THE IOWA STATE BAR ASSOCIATION
Official Form No. 143

ISBA #

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

AUDITOR FEE $ 5.00
RECORDER FEE $ 31.00

FILED
2002 JUL 23 PM 3:23
DELAWARE COUNTY, IOWA

Entered for taxation 31st day
of July A.D. 2002
Sharon McCabe, Auditor
By Carla Becker, Deputy
5-83

Preparer Information Carr & Carr Attorneys 117 S. Franklin St. PO Box 333 Manchester, IA 52057 (563) 927-4164
Individual's Name | Street Address | City | Phone

SPACE ABOVE THIS LINE FOR RECORDER

Address Tax Statement: Eric and Tammy Brooks
408 E. Delaware St., Manchester, IA 52057

REAL ESTATE CONTRACT (SHORT FORM)

IT IS AGREED between
Judith F. Meyers by Farmers & Merchants Savings Bank, Conservator

("Sellers"); and
Eric Brooks and Tammy Brooks, husband and wife as joint tenants with full rights of survivorship and not as tenants in common

("Buyers").

Sellers agree to sell and Buyers agree to buy real estate in Delaware County, Iowa, described as:
Lot One Hundred Eighty Two (182) in the town of Manchester, Iowa

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; interest of others.)

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

1. **PRICE.** The total purchase price for the Real Estate is Fifteen Thousand Five Hundred and 00/100 Dollars ($ 15,500.00) of which One Thousand and 00/100 Dollars ($ 1,000.00) has been paid. Buyers shall pay the balance to Sellers at _____, or as directed by Sellers, as follows:
$138.62 per month beginning September 1, 2002 with the same amount to be paid on the 1st of each month thereafter until August 1, 2005 when the entire unpaid balance of both principal and interest accrued shall be paid in full. Payments shall first be credited against interest and then against principal.

2. **INTEREST.** Buyers shall pay interest from August 1, 2002 on the unpaid balance, at the rate of 8 percent per annum, payable monthly beginning Sept. 1, 2002 & included in the payments as set forth in Par. 1 above. Buyers shall also pay interest at the rate of _____ 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
pro-rated to 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 CLOSING.** Sellers shall give Buyers possession of the Real Estate on or before September 1, 2002, provided Buyers are not in default under this contract. Closing shall be on or before September 1, 2002.

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. Sellers' interest shall be protected in accordance with a standard or union-type loss payable clause. Buyers shall provide Sellers with evidence of such insurance.

© The Iowa State Bar Association 2001
IOWADOCS®

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 Sellers' 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.

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 file 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.

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. **RELEASE OF RIGHTS.** Each of the Buyers 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. **ADDITIONAL PROVISIONS.**

a. Buyers shall be permitted to demolish all structures located on the real estate being sold to level the lot site all pursuant to an "Agreement for Reimbursement of Demolition Costs" attached hereto marked Exhibit "A" and made a part herof by this reference.

b. This contract is subject to the approval of the District Court in and for Delaware County, Iowa.

I UNDERSTAND THAT HOMESTEAD PROPERTY IS IN MANY CASES PROTECTED FROM THE CLAIMS 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: June 21, 2002

Dated: _____, _____

Farmers & Merchants Savings Bank, Conservator

By Eric C. Anderson EVP

Eric C. Anderson, Executive Vice President

By Diane C. Hammell

Diane C. Hammell, Cashier

SELLERS

Eric Brooks

Tammy Brooks

BUYERS

STATE OF IOWA, COUNTY OF DELAWARE, ss:

This instrument was acknowledged before me on June 21, 2002

by, Eric Brooks and Tammy Brooks

Marlys Rees
COMMISSION NUMBER 191318
My Commission Expires
7-24-03

Marlys Rees, Notary Public

STATE OF IOWA, COUNTY OF DELAWARE, ss:

On this 21st day of June, 2002, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Eric C. Anderson and Diane C. Hammell, to me personally known, who, being by me duly sworn, did say that they are the Executive Vice President and Cashier, respectively, of the corporation executing the foregoing instrument; that (~~no seal has been procured by~~) (the seal affixed thereto is the seal of) the corporation; that the instrument was signed (and sealed) on behalf of the corporation by authority of its Board of Directors; and Eric C. Anderson and Diane C. Hammell acknowledge the execution of the instrument to be the voluntary act and deed of the corporation and of the fiduciary, by it, by them and as the fiduciary voluntarily executed.

Marlys Rees

_____, Notary Public in and for said State.

NOTARIAL SEAL IOWA
Marlys Rees
COMMISSION NUMBER 191318
My Commission Expires
7-24-03

(Section 558.39, Code of Iowa)

Acknowledgment: For use in the case of a corporate fiduciary



© The Iowa State Bar Association 2001
IOWADOCS®

EXHIBIT "A"

AGREEMENT FOR REIMBURSEMENT OF DEMOLITION COSTS

Seller, Judith Meyer, by her Conservator, Farmers & Merchants Savings Bank Delaware County Case No. GCPR000627

Buyers, Eric Brooks and Tammy Brooks

City of Manchester, Iowa

WHEREAS, Farmers & Merchants Savings Bank of Manchester, Iowa, is currently serving as the Conservator for Judith Meyer under Court Order entered in the Iowa District Court in and for Delaware County, No. GCPR000627; and

WHEREAS, Farmers & Merchants Savings Bank as Conservator for Judith Meyer has determined that it is in the best interests of the ward to provide for the sale of property owned by the ward located at 408 East Delaware, Manchester, Iowa; and

WHEREAS, Eric Brooks and Tammy Brooks have entered into an agreement for the purchase of the above-described property from the Judith Meyer Conservatorship; and

WHEREAS, the City of Manchester, Iowa, has determined that public funds may be appropriately used to ensure that demolition of all structures and removal of debris located on the property described as 408 East Delaware, Manchester, Iowa, occurs in a timely manner;

THE UNDERSIGNED, Farmers & Merchants Savings Bank as Conservator for Judith Meyer, Eric Brooks and Tammy Brooks, and the City of Manchester, Iowa, covenant and agree as follows:

1. That Farmers & Merchants Savings Bank as Conservator for Judith Meyer shall sell to Eric Brooks and Tammy Brooks the real estate commonly described as 408 East Delaware, Manchester, Iowa, pursuant to the terms of a Real Estate Installment Contract, a copy of which is attached hereto and by this reference made a part hereof.

2. That Eric Brooks and Tammy Brooks shall be permitted as a term of the contract, a copy

of which is attached hereto, to provide for the demolition of all structures located on the subject property, to remove all debris from the property, and to level the lot site, all within three (3) months from the date of executing this agreement.

3. In the event within three months from the date of this agreement, Eric Brooks and Tammy Brooks provide for the demolition of all structures located on the above-described property, removal of all debris from the property, and cause the property to be graded to level, the City of Manchester, Iowa, shall reimburse Eric Brooks and Tammy Brooks for the actual costs incurred b, them for such demolition, removal of debris and grading, in an amount not to exceed $ 8,500.00.

4. All parties to this agreement consent to the demolition and removal of structures as set forth herein.

5. This agreement constitutes the entire agreement of the parties and shall not be modified unless in writing and signed by all parties.

FARMERS & MERCHANTS SAVINGS BANK

BY: Eric C. Anderson EVP
Eric C. Anderson, EVP

BY: Diane C. Hammell
Diane C. Hammell, Cashier

STATE OF IOWA, COUNTY OF DELAWARE, ss:

On this 21st - June - 2002 before me, the undersigned, a Notary Public in and for the said State, personally appeared Eric C. Anderson and Diane C. Hammell, to me personally known, who being by me duly sworn, did say that they are the Ex. Vice Pres. and Cashier, respectively, of the corporation executing the within and foregoing instrument; that the instrument was signed **(and sealed)** on behalf of the corporation by authority of its Board of Directors; and that Eric C. Anderson and Diane C. Hammell as officers acknowledged the execution of the foregoing instrument to be the voluntary act and deed of the corporation, by it and by them voluntarily executed.

Marlys Rees
Notary Public in and for said State.

Marlys Rees
COMMISSION NUMBER 191318
My Commission Expires
1-24-03

Eric Brooks

Tammy Brooks

STATE OF IOWA, COUNTY OF DELAWARE, ss:

On this 21st - June - 2002, before me, the undersigned, a Notary Public in and for said State, personally appeared Eric Brooks and Tammy Brooks, to me known to be the persons named in and who executed the foregoing instrument, and acknowledged that they executed the same as their voluntary act and deed.

Marlys Rees
Notary Public in and for said State.

NOTARIAL SEAL IOWA
Marlys Rees
COMMISSION NUMBER 191318
My Commission Expires
7-24-03

CITY OF MANCHESTER, IOWA

BY: Milt L. Kramer
Milt L. Kramer, Mayor

BY: Karen K. Cole
Karen K. Cole, City Clerk

STATE OF IOWA, COUNTY OF DELAWARE, ss:

On this June 18, 2002, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Milt L. Kramer and Karen K. Cole, to me personally known, who, being by me duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Manchester, Iowa; a municipal corporation; that the seal affixed to the foregoing instrument is the corporate seal of the corporation, and that the instrument was signed and sealed on behalf of the corporation, by authority of its City Council, as contained in R-104-2002 passed by Resolution of the City Council under Roll Call No. _____ of the City Council on the 17 day of June, 2002; and Milt L. Kramer and Karen K. Cole acknowledged the execution of the instrument to be their voluntary act and deed and the voluntary act and deed of the corporation, by it voluntarily executed.

Julie A. Swanson
Julie A. Swanson, Notary Public in and for said State.

NOTARIAL SEAL IOWA
JULIE A. SWANSON
Commission Number 224151
My Comm. Exp. 8-22-02