

Prepared by and Return to: Gerald M. Stambaugh, Laird Law Firm, PLC, 11 4th Street N.E., P.O. Box 1567,
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**CONTRACT FOR REAL ESTATE
REGARDING
THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER (NW¼ NW¼) OF
SECTION SEVEN (7), TOWNSHIP NINETY-SEVEN (97) NORTH, RANGE TWENTY-ONE
(21) WEST OF THE 5TH P.M., CERRO GORDO COUNTY, IOWA
(PARCEL NOS. 02-07-100-001-00 AND 02-07-100-002-00)**

1. PARTIES IDENTIFIED. This Agreement is between:

“Sellers” Bruce W. Ouverson and Mara L. Ouverson, a married couple,

and

“Buyers” As identified on the signature page of this Agreement.

2. REAL ESTATE DESCRIPTION. Buyers agree to buy and Sellers agree to sell “Real Estate” in Cerro Gordo County, Iowa, legally described as in the caption, 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;
- (d) the rights of the farm tenant, if any;
- (e) the CRP contracts, if any;
- (f) the fencing laws and rules of Iowa;
- (g) what a survey would reflect regarding determination of boundaries; and
- (h) any use declaration required by the County; and
- (i) buyer installing at buyer’s expense any field entrance if needed or desired.

The exact legal description shall be as set forth in the Abstract to be provided at Sellers’ expense.

3. PRICE, PAYMENT TERMS, EARNEST MONEY, PLACE OF CLOSING, AND DATE OF CLOSING.

- A. The purchase price shall be \$_____.
- B. 10% of the price shall be paid at this time in trust to “Laird Law Firm, PLC Trust Account” and the balance shall be paid in cash at the time of closing.
- C. The closing shall be at 11 4th Street N.E., Mason City, Iowa (the offices of Laird Law Firm, PLC) or at such other place as the parties may agree, on the date of closing.
- D. The closing shall be on or before December 9, 2024, or as soon as reasonably possible thereafter.
- E. Buyers’ obligation to perform is not subject to Buyers obtaining financing.

4. **REAL ESTATE TAXES.** Sellers shall pay real estate taxes in the “customary fashion” to the date of closing, and any unpaid real estate taxes payable in prior years. By way of illustration, if closing occurs December 15, 2024, then Sellers shall pay the installment that is due September 30, 2024, and the installment that is due March 31, 2025, and 10/12 of the installment that is due September 30, 2025, and all taxes payable thereon for prior years.

Buyers shall pay all subsequent real estate taxes. The parties shall “prorate” for those taxes not presently payable.

Any proration of real estate taxes shall be based on information available at the time of closing.

5. **SPECIAL ASSESSMENTS.** Sellers shall pay all special assessments which are a lien as of the date of this Contract.

6. **INSURANCE.** The parties shall insure their respective interests in the Real Estate until the day of closing in such amounts and with such coverages as the parties deem appropriate.

7. **RISK OF LOSS.** All risk of loss shall remain with Sellers until closing.

8. **CARE AND MAINTENANCE.** The Real Estate shall be preserved in its present condition and delivered intact at the time of closing.

9. **CONDITION OF PROPERTY.** Buyers state Buyers have inspected the Real Estate and accept the Real Estate “AS IS” and “WITH ALL FAULTS.” This Contract is not contingent upon further inspections. Sellers will have no obligations to make improvements or to remove any materials now on site.

10. **POSSESSION.**

- A. If Buyers timely perform all obligations, possession shall be delivered at the time of closing, subject to the terms that follow.
- B. Buyers assume all obligations under the terms of all CRP contracts, if any, and agree to fulfill such contracts without default, and agree to hold Sellers and Sellers’ successors and assigns harmless and to indemnify them for all damages, claims and losses, of whatsoever type or nature, including attorneys fees and court costs, regarding such CRP contracts. Buyers acknowledge and agree that all duties and obligations under this contract are binding upon successors and assigns of Buyers.
- C. Buyers right to possession is subject to rights of farm tenant who has been terminated and who has agreed to early vacation. It is Buyers’ responsibility to confirm that the tenant has vacated.

11. **RENTS.**

- A. Sellers retain the right to all farm rent payments for the farm fiscal year which began March 1, 2024 and for all prior farm years.
- B. If there are CRP contracts in place, then any payments due under such contract shall be prorated in the customary fashion.

At closing, the parties will make appropriate adjustments to “prorate” the CRP payments. At Sellers’ discretion, such payments may be prorated with Buyers paying Sellers for that portion of the CRP payment attributable to Sellers through the date of closing and Sellers then assigning the CRP payment due in the fall to Buyers.

- C. It shall be the obligation of the Buyer to report to the Cerro Gordo County FSA office and show filed Deed in order to receive the following if applicable:
 - i. Allotted base acres.
 - ii. Any future government programs.
 - iii. Final tillable acres to be determined by the FSA office, as FSA field lines overlap Tract lines.

12. **USE OF PURCHASE PRICE.** At time of settlement, funds of the purchase price may be used to pay taxes and other liens and to acquire outstanding interests, if any, of others.

13. **ABSTRACT AND TITLE.** Sellers, at Sellers' expense, shall promptly obtain an abstract of title to the Real Estate continued through the date of execution of this Agreement and deliver the Abstract to Buyers for Examination. The abstract shall show merchantable title in Sellers in conformity with this agreement, Iowa law and Title Standards of the Iowa State Bar Association. The abstract shall become the property of Buyers when the purchase price is paid in full. 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.

If Buyers purchase more than one tract, Sellers shall be obligated to furnish only one abstract and deed (spouses constitute one buyer).

14. **DEED.** Upon payment of the 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 in paragraphs 2(a) through 2(i). Any warranties of title shall extend only to the time of execution of this Contract, with special warranties as to acts of Sellers continuing up to time of delivery of the deed.

Mineral rights, if any, will be conveyed at closing.

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

16. **REMEDIES OF THE PARTIES.**

- A. If Buyers fail to timely perform this contract, Sellers may forfeit this contract as provided in the Iowa Code, and all payments made shall be forfeited or, at Sellers' option, upon thirty days written notice of intention to accelerate the payment of the entire balance because of such failure (during which thirty days such failure is not corrected) Sellers may declare the entire balance immediately due and payable. Thereafter this contract may be foreclosed in equity and the Court may appoint a receiver.
- B. If Sellers fail to timely perform this contract, Buyers have the right to have all payments made returned to them.
- C. Buyers and Sellers also are entitled to utilize any and all other remedies or actions at law or in equity available to them and shall be entitled to obtain judgment for costs and attorney fees as permitted by law.

17. **CONTRACT BINDING ON SUCCESSORS IN INTEREST.**

- A. This contract shall apply to and bind the successors in interest of the parties.
- B. The parties acknowledge that the Buyers may acquire the Real Estate as replacement property as part of a tax deferred exchange as defined in Internal Revenue Code Section 1031. Further, the parties acknowledge all right, title, and interest in this Contract may be assigned by Buyers to a Qualified Intermediary or an EAT for the purpose of facilitating said tax deferred exchange in accordance with the Internal Revenue Code and the Internal Revenue Service Regulations.

Sellers agree to cooperate with Buyers and with the Qualified Intermediary or EAT by executing any documentation reasonably necessary to effect said exchange. In doing so, Sellers will bear

no additional costs or liabilities as a result of Buyers' intent to engage in a tax deferred exchange.

Any assignment by Buyers will not release Buyers from Buyers' duty to perform under this Contract unless specifically stated in writing by Sellers.

Buyers' performance under this Contract is not conditioned upon Buyers' ability to effect said exchange.

- C. The parties acknowledge that Sellers (or one or more of them) may sell the Real Estate as relinquished property as part of the tax-deferred exchange as defined in Internal Revenue Code Section 1031.

Further, the parties acknowledge all right, title and interest in this Contract may be assigned by Sellers to a qualified intermediary or an EAT for purposes of facilitating said tax-deferred exchange in accordance with Internal Revenue Code and the Internal Revenue Service regulations.

Buyers agree to cooperate with Sellers and with the qualified intermediary or EAT by executing any documentation reasonably necessary to effect said exchange. In doing so, Buyers will bear no additional cost or liabilities as a result of Sellers' intent to engage in a tax-deferred exchange.

Any assignment by Sellers will not release Sellers from Sellers' duty to perform under this Contract until specifically stated in writing by Buyers.

Sellers' performance under this Contract is not conditioned upon Sellers' ability to effect said exchange.

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

19. **FUNCTION OF LEGAL COUNSEL.**

- A. From time to time, each of Sellers and Buyers have received or may have received legal services from Laird Law Firm, PLC, an Iowa Professional Limited Liability Company ("Laird").
- B. The parties acknowledge Laird has been retained to prepare documents relating to the transactions referred to within this instrument.
- C. Laird has not been retained to negotiate terms or conditions.
- D. The parties acknowledge Laird does not purport to represent any of the parties individually with regard to the matters set forth within this document and related instruments.
- E. The parties acknowledge they have been advised to seek separate legal and tax advice and counsel regarding the matters referred to.

20. **EXECUTION.** This Agreement may be executed upon separate copies and becomes effective when both parties have signed, whether on the same or separate copies of this Contract. Signatures which have been photocopied or sent by facsimile or "scanned" and sent by electronic delivery shall have the same force and effect as original signatures.

The balance of this page is intentionally left blank. The attachments are the signature pages.

SIGNATURE PAGE
TO CONTRACT FOR REAL ESTATE
REGARDING CERRO GORDO COUNTY REAL ESTATE
TRACT 8

“SELLERS”

Dated:
Bruce W. Ouverson

Dated:
Mara L. Ouverson

785 Briarstone Drive
Mason City, Iowa 50401
Phone: 641-512-8463
Email: bouverson@gmail.com

Attorneys:

Laird Law Firm, PLC
Attention: Gerald M. Stambaugh
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P.O. Box 1567
Mason City, Iowa 50402-1567
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Fax: 641-423-5310
Email: gstambaugh@lairdlawfirm.com

**SIGNATURE PAGE
TO CONTRACT FOR REAL ESTATE
REGARDING CERRO GORDO COUNTY REAL ESTATE
TRACT 8**

“BUYERS”

Buyer #1: _____ **Dated:** _____

(Print or Type Name of Buyer #1)

SSN/EIN of Buyer #1: _____

Buyer #2: _____ **Dated:** _____

(Print or Type Name of Buyer #2)

SSN/EIN of Buyer #2: _____

Address: _____

Phone: _____

Cell: _____

(Print or type Name and Telephone Number of Attorney(s)
for Buyers)

(Print or type Name and Telephone Number of each of
Lender and its Loan Officer for Buyers)