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Daneen Schindler, RECORDER/REGISTRAR
DELAWARE COUNTY IOWA

# REAL ESTATE CONTRACT
## (SHORT FORM)
## Recorder's Cover Sheet

**Preparer Information:** (name, address and phone number)
Thomas J. Hanson, Hanson Law Office, 401 E Main St, Manchester, Iowa 52057
Phone: (563) 927-5920

**Taxpayer Information:** (name and complete address)
Justin Elledge, 808 E Fayette Street, Manchester, IA 52057

**Return Document To:** (name and complete address)
Thomas J. Hanson, Hanson Law Office, 401 E Main St, Manchester, Iowa 52057

**Grantors:**
Ann M. Meyer

**Grantees:**
Justin Elledge

**Legal Description:** See Page 2

**Document or instrument number of previously recorded documents:**

# REAL ESTATE CONTRACT
# (SHORT FORM)

**IT IS AGREED** between Ann M. Meyer, a single person ("Seller"); and Justin Elledge ("Buyer").

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

> The East fifty five (55) feet of the South One-Half (S½) of Lot Ten (10), Iowa Land Company's Addition to Manchester, Iowa, same being a part of the Southwest Quarter (SW¼) of the Southwest Quarter (SW¼) of Section Twenty Eight (28), Township Eighty Nine (89) North, Range Five (5), West of the 5th P.M.
>
> 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.) all lawful uses (the "Real Estate"), upon the following terms:

1. **PRICE.** The total purchase price for the Real Estate is One Hundred Eighteen Thousand and No/100 Dollars ($118,000.00) of which Five Thousand and No/100 Dollars ($5,000.00) has been paid. Buyer shall pay the balance to Seller at Manchester, Delaware County, Iowa or as directed by Seller, as follows: $113,000.00 plus accrued interest due and payable in full on or before December 31, 2019. Provided however, the due date for the $113,000.00 payment (plus interest) may be extended for up to a maximum of twelve months in the event the Buyer's final dissolution decree has not been entered. If extended, the Buyer agrees to pay $600.00 per month commencing on January 1, 2020 and on the first day of each and every month thereafter. If the contract is extended, the $600.00 monthly payments will not reduce the principal balance plus interest due at the time of payment of the total balance due on the contract. Interest shall continue to accrue on the unpaid balance of $113,000.00. In no event shall the monthly extensions exceed the month following entry of Buyer's final dissolution decree.

2. **INTEREST.** Buyer shall pay interest from October 4, 2019 on the unpaid balance, at the rate of 4% per annum, payable December 31, 2019. Buyer shall also pay interest at the rate of 8 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.

3. **REAL ESTATE TAXES.** Seller shall pay the September 2019 installment prior to or at the time of closing and shall also pay the March 2020 installment and prorated real estate taxes up to the date of possession upon delivery of a deed in fulfillment of the contract, [nd any unpaid real estate taxes payable in prior years. Buyer 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.** 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 Buyer.

5. **POSSESSION CLOSING.** Seller shall give Buyer possession of the Real Estate on October 4, 2019, provided Buyer is not in default under this contract. Closing shall be on October 4, 2019.

6. **INSURANCE.** Seller shall maintain existing insurance upon the Real Estate until the date of possession. Buyer shall accept insurance proceeds instead of Seller replacing or repairing 0damaged improvements. After possession and until full payment of the purchase price, Buyer 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 Seller and Buyer as their interests may appear. Buyer shall provide Seller 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 Buyer for examination. It shall show merchantable title in Seller 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 Buyer when the purchase price is paid in full, however, Buyer reserve the right to occasionally use the abstract prior to full payment of the purchase price. Seller shall pay the costs of any additional abstracting and title work due to any act or omission of Seller, including transfers by or the death of Seller 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.** Buyer 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. Buyer shall not make any material alteration to the Real Estate without the written consent of the Seller.

10. **DEED.** Upon payment of purchase price, Seller shall convey the Real Estate to Buyer 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 Seller continuing up to time of delivery of the deed.

11. **REMEDIES OF THE PARTIES.** a. If Buyer (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 Seller, 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 Buyer 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 Seller 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 Buyer, 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 lease, and may accordingly be ousted and removed as such as provided by law.

b. If Buyer fail to timely perform this contract, Seller, 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 Buyer 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 Seller, in such action file an election to waive any deficiency judgment against Buyer 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 Buyer, 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 file an election to waive any deficiency judgment against Buyer or their successor in interest in such action. If the redemption period is so reduced, Buyer 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 Buyer 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. Upon completion of such forfeiture Buyer shall have no right of reclamation or compensation for money paid, or improvements made; but such payments and for

improvements if any shall be retained and kept by Seller 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 Buyer, 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.

c. If Seller fail to timely perform their obligations under this contract, Buyer shall have the right to terminate this contract and have all payments made returned to them.

d. Buyer and Seller are also entitled to utilize any and all other remedies or actions at law or in equity available to them.

e. 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 Seller, 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 Seller, then the proceeds of this sale, and any continuing or recaptured rights of Seller in the Real Estate, shall belong to Seller as joint tenants with full right of survivorship and not as tenants in common; and Buyer, in the event of the death of either Seller, agree to pay any balance of the price due Seller 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, Buyer grant the Seller a security interest in the personal property and Buyer shall execute the necessary financing statements and deliver them to Seller.

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 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.

18. **CERTIFICATION**. Buyer 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.

19. **INSPECTION OF PRIVATE SEWAGE DISPOSAL SYSTEM.** 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.

20. **ADDITIONAL PROVISIONS.** Buyer agrees to accept the premises in "as is" condition.

**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: 10/4/19

Justin Elledge, Buyer

Dated: 10/4/19, 2019.

Ann M. Meyer, Seller

Justin Elledge, Buyer

STATE OF IOWA, COUNTY OF DELAWARE

This record was acknowledged before me on October 7, 2019, by Ann M. Meyer, a single person.

Signature of Notary Public

THOMAS J. HANSON
Commission Number 115040
My Commission Expires
September 22, 2022

STATE OF IOWA, COUNTY OF DELAWARE

This record was acknowledged before me on October 4, 2019, by Justin Elledge.

Signature of Notary Public

THOMAS J. HANSON
Commission Number 115040
My Commission Expires
September 22, 2022