

**FARM 2 - 54 ACRES M/L FARMLAND
SUBJECT TO FINAL SURVEY**

REAL ESTATE PURCHASE AGREEMENT

THIS AGREEMENT is made and entered into this 18th day of November, 2014, by and between Steven D. Mallams and Ann L. Mallams, husband and wife, hereinafter referred to as "Sellers", and _____, hereinafter referred to as "Buyer(s)".

1. The Sellers hereby covenant and agree that if the Buyer(s) shall first make the payments (the prompt performance of said payments being a condition precedent and time being the essence of said condition) the Sellers will convey to the Buyer(s) in fee simple, clear of all encumbrances whatsoever, by a good and sufficient Warranty Deed, 80 acres, more or less, the following described real estate situated in Henry County, State of Iowa:

The West 55 acres of the Southeast Quarter (SE 1/4) of Section Fifteen (15), Township Seventy-Three (73) North, Range Five (5) West 5th PM., Henry County, Iowa.

The real estate being sold will be surveyed and the surveyed acres will be the multiplier.

2. The Buyer(s) covenant and agree to pay to the Sellers as the purchase price for said real estate the sum of \$ _____ of which ten percent (10%) or \$ _____ will be paid to Farmers & Merchants Bank & Trust, Burlington, Iowa, as Qualified Intermediary for the Sellers, upon execution of this agreement, receipt of which is hereby acknowledged by the Sellers. The balance of \$ _____ shall be due and payable in full by Buyer(s) to Sellers on the date of closing, which is projected to be December 18, 2014, upon delivery of merchantable abstract of title and deed.

3. Possession of said real estate shall be given to the Buyer(s) on date of closing, which is projected to be December 18, 2014.

4. The Sellers agree that the property will be in as good condition at the time of delivery of possession to the Buyer(s) as it is at the time of the execution of this agreement, natural wear and tear and loss or damage by fire, explosion, wind, lightning (without limitation as to the foregoing) or other casualty excepted. It is agreed that in case of loss or damage by fire, explosion, wind, lightning or other casualty before delivery of possession of said premises to the Buyer(s), the Sellers shall not be obligated to repair any damage or replace any improvements but the proceeds of any existing insurance now on the property or any part thereof shall be available for the purpose of repairing or replacing any such improvements, to the extent of the net proceeds collected from said insurance and further provided that any such loss or losses shall not in any manner affect the Buyer(s)' obligation hereunder.

5. Taxes shall be prorated to the date of possession, on the basis of the last available tax statement and all prior taxes and will be the responsibility of the Sellers. All subsequent real estate taxes will be the responsibility of the Buyer(s).

6. The Sellers agree to furnish the Buyer(s) with an abstract showing merchantable title to said premises vested in the Sellers, subject only to the exceptions herein set out, in reasonable time for examination and approval thereof before the date conveyance is to be made. If there is any defect in said title, the transaction shall nevertheless be consummated by payment of the purchase price and delivery of the deed; provided, however, that a sufficient portion of the purchase money shall be placed in escrow to protect the Buyer(s) and provide ample security to secure the delivery of merchantable abstract and deed.

7. It is agreed between the parties that the property which is the subject of this contract is being sold "as is" and the Sellers make no warranties, expressed or implied, as to the condition of the property. The Buyer(s) acknowledge that he/she has carefully and thoroughly examined the real estate and is familiar with the premises.

8. The real estate which is the subject of this agreement is subject to any and all covenants, restrictions, encroachments and easements, as well as all applicable zoning laws.

9. If, in the future a site cleanup is required, it will be the expense of the Buyer(s).

10. It shall be the Buyer(s) responsibility to provide all required fencing in accordance with Iowa state law.

11. The Buyer(s) shall be responsible for installing his/her own entrances if needed or desired.

12. Buyer(s) agree to follow all requirements of conservation plans and practices required by the FSA to maintain eligibility in the Conservation Reserve Program. Buyer(s) agree to accept responsibility and liability for any actions by the Buyer(s) which would endanger eligibility for the CRP or actions that would require repayment of the CRP payment or payments. Buyer(s) further agree to indemnify and hold harmless the Sellers/tenant for any recovery sought by the FSA due to actions of Buyer(s), which would violate the requirements of the CRP. In the event the Buyer(s) elect to take the ground out of CRP, the Buyer(s) will be responsible to the Sellers/tenant for any prorate of the CRP payment that the Sellers/tenant would have received.

13. It shall be Buyer(s) responsibility to report to the Henry County FSA Office and show filed deed in order to receive the following, if applicable: (a) Allotted base acres; (b) Any future government programs; (c) Prorate of CRP.

14. Property is free and clear for the 2015 farming season. Fall tillage rights will be granted to the Buyer(s).

15. The parties acknowledge that Sellers have entered into a tax free exchange of property with a third party, and that the Seller has identified the above described real estate as the property to be exchanged. The Buyer(s) agree to reasonably cooperate to allow the Sellers to complete the tax free exchange. The Buyer(s) shall not be held liable for any costs relating thereto.

16. Any announcements made on the day of auction will take precedence over prior advertising and printed matter.

17. In case of suit in equity or action at law to enforce any terms hereof, or the foreclosure of this contract, it is agreed that a reasonable attorney's fee shall be taxed as a part of the costs thereof.

18. In case of the failure of the Buyer(s) to make the payment herein provided to be made, or the Buyer(s)' failure to perform any of the obligations herein contained, the Sellers may at the Sellers' option and in addition to all other remedies available to the Sellers, either at law or in equity, declare a forfeiture of the Buyer(s)' rights hereunder and the Buyer(s) shall forfeit down payment made on this contract.

Steven D. Mallams, SELLER

BUYER

Ann L. Mallams, SELLER

BUYER

2550 210th Street
Mt. Union, IA 52644

Address

H. Eugene Anderson
Attorney for Seller
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Burlington, IA 52601
319-754-7585

City, State, Zip Code

Identification Number of Buyer

Phone Number of Buyer

Attorney for Buyer(s)

Address of Buyers' Attorney