

7. **ABSTRACT AND TITLE.** Sellers, ~~as the parties~~ shall promptly obtain an abstract of title to the Real Estate continued through the date of this contract _____, and deliver it to Buyers 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 Buyers when the purchase price is paid in full, however, Buyers 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. If Buyer desires said abstract continued to date, Buyer shall pay the cost of such continuation.

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 except: (Consider: Rental items.) _____

9. **CARE OF PROPERTY.** Buyers 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. Buyers 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 the Real Estate to Buyers or their assignees, by _____ warranty deed, free and clear of all liens, restrictions, and encumbrances except as provided in 1.a. through 1.d. 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 Buyers 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, Buyers have the right to have all payments made returned to them.

c. Buyers 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. **JOINT TENANCY IN PROCEEDS AND IN REAL ESTATE.** If Sellers, immediately preceding this contract, hold title to the Real Estate in joint tenancy with full right 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 Real Estate, shall belong to Sellers as joint tenants with full right of survivorship and not as tenants in common; and Buyers, in the event of the death of either Seller, agree to pay any balance of the price due Sellers under this contract to the surviving Seller and to accept a deed from the surviving Seller consistent with paragraph 10.

13. **JOINDER BY SELLER'S SPOUSE.** Seller's spouse, if not a titleholder immediately preceding acceptance of this offer, executes this contract only for the purpose of relinquishing all rights of dower, homestead and distributive share or in compliance with Section 516.13 of The Code and agrees to execute the deed for this purpose.

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

15. **PERSONAL PROPERTY.** If this contract includes the sale of any personal property, the Buyers grant the Sellers a security interest in the personal property and Buyers shall execute the necessary financing statements and deliver them to Sellers.

16. **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.

17. **ADDITIONAL PROVISIONS.** See additional provisions attached hereto.

Dated this 30 day of June, 1987

WINTERSET GRAIN COMPANY, INC.
By Fred Reed, Jr. Pres.
By Fred Reed, Jr. Secy.
BUYERS

HAWKEYE BANK AND TRUST
By Darrell E. Hughes VP
By Gayle Stone VP + Cashier
SELLERS

Winterset, Iowa 50273
Buyers' Address

E. 5th & Locust, Des Moines, Iowa
Sellers' Address

STATE OF IOWA, COUNTY OF POLK, ss:

On this 30th day of June, 1987, before me, the undersigned, a Notary Public in and for the said County and State, personally appeared Darrell E. Hughes, VP & and Gayle Stone, VP & Cashier, to me personally known, who, being by me duly sworn, did say that they are the Vice President and V. Pres. & Cashier, respectively, of said corporation executing the within and foregoing instrument; that the seal affixed thereto is the seal of said corporation; that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and that the said Darrell E. Hughes, VP and Gayle Stone, as such officers, acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.



Jeanine B. Harrington
Notary Public in and for the State of Iowa.

EXHIBIT "A"

The South Half ($\frac{1}{2}$) of the Northeast Quarter ($\frac{1}{4}$) of the Northeast Quarter ($\frac{1}{4}$) except the East 207 feet thereof and also except the North 81.5 feet of the West 94.5 feet of the East 301.5 feet thereof, and the North Half ($\frac{1}{2}$) of the Southwest Quarter ($\frac{1}{4}$) of the Northeast Quarter ($\frac{1}{4}$), and the West 11.83 acres of the North Half ($\frac{1}{2}$) of the Southeast Quarter ($\frac{1}{4}$) of the Northeast Quarter ($\frac{1}{4}$), and the Northwest Quarter ($\frac{1}{4}$) of the Northeast Quarter ($\frac{1}{4}$) of Section Sixteen (16), except therefrom a triangular tract of 1-3/4 acre described as follows: - Beginning at a point 400 feet West of the Northeast Corner of said Northwest Quarter ($\frac{1}{4}$) of the Northeast Quarter ($\frac{1}{4}$), thence South 310 feet to center of ditch, thence following said ditch Northwest to the North line of said 40-acre tract, thence East approximately 400 feet to place of beginning, and the East Half ($\frac{1}{2}$) of the Southwest Quarter ($\frac{1}{4}$) of Section Nine (9), all in Township Seventy-four (74) North, Range Twenty-six (26) West of the 5th P.M., Madison County, Iowa.

The North Half ($\frac{1}{2}$) of the Southwest Quarter ($\frac{1}{4}$) of Section Seventeen (17) and the Southeast Quarter ($\frac{1}{4}$) of Section Eighteen (18) in Township Seventy-four (74) North, Range Twenty-six (26) West of the 5th P.M., Madison County, Iowa.

The East Half ($\frac{1}{2}$) of Section Seventeen (17); and the Northwest Quarter ($\frac{1}{4}$) of the Southwest Quarter ($\frac{1}{4}$), the South Half ($\frac{1}{2}$) of the Southwest Quarter ($\frac{1}{4}$), and the Southwest Quarter ($\frac{1}{4}$) of the Southeast Quarter ($\frac{1}{4}$) of Section Sixteen (16); all in Township Seventy-four (74) North, Range Twenty-six (26) West of the 5th P.M., Madison County, Iowa.

The Northwest Quarter ($\frac{1}{4}$) of Section Twenty-one (21) Township Seventy-four (74) North, Range Twenty-six (26) West of the 5th P.M.

EXCEPT:

Commencing at the Southwest corner of the East Half ($\frac{1}{2}$) of the Southwest Quarter ($\frac{1}{4}$) of Section Nine (9), Township Seventy-four (74) North, Range Twenty-six (26) West of the 5th P.M., Madison County, Iowa, and running thence East 270 feet, thence North 380 feet, thence West 270 feet, thence South 380 feet to the place of beginning

ADDITIONAL PROVISIONS

1. Purchase Price. The parties agree that the purchase price in the amount of \$266,000.00 shall be payable as follows:

\$16,000.00 upon execution of this Contract by Buyer assuming and agreeing to pay the balance due on a Real Estate Contract made and entered into by and between Norman D. Sturtz and Nyla E. Sturtz, husband and wife, Sellers, and Winterset Grain Company, Inc., Buyer, recorded in Book 106, Page 278 of the Madison County Recorder's office.

\$100,000.00, payable as follows:

\$33,333.00 on or before April 1, 1988;
\$33,333.00 on or before April 1, 1989; and
\$33,333.00 on or before April 1, 1990.

\$150,000.00, payable as follows:

\$23,000.00 on principal on or before April 1, 1988;
\$23,000.00, including interest at 9% per annum, on or before the first day of January of each year thereafter until January 1, 1997, when the entire balance is due and payable. Said annual payment shall be applied first to the interest then unpaid, and next upon the balance of the principal.

2. Buyer shall pay all accrued interest owing on the Sturtz-Winterset Grain Company, Inc. Contract.

3. The parties understand and agree that the real estate subject to this Contract has been placed in the 10-year Conservation Reserve Program of the United States Department of Agriculture. All payments paid by the Department of Agriculture pursuant to said Program shall be paid to Buyer, and shall be Buyer's property and be retained by Buyers. In the event it is necessary for Seller to exercise any of the remedies given to it in Paragraph 11 of this Contract, Seller agrees that the Contract with the Department of Agriculture concerning the Conservation Reserve Program shall continue to be performed by the Seller or its assignee or any other persons who may purchase or own said real estate, provided that future payments due by the Department of Agriculture after initiation of action pursuant to Paragraph 11, its assignee, or any other third person, shall be paid to and become the property of the then-owner of said real estate. Seller shall hold Buyer harmless from all liability due to a non-performance by Seller or its successor in interest of the Agreement entered into by and between Buyer and the United States Department of Agriculture concerning the Conservation Reserve Program, subsequent to any acquisition of ownership pursuant to Paragraph 11.

PERSONAL GUARANTY

Fred Reed, Jr., Herbert T. Reed, and Harry F. Reed do hereby personally guarantee the payment of the sum of \$100,000.00 due on this Contract, and which is payable as follows:

- \$33,333.00 on or before April 1, 1988;
- \$33,333.00 on or before April 1, 1989; and
- \$33,334.00 on or before April 1, 1990.

Fred Reed, Jr., Herbert T. Reed, and Harry F. Reed do not by the execution of this Personal Guaranty, guarantee any other sum due and payable on said Contract, nor do they guarantee any of Buyer's obligations under said Contract, or any other amounts of Buyer owing to Seller. This Personal Guaranty is limited solely to the guarantee of the payment of the sum of \$100,000.00 payable as set forth above.

Fred Reed Jr.

Fred Reed, Jr

Herbert T. Reed

Herbert T. Reed

Harry F. Reed

Harry F. Reed