w/ Chuck Lawson
P.O. Box 6
Hurricane IA
52049

Entered for taxation 29th day
of July AD 2016
Clerk. Forbes Auditor
By Hilleman Deputy

Book 2016 Page 1950

Document 2016 1950 Type 04 002 Pages 7
Date 7/28/2016 Time 1:24:50PM
Rec Amt $37.00 Aud Amt $5.00

DOV# 263

Daneen Schindler, RECORDER/REGISTRAR
DELAWARE COUNTY IOWA

REAL ESTATE CONTRACT

Recorder's Cover Sheet

Preparer Information: (name, address and phone number)
Michael J. Schuster, 318 South River Park Drive, P.O. Box 609, Guttenberg, IA 52052, Phone: (563) 252-1733

Taxpayer Information: (name and complete address)
Paul Allen Marxen and Kathleen Judith Skagen, 201 Spring Street, Dundee, IA 52038 Phone: 319-310-6416

Return Document To: (name and complete address)
Michael J. Schuster, 318 South River Park Drive, P.O. Box 609, Guttenberg, , IA 52052, Phone: (563) 252-1733

Grantors:
BLUE MOON ENTERPRISES LLC

Grantees:
PAUL ALLEN MARXEN
KATHLEEN JUDITH SKAGEN

Legal Description: See Page 2

Michael J. Schuster

REAL ESTATE CONTRACT

IT IS AGREED between BLUE MOON ENTERPRISES LLC, an Iowa Limited Liability Company ("Seller"); and PAUL ALLEN MARXEN and KATHLEEN JUDITH SKAGEN, as Tenants in Common, each with an undivided one –half (1/2) interest, ("Buyers").

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

> Lots Thirteen (13), fourteen (14), Fifteen (15) and Sixteen (16) in Block One (1) of Richter's Addition to the Town of Dundee, Delaware County, Iowa, per recorded plat.

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 (the real estate), which is sold "AS IS" upon the following terms:

1. **PRICE.** The total purchase price for the Real Estate is One Hundred Five Thousand and 00/100 Dollars ($105,000.00), which shall be paid by Buyers to Seller as follows:

A. DOWN PAYMENT. Buyer has made a down payment in the amount of Twelve Thousand and 00/100 Dollars ($12,000.00), receipt of which is hereby acknowledged by Seller.

B. PAYMENT OF THE BALANCE OF THE PURCHASE PRICE. The balance of the purchase price in the amount of Ninety Three Thousand and 00/100 ($93,000.00) shall be paid by Buyer to Seller in equal monthly installment payments of One Thousand Nine Dollars and 29/100 ($1,009.29) beginning on the first day of August 2016 and continuing on the first day of each month thereafter until July 1st, 2026 at which time all sums due by reason of this contract shall be paid in full.

C. PRINCIPAL PREPAYMENTS. Buyer may prepay, in increments of at least One Hundred and 00/100 Dollars ($100.00), which must be made on the monthly installment payment date, even to the extent of paying the entire then unpaid principal balance.

2. **INTEREST.** As part of the monthly installment payment described at Paragraph One (1), Buyers shall pay interest from July 16th, 2016, on the unpaid balance of the purchase price, at the rate of five point five Percent (5.5%) simple interest per annum. Buyers shall also pay interest at the rate of five point five Percent (5.5%) simple interest per annum on all delinquent amounts and any sums reasonably advanced by Seller to protect its interest in this

contract, computed from the date of the delinquency or advance.

3. **MORTGAGE.** The real estate is currently subject to a first lien mortgage in favor of Dupaco Community Credit Union (Dupaco). Said mortgage shall be timely paid by Seller so as not to prejudice the Buyers' equity herein. Should Seller fail to pay, Buyers may pay any such sums in default and shall receive credit on this contract for such sums paid. At no time during the term of this contract shall the balance due on Seller's loan to Dupaco be greater than the balance due from Buyer's to Seller by virtue of this contract.

4. **REAL ESTATE TAXES.** Seller shall pay the real estate taxes due and payable for the first fifteen (15) days of July 2016, which will become delinquent October 1st, 2017, and all real estate taxes payable in prior years. Buyer shall be responsible to pay all subsequent real estate taxes. Thus, Seller shall pay the real estate taxes which become delinquent October 1st, 2016 and those which become delinquent April 1st, 2017, and shall consult with Buyer's to determine what portion of the taxes which become October 1st, 2016 represent fifteen (15) days of July 2016, which amount Seller shall pay to Buyer on or before September 15th, 2017.

5. **SPECIAL ASSESSMENTS.** There are no special assessments which are a lien on the property

6. **POSSESSION.** Seller shall give Buyers possession of the Real Estate on July 16th, 2016.

7. **INSURANCE.** 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 or Dupaco 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 Seller and Dupaco 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 SELLER, DUPACO, AND BUYERS as their interests may appear. Seller's interest shall be protected in accordance with a standard or union-type loss payable clause. BUYERS SHALL PROMPTLY DEPOSIT SUCH POLICY WITH PROPER RIDERS WITH SELLER AND DUPACO 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 Seller and Dupaco 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.

8. **"AS IS" CLAUSE.** The real estate, and all improvements, are sold "AS IS". No representations by or on behalf of the Seller have been made to Buyers as to the condition of the premises, or the suitability of the real estate for any purpose whatsoever. Buyers have made their own independent investigation of the premises and are relying solely on that investigation.

9. **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 Seller. Buyers shall not use or permit said premises to be used for any illegal purpose. The term, "material alteration", means any alteration, improvement, modification, or remodeling which could reasonably be expected to cost Five Hundred and 00/100 ($500.00) or more to reverse.

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

11. **ADVANCEMENT BY SELLER.** If Buyers fail to pay such taxes, special assessments and insurance and effect necessary repairs, as above agreed, Seller 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 Seller, be added to the principal amount due hereunder and so secured.

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

13. **ABSTRACT AND TITLE.** Seller, at its expense, shall, prior to Buyers' final payment, obtain an abstract of title to the real estate continued through the date of Buyers' written notice to Seller that Buyers' intend to pay the entire then unpaid balance of the purchase price within sixty (60) days and deliver it to Buyers' attorney for examination. It shall show merchantable title in Seller in conformity with this Agreement, Iowa law, and Title Standards of the Iowa State Bar Association. The abstract shall become the property of Buyers when the purchase price is paid in full. Seller shall pay the cost of any additional abstracting and title work due to any act or omission of Seller, or its predecessors in title.

14. **DEED.** Upon payment of the purchase price, Seller shall convey the property to Buyers by warranty deed, free and clear of all liens, restrictions, and encumbrances except as provided in this Agreement. General warranties of title shall extend to the time of delivery of the deed excepting liens or encumbrances suffered or permitted by Buyers.

15. **SURVEY.** Buyers may, at Buyers' expense prior to closing, have the property surveyed and certified by a Registered Land Surveyor. If the survey shows any encroachment on the Property or if any improvements located on the Property encroach on lands of others, the encroachments shall be treated as a title defect. If the survey is required under Chapter 354, Seller shall pay the cost thereof.

16. **ENVIRONMENTAL MATTERS.** Seller warrants to the best of its knowledge and belief that there are no abandoned wells, solid waste disposal sites, hazardous wastes or substances, or underground storage tanks located on the Property, the Property does not contain levels of radon gas, asbestos or urea-formaldehyde foam insulation which require remediation under current governmental standards, and Seller has done nothing to contaminate the Property

with hazardous wastes or substances. Seller warrants that the Property is not subject to any local, state, or federal judicial or administrative action, investigation or order, as the case may be, regarding wells, solid waste disposal sites, hazardous wastes or substances, or underground storage tanks. Seller shall also provide Buyers with a properly executed Groundwater Hazard Statement showing no wells, private burial sites, solid waste disposal sites, private sewage disposal system, hazardous waste and underground storage tanks on the Property unless disclosed here: NONE.

17. **REMEDIES OF THE PARTIES.** A. If Buyers fail to timely perform this Agreement, Seller may forfeit it as provided in the Iowa Code (Chapter 656), and all payments made shall be forfeited; or, at Seller's option, upon thirty (30) days written notice of intention to accelerate the payment of the entire balance because of Buyers' default (during which thirty (30) days the default is not corrected), Seller may declare the entire balance immediately due and payable. Thereafter this agreement may be foreclosed in equity and the Court may appoint a receiver.

B. If Seller fails to timely perform this Agreement, Buyers have the right to have all payments made returned to them.

C. Buyers and Seller are also entitled to utilize any and all other remedies or actions at law or in equity available to them and shall be entitled to obtain judgment for costs and attorney fees as permitted by law.

18. **NOTICE.** Any notice under this Agreement shall be in writing and be deemed served when it is delivered by personal delivery or by certified mail return receipt requested, addressed to the parties at the address given below.

19. **GENERAL PROVISIONS.** In the performance of each part of this Agreement, time shall be of the essence. Failure to promptly assert rights herein shall not, however, be a waiver of such rights or a waiver of any existing or subsequent default. This Agreement shall apply to and bind the successors in interest of the parties. This Agreement shall survive the closing. Paragraph headings are for convenience of reference and shall not limit or affect the meaning of this Agreement. Words and phrases herein shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender according to the context.

20. **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: NONE.

21. **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.

22. **RELEASE OF RIGHTS.** 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.

23. **CERTIFICATION**. Buyers and Seller 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.

24. **INSPECTION OF PRIVATE SEWAGE DISPOSAL SYSTEM.** Seller represents and warrants 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.

25. **PARTIES' ADDRESSES**. For all purposes, including the payment of all sums due by reason of this Contract, the parties' addresses are:

Paul Allen Marxen and Kathleen Judith Skagen
201 Spring Street
Dundee, IA 52038

Blue Moon Enterprises
202 S Main
P.O. Box 6
Garnavillo, IA 52049

BLUE MOON ENTERPRISES, LLC, an Iowa Limited Liability Company

By Blue Moon Enterprises LLC by Charles W. Lawson 7/16/2016
BLUE MOON ENTERPRISES, LLC Date
CHARLES W. LAWSON, Manager

STATE OF IOWA, COUNTY OF Delaware, ss
On this 16 day of July, 2016, before me, the undersigned, a Notary Public in and for said State and County, personally appeared CHARLES W. LAWSON, to me personally known, who being by me duly sworn or affirmed, did say said person is the Manager of said limited liability company and that said instrument was signed on behalf of the said limited liability company by authority of its managers and that the said CHARLES W. LAWSON as said Manager acknowledged the execution of the foregoing instrument to be the voluntary act and deed of said limited liability company by it voluntarily executed.

KELLY RUEGNITZ
COMMISSION NUMBER 777173
MY COMMISSION EXPIRES
2/25/2019

Kelly Ruegnitz
Notary Public

7-16-2016
PAUL ALLEN MARXEN, Buyer Date

7-16-2016
KATHLEEN JUDITH SKAGEN, Buyer Date

STATE OF IOWA, COUNTY OF Delaware, ss
This instrument was acknowledged before me on the 16 day of July, 2016, by PAUL ALLEN MARXEN and KATHLEEN JUDITH SKAGEN.

KELLY RUEGNITZ
COMMISSION NUMBER 777173
MY COMMISSION EXPIRES
2/25/2019

Notary Public