

**OFFER TO BUY REAL ESTATE AND ACCEPTANCE
(NONRESIDENTIAL)**

TO: Kirk A. Schmidt and Jerry Slocum (Sellers)

The undersigned BUYERS hereby offer to buy and the undersigned SELLERS by their acceptance agree to sell the real property situated in North Liberty, Iowa, locally known as 350 West Penn Street and legally described as:

See attached Exhibit A.

together with any easements and appurtenant servient estates, but subject to any reasonable easements of record for public utilities or roads, any zoning restrictions, customary restrictive covenants, and mineral reservations of record, if any, herein referred to as the "Property," upon the following terms and conditions provided BUYERS, ~~on possession, are permitted to use the Property for N/A.~~

1. PURCHASE PRICE. The Purchase Price shall be \$ _____ and the method of payment shall be as follows: 10% of the purchase price with this offer, to be deposited upon acceptance of this offer and held in trust by Steffes Group, Inc. as earnest money, to be delivered to the SELLERS upon performance of SELLERS' obligations and satisfaction of BUYERS' contingencies, if any; and the balance of the Purchase Price, as follows: in cash at the time of closing.

2. REAL ESTATE TAXES. Sellers shall pay 2015/2016 real estate taxes and a proration of the 2016/2017 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.

Unless otherwise provided in this Agreement, at closing SELLERS shall pay BUYERS, or BUYERS shall be given a credit for, taxes from the first day of July prior to possession to the date of possession based upon the last known actual net real estate taxes payable according to public records. ~~However, if such taxes are based upon a partial assessment of the present property improvements or a changed tax classification as of the date of possession, such proration shall be based on the current levy rate, assessed value, legislative tax rollbacks and real estate tax exemptions that will actually be applicable as shown by the assessor's records on the date of possession.~~

3. SPECIAL ASSESSMENTS.

A. SELLERS shall pay in full at time of closing all special assessments which are a lien on the Property as of the date of September 29, 2016.

~~B. IF "A" is stricken, then SELLERS shall pay at time of closing all installments of special assessments which are a lien on the Property and, if not paid, would become delinquent during the calendar year this offer is accepted, and all prior installments thereof.~~

C. All charges for solid waste removal, sewage and maintenance that are attributable to SELLERS' possession, including those for which assessments arise after closing, shall be paid by SELLERS.

D. Any preliminary or deficiency assessment which cannot be discharged by payment shall be paid by SELLERS through an escrow account with sufficient funds to pay such liens when payable, with any unused funds returned to SELLERS.

E. BUYERS shall pay all other special assessments or installments not payable by SELLERS.

4. ~~RISK OF LOSS AND INSURANCE. SELLERS shall bear the risk of loss or damage to the Property prior to closing or possession, whichever first occurs. SELLERS agree to maintain existing insurance and BUYERS may purchase additional insurance. In the event of substantial damage or destruction prior to closing, this Agreement shall be null and void; provided, however, BUYERS shall have the option to complete the closing and receive insurance proceeds regardless of the extent of damages. The property shall be deemed substantially damaged or destroyed if it cannot be restored to its present condition on or before the closing date.~~

5. POSSESSION AND CLOSING. If BUYERS timely perform all obligations, possession of the Property shall be delivered to Buyers on November 7, 2016 or five (5) days following SELLERS' receipt of Court approval, whichever occurs later, and any adjustments of rent, insurance, interest and all charges attributable to the SELLERS' possession shall be made as of the date of possession. Closing shall occur after the approval of title by BUYERS and vacation of the Property by SELLERS, but prior to possession by BUYERS. ~~SELLERS agree to permit BUYERS to inspect the Property within N/A hours prior to closing to assure that the premises are in the condition required by this Agreement. If possession is given on a day other than closing, the parties shall make a separate agreement with adjustments as of the date of possession. This transaction shall be considered closed:~~

A. Upon the delivery of the title transfer documents to BUYERS and receipt of all funds then due at closing from BUYERS under the Agreement.

~~B. (If "A" is stricken) Upon the filing of the title transfer documents and receipt of all funds due at closing from BUYERS under the Agreement.~~

6. FIXTURES. Included with the Property shall be all fixtures that integrally belong to, are specifically adapted to or are a part of the real estate, whether attached or detached. Also included shall be the following: None.

The following items shall not be included: _____.

7. **CONDITION OF PROPERTY.** The property as of the date of this Agreement, including grounds, and all improvements, will be preserved by the SELLERS in its present condition until possession, ordinary wear and tear excepted. SELLERS make no warranties, expressed or implied, as to the condition of the property.

A. BUYERS acknowledge that they have made a satisfactory inspection of the Property and are purchasing the Property in its existing condition. This property is being sold as is, where is. No covenants, warranties, or representations regarding the environmental condition, developability, or feasibility of use of the Property are being made by the SELLER. If in the future any site clean-up is required, BUYER assumes full responsibility for the same. BUYER acknowledges that they have carefully and thoroughly inspected the real estate and is familiar with the premises. **BUYER is buying this real estate in its as-is condition and there are no expressed or implied warranties pertaining to the same.**

~~B. (If "A" is stricken) Within N/A days after the acceptance of this Agreement, BUYERS 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. Within this same period, the BUYERS may notify in writing the SELLERS of any deficiency. The SELLERS shall immediately notify the BUYERS in writing of what steps, if any, the SELLERS will take to correct any deficiencies before closing. The BUYERS shall then immediately in writing notify the SELLERS that (1) such steps are acceptable, in which case this Agreement, as so modified, shall be binding upon all parties; or (2) that such steps are not acceptable, in which case this Agreement shall be null and void, and any earnest money shall be returned to BUYERS.~~

8. **ABSTRACT AND TITLE.** SELLERS, at their expense, shall promptly obtain an abstract of title to the Property continued through the date of acceptance of this Agreement, September 29, 2016 and deliver it to BUYERS' attorney for examination. It shall show marketable title in SELLERS in conformity with this Agreement, Iowa law, and title standards of the Iowa State Bar Association. The SELLERS shall make every reasonable effort to promptly perfect title. If closing is delayed due to SELLERS' inability to provide marketable title, this Agreement shall continue in force and effect until either party rescinds the Agreement after giving ten days written notice to the other party. 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. Unless stricken, the abstract shall be obtained from an abstracter qualified by the Guaranty Division of the Iowa Housing Finance Authority.

~~9. **SURVEY.** If a survey is required under Iowa Code Chapter 354, or city or county ordinances, SELLERS shall pay the costs thereof. BUYERS may, at BUYERS' expense prior to closing, have the property surveyed and certified by a registered land surveyor. _____ . If the survey shows an encroachment on the Property or if any improvements located on the Property encroach on lands of others, the encroachments shall be treated as a title defect.~~

10. ENVIRONMENTAL MATTERS.

A. SELLERS warrant to the best of their knowledge and belief that there are no abandoned wells, solid waste disposal sites, hazardous wastes or substances, or underground storage tanks located on the Property, the Property does not contain levels of radon gas, asbestos, or urea-formaldehyde foam insulation which require remediation under current governmental standards, and SELLERS have done nothing to contaminate the Property with hazardous wastes or substances. SELLERS warrant that the property is not subject to any local, state, or federal judicial or administrative action, investigation or order, as the case may be, regarding wells, solid waste disposal sites, hazardous wastes or substances, or underground storage tanks. SELLERS shall also provide BUYERS with a properly executed GROUNDWATER HAZARD STATEMENT showing no wells, private burial sites, solid waste disposal sites, private sewage disposal system, hazardous waste and underground storage tanks on the Property unless disclosed here: N/A.

~~B. BUYERS may at their expense, within N/A days after the date of acceptance, obtain a report from a qualified engineer or other person qualified to analyze the existence or nature of any hazardous materials, substances, conditions or wastes located on the Property. In the event any hazardous materials, substances, conditions or wastes are discovered on the Property, BUYERS' obligation hereunder shall be contingent upon the removal of such materials, substances, conditions or wastes or other resolution of the matter reasonably satisfactory to BUYERS. However, in the event SELLERS are required to expend any sum in excess of \$0.00 to remove any hazardous materials, substances, conditions or wastes, SELLERS shall have the option to cancel this transaction and refund to BUYERS all earnest money paid and declare this Agreement null and void. The expense of any inspection shall be paid by BUYERS. The expense of any action necessary to remove or otherwise make safe any hazardous material, substances, conditions or waste shall be paid by SELLERS, subject to SELLERS' right to cancel this transaction as provided above.~~

11. DEED. Upon payment of the Purchase Price, SELLERS shall convey the Property to BUYERS by Court Officer's deed or Warranty deed, free and clear of all liens, restrictions, and encumbrances except as provided in this Agreement. General warranties of the title shall extend to the time of delivery of the deed excepting liens and encumbrances suffered or permitted by BUYERS.

~~12. JOINT TENANCY IN PROCEEDS AND IN REAL ESTATE. If SELLERS, immediately preceding acceptance of the offer, hold title to the Property in joint tenancy with full rights of survivorship, and the joint tenancy is not later destroyed by operation of law or by acts of the SELLERS, then the proceeds of this sale, and any continuing or recaptured rights of SELLERS in the Property, shall belong to SELLERS as joint tenants with full rights of survivorship and not as tenants in common; and BUYERS in the event of death of any SELLER, agree to pay any balance of the price due SELLERS under this contract to the surviving SELLERS and to accept a deed from the surviving SELLERS consistent with Paragraph 15.~~

13. JOINDER BY SELLER'S SPOUSE. SELLER'S spouse, if not a title holder immediately preceding acceptance, executes this Agreement only for the purpose of

relinquishing all rights of dower, homestead and distributive share or in compliance with Section 561.13 of the Code of Iowa and agrees to execute the deed or real estate contract for this purpose.

14. STATEMENT AS TO LIENS. If Buyers intend to assume or take subject to a lien on the Property, SELLERS shall furnish BUYERS with a written statement prior to closing from the holder of such lien, showing the correct balance due.

15. 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.

16. APPROVAL OF COURT. This Agreement is contingent upon Court approval. The SELLERS shall promptly submit this Agreement for such approval. If this Agreement is not so approved by December 1, 2016 either party may declare this Agreement null and void, and all payments made hereunder shall be made to BUYERS.

17. REMEDIES OF THE PARTIES.

A. If BUYERS fail to timely perform this Agreement, SELLERS may forfeit it as provided in the Iowa Code (Chapter 656), 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 BUYERS' default (during which thirty days the default is not corrected), SELLERS may declare the entire balance immediately due and payable. Thereafter this Agreement may be foreclosed in equity and the Court may appoint a receiver.

B. If SELLERS fail to timely perform this Agreement, BUYERS have the right to 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, and the prevailing parties shall be entitled to obtain judgment for costs and attorney fees.

18. NOTICE. Any notice under this Agreement shall be in writing and be deemed served when it is delivered by personal delivery or mailed by certified mail, addressed to the parties at the addresses given below.

19. GENERAL PROVISIONS. In the performance of each part of this Agreement, time shall be of the essence. Failure to promptly assert rights herein shall not, however, be a waiver of such rights or a waiver of any existing or subsequent default. This Agreement shall apply to and bind the successors in interest of the parties. This Agreement shall survive the closing. This Agreement contains the entire agreement of the parties and shall not be amended except by a written instrument duly signed by SELLERS and BUYERS. Paragraph headings are for convenience of reference and shall not limit or affect the meaning of this Agreement. Words and phrases herein shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender according to the context.

20. REAL ESTATE AGENT OR BROKER. The parties acknowledge that SELLER is represented by Steffes Group, Inc. and that SELLER shall be responsible for any and all commissions or fees owed to Steffes Group, Inc. BUYER is not represented by a real estate agent or broker in connection with this transaction.

21. 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.

22. INSPECTION OF PRIVATE SEWAGE DISPOSAL SYSTEM. Seller represents and warrants to Buyer that the Property is not served by a private sewage disposal system, and there are no known private sewage disposal systems on the property.

A. Seller represents and warrants to Buyer that the Property is not served by a private sewage disposal system, and there are no known private sewage disposal systems on the property.

23. ADDITIONAL PROVISIONS. Other announcements made by the auctioneer on the date of sale take precedence over any representations made in the advertising for said auction or otherwise.

ACCEPTANCE. When accepted, this Agreement shall become a binding contract. ~~If not accepted and delivered to BUYERS on or before _____, this Agreement shall be null and void and all payments made shall be returned immediately to BUYERS. If accepted by SELLERS at a later date and acceptance is satisfied in writing, then this contract shall be valid and binding.~~

Accepted September 29, 2016
SELLERS

Dated September 29, 2016
BUYERS

Print Name Kirk A. Schmidt
SS# _____
Address: c/o Thaddeus Cosgrove,
Cosgrove Law Firm, 607 W 2nd Street, Ida
Grove, IA 51445
Telephone: _____

Print Name _____
SS# _____

Print Name Jerry Slocum
SS# _____

Address : 1090 Cory Court, North Liberty,
IA 52317
Telephone: _____

Print Name _____
SS# _____

Address : _____
Telephone: _____

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