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FILED NO. 1155
BOOK 30 PAGE 455
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MARY E. WELTY
RECORDER
MADISON COUNTY, IOWA
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AGREEMENT

THIS AGREEMENT made and entered into by and between LUTHER J. HOLM and BERNICE J. HOLM, husband and wife of Madison County, Iowa, (hereinafter collectively called the Parents); and LENNIS J. HOLM, (hereinafter called Lennis); and JULIANNE HOLM, (hereinafter call Julianne); husband and wife, of Madison County, Iowa.

WITNESSETH:

WHEREAS, Parents have for many years operated a farming business in Madison County, Iowa, and have accumulated approximately 761 acres of farmland in Madison County, Iowa, all of which land is subject to a certain real estate mortgage to the Phoenix Mutual Life Insurance Company, recorded in book 119, page 502, Madison County Records, securing a certain mortgage note executed by Parents in the principal sum of $95,000, dated May 1, 1973, with the principal payable in annual installments of $2,000, beginning May 1, 1974, together with interest at eight and one-half (8½%) percent per annum on the unpaid principal balance (which real estate mortgage and the note secured thereby and any and all subsequent mortgages and mortgage notes contracted by and securing an obligation of the Parents or the survivor of them are hereinafter collectively called the Mortgage); and

WHEREAS, Lennis claims that during the early years of the farming operation, assisted in said farming operation, both in performing farm work and labor in connection with said farming operation; and

WHEREAS, Lennis claims that prior to his marriage and full-time attendance at college, contributed earnings from employment with third parties; and

WHEREAS, neither party hereto kept an accurate record of cash contributions by Lennis and Lennis now contends that his cash contributions to said farming business were in the sum of approximately $18,000, which amount is disputed by Parents; and

WHEREAS, Lennis and Julianne have requested and demanded that Parents convey or transfer to them a present interest in the real estate presently owned by the Parents to compensate Lennis for his contributions to the farming business; or that an irrevocable arrangement be made and entered into by and between the Parents and Lennis and Julianne to provide for distribution to them upon the death of the survivor of the Parents, approximately one-half of the then equity in the farmland owned by the Parents; and

WHEREAS, these requests and demands and the facts upon which they are based are contested by the Parents; and

WHEREAS, Lennis has threatened to bring legal action to enforce his claims; and

WHEREAS, the parties hereto have reached an agreement in settlement of the dispute between the parties and the same is now embodied in this agreement.

NOW THEREFORE, in consideration of the sums advanced by Lennis to the farming operation of Parents, claimed by Lennis to be in the aggregate amount of approximately $18,000, and the farmwork and labor performed by Lennis and of the mutual covenants and agreements hereinafter contained, it is hereby agreed between the parties hereto as follows:

1. Conveyance of farm subject to reservation of life estate in the Parents or the survivor of them and lease provision. Parents, concurrent with the execution and delivery of this agreement, herewith deliver a Warranty Deed, a copy of which is attached hereto as Exhibit A, conveying to Lennis and Julianne the following described real estate situated in Madison County, Iowa, to-wit:

The Southeast Quarter (SE¼) of Section Twenty-nine (29) in township Seventy-five (75) North Range Twenty-eight (28) West of the Fifth P.M. (herein called the South Farm),

subject to the reservation unto the Parents and the survivor of them of a life estate in said South Farm and further subject to the Mortgage.

Parents, as landlords, hereby lease free from further consideration to Lennis and Julianne the farmstead consisting of the home and buildings located on the South Farm for a period of twenty (20) years from the date of the execution of this agreement. In the event Parents or either of them are still living at the end of said twenty-year period, Lennis or Julianne, or the survivor of them, as tenant, shall have the right to renew the lease to the farmstead for an additional twenty years and as rent therefore, shall pay to Parents or the survivor of them, the sum of $1.00 per year rent. During the existence of the life estate to Parents, Parents shall have the right to use in their farming operation the out buildings and hog pasture at such times as they may in their own descretion desire to use the same.

2. Release of claim against Parents and their estate. Lennis and Julianne hereby release, discharge, and forever hold harmless Parents, their heirs, executors and assigns, and each of them, from any and all claims or obligations which Lennis or Julianne, their executors, heirs or assigns, may have against Parents by reason of any and all sums of money that may heretofore have been advanced by Lennis to Parents or either of them and by reason of any and all farmwork and labor performed prior to the date of this agreement by Lennis for and on behalf of the Parents. Lennis and Julianne acknowledge and agree that they nor either of them will make no claim against any representative of the estate

of either Parent or the survivor of them for any moneys heretofore advanced by Lennis to Parents or either of them or for any labor heretofore performed by Lennis for Parents of either of them, and Parents may make such disposition of their remaining property by Wills or otherwise as they or either of them may elect.

3. The Mortgage. Parents and their executors, administrators and assigns and their heirs other than Lennis and Julianne shall pay all payments on the Mortgage against all of their real estate including the South Farm as long as they, or the survivor of them, shall live. The Parents have full right and authority to transfer and convey any and all interests they may own in any real estate except the South Farm. Further, the Parents have full right and authority to re-mortgage, grant subordinate mortgages and refinance and extend the existing or any subordinate or subseqent mortgage by increasing or decreasing the principal balance thereon covering any real estate they may own, either now or in the future, as they may deem fit their sole discretion, with the exception of the South Farm. However, the obligation of the Parents to remove the lien of the Mortgage (including any subordinate or subsequent mortgage) from the South Farm as described in paragraph 6 of this agreement shall remain regardless of any action of the Parents as contemplated by this paragraph 3.

In the event the Mortgage is foreclosed at any time prior to the final payment owing thereof, the Parents shall use their best efforts to see that all of the real estate of Parents other than the South Farm, shall first go to satisfy said Mortgage and only in the event that the remainder of Parents' real estate other than the South Farm, is insufficient to satisfy the Mortgage, may the South Farm be used for the satisfaction of said Mortgage.

4. Taxes. Parents agree to pay the taxes on the South Farm as long as either of them shall live.

5. Restrictions of conveyance by Lennis and Julianne. Lennis and Julianne agree that neither of them nor their executor, administrator, representatives or assigns nor their heirs shall transfer or convey, other than to the Parents, during the lifetime of Parents, any interest either of them may have in and to the South Farm and that a provision is inserted in the Warranty Deed conveying such interest to them that their interests shall be forfeited and void in the event of any attempt sale or transfer or conveyance by either of them in violation of this paragraph. In the event Lennis or Julianne or either of them, predeceases Parents, the transfer of title pursuant to Will, intestate succession or survirorship, shall not constitute a transfer or conveyance as is contemplated by this paragraph.

6. Removal of Lien of Mortgage. Parents agree that at such time or times as they may deem appropriate, they will attempt and shall by the Last Will and Testament of the survivor of them direct such executor to the best of his ability to secure from the mortgage under the Mortgagee under the Mortgage a release of the South Farm from the lien of the Mortgage. It is understood by all of the parties to this agreement that the Mortgage covers the South Farm as well as all other farmland presently owned by Parents. By the terms of this paragraph, Parents are required, when and if the same appears to them to be feasible, because of amortization of the Mortgage note or otherwise, to attempt to remove the lien of the Mortgage from the South Farm, and, further, the Parents are required to direct the executor of the estate of the survivor of them to utilize such other assts of said estate to reduce the principal of the Mortgage note to such amount and to utilize such assets as substitute property as, in the discretion of the executor, may be necessary or appropriate to release the South Farm from the Lien of said Mortgage. This paragraph does not

require the Parents, during their lifetime, to prepay principal on the Mortgage note, but does require their executors, administrators, devises, heirs or assigns to assume and agree to pay the balance of the Mortgage note remaining unpaid at the time of the death of the survivor of the Parents. The intention of this agreement is that upon the death of the survivor of the Parents, Lennis and Julianne shall have the South Farm free and clear of the lien of the Mortgage as defined in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the 19 day of July, 1974.

Lennis J. Holm
Lennis J. Holm

Luther J. Holm
Luther J. Holm

Julianne D. Holm
Julianne D. Holm

Bernice J. Holm
Bernice J. Holm, his wife

STATE OF IOWA :

: ss

COUNTY OF Madison :

On this 19 day of July, 1974, before me a Notary Public in and for the State of Iowa, personally appeared Luther J. Holm and Bernice J. Holm, to me known to be the persons named in and who executed the foregoing instrument, and acknowledged that they executed the same as their voluntary act and deed.

SEAL OF THE DISTRICT COURT MADISON COUNTY IOWA

Margaret N Keeler
Notary Public In and For the State of Iowa
Clerk of Court
Madison County

STATE OF IOWA :

: ss

COUNTY OF Madison :

On this 19 day of July, 1974, before me a Notary Public in and for the State of Iowa, personally appeared Lennis J. Holm and Julianne Holm, to me known to be the persons named in and who executed the foregoing instrument, and acknowledge that they executed the same as their voluntary act and deed.

SEAL OF THE DISTRICT COURT MADISON COUNTY IOWA

Margaret Wheeler

Notary Public In and For the State of Iowa

Clerk of Court
Madison County

IOWA STATE BAR ASSOCIATION
Official Form No. 1.1 (Trade-Mark Registered, State of Iowa, 1967)

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

WARRANTY DEED

Know All Men by These Presents: That Luther J. Holm and Bernice H. Holm, husband and wife

, in consideration*

of the sum of Eighteen Thousand Dollars ($18,000.00)

in hand paid do hereby Convey unto

Lennis J. Holm and Julianne Holm

Grantees' Address: Winterset, Iowa

the following described real estate, situated in Madi on County, Iowa, to-wit:

The Southeast Quarter (SE¼) of Section Twenty-Nine (29) in Township Seventy-Five (75) North, Range Twenty-Eight (28) West of the 5th P.M.

subject to the reservation of a life estate to the grantors and the survivor of them, and
subject to a mortgage dated March 19, 1973, from the grantors to the Phoenix Mutual Life Insurance Company, recorded in book 119, page 502, Madison County, Iowa, records, securing a note in the principal amount of $95,000.00.
Grantees shall not, during the lifetime of grantors, transfer, convey the above described real estate, and in the event of such conveyance grantees rights hereunder shall be forfeited and the above described real estate shall revert to the grantors. In the event grantees or either of them predeceases the grantors, a conveyance resulting by operation of law, either testate or intestate shall not be such a transfer or conveyance as will forfeit the grantees' rights hereunder.

And the grantors do **Hereby Covenant** with the said grantees, and successors in interest, that said grantors hold said real estate by title in fee simple; that they have good and lawful authority to sell and convey the same; that said premises are **Free and Clear of all Liens and Encumbrances Whatsoever** except as may be above stated; and said grantors Covenant to **Warrant and Defend** the said premises against the lawful claims of all persons whomsoever, except as may be above stated.

Each of the undersigned hereby relinquishes all rights of dower, homestead and distributive share in and to the described premises.

Words and phrases herein including acknowledgment hereof shall be construed as in the singular or plural number, and as masculine or feminine gender, according to the context.

Signed this_____ day of_____, 19____.

* Real Estate Transfer Tax: See (The Code, 1973, Chapter 428A)

STATE OF **IOWA**,
COUNTY OF MADISON } ss.

On this_____ day of_____, 19 74 before me, the undersigned, a Notary Public in and for the **State of Iowa**, personally appeared Luther J. Holm and Bernice H. Holm

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.

_____
Notary Public in and for the **State of Iowa**

Luther J. Holm

Bernice H. Holm

(Grantors' address)

Please type or print names under signatures as per Sec. 335.2 Code of Iowa