THE IOWA STATE BAR ASSOCIATION
OFFICIAL FORM NO. 142

FOR THE LEGAL EFFECT OF THE USE
OF THIS FORM, CONSULT YOUR LAWYER

Prepared By: Attorney Tom Jenk, P.O. Box 247, Dyersville, Iowa, 52040 875-7191

REAL ESTATE CONTRACT-INSTALLMENTS

IT IS AGREED this 29th day of December, 1995, by and between Phyllis M. Harris, single, by Christine A. Scott, Conservator

of the County Montgomery, State of ~~Iowa~~ Virginia, Sellers; and John L. White

of the County of Delaware, State of Iowa, Buyers;

That the Sellers, as in this contract provided, agree to sell to the Buyers, and the Buyers in consideration of the premises, hereby agree with the Sellers to purchase the following described real estate situated in the County of Delaware, State of Iowa, to-wit: The South one-half (S½) of the Southeast Quarter (SE¼) and the South one-half (S½) of the Southwest Quarter (SW¼) of Section Two (2), Township Eighty Eight (88) North, Range Four (4), West of the Fifth P.M., except that part described as commencing at the Northeast corner of said South one-half (S½) of the Southwest Quarter (SW¼), running thence South eight (8) rods, thence West forty (40) rods, thence North eight (8) rods, thence East forty (40) rods to the place of beginning, subject to easements of record

together with any easements and servient estates appurtenant thereto, but with such reservations and exceptions of title as may be below stated, and certain personal property if and as may be herein described of if and as an itemized list is attached hereto and marked "Exhibit A" all upon the terms and conditions following:

1. TOTAL PURCHASE PRICE. The buyer agrees to pay for said property the total of $ 161,000.00 due and payable at c/o Christine Scott, 504 Floyd St., Blacksburg, Virginia, 24060 ~~County, Iowa~~, as follows:

(a) **DOWN PAYMENT** of $ 5,000.00 **RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED: and**

(b) **BALANCE OF PURCHASE PRICE.** $ 156,000.00, as follows $ 45,000.00 on March 1, 1996, and the balance of $111,000.00 to be paid as follows: $5,000.00 principal payment on March 1, 1997, and $15,000.00 principal payment each March 1st thereafter, beginning March 1, 1998, with the balance due March 1, 2004. Interest at the rate of 7% on the unpaid balance, beginning March 1, 1996, to be paid semi-annually each March 1st and September 1st, starting September 1, 1996. After 1996, Buyer shall have option to pay more than $15,000.00 principal on any March 1st pay date without penalty.

2. POSSESSION. Buyers, concurrently with due performance on their part shall be entitled to possession of said premises on the 1st day of March, 1996; and thereafter so long as they shall perform the obligations of this contract. ~~If and when Buyers shall be entitled to possession, Buyers shall be entitled to possession of the following:~~

3. TAXES. Sellers shall pay all taxes when due and pro rata share of taxes figured to 3/1/96. Pro rata taxes shall be based upon the last known actual taxes payable provided, however, if such taxes are not based upon a full assessment of the improvements upon the property as of the date hereof, the proration shall be based upon the assessed valuation as shown on the Assessor's records as of the date and the millage rate in effect as of such date.

and any unpaid taxes thereon payable in prior years. Buyers shall pay any taxes not assumed by Sellers and all subsequent taxes before same become delinquent. Whoever may be responsible for the payment of said taxes, and the special assessments, if any, each year, shall furnish to the other parties evidence of payment of such items not later than July 15 of each year. **Any proration of taxes shall be based upon the taxes for the year currently payable unless the parties state otherwise.**

~~(Decide for yourself if that formula is fair if Buyers are purchasing a lot with new improvements)~~

~~4. SPECIAL ASSESSMENTS. Sellers shall pay the special Assessments against this property: (Strike out either (a) or (b) below)~~

~~(a) Which, if not paid, in the year 19_____, would become delinquent and all assessments payable prior thereto.~~

~~(b) Which are a lien thereon as of _____ (Date)~~

~~(c) Including all sewage disposal assessments for overage charge heretofore assessed by any municipality having jurisdiction as of date of possession.~~

~~Buyers, except as above stated, shall pay all subsequent special assessments and charges, before they become delinquent.~~

5. MORTGAGE. Any mortgage or encumbrance of a similar nature against the said property shall be timely paid by Sellers so as not to prejudice the Buyers' equity herein. Should Sellers fail to pay, Buyers may pay any such sums in default and shall receive credit on this contract for such sums so paid. MORTGAGE BY SELLERS. Sellers, their successors in interest or assigns may, and hereby reserve the right to at any time mortgage their right, title or interest in such premises or to renew or extend any existing mortgage for any amount not exceeding - 80 - % of the then unpaid balance of the purchase price herein provided. The interest rate and amortization thereof shall be no more onerous than the installment requirements of this contract. Buyers hereby expressly consent to such a mortgage and agree to execute and deliver all necessary papers to aid Sellers in securing such a mortgage which shall be prior and paramount to any of Buyers' then rights in said property. DEED FOR BUYERS SUBJECT TO MORTGAGE. If Buyers have reduced the balance of this contract to the amount of any existing mortgage balance on said premises, they may at their option, assume and agree to pay said mortgage according to its terms, and subject to such mortgage shall receive a deed to said premises; or Sellers, at their option, any time before Buyers have made such a mortgage commitment, may reduce or pay off such mortgage. ALLOCATED PAYMENTS. Buyers, in the event of acquiring this property from an equity holder instead of a holder of the fee title, or in the event of a mortgage against said premises, reserve the right, if reasonably necessary for their protection to divide or allocate the payments to the interested parties as their interests may appear. SELLERS AS TRUSTEES. Sellers agree that they will collect no money hereunder in excess of the amount of the unpaid balance under the terms of this contract less the total amount of the encumbrance on the interest of Sellers or their assigns in said real estate; and if Sellers shall hereafter collect or receive any moneys hereunder beyond such amount, they shall be considered and held as collecting and receiving said money as the agent and trustee of the Buyers for the use and benefit of the Buyers.

6. INSURANCE. Except as may be otherwise included in the last sentence of paragraph 1(b) above, Buyers as and from said date of possession, shall constantly keep in force insurance, premiums therefore to be prepaid by Buyers (without notice or demand) against loss by fire, tornado and other hazards, casualties and contingencies as Seller may reasonably require on all buildings and improvements, now on or hereafter placed on said premises and any personal property which may be the subject of this contract, in companies to be reasonably approved by Sellers in an amount not less than the full insurable value of such improvements and personal property or not less than the unpaid purchase price herein whichever amount is smaller with such insurance payable to Sellers and Buyers as their interests may appear. BUYERS SHALL PROMPTLY DEPOSIT SUCH POLICY WITH PROPER RIDERS WITH SELLERS for the further security for the payment of the sums herein mentioned. In the event of any such casualty loss, the insurance proceeds may be used under the supervision of the Sellers to replace or repair the loss if the proceeds be adequate; if not, then some other reasonable application of such funds shall be made; but in any event such proceeds shall stand as security for the payment of the obligations herein.

7. CARE OF PROPERTY. Buyers shall take good care of this property; shall keep the buildings and other improvements now or hereafter placed on the said premises in good and reasonable repair and shall not injure, destroy or remove the same during the life of this contract. Buyers shall not make any material alteration in said premises without the written consent of the Sellers. Buyers shall not use or permit said premises to be used for any illegal purpose.

Assignment to CSB by White
For ____ See Book 1999 Page 171 1/15/99

FILE No. 204-2610	FILED FOR RECORD THE 22 DAY OF March, 1996 AT 2:27	STATE OF IOWA, DELAWARE COUNTY
RECORDING FEE $ 16.00	O'CLOCK P M. BOOK 136 PAGE 178	Deborah L. Peyton, Recorder
TRANSFER FEE $		LD

8. LIENS. No mechanics' lien shall be imposed upon or foreclosed against the real estate described herein.

9. ADVANCEMENT BY SELLERS. If Buyers fail to pay such taxes, special assessments and insurance and effect necessary repairs, as above agreed, Sellers may, but need not, pay such taxes, special assessments, insurance and make necessary repairs, and all sums so advanced shall be due and payable on demand or such sums so advanced may, at the election of Sellers, be added to the principal amount due hereunder and so secured. (For Buyers' rights to make advancements, see paragraph 5 above.)

10. JOINT TENANCY IN PROCEEDS AND SECURITY RIGHTS IN REAL ESTATE. If and only if, the Sellers immediately preceding this sale, hold the title to the above described property in joint tenancy, and such joint tenancy has not later been destroyed by operation of law or by acts of the Sellers, this sale shall not constitute such destruction and the proceeds of this contract, and any continuing and/or recaptured rights of Sellers in said real estate, shall be and continue in Sellers as joint tenants with rights of survivorship and not as tenants in common; and Buyers, in the event of the death of one of such joint tenants, agree to pay any balance of the proceeds of this contract to the surviving Seller (or Sellers) and to accept deed solely from him or them consistent with paragraph 14 below unless and except this paragraph is stricken from this agreement.

11. SELLERS. Spouse, if not titleholder immediately preceding this sale, shall be presumed to have executed this instrument only for the purpose of relinquishing all rights of dower, homestead and distributive share and/or in compliance with section 561.13 Code of Iowa; and the use of the word "Sellers" in the printed portion of this contract, without more, shall not rebut such presumption, nor in any way enlarge or extend the previous interest of such spouse in said property, or in the sale proceeds, nor bind such spouse except as aforesaid, to the terms and provisions of this contract.

12. TIME IS OF THE ESSENCE. Time is of the essence in this Agreement. Failure to promptly assert rights of Sellers herein shall not, however, be a waiver of such rights or a waiver of any existing or subsequent default.

13. EXCEPTIONS TO WARRANTIES OF TITLE. The warranties of title in any Deed made pursuant to this contract (See paragraph 14) shall be without reservation or qualification EXCEPT: (a) Zoning ordinances; (b) Such restrictive covenants as may be shown of record; (c) Easements of record, if any; (d) As limited by paragraphs 1, 2, 3 and 4 of this contract; (e) Sellers shall give Special Warranty as to the period after equitable title passes to Buyers; (f) Spouse if not titleholder, need not join in any warranties of the deed unless otherwise stipulated:

(g) none
(Mineral reservations of record?)

(h) none (Liens?) none (Easements not recorded?) none (Interests of other parties?) none (Lessees?)

14. DEED AND ABSTRACT, BILL OF SALE. If all said sums of money and interest are paid to Sellers during the life of this contract, and all other agreements for performance by Buyers have been complied with, Sellers will execute and deliver to Buyers a Special Warranty Deed conveying said premises in fee simple pursuant to and in conformity with this contract; and Sellers will at this time deliver to Buyers an abstract showing merchantable title, in conformity with this contract. Such abstract shall begin with the government patent (unless pursuant to the Iowa State Bar Association title standards there is a lesser requirement as to period of abstracting) to said premises and shall show title thereto in Sellers as of the date of this contract; or as of such earlier date if and as designated in the next sentence. This contract supersedes the previous written offer of Buyers to buy the above described property which was accepted by Sellers on the 10th day of January 19 96. Sellers shall also pay the cost of any abstracting due to any act or change in the personal affairs of Sellers resulting in a change of title by operation of law or otherwise. If any personal property is a part of this agreement, then upon due performance by Buyers, Sellers shall execute and deliver a Bill of Sale consistent with the terms of this contract. Sellers shall pay all taxes on any such personal property payable in 19 96, and all taxes thereon payable prior thereto.

15. APPROVAL OF ABSTRACT. Buyers have not examined the abstract of title to this property and such abstract is not accepted.

16. FORFEITURE. 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 a lease, and may accordingly be ousted and removed as such as provided by law.

17. FORECLOSURE AND REDEMPTION. 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 files 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.

18. ATTORNEY'S FEES. In case of any action, or in any proceedings in any Court to collect any sums payable or secured herein, or to protect the lien or title herein of Sellers, or in any other case permitted by law in which attorney's fees may be collected from Buyers, or imposed upon them, or upon the above described property, Buyers agree to pay reasonable attorneys' fees.

19. INTEREST ON DELINQUENT AMOUNTS. Either party will pay interest at the highest legal contract rate applicable to a natural person to the other on all amounts herein as and after they become delinquent, and/or on cash reasonably advanced by either party pursuant to the terms of this contract, as protective disbursements.

20. ASSIGNMENT. In case of the assignment of this Contract by either of the parties, prompt notice shall be given to the other parties, who shall at the time of such notice be furnished with a duplicate of such assignment by such assignors. Any such assignment shall not terminate the liability of the assignor to perform, unless a specific release in writing is given and signed by the other party to this Contract.

21. PERSONAL PROPERTY. If this contract includes the sale of any personal property, then in the event of the forfeiture or foreclosure of this contract, such personalty shall be considered indivisible with the real estate above described; and any such termination of Buyers' rights in said real estate shall concurrently operate as the forfeiture or foreclosure hereof against all such personal property.

22. CONSTRUCTION. Words and phrases herein, including acknowledgements hereof, shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender, according to the context. See paragraph 11 above, for construction of the word "Sellers."

23. SPECIAL PROVISIONS.

See attached sheet marked Exhibit "A" and made a part hereof.

MELVIN REITTINGER
Iowa

John L. White
John L. White, Buyer

Phyllis M. Harris by Christine A. Scott
Phyllis M. Harris by Christine A. Scott, Conservator

SELLERS

BUYERS

R.R. #1, Box 81
Earlville, Iowa 52041

Sellers' Address

Buyers' Address

STATE OF VIRGINIA, Montgomery COUNTY, ss:

On this 9th day of February A.D. 19 96 before me, the undersigned, a Notary Public in and for said State, personally appeared Christine A. Scott, Conservator,

to me known to be the identical persons named in and who executed the within and foregoing instrument, and acknowledged that ~~they executed the same as their voluntary act and deed.~~ she, as Conservator, executed the instrument as the voluntary act and deed of Phyllis M. Harris.

Ina McCoy
6-30-98 Notary Public in and for said State VA

The above notarizations are for both the Real Estate Contract as well as Exhibit "A".

STATE OF IOWA, COUNTY OF DUBUQUE:

On this 21st day of March, 1996, before me, the undersigned, a Notary Public in and for said State, personally appeared John L. White, Buyer, to me known to be the identical person named in and who executed the within and foregoing instrument, and acknowledged that he executed the same as his voluntary act and deed.

Melvin Reittinger
Notary Public in and for the State of Iowa
Melvin Reittinger

"EXHIBIT A"

21. (a) INSURANCE: The Buyers agree to hold harmless and idemnify the Sellers for any loss, liability or expense Sellers shall become obligated to pay with respect to the aforementioned premises after Buyers take possession.

21. (b) IMPROVEMENTS AND LIENS: Buyers shall be permitted to make improvements to the property herein and may in good faith contest the claims and liens of third persons furnishing labor or materials for such improvements, but Buyers agree to promptly pay such claim or lien within sixty (60) days after the entry of final judgment thereon against Buyers by a court of competent jurisdiction. The mere filing of a mechanic's lien agaisnt the property herein shall not constitute grounds for forfeiture of the contract by Buyers so long as said lien is being contested in good faith by Buyers. Subject to the foregoing, Buyers hereby agree to pay in full all mechanic's liens now or hereafter filed against the property described herein for materials or services provided to Buyers. Buyers hereby agree to idemnify and hold harmless Sellers from and against any and all such liens, costs and expenses relating thereto and to fully pay to reimburse for any costs which they may be required to incur arising out of or relating to the filing of any mechanic's liens against the property described herein, including the amount of any such lien, court costs, interest and attorney's fees. Additionally, the vendors lien underlying this contract with respect to the property herein comtemplated to be sold shall be prior and superior to any claims pursuant to a mechanice's lien.

21. (c) CARE OF PROPERTY: Buyers shall take good care of this property; shall keep the buildings and other improvements hereinafter placed on said premises in good and reasonable repair and shall not injure, destroy or remove the same during the life of this contract without the written consent of the Sellers. Buyers shall not use or permit said premises to be used for any illegal purpose.

21. (d) ASSIGNMENT: In case of the assignment of this Contract by either of the parties, prompt notice shall be given to the other parties, who shall at the time of such notice be furnished with a duplicate of such assigment by such assignors. Any such assignment shall not terminate the liability of the assignor to perform, unless a specific release in writing is given and signed by the other party to this contract.

21. (e.) ABSTRACT: Sellers shall have the Abstract brought to date one time only and pay for one continuation only. Buyers may examine abstract now or at the end of the term of this contract.

21. (f) INTEREST: Interest to be paid semi-annually on March 1st and September 1st of each year starting September 1, 1996. Interest to be paid on the unpaid principal balance at the rate of Seven percent (7%) per annum. Interest to be paid from March 1, 1996, date of possession. Interest rate to remain at Seven (7%) to the maturity of this contract.

21. (g) SPECIAL PRINCIPAL PROVISION: Buyers shall have an absolute right to pay more than $15,000.00 principal on any principal installment due date after 1996. There shall be no prepayment penalty imposed.

SELLER:

Phyllis M. Harris by Christine A. Scott

Phyllis M. Harris by Christine A. Scott
Conservator

BUYER:

John L. White

John L. White

204-2610
DELAWARE COUNTY IOWA
FILED

'96 MAR 22 PM 2 27

BOOK 136 PAGE 178
DEBORAH L. PEYTON
DELAWARE CO. RECORDER
$16.00

Phyllis M. Harris

To

John L. White

Jenk Realty ✓
239 1st Ave. E.
Box 159
Dyersville, IA