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Daneen Schindler, RECORDER/REGISTRAR
DELAWARE COUNTY IOWA

REAL ESTATE CONTRACT INSTALLMENTS

THE IOWA STATE BAR ASSOCIATION
Official Form No. 142
Recorder's Cover Sheet

Preparer Information: (Name, address and phone number)
Thomas J. Hanson, 401 East Main Street, Manchester, IA 52057, Phone: (563) 927-5920

Taxpayer Information: (Name and complete address)
Jay P. and Marilyn M. O'Connell, 2462 210th Street, Earlville, IA 52041

Return Document To: (Name and complete address)
Thomas J. Hanson, 401 East Main Street, Manchester, IA 52057

Grantors:
William J. Monaghan Revocable
Trust Agreement

Grantees:
Jay P. O'Connell
Marilyn M. O'Connell

Legal description: See Page 2

Document or instrument number of previously recorded documents:

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REAL ESTATE CONTRACT INSTALLMENTS

IT IS AGREED on the 8th day of March,2017, by and between William J. Monaghan as Trustee of the William J. Monaghan Trust Agreement dated September 15, 2016 of the County Delaware State of Iowa, Sellers; and Jay P. O'Connell and Marilyn M. O'Connell, husband and wife, as joint tenants with full rights of survivorship, and not as tenants in common of the County 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 Delaware State of Iowa, to-wit:

The Northeast Quarter (NE¼) of the Northeast Quarter (NE¼) of Section Thirty (32), and the North one-half (N½) of the Northwest Quarter (NW¼) of Section Thirty Three (33), Township Eighty Nine (89) North, Range Four (4), West of the Fifth P.M., except that part conveyed to the State of Iowa by Warranty Deed recorded in Book 62 L.D., Page 250.

Subject however, to the Seller, William J. Monaghan retaining life use of the residence and garage located on the premises.

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 or 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 Buyers agree to pay for said property the total of $456,000.00 due and payable at 2448 210th Street, Manchester, Iowa 52057, Delaware County, Iowa, as follows:
   a) DOWN PAYMENT of $45,600.00 RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED: and
   b) BALANCE OF PURCHASE PRICE. $410,400.00 as follows:
   See 1 in Addendum

2. POSSESSION. Buyers, concurrently with due performance on their part shall be entitled to possession of said premises on March 1, 2017; and thereafter so long as they shall perform the obligation of this contract. If Buyers are taking subject to the rights of lessees and are entitled to rentals therefrom on and after date of possession. so indicate by 'yes' in the space following: _____.

3. TAXES. Sellers shall pay:
all the 2015-2016 fiscal year real estate taxes plus a portion of the 2016-2017 fiscal year real estate taxes prorated to the date of possession.

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 newly built improvements).

4. SPECIAL ASSESSMENTS. Sellers shall pay the special assessments against this property:
   a) Which, if not paid, in the year _____, 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 ____ % 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 on 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 Sellers 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. Sellers' 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 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.
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 the 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

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 successor 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 became 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 personal property 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 acknowledgments 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. RELEASE OF RIGHTS. Each of the 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.
24. LEAD-BASED PAINT NOTICE. If applicable, see attached Disclosure of Information on Lead-Based and/or Lead-Based Paint Hazards.

25. CERTIFICATION. Buyers and Sellers 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.

26. INSPECTION OF PRIVATE SEWAGE DISPOSAL SYSTEM. Delete inappropriate alternatives below. If no deletions are made, the provisions set forth in Paragraph A shall be deemed selected.

a) ~~Seller represents and warrants to Buyer that the Property is not served by a private~~ sewage ~~disposal system, and there are no known private sewage disposal systems on the property~~.

b) ~~The Property is served by a private sewage disposal system, or there~~ is a private sewage ~~disposal system on the Property. Seller and Buyer agree to the provision selected~~ in the ~~attached Addendum for Inspection of Private Sewage Disposal System~~.

c) ~~Seller and Buyer agree that this transaction IS exempt from the time of transfer inspection requirements by reason that~~

_____

_____

27. SPECIAL PROVISIONS.
See Addendum 2

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: 3-8-17

Jay P. O'Connell BUYERS

Dated: 3-8-17

Marilyn M. O'Connell BUYERS

Executed in duplicate or triplicate

William J. Monaghan Revocable Trust Agreement

By: William J. Monaghan-Trustee SELLERS

Jay P. O'Connell BUYERS

Marilyn M. O'Connell

2448 210th Street
Manchester, Iowa 52057
SELLERS' ADDRESS

2462 210th Street
Earlville, Iowa 52041
BUYERS' ADDRESS

STATE OF IOWA, COUNTY OF DELAWARE

This record was acknowledged before me on March 8, 2017, by William J. Monaghan - Trustee.

THOMAS J HANSON
Commission Number 115040
My Commission Expires
September 22, 2019

Signature of Notary Public

STATE OF IOWA, COUNTY OF DELAWARE

This record was acknowledged before me on March 8, 2017, by Jay P. O'Connell and Marilyn M. O'Connell, husband and wife.

THOMAS J HANSON
Commission Number 115040
My Commission Expires
September 22, 2019

Signature of Notary Public

Addendum

1. $13,060.25 (including interest and prinicpal) on September 1, 2017 and $13,060.25 (including interest and prinicpal) on March 1, 2018 and a like payment of $13,060.25 (including interest and principal) in the 1st day of each and every September and March thereafter to and including March 1, 2027 when the entire remaining balance including principal and any accrued interest shall be due and payable in full.

   c) Buyers agree to pay interest on the unpaid principal balance at the rate of 4% per annum from and after March 1, 2017. All payments should be applied first against interest accrued and the balance on principal.

   d) Buyers are prohibited from paying additional amounts of prinicpal in any calendar year without the written consent of the Seller. In the event of the Seller's death during the term of the contract the Buyers shall be obligated to pay the entire balance due on the contract within 12 months of the date of the Seller's death.

2. A) The parties agree to prorate the purchase price of the premises as follows: 1) Residence and Garage including surrounding real estate - $90,000.00 2) Farm Buildings - $10,000.00 3) Farmland - $356,000.00.

   B) Seller agrees to complete repairs to the machine shed and if allowed by his insurance carrier, to carry the machine shed insurance until the repairs have been completed.

   C) There is a private sewage disposal system on this property. Weather or other temporary phyiscal conditions prevent the certified inspection of the private sewage disposal system from being conducted. Seller will execute a binding agreement with the County Board of Health to conduct a certified inspection of the private sewage disposal system and be responsbile for the required modifications to the private sewage disposal system as identified by qualified inspection. Seller will attach a copy of the binding agreement to the Groundwater Hazard Statement to be filed at closing. When inspection is completed, an amended Groundwater Hazard Statement shall be filed with the certified inspection and shall include the document numbers of both the real estate transfer document and the original Groundwater Hazard Statement.

   D) Seller shall execute and deliver to Escrow Agent at closing a Warranty Deed in fulfillment of the real estate contract to be held by the Escrow Agent pursuant to the parties.