

7. **ABSTRACT AND TITLE.** Sellers, at their expense, shall promptly obtain an abstract of title to the Real Estate continued through the date of this contract February 21, 1989, 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.

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.) N/A

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.

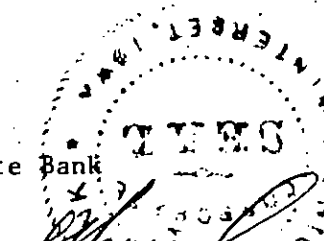
14. **TIME IS OF THE ESSENCE.** Time is of the essence in this contract.

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.**

Dated this 21st day of February, 19 89

Union State Bank

James F. Herrick, President
201 W. Court, Winterset, Iowa 50273

BUYERS

G. and G. Properties Inc., Geoffrey D. Israel
a/k/a Jeff Israel, Vice President
1012 N. 10th St.

Buyers' Address
Winterset, Iowa 50273

SELLERS

201 W. Court, Winterset, Iowa 50273

Sellers' Address

STATE OF _____, COUNTY OF _____, ss:

On this _____ day of _____, 19____, before me, the undersigned, a Notary Public in and for said State, personally appeared _____

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.

_____, Notary Public in and for Said State.

STATE OF IOWA

County of Madison } ss.

On this 22nd day of February A. D. 1989., before me appeared

Jeff Israel and

to me personally known, who, being by me duly sworn, did say that he is the Vice President respectively of G and G. Properties Inc.

and ~~and that the seal affixed to said instrument is the corporate seal of said corporation,~~ and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said Jeff Israel

and Jeff Israel acknowledged said instrument to be the voluntary act and deed of said corporation.



Joyce E. Binns

Notary Public in and for Madison
County, Iowa.

STATE OF IOWA

County of Madison } ss.

On this 22nd day of February A. D. 1989., before me appeared

James F. Herrick and

to me personally known, who, being by me duly sworn, did say that he is the President respectively of Union State Bank

and ~~and that the seal affixed to said instrument is the corporate seal of said corporation,~~ and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said James F. Herrick

and James F. Herrick acknowledged said instrument to be the voluntary act and deed of said corporation.



Joyce E. Binns

Notary Public in and for Madison
County, Iowa.

EXHIBIT A

LEGAL DESCRIPTION:

Lots 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10 of Helen McCall Huntoon Addition-Plat No. 3 to the City of Winterset, Madison County, Iowa.

AND

A tract of land in the South Half of the Southwest Fractional Quarter of Section 30, Township 76 North, Range 27 West of the 5th Principal Meridian, Madison County, Iowa, more particularly described as follows:

Commencing at the South Quarter Corner of Section 30, T76N, R27W of the 5th P.M., Madison County, Iowa; thence North $01^{\circ}10'00''$ West 1,092.33 feet along the East line of the SW. $\frac{1}{4}$ of said Section 30 to the point of beginning. Thence South $87^{\circ}58'00''$ West 257.76 feet; thence South $73^{\circ}53'00''$ West 330.00 feet; thence South $55^{\circ}38'00''$ West 330.00 feet; thence South $75^{\circ}38'00''$ West 222.00 feet; thence South $75^{\circ}08'07''$ West 105.32 feet; thence South $85^{\circ}12'51''$ West 157.73 feet; thence South $76^{\circ}00'44''$ West 110.00 feet; thence North $02^{\circ}10'16''$ West 270.90 feet; thence North $89^{\circ}57'16''$ West 7.20 feet; thence North $00^{\circ}28'16''$ West 360.00 feet; thence South $89^{\circ}54'17''$ East 1,443.75 feet to the East line of the SW. $\frac{1}{4}$ of said Section 30; thence South $01^{\circ}10'00''$ East 219.50 feet along said East line to the point of beginning. Said tract of land contains 13.757 Acres including 0.506 Acres of County Road Right of Way.

Note: The South line of the SW. frac. $\frac{1}{4}$ of Section 30, T76N, R27W of the 5th P.M. is assumed to bear due East and West.

Exhibit B, referenced herein and made a part of certain real estate contract dated February 22, 1989 by and between G and G Properties Inc. and Union State Bank, 201 W. Court, Winterset, Iowa 50273.

The real estate contract is to be paid as follows: \$2,000.00 principal due June 1, 1989; \$2,500.00 principal plus accrued interest from February 22, 1989 due October 1, 1989. \$3,000.00 principal plus accrued interest will be due annually beginning October 1, 1990 and each year thereafter until October 1, 1999 when the unpaid principal and accrued interest is due.

INTEREST Buyer will pay interest from February 22, 1989 at a rate of 8 percent per annum upon the unpaid principal until October 1, 1989; when buyer will pay interest on the unpaid principal at a rate of 9 percent per annum until October 1, 1991; when the buyer will pay interest on the unpaid principal at a rate of 10 percent per annum until maturity.