



REAL ESTATE CONTRACT-INSTALLMENTS

IT IS AGREED this 17th day of February, 1995, by and between Richard C. Loest
and Rene S. Loest, husband and wife

of the County Madison, State of Iowa, Sellers; and R. Mark Jennett and
Nita Jennett, husband and wife

of the County of Madison, State of Iowa, Buyers;

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

See Exhibit "A" attached hereto and incorporated herein by this reference

*For info purposes see record
Deed filed 1-30-94
3-25-98*

STATE OF IOWA, SS.
MADISON COUNTY,

Inst No. 2083 Filed for Record this 17 day of Feb 1995 at 11:00 AM
Book 134 Page 16 Recording Fee \$ 26.00 Michelle Utsler, Recorder, By Shirley H. Henry Deputy

together with any easements and servient estates appurtenant thereto, but with such reservations and exceptions of title as may be below stated, and certain personal property if and as may be herein described of if and as an itemized list is attached hereto and marked "Exhibit A" all upon the terms and conditions following:

1. TOTAL PURCHASE PRICE. The buyer agrees to pay for said property the total of \$ 50,000.00 due and payable at R. R. 1 Box 52, Peru Madison County, Iowa, as follows:

(a) DOWNPAYMENT of \$ 5,000.00 RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED: and

(b) BALANCE OF PURCHASE PRICE. \$ 45,000.00 as follows \$ 1,214.64

or more, due on or before April 1, 1995; and, \$1,214.64, or more, due on or before the first day of each succeeding calendar quarter thereafter until January 1, 1998 when all unpaid balances shall be due and payable in full. The Buyer shall pay Seller interest upon the unpaid principal balances from January 1, 1995 at the rate of nine percent (9%) per annum payable quarterly as herein provided. The quarterly payments include principal and interest. All payments shall be first credited towards the interest accrued to the date of payment and the balance towards the reduction in principal.

2. POSSESSION. Buyers, concurrently with due performance on their part shall be entitled to possession of said premises on the 1st day of January, 1995; and thereafter so long as they shall perform the obligations of this contract. If Buyers are taking subject to the rights of lessees and are entitled to rentals therefrom on and after date of possession, so indicate by "yes" in the space following no

3. TAXES. Sellers shall pay 1/2 of the property taxes payable in the fiscal year commencing on July 1, 1995

and any unpaid taxes thereon payable in prior years. Buyers shall pay any taxes not assumed by Sellers and all subsequent taxes before same become delinquent. Whoever may be responsible for the payment of said taxes, and the special assessments, if any, each year, shall furnish to the other parties evidence of payment of such items not later than July 15 of each year. Any proration of taxes shall be based upon the taxes for the year currently payable unless the parties state otherwise. (Decide, for yourself, if that formula is fair if Buyers are purchasing a lot with newly built improvements.)

4. SPECIAL ASSESSMENTS. Sellers shall pay the special assessments against this property: ~~(to be paid by the seller)~~

~~(a) Which are a lien thereon as of January 1, 1995~~

(b) Which are a lien thereon as of January 1, 1995 (Date)

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

Buyers, except as above stated, shall pay all subsequent special assessments and charges, before they become delinquent.

5. MORTGAGE. Any mortgage or encumbrance of a similar nature against the said property shall be timely paid by Sellers so as not to prejudice the Buyers' equity herein. Should Sellers fail to pay, Buyers may pay any such sums in default and shall receive credit on this contract for such sums so paid. MORTGAGE BY SELLERS. Sellers, their successors in interest or assigns may, and hereby reserve the right to at any time mortgage their right, title or interest in such premises or to renew or extend any existing mortgage for any amount not exceeding 00000 % of the then unpaid balance of the purchase price herein provided. The interest rate and amortization thereof shall be no more onerous than the installment requirements of this contract. Buyers hereby expressly consent to such a mortgage and agree to execute and deliver all necessary papers to said Sellers in securing such a mortgage which shall be prior and paramount to any of Buyers' then rights in said property. DEED FOR BUYERS SUBJECT TO MORTGAGE. If Buyers have reduced the balance of this contract to the amount of any existing mortgage balance on said premises, they may at their option, assume and agree to pay said mortgage according to its terms, and subject to such mortgage shall receive a deed to said premises; or Sellers, at their option, any time before Buyers have made such a mortgage commitment, may reduce or pay off such mortgage. ALLOCATED PAYMENTS. Buyers, in the event of acquiring this property from an equity holder instead of a holder of the fee title, or in the event of a mortgage against said premises, reserve the right, if reasonably necessary for their protection to divide or allocate the payments to the interested parties as their interests may appear. SELLERS AS TRUSTEES. Sellers agree that they will collect no money hereunder in excess of the amount of the unpaid balance under the terms of this contract less the total amount of the encumbrance on the interest of Sellers or their assigns in said real estate; and if Sellers shall hereafter collect or receive any moneys hereunder beyond such amount, they shall be considered and held as collecting and receiving said money as the agent and trustee of the Buyers for the use and benefit of the Buyers.

6. INSURANCE. Except as may be otherwise included in the last sentence of paragraph 1(b) above, Buyers as and from said date of possession, shall constantly keep in force insurance, premiums therefor to be prepaid by Buyers (without notice or demand) against loss by fire, tornado and other hazards, casualties and contingencies as Seller may reasonably require on all buildings and improvements, now on or hereafter placed on said premises and any personal property which may be the subject of this contract. In companies to be reasonably approved by Sellers in an amount not less than the full insurable value of such improvements and personal property or not less than the unpaid purchase price herein whichever amount is smaller with such insurance payable to Sellers and Buyers as their interests may appear. BUYERS SHALL PROMPTLY DEPOSIT SUCH POLICY WITH PROPER RIDERS WITH SELLERS for the further security for the payment of the sums herein mentioned. In the event of any such casualty loss, the insurance proceeds may be used under the supervision of the Sellers to replace or repair the loss if the proceeds be adequate; if not, then some other reasonable application of such funds shall be made; but in any event such proceeds shall stand as security for the payment of the obligations herein.

7. CARE OF PROPERTY. Buyers shall take good care of this property; shall keep the buildings and other improvements now or hereafter placed on the said premises in good and reasonable repair and shall not injure, destroy or remove the same during the life of this contract. Buyers shall not make any material alteration in said premises without the written consent of the Sellers. Buyers shall not use or permit said premises to be used for any illegal purpose.

EXHIBIT "A"

DESCRIPTION:

Parcel "A" in the East half of the Northwest Quarter of Section 15, Township 74 North, Range 27 West of the 5th Principal Meridian, Madison County, Iowa, more particularly described as follows:

Commencing at the Center of Section 15, T74N, R27W of the 5th P.M., Madison County, Iowa; thence, along the East line of the NW. 1/4 of said Section 15, North 00°15'24" East, 1,170.46 feet; thence North 90°00'00" West, 478.20 feet to the Point of Beginning. Thence North 86°14'18" West, 354.82 feet; thence North 05°25'22" East, 265.47 feet; thence North 84°34'38" West, 378.98 feet; thence South 00°00'00", 317.62 feet; thence South 82°28'07" East, 203.90 feet; thence South 04°01'12" West, 131.66 feet; thence South 84°04'05" East, 147.56 feet; thence North 00°01'58" West, 122.09 feet, thence North 85°46'51" East, 6.12 feet; thence North 05°25'22" East, 48.59 feet; thence South 86°14'18" East, 349.41 feet to the Westerly Right of Way line of a County Road; thence, along said Road Right of Way line, North 20°25'58" East, 20.88 feet to the Point of Beginning. Said Parcel "A" contains 3.282 Acres.

DESCRIPTION:

A 16.0 foot wide Well and Waterline Easement, being 8.0 feet wide on both sides of the following described centerline:

Beginning at a point that is North 84°04'05" West, 13.41 feet of the Southeast Corner of the above described Parcel "A"; thence South 12°30'14" West, 310.0 feet to a terminus.

EXHIBIT "B"

23. The Buyer shall pay Seller delinquent interest upon the unpaid principal balances from the first date any payment becomes delinquent until the date in which any delinquent payment is paid the Seller at the rate of twelve percent (12%) per annum. In addition, to the delinquent interest rate, the Buyer shall pay Seller a delinquency fee of Twenty Dollars (\$20.00) for any payment which is not paid the Seller within ten (10) days of the due date.

24. The Buyer may extend at Buyer's request the term of this contract from January 1, 1998 until January 1, 2001 provided the Buyer shall pay Seller interest upon the unpaid principal balances from January 1, 1998 at a rate equal to two percent (2%) more than the Prime Interest Rate as reported by the Wall Street Journal for January 2, 1998 derived from the base rate on corporate loans posted by the nation's largest banks.

25. The Buyer shall have the right to make any payment payable to Seller and Farmers Home Administration (now Rural Economic and Community Development) so long as Rural Economic Community Development retains an interest in the premises.

26. The Seller reserves a perpetual nonexclusive easement for right of way access to adjoining land upon, along and over the real estate legally described as:

Commencing at the Center of Section Fifteen (15), Township Seventy-four (74) North, Range Twenty-seven (27) West of the 5th P.M., Madison County, Iowa; thence, along the East line of the Northwest Quarter (¼) of said Section Fifteen (15), North 00°15'24" East, 1,170.46 feet; thence North 90°00'00" West, 478.20 feet to the Point of Beginning; Thence North 86°14'18" West, 354.82 feet; thence South 05°25'22" West, 20.88 feet; thence South 86°14'18" East, 349.41 feet to the Westerly Right of Way line of a County Road; thence, along said road Right of Way line, North 20°25'58" East, 20.88 feet to the Point of Beginning.

In addition, during the term of this contract including any extensions the Seller reserves the right of access upon, along and through the premises over the existing access route to Seller's adjoining lands, which route is generally a twenty foot wide lane extending from the easement described in this paragraph.

27. The Buyer shall at Buyer's cost be responsible for any fence which may be necessary upon and along the West and North boundaries of the premises.

28. The Buyer shall pay Seller the net proceeds from the sale of any property included with this sales contract upon the Buyer's receipt of the proceeds. Such payment shall be applied to the contract balances as provided by paragraph one.

29. This sale includes the 1980 20' x 50' silo with grain unloader and sweep arm auger.

30. Seller grants the Buyer the nonexclusive right to use the water from the well located as described on Exhibit "A". The Seller makes no representations whatsoever about either the purity, quantity or quality of this water. The Seller further grants the Buyer an access easement to provide Buyer right-of-way to the well along, under, and through the easement area described on Exhibit "A" to install, repair, maintain, operate, inspect, and patrol the water well with buried waterline, electrical lines, pumps and all related accessories. All equipment and accessories common to the use of the well by both parties shall be owned by them as tenants-in-common and shall be maintained, repaired, replaced, and inspected by them with the costs thereof divided equally between them. The parties shall install a separate electrical meter for the well pump and shall install on each water line running to their

Exhibit "B"
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respective premises a water meter to measure the quantity of water pumped by each party. The electricity costs for the pump and related accessories shall be divided between the parties in accordance with a ratio the numerator of which shall be the quantity of water pumped by each party and the denominator of which shall be the total quantity of water pumped during the period covered by the electrical billing by both parties. Neither party shall fence-in the water system easement area described on Exhibit "A". All repairs and maintenance to common equipment and accessories shall be approved in advance by both parties, except in emergencies where a party cannot be reached within a twenty-four (24) hour period by the other party allowing the one party to proceed with the emergency repairs. This easement shall be a covenant running with the land and shall bind and inure to the benefit of the successors, assigns, and heirs of the parties.

31. The Seller grants the Buyer a license for a period of ten (10) years from January 1, 1995 to spread manure from Buyer's livestock operations on these premises upon and across Seller's adjoining crop land during the spring and fall of each year.

32. The Buyer shall provide Seller for a period of ten (10) years from January 1, 1995 with waterline hydrant and stock tank and the water from the well system described in paragraph 30 for Seller's livestock located in the Seller's adjoining pasture.

33. The Buyer shall have the right to prepay any amounts due under this contract at any time without any penalty.