

REAL ESTATE CONTRACT

IT IS AGREED this Real Estate Contract is executed by and between Prasanti Kantamneni Khurana and Kav Khurana, wife and husband, ("Sellers"); and _____ ("Buyers") on the date set forth below and upon the following terms:

1. **PROPERTY.** Sellers agree to sell and Buyers agree to buy real estate legally described on attached Exhibit A together with mineral rights, if any, owned by Sellers and with any easements and appurtenant servient estates (the "Real Estate"), but subject to the following:

- Any zoning and other ordinances;
- Any covenants of record;
- Any easements of record for public utilities, roads and highways;
- An existing agricultural lease for the 2023 farming season pursuant to which the tenant continues to owe the sum of \$21,252.00 which is due in December of 2023 (the "Lease").

2. **PRICE.** The total purchase price for the Real Estate is \$ _____ of which 10% thereof (\$ _____) has been paid contemporaneously with the execution of this Contract. Buyers shall pay the balance of said purchase price, \$ _____, to Sellers at Closing.

3. **DEFAULT INTEREST.** Buyers shall pay interest at the rate of 10 percent per annum on all delinquent amounts and any sum reasonably advanced by Sellers to protect their interest in this Contract, computed from the date of the delinquency or advance.

4. **REAL ESTATE TAXES.** Sellers shall pay real estate taxes prorated to the date of Possession, it being understood the March, 2023 real estate tax installment pays taxes to July 1, 2022, and any unpaid real estate taxes payable in prior years. Buyers shall pay all subsequent real estate taxes. The proration of real estate taxes on the Real Estate shall be based upon such taxes for the year currently payable

5. **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.

6. **POSSESSION AND CLOSING.** Sellers shall give Buyers possession of the Real Estate at Closing, provided Buyers are not in default under this Contract. Closing shall be on, or before, July 21, 2023. The Closing shall occur at a place mutually acceptable to the parties and, in the absence of such an agreement, at Fehseke & Gray Law Offices in Fort Madison, Iowa.

7. **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.

8. **ABSTRACT, TITLE & SURVEY.** 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 conformity with this contract, Iowa law and the Title Standards of the Iowa State Bar Association. 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. Buyers shall have the right to occasionally use the abstract prior to full payment of the purchase price. When the purchase price is paid in full, the abstract shall become the property of the Buyers. Buyers shall not be responsible for providing Sellers with a survey of the Real Estate unless a survey is required to correct title defects.

9. **FIXTURES.** All property that integrally belongs to or is part of the Real Estate, whether attached or detached, such as electrical service cable, outside television towers and antenna, fencing, gates and landscaping shall be considered a part of the Real Estate and shall be included in the sale.

10. **CARE OF PROPERTY.** Sellers shall take good care of the property and other improvements now or later placed on the Real Estate in good and reasonable repair. Until possession of the Real Estate is transferred to Buyers, Sellers shall not injure or destroy the Real Estate and Sellers shall not make any material alteration to the Real Estate without the prior written consent of Buyers.

11. **DEED.** Upon payment of the purchase price, Sellers shall convey the Real Estate to Buyers or their assignees by Warranty Deed. Said conveyance shall be 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 the acts of Sellers continuing up to time of delivery of the deed.

12. **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 and at their sole 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. Upon completion of such a forfeiture, if Buyers or any other person(s) shall be in possession of the 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 in accordance with the laws of the State of Iowa.

b. If Buyers fail to timely perform this contract, Sellers, at their sole option, may elect to declare the entire balance immediately due and payable after such notice, if any, as may be required by Chapter 654 of the Code of Iowa. Thereafter this contract may be foreclosed in equity and a 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. Such a 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 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 or occur: (1) The Real Estate is less than ten (10) acres in size; (2) a 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, 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 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. Upon completion of such forfeiture, if Buyers or any other person(s) shall be in possession of the 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 and as provided by laws of the State of Iowa.

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 an award of reasonable attorney's fees and costs.

13. JOINT TENANCY IN PROCEEDS AND IN REAL ESTATE. If Sellers, immediately preceding this contract, hold title to the Real Estate in joint tenancy with full right of survivorship and the joint tenancy is not later destroyed by operation of law or by acts of Sellers, then the proceeds of this sale and any continuing or recaptured rights of Sellers in the Real Estate shall belong to Sellers as joint tenants with full right of survivorship and not as tenants in common. In the event of the death of either joint tenant Seller, Buyers agree to pay any balance of the price due Sellers under this contract to the surviving Seller and to accept a deed from the surviving Seller consistent with paragraph 10.

14. JOINDER BY SELLER'S SPOUSE. An individual seller's spouse, if not a titleholder immediately preceding acceptance of this offer, executes this contract only for the purpose of relinquishing all rights of dower, homestead and distributive shares or in compliance with Section 561.13 of the Iowa Code and agrees to execute the deed for this purpose.

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

16. 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.

17. RELEASE OF RIGHTS. Each 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.

18. 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.

19. CONTRACT SUPERSEDES OTHER AGREEMENTS. This Contract replaces and supersedes all agreements made between the parties hereto, whether oral or written, prior to the date of this Contract.

20. APPLICABLE LAW AND COURT. Any controversy arising out of or in connection with the Contract shall be governed by the laws of the State of Iowa, and Sellers and Buyers consent to the jurisdiction of the Iowa District Court in and for Lee County at Fort Madison as the sole and exclusive court having jurisdiction for the resolution of all matters.

21. COUNTERPARTS, ELECTRONIC SIGNATURES AND REPRODUCTIONS ENFORCEABLE AS ORIGINALS. This Contract may be executed in separate counterparts, all of which when taken together shall constitute one and the same Contract and any party to this Contract may execute this Contract by signing any such counterpart. A party's signature or mark on or attached to this Contract that is input on an electric signature pad, input on a display screen by means of a stylus device, represented by a digitized image of a handwritten signature, or represented as a digital signature or a mark captured as a scalable graphic electronically stored and/or displayed in any format on tangible media shall be binding on the party making or applying the same in the same manner as an original signature. Each party hereby waives any evidentiary rule or other requirement that this Contract, with "original signatures" within the meaning of the Rules of Evidence, be produced or offered into evidence in any proceeding and

each party hereby further acknowledges that a copy of this Contract, howsoever legibly produced or reproduced, shall be deemed the equivalent of an original of this Contract for all evidentiary purposes.

22. ADDITIONAL PROVISIONS.

- A. **REVENUE STAMPS.** Sellers agree to pay the real estate transfer tax and to affix the stamps for said tax on the deed to be delivered to Buyers when all the terms of this Contract are fully satisfied.
- B. **INSPECTION BY BUYERS/PROPERTY "AS IS".** Buyers acknowledge and represent that the Real Estate has been the subject of an auction and that all of the property subject to this Contract and all of the rules and regulations governing Buyers' use of the subject property have been inspected by Buyers or by agent of Buyers and that said rules and regulations and said property are satisfactory in all respects and that this agreement is made voluntarily by Buyers, relying wholly upon the knowledge and investigation of the Buyers and not upon any statements or representations made by Sellers or by any person representing or purporting to represent the Sellers. Buyers accept the property subject to this Contract, including all structures and fences thereon, in its present condition and "as is", and "where is". Buyers shall be responsible for constructing and maintaining any fencing on the Real Estate in accordance with applicable laws. Additionally, Buyers shall be responsible for constructing and maintaining access entrances to the Real Estate as may be required or desired by Buyers.
- C. **ALLOCATION OF RENT.** Buyers shall be entitled to collect and receive the sum of \$21, 252.00 in December of 2023 from the Lease. In the event Buyers wish to terminate the Lease for subsequent crop years, it shall be Buyers' responsibility to give the tenant all required notices prior to September 1, 2023 in order to do so.
- D. **FSA CERTIFICATION.** Buyers shall be responsible for reporting and documenting the sale evidenced by this contract to all appropriate government entities associated with any government programs, subsidies, or agreements involving the Real Estate including, but not limited to, the United States Department of Agriculture and the Farm Services Agency.
- E. **GROUNDWATER HAZARDS/NO SEPTIC TANKS.** Sellers represent and warrant to Buyers that the Property is not served by a private sewage disposal system and there are no known private sewage disposal systems on the property. At or before the time of closing, Sellers shall provide Buyers with a properly executed Groundwater Hazard Statement showing no wells, solid waste disposal sites, hazardous waste or underground storage tanks or private sewage disposal systems (commonly referred to as septic tanks) on and/or required on the premises. Notwithstanding the foregoing, if a site cleanup is required in the future, it shall be performed by, and at the expense of, Buyers.

Dated:

_____, Buyer

Telephone Number: _____

Dated:

_____, Buyer

Telephone Number: _____

Prasanti Kantamneni Khurana, Seller

Telephone Number: _____

Dated: _____

Kav Khurana, Seller

Telephone Number: _____

Dated: _____

EXHIBIT A

All that part of the North Half (N1/2) of the Northeast Quarter (NE1/4) of Section 28, that lies East of the County Road, and the West 43 acres of the North Half (N1/2) of the Northwest Quarter (NW1/4) of Section 27, all in Township 67 North, Range 6 West, of the 5th P.M., in Lee County, Iowa.

AND

The Southwest Quarter (SW1/4) of the Northwest Quarter (NW1/4) of Section 27, Township 67 North, Range 6 West, AND all that part of the Southeast Quarter (SE1/4) of the Northeast Quarter (NE1/4) of Section 28, in Township 67 North, Range 6 West, lying East of the road, all in Lee County, Iowa, subject to all public roads located thereon; except the South 8 feet thereof; also except a parcel of ground located in the SE1/4 of the NE1/4 of Section 28, Township 67 North, Range 6 West lying East of the road more particularly described as follows: Commencing at the SE corner of the NE1/4 of said Section 28 and running thence Westerly along said Quarter Section Line to the first County Road; thence North along the East right-of-way line of said road 8 feet to the point of beginning; thence Northerly along the East right-of-way line of said road 735 feet; thence East 220 feet; thence Southerly 735 feet; thence West 220 feet to the place of beginning.

AND

The Southeast Quarter of the Northwest Quarter (SE1/4 NW1/4) of Section 27 and the South 8 rods of the East 72 rods of the Northeast Quarter of the Northwest Quarter (NE1/4 NW1/4) of Section 27, and the East 33 acres of the North 72 acres of the Northwest Quarter (NW1/4) of Section 27, all in Township 67 North, Range 6 West, of the Fifth Principal Meridian, Lee County, Iowa.