

STATE OF IOWA  
MADISON COUNTY, SS.Inst. No. 411 Filed for Record this 15 day of August 19 95 at 11:55 AM  
Book 134 Page 620 Recording Fee \$ 16.00 Michelle Utsler, Recorder. By Shirley H. Henry  
DeputyREAL ESTATE  
INSTALLMENT CONTRACTCOMPLETED   
RECORDED   
COMPLETED 

IT IS AGREED this 15 day of AUGUST, 1995, by and between BRUCE C. JOHNSTON AND KATHERINE ANN JOHNSTON, HUSBAND AND WIFE, of the County of POLK, State of Iowa, Sellers; and J & W FARMS, AN IOWA GENERAL PARTNERSHIP of the County of POLK, State of Iowa, Buyers:

That the Sellers agree to sell to the Buyers, and the Buyers in consideration of the premises, hereby agree to purchase the following described real estate situated in the County of MADISON, and State of Iowa, to-wit:

SEE ATTACHED EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

## SUBJECT TO ALL BUILDING RESTRICTIONS AND EASEMENTS OF RECORD

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 as may be herein described or as an itemized list 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 \$240,700.00, due and payable at POLK County, Iowa, as follows:
  - a. **DOWN PAYMENT OF \$50,000.00**, receipt of which is hereby acknowledged and
  - b. **BALANCE OF PURCHASE PRICE, \$190,700.00**, as follows: \$2,313.72 (or more at the option of the Buyers) (and more as may be increased by the provision of the last sentence of this paragraph) on or before 9/1/95, and \$2,313.72 including interest (or more at the option of the Buyers) (and more as may be increased by the provisions of the last sentence of this paragraph) on or before the 15th day of each and every consecutive month thereafter until all sums due under this contract are paid in full, including interest on unpaid balances at the rate of 8.0 percent per annum, payable monthly from AUGUST 1, 1995, until fully paid; said payments to be applied first to the interest then unpaid and next upon the balance of the principal. If indicated by "Yes" in the space following, or upon subsequent request by Sellers, Buyers shall on the said dates for payment each month, in addition to the said monthly payments, pay one-twelfth (1/12) of the annual taxes, annual special assessments, and annual insurance to Sellers, as a trust fund, in amounts reasonably calculated by Sellers, for the timely payment of such items by Sellers to the extent of such fund. NO NO (Yes or not now)
2. **POSSESSION.** Buyers, concurrently with due performance shall be entitled to possession of said premises on 8/15/95, and thereafter so long as they shall perform the obligations of this contract.
3. **LEASE.** If Buyers are taking subject to the rights of Lessees and are entitled to rentals therefrom on or after date of possession, so indicate by "Yes" in the space following. NA
4. **TAXES.** Seller shall pay 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. Any proration of taxes shall be based upon the taxes for the year currently payable.
5. **SPECIAL ASSESSMENTS.** Sellers shall pay the special assessments against this property:
  - a. Which are a lien thereon as of 8/15/95. (Date)
  - b. Including all sewage disposal assessments 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.
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 therefore to be prepaid by Buyers (without notice or demand) against loss by fire, tornado, 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 approved by Sellers in an amount not less than the full insurable value of such improvements and personal property or 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 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. **LIENS.** No mechanics' liens shall be imposed upon or foreclosed against the real estate described herein.
8. **CARE OF PROPERTY.** Buyers shall take good care of this property and shall keep the buildings and other improvements now or hereafter placed on the said premises in good repair.
9. **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 100% of the then unpaid balance of the purchase price herein provided. The Buyers hereby expressly consent to such a mortgage and agree to execute and deliver all necessary papers to aid Sellers in securing such a mortgage which shall be prior to and paramount to any of the Buyers' 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 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 monies 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.
10. **JOINT TENANCY IN PROCEEDS AND SECURITY RIGHT IN REAL ESTATE.** If and only if, the Sellers immediately preceding this sale, hold the title to the above described property in joint tenancy, and such joint tenancy has not later been destroyed by operation of law or by acts of the Sellers, this sale shall not constitute such destruction and the proceeds of this contract, and any continuing and/or recaptured rights of Sellers in said real estate shall be and continue in Sellers as joint tenants with rights of survivorship and not as tenants in common. SELLERS. Spouse, if not titleholder immediately preceding this sale, shall be presumed to have executed this instrument only for the purpose of relinquishing all rights of dower, homestead and distributive share and/or in compliance with Section 561.13 Code of Iowa; and the use of the word "Sellers" in the printed portion of this contract, without notice, shall not rebut such presumption, nor in any way enlarge or extend the previous interest of such spouse in said property, or in the sale proceeds, nor bind such spouse except as aforesaid, to the terms and provisions of this contract.
11. **DEED AND ABSTRACT AND APPROVAL OF ABSTRACT.** If all said sums of money and interest are paid to Sellers during the life of this contract,

Sellers will execute and deliver to Buyers a Warranty Deed conveying said premises in fee simple pursuant to and in conformity with this contract. Sellers will at this time deliver to Buyers an abstract showing merchantable title, in conformity with this contract. Buyers have examined the abstract of title to this property and such abstract is accepted. This contract supersedes the previous written PURCHASE AGREEMENT of Buyers dated MAY 6, 1995 to buy the above described property which as accepted by Sellers. Sellers shall also pay the cost of any abstracting due to any act or change in the personal affairs of Sellers resulting in a change of title by operation of law or otherwise.

12. **FORFEITURE.** If Buyers (a) fail to make the payments aforesaid, or any part thereof, as same become due; or (b) fail to pay the taxes or special assessments or charges, or any part thereof, levied upon said property, or assessed against it, by any taxing body before any of such items become delinquent; or (c) fail to keep the property insured; or (d) fail to keep it in reasonable repair as herein required; or (e) fail to perform any of the agreements as herein made or required; then Sellers, in addition to any and all other legal and equitable remedies which they may have, at their option, may proceed to forfeit and cancel this contract as provided by law (Chapter 656 Code of Iowa). Upon completion of such forfeiture, Buyers shall have no right of reclamation or compensation for money paid, or improvements made; but such payments and/or improvements if any shall be retained and kept by Sellers as compensation for the use of said property, and/or liquidated damages for breach of this contract; and upon completion of such forfeiture, if the Buyers, or any other person or persons shall be in possession of said real estate or any part thereof, such party or parties in possession shall at once peacefully remove therefrom, or failing to do so may be treated as tenants holding over, unlawfully after the expiration of a lease, and may accordingly be removed as such as provided by law.
13. **FORECLOSURE.** If Buyers fail, in any one or more of the specified ways to comply with this contract, as provided above, Sellers may upon thirty (30) days written notice of intention to accelerate the payment of the entire balance, during which thirty (30) days such default or defaults are not removed, declare the entire balance hereunder immediately due and payable; and thereafter at the option of the Sellers this contract may then be foreclosed in equity and a receiver may be appointed to take charge of said premises and collect the rents and profits thereof to be applied as may be directed by the Court.
14. **ATTORNEY'S FEES.** In the case of any action, or in any proceeding in any Court to collect any sums payable or secured herein, or to protect the lien or title herein of Sellers, or in any other case permitted by law in which attorney's fees may be collected from Buyers, or imposed upon them, or upon the above described property, Buyers agree to pay reasonable attorney's fees.
15. **ASSIGNMENT.** In the case of the assignment of this contract by either of the parties, prompt notice shall be given to the other parties, who shall at the time of such notice be furnished with a duplicate of such assignment by such assignors. Any such assignment shall not terminate the liability of the assignor to perform, unless a specific release in writing is given and signed by the other party to this contract.
16. **CONSTRUCTION.** Words and phrases herein, including acknowledgments hereof, shall be construed as the singular or plural number, and as masculine, feminine or neuter gender, according to the context.
17. **SPECIAL PROVISIONS.**
  - A. THE PRINCIPAL BALANCE OF THIS CONTRACT PLUS ANY AND ALL ACCRUED INTEREST IS DUE IN FULL ON OR BEFORE SEPTEMBER 1, 2000.
  - B. THIS CONTRACT SHALL ALLOW BUYERS TO PREPAY ALL OR ANY PART OF THE PRINCIPAL WITHOUT PENALTY.
  - C. THIS CONTRACT SHALL BE DUE AND PAYABLE IN FULL UPON SALE OR ASSIGNMENT BY THE BUYER.
  - D. THIS CONTRACT SHALL NOT REQUIRE 1/12TH OF THE ANNUAL TAXES NOR 1/12TH OF THE ANNUAL INSURANCE PREMIUM BE HELD IN ESCROW BY THE SELLER.
  - E. THE SELLER SHALL GIVE A CREDIT TO THE BUYER AT CLOSING OF \$1,264.00 FOR PRORATED TAXES. THE BUYER'S RESPONSIBILITY SHALL COMMENCE WITH THE MARCH, 1996 INSTALLMENT OF TAXES AND ALL SUBSEQUENT TAXES. THE BUYER SHALL PAY THESE TAXES AS THEY BECOME DUE AND PRIOR TO DELINQUENCY.
  - F. WHEN THE BUYERS HAVE \$80,000.00 OF EQUITY IN THE REAL ESTATE BEING PURCHASED THE SELLER SHALL DEED 10 ACRES OF LAND TO EACH BUYER; BEING A TOTAL OF 20 ACRES. THE ROAD FRONTAGE OF EACH PARCEL SHALL NOT EXCEED 330 FEET WITH A TOTAL OF 660 FEET. THE BUYERS SHALL PAY ALL COSTS OF SUCH TRANSACTION, INCLUDING SURVEY, ABSTRACT, CLOSING AND RECORDING FEES.

Executed in (duplicate) or (triplicate).

SELLERS

*Bruce C. Johnston*  
 BRUCE C. JOHNSTON  
*Katherine Ann Johnston*  
 KATHERINE ANN JOHNSTON

BUYERS

J. & W. FARMS  
*Paul L. Johnson*  
 PAUL L. JOHNSON  
*David E. Werkmeister*  
 DAVID E. WERKMEISTER

ACKNOWLEDGEMENT

STATE OF IOWA )  
 ) SS.  
 COUNTY OF POLK)

On this 15 day of AUGUST, 1995, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared BRUCE C. JOHNSTON, AND KATHERINE ANN JOHNSTON, Sellers; J & W FARMS, AN IOWA GENERAL PARTNERSHIP, PAUL L. JOHNSON AND DAVID E. WERKMEISTER, Buyers to me known to be the identical persons named in and who executed the within and foregoing instrument, and acknowledged that THEY executed the same as THEIR voluntary act and deed.

*Notary Signature*  
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 NOTARY PUBLIC IN AND FOR THE STATE OF IOWA



## EXHIBIT "A"

The West Half (½), EXCEPT a tract commencing at the Southeast Corner thereof and running thence South, 84° 32' West, along the Section line 642 feet, thence North 193 feet, thence East 649.8 feet to the half section line, thence South 193 feet to the point of beginning of Section Fifteen (15), and the East One-fourth (¼) of Section Sixteen (16), all in Township Seventy-six (76) North, Range Twenty-six (26) West of the 5th P.M., Madison County, Iowa, EXCEPT a parcel of land in Section Fifteen (15), Township Seventy-six (76) North, Range Twenty-six (26) West of the 5th Principal Meridian, Madison County, Iowa, more particularly described as follows: Commencing at the Southwest corner of Section Fifteen (15), Township Seventy-six (76) North, Range Twenty-six (26) West of the 5th P.M., Madison County, Iowa; thence South 89°46'50" East 1,493.83 feet along the section line to the point of beginning. Thence along the centerline of a county road North 03°28'10" East 536.80 feet; thence Northeasterly 260.00 feet along a 573.00 foot radius curve, concave Southeasterly and having a central angle of 26°00'00"; thence North 29°28'10" East 370.20 feet; thence Northerly 420.00 feet along a 573.00 foot radius curve, concave Westerly and having a central angle of 42°00'00"; thence North 12°31'50" West 245.60 feet; thence Northeasterly 350.00 feet along a 573.00 foot radius curve, concave Southeasterly and having a central angle of 35°00'00"; thence North 22°28'10" East 710.38 feet; thence leaving said county road South 89°12'14" East 749.25 feet; thence North 04°02'50" East 324.70 feet; thence South 86°41'51" East 345.08 feet; thence North 03°24'19" East 2,204.92 feet to the north line of said Section Fifteen (15); thence South 87°42'22" East 983.65 feet to the Northeast corner of the Northwest Quarter (¼) of the Northeast Quarter (¼) of said Section Fifteen (15); thence South 04°15'31" West 2,600.22 feet to the Southeast corner of the Southwest Quarter (¼) of the Northeast Quarter (¼) of said Section Fifteen (15); thence South 03°38'10" West 1,304.24 feet to the Southeast corner of the Northwest Quarter (¼) of the Southeast Quarter (¼) of said Section Fifteen (15); thence South 89°26'09" West 1,322.60 feet to the Southwest corner of the Northwest Quarter (¼) of the Southeast Quarter (¼) of said Section Fifteen (15); thence South 03°29'20" West 1,108.30 feet along the east line of the Southeast Quarter (¼) of the Southwest Quarter (¼) of said Section Fifteen (15); thence South 89°00'22" West 672.27 feet; thence South 01°53'00" East 182.87 feet to the section line; thence North 89°46'50" West 494.75 feet to the point of beginning. Said parcel contains 160.048 Acres including 2.703 Acres of public road right of way. Note: The south line of the Southwest Quarter (¼) of Section Fifteen (15), Township Seventy-six (76) North, Range Twenty-six (26) West is assumed to bear South 89°46'50" East. AND EXCEPT a tract of land in the South Half (½) of the Northwest Quarter (¼) of Section Fifteen (15), Township Seventy-six (76) North, Range Twenty-six (26) West of the 5th P. M., Madison County, Iowa, more particularly described as follows: Commencing at the Southwest Corner of Section Fifteen (15), Township Seventy-six (76) North, Range Twenty-six (26) West of the 5th P. M., Madison County, Iowa, thence along the South line of said Section Fifteen (15), South 89°46'50" East 1493.83 feet, thence North 12°13'43" East 2815.10 feet to the Point of Beginning, thence North 86°47'29" West 592.73

feet, thence North 03°54'15" East 576.71 feet, thence North 30°40'07" East 52.22 feet, thence South 43°27'32" East 536.92 feet, thence North 87°58'41" East 357.24 feet, thence South 89°24'53" East 568.55 feet, thence South 04°02'42" West 279.99 feet, thence North 89°19'49" West 749.25 feet to the Point of Beginning, said tract of land contains 10.136 Acres. AND EXCEPT Parcel "A" located in the North Half (½) of Section Fifteen (15), Township Seventy-six (76) North, Range Twenty-six (26) West of the 5th Principal Meridian, Madison County, Iowa, More particularly described as follows: Beginning at the Northwest Corner of the Northeast Quarter (¼) of the Northwest Quarter (¼) of Section Fifteen (15), Township Seventy-six (76) North, Range Twenty-six (26) West of the 5th P.M., Madison County, Iowa; thence North 89°33'32" East 1311.79 feet to North Quarter Corner of said Section Fifteen (15); thence, along the North line of the Northwest Quarter (¼) of the Northeast Quarter (¼), South 87°50'35" East 327.91 feet; thence South 03°19'24" West 2204.75 feet; thence North 86°48'03" West 345.41 feet; thence South 03°43'31" West 44.57 feet; thence North 89°24'58" West 568.16 feet; thence South 87°59'42" West 357.29 feet; thence North 43°27'32" West 536.89 feet; thence North 01°41'02" East 519.38 feet; thence North 24°25'16" West 569.60 feet; thence North 30°43'38" West 266.84 feet; thence North 54°28'55" West 988.50 feet to the North line of the Northwest Quarter (¼) of said Section Fifteen (15); thence North 89°49'15" East 1291.79 feet to the Point of Beginning. Said Parcel "A" contains 98.227 acres.