

REAL ESTATE CONTRACT (SHORT FORM)

IT IS AGREED between Leonardale Farms, Inc. ("Sellers"); and _____ ("Buyers").

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

Tract 3: 54.04 acres, and legally described as:

Lot #2, Leonardale Subdivision, Section 34, Union East Township, Des Moines 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: NONE

1. **PRICE.** The total purchase price for the Real Estate is _____ Dollars (\$_____) of which _____ Dollars (\$_____) which equals twenty percent (20%) has been paid to the Cray Law Firm Trust Account. Buyers shall pay the balance to Sellers as directed by Sellers, as follows:

Balance of purchase price to be paid at closing which shall occur on or before January 4, 2019.

2. **REAL ESTATE TAXES.** Sellers shall pay taxes prorated to the date of possession based upon the latest available tax statement 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.

3. **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.

4. **POSSESSION CLOSING.** Sellers shall give Buyers possession of the Real Estate on the day of closing, provided Buyers are not in default under this contract. Closing shall be on or before January 4, 2019.

5. **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.

6. **ABSTRACT AND TITLE.** Sellers, at their expense, shall promptly obtain an abstract of title to the Real Estate continued through October 25, 2018 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.

7. **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: 2018 Crops

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 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 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 (a) fail to make the payments aforesaid, or any part thereof, as same become due; or (b) 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.

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

12. 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.

13. **RELEASE OF RIGHTS.** Each of the Sellers hereby relinquish 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.

14. **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.

I/WE UNDERSTAND THAT HOMESTEAD PROPERTY IS IN MANY CASES PROTECTED FROM THE CLAIMS OF CREDITORS AND EXEMPT FROM JUDICIAL SALE; AND THAT BY SIGNING THIS CONTRACT, I/WE VOLUNTARILY GIVE UP MY/OUR RIGHT TO THIS PROTECTION FOR THIS PROPERTY WITH RESPECT TO CLAIMS BASED UPON THIS CONTRACT.

Dated: 25th day of October, 2018

_____, Buyer

Dated: 25th day of October, 2018

_____, Buyer

15. **INSPECTION OF PRIVATE SEWAGE DISPOSAL SYSTEM.** The Property is not served by a private sewage disposal system.

16. ADDITIONAL PROVISIONS.

A. The Buyers warrant and state that they have carefully and thoroughly inspected the premises and all improvements and that the same meet their approval and satisfaction. The Sellers do not warrant the real estate or any improvements thereon nor any appliances, structures, mechanical systems or any other items relating to the premises and the Buyers agree that they are buying the real estate without any express or implied warranties and are buying the same "as is."

B. If at any time there is a site cleanup required, it is the responsibility of the Buyers of said property to pay for, hold the Sellers harmless therefrom, and indemnify and defend the Sellers in relation to any site cleanup.

C. The Buyers shall be responsible for any fencing in accordance with the state of Iowa and Des Moines County fence line rules and regulations. Any desired fencing will be at the Buyers'

expense.

D. This real estate is selling subject to any and all covenants, restrictions, encroachments and easements, as well as all applicable zoning laws.

E. It will be the Buyer(s) responsibility of all Tracts to report to the Des Moines County FSA office and show proof of a filed deed to receive any future government payments and allotted base acres, in order to receive the following if applicable: A. Allotted base acres. B. Any future government programs. C. Prorate of CRP. Final tillable acres will be determined by the Des Moines County FSA office.

F. Buyer agrees to follow all requirements of conservation plans and practices required by the FSA to maintain eligibility in the Conservation Reserve Program. Buyer agrees 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 for any recovery sought by the FSA due to actions of buyer, which would violate the requirements of the CRP. In the event the buyers elect to take the ground out of CRP, the buyers will be responsible to the sellers for any prorate of the CRP payment that the sellers would have received

G. Possession will be given at closing. The tillable ground is selling free and clear for the 2019 farming season and immediate tillage rights will be granted. Not included in this sale is the 2018 crops.

H. The Buyers shall be responsible for installing his/her own entrances if needed or desired.

I. The sale is not contingent upon Buyers financing or any other Buyer contingency.

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

K. Purchasers who are unable to close due to insufficient funds or otherwise, will be in default and the deposit money will be forfeited and Buyer is subject to all of Seller's rights herein.

L. Pursuant to surveys created by a registered land surveyor, the surveyed acres will be the multiplier for said tracts.

M. If one buyer purchases more than one tract, the sellers shall only be obligated to furnish one abstract and deed. (husband and wife constitute one buyer).

N. Steffes Group, Inc. is representing the Seller.

O. Any announcement made the day of the sale take precedence over advertising.

Dated: October 25, 2018

LEONARDALE FARMS, INC.

By: _____
_____, President
SELLERS

_____, Buyer

_____, Buyer