates, Phase 1; thence along the Easterly line of Timber Ridge Estates Phase 1, North 16°41'00" West 596.85 feet; thence North 40°41'27" West 710.00 feet; thence North 53°57'52" East 120.00 feet; thence North 15°01'13" West 670.00 feet; thence North 28°52'05" East 330.00 feet; thence North 78°27'06" West 760.00 feet; thence North 01°50'36" East 220.00 feet to the Northeast corner of Timber Ridge Estates, Phase 1 which is a point on the North line of the Northeast Quarter of said Section 29; thence North 83°15'35" East 2042.96 feet to the Northeast corner of said Section 29; thence South 00°12'18" West 2643.06 feet to the Point of Beginning containing 77.089 acres including 1.115 acres of County Road right-of-way. Said Parcel is divided into 21 lots numbered 18 through 38.

in accordance with ordinances of the State of Iowa. The undersigned holds a Mortgage against said real estate from Exclusive Properties, L.L.C., to First American Bank, in the principal sum of \$425,000.00, dated March 3, 2003, and filed March 5, 2003, in Book 2003, Page 1222 of the Recorder's office of Madison County, Iowa.

Dated: August 19, 2004.

FIRST AMERICAN BANK

By

William R. Fagen

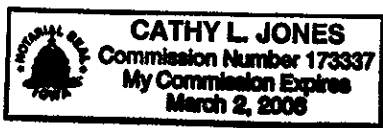
William R. Fagen
Assistant Vice President

STATE OF IOWA

COUNTY OF Polk

This instrument was acknowledged before me on August 19 2004
by William R. Fajen as Assistant Vice President of First American Bank.

Cathy L Jones
Notary Public



**DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS
TIMBER RIDGE ESTATES, Phase II
MADISON COUNTY, IOWA**

Exclusive Properties, L.L.C., hereinafter referred to as "Declarant", is now the fee simple owner and record titleholder of the following-described real estate:

A part of the Northeast Quarter of Section 29, Township 77 North, Range 26 West of the 5th P.M., Madison County, Iowa more particularly described as follows:

Beginning at the East Quarter corner of Section 29, Township 77 North, Range 26 West of the 5th P.M., Madison County, Iowa; thence South 83°19'09" West 735.31 feet along the South line of Northeast Quarter of said Section 29 to the Southeast corner of Timber Ridge Estates, Phase 1; thence along the Easterly line of Timber Ridge Estates Phase 1, North 16°41'00" West 596.85 feet; thence North 40°41'27" West 710.00 feet; thence North 53°57'52" East 120.00 feet; thence North 15°01'13" West 670.00 feet; thence North 28°52'05" East 330.00 feet; thence North 78°27'06" West 760.00 feet; thence North 01°50'36" East 220.00 feet to the Northeast corner of Timber Ridge Estates, Phase 1 which is a point on the North line of the Northeast Quarter of said Section 29; thence North 83°15'35" East 2042.96 feet to the Northeast corner of said Section 29; thence South 00°12'18" West 2643.06 feet to the Point of Beginning containing 77.089 acres including 1.115 acres of County Road right-of-way. Said Parcel is divided into 21 lots numbered 18 through 38.

which real estate is being platted as Timber Ridge Estates, Madison County, Iowa.

Said owners do hereby impose and subject said real estate to certain regulations, covenants, restrictions and easements as to the use and occupancy thereof, as follows:

ARTICLE I

Definitions

Section 1. "Association" shall refer to Timber Ridge Estates Homeowners' Association, Inc., which shall be a non-profit residential real estate management association, its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot which is a part of the property, except that a vendee in possession under a recorded contract of sale of any lot shall be considered the owner rather than the contract seller being the owner. Those having an interest merely as security for the performance of an obligation shall not be considered an owner.

Section 3. "Properties" shall mean and refer to that certain real property hereinbefore described and such additional real property which includes lots or plats as may hereafter become subject by covenants of record to assessment by the Association or hereinafter become Common Area.

Section 4. "Common Area" shall mean and refer to the private roadway maintained by the Association, including the improvements thereon, ownership of which shall be maintained by the Association for the common use and enjoyment of the owners. The Common Area shall also be all portions of paving, rock roads, and utilities located in the Common Area.

Section 5. "Lots" shall mean and refer to the numbered lots as shown upon any Plats within the Property.

Section 6. "Association Responsibility Elements" shall mean the following, whether located upon a "Lot" or upon the "Common Area": (a) The access roads constructed by the Declarant or the Association and owned by the Association. (b) Conduits, ducts, plumbing, wiring, pipes and other facilities located on the above roads which are carrying any service to any "Lot". (c) Street signs owned by the Association, including such signs located on property owned by Madison County, Iowa.

ARTICLE II

Property Rights and Maintenance

Section 1. Owners' Easements and Enjoyment. Every Owner shall have a right and

easement and enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the right of the Board of Directors of the Association to dedicate or transfer any part of the Common Area to any public agency, authority or utility for such purposes. No such dedication or transfer by the Board of Directors shall be effective unless an instrument agreeing to such dedication or transfer has been recorded.

Section 2. Delegation of Use. Any Owner may delegate to any person who resides within the subdivision, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family or his tenants.

Section 3. Association Responsibility Elements. No person, other than the owner of a Lot, his or her invitees and other users of the roads, shall have the right to enter upon, use or affect an Association Responsibility Element located adjacent to a Lot except that the Association and its designees may enter the Common Area at reasonable times for the following purposes: (a) Enforcement of any provision of this Declaration or the Articles of Incorporation or the By-Laws of the Association. (b) Mowing and maintenance of grass areas. (c) Snow removal. (d) Inspection, maintenance or repair of any Association Responsibility Element. and (e) For any other reasonable purpose of the Association.

Section 4. Maintenance. The Association shall be responsible for the maintenance of the Common Area and the improvements thereon, as well as the Association Responsibility Elements as herein defined.

ARTICLE III

Homeowners' Association, Membership and Voting Rights.

Section 1. Homeowners' Association. The management and administration of the

properties shall be governed and managed by a Homeowners' Association organized and existing under Chapter 504A of the Code of Iowa.

Section 2. Every owner of a Lot which is subject to assessment shall be a member of the Association. Membership is mandatory and shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 3. All owners shall be entitled to one vote in the Association for each Lot. When more than one person holds an interest to any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine; but, in no event, shall more than one vote be cast with respect to any Lot.

Section 4. Notwithstanding any other provisions of this Declaration, the Declarant, its successors and assigns, shall be the sole voting membership of the Association until Declarant no longer owns any portion of the property, or until Declarant waives in writing this right to be the sole voting membership, whichever first occurs. While the sole voting member, the Declarant, its successors and assigns, shall have the right to elect all Directors of the Association. Declarant shall waive, in writing, its right to be the sole voting membership when all lots have been sold.

ARTICLE IV

Covenants for Maintenance Assessments.

Section 1. Creation of Liens and Personal Obligations of Assessments. The Declarant, for each Lot owned within the properties, hereby covenants, and each Owner of any Lot by acceptance of a Deed thereof, whether or not it shall be so expressed in such deed, is deemed to consent and agree to pay to the Association: (1) Annual assessments or charges; and (2) Special assessments for capital improvements, such assessments to be established and collected as hereinafter provided, together with

interest, costs and reasonable attorney's fees, which shall be a charge upon each Lot and shall be a continuing lien upon the Lot against which such assessment is made. Each such assessment, together with interest, cost and reasonable attorney's fees shall also be the personal obligation of the person who was the owner of such Lot at the time the assessment became due. The personal obligation for delinquent assessments shall not pass to the owner's successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by and for the Association shall be used exclusively to promote the health, safety and welfare of the residents of the property and for the improvement and maintenance of the Common Area and the Association Responsibility Elements.

Section 3. Annual Assessment. (a) For the period commencing January 1st of the year immediately following the conveyance of the first Lot to an Owner, the annual assessment shall be fixed by the Board of Directors of the Association. (b) The Board of Directors shall fix the annual assessment each year thereafter. (c) A Lot shall not be subject to assessment until the first day of the month following the date of possession of such Lot.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessment authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, which shall include the surfacing or maintenance of any such roads.

Written notice of any meeting called for the purpose of taking any action authorized under this Section shall be sent to all Members entitled to vote not less than 10 days nor more

than 30 days in advance of the meeting. The acts approved by a majority of lot holders present at the meeting shall constitute acts of the members.

Section 6. Uniform Rate of Assessment. Annual assessments, special assessments for capital improvements, and insurance assessments shall be fixed at a uniform rate for all Lots and may be collected on a monthly basis, except as otherwise specifically provided herein.

Section 7. Date of Commencement of Annual Assessments: Due Dates. Annual assessments shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least 30 days in advance of each annual assessment period. Written notice by ordinary mail of the annual assessment shall be sent to every owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specific Lot have been paid. A properly executed Certificate of the Association as to the status of an assessment on a Lot is binding upon the Association as of the date of its issuance.

Section 8. Insurance and Insurance Assessments. In addition to the annual assessments and special assessments for capital improvements, the Association may levy assessments for insurance purchased by the Association. The Association shall obtain liability and casualty insurance for the Common Area and for the Association Responsibility Elements. This provision shall not relieve any owner of any Lot from obtaining homeowners' liability insurance and casualty insurance for the property of such owner. In the event of a casualty loss upon the Common Area, the Association shall be responsible for the repair and restoration of the Common Area and the Owner shall be responsible for the repair and restoration of any building or improvements on his Lot.

Section 9. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessments not paid within 30 days after the due date shall bear interest from the due date at the rate of 12% per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 10. Utilities. Each Owner shall be responsible for payment of all utility services to his Lot, including but not limited to, electricity, water, gas, telephone, sewer services, and cable television services. Each lot requires its own septic service at the owner's expense. Percolation tests, should they be required by the Madison County Public Health Department, are the responsibility of the owners. Each Owner, or group of Owners, shall also be responsible for servicing their private mechanical sanitary sewer systems or any other type of sewer system used, per manufacturers or designers recommendations but in no case less than annually, as well as maintaining same so as to be in compliance with all health, safety and other local, county, state and federal codes, rules, regulations or laws of every kind or nature applicable thereto. Further, each Owner, or group of Owners, shall supply written proof and documentation of the routine maintenance of their respective private mechanical sanitary sewer system, or other system used, to the Association, as the Association requires from time to time. If Owner, or group of Owners, does not comply with this requirement, and after written notice by the Association (in the form as set by the Association), the Association may, but is not required to, treat the respective Owner or Owner's sewer system as an "Association Responsibility Element", enter upon the Lot(s), and inspect, service, repair and/or maintain said sewer system as the association sees fit, and

charge the cost of same directly to the respective Lot Owner or Owners as a Special Assessment, as elsewhere provided. There shall be no surface drainage of any sanitary sewer system.

Section 11. Assessments for County Related Improvements. Notwithstanding any other provisions of this Article, the Board of Directors may establish an assessment for the maintenance, improvements or reconstruction of street signs, street lights, fences and sidewalks, if necessary, to comply with any directive of Madison County, Iowa.

ARTICLE V

Use of Residential Lots and Restrictions

Section 1. Use and Restrictions. Subject to the provisions of this Declaration, the following shall govern and restrict the use, occupancy and alienation of lots within Timber Ridge Estates, Phase II:

a. Lots within the Subdivision are to occupied and used only for residential purposes by lot owners and their families, tenants and social guests. No occupant of a lot shall create a nuisance to other occupants or interfere with the peaceable possession of occupation of other lots. There are no restrictions on occupancy or alienation by reason of age, race, sex or religion.

b. These general restrictions shall apply to all lots within the Subdivision:

1. All setbacks will be in accordance with the Madison County regulations and building setbacks as shown on the recorded plat.

2. Easements for installation and maintenance of utilities, roads and drainage facilities are reserved as shown on the recorded plat of Timber Ridge Estates, Phase II.

In the drainage easement areas there shall be no construction of disturbance of the soil, and no trees or shrubs shall be planted in the drainage easement areas. In the the other

easement areas there shall be no building or structure of any kind erected nor any growth of any kind planted or maintained which might interfere in any way with the use and patrolling of any of the utility services and roadways located in the easement areas. The Owner or occupant of lot shall at his or her expense keep and preserve that portion of the easement or easements within his or her property at all times in good repair and condition.

3. Drainage of storm and surface waters in the plat will be by open surface water drainage courses in true keeping with the rural nature of the zoning classification. Each Owner will be responsible for accepting any upstream drainage including drainage from streets and street culverts, and passing the water across the street to the downstream side. The Owner shall not divert drainage from its natural course to another lot without the express written consent of the other Owner. Each Lot Owner agrees to maintain, keep free of weeds and debris and keep in good repair, at no costs or expense to Madison County, any surface water drainage, or storm drainage way, located on, over and across the Lot. Madison County in no way assumes responsibility for maintenance of surface water drainage courses or any damage that may be caused by the surface after drainage course to each of every Lot or improvements placed thereon, in the Plat.

4. No building or structure of a temporary character and no trailer, basement, tent, shack, garage or Outbuilding shall be used at any time as a residential dwelling on any lot, either temporarily or permanently.

5. No boat, snow mobile, recreational vehicle, trailer, or other vehicle other

than automobiles shall be stored or parked on any Lot unless enclosed in a House or Outbuilding. The Association may limit or prohibit the parking of automobiles on any street or driveway. In the event of violation of this provision the Association may, after reasonable notice, remove such boat, snow mobile, recreational vehicle, trailer or other vehicle and assess the costs of such removal to the Owner of the Lot.

6. The Owner or person in possession of each Lot, whether vacant or improved, shall keep the same mowed and free of debris. Each Owner agrees that after written notice given by certified mail to such Owner or person in possession by the Association or any property within 500 feet of such lot, such weeds and/or such debris shall be removed within fifteen (15) days, failing which the Association giving such notice may enter upon the property to cut or cause to be cut such weeds, remove or cause to be removed such debris, and shall have a right of action against the Owner of such lot for the collection of the costs thereof.

7. Each Owner shall be responsible for the repair, maintenance and replacement of utility services and lines serving his or her Lot.

8. All valid laws, zoning ordinances, and regulations of all governmental bodies having jurisdictions, shall be observed. The responsibility of meeting the requirements of governmental bodies which require maintenance, modification or repair of property shall be the same as the responsibility for the maintenance for the repair of the property concerned.

9. No lot shall be subdivided, partitioned, replatted or in any way divided so as to create more than one parcel of real estate for the purpose of constructing and

maintaining a House thereon.

10. No signs of any kind shall be displayed to the public view on any lot, except, signs of not more than six (6) square feet advertising property for sale or rent, or signs used by a builder to advertise the property during construction. Excluded from this provision is subdivision marketing signage as erected by Declarant, which is specifically allowed.

11. If any lot owner decides to erect a fence upon his lot in conformity to these Conditions, Covenants and Restrictions, the total cost of installation of such fence shall be borne by said lot owner as well as the cost of all future maintenance of the fence. No adjoining lot owner shall be required to participate in the cost of the erection or maintenance of any fence. Any fence erected shall be the sole property of the lot owner and can be removed by such lot owner at his discretion. Nothing in this paragraph shall be deemed to preclude a fencing agreement between adjoining lot owners for erection and maintenance of a common fence; however, for any such common fence agreement to be enforceable upon future lot owners, such fencing agreement must be in writing and filed on record in the Madison County Recorder's office in order to apprise prospective purchasers of their obligations with respect to such fencing.

Section 2. Architectural control.

a. No building or structure, nor any addition or alteration thereof shall be constructed, altered, or maintained on any building plot unless and until detailed plans, specifications, proposals, and site plans (hereinafter collectively referred to as "Plans") shall have been filed in writing and have been approved in writing by the Association. The Association shall have a right

to charge a fee for filing of such plans.

b. Submitted plans shall contain details of design, color scheme, elevation, site grade, fencing, roofing, solar systems, and location of dimensions of structures, walks, driveways, landscaping, yard lights, and mailboxes and shall also state the type of construction, including the submission of proposed external details. The Association shall not unreasonably withhold approval of plans submitted pursuant hereto provided, however, that failure to meet covenants, restrictions and conditions contained herein shall be grounds for the Association's reasonable disapproval of such plans.

c. Failure of the Association to disapprove plans within sixty (60) days of submission of said plans shall be deemed to be approval thereof. The Association and its designated architect shall not be liable to anyone in damages who has submitted plans for approval, or to any Owner by reason of mistaken judgment, negligence, or nonfeasance of itself, its agents or employees arising out of or in connection with the approval or disapproval of any such plans.

d. Plans approved by the Association shall permit the Owner of a building plot to construct in accordance with said plans and in conformity of the applicable codes. Dirt removal, excavation or construction shall not be commenced until approval therefore has been received from the Association.

e. Any deviation in construction on any building plot from approval plan, which in the judgment of the Association is of substantial detriment to the appearance of the structure or surrounding area, shall be corrected to conform to the approval plans at the expense of the Owner of the building plot.

f. The Association may grant permission to allow reasonable variances from the strict

application of the provisions of this Declaration of Covenants, Conditions and Restrictions.

g. Each dwelling must have a minimum of 200 square feet of masonry or stone on the front side of the dwelling.

Section 3. Minimum dwelling floor area requirements. a. One-story dwellings must have a ground floor finished area of not less than 1,800 square feet. b. One and one-half story dwellings must have not less than 1,500 square feet of finished area on the ground floor and a total on the ground floor and second floor of not less than 2,300 square feet of finished area. c. Two-story dwellings must have not less than 1,300 square feet of finished area on the ground floor and a total on the ground floor and second floor of not less than 2,600 square feet of finished area. d. Split-entry dwellings must have not less than 1,900 square feet of finished area directly under the roof and a total finished area of 2,400 square feet.

In the computation of floor area, the same shall not include any porch breezeways, garages, attics, cellars, and basements.

Section 4. Design and construction of House and Outbuildings.

a. No mobile home or manufactured home, as defined in the Code of Iowa, shall be placed upon or erected on any Lot.

b. No House, Outbuilding, or any other structure shall be constructed, altered or maintained on any lot unless it has a driveway running from a street to the home which must be of a sufficient area to park at least two (2) automobiles entirely off the street. All driveways shall be constructed of concrete, bituminous surfacing, or three-quarter (3/4) inch limestone gravel. The maximum size of outbuildings shall not exceed the square footage of the main level of the dwelling and must have overhangs on all sides.

- c. All dwellings must have, at a minimum, double-attached or double-basement garages. In addition, the garage opening, whether attached or part of any Outbuilding, shall be designed in such a manner that it does not face the front boundary of the lot upon which it is constructed.
- d. No more than twelve (12) inches of concrete block, poured concrete, or clay tile foundation shall be exposed on any building and any such exposed materials shall be painted or covered with brick or stone veneer.
- e. Any dog run, trash receptacle, or other outside structure of like nature shall be properly screened by reasonable shrubbery or decorative fence to maintain a neat lot appearance.
- f. All Houses, or Outbuildings, or improvements of any kind must be completed within twelve (12) months of the commencement date of the construction.
- g. No above ground or non-permanent swimming pools shall be permitted on any lot.
- h. No chain link fence, snow fence or temporary fence of any kind shall be permitted on any lot except that a chain link fence may be permitted around a dog run or tennis court, provided the chain link fence is black.
- i. Each Owner of a lot will be required before occupancy of a Dwelling or Outbuilding to plant four (4) hardwood trees (2" caliper or more). In addition, the front yard, up to the building setback line, shall be seeded. The 30 foot area immediately surrounding the House shall be sodded prior to occupancy. If said occupancy will occur during a season which makes it impossible to accomplish each task, occupancy shall occur and said work will immediately be completed by the Owner when weather conditions first permit.
- j. All painted surfaces on any House or Outbuildings shall be painted in earth tones or

neutral colors.

k. Any LP gas tank located on any Lot shall be buried below ground.

l. Each Lot Owner shall install, maintain and operate exterior lights approved by the Association, which shall be powered by the residents located on such lot and controlled by an operating photocell.

m. No towers shall be constructed on any Lot, however, antenna and satellite dishes are permissible, provided that the same are screened in such a fashion so as not to be visible from the road ways or from any other lot.

n. Notwithstanding the provisions of this subsection to the contrary, guest houses may be permitted in Outbuildings subject to the approval of the plans of such Outbuildings. No guest house shall be used for permanent living quarters, nor shall any guest house be allowed on a lot which does not have a house erected thereon.

Section 5. Animals and Household Pets.

No animals, livestock or poultry of any kind, shall be raised, bred or kept on any Lot except that dogs, cats, and other common household pets may be kept so long as they are not kept, bred or maintained for commercial purposes. In no event, however, shall more than two (2) dogs and two (2) cats be maintained on any one lot at any one time. Dogs must be tied or fenced in a dog run.

ARTICLE VI

Other Rules and Regulations.

Other Rules and Regulations. The Association shall have the authority to amend and adopt reasonable rules and regulations governing the use of the property and such rules shall be observed and

obeyed by the owners, their guests, and licensees. Such rules after being properly adopted shall have the same force and effect as if contained in this Declaration. The initial Rules and Regulations promulgated by the Declarant shall be deemed properly adopted by the Association without any formal action.

ARTICLE VII

Remedies

In addition to the remedies to enforce the lien provided in Article VI, the Association shall have the right to enforce the provisions of this Declaration and Exhibits hereto, and any Rules and Regulations properly adopted by the Association against an individual lot owner or the occupant of any lot. The Association shall have the right to proceed at law or in equity to enforce any lien or any of the above items against the lot owner including an action for damages or Injunction and reasonable attorneys fees, and shall have the right to proceed against any tenant or other occupant who is violating any of the Rules and Regulations or provisions of this Declaration. In the event of any default by any lot owner under the terms of this Declaration, the Association shall have the right to correct such default and seek reimbursement from the lot owner. Any such costs, damages, or expenses in connection with this paragraph shall be a lien against the lot owner enforceable at law or in equity.

ARTICLE VIII

Miscellaneous.

Section 1. Non-Waiver of Provisions. Failure of the Association or any Owner to enforce any covenant, condition or restriction, this Declaration, the Articles of Incorporation or By-Laws of the


Association, or the rules and regulations adopted pursuant thereto, shall not constitute a waiver of the right to enforce the same thereafter.

Section 2. Severability. Invalidity of a covenant, restriction, agreement, undertaking or other provision of this Declaration document or Exhibit thereto shall not affect the validity of the remaining portions thereof.

Section 3. Covenant running with the Land. The provisions of this Declaration of Covenants, Conditions and Restrictions shall be deemed to be covenants running with the land inuring to the benefit fit and binding upon the parties, their successors and assigns and shall remain in full force and effect until December 31, 2023, at which time said covenants shall automatically be extended for successive periods of ten (10) years, unless by vote of the majority of the then owners of the lots, it is agreed to delete said Covenants, Conditions and Restrictions in whole, or in part. No new or additional Covenants, Conditions or Restrictions shall be added unless all of the owners of the lots agree in writing to any such additional Covenants, Conditions or Restrictions.

Dated this 24 day of Aug, 2004.

Exclusive Properties, Inc.



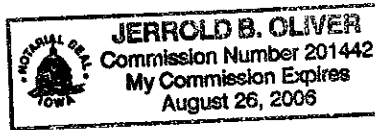
Douglas D. Redenius, President

STATE OF IOWA, COUNTY OF MADISON,

This instrument was acknowledged before me on Aug 24,

2004, by Douglas D. Redenius as President of Exclusive Properties, L.L.C.

Jerrold B. Oliver
Notary Public



Performance Bond

Bond No. 2041235

Conforms with the American Institute of Architects, AIA Document A312.

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

CONTRACTOR (Name and Address):
Robert Trausch dba Trausch Construction
P.O. Box 422
Carroll, IA 51401

SURETY (Name and Principal Place of Business):
North American Specialty Insurance Company
1200 Arlington Heights Road, Suite 400
Itasca, IL 60143

OWNER (Name and Address):
Madison County, Iowa
P.O. Box 152
Winterset, IA 50273-0152

CONSTRUCTION CONTRACT

Date: August 3 2004
Amount: \$125,000.00

Description (Name and Location): Construct the Road of the Second Half, Plat 2, of Timber Ridge Estates Project

BOND

Date (Not earlier than Construction Contract Date): August 18 2004
Amount: \$125,000.00

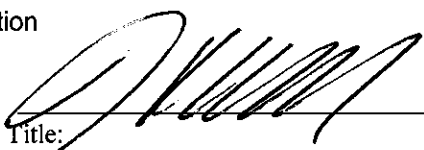
Modifications to this Bond:

None

See Page 2

CONTRACTOR AS PRINCIPAL
Company: Robert Trausch dba Trausch Construction (Corporate Seal)

SURETY
Company: North American Specialty Insurance Company (Corporate Seal)

Signature: 
Name and Title:

Signature: 
Name and Title: Maury J. Spieker, Attorney-in-Fact

(Any additional signatures appear on page 2.)
(FOR INFORMATION ONLY - Name, Address and Telephone) AGENT or BROKER: The Harry A. Koch Co.
11949 Q Street, Omaha, NE 68137
(402) 861-7000

OWNER'S REPRESENTATIVE (Architect, Engineer or other party): Owners plans

1 The Contractor and the Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner for the performance of the Construction Contract, which is incorporated herein by reference.

2 If the Contractor performs the Construction Contract, the Surety and the Contractor shall have no obligation under this Bond, except to participate in conferences as provided in Subparagraph 3.1.

3 If there is no Owner Default, the Surety's obligation under this Bond shall arise after:

3.1 The Owner has notified the Contractor and the Surety at its address described in Paragraph 10 below that the Owner is considering declaring a Contractor Default and has requested and attempted to arrange a conference with the Contractor and the Surety to be held not later than fifteen days after receipt of such notice to discuss methods of performing the Construction Contract. If the Owner, the Contractor and the Surety agree, the Contractor shall be allowed a reasonable time to

perform the Construction Contract, but such an agreement shall not waive the Owner's right, if any, subsequently to declare a Contractor Default; and

3.2 The Owner has declared a Contractor Default and formally terminated the Contractor's right to complete the contract. Such Contractor Default shall not be declared earlier than twenty days after the Contractor and the Surety have received notice as provided in Subparagraph 3.1; and

3.3 The Owner has agreed to pay the Balance of the Contract Price to the Surety in accordance with the terms of the Construction Contract or to a contractor selected to perform the Construction Contract in accordance with the terms of the contract with the Owner.

4 When the Owner has satisfied the conditions of Paragraph 3, the Surety shall promptly and at the Surety's expense take one of the following actions:

4.1 Arrange for the Contractor, with consent of the Owner, to perform and complete the Construction Contract; or

4.2 Undertake to perform and complete the Construction Contract itself, through its agents or through independent contractors; or

4.3 Obtain bids or negotiated proposals from qualified contractors acceptable to the Owner for a contract for performance and completion of the Construction Contract, arrange for a contract to be prepared for execution by the Owner and the contractor selected with the Owner's concurrence, to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the Construction Contract, and pay to the Owner the amount of damages as described in Paragraph 6 in excess of the Balance of the Contract Price incurred by the Owner resulting from the Contractor's default; or

4.4 Waive its right to perform and complete, arrange for completion, or obtain a new contractor and with reasonable promptness under the circumstances:

- .1** After investigation, determine the amount for which it may be liable to the Owner and, as soon as practicable after the amount is determined, tender payment therefor to the Owner; or
- .2** Deny liability in whole or in part and notify the Owner citing reasons therefor.

5 If the Surety does not proceed as provided in Paragraph 4 with reasonable promptness, the Surety shall be deemed to be in default on this Bond fifteen days after receipt of an additional written notice from the Owner to the Surety demanding that the Surety perform its obligations under this Bond, and the Owner shall be entitled to enforce any remedy available to the Owner. If the Surety proceeds as provided in Subparagraph 4.4, and the Owner refuses the payment tendered or the Surety has denied liability, in whole or in part, without further notice the Owner shall be entitled to enforce any remedy available to the Owner.

6 After the Owner has terminated the Contractor's right to complete the Construction Contract, and if the Surety elects to act under Subparagraph 4.1, 4.2, or 4.3 above, then the responsibilities of the Surety to the Owner shall not be greater than those of the Contractor under the Construction Contract, and the responsibilities of the Owner to the Surety shall not be greater than those of the Owner under the Construction Contract. To the limit of the amount of this Bond, but subject to commitment by the Owner of the Balance of the Contract Price to mitigation of costs and damages on the Construction Contract, the Surety is obligated without duplication for:

6.1 The responsibilities of the Contractor for correction of defective work and completion of the Construction Contract;

6.2 Additional legal, design professional and delay costs resulting from the Contractor's Default, and resulting from the actions or failure to act of the Surety under Paragraph 4; and

6.3 Liquidated damages, or if no liquidated damages are specified in the Construction Contract, actual damages caused by delayed performance or non-performance of the Contractor.

7 The Surety shall not be liable to the Owner or others for obligations of the Contractor that are unrelated to the Construction Contract, and the Balance of the Contract Price shall not be reduced or set off on account of any such unrelated obligations. No right of action shall accrue on this Bond to any person or entity other than the Owner or its heirs, executors, administrators or successors.

8 The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.

9 Any proceeding, legal or equitable, under this Bond may be instituted in any court of competent jurisdiction in the location in which the work or part of the work is located and shall be instituted within two years after Contractor Default or within two years after the Contractor ceased working or within two years after the Surety refuses or fails to perform its obligations under this Bond, whichever occurs first. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

10 Notice to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the signature page.

11 When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. The intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

12 DEFINITIONS

12.1 Balance of the Contract Price: The total amount payable by the Owner to the Contractor under the Construction Contract after all proper adjustments have been made, including allowance to the Contractor of any amounts received or to be received by the Owner in settlement of insurance or other claims for damages to which the Contractor is entitled, reduced by all valid and proper payments made to or on behalf of the Contractor under the Construction Contract.

12.2 Construction Contract: The agreement between the Owner and the Contractor identified on the signature page, including all Contract Documents and changes thereto.

12.3 Contractor Default: Failure of the Contractor, which has neither been remedied nor waived, to perform or otherwise to comply with the terms of the Construction Contract.

12.4 Owner Default: Failure of the Owner, which has neither been remedied nor waived, to pay the Contractor as required by the Construction Contract or to perform and complete or comply with the other terms thereof.

MODIFICATIONS TO THIS BOND ARE AS FOLLOWS:

(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL

Company: _____ (Corporate Seal)

Signature: _____

Name and Title:

Address:

SURETY

Company: _____ (Corporate Seal)

Signature: _____

Name and Title:

Address:

Payment Bond

Conforms with the American Institute of Architects, AIA Document A312.

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

CONTRACTOR (Name and Address):
Robert Trausch dba Trausch Construction
P.O. Box 422
Carroll, IA 51401

SURETY (Name and Principal Place of Business):
North American Specialty Insurance Company
1200 Arlington Heights Road, Suite 400
Itasca, IL 60143

OWNER (Name and Address):
Madison County, Iowa
P.O. Box 152
Winterset, IA 50273-0152

CONSTRUCTION CONTRACT

Date: August 3 2004
Amount: \$125,000.00

Description (Name and Location): Construct the Road of the Second Half, Plat 2, of Timber Ridge Estates Project

BOND

Date(Not earlier than Construction Contract Date): August 18 2004
Amount: \$125,000.00

Modifications to this Bond:

None

See Page 2

CONTRACTOR AS PRINCIPAL
Company: Robert Trausch dba Trausch (Corporate Seal)
Construction

SURETY
Company: North American Specialty (Corporate Seal)
Insurance Company

Signature: 
Name and Title:

Signature: 
Name and Title: Maury J. Spieker, Attorney-in-Fact

(Any additional signatures appear on page 2.)
(FOR INFORMATION ONLY - Name, Address and Telephone) AGENT or BROKER: The Harry A. Koch Co.
11949 Q Street, Omaha, NE 68137
(402) 861-7000

OWNER'S REPRESENTATIVE (Architect, Engineer or other party): Owners plans

1 The Contractor and the Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner to pay for labor, materials and equipment furnished for use in the performance of the Construction Contract, which is incorporated herein by reference.

3 With respect to Claimants, this obligation shall be null and void if the Contractor promptly makes payment, directly or indirectly, for all sums due.

2 With respect to the Owner, this obligation shall be null and void if the Contractor:

4 The Surety shall have no obligation to Claimants under this Bond until:

2.1 Promptly makes payment, directly or indirectly, for all sums due Claimants, and

4.1 Claimants who are employed by or have a direct contract with the Contractor have given notice to the Surety (at the address described in Paragraph 12) and sent a copy, or notice thereof, to the Owner, stating that a claim is being made under this Bond and, with substantial accuracy, the amount of the claim.

2.2 Defends, indemnifies and holds harmless the Owner from claims, demands, liens or suits by any person or entity whose claim, demand, lien or suit is for the payment for labor, materials or equipment furnished for use in the performance of the Construction Contract, provided the Owner has promptly notified the Contractor and the Surety (at the address described in Paragraph 12) of any claims, demands, liens or suits and tendered defense of such claims, demands, liens or suits to the Contractor and the Surety, and provided there is no Owner Default.

4.2 Claimants who do not have a direct contract with the Contractor:

.1 Have furnished written notice to the Contractor and sent a copy, or notice thereof, to the Owner, within 90 days after having last performed labor or last furnished materials or equipment included in the claim stating, with substantial accuracy, the amount of the claim and the name of the party to whom the materials were furnished or supplied or for whom the labor was done or performed; and

- .2** Have either received a rejection in whole or in part from the Contractor, or not received within 30 days of furnishing the above notice any communication from the Contractor by which the Contractor has indicated the claim will be paid directly or indirectly; and
 - .3** Not having been paid within the above 30 days, have sent a written notice to the Surety (at the address described in Paragraph 12) and sent a copy, or notice thereof, to the Owner stating that a claim is being made under this Bond and enclosing a copy of the previous written notice furnished to the Contractor.
- 5** If a notice required by paragraph 4 is given by Owner to the Contractor or to the Surety, that is sufficient compliance.
- 6** When the Claimant has satisfied the conditions of Paragraph 4, the Surety shall promptly and at the Surety's expense take the following actions:
- 6.1** Send an answer to the Claimant, with a copy to the Owner, within 45 days after receipt of the claim, stating the amounts that are undisputed and the basis for challenging any amounts that are disputed.
 - 6.2** Pay or arrange for payment of any undisputed amounts.
- 7** The Surety's total obligation shall not exceed the amount of this Bond, and the amount of this Bond shall be credited for any payments made in good faith by the Surety.
- 8** Amounts owed by the Owner to the Contractor under the Construction Contract shall be used for the performance of the Construction Contract and to satisfy claims, if any, under any Construction Performance Bond. By the Contractor furnishing and the Owner accepting this Bond, they agree that all funds earned by the Contractor in the performance of the Construction Contract are dedicated to satisfy obligations of the Contractor and the Surety under this Bond, subject to the Owner's priority to use the funds for the completion of the work.
- 9** The Surety shall not be liable to the Owner, Claimants or others for obligations of the Contractor that are unrelated to the Construction Contract. The Owner shall not be liable for payment of any costs or expenses of any Claimant under this Bond, and shall have under this bond no obligations to make payments to, give notices on behalf of, or otherwise have obligations to Claimants under this Bond.
- 10** The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.
- 11** No suit or action shall be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the location in which

the work or part of the work is located or after the expiration of one year from the date (1) on which the Claimant gave the notice required by Subparagraph 4.1 or Clause 4.2.3, or (2) on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Construction Contract, whichever of (1) or (2) first occurs. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

12 Notice to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the signature page. Actual receipt of notice by Surety, the Owner or the Contractor, however accomplished, shall be sufficient compliance as of the date received at the address shown on the signature page.

13 When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. The intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

14 Upon request by any person or entity appearing to be a potential beneficiary of this Bond, the Contractor shall promptly furnish a copy of this Bond or shall permit a copy to be made.

15 DEFINITIONS

15.1 Claimant: An individual or entity having a direct contract with the Contractor or with a subcontractor of the Contractor to furnish labor, materials or equipment for use in the performance of the Contract. The intent of this Bond shall be to include without limitation in terms "labor, materials or equipment" that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental equipment used in the Construction Contract, architectural and engineering services required for performance of the work of the Contractor and the Contractor's subcontractors, and all other items for which a mechanic's lien may be asserted in the jurisdiction where the labor, materials or equipment were furnished.

15.2 Construction Contract: The agreement between the Owner and the Contractor identified on the signature page, including all Contract Documents and changes thereto.

15.3 Owner Default: Failure of the Owner, which has neither been remedied nor waived, to pay the Contractor as required by the Construction Contract or to perform and complete or comply with the other terms thereof.

MODIFICATIONS TO THIS BOND ARE AS FOLLOWS:

(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL
 Company: _____ (Corporate Seal)
 Signature: _____
 Name and Title:
 Address:

SURETY
 Company: _____ (Corporate Seal)
 Signature: _____
 Name and Title:
 Address:

**POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM INSURANCE COVERAGE
ENDORSEMENT**

Coverage for acts of terrorism as defined in § 102(1) of the Terrorism Risk Insurance Act of 2002 ("the Act") is already included in this surety bond. You should know that, effective November 26, 2002, under your existing coverage, any losses caused by certified acts of terrorism would be partially reimbursed by the United States under a formula established by federal law. Under this formula, the United States pays 90% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The portion of your annual premium that is attributable to coverage for acts of terrorism is \$0.

As your insurance/surety company we are sending you this notice to comply with the Terrorism Risk Insurance Act of 2002.

For questions regarding this notice please visit our website www.nassurety.com or you may call our office at 630- 227- 4825.

NAS SURETY GROUP

NORTH AMERICAN SPECIALTY INSURANCE COMPANY
WASHINGTON INTERNATIONAL INSURANCE COMPANY

GENERAL POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, THAT North American Specialty Insurance Company, a corporation duly organized and existing under laws of the State of New Hampshire, and having its principal office in the City of Manchester, New Hampshire, and Washington International Insurance Company, a corporation organized and existing under the laws of the State of Arizona and having its principal office in the City of Itasca, Illinois, each does hereby make, constitute and appoint:

DOUGLAS G. DURBIN, DAVID G. JESSE, HARRY D. KOCH,

SHARON K. MURRAY, MAURY J. SPIEKER, DAVID A. DOMINIANI,

MAURA P. KELLY & JOAN LEU, jointly or severally

Its true and lawful Attorney(s)-in-Fact, to make, execute, seal and deliver, for and on its behalf and as its act and deed, bonds or other writings obligatory in the nature of a bond on behalf of each of said Companies, as surety, on contracts of suretyship as are or may be required or permitted by law, regulation, contract or otherwise, provided that no bond or undertaking or contract or suretyship executed under this authority shall exceed the amount of:

TEN MILLION (10,000,000.00) DOLLARS

This Power of Attorney is granted and is signed by facsimile under and by the authority of the following Resolutions adopted by the Boards of Directors of both North American Specialty Insurance Company and Washington International Insurance Company at meetings duly called and held on the 24th of March, 2000:

"RESOLVED, that any two of the President, any Executive Vice President, any Vice President, any Assistant Vice President, the Secretary or any Assistant Secretary be, and each or any of them hereby is authorized to execute a Power of Attorney qualifying the attorney named in the given Power of Attorney to execute on behalf of the Company bonds, undertakings and all contracts of surety, and that each or any of them hereby is authorized to attest to the execution of any such Power of Attorney and to attach therein the seal of the Company; and it is

FURTHER RESOLVED, that the signature of such officers and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be binding upon the Company when so affixed and in the future with regard to any bond, undertaking or contract of surety to which it is attached."



By Paul D. Amstutz
Paul D. Amstutz, President & Chief Executive Officer of Washington International Insurance Company & Vice President of North American Specialty Insurance Company



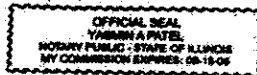
By Steven P. Anderson
Steven P. Anderson, Executive Vice President of Washington International Insurance Company & Vice President of North American Specialty Insurance Company

IN WITNESS WHEREOF, North American Specialty Insurance Company and Washington International Insurance Company have caused their official seals to be hereunto affixed, and these presents to be signed by their authorized officers this 13 day of December, 2002.

North American Specialty Insurance Company
Washington International Insurance Company

State of Illinois
County of Du Page ss:

On this 13 day of December, 2002, before me, a Notary Public personally appeared Paul D. Amstutz, President and CEO of Washington International Insurance Company and Vice President of North American Specialty Insurance Company and Steven P. Anderson, Executive Vice President of Washington International Insurance Company and Vice President of North American Specialty Insurance Company, personally known to me, who being by me duly sworn, acknowledged that they signed the above Power of Attorney as officers of and acknowledged said instrument to be the voluntary act and deed of their respective companies.



Yasmin A. Patel
Yasmin A. Patel, Notary Public

I, James A. Carpenter, the duly elected Assistant Secretary of North American Specialty Insurance Company and Washington International Insurance Company, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney given by said North American Specialty Insurance Company and Washington International Insurance Company, which is still in full force and effect.

IN WITNESS WHEREOF, I have set my hand and affixed the seals of the Companies this 18th day of August, 2004.

James A. Carpenter

James A. Carpenter, Vice President & Assistant Secretary of Washington International Insurance Company & Assistant Secretary of North American Specialty Insurance Company

FOR DEDICATION,
RESOLUTION &
CERTIFICATES SEE
RECORD 2005-1880

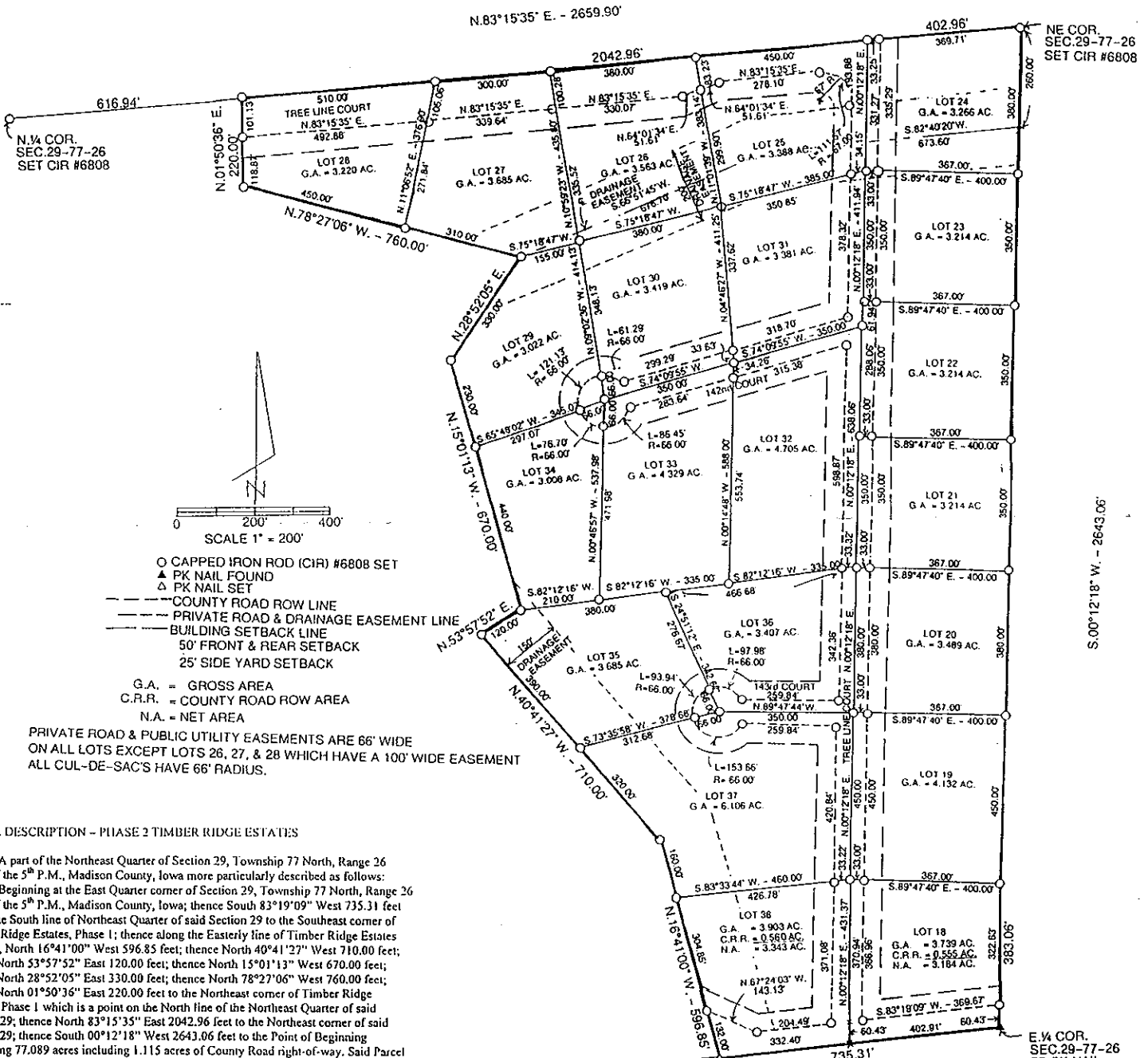
Document 2005 1880

Book 2005 Page 1880 Type 06 044 Pages 41
Date 4/28/2005 Time 11:41 AM
Rec Amt \$207.00 Aud Amt \$5.00

MICHELLE "MICKI" UTSLER, COUNTY RECORDER
MADISON IOWA

VANCE & HOCHSTETLER, P.C. CONSULTING ENGINEERS, WINTERSSET, IOWA (515) 462-3995
CHARLES T. VANCE, 110 WEST GREEN ST., WINTERSSET, IOWA 50273
JAMES M HOCHSTETLER, 110 WEST GREEN ST., WINTERSSET, IOWA 50273

TIMBER RIDGE ESTATES
PHASE 2

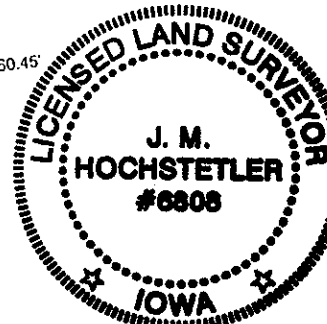


○ CAPPED IRON ROD (CIR) #6808 SET
▲ PK NAIL FOUND
△ PK NAIL SET
--- COUNTY ROAD ROW LINE
--- PRIVATE ROAD & DRAINAGE EASEMENT LINE
--- BUILDING SETBACK LINE
50' FRONT & REAR SETBACK
25' SIDE YARD SETBACK
G.A. = GROSS AREA
C.R.R. = COUNTY ROAD ROW AREA
N.A. = NET AREA
PRIVATE ROAD & PUBLIC UTILITY EASEMENTS ARE 66' WIDE
ON ALL LOTS EXCEPT LOTS 26, 27, & 28 WHICH HAVE A 100' WIDE EASEMENT
ALL CUL-DE-SAC'S HAVE 66' RADIUS.

LEGAL DESCRIPTION - PHASE 2 TIMBER RIDGE ESTATES

A part of the Northeast Quarter of Section 29, Township 77 North, Range 26 West of the 5th P.M., Madison County, Iowa more particularly described as follows:
Beginning at the East Quarter corner of Section 29, Township 77 North, Range 26 West of the 5th P.M., Madison County, Iowa; thence South 83°19'09" West 735.31 feet along the South line of Northeast Quarter of said Section 29 to the Southeast corner of Timber Ridge Estates, Phase 1; thence along the Easterly line of Timber Ridge Estates Phase 1, North 16°41'00" West 596.85 feet; thence North 40°41'27" West 710.00 feet; thence North 53°57'52" East 120.00 feet; thence North 15°01'13" West 670.00 feet; thence North 28°52'05" East 330.00 feet; thence North 78°27'06" West 760.00 feet; thence North 01°50'36" East 220.00 feet to the Northeast corner of Timber Ridge Estates, Phase 1 which is a point on the North line of the Northeast Quarter of said Section 29; thence North 83°15'35" East 2042.96 feet to the Northeast corner of said Section 29; thence South 00°12'18" West 2643.06 feet to the Point of Beginning containing 77.089 acres including 1.115 acres of County Road right-of-way. Said Parcel is divided into 21 lots numbered 18 through 38.

CENTER
SEC. 29-77-26
FD PK NAIL
CENTER LINE DRAINAGE EASEMENT
A 200.00 foot wide drainage easement across Timber Ridge Estates, Phase 2 the centerline of which is described as follows:
Commencing at the Northeast Corner of Section 29, Township 77 North, Range 26 West of the 5th P.M., Madison County, Iowa; thence South 00°12'18" West 260.00 feet along the East line of the Northeast Quarter of said Section 29 to the easement centerline of Beginning; thence South 82°40'20" West 673.60 feet along said centerline; thence South 66°51'45" West 676.70 feet along said centerline to the end of the easement.



I hereby certify that this land surveying document was prepared and the related survey work was performed by me or under my direct personal supervision and that I am a duly licensed Land Surveyor under the laws of the State of Iowa.

J.M. Hochstetler
J.M. HOCHSTETLER
License number 6808 Date 4/21/05
My license renewal date is December 31, 2005
Pages or sheets covered by this seal: 1

8-23-2004
FINAL PLAT
TIMBER RIDGE ESTATES PHASE 2
OWNER/DEVELOPER: EXCLUSIVE PROPERTIES, L.L.C. 720 NORTHWESTERN AVE. AUDUBON, IOWA 50025
ENGINEER/LAND SURVEYOR: VANCE & HOCHSTETLER, P.C. CONSULTING ENGINEERS 110 WEST GREEN STREET WINTERSSET, IOWA 50273-1533