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MICHELLE UTSLER
RECORDER
MADISON COUNTY, IOWA
FEE: \$15.00~~COMPARED~~

AGREEMENT

Dated this 18th day of March, 1991, by and between WARREN R. CARTER and

MARIAN P. CARTER, Husband and Wife, (hereinafter "CARTER"), and between MARVIN SMITH and JUDI SMITH, Husband and Wife, (hereinafter "SMITH");

WHEREAS, CARTER is the record title holder of the following described real property located in Guthrie County, Iowa, (hereinafter "CARTER FARM"), to-wit:

An undivided 88.61 percent in and to the Southeast Quarter (SE1/4), except the South 208.7 feet of the North 802.5 feet of the West 208.7 feet thereof, in Section Sixteen (16), Township Eighty (80) North, Range Thirty (30), West of the 5th P.M., subject to easements of record;

WHEREAS, SMITH anticipates becoming the record title holder of the following described real property located in MADISON County, Iowa, (hereinafter "SMITH FARM"), to-wit:

An undivided 88.66 percent interest in and to all of the following described real property to-wit:
The West Half (W1/2) of the Southwest Quarter of the Southeast Quarter (SW1/4SE1/4) of Section Thirty-one (31), in Township Seventy-six (76) North, Range Twenty-eight (28) West of the 5th P.M., Madison County, Iowa; and The North Fractional Half of the Northeast Quarter (N.FRL.1/2NE1/4) and the Northeast Fractional Quarter of the Northwest Quarter (NEFRL.1/4 NW1/4) and the Southeast Quarter of the Northwest Quarter (SE1/4NW1/4) of Section Six (6) in Township Seventy-five (75) North, Range Twenty-eight (28) West of the 5th P.M. Madison County, Iowa, both subject to Easements and Public Highway conveyances of record, excepting therefrom the following described real property located therein:

A parcel of land in the North Half of the Northeast Fractional Quarter (N1/2NEFRL.1/4) of Section Six (6), Township Seventy-five (75) North, Range Twenty-eight (28) West of the 5th P.M., Madison County, Iowa, more particularly described as follows:

Commencing at the Northeast Corner of Section Six (6), Township Seventy-five (75) North, Range Twenty-eight (28) West of the 5th P.M., Madison County, Iowa; thence along the North line of said Section Six (6), South 90°00'00" West 1,102.94 feet; thence South 00°00'00" 70.00 feet to the point of beginning. Thence continuing South 00°00'00", 362.37 feet; thence South 90°00'00" West, 360.87 feet; thence North 00°00'00" 358.28 feet; thence North 85°23'12" East, 50.82 feet along the South Right of Way line of Highway No. 92; thence North 90°00'00" East, 310.21 feet to the point of beginning. Said parcel of land contains 3.000 Acres.

WHEREAS, the parties have agreed that CARTER FARM has a fair market value of \$233,500.00, and that SMITH FARM has a fair market value of \$234,627.00.

WHEREAS, CARTER and SMITH have agreed that in the event SMITH becomes the record title holder to SMITH FARM, then CARTER shall convey CARTER FARM in exchange for SMITH FARM, both heretofore described, one for the other, in an income

tax free, like-kind exchange under the provisions of Internal Revenue Code Section 1031, and each agrees to transfer title to the other, which title shall be clear and merchantable at the time of transfer.

NOW THEREFORE, in consideration of the sum of One (\$1.00) Dollar and other good and valuable consideration, receipt of which is hereby acknowledged, CARTER and SMITH agree that in the event SMITH becomes the record title holder of SMITH FARM, within 90 days from the execution of this agreement, then in that event, CARTER shall transfer clear and merchantable title to CARTER FARM to SMITH plus the cash sum of One Thousand One Hundred Twenty-Seven (\$1,127.00) Dollars, and in exchange and consideration therefore, SMITH shall transfer clear and merchantable title to SMITH FARM to CARTER, without further cash or non-cash considerations, except as herein provided.

The parties further understand and agree that CARTER FARM is currently subject to a Farm Tenancy Agreement with tenant Carl Reiste, providing for an equal division of all farm products produced thereon and an equal payment of all crop input costs arising therefrom during the 1991 crop year, with possibility of renewal if not terminated. In the event the like kind exchange contemplated herein is effectuated, then CARTER FARM will be transferred subject to said Farm Tenancy Agreement with all of CARTER's rights and obligations arising thereunder being assigned to SMITH with title. SMITH agrees to fully comply with the terms of said Farm Tenancy Agreement and further agrees to reimburse CARTER for all fertilizer input costs incurred by CARTER in preparation of CARTER FARM for the 1991 crop year, upon proof thereof. SMITH shall assume full responsibility for the proper termination of said Farm Tenancy Agreement on or before September 1, 1991.

The parties further agree and understand that the Real Estate Brokerage firm of Squires and Moylan have been engaged with respect to the exchange of CARTER FARM and that CARTER shall assume full responsibility for any commissions or fees earned by that firm with respect to this transfer. Neither CARTER nor SMITH shall assume any liability or responsibility for any Real Estate Brokerage commissions or fees earned with respect to the transfer of SMITH FARM.

The parties understand and agree that SMITH may incur an income tax obligation with respect to the receipt by him of \$1,127.00 cash in addition to exchange of an

undivided 88.61 percent interest in CARTER FARM. SMITH shall assume full obligation therefore without contribution by CARTER.

The parties further agree that SMITH shall bear no closing costs with respect to his acquisition of of SMITH FARM.

Warren R. Carter
Warren R. Carter

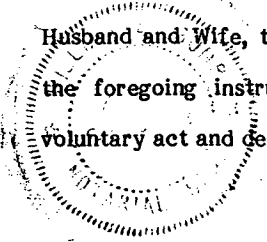
Marvin D. Smith
Marvin Smith

Marian P. Carter
Marian P. Carter

Judi Smith
Judi Smith

STATE OF IOWA, GUTHRIE COUNTY:ss-

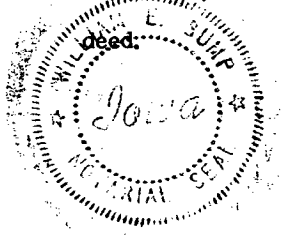
On this 18th day of March, 1991, before me, the undersigned, a Notary Public in and for said state, personally appeared WARREN R. CARTER and MARIAN P. CARTER, Husband and Wife, to me known to be the identical persons named in and who executed the foregoing instrument, and acknowledged that they executed the same as their voluntary act and deed.



William E. Bump
Notary Public for the State of Iowa

STATE OF IOWA, GUTHRIE COUNTY:ss-

On this 18th day of March, 1991, before me, the undersigned, a Notary Public in and for said stated, personally appeared MARVIN SMITH and JUDI SMITH, Husband and Wife, to me known to be the identical persons named in and who executed the foregoing instrument, and acknowledged that they executed the same as their voluntary act and deed.



William E. Bump
Notary Public for the State of Iowa