OPTION AGREEMENT

This agreement, made and entered into this 19 day of February, 1977, by and between Luther J. Holm and Bernice J. Holm, husband and wife, residing in the City of Winterset, County of Madison, State of Iowa (hereinafter referred to as the "Holms") and Donald E. Bowman and Neota M. Bowman, husband and wife, residing in the City of Clarion, County of Wright, State of Iowa (hereinafter called the "Bowmans"):

WHEREAS the Holms own certain farm land located in Madison County, Iowa as more specifically described on Exhibit "A" attached hereto (hereinafter called the "Holm Farm"); and

WHEREAS the Bowmans are purchasing certain farm land located in Madison County, Iowa as more specifically described on Exhibit "B" attached hereto (hereinafter called the "Bowman Farm"), having entered into a certain contract for the purchase of said farm land from the Holms, said contract dated February 11, 1977; and

WHEREAS the Bowmans desire the first right and option to purchase the Holm Farm at the same purchase price and under the same terms and conditions as contained in any third party's good faith offer to purchase the Holm Farm and the Holms wish to grant such first right and option to the Bowmans; and

WHEREAS the Holms desire the first right and option to purchase the Bowman Farm at the same purchase price and under the same terms and condition as contained in any third party's good faith offer to purchase the Bowman Farm and the Bowmans desire to grant such first right and option to the Holms.

NOW THEREFORE, in consideration of the mutual covenants and agreements hereinafter contained, the sufficiency of which is hereby acknowledged by all parties, it is mutually agreed as follows:

1. Holm Farm: The Holms hereby grant to the Bowmans, and either of them, the first right and option to purchase the Holm Farm as described in Exhibit "A" at the same purchase price and subject to the identical terms and conditions as may be, at any time during the term of this Option Agreement, offered to the Holms by any third party.

2. Bowman Farm: The Bowmans hereby grant to the Holms, and either of them, the first right and option to purchase the Bowman Farm as described in Exhibit "B" at the same purchase price and subject to the identical terms and conditions as may be, at any time during the term of this Option Agreement, offered to the Bowmans by any third party.

Compared

FILED NO 1909
BOOK 112 PAGE 791
1980 MAY 16 PM 3:30
MARY E. WELTY
RECORDER
MADISON COUNTY, IOWA
Fee 12 00

IND. ✓
REC. ✓
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3. Notice and Exercise of Option. Both options and purchase rights described in paragraphs 1 and 2 hereof shall be subject to the following provisions:

   (a) Upon each party receiving a bid or offer to purchase their respective farms described herein, which offer or bid said party intends to accept, the said party (herein called "Optionor") shall promptly mail to the other party (herein called "Optionee") a written notice by registered mail, return receipt requested, or by personal service a notice of receipt of such offer or bid, specifying and describing the terms of said offer or bid.

   (b) Within twenty (20) days following the receipt of such notice the Optionee shall have the option and right to purchase the said land for the same purchase price and upon the same terms and conditions as are contained in the notice described in subparagraph (a) above, which option shall be exercised by giving written notice of election to exercise, signed by the Optionee, and each of them, and received by the Optionor prior to the expiration of said twenty (20) day period.

   (c) In the event the Optionee does not exercise the option as provided herein the Optionor shall be free to sell the Optionor's farm land at the same purchase price and upon such terms and conditions as are contained in the notice described in subparagraph (a) hereof.

4. Restrictions on Sale: During the term of this Option Agreement neither party hereto shall sell their respective farm described herein, nor any part thereof, to any third party without complying with the provisions of paragraph 3 hereof.

5. Non-Assignment. This agreement and the options contained herein may not be assigned by any party to this agreement.

6. Term. This agreement and the rights and obligations of all parties hereto shall exist for a term of fifteen (15) years from and after and inure to the benefit of the executors, administrators, heirs and successors in interest of each party hereto.

7. Notices. Until the other party is notified in writing to send notice to some other address, all notices and other items required to be given or delivered under this agreement shall be addressed to the Holms as follows:

Mr. & Mrs. Luther J. Holm
223 N. 8th
Winterset, Iowa 50273

or to the survivor of them

and shall be addressed to the Bowmans as follows:

Mr. & Mrs. Donald E. Bowman

Clarion, Iowa 50525

or to the survivor of them.

8. Time of Essence: Time is of the essence of this agreement.

IN WITNESS WHEREOF the parties hereto have executed and delivered this agreement as of the day and year first above written.

Luther J. Holm
Luther J. Holm

Bernice J. Holm
Bernice J. Holm

THE HOLMS

Donald E. Bowman
Donald E. Bowman

2-19-77

Neota M. Bowman
Neota M. Bowman

THE BOWMANS

FOR THE LEGAL EFFECT OF THE USE OF THIS FORM, CONSULT YOUR LAWYER

STATE OF IOWA, MADISON COUNTY, ss:

On this 2nd day of April, A. D. 19 80, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Luther J. Holm,

to me known to be the identical person named in and who executed the within and foregoing instrument, **to which this is attached,** and acknowledged that he executed the same as his voluntary act and deed.

GORDON K. DARLING
NOTARIAL SEAL IOWA

Gordon K Darling, Notary Public in and for the State of Iowa

IOWA STATE BAR ASSOCIATION
Official Form No. 11 (Trade-Mark Registered, State of Iowa, 1967)
P-2 Printing: May 30, 1975

(Section 558.39, Code of Iowa)

EXHIBIT "A"

The Southwest Quarter of the Southwest Quarter and all that part of the Southeast Quarter of the Southwest Quarter lying South and West of Middle River (containing about 9 acres) of Section Sixteen (16), and the Southeast Quarter of the Northeast Quarter and the East 25 feet of One (1) acre in a square form in the Northeast corner of the Northeast Quarter of the Southeast Quarter, and the Northeast Quarter of the Northeast Quarter except the following described tract, to-wit: Commencing at the Northwest corner thereof, and running thence East 16 chains, thence South 2.8 chains, thence South, 78 1/2°, West, 3.32 chains thence North, 41 1/2° West, 2.49 chains, thence South, 70° West, 2.50 chains, thence South 33° West, 8.53 chains, thence South 10.25 chains, to the South line of said 40 acres, thence West 4 chains to the Southwest corner thereof, thence North to the place of beginning, containing 27.27 acres, of Section Twenty, and a tract of land commencing 23 rods South of the Northwest corner of Section Twenty-one, and running thence North to said Northwest corner, thence East 25 rods, thence Southwesterly in a straight line to the point of beginning; all in Township Seventy-five North, of Range Twenty-eight, West of the Fifth P. M., Madison County, Iowa,

and the East six acres of the South Half of the Southeast Quarter,

and the Northeast Quarter of the Southeast Quarter of Section Twenty, Township Seventy-five North of Range Twenty-eight, West of the Fifth P. M., Madison County, Iowa.

EXHIBIT "B"

The North Half of the Southwest Quarter, the West Half of the Northwest Quarter of the Southeast Quarter, and a tract described as follows: Commencing at the Southwest corner of the Northeast Quarter, running thence East 40 rods, thence North to Middle River, thence up Middle River to the West line of said Northeast Quarter, thence South to the place of beginning, all in Section Twenty-one (21), Township Seventy-five (75) North, Range Twenty-eight (28) West of the Fifth P. M., Madison County, Iowa,

and

The Northwest Quarter of Section Twenty-one (21), except a tract commencing 25 rods East of the Northwest corner thereof and running thence West to the Northwest corner, thence South on the West line of said quarter section 23 rods, thence in a Northeasterly direction in a straight line to the point of beginning, and except all that part of said quarter section lying North and East of the channel of Middle River, in Township Seventy-five (75) North, Range Twenty-eight (29) West of the Fifth P. M., Madison County, Iowa.