

8. LIENS. No mechanics' lien shall be imposed upon or foreclosed against the real estate described herein.

9. ADVANCEMENT BY SELLERS. If Buyers fail to pay such taxes, special assessments and insurance and effect necessary repairs as above agreed, Sellers may, but need not, pay such taxes, special assessments, insurance and make necessary repairs, and all sums so advanced shall be due and payable on demand or such sums so advanced may, at the election of Sellers, be added to the principal amount due hereunder and so secured. (For Buyers' rights to make advancements, see paragraph 10 above.)

10. JOINT TENANCY IN PROCEEDS AND SECURITY RIGHTS 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; and Buyers, in the event of the death of one of such joint tenants, agree to pay any balance of the proceeds of this contract to the surviving Seller (or Sellers) and to accept deed solely from him or them consistent with paragraph 14 below unless and except this paragraph is stricken from this agreement.

11. 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 more, 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.

12. TIME IS OF THE ESSENCE. Time is of the essence in this Agreement. Failure to promptly assert rights of Sellers herein shall not, however, be a waiver of such rights or a waiver of any existing or subsequent default.

13. EXCEPTIONS TO WARRANTIES OF TITLE. The warranties of title in any Deed made pursuant to this contract (See paragraph 14) shall be without reservation or qualification EXCEPT: (a) Zoning ordinances; (b) Such restrictive covenants as may be shown of record; (c) Easements of record, if any; (d) As limited by paragraphs 1, 2, 3 and 4 of this contract; (e) Sellers shall give Special Warranty as to the period after equitable title passes to Buyers; (f) Spouse if not titleholder, need not join in any warranties of the deed unless otherwise stipulated.

(g) _____ (Mineral reservations of record?)

(h) _____ (Lease?) _____ (Easements not recorded?) _____ (Interests of other parties?) _____ (Lessee?)

14. DEED AND ABSTRACT, BILL OF SALE. If all said sums of money and interest are paid to Sellers during the life of this contract, and all other agreements for performance by Buyers have been complied with, Sellers will execute and deliver to Buyers a _____ Warranty Deed conveying said premises in fee simple pursuant to and in conformity with this contract; and Sellers will at this time deliver to Buyers an abstract showing merchantable title, in conformity with this contract. Such abstract shall begin with the government patent (unless pursuant to the Iowa State Bar Association title standards there is a lesser requirement as to period of abstracting) to said premises and shall show title thereto in Sellers as of the date of this contract; or as of such earlier date if and as designated in the next sentence. This contract supercedes the previous written offer of Buyers to buy the above described property which was accepted by Sellers on the _____ day of _____, 19____. 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. If any personal property is a part of this agreement, then upon due performance by Buyers, Sellers shall execute and deliver a Bill of Sale consistent with the terms of this contract. Sellers shall pay all taxes on any such personal property payable in 19____ and all taxes thereon payable prior thereto.

15. APPROVAL OF ABSTRACT. Buyers have _____ examined the abstract of title to this property and such abstract is _____ accepted.

16. 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 as 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 ousted and removed as such as provided by law.

17. FORECLOSURE. If Buyers fail, in any one or more of the specified ways to comply with this contract, as in (a), (b), (c), (d) or (e) of numbered paragraph 16 above provided, Sellers may upon thirty (30) days written notice of intention to accelerate the payment of the entire balance, during which thirty 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.

18. ATTORNEY'S FEES. In case of any action, or in any proceedings 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.

19. INTEREST ON DELINQUENT AMOUNTS. Either party will pay interest at the highest legal contract rate applicable to a natural person to the other on all amounts herein as and after they become delinquent, and/or on cash reasonably advanced by either party pursuant to the terms of this contract, as protective disbursements.

20. ASSIGNMENT. In 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.

21. PERSONAL PROPERTY. If this contract includes the sale of any personal property, then in the event of the forfeiture or foreclosure of this contract, such personal property shall be considered indivisible with the real estate above described, and any such termination of Buyers' rights in said real estate shall concurrently operate as the forfeiture or foreclosure hereof against all such personal property.

22. CONSTRUCTION. Words and phrases herein, including acknowledgements hereof, shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender, according to the context. See paragraph 11 above, for construction of the word "Sellers."

23. SPECIAL PROVISIONS.

This contract includes the special provisions set forth in the addendum to contract attached hereto and by this reference made a part of this contract as though fully set out herein, indented as exhibit "A".

Homer K. Hansen, spouse of Marilyn J. Hansen, not a title holder of the above described real estate, joins in this contract only for the purpose set forth in paragraph 11 above.

THE IOWA AGRICULTURAL DEVELOPMENT AUTHORITY

By: William H. Greiner
William H. Greiner
Executive Director

Marilyn J. Hansen
Marilyn J. Hansen
Homer K. Hansen
Homer K. Hansen

1105 33rd Street
West Des Moines, Iowa 50265

Henry A. Wallace Building
Des Moines, Iowa 50319

STATE OF IOWA, Polk COUNTY, ss:

On this 1st day of March, A.D. 19 90 before me, the undersigned, a Notary Public in and for said State, personally appeared Marilyn J. Hansen and Homer K. Hansen, wife and husband

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.



Judy Frazier
Notary Public in and for said State

EXHIBIT A

1. This contract will be assigned by the Buyer (Iowa Agricultural Development Authority) to Barry F. Madden and Sallie Ann Madden (Beginning Farmers) and may not be reassigned by Beginning Farmers without the written consent of Seller and the Iowa Agricultural Development Authority which consent, if given, shall not operate as a waiver of the requirement of written consent on any subsequent assignment. Any attempt by Beginning Farmers to reassign this contract without written consent shall entitle Seller to declare all amounts due hereunder immediately due and payable.

2. To evidence its payment obligations under this contract, the Iowa Agricultural Development Authority will issue its tax exempt bond (the "Bond") in an amount equal to the unpaid balance of the purchase price contained herein and bearing interest at the rate of 8 3/4% per annum (the "Tax Exempt Rate") with payment terms identical to those contained herein. Beginning Farmers have expressly warranted to Seller that the interest payments received pursuant to the terms contained herein will come to the Seller in the form that will make it not includable in gross income for federal income tax purposes. Seller is relying on the representations made by the Beginning Farmers in this regard and in the event the interest payments are determined to be includable in gross income for federal income tax purposes, then all interest payments will be computed on the basis of interest at the rate of 12 1/2% per annum (the "Taxable Rate") and Beginning Farmers shall be responsible to make payment to the Seller for the difference between interest paid at the Tax Exempt Rate and the amount calculated on the basis of interest at the Taxable Rate. This provision shall not apply in the event the Bond is held by a Related Person (as defined by the Internal Revenue Code) to the Beginning Farmers.

3. The Seller acknowledges that this contract will be assigned by the Iowa Agricultural Development Authority by separate instrument, the Guarantee, Assignment and Assumption Agreement (the "Guarantee") to the Beginning Farmers who will assume the rights, duties, obligations and liabilities of the Iowa Agricultural Development Authority hereunder and guarantee the payment of principal of and interest on the bond. Seller approves such assignment and assumption and acknowledges that the principal of, premium, if any, and interest on the Bond, the installment payments under this contract and other amounts due and owing to the Seller as holder of the Bond and seller under this contract are special limited obligations of the Iowa Agricultural Development Authority and payable solely and only from the obligations of the Beginning Farmers under the Guarantee and are not general obligations of the State of Iowa or any political subdivision or agency thereof, including the Iowa Agricultural Development Authority, within the meaning of any constitutional or statutory limitation and do not constitute or give rise to a pecuniary liability of the State of Iowa or any political subdivision or agency thereof, including the Iowa Agricultural Development Authority, or a charge against their general credit or general funds.

4. Buyer hereby agrees that it has no further rights as tenants in the property sold hereunder and all rights of the Buyer are governed by the terms of this contract solely.

5. As a part of the inducement to the Seller to enter into this contract, Buyer represents that it has sufficient net worth to assure that it will have sufficient operating capital during the term of this contract or any extended term thereof to fertilize, seed, and harvest crops and maintain the property. Buyer will furnish to Seller a Financial Statement showing \$40,000 net worth no later than March 1, of each year. In the event of a failure on the part of the Buyer to fulfill this representation or to seed the crops at any given year, this shall be considered to be a breach of this contract for which the contract may be forfeited, as in the case of any other breach.

6. Buyer and Seller agree that the unpaid principal balance of this contract shall bear interest at the rate of 8 3/4% per annum from the date of issuance of the bond by the Iowa Agricultural Development Authority until January 1, 2000. On January 1 in each of the years 2000, 2005, 2010, and 2015 (each being a "Rate

Adjustment Date") the interest rate will adjust to a rate which is equal to 87 1/2% of the prime rate of interest being charged by Norwest Bank Des Moines, National Association (or its successor) on such date. The Seller shall have the option to call the entire outstanding principal balance of this contract plus accrued interest to be due and payable on each Rate Adjustment Date upon giving written notice of such call to the Buyer at least 120 days before such Rate Adjustment Date. In addition, the Buyer shall have the right to prepay the entire outstanding principal balance of this contract plus accrued interest on each Rate Adjustment Date upon giving written notice of such prepayment to the Seller at least 120 days before such Rate Adjustment Date.

7. Barry P. Madden and Sallie Ann Madden (Beginning Farmers) will reimburse Hansen Partnership for all costs, including, but not limited to, all closing costs, reasonable attorney fees, any real estate commissions and any other costs incurred in transactions regarding the Agricultural Development bond program.

IOWA AGRICULTURAL
DEVELOPMENT AUTHORITY

By: Marilyn J. Hansen
Marilyn J. Hansen

By: William H. Greiner
William H. Greiner
Executive Director

STATE OF IOWA)
) SS:
COUNTY OF POLK)

On this 23rd day of April, A.D. 1990, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared William H. Greiner, to me personally known, who, being by me duly sworn, did say that he is the Executive Director of Iowa Agricultural Development Authority, the State agency executing the within and foregoing contract to which this is attached, that the seal affixed thereto is the seal of said agency; that said instrument was signed and sealed on behalf of said agency by authority of its Board and that the said William H. Greiner, as such officer acknowledges the execution of said instrument to be the voluntary act and deed of said agency, by it and by him voluntarily executed.

Judy Frazier
Notary Public in and for
the State of Iowa

