

Prepared by
and Return to: Jacquelyn K. Arthur, Heiny, McManigal, Duffy, Stambaugh & Anderson, PLC, 11 4th Street N.E.,
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**CONTRACT FOR REAL ESTATE
FOR
3012 ½ 4TH AVENUE SOUTH, CLEAR LAKE, IOWA 50428**

1. **PARTIES IDENTIFIED.** This Agreement is between:

“Sellers” Randall L. Stiles, Trustee of the Randall L. Stiles Revocable Trust dated
 May 5, 2015, and Yvonne E. Stiles, Trustee of the Yvonne E. Stiles
 Revocable Trust dated May 5, 2015,

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:

**THE WEST HALF (W½) OF THE SOUTH 5 ACRES OF THE EAST ¾ OF THE EAST HALF (E½) OF THE
SOUTHEAST QUARTER (SE¼) OF THE NORTHWEST QUARTER (NW¼) OF SECTION SEVENTEEN (17),
TOWNSHIP NINETY-SIX (96) NORTH, RANGE TWENTY-ONE (21) WEST OF THE 5TH P.M. EXCEPTING
THEREFROM THE RIGHT OF WAY OF THE MASON CITY AND CLEAR LAKE RAILWAY COMPANY ACROSS
SAID LAND
AND
EXCEPTING LANDS HERETOFORE DEEDED TO THE STATE OF IOWA FOR HIGHWAY PURPOSES AND
EXCEPT THE EAST 14 RODS OF THE SOUTHEAST QUARTER (SE¼) OF THE NORTHWEST QUARTER (NW¼)
OF SECTION SEVENTEEN (17), TOWNSHIP NINETY-SIX (96) NORTH, RANGE TWENTY-ONE (21) WEST OF THE
5TH P.M. MORE PARTICULARLY DESCRIBED AS THAT PART OF THE SOUTHEAST QUARTER (SE¼) OF THE
NORTHWEST QUARTER (NW¼) OF SECTION SEVENTEEN (17), TOWNSHIP NINETY-SIX (96) NORTH, RANGE
TWENTY-ONE (21) WEST OF THE 5TH P.M., CERRO GORDO COUNTY, IOWA, DESCRIBED AS FOLLOWS:
COMMENCING AT THE CENTER OF SAID SECTION 17; THENCE S 90°00'00" W, 362.35 FEET ALONG THE
SOUTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 17; THENCE N 00°05'11" W, 44.44 FEET TO
THE POINT OF BEGINNING; THENCE CONTINUING N 00°05'11" W, 829.14 FEET; THENCE SOUTH 90°00'00"
WEST, 131.16 FEET PARALLEL WITH THE SOUTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION
17; THENCE S 00°04'24" E 828.83 FEET; THENCE S 89°52'00" E, 131.35 FEET TO THE POINT OF BEGINNING,
CONTAINING 2.50 ACRES, SUBJECT TO EASEMENTS OF RECORD. NOTE: THE SOUTH LINE OF THE
NORTHWEST QUARTER OF SAID SECTION 17-96-21 IS ASSUMED TO BEAR S 90°00'00" W
AND
EXCEPTING PARCEL “C” AS DESCRIBED AND DEPICTED ON SURVEY DATED SEPTEMBER 12, 2016 AND
FILED SEPTEMBER 15, 2016 AS DOCUMENT NO. 2016-5586,**

**TOGETHER WITH A PERPETUAL EASEMENT OF INGRESS AND EGRESS OVER AND ACROSS THE
EASEMENT AREA AS DEPICTED AND DESCRIBED IN PLAT OF SURVEY DATED SEPTEMBER 12, 2016, AND**

RECORDED SEPTEMBER 15, 2016, AS DOCUMENT NO. 2016-5586, AND IN ACCORDANCE WITH PERPETUAL EASEMENT FOR INGRESS AND EGRESS AGREEMENT RECORDED OCTOBER 4, 2016, AS DOCUMENT NO. 2016-5985.

Parcel No. 06-17-176-023-00

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 access, public utilities, roads and highways;
- (d) what a survey would reflect regarding determination of boundaries.

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. Twenty percent (20%) shall be paid at this time in trust to Heiny Law Firm Trust Account, and the balance of \$_____ shall be paid at closing.
- C. The closing shall be at 11 4th Street N.E., Mason City, Iowa (the offices of Heiny, McManigal, Duffy, Stambaugh & Anderson, 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 28, 2018.

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 31, 2018, then Sellers shall pay that installment that is due March 31, 2019, and that installment that is due September 30, 2019, 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. CONDITION OF PROPERTY.

- A. The Real Estate shall be preserved in its present condition and delivered intact at the time of closing.
- B. 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.
- C. Buyers acknowledge there is no agreement for the shared water line currently serving the building. Buyers shall be responsible for all expenses associated with installation of a separation water line and meter to serve the Real Estate along with any required easement for the separate water line.

D. Excluded from the transaction is the LP tank which is currently leased.

9. POSSESSION.

A. If Buyers timely perform all obligations, possession shall be delivered at the time of closing, subject to the terms that follow.

B. Sellers agree to permit Buyers to inspect the Property within twenty-four (24) hours prior to closing to insure the premises are in the condition required by this Agreement.

10. 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.

11. 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.

12. DEED. Upon payment of the purchase price, Sellers shall convey the Real Estate to Buyers or their assignees, by Trustees' Warranty Deed, free and clear of all liens, restrictions, and encumbrances except as provided in paragraphs 2(a) through 2(d). 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.

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

14. 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.

15. 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 conditional upon Buyers' ability to make it conditioned.

- C. The parties acknowledge that Sellers 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.

16. **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.

17. **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.

18. **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 Offer. 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.

"SELLERS"

"BUYERS"

Dated:
Randall L. Stiles, Trustee

Dated:

Dated:
Yvonne E. Stiles, Trustee

(Print or Type Name)

1704 South Shore Drive
Clear Lake, Iowa 50428
Email: _____
Phone: 641-425-0231

SSN/EIN: _____

Dated:

(Print or Type Name)

SSN/EIN: _____

Address: _____

Phone: _____

Cell: _____

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

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

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