

REAL ESTATE CONTRACT (SHORT FORM)

IND. REC. PAGE

IT IS AGREED between JOSEPH G. ABRAHAM, JR. and CHERYL L. ABRAHAM, husband and wife, Sellers, and HOWARD NAEVE, and Connie J. Naeve, husband and wife, as joint tenants with full right of survivorship, and not as tenants in common, Buyers:

Sellers agree to sell and Buyer agree to buy real estate in Madison County, Iowa, described as:

The fractional Northwest Quarter of the Northwest Quarter and the fractional Southwest Quarter of the Northwest Quarter and the fractional Northwest Quarter of the Southwest Quarter all in Section 6, Township 74 North, Range 29 West of the 5th P.M., containing 108 acres, more or less,

with any easements and appurtenant servient estates, but subject to the following: a. any zoning and other ordinances; b. any covenants of record; c. any easements of record for public utilities, roads and highways;

designated the Real Estate, upon the following terms:

1. PRICE. The total purchase price for the real estate is FORTY SEVEN EIGHT HUNDRED FIFTY and no/100ths Dollars (\$47,850.00) of which ONE THOUSAND and no/100ths Dollars (\$1,000.00) has been paid. Buyer shall pay the balance to Sellers at their address, or as directed by Sellers, as follows:

March 1, 1989, \$11,000.00. The balance of \$35,850.00 to be paid in 5 equal installments of \$6,000.00 principal and interest commencing March 1, 1990, and a like sum of principal and interest each March 1, thereafter until March 1, 1995, when the entire balance of interest and principal shall be paid in full upon delivery of Warranty Deed and merchantable abstract of title. Interest will first be paid and the balance of the annual payment shall be applied to principal.

Buyer may pay the entire principal balance on any March 1 without penalty.

2. INTEREST. Buyer shall pay interest from March 1, 1989 upon the unpaid balance, at the rate of 9 percent per annum, payable annually included in the above referenced installments.

3. REAL ESTATE TAXES. Sellers shall pay the taxes which if not paid would be delinquent October 1, 1989, 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 the date of this contract. All other special assessments shall be paid by Buyer.

5. POSSESSION. Sellers shall give Buyer possession of the Real Estate on March 1, 1989.

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 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 their expense, shall promptly obtain an abstract of title to the Real Estate continued through the date of this contract, 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 electric service cable, outside television towers and antenna, fencing, gates and landscaping shall be considered a part of Real Estate and included in this 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 the Real Estate to Buyer or their 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; 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. 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 Buyer, 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 personal property, the Buyer grant Sellers a security interest in the personal property and Buyer 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. All right, title, interest and responsibility of said CRP contract shall be assumed by the Buyer at the appropriate ASCS office.

Dated: 28 FEB 89, 1989.

Howard Naeve
Howard Naeve

Joseph G. Abraham, Jr.
Joseph G. Abraham, Jr.

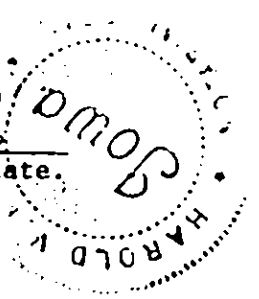
Connie J. Naeve
BUYER

Cheryl L. Abraham
Cheryl L. Abraham SELLERS

STATE OF IOWA, Adams County, ss:

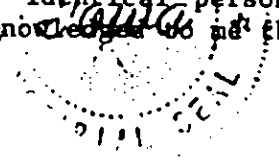
On this 10 day of February, 1989, before me, the undersigned, a Notary Public in and for said State, personally appeared Joseph G. Abraham, Jr. and Cheryl L. Abraham, husband and wife, to me known to be the identical persons named in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their voluntary act and deed.

HAROLD V. MAGNUS
Notary Public in and for said State.



STATE OF IOWA, Union County, ss:

On this 23 day of February, 1989, before me, the undersigned, a Notary Public in and for said State, personally appeared Howard Naeve 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.



Howard Naeve
Notary Public in and for said State.