

REAL ESTATE CONTRACT

IT IS AGREED between Annabel Johnson and William L. Johnson, wife and husband; and, Jane A. Bek, single, Sellers; and Nicholas C. Bek, Buyer:

Sellers agree to sell and Buyer agrees to buy the Seller's undivided interests in the real estate in Madison County, Iowa, described as:

South 50 Acres of the East Half (1/2) of the Southwest Quarter (1/4) and the Southwest Quarter (1/4) of the Southeast Quarter (1/4) of Section One (1), and

The East Half (1/2) of the Northwest Quarter (1/4) and the West Half (1/2) of the Northeast Quarter (1/4) of Section Twelve (12), all in Township Seventy-five (75) North, Range Twenty-seven (27) West of the 5th P.M., Madison County, Iowa,

with any easements and appurtenant servient estates, but subject to the following: any zoning and other ordinances, any covenants of record, and any easements of record, upon the following terms:

1. PRICE. The total purchase price for the real estate is One Hundred Thousand and no/100 Dollars (\$100,000.00), one-half (1/2) of which shall be paid to Annabel Johnson and one-half (1/2) of which shall be paid to Jane A. Bek, payable to the Sellers at their respective address, or as directed by Sellers, as follows:

\$8,718.46 on March 1, 1996 and \$8,718.46 on March 1 of each and every year thereafter until all sums due hereunder are paid in full. All payments shall be credited first to unpaid interest and the balance, if any, to principal. Seller shall have the right to prepay any amount at any time after March 1, 2000.

2. INTEREST. Buyer shall pay interest from March 1, 1995 upon the unpaid balance, at the rate of six percent (6%) per annum, payable annually. Buyer shall also pay interest at the rate of six percent (6%) per annum on all delinquent amounts and any sum reasonably advanced by Sellers to protect their interest in this contract, computed from the date of the delinquency or advance.

3. REAL ESTATE TAXES. Sellers shall pay four-ninths (4/9ths) of the real estate taxes payable in the fiscal year commencing July 1, 1995 and any unpaid real estate taxes payable in prior years. Buyer shall pay all subsequent real estate taxes. Any proration of real estate taxes on the Real Estate shall be based upon such taxes for the year currently payable unless the parties state otherwise.

4. SPECIAL ASSESSMENTS. Sellers shall pay all special assessments which are a lien on the Real estate as of March 1, 1995. All other special assessments shall be paid by Buyer.

5. POSSESSION. Sellers delivered Buyer possession of the Real Estate on March 1, 1995.

6. INSURANCE. Sellers shall maintain existing insurance upon the Real Estate until the date of possession. Buyer shall accept insurance proceeds instead of Sellers replacing or repairing damaged improvements. After possession and until full payment of the purchase price, Buyer shall keep the improvements on the Real Estate insured against loss by fire, tornado, and extended coverage for a sum not less than 80 percent (80%) of full insurable value payable to the Sellers and Buyer as their interests may appear. Buyer shall provide Sellers with evidence of such insurance.

7. ABSTRACT AND TITLE. Sellers, at the expense of the Carl J. Bek Estate, shall promptly obtain an abstract of title to the Real Estate continued through March 1, 1995 and deliver it to Buyer for examination. It shall show merchantable title in Sellers in conformity with this agreement, Iowa law and the Title Standards of the Iowa State Bar Association. The abstract shall become the property of the Buyer when the purchase price is paid in full, however, Buyer reserve the right to occasionally use the abstract

prior to full payment of the purchase price. 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.

8. **FIXTURES.** All property that integrally belongs to or is part of the Real Estate, whether attached or detached, such as light fixtures, shades, rods, blinds, awnings, windows, storm doors, screens, plumbing fixtures, water heaters, water softeners, automatic heating equipment, air conditioning equipment, wall to wall carpeting, built-in items and electrical service cable, outside television towers and antenna, fencing, gates and landscaping shall be considered a part of Real Estate and included in the sale.

9. **CARE OF PROPERTY.** Buyer shall take good care of the property; shall keep the buildings and other improvements now or later placed on the Real Estate in good and reasonable repair and shall not injure, destroy or remove the property during the life of this contract. Buyer shall not make any material alteration to the Real Estate without the written consent of the Sellers.

10. **DEED.** Upon payment of purchase price, Sellers shall convey their interest in the Real Estate to Buyer or his assignees, by warranty deed, free and clear of all liens, restrictions, and encumbrances except as provided herein. Any general warranties of title shall extend only the date of this contract, with special warranties as to acts of Sellers continuing up to time of delivery of the deed.

11. **REMEDIES OF THE PARTIES.**

a. If Buyer fail to timely perform this contract, the Sellers may forfeit it as provided in The Code, and all payments made shall be forfeited or, at Seller's option, upon thirty days written notice of intention to accelerate the payment of the entire balance because of such failure (during which thirty days such failure is not corrected) Sellers may declare the entire balance immediately due and payable. Thereafter this contract may be foreclosed in equity; the Court may appoint a receiver; and the period of redemption after sale on foreclosure may be reduced under the conditions of Section 628.26 or Section 628.27 of The Code.

b. If Sellers fail to timely perform this contract, Buyer have the right to have all payments made returned to them.

c. Buyer and Sellers are also entitled to utilize any and all other remedies or actions at law or in equity available to them.

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

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

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

14. **OPTION TO RE-PURCHASE RESERVED.** Each of the Sellers reserve the right and option to purchase an undivided one-third (1/3) interest in the real estate for a sum equal to \$200.00 for each acre of the real estate actually conveyed to them under this option, in the event Buyer shall, voluntarily or involuntarily, within five (5) years from the date this contract is filed for record in the office of the Madison County, Iowa Recorder, cease to use any or all of the real estate as a part of an active or passive farming operation conducted by Buyer. For the purpose of this provision, any act evidencing Buyer's intent to convey all or any part of the real estate, including but not limited to, listing the premises with a real estate broker or agent, accepting an offer to purchase all or any part of the real estate made by a third party or offering to sell all or any part of the real estate to a third party, shall be construed to be a ceasing of Buyer's use of the real estate as a part of an active or passive farming operation conducted by him.

15. CONSTRUCTION. Words and phrases in this contract shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender, according to the context.

Dated this 13th day of September, 1995.

Nicholas C. Bek
Nicholas C. Bek BUYER
R. R. 1 BOX 128
ST. CHARLES, IA 50240

Annabel Johnson
Annabel Johnson SELLER

Jane A. Bek
Jane A. Bek SELLER
5125 BLODGETT #218
DOWNERS GROVE, IL 60515

William L. Johnson
William L. Johnson SELLER
R. R. 2 BOX 517
BIG SANDY, TX 75755

STATE OF IOWA)
COUNTY OF MADISON) SS

On this 13th day of August, 1995, before me, the undersigned, a Notary Public in and for said State, personally appeared Nicholas C. Bek, to me known to be the identical persons named in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their voluntary act and deed.

Beth Flander
BETH FLANDER
Notary Public in and for said State.

STATE OF TEXAS)
COUNTY OF Upskue) SS

On this 11st day of September, 1995, before me, the undersigned, a Notary Public in and for said State, personally appeared Annabel Johnson and William L. Johnson, to me known to be the identical persons named in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their voluntary act and deed.

Ardith Weiss
Notary Public in and for said State.

STATE OF ILLINOIS)
COUNTY OF Cook) SS

On this 13th day of September, 1995, before me, the undersigned, a Notary Public in and for said State, personally appeared Jane A. Bek, to me known to be the identical persons named in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their voluntary act and deed.

Laura Vazquez
Notary Public in and for said State

