

**OFFER TO BUY REAL ESTATE AND ACCEPTANCE**

The undersigned BUYERS hereby offer to buy and the undersigned SELLER by acceptance agrees to sell to BUYERS the real property commonly known as 1842 Covington Road, Palo, Iowa, and legally described as follows:

THAT PART OF THE SW ¼ SE ¼ AND THAT PART OF LOT 8, IRREGULAR SURVEY OF THE SE ¼ SECTION 15-83-8, LINN COUNTY, IOWA, described as follows:

Commencing at a point in the West line of the SW ¼ SE ¼ said Section 15, which is 20 feet South of the NW corner of the SW ¼ SE ¼ said Section 15; thence South 1313.0 feet along said West line to the SW corner of the SE ¼ said Section 15; thence East 1846.5 feet along the South line of SE ¼ said Section 15; thence North 196.3 feet at right angles to previous course; thence deflecting left 89°30' and proceeding Westerly 236.4 feet ; thence deflecting right 89°30' and proceeding Northerly 380.1 feet; thence deflecting right 86° 01' and proceeding Northeasterly 324.3 feet; thence deflecting left 40°27' and proceeding Northeasterly 260.3 feet; thence deflecting right 4°54' and proceeding Northeasterly 152.8 feet to the SW-ly right of way line of State Highway No. 74; thence NW-ly 552.9 feet along the SW-ly line of said highway No. 74 to the North line of the S ½ SE ¼ said Section 15; thence West 1916.6 feet along said North line to a point 20 feet East of the NW corner of the SW ¼ SE ¼ said Section 15; thence SW-ly 28.0 feet to the point of beginning.

AND

LOT 8, IRREGULAR SURVEY SE ¼ SECTION 15-83-8, LINN COUNTY, IOWA, excepting therefrom that part of said Lot 8 lying within the following described tract:

Commencing at a point in the West line SW ¼ SE ¼ Section 15-83-8, Linn County, Iowa, which is 20 feet South of the NW corner of the SW ¼ SE ¼ said Sec. 15; thence South 1313 feet along said West line to the SW corner of the SE ¼ said Sec. 15; thence East 1846.5 feet along the South line of the SE ¼ said Sec. 15; thence North 196.3 feet at right angles to previous course; thence deflecting left 89°30' and proceeding W-ly 236.45 feet; thence deflecting right 89°30' and proceeding N-ly 380.1 feet; thence deflecting right 86°01' and proceeding NE-ly 324.3 feet; thence deflecting left 40°27' and proceeding NE-ly 260.3 feet; thence deflecting right 4°54' and proceeding NE-ly 152.8 feet to the SW-ly right of the way line of State Highway No. 74; thence NW-ly 552.9 feet along the SW-ly line of said highway to the North line of the South ½ SE ¼ said Sec. 15; thence West 1916.6 feet along said North line to a point 20 feet East of the NW corner of the SW ¼ SE ¼ said Sec. 15; thence SW-ly 28 feet to the point of beginning.

SUBJECT TO THE PUBLIC HIGHWAY,

[Linn County, Iowa Parcel Nos. 131545100100000, 131547700100000 and 131547700200000]  
 [Legal description is subject to verification from extended abstracts of title]

comprising 68.77 acres, more or less, subject to public highways, easements, covenants, conditions and restrictions of record, herein referred to as the "Property," upon the following terms and conditions.

1. **PURCHASE PRICE.** The Purchase Price shall be \$\_\_\_\_\_ (BUYERS' initials \_\_\_\_\_; SELLER'S initials \_\_\_\_\_). The method of payment shall be as follows: \$\_\_\_\_\_ (BUYERS' initials \_\_\_\_\_; SELLER'S initials \_\_\_\_\_) (*minimum of 10% of Purchase Price required*) down payment with this offer, to be deposited and held in trust by Simmons Perrine Moyer Bergman PLC Trust Account as earnest money and delivered to the SELLER at closing, and the balance of the Purchase Price, in cash or equally available funds at Closing.

This transaction and BUYERS' obligations hereunder are not contingent on BUYERS securing

financing for the purchase of the Property. Failure to secure the funds necessary to complete the purchase of the Property shall constitute a default pursuant to this Agreement.

2. **REAL ESTATE TAXES.** SELLER shall pay the 2021 fiscal year real estate taxes and any unpaid real estate taxes payable in prior years. At closing SELLER shall pay BUYERS, or BUYERS shall be given a credit for the prorated share of real estate taxes for the 2022 fiscal year, prorated to the date of Closing, based upon the last known actual net real estate taxes payable according to public records.

3. **SPECIAL ASSESSMENTS.** SELLER 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. BUYERS shall pay all other special assessments or installments not payable by SELLER.

4. **RISK OF LOSS AND INSURANCE.** SELLER shall bear the risk of loss or damage to the Property prior to closing or possession, whichever first occurs.

5. **POSSESSION AND CLOSING.** If BUYERS timely perform all obligations, Closing shall take place, and possession of the Property shall be delivered to BUYERS, as soon as possible after completion of BUYERS' title examination, on a date mutually agreed upon by the parties, but in any case not later than **May 5, 2023**.

This transaction shall be considered closed upon the delivery of the title transfer documents to BUYERS and receipt of all funds then due at closing from BUYERS under the Agreement.

6. **CONDITION OF PROPERTY.** The Property as of the date of this Agreement, including buildings, grounds, and all improvements, if any, will be preserved by the SELLER in its present condition until possession, ordinary wear and tear excepted. SELLER makes no warranties, expressed or implied, as to the condition of the property. All fences, if any, on the Property are being sold by SELLER and purchased by BUYERS in "AS IS, WHERE IS" condition with no obligation on the part of SELLER to build or replace any fences on the Property.

**BUYERS acknowledge that they or their representatives have made a satisfactory inspection of the Property and are purchasing the Property in its existing condition, based on BUYERS' own judgment and not on any representations whatsoever of SELLER or any SELLER'S representative, including without limitation advertising materials or information provided by Seller's auctioneer. BUYERS acknowledge and agree that BUYERS are purchasing the Property "AS IS, WHERE IS" with no representations or warranties whatsoever from SELLER or any SELLER representative, expressed or implied, as to the Property, the Property's current or future market value, the Property's current or future suitability for any use or purpose, the location of the Property's boundaries and entrances, if any, the environmental condition of the Property, or the physical condition of the Property or the condition or location of structures, if any, located thereon, including without limitation, buildings, fences or any other thing whatsoever that is to be conveyed from SELLER to BUYERS pursuant to this Agreement.**

7. **SURVEY.** SELLER shall not be obligated to provide any surveys for the Property. BUYERS may have the Property surveyed at BUYERS' expense. BUYER'S accept the Property with boundaries and fences, if any, in their existing locations.

8. **ABSTRACT AND TITLE.** SELLER, at SELLER'S expense, shall promptly obtain an abstract of title to the Property continued through a date not greater than 90 days prior to the date of acceptance of this Agreement, and deliver it to BUYERS' attorney for examination. It shall show marketable title in SELLER in conformity with this Agreement, Iowa law, and land title standards of the Iowa State Bar Association. The SELLER shall make every reasonable effort to promptly perfect title. If closing is

delayed more than 30 days due to SELLER'S 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 and after the other party has failed to cure within the ten day period. The abstract shall become the property of BUYERS when the Purchase Price is paid in full. SELLER shall pay the costs of any additional abstracting and title work due to any act or omission of SELLER.

9. **DEED.** Upon payment of the Purchase Price, SELLER shall convey the Property to BUYERS by Court Officer Deed, free and clear of all liens, restrictions, and encumbrances except as provided in 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. **BUYERS' REPRESENTATION AND WARRANTY; FINANCING.** This Agreement is not contingent on BUYERS securing financing for the purchase of the Property. By entering into this Agreement, BUYERS represent and warrant to SELLER that BUYERS have secured the necessary financing for the timely purchase of the Property according to the terms and for the purchase price set forth in this Agreement. If BUYERS are unable to complete this transaction because of BUYERS' failure to secure the necessary financing, then BUYERS shall forfeit the down payment paid by BUYERS and it shall be promptly delivered to SELLER.

**12. REMEDIES OF THE PARTIES.**

A. If BUYERS fail to timely perform this Agreement, SELLER may forfeit it as provided in the Iowa Code (Chapter 656), and all payments made shall be forfeited; or, at SELLER'S option, upon thirty (30) 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), SELLER 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 SELLER fails to timely perform this Agreement BUYERS have the right to have all payments made returned to them.

C. BUYERS and SELLER 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.

13. **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 as to the parties at the following addresses:

To SELLER: Karen A. Laughlin Estate  
 c/o Wesley J. Hillsheim  
 Bank Iowa, Executor  
 2701 Edgewood Parkway Southwest  
 Cedar Rapids, IA 52404  
 (319) 249-7082  
[wesley.hillsheim@bankiowa.com](mailto:wesley.hillsheim@bankiowa.com)

Copy to: Nicolas AbouAssaly  
 Simmons Perrine Moyer Bergman PLC  
 115 – 3<sup>rd</sup> Street, Suite 1200  
 Cedar Rapids, IA 52401  
 (319) 896-4003

[nick@spmbllaw.com](mailto:nick@spmbllaw.com)

To BUYER: (name) \_\_\_\_\_  
 (address) \_\_\_\_\_  
 (email) \_\_\_\_\_

14. **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, supersedes all prior communications, negotiations, discussions, representations, brochures or information regarding the Property and shall not be amended except by a written instrument duly signed by SELLER 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.

15. **ADDITIONAL PROVISIONS.**

A. **Personal Property.** Included with the Property shall be the Refrigerator, Stove, Dishwasher and other major appliances located in the personal residence at the Property as of the day of Closing.

Not included with the sale of the Property shall be the LP tank and the farm equipment belonging to the tenant of the Property.

B. **Septic System Inspection.** The parties agree that the Property is exempt from any time-of-transfer septic system inspection requirements.

C. **Farm Lease.** SELLER represents to BUYERS that as of the date of Closing, a portion of the Property is subject to a cash rent farm lease, which will be assigned to BUYERS at Closing. The first half of rent for the 2023 crop year will be paid by tenant to SELLER and credited to BUYERS at Closing. The second half of rent for the 2023 crop year and all subsequent rent will be paid directly to the BUYERS. If BUYERS desire to terminate said farm lease for future years, it shall be the BUYERS' responsibility to serve notice of termination on the tenant.

D. **FSA Reporting.** BUYERS shall be responsible for reporting their purchase of the Property and deliver a copy of the recorded deed of conveyance to the USDA Farm Services Agency for all purposes.

E. **Septic System.** SELLER represents to BUYERS that the Property is served by a private sewage disposal system (septic system). This transaction is exempt from any time-of-transfer inspection requirements under applicable laws. BUYER shall be solely responsible for any expense of any inspection desired by BUYERS and any recommended or desired repairs or upgrades to said system.

F. **Conservation Programs.** If the Property or any part thereof is enrolled in the conservation reserve program, conservation reserve enhancement program or other government sponsored conservation programs (these programs being collectively referred to as "CRP Program"), then the following shall apply:

- (i) BUYERS acknowledge and agree that BUYERS are purchasing the Property subject to all of the terms, conditions and restrictions of the CRP Program including any easements, contracts or other documentation currently in effect. BUYERS shall (i)

assume all obligations under, and accept assignment of, any and all CRP Program contracts in effect on the date of Closing; (ii) take all steps necessary in cooperation with SELLER to document such assumption and assignment with the relevant Farm Service Agency; (iii) from and after the date of Closing, perform and fully comply with all terms, conditions and restrictions of the CRP Program and all contracts and documents relating to said CRP Program; and (iv) indemnify, defend and hold SELLER harmless from any liability, claim, cause of action, penalty, fine, assessment, fee, cost, or expense, including without limitation SELLER'S attorney fees and expenses, arising out of or resulting from any breach, violation or premature termination of said CRP Program contracts after the date of Closing. The obligations, agreements, warranties and representations of BUYERS in this paragraph shall survive the Closing of the sale of the Property and shall be a continuing obligation of BUYERS during the term of the existing CRP Program contracts.

(ii) Payments pursuant to any CRP Program contracts for the current contract year shall be prorated through the date of recording of the Deed from SELLER to BUYERS.

G. Representation. SELLER is represented by Steffes Group, Inc. and the law firm of Simmons Perrine Moyer Bergman PLC. BUYERS acknowledge that Steffes Group, Inc. and the law firm of Simmons Perrine Moyer Bergman PLC are representing the interests of the SELLER only and, as such, have no duty or obligation whatsoever toward BUYERS. BUYERS have not relied on said parties in any manner.

H. Acceptance. When accepted by both BUYERS and SELLER, this Agreement shall become a binding contract.

I. Multiple Counterparts. This Agreement may be executed in multiple counterparts, all of which together shall constitute the original Agreement.

J. Signatures. Facsimile or electronic signatures shall be acceptable as originals.

**THIS IS A LEGALLY BINDING CONTRACT.  
IF NOT UNDERSTOOD, SEEK LEGAL ADVICE.**

**SELLER**

**BUYERS**

March \_\_\_\_\_, 2023

March \_\_\_\_\_, 2023

Bank Iowa, Executor of the Estate of  
Karen A. Laughlin

1<sup>ST</sup> BUYER

By: \_\_\_\_\_

Sign Name: \_\_\_\_\_

Wesley J. Hillsheim

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

2<sup>ND</sup> BUYER

Sign Name: \_\_\_\_\_

Print Name: \_\_\_\_\_

