

James M. Box, Box and Box, 304 N. Court, Ottumwa, IA 52501 (641) 682-4512 – Attorney for Estate

PURCHASE AGREEMENT

IT IS AGREED on this 7th day of February, 2019, by and between **Dennis Ostrander and Norma Tharp, as Co-Executors of the Estate of Denver Lee Ostrander, deceased,** (“Seller”); and

_____ (“Buyer”) as follows:

Seller agrees to sell, and Buyer agrees to buy certain real estate designated as **Tract 1** of the Denver Ostrander Estate, situated in Wapello County, Iowa, described as:

A part of the Northeast Quarter of the Northwest Quarter and of the Southeast Quarter of the Northwest Quarter of Section 3, Township 72 North, Range 12 West of the 5th P.M. in Wapello County, Iowa, described as follows: Beginning 17.50 chains South of the Northeast corner of the Northeast Quarter of the Northwest Quarter of said Section 3, thence West 20 chains, thence South 20 chains, thence East 20 chains, thence North 20 chains to the place of beginning.

(The real estate consists of approximately 38.5 acres. A survey shall be made of the real estate to determine the exact acreage, and the property shall be conveyed by the survey description at the time of closing.)

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: items; mineral rights; other easements; interest of others.) (the “Real Estate”), upon the following terms:

1. **PRICE.** The Real Estate shall be sold to the highest bidder for the sum of \$ _____ Per Acre for approximately 38.5 Acres, for a projected total purchase price of _____ Dollars (\$ _____),

of which 20% of the total purchase price, or \$ _____ has been paid as earnest money and shall be held in trust, pending the closing of this transaction. The balance of the purchase price, as adjusted by the acreage determined by survey, shall be due and payable at closing of this transaction, following completion of survey and delivery of abstract showing merchantable title, estimated to occur on or about March 22, 2019.

2. **FARM TENANCY/RENT PAYMENTS.** The real estate is sold, subject to the farm lease to current tenant for the 2019 crop year, with the first half rent payment due on March 1, 2019 and the second half rent payment due on November 1, 2019. Tillable land rent is \$169.74 per acre and Pasture land rent is \$45 per acre. Buyer shall receive the cash rent payments, with the first half rent to be paid at closing, and the second half rent to be paid by tenant to Buyer. Buyer shall be responsible for terminating the farm lease with the current farm tenant for the 2020 crop year.

Tract 1: Tillable land rent is 37.5 acres @ \$169.74 per acre = \$6365.25.

3. **REAL ESTATE TAXES:** Seller shall pay all real estate taxes prorated to date of possession and any unpaid taxes in prior years and Buyer shall pay all subsequent taxes.

4. **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 Buyer.

5. **POSSESSION:** Seller shall give Buyer possession of the real estate on closing of transaction provided Buyer is not in default under this contract. Closing shall occur on or about March 22, 2019.

6. **INSURANCE:** Seller shall maintain existing insurance upon the Real Estate until the date of possession. Buyer shall accept insurance proceeds instead of Seller replacing or repairing damaged improvements.

7. **ABSTRACT AND TITLE:** Seller, at their expense, shall obtain an abstract of title to the Real Estate continued through the date of this contract and deliver it to Buyer 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 Buyer when the purchase price is paid in full, however, Buyer reserves the right to occasionally use the abstract prior to full payment of the purchase price. Seller shall pay the costs of any additional abstracting and title work due to any act or omission of Seller, including transfers by or the death of Seller or their assignees.

8. **FIXTURES.** All property that integrally belongs to or is part of the Real Estate, whether attached or detached, such as fencing, gates and landscaping shall be considered a part of Real Estate and included in the sale.

9. **DEED:** Upon payment of purchase price, Seller shall convey the Real Estate to Buyer 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 deed.

10. REMEDIES OF THE PARTIES: a. If Buyers fail to timely perform this contract, Sellers may, at Sellers' option, forfeit Buyers' rights in this contract as provided in the Iowa Code, and all payments made by Buyer shall be forfeited. 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 Buyer, 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.

b. 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.

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

d. 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.

e. In the event this contract is not complied with on any terms and the Seller elects to either foreclose or forfeit this contract, the Seller and Buyer will be deemed to have a Landlord/Tenant relationship and the applicable provisions regarding forcible entry and detainer will apply.

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

12. CONSTRUCTION: 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. Time is of the essence herein.

13. INSPECTION CLAUSE: Buyer is purchasing the above described real estate in its "AS IS" condition, as of the date of the execution of this Agreement and Sellers make no warranties as to the condition of the property, any buildings and mechanical systems or other improvements located thereon, or any other warranties except as to the title of the property.

BUYER:

Name
printed: _____

Address: _____

Phone: _____

SELLER:

DENVER LEE OSTRANDER ESTATE

By _____
Dennis Ostrander, Co-Executor

By _____
Norma Tharp, Co-Executor

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