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CLERK SUPREME COURT

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IN THE COURT OF APPEALS OF IOWA

EVERETT E. WALLER and ESTHER L. WALLER,	)	
Plaintiffs-Appellees,	)	Filed November 24, 1981
vs.	)	1-318 2-66297
GENEVIEVE PLOEGER and IVAN PLOEGER,	)	
Defendants-Appellants.	)	

Appeal from Ida District Court, George F. Davis, Judge.

The defendant-sellers appeal from the trial court judgment ordering specific performance of an option to buy 160 acres of farmland for $1000 per acre. AFFIRMED.

Daniel C. Connell and John Duffy of Connell and Duffy, Storm Lake, for defendants-appellants.

Thomas L. McCullough of the McCullough Law Firm, Sac City, and Robert J. Belson of Leonard & Belson, Holstein, for plaintiffs-appellees.

Heard by Oxberger, C.J., and Donielson, Carter, and Johnson, JJ. Snell, J., takes no part.

PER CURIAM

The defendants-sellers appeal from the trial court judgment ordering specific performance of an option to buy 160 acres of farmland for $1000 per acre. We affirm.

In 1973 the plaintiffs-buyers and the defendant-sellers signed and executed a written installment contract to purchase 80 acres of farmland. The contract price was $1000 per acre at 6 percent interest. As part of the same transaction, the plaintiffs leased the rest of the Ploegers' land, 160 acres, for 10 years, at $40 per acre. The sellers' attorney prepared the written documents. Item number 21 of the installment contract states that the "buyers shall have an option to purchase the following described real estate, to wit: E 1/2 SE 1/4 and E 1/2 SW 1/4, Sec. 19, Twsp. 89N., R. 39 W. of 5th P.M., Ida County, Iowa. Said option to be at $1000 per acre with interest rate of 6 percent per annum; option must be exercised by giving SELLER written notice prior to February 28, 1983." On June 20, 1979, the defendant-sellers served notice on the Wallers that they were rescinding the option clause. The Wallers then served written notice of exercise of the option on the Ploegers, which was rejected by the Ploegers. The Wallers then sued for specific performance. After trial, the court filed its decision November 20, 1980, which granted specific performance to the plaintiffs. The defendants filed a motion for new trial, which was denied. They then appealed.

The defendants-sellers, the Ploegers, assert that the option clause is unconscionable, is not supported by consideration, and was withdrawn prior to acceptance. They further argue that the trial court erred in ordering an outright sale of the land, that the option was too indefinite to be enforced, and that the trial court should have granted them a new trial.

The equitability of an option is to be determined as of the date it was entered into, not as of the date when it is exercised. Imperial Refineries Corp. v. Morrissey, 254 Iowa 934, 119 N.W.2d 872, 879 (1963). The fact that the real estate involved has increased in value does not mean that specific performance will not be granted, and long-term options to purchase real estate have been approved by the Iowa Supreme Court. Petersen v. Olson, 253 Iowa 469, 112 N.W.2d 874, 882 (1962). We conclude the option was not unconscionable at the time it was entered into.

The plaintiffs failed to prove that the option was unsupported by consideration. Consideration given for the contract as a whole is sufficient to support the option, which is a part of the contract. The promise to pay $80,000 by one party, and the promise to convey 80 acres by the other party, was sufficient consideration to make the entire contract, including the option, binding on both parties.

Although the defendants-sellers served notice of rescission of the option on the plaintiffs-buyers before the exercise of the option, this was not effective, since the option was irrevocable.

In its order denying a new trial, the trial court stated that there is no mention of installment payments in the option, and that the reference to 6 percent interest per year is "surplusage and meaningless." This is not an unreasonable interpretation. The terms are not so vague as to be unenforceable. The trial court did not err in refusing to grant a new trial.

AFFIRMED.