

\$1,100,000.00

BK: 2025 PG: 585
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Pages 9
County Recording Fee: \$52.00
Iowa E-Filing Fee: \$3.00
Combined Fee: \$55.00
Revenue Tax: \$0.00
BRANDY L. MACUMBER, RECORDER
Madison County, Iowa

**REAL ESTATE AND PERSONAL PROPERTY
CONTRACT INSTALLMENTS
Recorder's Cover Sheet**

Preparer Information: Adam Doll, 1009 Main Street, Adel, IA 50003-1454, Tel: 515-697-4282

Taxpayer Information: Durnan Wine, LLC 2694 Settlers Trl., Saint Charles, Iowa 50240

Return Document To: Adam Doll, 1009 Main Street, Adel, IA 50003-1454

Grantors: Madison County Winery, LLC

Grantees: Durnan Wine, LLC

Legal Description: See Page 2

Document or instrument number of previously recorded documents: _____



REAL ESTATE AND PERSONAL PROPERTY CONTRACT INSTALLMENTS

IT IS AGREED on October 1, 2024, between Madison County Winery, LLC of the County Madison, State of Iowa ("Sellers"); and Durnan Wine, LLC of the County Madison, State of Iowa ("Buyers");

That the Sellers, as in this contract provided, agree to sell to the Buyers, and the Buyers in consideration of the premises, hereby agree with the Sellers to purchase the following described real estate situated in the County of Madison, State of Iowa, to-wit:

The West 228 feet of the East 294 feet of the Northwest Quarter (NW $\frac{1}{4}$) of the Northwest Quarter (NW $\frac{1}{4}$); and also beginning at the Northeast Corner of the Southwest Quarter (SW $\frac{1}{4}$) of the Northwest Quarter (NW $\frac{1}{4}$), thence South 388.50 feet; thence South 89°20' West along the tangent and centerline of the public highway 294 feet; thence North 376 feet to the North line of the said North line to the point of beginning, subject to road easement along the South side thereof, and the West 46 rods and 14 feet of the South 70 rods of the East 42 Acres of the North Half (N $\frac{1}{2}$) of the Northwest Quarter (NW $\frac{1}{4}$), all in Section Twenty-One (21), in Township Seventy-five (75) North, Range Twenty-six (26) West of the 5th P.M., Madison County, Iowa.

together with any easements and servient estates appurtenant thereto, but with such reservations and exceptions of title as may be below stated, and certain personal property if and as may be herein described or if and as an itemized list is attached hereto and marked "Exhibit A" all upon the terms and conditions following:

This contract is exempt from transfer tax according to Iowa Code 428A.2(1)

- 1. TOTAL PURCHASE PRICE.** The Buyers agree to pay for said real estate and personal property the total of \$1,250,000.00 due and payable at 3021 St. Charles Rd., St. Charles, IA 50240, as follows: \$8,000 on or before the 1st day of each and every month, beginning October 1, 2024, thereafter until September 1, 2027. On October 1, 2027, Buyers shall pay a balloon payment of \$985,000.00 to satisfy the remaining balance of the total purchase price.
- 2. ALLOCATION of PURCHASE PRICE.**

Real Estate:	\$1,100,000.00
Wine Inventory:	\$140,400.00
Personal Property:	\$9,600.00
- 3. POSSESSION.** Buyers, concurrently with due performance on their part shall be entitled to possession and have been in possession of said premises since October 1, 2024; and thereafter so long as they shall perform the obligations of this contract.
- 4. TAXES.** Sellers shall pay property taxes through October 1, 2027, and any unpaid taxes thereon payable in prior years. Buyers shall pay any taxes not assumed by Sellers and all subsequent taxes before same become delinquent. Whoever may be responsible for the payment of said taxes, and the special assessments, if any, each year, shall furnish to the other parties evidence of payment of such items not later than July 15 of each year. **Any proration of taxes shall be based upon the taxes for the year currently payable unless the parties state otherwise.**

5. **SPECIAL ASSESSMENTS.** Sellers shall pay the special assessments against this property, including all sewage disposal assessments for overage charge heretofore assessed by any municipality having jurisdiction as of date of possession. Buyers, except as above stated, shall pay all subsequent special assessments and charges, before they become delinquent.
6. **INSURANCE.** Except as may be otherwise included in the last sentence of paragraph 1(b) above, Buyers as and from said date of possession, shall constantly keep in force insurance, premiums therefore to be prepaid by Buyers (without notice or demand) against loss by fire, tornado and other hazards, casualties and contingencies as Sellers may reasonably require on all buildings and improvements, now on or hereafter placed on said premises and any personal property which may be the subject of this contract, in companies to be reasonably approved by Sellers in an amount not less than the full insurable value of such improvements and personal property or not less than the unpaid purchase price herein whichever amount is smaller with such insurance payable to Sellers and Buyers as their interests may appear. Sellers' interest shall be protected in accordance with a standard or union-type loss payable clause. **BUYERS SHALL PROMPTLY DEPOSIT SUCH POLICY WITH PROPER RIDERS WITH SELLERS** for the further security for the payment of the sums herein mentioned. In the event of any such casualty loss, the insurance proceeds may be used under the supervision of the Sellers to replace or repair the loss if the proceeds be adequate; if not, then some other reasonable application of such funds shall be made; but in any event such proceeds shall stand as security for the payment of the obligations herein.
7. **LICENSE FOR MADISON COUNTY WINERY.** Buyer is hereby granted a license to do business as Madison County Winery ("Business Name") throughout the term of the contract. Buyer will protect, defend, and indemnify Landlord from and against any liability stemming from the licensed use of the Business Name. Upon full payment, a bill of sale will be given for the license of the Business Name.
8. **CARE OF PROPERTY.** Buyers shall take good care of this property; shall keep the buildings and other improvements now or hereafter placed on the said premises in good and reasonable repair and shall not injure, destroy or remove the same during the life of this contract. Buyers shall not make any material alteration in said premises without the written consent of the Sellers. Buyers shall not use or permit said premises to be used for any illegal purpose.
9. **LIENS.** No mechanics' lien shall be imposed upon or foreclosed against the real estate described herein.
10. **ADVANCEMENT BY SELLERS.** If Buyers fail to pay such taxes, special assessments and insurance and effect necessary repairs, as above agreed, Seller 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.
11. **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.
12. **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.

13. **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 Special 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 supersedes the previous written offer of Buyers to buy the above described property which was accepted by Sellers on October 1, 2024. 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 and all taxes thereon payable prior thereto.
14. **APPROVAL OF ABSTRACT.** Buyers have not examined the abstract of title to this property and such abstract has not been accepted.
15. **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' sole remedy shall be 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 for 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.
16. **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.
17. **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.

18. **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.
19. **PERSONAL PROPERTY.** This contract includes the sale of personal property, as described in Addendum 1 and Addendum 3. In the event of the forfeiture 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 hereto against all such personal property. If the personal property is damaged outside of the normal wear and tear, Sellers may sue for damages. Financing Statements will be filed regarding the personal property. All wine included as personal property must only be transferred to a third party for value or good faith in operations.
20. **CONSTRUCTION.** Words and phrases herein, including acknowledgments 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."
21. **RELEASE OF RIGHTS.** Each of the Sellers hereby relinquishes all rights of dower, homestead and distributive share in and to the property and waives all rights of exemption as to any of the property.
22. **CERTIFICATION.** Buyers and Sellers each certify that they are not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by any Executive Order or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person" or any other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control; and are not engaged in this transaction, directly or indirectly on behalf of, any such person, group, entity or nation. Each party hereby agrees to defend, indemnify and hold harmless the other party from and against any and all claims, damages, losses, risks, liabilities and expenses (including attorney's fees and costs) arising from or related to my breach of the foregoing certification.
23. **BALLOON PAYMENT TERMS.** At any time prior to October 1, 2027, Buyer may accelerate this Contract by making a balloon payment for the business and the leased Premises in the amount of \$1,108,535.15 less an acceleration credit of \$123,535.15, making the balloon payment total: \$985,000.00. Buyer shall deliver an Notice to Seller no later than May 31, 2027.

SIGNATURE PAGE TO FOLLOW

Douglas Bakker
Douglas Bakker, as manager for
MADISON COUNTY WINERY, LLC,
LANDLORD

Cheryl Bakker
Cheryl Bakker, as manager for
MADISON COUNTY WINERY, LLC,
LANDLORD

Amy Durnan
Amy Durnan, as manager for
DURNAN WINE, LLC,
BUYER

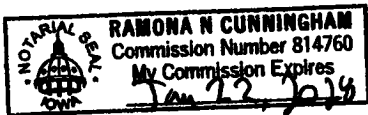
Anthony Durnan
Anthony Durnan, as manager for
DURNAN WINE, LLC,
BUYER

NOTARY

STATE OF IOWA, COUNTY OF Polk

This record was acknowledged before me on February 25, 2025 by Douglas Bakker and Cheryl Bakker, as managers for Madison County Winery, LLC and Amy Durnan and Anthony Durnan, as managers for Durnan Wine, LLC.

Ramona N. Cunningham
Signature of Notary Public



**ADDENDUM 1
EQUIPMENT**

- Four (4) commercial restaurant shelves with casters
- Two (2) rolling butcher block tables
- Custom Tasting Room Bar and Three (3) Tables
- Retail beverage cooler
- Patio furniture (miscellaneous tables and chairs)
- Eight (8) 60" Lifetime round tables
- Sixty-Eight (68) white Lifetime chairs
- Eight (8) 30" round cocktail tables
- Three (3) EZ-Up 10x10 folding tents
- Kitchen appliances including but not limited to:
 - o Refrigerator
 - o Stove/Oven
 - o Microwave/convention
 - o Dishwasher
 - o Stainless Steel Tables
 - o Ice Maker
 - o Washer
 - o Dryer
- Under-counter commercial refrigerator
- Two (2) antique french champagne riddling racks
- Frozen beverage machine
- New and used glassware
- Printed wine labels
- Miscellaneous kitchen/restaurant supplies
- Twelve (12) French oak barrels
- Two (2) Pallet jacks
- Used Hyster forklift
- Heated power washer
- Thirty (30) 1/6 bbl stainless steel kegs
- Grasshopper mower with 62" deck and new engine
- Jacto airblast sprayer
- Small pull-behind sprayer
- 12' commercial warehouse racks (unsure)
- Two (2) leather loveseats and coffee table (unsure)
- Miscellaneous tools including but not limited to:
 - o Mower
 - o Weed Trimmer
 - o Drills
 - o Tool Chest

ADDENDUM 2
EQUIPMENT SOLD/REMOVED FROM PREMISES

- 3-phase converter
- Glycol chiller unit
- Thirty-eight (38) french oak barrels, 1 stainless steel barrel
- Ninety-Five (95) 1/6 bbl kegs
- Eight (8) kegs with 1.5" tri-clamp port
- Bottle filler
- Semi-automatic bottle corker with nitrogen injection
- Miscellaneous clamps, valves, reducers, gaskets, sparging stone, etc.
- 20" double filtration unit
- 30" single filtration unit
- Miscellaneous winemaking chemicals, supplies, filter cartridges and pads, etc.
- Three (3) 2,150L variable capacity tanks
- Two (2) TranStore tanks (550 gallon and 325 gallon)
- Criveller fixed capacity, jacketed tank
- Two (2) 600L tanks
- 400L tank
- 200L tank
- Two (2) 600 gallon dairy chiller tanks with condensing units
- Three (3) stainless steel restaurant tables
- 2.5" must pump (FIP American)
- Two (2) .75" jet O5 wine pumps
- Two (2) "S" Argon pressurized gas tanks
- Two (2) "S" CO2 pressurized gas tanks
- Two (2) "S" Nitrogen pressurized gas tanks
- Two (2) 25# Nitrogen pressurized gas tanks
- 25# CO2 pressurized gas tank
- Two (2) 5# CO2 pressurized gas tanks

ADDENDUM 3
WINE INVENTORY TO BUYER
INCLUDES BOTTLED WINE AND WINE IN TANKS (BOTTLE EQUIVALENT)

Wine (750 ML unless otherwise specified)	# of Bottles
Bourbon Barrel Red	329
Cabernet Sauvignon	625
Chenin Blanc	418
Cranberry	2965
Hunters Moon	450
Lollipop	3885
Malbec	69
Merlot	16
Midnight Rain	976
Petite Sirah	457
PINK	274
Pinot Grigio	375
Raspberry Blanc	509
Rosato (Dry Rose')	540
Sangiovese	587
Strawberry Blonde	1724
Vignoles	624
OURO (375 ML)	237
Phat Man (500 ML)	1284
Wine in Tanks (Bottled in January 2025)	
OURO (375 ML)	736
Hunters Moon	1621
Chenin Blanc	485
Wine in Tanks Converted to Bottle Equivalent	
Raspberry Blanc	1595
Malbec	98
Summer Blonde	3312
PINK	1514
Sangria Bottles	80
Subtotal Bottled Wines	25,705
Sangria Kegs (5.16 gallon kegs) (Each keg is the equivalent of 26 bottles)	25.75
Vinegar	719