



REAL ESTATE CONTRACT (SHORT FORM)

IT IS AGREED between Two Rivers Bank, Administrator of the Estate of Roger David Smith, deceased ("Sellers"); and _____ ("Buyers").

Sellers agree to sell and Buyers agree to buy real estate in Lee County, Iowa, described as: A tract of land lying in the SE ¼ of Section 26-T69N-R4W 5th PM Lee County, Iowa and more particularly described as follows: Commencing at the E 14/ corner of Section 26-T69N-R4W and running thence S0°00'E 1056.00 feet to the true place of beginning; thence continuing S0°00'E 285.00 feet, thence N79°32'W 314.50 feet, thence N4°00'E 239.00 feet, thence S88°00'E 293.00 feet to the place of beginning and containing 1.700 acres more or less, inclusive of the present established highway lying on the East side thereof (deduct 0.216 acres for highway purposes, leaving a net acreage to be conveyed of 1.484 acres). Note: The East side of the SE ¼ of Section 26-T69N-R4W has been assumed to run due North and South. with any easements and appurtenant servient estates, but subject to the following:

- a. any zoning and other ordinances;
- b. any covenants of record; and
- c. any easements of record for public utilities, roads and highways

(the "Real Estate"), upon the following terms:

1. **PRICE.** The total purchase price for the Real Estate is _____ Dollars (\$ _____) of which _____ Dollars (\$ _____) has been paid. Buyers shall pay the balance to Sellers at Krehbiel Law Office, 712 Orchard St., Donnellson, IA 52625 or as directed by Sellers, as follows:

Ten per cent of the total purchase price shall be paid on the day of sale (October 21, 2020) as earnest money for this purchase, and shall be listed above as the down-payment which has been paid. The balance of the purchase price shall be paid in full at closing which shall be held on or before December 4, 2020 or as soon thereafter as is reasonably possible.

2. **REAL ESTATE TAXES.** Sellers shall pay all taxes due in September 2020 and March 2021 for Seller's possession from 7/1/19-6/30/20 plus Seller's share of real estate taxes prorated to date of possession (covering Seller's possession from 7/1/20 through date of closing) 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 upon closing of this transaction, provided Buyers are not in default under this contract. Closing shall be on or before December 4, 2020 or as soon thereafter as is reasonably possible.

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. 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. Buyers shall provide Sellers with evidence of such insurance.
6. **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 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. The sale specifically includes the following items: bulk bin, refrigerator, stove, washer, dryer, 500 gal. LP tank and contents, three (3) Zomeworks solar panels, windmill, Xantrex SW charging system, A-frame hoist. The following items are specifically excluded from this sale: air compressor, all tools, and all personal property not specifically mentioned in this paragraph.
8. **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.
9. **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 pay the taxes or special assessments or charges, or any part thereof, levied upon said property, or assessed against it, by any taxing body before any of such items become delinquent; or (c) fail to keep the property insured; or (d) fail to keep it in reasonable repair as herein required; or (e) 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.

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

11. **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.

12. **RELEASE OF RIGHTS.** Each of the Seller hereby relinquishes 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.

13. **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 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 VOLUNTARILY GIVE UP MY RIGHT TO THIS PROTECTION FOR THIS PROPERTY WITH RESPECT TO CLAIMS BASED UPON THIS CONTRACT.

Dated: _____, Buyer

Dated: _____, Buyer

14. **INSPECTION OF PRIVATE SEWAGE DISPOSAL SYSTEM.** Seller and Buyer agree that this transaction IS exempt from the time of transfer inspection requirements by reason that This property is being sold by an estate during the regular course of administration and Seller is exempt from time of transfer septic inspection requirements pursuant to Iowa Code Section 455B.172(11).

15. **ADDITIONAL PROVISIONS.** Special Provisions:

(A) This property is being sold subject to all covenants, restrictions, encroachments, and easements of record, including all public road easements, and all zoning laws.

(B) Buyer acknowledges that Buyer has carefully and thoroughly inspected the real estate and is familiar with the premises. Buyer is purchasing this real estate in its "as is" condition and there are no express or implied warranties pertaining to the condition of the real estate.

(C) Seller shall not be obligated to provide a survey. Seller makes no representation as to whether the existing fence lines match the boundaries of the legal description provided.

(D) Seller shall have no responsibility for any fencing. All fences and fence lines shall be governed by the State of Iowa and the Lee County fence line rules and regulations.

(E) If in the future a site clean-up is required, it will be at the expense of the buyer.

(F) Steffes Group is representing the Seller in this auction.

(G) This online real estate auction will have a five (5) % buyer's premium. This means that the contract purchase price will be determined by adding five (5) % percent of the bid amount to said bid amount. The entire purchase price (bid plus 5% premium) will be charged to the Buyer.

(H) This auction is not contingent upon Buyer's financing or any other Buyer contingencies. Buyers who are unable to close the transaction for any reason, including but not limited to insufficient funds, will be in default of this contract and will forfeit the entire down payment paid.

(I) All announcements made the day of sale shall take precedence over advertised terms of this sale.

Dated: _____.

Dated: _____.

Cindy Sharpe, Trust Officer of Two Rivers
Bank, Administrator of the Estate of Roger
David Smith, Seller

_____, Buyer

_____, Buyer