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DELAWARE COUNTY IOWA
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Rightway Realty
P.O. Box 818
Guttenberg, IA
52052-0818

Gary L. Mick, Schuster & Mick, Attorneys, P.O. Box 609
Guttenberg, Iowa 52052 (TELEPHONE: 319 252-1733)

REAL ESTATE CONTRACT

IT IS AGREED between DELENE J. MOSER, single and unmarried, Seller; and RANDY J. COOK, single and AMY L. SCHLUETER, single as Joint Tenants with Full Rights of Survivorship and not as Tenants in Common, Buyers:

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

> Lots Nine (9) and Ten (10), Block One (1), and the North one-half (N 1/2) of the vacated alley located between Lots Eight (8) and Nine (9), Block One (1), in First Northern Addition to Colesburg, Iowa, according to Amended and Corrected Plat of Incorporated Town of Colesburg, Iowa, recorded in Book 1, Plats, Pages 73-86.

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;
d. this property is sold "AS IS"

designated the Real Estate, upon the following terms:

1. PRICE. The total purchase price for the real estate is Thirty-five Thousand Dollars ($35,000). Buyers have made a down payment of Two Thousand Dollars ($2,000), receipt of which is hereby acknowledged by Seller. The balance of the purchase price in the amount of Thirty-three Thousand Dollars ($33,000) shall be paid by Buyers to Seller at her address, or as directed by Seller, in equal monthly installments of Three Hundred Twenty Dollars and Fifteen Cents ($320.15), beginning on October 1, 1996, and continuing on the 1st day of each month thereafter, until September 1, 2001 at which time all sums due by reason of this Contract shall be paid in full.

2. INTEREST. Buyers shall pay interest from September 1, 1996, on the unpaid balance, at the rate of 8.25 percent per annum, payable monthly as part of the payment above. Buyers shall also pay interest at the rate of 10 percent per annum on all delinquent amounts and any sum reasonably advanced by Seller to protect their interest in this contract, computed from the date of the delinquency or advance. Interest shall be adjusted on the third anniversary date of this Contract to an amount equal to that paid by Seller on her financing of her equity in this Contract. In any event, said interest shall be no more than 10.25 percent.

3. REAL ESTATE TAXES. Seller shall pay a pro-rata portion of the 1995/96 real estate taxes, payable 1996/97, prorated to the date of possession, and any unpaid real estate taxes payable in prior years. Buyers shall pay all subsequent real estate taxes before they become delinquent. 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. Seller 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.

5. POSSESSION. Seller shall give Buyers possession of the Real Estate on September 1.

6. INSURANCE. Seller 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 interest may appear. Buyers shall provide Sellers with evidence of such insurance.

7. ABSTRACT AND TITLE. Seller, at her 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 Seller in conformity with this agreement, 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.

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 life 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 the 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 the time of delivery of the deed.

11. REMEDIES OF THE PARTIES.

a. If Buyers fail to timely perform this contract, the Seller may, at Seller's option, forfeit Buyers' rights in this contract as provided in the Iowa Code, and all payments made by Buyers shall be forfeited. 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.

If 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 Seller, in such action files an election to waive any deficiency judgment against Buyers which may arise out of the foreclosure proceedings; all to be considered 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) Seller in such action files 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.

b. If Sellers fail to timely perform their obligations under this contract, Buyers have the right to terminate this contract and have all payments made returned to him.

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 rights of survivorship, and the joint tenancy is not later destroyed by operation of low 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 or 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. LIENS. No mechanic's lien shall be imposed upon or foreclosed against the real estate described herein. However, the filing of a lien shall not constitute a default hereunder if Buyer, in good faith, is contesting the legitimacy or amount of said lien and pays same upon an adverse judicial determination.

18. ADDITIONAL PROVISIONS. ESCROW ACCOUNT. Buyers hereby agree to pay each month an amount, in addition to the regular monthly payment, equal to one month's property insurance and taxes into an Escrow Account to be established by the Seller. This money shall be used to pay taxes and insurance. The amount of said monthly deposit shall be agreed upon by the parties annually. Any sums not used for taxes and insurance shall be credited to the account of the Buyers.

19. **WAIVER OF HOMESTEAD EXEMPTION.** I understand that homestead property is in many cases protected from the claim 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 this 30th day of August, 1996.

Randy J. Cook
RANDY J. COOK, Buyer

Amy L Schlueter
AMY L. SCHLUETER, Buyer

20. PREPAYMENT. Buyers shall have the right at all times to make prepayments under this Contract.

Delene J. Moser
DELENE J. MOSER, Seller

Randy J. Cook
RANDY J. COOK, Buyer

Amy L Schlueter
AMY L. SCHLUETER, Buyer

STATE OF IOWA, COUNTY OF Clayton, ss:

On this 30th day of August, 1995, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared DELENE J. MOSER, to me known to be the identical person named in and who executed the foregoing instrument and acknowledged that she executed the same as her voluntary act and deed.

GARY K. WILLMAN NOTARIAL SEAL Iowa

Gary K. Willman Notary Public

STATE OF IOWA, COUNTY OF Clayton, ss:

On this 30th day of August, 1995, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared RANDY J. COOK and AMY L. SCHLUETER, to me known to be the identical persons named in and who executed the foregoing instrument and acknowledged that they executed the same as their voluntary act and deed.

Gary K. Willman Notary Public

GARY K. WILLMAN NOTARIAL SEAL Iowa