

tract # 2



# REAL ESTATE CONTRACT (SHORT FORM)

IT IS AGREED between Ronald F. Denning and Karla K. Denning, husband and wife

("Sellers"); and

("Buyers").

Sellers agree to sell and Buyers agree to buy real estate in JEFFERSON

County, Iowa, described as:

SEE ATTACHED LEGAL DESCRIPTION

with any easements and appurtenant servient estates, but subject to the following:

- a. any zoning and other ordinances;
- b. any covenants of record;
- c. any easements of record for public utilities, roads and highways; and
- d. (consider: liens; mineral rights; other easements; interest of others.)

(the "Real Estate"), upon the following terms:

1. PRICE. The total purchase price for the Real Estate is \_\_\_\_\_

\_\_\_\_\_ Dollars (\$ \_\_\_\_\_) of which

\_\_\_\_\_ Dollars (\$ \_\_\_\_\_) has been paid. Buyers shall pay the balance to Sellers at Mt. Pleasant, Iowa

or as directed by Sellers, as follows:

20% down payment on June 28, 2008. Balance to be paid in full on or before July 28, 2008, upon delivery of merchantable abstract and deed.

2. **INTEREST.** Buyers shall pay interest from \_\_\_\_\_ n/a \_\_\_\_\_ on the unpaid balance, at the rate of \_\_\_\_\_ percent per annum, payable \_\_\_\_\_ . Buyers shall also pay interest at the rate of 10 percent per annum on all delinquent amounts and any sum reasonably advanced by Sellers to protect their interest in this contract, computed from the date of the delinquency or advance.

3. **REAL ESTATE TAXES.** Sellers shall pay \_\_\_\_\_  
FY2007-2008 prorated to date of possession \_\_\_\_\_

and any unpaid real estate taxes payable in prior years. Buyers shall pay all subsequent real estate taxes. Any proration of real estate taxes on the Real Estate shall be based upon such taxes for the year currently payable unless the parties state otherwise.

4. **SPECIAL ASSESSMENTS.** Sellers shall pay all special assessments which are a lien on the Real Estate as of the date of this contract or \_\_\_\_\_ . All other special assessments shall be paid by Buyers.

5. **POSSESSION CLOSING.** Sellers shall give Buyers possession of the Real Estate on \_\_\_\_\_ at closing \_\_\_\_\_, provided Buyers are not in default under this contract. Closing shall be on \_\_\_\_\_ or before 7/28/2008 \_\_\_\_\_.

6. **INSURANCE.** Sellers shall maintain existing insurance upon the Real Estate until the date of possession. Buyers shall accept insurance proceeds instead of Sellers replacing or repairing damaged improvements. After possession and until full payment of the purchase price, Buyers shall keep the improvements on the Real Estate insured against loss by fire, tornado, and extended coverage for a sum not less than 80 percent of full insurable value payable to the Sellers and Buyers as their interests may appear. Buyers shall provide Sellers with evidence of such insurance.

7. **ABSTRACT AND TITLE.** Sellers, at their expense, shall promptly obtain an abstract of title to the Real Estate continued through the date of this contract \_\_\_\_\_ and deliver it to Buyers for examination. It shall show merchantable title in Sellers in or conformity with this contract, Iowa law and the Title Standards of the Iowa State Bar Association. The abstract shall become the property of the Buyers when the purchase price is paid in full, however, Buyers reserve the right to occasionally use the abstract prior to full payment of the purchase price. Sellers shall pay the costs of any additional abstracting and title work due to any act or omission of Sellers, including transfers by or the death of Sellers or their assignees.

8. **FIXTURES.** All property that integrally belongs to or is part of the Real Estate, whether attached or detached, such as light fixtures, shades, rods, blinds, awnings, windows, storm doors, screens, plumbing fixtures, water heaters, water softeners, automatic heating equipment, air conditioning equipment, wall to wall carpeting, built-in items and electrical service cable, outside television towers and antenna, fencing, gates and landscaping shall be considered a part of Real Estate and included in the sale except: (consider: rental items.)

9. **CARE OF PROPERTY.** Buyers shall take good care of the property; shall keep the buildings and other improvements now or later placed on the Real Estate in good and reasonable repair and shall not injure, destroy or remove the property during the term of this contract. Buyers shall not make any material alteration to the Real Estate without the written consent of the Sellers.

10. **DEED.** Upon payment of purchase price, Sellers shall convey the Real Estate to Buyers or their assignees, by Warranty \_\_\_\_\_ deed, free and clear of all liens, restrictions, and encumbrances except as provided herein. Any general warranties of title shall extend only to the date of this contract, with special warranties as to acts of Sellers continuing up to time of delivery of the deed.

11. **REMEDIES OF THE PARTIES.** a. 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, in addition to any and all other legal and equitable remedies which they may have, at their option, may proceed 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/or 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 lease, and may accordingly be ousted and removed as such as provided by law.

b. If Buyers fail to timely perform this contract, Sellers, at their option, may elect to declare the entire balance immediately due and payable after such notice, if any, as may be required by Chapter 654, The Code. Thereafter this contract may be foreclosed in equity and the court may appoint a receiver to take immediate possession of the property and of the revenues and income accruing therefrom and to rent or cultivate the same as the receiver may deem best for the interest of all parties concerned, and such receiver shall be liable to account to Buyers only for the net profits, after application of rents, issues and profits from the costs and expenses of the receivership and foreclosure and upon the contract obligation.

It is agreed that if this contract covers less than ten (10) acres of land, and in the event of the foreclosure of this contract and sale of the property by sheriff's sale in such foreclosure proceedings, the time of one year for redemption from said sale provided by the statutes of the State of Iowa shall be reduced to six (6) months provided the Sellers, in such action file an election to waive any deficiency judgment against Buyers which may arise out of the foreclosure proceedings; all to be consistent with the provisions of Chapter 628 of the Iowa Code. If the redemption period is so reduced, for the first three (3) months after sale such right of redemption shall be exclusive to the Buyers, and the time periods in Sections 628.5, 628.15 and 628.16 of the Iowa Code shall be reduced to four (4) months.

It is further agreed that the period of redemption after a foreclosure of this contract shall be reduced to sixty (60) days if all of the three following contingencies develop: (1) The real estate is less than ten (10) acres in size; (2) the Court finds affirmatively that the said real estate has been abandoned by the owners and those persons personally liable under this contract at the time of such foreclosure; and (3) Sellers in such action file an election to waive any deficiency judgment against Buyers or their successor in interest in such action. If the redemption period is so reduced, Buyers or their successors in interest or the owner shall have the exclusive right to redeem for the first thirty (30) days after such sale, and the time provided for redemption by creditors as provided in Sections 628.5, 628.15 and 628.16 of the Iowa Code shall be reduced to forty (40) days. Entry of appearance by pleading or docket entry by or on behalf of Buyers shall be presumption that the property is not abandoned. Any such redemption period shall be consistent with all of the provisions of Chapter 628 of the Iowa Code. This paragraph shall not be construed to limit or otherwise affect any other redemption provisions contained in Chapter 628 of the Iowa Code. 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 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.



---

TRACT NO. 3 - Part of the South half of the Northwest Quarter of Section 35 and a part of the Southeast Quarter of the Northeast Quarter of Section 34, all in Township 72 North, Range 8 West more particularly described as follows: Commencing at the Southeast corner of the Northeast Quarter of Section 34, Township 72 North, Range 8 West of the 5th P. M., Jefferson County, Iowa, thence North  $00^{\circ}09'$  East along the east line of the Southeast Quarter of the Northeast Quarter of said Section 34 a distance of 411.96 feet to an iron pipe on the North right-of-way line of the Burlington-Northern Railroad which is the point of beginning; thence South  $86^{\circ}53'$  West along said North right-of-way line a distance of 1105.86 feet to a point on the centerline of county road; thence North  $02^{\circ}47'$  West along said centerline a distance of 99.10 feet; thence northerly on said centerline along a 3820 ft. radius curve concave easterly with a long chord of 884.69 feet bearing North  $04^{\circ}11'$  East; thence North  $11^{\circ}11'$  East along said centerline a distance of 13.93 feet; thence South  $87^{\circ}40'$  East along the property line fence a distance of 234.08 feet to a corner post; thence North  $89^{\circ}09'$  East along the property line fence a distance of 810.36 feet to a corner post at the Northeast corner of the Southeast Quarter of the Northeast Quarter of said Section 34; thence North  $89^{\circ}12'$  East along the property line fence a distance of 1291.80 feet to a corner post; thence South  $00^{\circ}09'$  East along the property line fence a distance of 541.00 feet to a corner post; thence North  $86^{\circ}26'$  East a distance of 128.70 feet to a corner post; thence South  $01^{\circ}22'$  West a distance of 425.24 feet to an iron pipe on the North right-of-way line of the Burlington-Northern Railroad; thence westerly along said North right-of-way line along a curve parallel to the railroad main tracks with a long chord of 1153.80 feet bearing North  $89^{\circ}24'$  West to an iron pipe; thence South  $87^{\circ}57'$  West along said North right-of-way line a distance of 260.22 feet to the point of beginning, containing 53.03 acres more or less of which approximately 1.177 acres is public highway right-of-way.