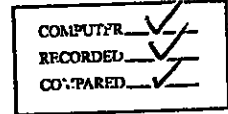


MICHELLE UTSLER, COUNTY RECORDER  
MADISON IOWA



✓mca

Preparer Information: Gerald M. Stambaugh, Heiny, McManigal, Duffy, Stambaugh & Anderson, PLC, 11 Fourth Street, N.E., P.O. Box 1567, Mason City, Iowa 50402-1567, Telephone: 641-423-5154, Fax: 641-423-5310

Return Document to: First Citizens National Bank, 2601 Fourth Street, S.W., P.O. Box 1708, Mason City, Iowa 50402-1567

**AFFIDAVIT DEMONSTRATING COMPLIANCE WITH  
IOWA CODE SECTION 654.16A REGARDING  
THE NORTH 20 ACRES OF THE NORTHWEST QUARTER (NW¼) OF THE SOUTHEAST QUARTER (SE¼) OF SECTION TWELVE (12), TOWNSHIP SEVENTY-FOUR (74) NORTH, RANGE TWENTY-SEVEN (27) WEST OF THE 5<sup>TH</sup> P.M., MADISON COUNTY, IOWA; LOCALLY DESCRIBED AS 2768 295<sup>TH</sup> STREET, EAST PERU, IOWA 50222; PARCEL NO. 721151284010000**

STATE OF IOWA, CERRO GORDO COUNTY ) ss:

I, **Gerald M. Stambaugh**, being first duly sworn under oath, depose and state that I am an Iowa practicing attorney.

1. Attached is a copy of the March 6, 2006 Affidavit of Mailing signed by Randy V. Hefner, an attorney representing a Grantee of a Sheriff's Deed who in turn has sold the property.
2. Attached to the Affidavit are the documents referred to in the Affidavit.
3. Ten (10) business days have lapsed after notice was provided to the Mortgagors who did not exercise the right to repurchase.

Gerald M. Stambaugh

Dated: 6-26-06

Subscribed and sworn to before me by the said **Gerald M. Stambaugh** this 26 day of ~~March~~, 2006.

June

Notary Public in and for the  
State of Iowa



**AFFIDAVIT OF MAILING**

STATE OF IOWA )  
                          )ss:  
DALLAS COUNTY)

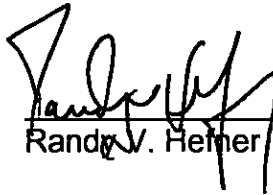
I, Randy V. Hefner, depose and state:

1. I am an attorney licensed to practice law in the State of Iowa. I represent James Herman with respect to his purchase of the following described real estate at a sheriff's sale on or about October 12, 2005:

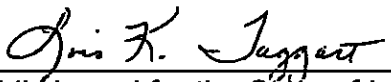
The North 20 Acres of the Northwest Quarter (NW¼) of the Southeast Quarter (SE¼) of Section Twelve (12), Township Seventy-Four (74) North, Range Twenty-Seven (27) West of the 5<sup>th</sup> P.M., Madison County, Iowa.

2. On February 20, 2006, I mailed a copy of the attached Notice of Right of First Refusal to Reed A. Lucas and Debra A. Lucas at their last known address.

Dated this 6th day of March, 2006.

  
\_\_\_\_\_  
Randy V. Hefner

Subscribed and sworn to before me by Randy V. Hefner this 6th day of March, 2006.

  
\_\_\_\_\_  
Notary Public in and for the State of Iowa  
Lois K. Taggart



**NOTICE OF RIGHT OF FIRST REFUSAL**

TO: Reed A. Lucas  
Debra A. Lucas  
2768 295<sup>th</sup> Street  
East Peru, Iowa 50222

You are hereby notified of your right of first refusal to purchase the following described real estate which was sold at sheriff's sale:

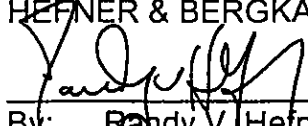
The North 20 Acres of the Northwest Quarter (NW¼) of the Southeast Quarter (SE¼) of Section Twelve (12), Township Seventy-Four (74) North, Range Twenty-Seven (27) West of the 5<sup>th</sup> P.M., Madison County, Iowa.

A copy of §654.16A, Code of Iowa (2005), is enclosed with this notice, which statute more specifically describes your right of first refusal.

You are further notified that James M. Herman and Peggy L. Herman propose to sell or otherwise dispose of the real estate according to the terms of an Offer to Buy and Acceptance, a copy of which is enclosed. Please note that the legal description for the property being sold is as stated above. You are notified pursuant to §654.16A that you have a right of first refusal as set out in that statute.

Dated this 20th day of February, 2006.

HEFNER & BERGKAMP, P.C.

  
By: Randy V. Hefner 000002249  
218 S. 9<sup>th</sup> Street  
P.O. Box 8  
Adel, Iowa 50003  
Telephone: 515-993-1000  
Facsimile: 515-993-3746

ATTORNEY FOR JAMES M. HERMAN and  
PEGGY L. HERMAN

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essary by the court including but not limited to in-  
surance on the buildings on the premises and li-  
ability insurance.

(4) The remaining balance shall be paid to the  
owner of the written instrument upon which the  
foreclosure was based, to be credited against the  
principal due on the written instrument.

d. A continuance granted under this subsec-  
tion may be terminated if the court finds, after no-  
tice and hearing, all of the following:

(1) The party seeking foreclosure has made  
reasonable efforts in good faith to work with the  
applicant to restructure the debt obligations of the  
applicant.

(2) The party seeking foreclosure has made  
reasonable efforts in good faith to work with the  
applicant to utilize state and federal programs de-  
signed and implemented to provide debtor relief  
options. For the purposes of subparagraph (1) and  
this subparagraph, the determination of reason-  
ableness shall take into account the financial con-  
dition of the party seeking foreclosure, and the fi-  
nancial strength and the long-term financial sur-  
vivorship potential of the applicant.

(3) The applicant has failed to pay interest due  
on the written instrument.

3. As used in this section, "small business"  
means the same as defined in section 16.1.

[C39, §12383.3; C46, 50, 54, 58, 62, 66, 71, 73,  
75, 77, 79, 81, §654.15]

85 Acts, ch 250, §1, 2; 86 Acts, ch 1216, §7-9; 87  
Acts, ch 115, §80

#### 654.16 Separate redemption of home- stead.

If a sheriff's sale is ordered on agricultural land  
used for farming, as defined in section 175.2, the  
mortgagor may, by a date set by the court but not  
later than ten days before the sale, designate to  
the court the portion of the land which the mortga-  
gor claims as a homestead. The homestead may be  
any contiguous portion of forty acres or less of the  
real estate subject to the sheriff's sale. The home-  
stead shall contain the residence of the mortgagor  
and shall be as compact as practicable.

If a homestead is designated, the court shall de-  
termine the fair market value of the designated  
homestead before the sheriff's sale. The court may  
consult with the county appraisers appointed pur-  
suant to section 450.21, or with one or more inde-  
pendent appraisers, to determine the fair market  
value of the designated homestead.

The mortgagor may redeem the designated  
homestead by tendering the lesser of either any  
amount separately bid for the designated home-  
stead at the sheriff's sale pursuant to procedures  
set forth in chapter 628, or the fair market value,  
as determined pursuant to this section, of the des-  
ignated homestead at any time within one year  
from the date of the sheriff's sale, pursuant to the

procedures set forth in chapter 628.

86 Acts, ch 1216, §2; 87 Acts, ch 142, §4, 5; 90  
Acts, ch 1245, §2

#### 654.16A Right of first refusal following recording of sheriff's deed to agricultural land.

1. Not later than the time a sheriff's deed to  
agricultural land used for farming, as defined in  
section 175.2, is recorded, the grantee recording  
the sheriff's deed shall notify the mortgagor of the  
mortgagor's right of first refusal. The grantee  
shall record the sheriff's deed within one year and  
sixty days from the date of the sheriff's sale. A  
copy of this section, titled "Notice of Right of First  
Refusal" is sufficient notice.

2. If, after a sheriff's deed is recorded, the  
grantee proposes to sell or otherwise dispose of the  
agricultural land, in a transaction other than a  
public auction, the grantee shall first offer the  
mortgagor the opportunity to repurchase the agri-  
cultural land on the same terms and at the same  
price that the grantee proposes to sell or dispose of  
the agricultural land. If the grantee seeks to sell  
or otherwise dispose of the agricultural land by  
public auction, the mortgagor must be given sixty  
days' notice of all of the following:

a. The date, time, place, and procedures of the  
auction sale.

b. Any minimum terms or limitations imposed  
upon the auction.

3. The grantee is not required to offer the  
mortgagor financing for the purchase of the agri-  
cultural land.

4. The mortgagor has ten business days after  
being given notice of the terms and price of the pro-  
posed sale or disposition, other than a public auc-  
tion, in which to exercise the right to repurchase  
the agricultural land by submitting a binding offer  
to the grantee on the same terms as the proposed  
sale or other disposition, with closing to occur  
within thirty days after the offer unless otherwise  
agreed by the grantee. After the expiration of ei-  
ther the period for offer or the period for closing,  
without submission of an offer or a closing occur-  
ring, the grantee may sell or otherwise dispose of  
the agricultural land to any other person on the  
terms upon which it was offered to the mortgagor.

5. Notice of the mortgagor's right of first refus-  
al, a proposed sale, auction, or other disposition, or  
the submission of a binding offer by the mortgagor,  
is considered given on the date that notice or offer  
is personally served on the other party or on the  
date that notice or offer is mailed to the other  
party's last known address by registered or certifi-  
ed mail, return receipt requested. The right of  
first refusal provided in this section is not assign-  
able, but may be exercised by the mortgagor's suc-  
cessor in interest, receiver, personal representa-  
tive, executor, or heir only in case of bankruptcy,

receivership, or death of the mortgagor.  
90 Acts, ch 1245, §3

654.17 Reserved.

ALTERNATIVE PROCEDURES

654.18 Alternative nonjudicial voluntary foreclosure procedure.

1. Upon the mutual written agreement of the mortgagor and mortgagee, a real estate mortgage may be foreclosed pursuant to this section by doing all of the following:

a. The mortgagor shall convey to the mortgagee all interest in the real property subject to the mortgage.

b. The mortgagee shall accept the mortgagor's conveyance and waive any rights to a deficiency or other claim against the mortgagor arising from the mortgage.

c. The mortgagee shall have immediate access to the real property for the purposes of maintaining and protecting the property.

d. The mortgagor and mortgagee shall file a jointly executed document with the county recorder in the county where the real property is located stating that the mortgagor and mortgagee have elected to follow the alternative voluntary foreclosure procedures pursuant to this section.

e. The mortgagee shall send by certified mail a notice of the election to all junior lienholders as of the date of the conveyance under paragraph "a", stating that the junior lienholders have thirty days from the date of mailing to exercise any rights of redemption. The notice may also be given in the manner prescribed in section 656.3 in which case the junior lienholders have thirty days from the completion of publication to exercise the rights of redemption.

f. At the time the mortgagor signs the written agreement pursuant to this subsection, the mortgagee shall furnish the mortgagor a completed form in duplicate, captioned "Disclosure and Notice of Cancellation". The form shall be attached to the written agreement, shall be in ten point boldface type and shall be in the following form:

DISCLOSURE AND NOTICE OF CANCELLATION

.....  
(enter date of transaction)

Under a forced foreclosure Iowa law requires that you have the right to reclaim your property within one year of the date of the foreclosure and that you may continue to occupy your property during that time. If you agree to a voluntary foreclosure under this procedure you will be giving up your right to reclaim or occupy your property.

Under a forced foreclosure, if your mortgage lender does not receive enough money to cover what you owe when the property is sold, you will still be required to pay the difference. If your mortgage lender receives more money than you owe, the difference must be paid to you. If you agree to a voluntary foreclosure under this procedure you will not have to pay the amount of your debt not covered by the sale of your property but you also will not be paid any extra money, if any, over the amount you owe.

NOTE: There may be other advantages and disadvantages, including an effect on your income tax liability, to you depending on whether you agree or do not agree to a voluntary foreclosure. If you have any questions or doubts, you are advised to discuss them with your mortgage lender or an attorney.

You may cancel this transaction, without penalty or obligation, within five business days from the above date.

This transaction is entirely voluntary. You cannot be required to sign the attached foreclosure agreement.

This voluntary foreclosure agreement will become final unless you sign and deliver or mail this notice of cancellation to ..... (name of mortgagee) before midnight of ..... (enter proper date).

I HEREBY CANCEL THIS TRANSACTION.

DATE

SIGNATURE

2. A junior lienholder may redeem the real property pursuant to section 62S.29. If a junior lienholder fails to redeem its lien as provided in subsection 1, its lien shall be removed from the property.

3. Until the completion of foreclosure pursuant to this section, the mortgagee shall hold the real property subject to liens of record at the time of the conveyance by the mortgagor. However, the lien of the mortgagee shall remain prior to liens which were junior to the mortgage at the time of conveyance by the mortgagor to the mortgagee and may be foreclosed as provided otherwise by law.

4. A mortgagee who agrees to a foreclosure pursuant to this section shall not report to a credit bureau that the mortgagor is delinquent on the mortgage. However, the mortgagee may report that this foreclosure procedure was used.

85 Acts, ch 252, §46

654.19 Deed in lieu of foreclosure — agricultural land.

In lieu of a foreclosure action in court due to default on a recorded mortgage or deed of trust of

FROM :

Gerald Fambrough

FAX NO. 515-488-6411

641-423-5154

5154, 284 311  
O. 16 2006 03:01PM P1

P.O. BOX 1307, MADISON CITY, IOWA 50402-1307, TELEPHONE 515-423-5154, FAX 515-423-5310

## RESIDENTIAL PURCHASE AGREEMENT

**TO: James Herman and Peggy Herman, husband and wife, (Sellers)**

The undersigned Buyers hereby offer to buy and the undersigned Sellers by their acceptance agree to sell the real Property situated in Madison County, Iowa, locally known as 2768 295<sup>th</sup> Street, East Peru, Iowa 50222 and legally described as:

**THE NORTH 20 ACRES OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER (NW¼ SE¼) OF SECTION THIRTY-FIVE (35), WALNUT TOWNSHIP, MADISON COUNTY, IOWA (THE EXACT LEGAL DESCRIPTION SHALL BE AS SET FORTH WITHIN THE ABSTRACT TO BE PROVIDED AT SELLERS' EXPENSE AS NOTED BELOW)**

together with any easements and appurtenant servient estates, but subject to any reasonable easements of record for public utilities or roads, any zoning restrictions, customary restrictive covenants and mineral reservations of record, if any, herein referred to as the "Property", upon the following terms and conditions; provided Buyers, on possession, are permitted to use the Property for residential purposes:

**1. PURCHASE PRICE.** The purchase price shall be \$95,000.00 and the method of payment shall be as follows: \$500.00 with this offer to be deposited with Heiny, McManigal, Duffy, Stambaugh & Anderson P.L.C. (their trust account) upon acceptance of this offer and held in trust as earnest money upon performance of Sellers' obligations and satisfaction of Buyers' contingencies, if any; and the balance of the Purchase Price to be paid upon the terms specified below.

This Agreement is not contingent upon Buyers obtaining a commitment in writing for a conventional mortgage as buyers have already obtained a commitment from First Citizens National Bank, Mason City, Iowa.

**2. REAL ESTATE TAXES.** A. Sellers shall pay all real estate taxes that are due and payable as of the date of possession and constitute a lien against the Property, including any unpaid real estate taxes for any prior years.

B. Sellers shall pay their prorated share, based upon the date of possession, of the real estate taxes for the fiscal year in which possession is given (ending June 30, 2006), due and payable in the subsequent fiscal year (commencing July 1, 2006).

Buyers shall be given a credit for such proration at closing (unless this Agreement is for an installment contract) based upon the last known actual net real estate taxes payable according to public record. However, if such taxes are based upon a partial assessment of the present Property Improvements or a changed tax classification as of the date of possession, such proration shall be based on the current millage rate, the assessed value, legislative tax rollbacks and real estate tax exemptions that will actually be applicable as shown by the Assessor's Records on the date of possession.

C. Buyers shall pay all subsequent real estate taxes.

**3. SPECIAL ASSESSMENTS.** A. Sellers shall pay in full all special assessments which are a lien on the Property as of date of closing.

~~B. All charges for solid waste removal, sewage and maintenance that are attributable to Sellers' possession, including those for which assessments arise after closing, shall be paid by Sellers.~~

C. Any preliminary or deficiency assessment which cannot be discharged by payment shall be paid by Sellers through an escrow account with sufficient funds to pay such liens when payable, with any unused funds returned to Sellers.

D. Buyers shall pay all other special assessments.

**4. RISK OF LOSS AND INSURANCE.** Sellers shall bear the risk of loss or damage to the Property prior to closing or possession, whichever first occurs. Sellers agree to maintain existing insurance and Buyers may purchase additional insurance. In the event of substantial damage or destruction prior to closing, this Agreement shall be null and void and any monies shall be returned to Buyers; provided, however, Buyers shall have the option to complete the closing and receive insurance proceeds regardless of the extent of damages. The Property shall be deemed substantially damaged or destroyed if it cannot be restored to its present condition before the closing date.

JH  
JH

PH  
PH

AWM

SAM

FROM :

FAX NO. :417654889

b. 16 2006 03:02PM P2



**6. POSSESSION AND CLOSING.** If Buyers timely perform all obligations, possession of the Property shall be delivered to Buyers on or before March 1, 2006, and any adjustments of rent, insurance, taxes, interest and all charges attributable to the Sellers' possession shall be made as of the date of possession. Closing shall occur after approval of title and vacation of the Property by Sellers, but prior to possession by Buyers. Sellers agree to permit Buyers to inspect the Property within twenty-four (24) hours prior to closing to assure that the premises are in the condition required by this Agreement. If possession is given on a day other than closing, the parties shall make a separate agreement with adjustments as of the date of possession. This transaction shall be considered closed upon the delivery of the title transfer documents to Buyers and receipt of all funds then due at closing from Buyers under this Agreement.

**6. FIXTURES.** Included with the Property shall be all fixtures that integrally belong to, are specifically adapted to or are a part of the real estate, whether attached or detached, such as: attached wall-to-wall carpeting, built-in appliances, light fixtures (including light bulbs), water softeners (except rentals), shutters, shades, rods, blinds, venetian blinds, awnings, storm windows, storm doors, screens, television antennas (including satellite dishes), air conditioning equipment (except window type), door chimes, automatic garage door openers, electrical service cables, attached mirrors, fencing, gates, attached shelving, bushes, trees, shrubs and plants.

**7. CONDITION OF PROPERTY.**

A. The Property as of the date of this Agreement including buildings, grounds, and all improvements shall be preserved by the Sellers in its present condition until possession, ordinary wear and tear excepted.

B. Buyers acknowledge that they have made a satisfactory inspection of the Property and are purchasing the Property in its existing condition. Buyers are purchasing the Property "AS IS" and "With all Faults."

**8. ABSTRACT AND TITLE.** Sellers, at their expense, shall promptly obtain an abstract of title to the Property continued through the date of acceptance of this Agreement and deliver it to Buyers' attorney for examination. It shall show marketable title in Sellers in conformity with this Agreement, Iowa law, and Title Standards of The Iowa State Bar Association. The Sellers shall make every reasonable effort to promptly perfect title. If closing is delayed due to Sellers' inability to provide marketable title, this Agreement shall continue in force and effect until either party rescinds this Agreement after giving ten days written notice to the other party. The abstract shall become the property of Buyers when the purchase price is paid in full. Sellers shall pay the costs of any additional abstracting and title work due to any act or omission of Sellers, including transfers by or the death of Sellers or their assignees.

**9. SURVEY.** Buyers may, at Buyers' expense prior to closing, have the Property surveyed and certified by a Registered Land Surveyor. If the survey shows any encroachment on the Property or if any improvements located on the Property encroach on lands of others, the encroachments shall be treated as a title defect. If the survey is required under Iowa Code Chapter 354, Sellers shall pay the cost thereof.

**10. ENVIRONMENTAL MATTERS.** (a) Sellers warrant to the best of their knowledge and belief that there are no abandoned wells, solid waste disposal sites, hazardous wastes or substances or underground storage tanks located on the Property; that the Property does not contain levels of radon gas, asbestos or urea-formaldehyde foam insulation which require remediation under current governmental standards; and that Sellers have done nothing to contaminate the Property with hazardous wastes or substances. Sellers warrant that the Property is not subject to any local, state, or federal judicial or administrative action, investigation or order, regarding wells, solid waste disposal sites, hazardous wastes or substances, or underground storage tanks. Sellers shall also provide Buyers with a properly executed GROUNDWATER HAZARD STATEMENT showing no wells, solid waste disposal sites, hazardous waste and underground storage tanks on the Property unless disclosed here: None

(b) Buyers may at their expense, within ten (10) days after the date of acceptance, obtain a report from a qualified engineer or other person qualified to analyze the existence or nature of any hazardous materials, substances, conditions or wastes located on the Property. In the event any hazardous materials, substances, conditions or wastes are discovered on the Property, Buyers' obligation hereunder shall be contingent upon the removal of such materials, substances, conditions or wastes, or other resolution of the matter reasonably satisfactory to Buyers. However, in the event Sellers are required to expend any sum in excess of \$500.00 to remove any hazardous materials, substances, conditions or wastes, Sellers shall have the option to cancel this transaction and refund to Buyers all monies paid and declare this Agreement null and void. The expense of any inspection shall be paid by Buyers. The expense of any action necessary to remove or otherwise make safe any hazardous materials, substances, conditions or wastes, shall be paid by Sellers, subject to Sellers' right to cancel this transaction as provided above.

**11. DEED.** Upon payment of the purchase price, Sellers shall convey the Property to Buyers by Joint Tenancy Warranty Deed, free and clear of all liens, restrictions, and encumbrances except as provided in this Agreement. General warranties of title shall extend to the time of delivery of the deed excepting liens or encumbrances suffered or permitted by Buyers.

**12. JOINT TENANCY IN PROCEEDS AND IN REAL ESTATE.** If Sellers, immediately preceding acceptance of this offer, hold title to the Property in joint tenancy with full rights of survivorship, and the joint tenancy is not later destroyed by operation of law or by acts of the Sellers, then the proceeds of this sale, and any continuing or recaptured rights of Sellers in the Property, shall belong to Sellers as joint tenants with full rights of survivorship and not as tenants in common; and Buyers, in the event of the death of any Seller, agree to pay any balance of the price due Sellers under this contract to the surviving Sellers and to accept a deed from the surviving Sellers consistent with Paragraph 11.

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

**14. STATEMENT AS TO LIENS.** If Buyers intend to assume or take subject to a lien on the Property, Sellers shall furnish Buyers with a written statement prior to closing from the holder of such lien, showing the correct balance due and terms.



15. USE OF PURCHASE PRICE. At time of settlement, funds of the purchase price may be used to pay taxes and other liens and to acquire outstanding interests, if any, of others.

16. REMEDIES OF THE PARTIES. (A) If Buyers fail to timely perform this Agreement, Sellers may forfeit it as provided in the Iowa Code Chapter 668, and all payments made shall be forfeited; or, at Sellers' option, upon thirty days written notice of intention to accelerate the payment of the entire balance because of Buyers' default (during which thirty days the default is not corrected), Sellers may declare the entire balance immediately due and payable. Thereafter this Agreement may be foreclosed in equity and the Court may appoint a receiver.

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JH

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PH

AWM  
AWM

SAM  
SAM

(B) If Sellers fail to timely perform this Agreement, Buyers have the right to have all payments made returned to Buyers.

(C) Buyers and Sellers are also entitled to utilize any and all other remedies or actions at law or in equity available to them and shall be entitled to obtain judgment for costs and attorney fees as permitted by law.

17. **NOTICE.** Any notice under this Agreement shall be in writing and be deemed served when it is delivered by personal delivery or by certified mail return receipt requested, addressed to the parties, at the respective addresses given below.

18. **GENERAL PROVISIONS.** In the performance of each part of this Agreement, time shall be of the essence. Failure to promptly assert rights herein shall not, however, be a waiver of such rights or a waiver of any existing or subsequent default. This Agreement shall apply to and bind the successors in interest of the parties. This Agreement shall survive the closing. Paragraph headings are for convenience of reference and shall not limit or affect the meaning of this Agreement. Words and phrases herein shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender, according to the context.

19. **TERMITE INSPECTION.** Buyers at their expense may have the Property inspected for termites or other wood destroying insects by a licensed pest inspector prior to closing. If active infestation or damage due to prior infestation is discovered, Sellers shall have the option of either having the Property treated for infestation by a licensed pest exterminator and having any damage repaired to the Buyers' satisfaction, or declaring this Agreement null and void and returning all monies to Buyers. This provision shall not apply to fences, trees, shrubs or outbuildings other than garages. Buyers may accept the Property in its existing condition without such treatment or repairs.

20. **NO REAL ESTATE AGENT OR BROKER.** Neither party has used the services of a real estate agent or broker in connection with this transaction. Sellers agree to indemnify Buyers and hold Buyers harmless from any claim by a real estate agent or broker arising out of or related to this transaction between Sellers and Buyers.

21. **LEAD WARNING STATEMENT.** Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

22. **WAIVER OF LEAD-BASED PAINT CONTINGENCY.** This agreement is not contingent upon a risk assessment or inspection of the property for the presence of lead-based paint and/or lead-based paint hazards.

23. **RESIDENTIAL PROPERTY SELLER DISCLOSURE STATEMENT.** Buyers acknowledge receipt of a copy of a Residential Property Seller Disclosure Statement which includes Disclosure Information on Lead-Based Paint and/or Lead-Based Paint Hazards.

24. **EXECUTION.** This Agreement may be executed upon counterparts and becomes effective when both Sellers and Buyers have signed, whether on the same or separate copies of this Agreement. Further, signatures which have been photocopied or sent by facsimile shall have the same force and effect as original signatures.

25. **ACCEPTANCE:** When accepted, this Agreement shall become a binding contract. If not accepted and delivered to Buyers on or before the 15<sup>th</sup> day of February, 2006, this Agreement shall be null and void and all payments made shall be returned immediately to Buyers.

**SELLERS:**

James Herman Dated: 2-10-06  
James Herman  
SSN: \_\_\_\_\_

Peggy Herman Dated: 2-10-06  
Peggy Herman  
SSN: \_\_\_\_\_

2917 328<sup>th</sup> Street #104  
Truro, Iowa 50257-8033  
Telephone: 641-765-4705 (Home)  
515-468-0835 (Cell)

**BUYERS:**

\_\_\_\_\_  
Dated: \_\_\_\_\_  
Arlo W. Movick  
SSN: \_\_\_\_\_

\_\_\_\_\_  
Dated: \_\_\_\_\_  
Shirly A. Movick  
SSN: \_\_\_\_\_

6 Willowbrook Drive  
Mason City, Iowa 50401  
Telephone: 641-424-9356