SPACE ABOVE THIS LINE
FOR RECORDER

# REAL ESTATE CONTRACT (SHORT FORM)

**IT IS AGREED** between Robert H. Traver and Ada M. Traver, husband and wife

, ("Sellers"), and Iowa Agricultural Development Authority

, ("Buyers") .

Sellers agree to sell and Buyers agree to buy real estate in Delaware County, Iowa, described as:

The Northeast Quarter (NE¼) of Section Twenty-Four (24) Township Eighty-Eight North, Range 6 West of the 5th P.M.

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: liens; mineral rights; other easements; interests of others.)

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

1. **PRICE.** The total purchase price for the Real Estate is Two Hundred Forty-Five Thousand and 00/100---------- Dollars ($ 245,000.00 ) of which Five Thousand and 00/100---------- Dollars ($ 5,000.00 ) has been paid. Buyers shall pay the balance to Sellers at , or as directed by Sellers, as follows:
$48,000.00 on or before possession date. $18,689.28 on Mar. 1, 1992 & $18,689.28 on each March 1st thereafter until the contract is paid in full. The annual payments shall be first credited against interest accrued & then against principal. Sellers shall have the option to require payment of the entire unpaid balance of both principal & interest accrued on or after Mar. 1, 2006 at their sole option. There shall be no additional or prepayments made without written consent of sellers.

2. **INTEREST.** Buyers shall pay interest from March 1, 1991 on the unpaid balance, at the rate of 9 percent per annum, payable annually as set forth in par. #1 above.

Buyers shall also pay interest at the rate of 9 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.

3. **REAL ESTATE TAXES.** Sellers shall pay taxes pro-rated to the date of possession 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.

4. **SPECIAL ASSESSMENTS.** Sellers shall pay all special assessments which are a lien on the Real Estate as of the date of this contract or .
All other special assessments shall be paid by Buyers.

5. **POSSESSION.** Sellers shall give Buyers possession of the Real Estate on March 1, 19 91, provided Buyers are not in default under this contract.

6. **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.

For Release, See Book 127 Page 238 3/11/91

For Release, See Book 127 Page 378 4/26/91

FILE No. 75-1934
RECORDING FEE $ 15.00
TRANSFER FEE $

FILED FOR RECORD THE 28 DAY OF February 19 91 AT 10:15 O'CLOCK A. M. BOOK 127 PAGE 213

STATE OF IOWA, DELAWARE COUNTY
Joan Sheppard, Recorder
LD

7. **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.

8. **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 except: (consider: rental items.) _____

9. **CARE OF PROPERTY.** Buyers shall take good care of the property; shall keep the buildings and other improvements now or later placed on the Real Estate in good and reasonable repair and shall not injure, destroy or remove the property during the term of this contract. Buyers shall not make any material alteration to the Real Estate without the written consent of the Sellers.

10. **DEED.** Upon payment of purchase price, Sellers shall convey the Real Estate to Buyers or their assignees, by warranty 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.

11. **REMEDIES OF THE PARTIES.**

a. If Buyers fail to timely perform this contract, Sellers may, at Seller's option, either (i) forfeit Buyers' rights in this contract as provided in the Iowa Code, and all payments made by Buyers shall be forfeited or (ii) upon thirty days written notice by Sellers to Buyers of Sellers' 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, and thereafter this contract may be foreclosed in equity; the Court may appoint a receiver; and the period of redemption after sale on foreclosure may be reduced under the conditions of Section 628.26 or Section 628.27 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.

12. **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; and Buyers, in the event of the death of either Seller, 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.

13. **JOINDER BY SELLER'S SPOUSE.** 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.

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

15. **PERSONAL PROPERTY.** If this contract includes the sale of any personal property, Buyers grant the Sellers a security interest in the personal property and Buyers shall execute the necessary financing statements and deliver them to Sellers.

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. **ADDITIONAL PROVISIONS.** LP tank is to remain property of sellers.

18. Curtains and drapes are being sold for no further consideration and stay with the property.

Dated: January 4, 19 91

IOWA AGRICULTURAL DEVELOPMENT AUTHORITY

By William H. Greifner
William H. Greifner **BUYERS**

Robert H. Traver
Robert H. Traver

Ada M. Traver **SELLERS**

STATE OF IOWA, COUNTY OF DELAWARE, ss:

On this 3rd day of January, 19 91, before me, the undersigned, a Notary Public in and for said State, personally appeared Robert H. Traver and Ada M. Traver

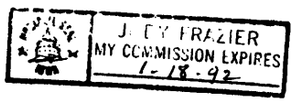
to me known to be the identical persons named in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their voluntary act and deed.

William C Francois
William C. Francois

Notary Public in and for Said State.

) ss:
COUNTY OF POLK )

On this 21st day of February, A.D. 1991, before me the undersigned, a Notary Public in and for the State of Iowa, personally appeared William H. Greiner, to me personally known, who being by me duly sworn, did say that he is the Executive Director of Iowa Agricultural Development Authority, the State agency executing the within and foregoing contract to which this is attached, that the seal affixed thereto is the seal of said agency; that said instrument was signed and sealed on behalf of said agency by authority of its Board and that the said William H. Greiner, as such officer acknowledges the execution of said instrument to be the voluntary act and deed of said agency, by it and by him voluntarily executed.




Judy Frazier
Notary Public in and for the State of Iowa.

( 1 ) This contract will be assigned by the Buyer (Iowa Agricultural Development Authority) to Steven Moorman & Barbara Moorman, husband & wife, as joint tenants with full right of survivorship and not as tenants in common (Beginning Farmer(s)) and may not be reassigned by Beginning Farmer(s) without the written consent of Seller(s) and the Iowa Agricultural Development Authority which consent, if given, shall not operate as a waiver of the requirement of written consent on any subsequent assignment. Any attempt by Beginning Farmer(s) to reassign this contract without written consent shall entitle Seller(s) to declare all amounts due hereunder immediately due and payable.

( 2 ) To evidence its payment obligations under this contract, the Iowa Agricultural Development Authority will issue its tax exempt bond (the "Bond") in an amount equal to the unpaid balance of the purchase price contained herein and bearing interest at the rate of Nine percent (9%) per annum (the "Tax Exempt Rate") with payment terms identical to those contained herein. Beginning Farmer(s) have expressly warranted to Seller(s) that the interest payments received pursuant to the terms contained herein will come to the Seller(s) in the form that will make it not includable in gross income for federal income tax purposes. Seller(s) are relying on the representations made by the Beginning Farmer(s) in this regard and in the event the interest payments are determined to be includable in gross income for federal income tax purposes, then all interest payments will be computed on the basis of interest at the rate of Ten percent (10%) per annum (the "Taxable Rate") and Beginning Farmer(s) shall be responsible to make payment to the Seller(s) for the difference between interest paid at the Tax Exempt Rate and the amount calculated on the basis of interest at the Taxable Rate. This provision shall not apply in the event the Bond is held by a Related Person (as defined by the Internal Revenue Code) to the Beginning Farmer(s).

( 3 ) The Seller(s) acknowledge that this contract will be assigned by the Iowa Agricultural Development Authority by separate instrument, the Guarantee, Assignment and Assumption Agreement (the "Guarantee") to the Beginning Farmer(s) who will assume the rights, duties, obligations and liabilities of the Iowa Agricultural Development Authority hereunder and guarantee the payment of principal of and interest on the Bond. Seller(s) approves such assignment and assumption and acknowledges that the principal of, premium, if any, and interest on the Bond, the installment payments under this contract and other amounts due and owing to the Seller(s) as holder of the Bond and seller under this contract are special limited obligations of the Iowa Agricultural Development Authority and payable solely and only from the obligations of the Beginning Farmer(s) under the Guarantee and are not general obligations of the State of Iowa or any political subdivision or agency thereof, including the Iowa Agricultural Development Authority, within the meaning of any constitutional or statutory limitation and do not constitute or give rise to a pecuniary liability of the State of Iowa or any political subdivision or agency thereof, including the Iowa Agricultural Development Authority, or a charge against their general credit or general funds.