

**REAL ESTATE CONTRACT
TRACT 1**

This Real Estate Contract is executed by and between the Virginia B. Watkins Estate, by the Executors, Phyllis Thatcher, Janet Rooney and Charlotte Appledorn ("Sellers"); and _____ ("Buyers") on the date set forth below and upon the following terms:

1. **PROPERTY.** Sellers agree to sell and Buyers agree to buy real estate legally described as follows:

The North Half of the South Half of the Southeast Quarter, 40 acres; the South Half of the Northeast Quarter of the Southeast Quarter containing 20 acres, and the South Fourth of the Northwest Quarter of the Southeast Quarter, containing 10 acres, all in Section 3, Township 68, North, Range 7 West of the 5th P.M., and containing 70 acres, more or less (the "Real Estate") together 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. Any encroachments.

2. **PRICE.** The total purchase price for the Real Estate is \$ _____ of which 20% thereof (\$ _____) has been paid contemporaneously with the execution of this Contract. Said payment shall be non-refundable. The balance of the purchase price shall be paid at closing. In addition to the dollar amounts set forth above, Buyers shall also pay the following:

- a. The cost of any surveying; and,
- b. The cost and expense of any site clean up or other action necessary to remove or otherwise make safe any hazardous material, substance, conditions or waste discovered to be or alleged to be on the Real Estate.

3. **DEFAULT INTEREST.** Buyers shall 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.

4. **REAL ESTATE TAXES.** Sellers shall pay real estate taxes prorated to the date of Possession, it being understood the September, 2016 real estate tax installment pays taxes to January 1, 2016, and any unpaid real estate taxes payable in prior years. Buyers shall pay all

subsequent real estate taxes. The proration of real estate taxes on the Real Estate shall be based upon the last available tax statement.

5. **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.

6. **POSSESSION; CLOSING.** Sellers shall give Buyers possession of the Real Estate at Closing, provided Buyers are not in default under this Contract. Closing shall be upon delivery to Buyers of a merchantable abstract and deed at a time and place to be mutually agreed upon by the parties. In the absence of such an agreement, closing shall occur on or about November 7, 2016, at 10:30 a.m. at Fehseke & Gray Law Offices in Fort Madison, Iowa.

7. **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. As often as reasonably requested, Buyers shall provide Sellers with evidence of such insurance.

8. **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 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.

9. **DEED.** Upon payment of purchase price, Sellers shall convey the Real Estate to Buyers or their assignees, by Court Officer 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 perform any of their obligations under the terms of this Contract, then Sellers, in addition to retaining the 15% down payment made on the day of auction and 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.

c. 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.

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

e. 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. REVENUE STAMPS. Sellers agree to pay the real estate transfer tax and to affix the stamps for said tax on a Court Officer Deed to be delivered to Buyers when all the terms of this Contract are fully satisfied.

12. IMPROVEMENTS AND FIXTURES CONVEYED AS IS. Buyers acknowledge that the property, including improvements and fixtures, is being sold through an auction. Buyers further acknowledge that the improvements and fixtures on the property have been inspected by Buyers and that Buyers are relying wholly upon their knowledge and investigation of the same and not upon any statement or representation made by Seller, the auctioneer, or by any other person representing or purporting to represent Seller. Buyers accept the property, including all improvements and fixtures, in its present condition and "as is," and "where is."

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

14. GOVERNMENT PROGRAMS. It is the obligation of Buyers to report to and furnish copies of the appropriate deed and other sale documents to the Lee County FSA office. CRP payments shall be prorated to the date of possession. Buyers agree to follow all requirements of conservation plans and practices required by the FSA to maintain eligibility in the Conservation Reserve Program. Buyers agree to accept responsibility and liability for any actions by the Buyers which would endanger eligibility for the CRP or actions that would require repayment of the CRP payment or payments. Buyers further agree to indemnify and hold harmless the Sellers/tenant for any recovery sought by the FSA due to actions of Buyers, which would violate the requirements of the CRP. In the event the Buyers elects to take the ground out of CRP, the Buyers will be responsible to the Sellers/tenant for any prorate of the CRP payment that the seller/tenant would have received.

15. **ENTRANCES.** Buyers shall be responsible for installing and receiving the necessary permits for any entrances if needed or desired.

16. **FENCING.** Buyers shall be responsible for any fencing in accordance with Iowa State law.

17. **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.

18. **CERTIFICATION.** Buyers and Sellers each certify that they are not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by any Executive Order or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person" or any other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control; and are not engaged in this transaction, directly or indirectly on behalf of, any such person, group, entity or nation. Each party hereby agrees to defend, indemnify and hold harmless the other party from and against any and all claims, damages, losses, risks, liabilities and expenses (including attorney's fees and costs) arising from or related to my breach of the foregoing certification.

19. **ASSIGNMENT/DUE ON SALE.** This Contract shall not be assignable by Buyers without Sellers' prior written consent. If this Contract is assigned, then the entire balance owed to Sellers under this Contract shall be due and payable at the time of the assignment.

20. **COMPUTATION OF PURCHASE PRICE.** Tract 1 will be auctioned on a per acre bid price. The total purchase price for the tract will be determined by multiplying the per acre bid price times the approximate number of acres of 70 acres more or less. Although the purchase price is computed on a per acre dollar amount, the purchase price recited herein constitutes the purchase price for the entire tract regardless of any variances in the number of acres.

DATED this _____ day of _____, 2016.

Executed in duplicate

ESTATE OF VIRGINIA B. WATKINS, Seller

Phyllis Thatcher, Executor
1200 S. Ocean Blvd., #17E
Boca Raton, FL 33432

_____, Buyer

Janet Rooney, Executor
2748 211th Avenue

_____, Buyer

Donnellson, IA 52625

Charlotte Appledorn, Executor
6563 Oakland Hills Dr.
Lakewood Ranch, FL 34202

BUYERS' ADDRESS

STATE OF IOWA, COUNTY OF LEE

This instrument was acknowledged before me on _____, by
_____ and _____.

_____, Notary Public

STATE OF _____, COUNTY OF _____

This instrument was acknowledged before me on _____, by
Phyllis Thatcher as Executor of the Virginia B. Watkins Estate.

_____, Notary Public

STATE OF IOWA, COUNTY OF LEE

This instrument was acknowledged before me on _____, by
Janet Rooney as Executor of the Virginia B. Watkins Estate.

_____, Notary Public

STATE OF _____, COUNTY OF _____

This instrument was acknowledged before me on _____, by
Charlotte Appledorn as Executor of the Virginia B. Watkins Estate.

_____, Notary Public