

COMPARED

INST # 27378
RECORDING FEE 150⁰⁰
AUDITOR FEE
RMA FEE ECOM 5⁰⁰

FILED FOR RECORD
POTTAWATTAMIE CO. IA.

04 JUN 17 PM 2:11

JUN 17 2004

JOHN SCIORTINO
RECORDER

Entered for Taxation

Marilyn J. Drake

COUNTY AUDITOR

PROPRIETORS' DEDICATION STATEMENT:

Hearthstone Estates Inc., being the sole owners and proprietors of the land described in the legal description and embraced within this plat have caused the same to be subdivided into lots and to be known as Heartstone Estates Phase 1, Lots 1 through 10, inclusive; and hereby dedicates to the public the right-of-way for U.S. Highway 92 as shown on this plat. This plat has been prepared with proprietors' free consent and in accordance with proprietors' desires.

We hereby certify that the following documents will be recorded with the Pottawattamie County Recorder contemporaneously with the filing of the final plat:

- A. All private restrictions and/or covenants, if any, which will be a part of the subject development;
- B. Certified statement of the county treasurer that the subdivided land is free from taxes.

In witness whereof we do hereunto set our hands this 11th day of March, 2004.

By: *Michael K. Guttou*
Hearthstone Estates Inc./
Michael K. Guttou, President

State of Iowa
County of Pottawattamie } ss.

On this 11th day of March, 2004, before me, a notary in and for the state of Iowa, personally appeared Michael K. Guttou, to me personally known, who being by me duly sworn, did say that he is President of Heartstone Estates Inc. the sole owner and acknowledged the execution of the instrument to be their voluntary act and deed.

Brandon H. Northman
Notary Public in and for said state



POTTAWATTAMIE COUNTY BOARD OF SUPERVISORS

Approved by Chairperson

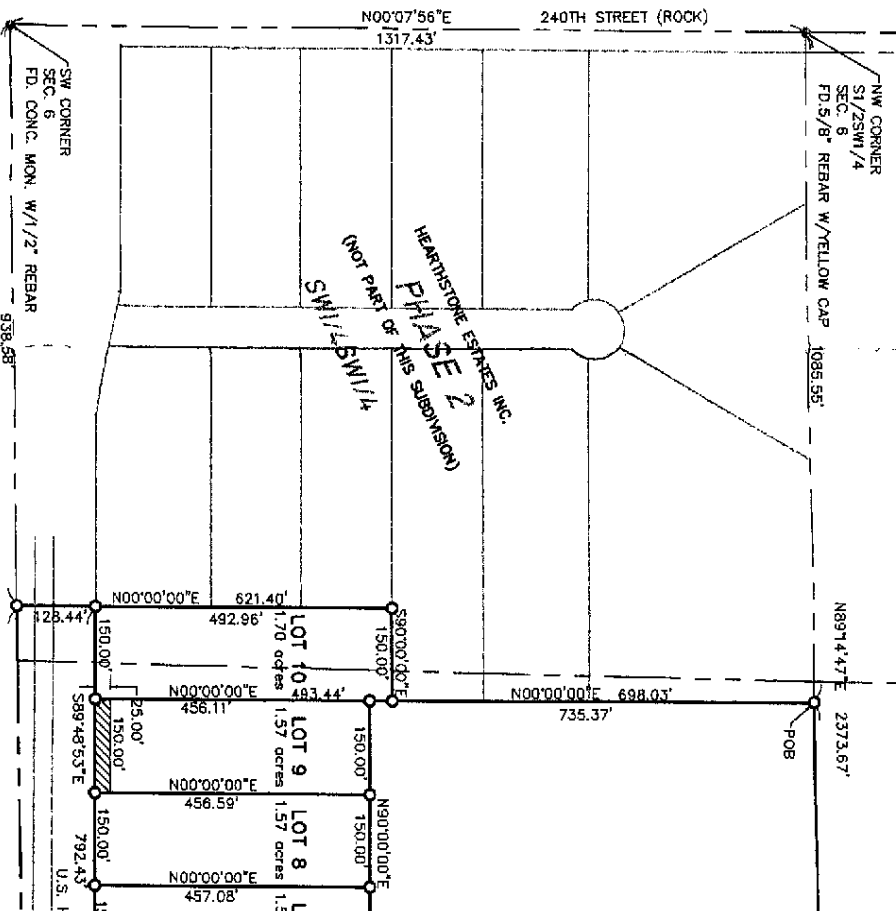
Collin Staley
4-5-04

POTTAWATTAMIE COUNTY BOARD OF SUPERVISORS

1527292401 NB

02-45

FINAL PLAT OF
HEARTHSTONE ESTA



LEGAL DESCRIPTION

A parcel of land situated in the South Half of the Southwest Quarter (S1/2SW1/4) of Section 6, Township 74 North, Range 42 West of the Fifth Principal Meridian, Pottawattamie County, Iowa, more particularly described as follows:

Commencing at the southwest corner of said Section 6;

thence North 00 degrees 07 minutes 56 seconds East along the west line of said section 6, 1317.43 feet to the northwest corner

OWNER/D/E
Hearthstone
P.O. Box
Treyvor Ia

land is free from taxes.

In witness whereof we do hereunto set our hands this 11th day of March, 2004.

By: Michael K. Guttiau
Hearthstone Estates Inc./
Michael K. Guttiau, President

State of Iowa }
County of Pottawattamie } ss.

On this 11th day of March, 2004, before me, a notary in and for the state of Iowa, personally appeared Michael K. Guttiau, to me personally known, who being by me duly sworn, did say that he is President of Hearthstone Estates Inc. the sole owner and acknowledged the execution of the instrument to be their voluntary act and deed.

Brandon H. Vogtman
Notary Public in and for said state



POTTAWATTAMIE COUNTY BOARD OF SUPERVISORS

Approved by Chairperson Chad Stokely 4-5-04

POTTAWATTAMIE COUNTY ENGINEER

Approved by Engineer A/A

POTTAWATTAMIE COUNTY PLANNING DIRECTOR

Approved by Director Shane H. Hoyer 4-5-04

POTTAWATTAMIE COUNTY AUDITOR

Approved by Auditor Michael D. Stahl 4-5-04

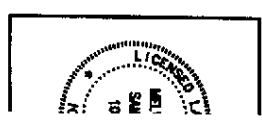
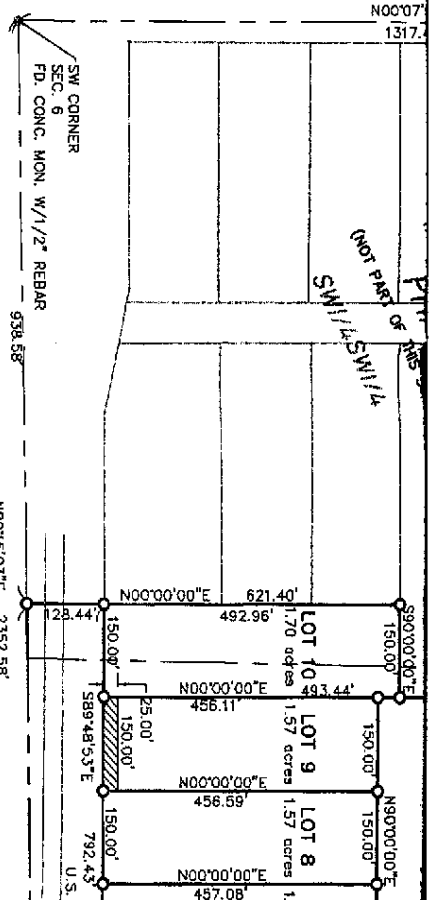
Note:
Set back and side yard requirements:
Front: 125 Feet min. - 150 Feet max.
Side: 25 Feet
Rear: 50 Feet
Side yard abutting street: 75 Feet
A 5.00-foot wide permanent easement on each side of all lot lines and a 10.00-foot wide permanent easement along all front lot lines are reserved for the installation and maintenance of utilities.

LEGAL DESCRIPTION

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Commencing at the southwest corner of said Section 6;
thence North 00 degrees 07 minutes 56 seconds East along the west line of said section 6, 1317.43 feet to the northwest corner of said South Half Southwest Quarter (S1/2SW1/4) of Section 6;
thence North 89 degrees 14 minutes 47 seconds East along the north line of said South Half Southwest Quarter (S1/2SW1/4) Section 6, 1085.55 feet to the TRUE POINT of BEGINNING;
thence continuing along said north line, North 89 degrees 14 minutes 47 seconds East, 1288.12 feet to the northeast corner of said South Half of the Southwest Quarter (S1/2SW1/4);
thence along the east line of said South Half Southwest Quarter (S1/2SW1/4), South 01 degree 02 minutes 55 seconds West, 1318.11 feet to the south quarter corner of said Section 6;
thence along the south line of the Southwest Quarter (SW1/4) of said Section 6, South 89 degrees 15 minutes 03 seconds West, 1414.01 feet;
thence North 00 degrees 00 minutes 00 seconds East, 621.40 feet;
thence South 90 degrees 00 minutes 00 seconds East, 150.00 feet;
thence North 00 degrees 00 minutes 00 seconds East, 698.03 feet to the TRUE POINT of BEGINNING.

Said parcel contains 40.73 acres, more or less. Said parcel is subject to an easement for U.S. Highway 92 right-of-way. Said easement contains 3.93 acres more or less. Said easement is being dedicated to the public with this plat, leaving a net area of 36.80 acres, more or less.



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location of

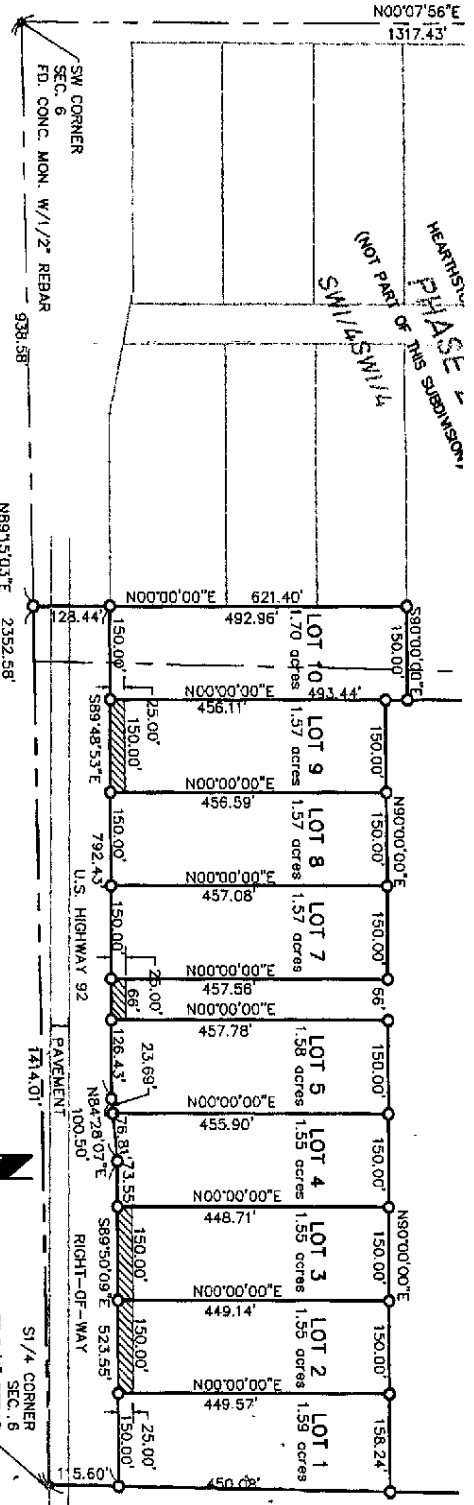


LEGAL DESCRIPTION

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- thence North 00 degrees 07 minutes 56 seconds East along the west line of said section 6, 1317.45 feet to the northwest corner of said South Half Southwest Quarter (S1/2SW1/4) of Section 6;
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 - thence continuing along said north line, North 89 degrees 14 minutes 47 seconds East, 1288.12 feet to the northeast corner of said South Half of the Southwest Quarter (S1/2SW1/4);
 - thence along the east line of said South Half Southwest Quarter (S1/2SW1/4), South 01 degree 02 minutes 55 seconds West, 1318.11 feet to the south quarter corner of said Section 6;
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 - thence North 00 degrees 00 minutes 00 seconds East, 621.40 feet;
 - thence South 90 degrees 00 minutes 00 seconds East, 150.00 feet;
 - thence North 00 degrees 00 minutes 00 seconds East, 698.03 feet to the TRUE POINT of BEGINNING.
- Said parcel contains 40.73 acres, more or less. Said parcel is subject to an easement for U.S. Highway 92 right-of-way. Said easement contains 3.93 acres more or less. Said easement is being dedicated to the public with this plat, leaving a net area of 36.80 acres, more or less.



OWNER/DEVELOPER:
Hearthstone Estates Inc.
P.O. Box 471
Treyvor Ia, 51575

- LEGEND**
- FOUND PIN AS DESCRIBED ON DRAWING
 - ▨ INGRESS/EGRESS EASEMENT
 - SET 5/8"x1/8" REBAR W/YELLOW CAP MARKED "HGM ASSOC. #10569" UNLESS OTHERWISE NOTED ON DRAWING
 - POB POINT OF BEGINNING

LICENSED LAND SURVEYOR
MELVIN G. SAUPELES
10068
IOWA

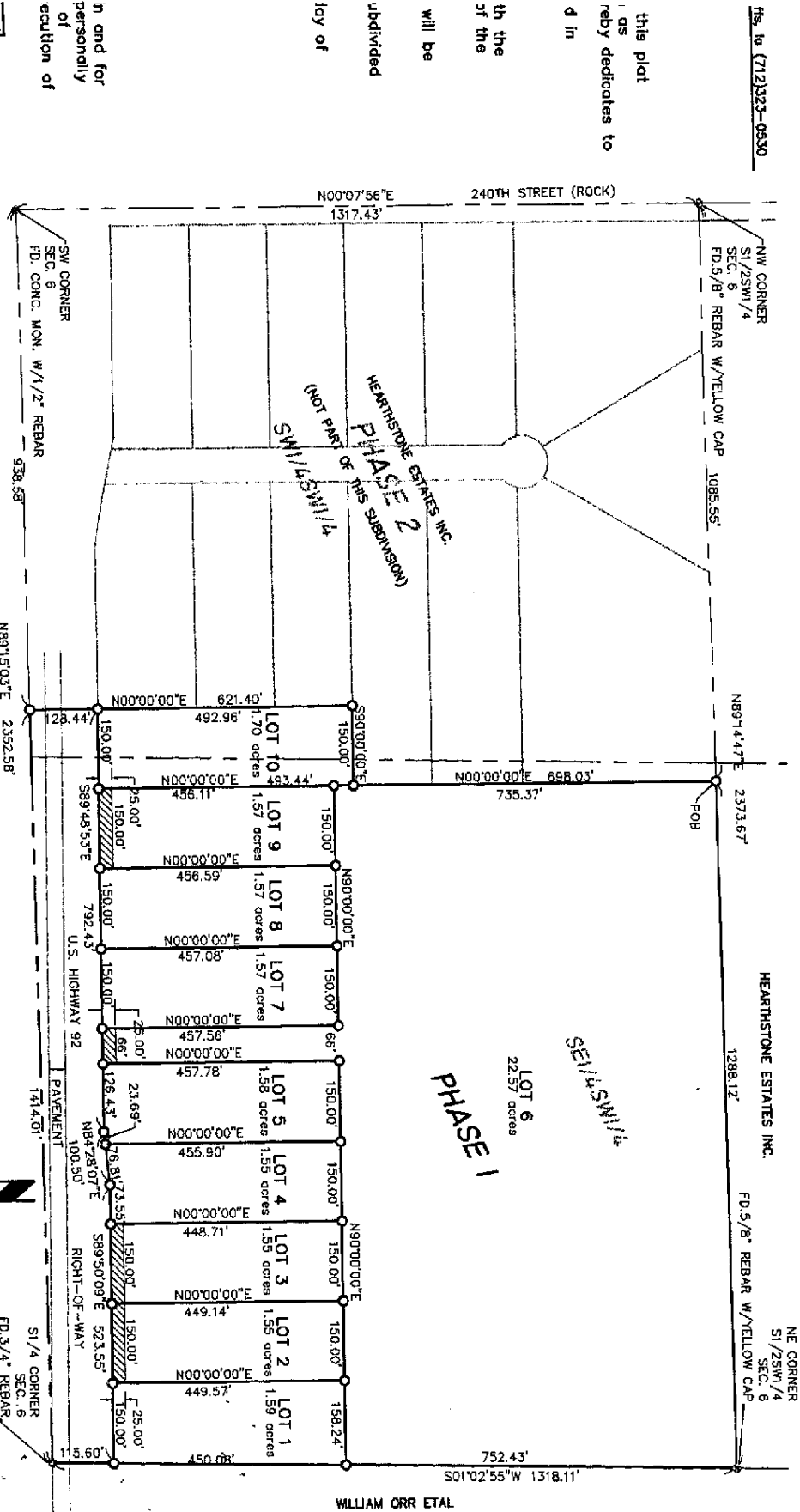
I hereby certify that this land surveying document was prepared and the required field work was performed by me or under my direct personal supervision and that I am a duly licensed Land Surveyor under the laws of the State of Iowa.

Melvin G. Saupeles
License Number: 10068
My license renewed date is December 31, 2024.
Project or sheets covered by this plat:
SHEET 1 OF 1

2-23-04
DATE

project HEARTHSTONE ESTATES PHASE 1 FINAL PLAT	client HEARTHSTONE ESTATES INC. P.O. BOX 471 TREYNOR, IA 51575	sheet PLAT	product no. 11043 sheet 1 OF 1	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;">DEF</td> <td style="width: 10%;">drawn</td> <td style="width: 10%;">_____</td> <td style="width: 10%;">revision</td> <td style="width: 10%;">_____</td> </tr> <tr> <td>SCH</td> <td>designed</td> <td>_____</td> <td></td> <td>_____</td> </tr> <tr> <td>MGS</td> <td>approved</td> <td>_____</td> <td></td> <td>_____</td> </tr> <tr> <td>FEB '04</td> <td>date</td> <td>_____</td> <td></td> <td>_____</td> </tr> </table>	DEF	drawn	_____	revision	_____	SCH	designed	_____		_____	MGS	approved	_____		_____	FEB '04	date	_____		_____
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SCH	designed	_____		_____																				
MGS	approved	_____		_____																				
FEB '04	date	_____		_____																				

FINAL PLAT OF HEARTHSTONE ESTATES PHASE I



File No (712)323-0530

this plat as hereby dedicates to and in the of the will be subdivided by of

in and for personally execution of

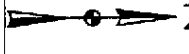


LEGAL DESCRIPTION

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Commencing at the southwest corner of said Section 6:

OWNER/DEVELOPER:
Hearthstone Estates Inc.
P.O. Box 471
Treyor Ia, 51575



PHASE 1

DEF	drawn	
SCH	designed	
MGS	approved	
FEB '04	date	revision

hgm
ASSOCIATES INC.
ENGINEERING ARCHITECTURE SURVEYING
council bluffs omaha

This drawing is being made available by hgm associates inc. for use on this project in accordance with hgm associates inc. agreement for professional services. hgm associates inc. assumes no liability for any use of this drawing or any part thereof except in accordance with the terms of the above agreement.

Preparer Information: Joseph D. Thornton, P.O. Box 249, Council Bluffs, IA 51502-0249 (712) 328-1833
Name Address Telephone

CONSENT OF MORTGAGEE TO PLATTING

Treynor State Bank is the holder of one mortgage on property that is part of the plat to which this Consent of Mortgagee is attached. The first mortgage was executed by Hearthstone Estates, Inc. on March 11, 2004, and filed for record March 19, 2004, and recorded in the Pottawattamie County Recorder's Office at Book 104, Page 20440. Said mortgage covers real estate which is now known as and shown on said plat. The real estate as described on the Owner's Certificate attached to this plat, to which the Consent of Mortgagee is attached, is certain real estate which is being laid out into lots as designated by the attached plat, Final Plat of Hearthstone Estates Phase 1, in Pottawattamie County, Iowa, pursuant to Chapter 354, Code of Iowa 2003, as amended. Treynor State Bank, as the holder of said mortgage, hereby consents to said platting, and said consent is given pursuant to the provisions of §354.11(2), Code of Iowa, 2003, as amended. Since a portion of the property designated on the plat as U.S. Highway 92 Right-of Way is to be or has been conveyed or dedicated to the local governmental unit within which such land is located, this Consent of Mortgagee shall constitute a partial release of said mortgage for said U.S. Highway 92 Right-of-Way conveyed to the local governmental unit or dedicated to the public. Said Consent by Treynor State Bank shall in no way be deemed a release, either total or partial, of any interest in the remainder of the

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SMITH PETERSON LAW FIRM, LLP

PARTNERS

*ROBERT J. LAUBENTHAL
*RICHARD A. HEININGER
*LAWRENCE J. BECKMAN
*GREGORY G. BARNTSEN
*STEVEN H. KROHN
*JOSEPH D. THORNTON
*THOMP J. PATTERMANN
DANIEL L. FRETHEIM
ASSOCIATE
*MARVINO. KIECKHAFFER

EST. 1908
35 MAIN PLACE, SUITE 300
P.O. BOX 249
COUNCIL BLUFFS, IOWA 51502
(712) 328-1833
FAX (712) 328-8320
www.smithpeterson.com
email@smithpeterson.com

RAYMOND A. SMITH (1892-1977)
JOHN LEROY PETERSON (1894-1969)

OF COUNSEL
HAROLD T. BECKMAN

LICENCED IN IOWA AND NEBRASKA

March 22, 2004

Pottawattamie County Recorder
Pottawattamie County Courthouse
227 South Sixth Street
Council Bluffs, IA 51503

RE: Hearthstone Estates Phase 1 Platting
Our File No. 0741-03

Dear Sir or Madam:

We have examined abstract of title to:

A parcel of land, situated in the S $\frac{1}{2}$ of the SW $\frac{1}{4}$ of Section 6, Township 74 North, Range 42 West of the Fifth Principal Meridian, Pottawattamie County, Iowa, more particularly described as follows: Commencing at the Southwest corner of said Section 6; thence North 00°07'56" East along the West line of said S $\frac{1}{2}$ of said Section 6, 1317.43 feet to the Northwest corner of said S $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 6; thence North 89°14'47" East along the North line of said S $\frac{1}{2}$ SW $\frac{1}{4}$ Section 6, 1085.55 feet to the TRUE POINT OF BEGINNING; thence continuing along said North line, North 89°14'47" East, 1288.12 feet to the Northeast corner of said S $\frac{1}{2}$ SW $\frac{1}{4}$; thence along the East line of said S $\frac{1}{2}$ SW $\frac{1}{4}$, South 01°02'55" West, 1318.11 feet to the South quarter corner of said Section 6; thence along the South line of the SW $\frac{1}{4}$ of said Section 6, South 89°15'03" West, 1414.01 feet; thence North 00°00'00" East, 621.40 feet; thence South 90°00'00" East, 150.00 feet; thence North 00°00'00" East, 698.03 feet to the TRUE POINT OF BEGINNING. Said parcel is subject to an easement for U.S. Highway 92 right- of- way (which is being dedicated to the public with the Final Plat).

The abstract (which also covers other land not being platted at this time) was last certified to by Abstract Guaranty Company consisting of 178 total entries in two parts with the last part thereof consisting of 98 consecutively numbered entries and extending from the U.S. Government to March 19, 2004, at 9:16 o'clock A.M.

Page 2
March 22, 2004

We have conducted our examination under the provisions of the Iowa Marketable Title Act. We find marketable title at the time of last certification of the abstract as shown by the abstract to be in HEARTHSTONE ESTATES, INC., subject only to the following:

1. At Entry #98, Part B, the general taxes for the year 2002 and prior years are shown paid for Parcel #038012006010604 and #038012006010605. We assume that the reference to the general taxes for 2002 is a reference to the fiscal year 2002-2003 taxes due and payable in fiscal 2003-2004.
2. At Entry #75, Part B, the abstractor makes the notation that it is no longer possible to certify to special assessments and/or unpaid fees for services for sewer systems, storm water drainage systems, sewage treatment, solid waste collection, water, and solid waste disposal which have been certified to the County Treasurer for collection unless those charges have been entered on the tax books.
3. At Entry #76, Part B, the abstractor makes the notation that they do not certify to assessments for buildings on leased land or assessments for machinery and equipment, as the County Treasurer indexes those assessments in such a manner as it is impossible to determine whether there are any which would attach to the real estate.
4. At Entry #68, Part B, appears a Statement and Notice from the County Soil Conservation District. Said Notice states that certain real estate in the County may be subject to the soil conservation practice refund provided for in Chapter 467A.7(16) Iowa Code.
5. At Entry #97, Part B, a lien search was shown for Hearthstone Estates, Inc. for ten years last past to March 19, 2004, at 8:00 o'clock A.M.
6. At Entries #67, #69, #70, #71, #72, and #73, Part B, the abstractor makes a notation that the property under examination is controlled by several ordinances adopted by Pottawattamie County.

At Entry #96, Part B, is shown a mortgage to Treynor State Bank in the amount of \$400,000.00 dated March 11, 2004. The mortgage was filed for record March 19, 2004, and recorded in Book 104, Page 20440. The balance of the mortgage is due

RE
106-169253
7.

on March 3, 2007, and the mortgage contains six months redemption and sixty days abandonment in the event of a foreclosure and due on sale clauses.

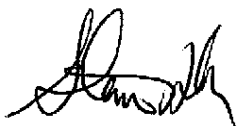
8. At Entry #90, Part B, is shown Pottawattamie County Planning and Zoning Resolution #2004-03, adopted January 26, 2004 and filed February 10, 2004 in Book 104, Page 18165, wherein a variance was granted to allow more than two houses to access off of one entrance to Highway 92 for a total of four entrances as follows: #1 for Lots 1, 2 and 3; #2 for Lots 4, 5, 6, 7, and 8; #3 for Lots 9 and 10, and #4: Cul-de-sac for Phase II. In addition, the Resolution requires the construction of a private driveway for access to Lot 6 with a minimum width of 24 feet to accommodate two lanes of traffic to be completed prior to submittal of the final plat. It is this Examiner's understanding that Treynor State Bank has issued two Letters of Credit to secure the performance by Hearthstone Estates, Inc. and Living Hope Community Church, Inc. of the road construction. At Entry #92, Part B, said Resolution was re-recorded on February 23, 2004 in Book 104 at Page 18904 to correct the P&Z Case No. to be SUB-2003-11.
9. At Entry #91, Part B, is shown Pottawattamie County Ordinance #2004-02, adopted January 26, 2004 and filed February 10, 2004 in Book 104, Page 18168, which amended the Zoning Map to change the Zoning Classification of the S ½ SW ¼ of Section 6-74-42 from Class A-2 (Exclusive Agricultural) District to R-1 (Rural Residential) District.
10. At Entry #75, Part A, is shown an Easement to Pottawattamie County, Iowa, dated July 23, 1930 and filed August 4, 1930 in Book 744 at Page 122, for road purposes over a portion of the SW ¼ of Section 6-74-42, and other land.
11. At Entry #34, Part B, is shown a Warranty Deed to the State of Iowa, dated October 3, 1952, and filed October 13, 1952, in Book 1077 at Page 145, which conveyed a portion of the SW¼ of Section 6-74-42 for road purposes and for use as a public highway.
12. At Entry #35, Part B, is shown an Affidavit and Resolution of the Iowa State Highway Commission, dated July 12, 1956, and filed July 30, 1956, in Book 1167 at Pages 427 and 447, which indicates the rights of access are controlled on the highway adjacent to the property under examination (Highway 92).

13. At Entry #36, Part B, is shown an Easement to Iowa Power and Light Company, dated December 14, 1955, and filed January 4, 1956, in Book 1152 at Page 157, to Iowa Power and Light Company for the construction, maintenance and operation of an electrical supply line and appurtenances over a 100-foot wide strip of land across the property under examination, and other land.
14. At Entry #58, Part B, is shown an Easement to Pottawattamie County, dated October 30, 1992, and filed November 19, 1992, in Book 93 at Page 14917, for road purposes and for use as a public highway over a portion of the NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 6-74-42.
15. At Entry #87, Part B, is shown an Option and Easement to MidAmerican Energy Company, dated June 29, 2003, and filed July 15, 2003, in Book 104 at Page 01008, which grants a 24-month option to acquire an easement for the construction, operation and maintenance of electric lines and appurtenances over a portion of the property under examination, and other land, for the further consideration of \$21,492.00.
16. Your attention is called to the fact that you should investigate certain matters not shown by the abstract, including the boundaries of the property, whether there is anyone other than record titleholders in possession of all or part of the property having any claims against the property, whether the property meets building codes and fire codes and has smoke detectors, whether there are public improvements in process or recently made in the vicinity for which special assessments might later be made, whether there has been any construction or improvement within the last 90 days for which Mechanic's Liens might later be filed, whether there are restrictions or controls by governmental authorities on usage of the property or on access to public streets or highways whether or not there is access to the property, and any rights acquired by adverse possession by fences, driveways, etc., which might be indicated upon inspection or survey of the premises.
17. You should determine whether any solid wastes, hazardous substances, pollutants, above or below ground storage tanks, drainage wells, water wells, landfill sites or other environmentally regulated conditions exist on the property. Such conditions are not ordinarily shown in the abstract, but they may result in injunctions, fines, required cleanup, or other remedial actions under federal, state or local laws. These laws may impose liens against the property and personal liability against the owner, even though

Page 5
March 22, 2004

- the owner did nothing to create the condition, and acquired the property without knowing about it.
18. At Entry #78, Part B, your attention is called to the fact that the abstractor's certificate specifically excludes a search of the records for bankruptcies since all bankruptcies are now filed in the Bankruptcy Clerk's Office.
 19. The abstract does not mention whether there are any garbage assessments or sewer and water bills remaining unpaid. We advise you that these bills become a lien upon the property when certified to the County Treasurer's Office.
 20. You are cautioned that Iowa has a fence law which determines your rights and obligations regarding the maintenance of boundary fences. You should determine by asking the neighbors if there are any fencing agreements that are not of record which affect the line and boundary fences.
 21. If the property under examination contains a private water well, you should determine whether the water has been tested and whether the capacity of the well has been checked. The abstract does not disclose these items, however, you would be well advised to make sure that the water supply is capable of meeting your needs and that the water is potable.

Sincerely,

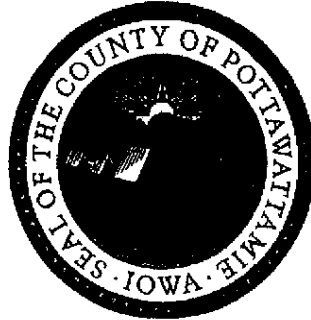


STEVEN H. KROHN

SHK/PlattingAO.lrp.wpd

Direct Email: shkrohn@smithpeterson.com

MARILYN JO DRAKE
POTTAWATTAMIE COUNTY AUDITOR
AND ELECTION COMMISSIONER
P. O. BOX 649
COUNCIL BLUFFS, IOWA 51502-0649

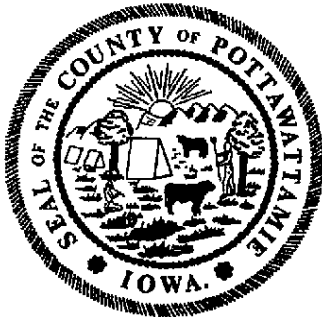


Gary Herman, First Deputy - Elections
Cheryll Ross, First Deputy - Taxes
Paula Glade, Second Deputy - Real Estate
Phone (712) 328-5700
FAX (712) 328-4740

TO WHOM IT MAY CONCERN:

I, Marilyn Jo Drake, County Auditor, Pottawattamie County, Iowa, do hereby certify that the attached is a true and accurate copy of Planning and Zoning Resolution #2004-11, adopted by the Pottawattamie County, Iowa, Board of Supervisors, in their approval of Hearthstone Estates Subdivision, on April 5, 2004.

Dated this 5th day of April, 2004.



A handwritten signature in cursive script that reads "Marilyn Jo Drake".

Marilyn Jo Drake, County Auditor
Pottawattamie County, Iowa

Prepared by: Pottawattamie County, Planning and Development, 223 South 6th Street, Council Bluffs, Iowa 51501 (712) 328-5792
Return to: Pottawattamie County, Planning and Development, 223 South 6th Street, Council Bluffs, Iowa 51501 (712) 328-5792

**PLANNING AND ZONING
RESOLUTION NO. 2004-11**

WHEREAS, this Board had approved the preliminary plat of **Hearthstone Estates Subdivision**, a subdivision situated in **Keg Creek Township**, by approval of Planning and Zoning Resolution No. 2004-03, dated **January 26, 2004**; and

WHEREAS, the final plat and supporting documents required by Chapter 9.10 of the Pottawattamie County, Iowa, Code and Chapter 354, Code of Iowa, has been filed with this Board for its study and consideration under **Case #SUB-2003-11** and

WHEREAS, this Board has examined the final plat and has found it is in substantial compliance with the approved preliminary plat; and



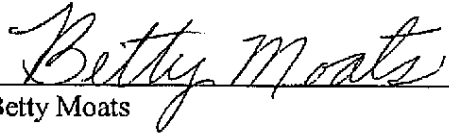
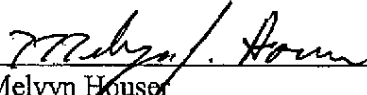

WHEREAS, after careful study, and due consideration this Board has determined that the final plat and supporting documents conform to the requirements of Chapter 9.10 of the Pottawattamie County, Iowa, Code and Chapter 354, Code of Iowa, and it has deemed it to be in the best interest of Pottawattamie County, Iowa, to approve the final plat.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF POTTAWATTAMIE COUNTY, IOWA: That the final plat of **Hearthstone Estates Subdivision**, a residential subdivision in Pottawattamie County, Iowa, be, and the same is hereby approved as the final plat of said subdivision, subject to the following conditions:

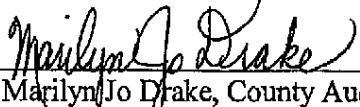
1. The developer shall be responsible for the construction of all retention and detention facilities shown on the NRCS approved Pollution Prevention Plan. Subsequent property owners of the subject lots shall be responsible for retaining and maintaining said structures.
2. The final plat is accompanied by a Well and Septic Corridor Map delineating an area 10,000 square foot in size per lot. Said septic corridor area shall be solely dedicated for the construction of septic systems.
3. The developer shall be responsible for the placement of cluster mailboxes at the location of each entrance.
4. In lieu of construction of the private driveway prior to final plat approval, **Hearthstone Estates** has delivered 2 Irrevocable Standby Letters of Credit, in the amount of \$71,205.00, to guarantee said construction of private driveways, as described in Planning and Zoning Resolution #2004-03.

And that the Chairman of the Board of Supervisors is hereby authorized to enter such approval upon said final plat.

PASSED AND APPROVED APRIL 5, 2004.

	ROLL CALL VOTE			
	AYE	NAY	ABSTAIN	ABSENT
 Delbert King, Chairman	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
 Lynn Leaders	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
 Betty Moats	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
 Melvyn Houser	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
 Loren Knauss	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Attest:


Marilyn Jo Drake, County Auditor
Pottawattamie County, Iowa

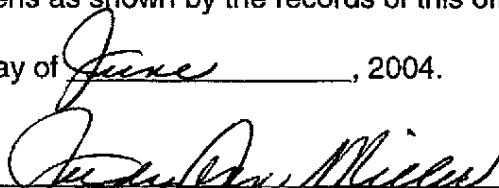
RECORD: After Passage

CERTIFICATE OF TREASURER

STATE OF IOWA)
)
COUNTY OF POTTAWATTAMIE) ss:

I, JUDY ANN MILLER, Treasurer of Pottawattamie County, Iowa, being first duly sworn on oath do state that the property described in the foregoing Owner's Certificate, said property being laid out in lots by the attached plat of Hearthstone Estates Phase 1 upon which this certified statement is endorsed, is free and clear from any and all unpaid taxes and tax liens as shown by the records of this office.

DATED this 17th day of June, 2004.



JUDY ANN MILLER, Treasurer of
Pottawattamie County

STATE OF IOWA)
)
COUNTY OF POTTAWATTAMIE) ss:

On this 17th day of June, 2004, before me, a Notary Public in and for Pottawattamie County, personally appeared JUDY ANN MILLER, to me known to be the person named in and who executed the foregoing instrument and acknowledged that she executed the same as her voluntary act and deed and in her capacity as Treasurer of Pottawattamie County, Iowa.





NOTARY PUBLIC IN AND FOR SAID STATE

Pott Co
104-27257

Preparer Information: Joseph D. Thornton, P.O. Box 249, Council Bluffs, IA 51502-0249 (712) 328-1833

Name

Address

Telephone

RESTRICTIONS, COVENANTS AND EASEMENTS
FOR HEARTHSTONE ESTATES SUBDIVISION, PHASE 1, 2, AND 3
POTTAWATTAMIE COUNTY, IOWA

Declarant is the owner of all of the lots of Hearthstone Estates Subdivision located in Pottawattamie County, Iowa, and does hereby adopt the following restrictions and covenants, with the exception of Lot 6 to which only the residential construction provisions shall not apply to-wit:

1. As used herein, the following definitions shall apply:
 - A. "Subdivision" shall mean Hearthstone Estates Phase 1, 2, and 3.
 - B. "Addition" shall mean Hearthstone Estates Phase 1, 2, and 3.
 - C. "Architectural" Control Committee" shall mean the Developer or a committee appointed by the Developer or a Committee which continues to operate as the neighborhood organization duly elected by a majority of all owners.
 - D. "Declarant" shall mean Hearthstone Estates, Inc., their assigns and successor developer.
 - E. "Developer" shall mean the Declarant, their assigns and successor developers.
 - F. "Lot" shall mean and refer to any plat of land shown upon the recorded plat of the Addition.
 - G. "Owner" or lot owner means:
 - (1) Any person, including Declarant, their assigns and successor developers.
 - (2) Any person or legal entity who has contracted to purchase fee simple title to a lot pursuant to a written agreement in which case the seller under said agreement shall cease to be the owner while said agreement is in effect.
 - (3) Any person or legal entity who has commenced legal proceedings to forfeit a contract of sale or foreclose a mortgage on any lot or serves as a court appointed receiver to manage said lot or serves as a Trustee under the bankruptcy law.
 - H. "Farm owner" shall mean the individual owning the farm ground immediately adjacent to the east and south of Hearthstone Estates, Phase 1, 2, and 3. Said owner has the authority to enforce these restrictive covenants.
 - I. Residence shall mean single family dwellings, not to exceed two stories. No trailers, prefabricated houses, or modular houses will be allowed on any lot without permission from the Developer.

2. The Subdivision shall be subject to the control of the following architectural control covenants:
- A. **Scope of Architectural Control.** No building, fence, well or other structure, shall be commenced, erected or maintained upon a lot, nor shall any exterior addition to, change or alteration therein, be made until the plans, specifications, and plat plan showing the nature, kind, shape, height, materials and location of the same have been submitted to and approved in writing as to harmony of external design and location in relation to the surrounding structures and topography by the Developer, or by an Architectural Control Committee appointed by said Developer. In the event the Developer or its designated committee fails to approve or disapprove in writing such design and location thirty days after said plans and specifications have been submitted to it by personally serving such plans to the Developer or any member of the Architectural Control Committee, approval shall be deemed to have been denied and the plans will need to be resubmitted. All such plans and specifications shall be submitted to the Developer in care of Hearthstone Estates, Inc., Box 471, Treynor, Iowa, 51575 or such other place as the Developer may designate.
 - B. **Reason for Architectural Control.** The addition is composed of in part, 22 building lots which have been developed expressly for residential purposes and the construction of Residences. The primary purpose of architectural control is to both the individual lot owners and the public in general. This control is not to be viewed as a means for suppressing expressions of individuality or as a mere land restriction. The secondary purpose of the architectural control are:
 - (1) To protect the Developer's financial investment in the unsold lots.
 - (2) To give the lot owners essential information regarding the Addition.
 - (3) To offer advice related to design and location problems so as to insure the best possible design and aesthetic results for all parties concerned.
 - C. **Guidelines for Architectural Control.** The following statements regarding design, location and construction of Residences are intended to be merely guidelines, not absolute criteria, that the Developer or the Architectural Control Committee will use in granting architectural approval. Deviations from the guidelines will be made in order to protect the unique topography and other essential elements to both the nature and character of the Addition.
 - (1) Each individual lot owner is to take all steps necessary to reasonably and adequately regulate the drainage from the owner's lot and to control unreasonable and undesirable erosion.
 - (2) The front yard setback requirements for the lots of the Addition shall be a minimum of 125 feet and a maximum of 150 feet from the lot line, governed by the provisions of the Pottawattamie County Code, subject to the approval of the

Architectural Control Committee or Developer. Side setbacks shall not be less than 25 feet. Rear setbacks shall not be less than 50 feet. Furthermore, side and setback variances will be granted only in the event that it is necessary to achieve reasonable and proper slope control, drainage, and preservation of existing trees and other native growth. Provided, however, said side and rear setback variances will not be granted if to do so would produce undesirable design, location, scenic or aesthetic results.

- (3) Each Residence shall include at least an attached, double car garage.
- (4) Should an unattached garage or maintenance structure be desired on the lot, it shall be more than 30 feet from an adjoining lot and at least 75 feet from the residence. The barns or similar designed building shall be allowed with approval. Building square footage to be no more than 3,000 square feet, with eaves 16 feet or less and pitch of no more than 8/12. However, due to the nature of the lots in Phase 3, the size of the structure may be up to 5,000 square feet.
- (5) No lot shall be further subdivided and each lot is limited to the construction of one Residence.
- (6) Walls in the front yard shall be 4' or smaller in height. No fences and no site obstructing structures or plants shall be allowed in the front yard including but not limited to wind breaks, row of Poplar trees, evergreens, hedges, earthen berms, or other structures which obstructs the view from Highway 92.
- (7) Only enclosed buildings may be used to store, repair, routinely park recreational vehicles, boats, trailers, campers or other commercial vehicles. In no event may said vehicles be parked or repaired in the front yard for a period longer than 24 hours.
- (8) Dwelling Size. Any residence one story in height erected on any of said lots shall contain a minimum of fourteen hundred (1400) square feet of enclosed floor area; any split level residence shall contain a minimum of fifteen hundred (1500) square feet of enclosed floor area; any one and one-half story and two story residence shall contain a minimum of sixteen hundred (1600) square feet of enclosed floor area of which at least eleven hundred (1,100) square feet shall be on the first floor. The word "enclosed floor area" as used in this section shall include in all cases areas on the first and second floor of the residence enclosed and finished for all-year occupancy computed on outside measurement of the residence, and shall not include any area in any basement, garage, porch or attic finished for all-year occupancy and further shall not include any area in any basement, garage, porch or attic finished or unfinished. No residence erected on any of said lots shall be more than two stories in height, unless consented to in writing by Developer. Developer shall have and hereby reserves the right to reduce the floor area requirements set forth above provided the total reduction for any one residence may not

exceed twenty (20) percent of such minimum floor area requirements for such residence.

- (9) No residence shall be designed or be converted for the use of more than one family.
- (10) The side yard, front yard, and rear yard setback law shall not apply to open patios or uncovered porches, unless such structure interferes in any manner with the view from another property or reasonable use of adjoining property.
- (11) No farm animals, including horses, shall be bred, raised, housed, or otherwise boarded on any lot in Phase 1 and 2.
- (12) All driveways must be improved with hard surface, consisting of a minimum of four (4) inches of reinforced concrete or other materials approved in writing by Developer. Gravel driveways shall not be allowed anywhere on the lot. Driveways consisting of a crushed rock base with prime and seal coat will only be permitted beyond one hundred (100) feet from the back building line of a residence. This provision shall not apply to lots in Phase 3.
- (13) No above-ground swimming pools shall be permitted.
- (14) Utilities, Services and Access. All wells and sewage and septic systems on each Lot shall comply with the applicable State and Local ordinances and Regulation and be located on each lot within the area shown on the Plat. Each Lot Owner shall be responsible for any expenses related to the provision of sewage and septic systems and private water wells. Additionally, each Lot Owner shall be responsible for any expenses related to the extension of utility services to their individual Residence. Each Lot Owner shall also be responsible for any expenses related to providing vehicular access to their Lot from the dedicated platted streets. All utilities services on all Lots shall be underground.

D. Further Restrictions of Architectural Control Committee, to wit:

- (1) The construction and landscaping of each residence shall be completed within 18 months from the date construction of the residence's foundation is commenced. Excess dirt resulting from excavation done on any lot shall be hauled from the lot or used in landscaping the lot within the construction time period. All excavation or alteration of the existing topography will be done in a manner such that the natural drainage or designated drainage is not altered to such an extent that unreasonable or undesirable drainage or erosion results. Owner shall provide for erosion control on the lot. Improvements not so completed, or upon which construction has ceased for 90 consecutive days, or which have been partially or totally destroyed and not rebuilt within 12 months shall be deemed nuisances. Declarant may remove any such nuisance or repair or complete the same at the cost of the owner.
- (2) Material and equipment used during the construction and landscaping process will be stored and maintained on the lot in

an orderly manner and discharged materials, rubbish and unneeded equipment will be removed from the lot weekly. The individual owner shall be primarily responsible for preventing any materials or rubbish from blowing on to surrounding properties. The duty to prevent such trespass commences simultaneously with the commencement of constructing any structure.

- (3) Construction and landscaping activities will be confined to the lot on which the construction is in process. The individual lot owner is responsible for any expenses related to providing utilities to the residence.
- (4) No hazardous conditions or equipment shall be acquiesced to or maintained by the lot owner during construction or any other time without reasonable and proper warnings and safeguards.
- (5) No lot owner shall use, suffer or permit any person or persons in any manner whatsoever, to use owner's lot for any purpose in violation of the laws and regulations of the United States, the laws and regulations of the State of Iowa, or any other lawful authority. No lot owner shall use, suffer or permit any person or persons in any manner whatsoever, to use owner's lot for any purpose which will constitute an unreasonable and improper invasion upon the quiet use and enjoyment of any other lot owner's property.
- (6) Dogs shall be confined to their Owner's Lot. No dogs shall be allowed to run at large on the Properties. The location, size, and design of dog kennels shall be subject to the approval of the Developer, or its designee prior to construction. Kennels shall be limited to runs of no more than 8 feet by 20 feet, be at least 30 feet from the residence and located in the rear yard. No more than three dogs shall be allowed.
- (7) No bright light (Mercury Vapor or Sodium) shall be placed on the exterior of any structure or constructed separately without the written consent of Developer, or its designee.
- (8) No vegetable gardens or wild flower plots shall be permitted in the front yard.
- (9) No lot shall be used or maintained as a dumping ground for solid waste, dirt, stone, brick, or similar inorganic material, organic material, hazardous waste or nuclear material. No lot shall be used or maintained as a composting, recycling or salvage yard. No vehicles offensive to the neighborhood shall be visibly stored, parked, or abandoned on any lot. The terms herein shall be defined by the Iowa Code.
- (10) Tanks for heating fuel on any lot shall be screened from view from Highway 92. No gasoline, diesel or motor fuel tank, other than for heating and cooking, shall be permitted.
- (11) No unsightly objects will be erected, placed, or maintained on any lot. No billboards and signs shall be permitted. No advertising signs will be allowed on any lot; provided, however, "For Sale" signs of not more than 4 square feet may be placed

or maintained on a lot. Additionally, the Owner of Lot 6 shall be permitted to place a sign at the entrance to its lot on Highway 92, subject to approval of the necessary State and County government agencies. Notwithstanding the foregoing provisions, this paragraph shall not restrict the business activities, advertising, signs and billboards, or the construction and maintaining of structures by the Declarant, its agents and assigns, during the construction and sale period of this Addition.

- (12) No boat, camping trailer, auto-drawn trailer of any kind, mobile home, truck, motorcycle, van, grading or excavating equipment, or any other portable vehicle shall be stored or repaired in the front yard of the Addition or in an area readily visible from the road as shown by the plat. Off-street temporary parking for two automobiles shall be provided in addition to the attached double car garage space. Said off-street parking shall include a turn-around area so that the vehicles will not have to back onto Highway 92. None of the common driveways provided for herein shall be used for parking or storage.
- (13) No incinerator or trash burner shall be allowed on any lot, and, except on pick-up days, no garbage or trash shall be permitted outside of any dwelling unless within an area that is fully screened from view from any adjoining street.
- (14) Maintenance of lots. All lots and parcels, whether occupied or unoccupied, any improvement placed thereon shall at all times be maintained in such a manner as to prevent their becoming unsightly, unsanitary or a hazard to health. If not so maintained, Declarant or the Architectural Control Committee shall have the right, through its agents and employees, to do so. [but shall not be required to do so] the cost of which shall become an assessment to which such lot is subject. Neither Declarant, the Architectural Control Committee, nor any of their agents, employees or contractors shall be liable for any damage which may result from any maintenance work as performed.
- (15) All yards and areas surrounding any residence established upon the real estate shall be fully seeded and shall remain fully seeded at all times thereafter, uniformly mowed and clipped with a length of grass not to exceed five inches. Noxious weeds and plants shall be kept reasonably mowed or controlled. No trees over six inches in diameter at a point two feet above ground level may be removed from the real estate without the approval of the Developer. In the event a Lot Owner fails to mow his or her Lot after being given seven (7) days' notice by Developer, Developer may enter upon the Lot and mow the Lot. Developer's costs of mowing the Lot shall be assessed against the Lot Owners and shall constitute a lien against the Lot until paid. Notice shall be deemed given when deposited in the U.S. Mail by certified mail, postage prepaid and addressed to the address of the Lot Owner as shown by the County records.

- (16) Ditches, Culverts and Swales. Each owner shall keep drainage ditches, culverts and swales located on owner's lot free and unobstructed and in good repair and shall provide for the installation of such culverts upon owner's lot as may be reasonably required for proper drainage.
- (17) Satellite dish placement shall be on the residence and shall not be greater than 30" in diameter.
- (18) All public utilities and services on all lots shall be underground. Any damage to a residence or exterior structure shall be repaired within three months. No air conditioning apparatus or unsightly projection shall be attached or affixed to the front of any residence.
- (19) Reservations and Easements. The following easements in Phase 1 over each lot or parcel and the right to ingress or egress to the extent reasonably necessary to exercise such easements, are reserved to Declarant and its licensees:
- a. An easement for joint right-of-way easement for driveway purposes is created in favor of Lots 1, 2, 3, and 4 as set out on the plat. The right-of-way easement is granted for residential ingress and egress purposes only. The owners of Lots 1, 2, 3, and 4 shall be equally responsible for the care and maintenance of the driveway easement, including snow removal. All of the owners of said lots shall keep the easement area free of obstructions and shall not take any action which shall interfere with the other owners' use of the right-of-way easement. This right-of-way easement is superior and paramount to the rights of any of the parties hereto and the respective servient estates so created, and the owners shall further agree that it is a covenant that shall run with the land and be binding on the successors and interests to said tracts of land.
 - b. An easement for joint right-of-way easement for driveway purposes is created in favor of Lots 8, 9, and 10 as set out on the plat. The right-of-way easement is granted for residential ingress and egress purposes only. The owners of Lots 8, 9, and 10 shall be equally responsible for the care and maintenance of the driveway easement, including snow removal. All of the owners of said lots shall keep the easement area free of obstructions and shall not take any action which shall interfere with the other owners' use of the right-of-way easement. This right-of-way easement is superior and paramount to the rights of any of the parties hereto and the respective servient estates so created, and the owners shall further agree that it is a covenant that shall run with the land and be binding on the successors and interests to said tracts of land.
 - c. The owner of Lot 6 shall be responsible for constructing a road from Highway 92 running north

the entire length of Lots 5 and 7. Lots 5 and 7 shall be granted an easement on and over Lot 6 as shown on the plat for purposes of a joint right-of-way easement for driveway purposes only. The right-of-way easement is granted for residential ingress and egress purposes only. The owner of Lot 6 shall be responsible for the maintenance of the road, including snow removal. The owners of Lots 5, 6, and 7 agree to keep the easement area free of obstructions and shall not take any action which shall interfere with any of the other parties' rights of use of the right-of-way easement. This right-of-way easement is superior and paramount to the rights of any of the owners of Lots 5, 6, and 7 and the respective servient estate so created, and the parties further agree that it is a covenant that shall run with the land and be binding on the successors and interests to said lots. The owners of Lots 5 and 7 shall be responsible for putting in their own respective driveways from the edge of the road constructed by the owner of Lot 6. Said connection shall not damage or otherwise obstruct the use of the road by the owners of Lot 6.

- d. **Utilities.** An easement on, over and under the rear 10 feet, the side 5 feet, and the front 30 feet of each lot in the Subdivision for the purpose of installing, maintaining and operating utilities thereon or thereunder, for the purpose of drainage control, for the access to any lot or parcel; and for purposes of maintenance of said lots. This easement shall include the right to trim or remove trees, fences or other obstructions.
- e. **Other Easements.** Any other easements shown on the plat.
- f. **Use of and Maintenance by Owners.** The areas of any lots affected by the easements reserved herein shall be maintained continuously by the owner of such lot, but no structures, plantings or other material shall be placed or permitted to remain or other activities undertaken thereon which may damage or interfere with the use of said easements for the purposes herein set forth. Improvements within such areas shall be maintained by the owner, except those for which a public authority or utility company is responsible.
- g. **The Declarant has not constructed fences along the boundary lines between the lots.** The purchaser of any lot shall be responsible for construction and maintenance of any fence along said division lines. The Iowa Fencing Law shall apply to adjoining property owners as to said fences except Declarant and any lot owner or owners shall not be required to participate in the construction or maintenance of any fence unless they expressly agree to such partition or maintenance. This provision shall also apply to those lots that adjoin a farm access or farm acreage entrance and unless the owner of the farm land or the farm acreage uses the

fence, they shall not be required to participate in the maintenance and construction thereof. This agreement is a covenant that runs with the land.

- h. Entrance to Highway 92 shall be restricted to the areas shown on the plat. Joint entrances to lots shall be maintained by the lots the entrance services, with the expense of the maintenance to be split equally between the owners of said lots. An easement for ingress and egress for the joint entrances is provided for herein.
 - i. Declarant reserves an easement across each lot for ingress and egress to any lots owned by Declarant. Once Declarant has sold all lots, this easement shall terminate.
 - j. Declarant reserves an easement to locate a well and pipeline on all lots to serve other lots in the subdivision. Once all lots are sold and water wells and septic systems are located on each lot, this easement shall terminate except as necessary to provide water to any lot and to maintain a well and septic system. This easement shall not require the movement of any permanent buildings on the lots.
 - k. Declarant reserves the right to remove dirt from all lots for the purpose of constructing access drives to Highway 92.
3. **Liability for Use Easements.** No owner shall have any claim or cause of action against Declarant or its licensees arising out of the exercise or failure to exercise any easement reserved hereunder or shown on the plat, except in cases of willful or wanton misconduct. If an owner in the subdivision or their heirs or assigns shall violate or attempt to violate any of the covenants or the restrictions contained herein, it shall be lawful for any other person or persons owning any lots in said subdivision, or the farm land owner, to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant or restrictions and either to prevent him or them from doing so or to recover damages or both for violations.
4. **Cumulative Rights.** Remedies specified herein are cumulative and any specifications of them shall not be taken to preclude an aggrieved party's resort to any other remedy at law or in equity. No delay or failure on the part of an aggrieved party to invoke an available remedy in respect to a violation of any provision of this declaration shall be held to be a waiver by that party of any right available to him upon the recurrence or continuance of said violation or the occurrence of a different violation.
5. **Grantee's Acceptance.** Each grantee or purchaser of any lot or parcel shall, by acceptance of a deed conveying title thereto, or the execution of a contract for the purchase thereof, whether from Declarant or a subsequent owner of such lot or parcel, accept such deed or contract upon and subject to each and all of the provisions of these restrictions and covenants and to the jurisdiction, rights, powers, privileges and immunities of Declarant and of the Architectural Control Committee. By such acceptances, such grantee or purchaser shall, for himself, his heirs, devisees, personal representatives, grantees, successors and assigns, lessees and/or lessors, covenant,

consent and agree to and with Declarant and the grantee or purchaser of each other lot to keep, observe, comply with and perform the covenants, conditions and restrictions contained in this document.

6. Nothing contained in these restrictions and covenants shall preclude Declarant from using unsold lots for agricultural purposes. These restrictions and covenants shall fully apply to said lots when the ownership of said lots have been severed from the ownership of the adjoining farm land.
7. The Developer, upon the sale of all lots in the subdivision, shall designate two (2) or more property owners in Hearthstone Estates Subdivision Phase 1 and Phase 2 to assume the duties of the Developer under these covenants ("Architectural Control Committee"). Such successor Developers shall likewise appoint their successors prior to their resignation or sale of their lot in Hearthstone Estates Subdivision Phase 1 and Phase 2.
8. Developer Approval/Consent. Notwithstanding anything to the contrary, whenever the approval or consent of the Developer, or its designee, is required for any action, such approval or consent shall be in writing and be signed and dated by the Developer or its designee. Any approval or consent not in writing as required herein shall be unenforceable.
9. Obligation of Developer. No responsibility, liability or obligation shall be assumed by or imposed upon Developer, or its designee, by virtue of the authority granted to Developer in this Declaration, or as a result of any act or failure to act by Developer, or its designee, with respect to any proposed improvement.
10. Amendments. The covenants, conditions and restrictions of this document shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Declarant, any lot owner, or the farm land owner, their legal representatives, heirs, successors and assigns subject to this declaration as filed in the Records of the County Recorder of Pottawattamie County, Iowa, and after twenty-one years, said covenants, conditions and restrictions may be automatically preserved and extended for successive periods of twenty-one years by at least one lot owner, or the farm land owner, properly filing a claim once every twenty-one years. The covenants, conditions and restrictions of this document may be amended during the first twenty-one year period by an instrument signed by the owners of 100 percent of lots in said subdivision, and the farm land owner.
11. Severability Clause. In the event any portion of these restrictions and covenants shall, for any reason, be held to be invalid, illegal and unenforceable in whole or in part, the remaining provisions shall not be affected thereby and shall continue to be valid and enforceable and if, for any reason, a court finds that any provision of these restrictions and covenants are invalid, illegal or unenforceable as written, but that by limiting such provision it would become valid, legal and enforceable, then such provision shall be deemed to be written, construed and enforced as so limited.

Dated this 11th day of March, 2004.

HEARTHSTONE ESTATES, INC.

By *Michael K. Guttau, Pres.*
MICHAEL K. GUTTAU, President

STATE OF IOWA

COUNTY OF POTTAWATTAMIE

)
) ss.
) March

On this 11th day of ~~2004~~, 2004, before me, a Notary Public in and for said county, personally appeared Michael K. Guttau, to me personally known, who being by me duly sworn did say that that person is president of said corporation and that said instrument was signed on behalf of the said corporation by authority of its Board of Directors and the said Michael Guttau acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it voluntarily executed.

Brandon H. Vorthmann
NOTARY PUBLIC IN AND FOR SAID STATE



DATE: MARCH 11, 2004

IRREVOCABLE STANDBY LETTER OF CREDIT
FROM TREYNOR STATE BANK

LETTER OF CREDIT NUMBER: 1

BENEFICIARY: POTTAWATTAMIE COUNTY
ATTN: KAY MOCHA
POTTAWATTAMIE COUNTY COURTHOUSE
223 SOUTH 6TH STREET
COUNCIL BLUFFS, IA 51501

WE HEREBY ESTABLISH OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. 1 ON BEHALF OF HEARTHSTONE ESTATES, INC., 307 MAPLE DRIVE, TREYNOR, IA 51575 FOR ANY SUM OR SUMS NOT EXCEEDING AGGREGATE TOTAL AMOUNT OF \$34,925.00 AVAILABLE UPON PRESENTATION OF YOUR DRAFTS AT SIGHT ON TREYNOR STATE BANK, 15 EAST MAIN STREET, TREYNOR, IA 51575.

DRAFTS MUST BE ACCOMPANIED BY:

A SIGNED CERTIFICATION BY AN AUTHORIZED REPRESENTATIVE OF POTTAWATTAMIE COUNTY, STATING THAT "HEARTHSTONE ESTATES, INC. HAS DEFAULTED UNDER THE FUNDING GUARANTEE FOR PRIVATE IMPROVEMENTS SIGNED BY AND BETWEEN POTTAWATTAMIE COUNTY AND HEARTHSTONE ESTATES, INC. FOR THE HEARTHSTONE ESTATES SUBDIVISION, PHASE I IMPROVEMENTS.

THE DRAFTS DRAWN UNDER THIS CREDIT ARE TO BE ENDORSED HEREON AND MUST BEAR THE CLAUSE "DRAWN UNDER THE TREYNOR STATE BANK CREDIT NO. 1 DATED MARCH 11, 2004".

WE HEREBY AGREE WITH THE DRAWERS, ENDORSERS AND BONA FIDE HOLDERS OF DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS CREDIT THAT THE SAME SHALL BE DULY HONORED ON DUE PRESENTATION IF DRAWN AND NEGOTIATED ON OR BEFORE MARCH 11, 2005. DRAFTS MUST BE PRESENTED TO TREYNOR STATE BANK, 15 EAST MAIN STREET, TREYNOR, IA 51575 BY 5:00 P.M. LOCAL TIME.

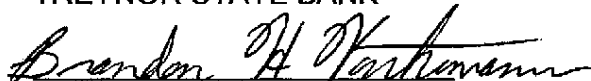
THIS LETTER OF CREDIT SETS FORTH IN FULL THE TERMS OF OUR UNDERTAKING, AND SUCH UNDERTAKING SHALL NOT IN ANY WAY BE MODIFIED, AMENDED OR AMPLIFIED BY REFERENCE TO ANY NOTE, DOCUMENT, INSTRUMENT OR AGREEMENT REFERRED TO HEREIN OR IN

WHICH THIS LETTER OF CREDIT IS REFERRED TO OR TO WHICH THIS LETTER OF CREDIT RELATES AND ANY SUCH REFERENCE SHALL NOT BE DEEMED TO BE INCORPORATED HEREIN BY REFERENCE TO ANY NOTE, DOCUMENT OR AGREEMENT.

THE ORIGINAL LETTER OF CREDIT AND ALL AMENDMENTS MUST BE PRESENTED WITH EACH DRAWING OR WHEN CANCELING THE LETTER OF CREDIT PRIOR TO THE EXPIRY DATE.

EXCEPT SO FAR AS OTHERWISE STATED, THIS LETTER OF CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS PUBLISHED BY THE INTERNATIONAL CHAMBER OF COMMERCE, WHICH ARE IN EFFECT AT THE TIME OF ISSUANCE OF THE LETTER OF CREDIT.

TREYNOR STATE BANK


(AUTHORIZED SIGNATURE)

DATE: MARCH 15, 2004

IRREVOCABLE STANDBY LETTER OF CREDIT
FROM TREYNOR STATE BANK

LETTER OF CREDIT NUMBER: 2

BENEFICIARY: POTTAWATTAMIE COUNTY
ATTN: KAY MOCHA
POTTAWATTAMIE COUNTY COURTHOUSE
223 SOUTH 6TH STREET
COUNCIL BLUFFS, IA 51501

WE HEREBY ESTABLISH OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. 2 ON BEHALF OF LIVING HOPE COMMUNITY CHURCH, INC. FOR ANY SUM OR SUMS NOT EXCEEDING AGGREGATE TOTAL AMOUNT OF \$36,280.00 AVAILABLE UPON PRESENTATION OF YOUR DRAFTS AT SIGHT ON TREYNOR STATE BANK, 15 EAST MAIN STREET, TREYNOR, IA 51575.

DRAFTS MUST BE ACCOMPANIED BY:

A SIGNED CERTIFICATION BY AN AUTHORIZED REPRESENTATIVE OF POTTAWATTAMIE COUNTY, STATING THAT "LIVING HOPE COMMUNITY CHURCH, INC. HAS DEFAULTED UNDER THE FUNDING GUARANTEE FOR PRIVATE IMPROVEMENTS SIGNED BY AND BETWEEN POTTAWATTAMIE COUNTY AND LIVING HOPE COMMUNITY CHURCH, INC. FOR THE HEARTHSTONE ESTATES SUBDIVISION, PHASE I IMPROVEMENTS.

THE DRAFTS DRAWN UNDER THIS CREDIT ARE TO BE ENDORSED HEREON AND MUST BEAR THE CLAUSE "DRAWN UNDER THE TREYNOR STATE BANK CREDIT NO. 2 DATED MARCH 15, 2004".

WE HEREBY AGREE WITH THE DRAWERS, ENDORSERS AND BONA FIDE HOLDERS OF DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS CREDIT THAT THE SAME SHALL BE DULY HONORED ON DUE PRESENTATION IF DRAWN AND NEGOTIATED ON OR BEFORE MARCH , 2005. DRAFTS MUST BE PRESENTED TO TREYNOR STATE BANK, 15 EAST MAIN STREET, TREYNOR, IA 51575 BY 5:00 P.M. LOCAL TIME.

THIS LETTER OF CREDIT SETS FORTH IN FULL THE TERMS OF OUR UNDERTAKING, AND SUCH UNDERTAKING SHALL NOT IN ANY WAY BE MODIFIED, AMENDED OR AMPLIFIED BY REFERENCE TO ANY NOTE, DOCUMENT, INSTRUMENT OR AGREEMENT REFERRED TO HEREIN OR IN WHICH THIS LETTER OF CREDIT IS REFERRED TO OR TO WHICH THIS LETTER

OF CREDIT RELATES AND ANY SUCH REFERENCE SHALL NOT BE DEEMED TO BE INCORPORATED HEREIN BY REFERENCE TO ANY NOTE, DOCUMENT OR AGREEMENT.

THE ORIGINAL LETTER OF CREDIT AND ALL AMENDMENTS MUST BE PRESENTED WITH EACH DRAWING OR WHEN CANCELING THE LETTER OF CREDIT PRIOR TO THE EXPIRY DATE.

EXCEPT SO FAR AS OTHERWISE STATED, THIS LETTER OF CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS PUBLISHED BY THE INTERNATIONAL CHAMBER OF COMMERCE, WHICH ARE IN EFFECT AT THE TIME OF ISSUANCE OF THE LETTER OF CREDIT.

TREYNOR STATE BANK


(AUTHORIZED SIGNATURE)