

**REAL ESTATE CONTRACT (SHORT FORM)
AUCTION CONTRACT**

IT IS AGREED between Dustin Lee Phillips and Kirby Rae Phillips ("Sellers"); and

("Buyers").

Sellers agree to sell and Buyers agree to buy real estate in Keokuk County, Iowa, described as:

All that part of the North Half of the Northeast Quarter of Section Nineteen lying and being South of the right-of-way of the Minneapolis & St. Louis Railroad Company as formally located over and across said land; and

All that part of the South One-half of the Southeast Quarter of Section Eighteen, lying and being situated South of the right-of-way of the Minneapolis & St. Louis Railroad Company as formally located over and across said land;

All being situated in Township Seventy-four North, Range Eleven West of the Fifth Principal Meridian, in Keokuk County, Iowa.

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 (10%) _____ Dollars (\$_____) has been paid. Buyer shall pay the balance to Sellers at _____, Iowa, or as directed by Sellers, as follows: Balance due on or before April 25, 2025.

The buyer shall pay Sellers the balance of \$_____ on the date of possession, and upon Sellers' delivery of an Abstract of Title showing merchantable title, and a Warranty Deed, and otherwise complying with the terms of this Contract.

2. **INTEREST.** Buyers shall pay interest at the rate of 6.0% 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 all real estate taxes prorated to the date of closing, 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 years 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. All other special assessments shall be paid by Buyers.

5. **POSSESSION & CLOSING.** Sellers shall give Buyers possession of the Real Estate on April 25, 2025, provided Buyers are not in default under this contract. Closing shall be April 25, 2025, in the offices of Washington Law Office, LLP, 211 W. Washington, Washington, Iowa.

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 improvement on the Real Estate insured against loss of 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 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 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. **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.

9. **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.

10. **REMEDIES OF THE PARTIES.** a. If Buyers fail to timely perform this contract, Sellers may, at Sellers' option, forfeit Buyers' rights in this contract as provided in the Iowa Code, and all payments made by Buyers shall be forfeited. 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 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 Section 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 owners 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.

b. If Sellers fail to timely perform their obligations under this contract, Buyers shall have the right to terminate this contract and have all payments made returned to them.

c. Buyers and Sellers are also entitled to utilize any and all other remedies or actions at law or in equity available to them.

d. In any action or proceeding relating to this contract the successful party shall be entitled to receive reasonable attorney's fees and costs as permitted by law.

11. **JOINT TENANCY IN PROCEEDS AND IN REAL ESTATE.** If Sellers, immediately preceding this contract, hold title to the Real Estate in joint tenancy with full right of survivorship, and the joint tenancy is not later destroyed by operation of law or by acts of Sellers, then the proceeds of this sale, and any continuing or recaptured rights of Sellers in the Real Estate, shall belong to Sellers as joint tenants with full right of survivorship and not as tenants in common; and Buyers in the event of the death of either Seller, agree to pay any balance of the price due Sellers under this contract to the surviving Seller and to accept a deed from the surviving Seller consistent with paragraph 10.

12. **JOINDER BY SELLER'S SPOUSE.** Seller's spouse, if not a titleholder immediately preceding acceptance of this offer, executes this contract only for the purpose of relinquishing all rights of dower, homestead and distributive shares or in compliance with Section 561.13 of the Iowa Code and agrees to execute the deed for this purpose.

13. **TIME IS OF THE ESSENCE.** Time is of the essence in this contract.

14. **PERSONAL PROPERTY.** If this contract includes the sale of any personal property, Buyers grant the Sellers a security interest in the personal property and Buyers shall execute the necessary financing statements and deliver them to Sellers.

15. **CONSTRUCTION.** Words and phrases in this contract shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender, according to the context.

16. **RELEASE OF RIGHTS.** Each of the Buyers 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.

17. **INSPECTION OF PROPERTY:**

a. The BUYERS must choose one of the two following alternatives relative to the condition of the property (which are in addition to BUYERS right to a pre-closing inspection as described in paragraph (b) below):

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1. Within _____ days after the final acceptance date BUYER may, at their sole expense, have the property inspected by a person or persons of their choice to determine if there are any structural, mechanical, plumbing, electrical, environmental or other deficiencies. The SELLER shall immediately notify the BUYER in writing of what steps, if any, the SELLER will take to correct any deficiencies before closing. The BUYER shall then immediately in writing, notify the SELLER and Agent that (1) such steps are acceptable, in which case this Agreement, as so modified, shall be binding upon all parties; or (2) such steps are not acceptable, in which case this Agreement shall be null and void, and any earnest money shall be returned to BUYERS.

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2. BUYER acknowledges that BUYER has made a satisfactory inspection of the property and Buyer is purchasing the property in its existing condition.

b. BUYER or BUYER'S representative has the right to enter and inspect the property within forty-eight (48) hours prior to closing, and BUYER acknowledges by deposit of final funds, that the property is acceptable and all equipment is in working order except as noted on the Seller Property Condition Disclosure Form.

18. **ADDITIONAL PROVISIONS.**

- This real estate auction will have a 5% buyer's premium. This means the buyer's premium in the amount of five percent (5%) of the bid amount shall be charged to the Buyer and added to the bid amount to arrive at the total contract purchase price.

- If a bid is placed with less than 4 minutes left, the time on the auction will extend another 4 minutes. This will continue until no bids are placed within the last 4 minutes.
- Down payment is due on the day the bidding closes and signing of the real estate contracts will take place through email and electronic document signatures. In the event the auction bidding closes after 3:00pm, the down payment/earnest money will be due the following business day.
- Land is selling with immediate possession, selling free and clear for the 2025 farming season.
- It shall be the obligation of the Buyer to report to the appropriate County FSA office and show filed deed in order to receive the following if applicable: A. Allotted base acres. B. Any future government programs. C. Final tillable acres to be determined by the FSA office, as Assessor lines may overlap FSA Field lines.
- Land will be sold on a price per acre basis, with Keokuk County Assessor acres of 88.3 being the multiplier used to determine the total bid amount.
- The Seller is not required to provide a survey of the property. If the Buyer chooses to obtain a survey, the cost of the survey will be the Buyer's responsibility. The total contract purchase price will not be adjusted to reflect any differences between the surveyed acres and acres stated.
- This auction sale is not contingent upon Buyer's financing or any other Buyer contingencies.
- If a Buyer is unable to close due to insufficient funds or otherwise, Buyer will be in default and the deposit money will be forfeited.
- The Buyer shall be responsible for any fencing in accordance with state law.
- The Buyer shall be responsible for installing his/her own entrances if needed or desired.
- If in the future a site clean-up is required, it shall be at the expense of the Buyer.
- All mineral rights, if any, held by Seller will be transferred to Buyer upon closing.
- This real estate is selling subject to any and all covenants, restrictions, encroachments, easements, rights-of-way, ordinances, resolutions, leases, and mineral reservations, as well as all applicable zoning laws.
- All lines, drawings, boundaries, dimensions and descriptions are approximations only based upon the best information available and are subject to possible variation. Sketches may not be drawn to scale and photographs may not depict the current condition of the property. Bidders should inspect the property and review all the pertinent documents and information available, as each bidder is responsible for evaluation of the property and shall not rely upon the Seller, Broker or Auctioneer, their Employees or Agents.
- The Buyer acknowledges that they have carefully and thoroughly inspected the real estate and are familiar with the premises. The Buyer is buying this real estate in its "as is" condition and there are no expressed or implied warranties pertaining to the real estate.
- Steffes Group, Inc. is representing the Seller. Bidder acknowledges they are representing themselves in this real estate transaction.
- Any announcements published or made the day of auction take precedence over advertising.

Dated: _____, 2025.

Buyer

Dustin Lee Phillips, Seller

Address: _____

Phone: _____
Attorney: _____
Lender: _____

Kirby Rae Phillips, Seller

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