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Daneen Schindler, RECORDER/REGISTRAR
DELAWARE COUNTY IOWA

Tom Hanson

# REAL ESTATE CONTRACT-INSTALLMENTS
## Recorder's Cover Sheet

**Preparer Information:** (name, address and phone number)
Mark A. Roeder, 119 E. Main St., Manchester, IA 52057-1736

**Taxpayer Information:** (name and complete address)
James E. Hoeger, Diane M. Hoeger, 2706 245th St., Earlville, IA 52041

**Return Document To:** (name and complete address)
Mark A. Roeder, 119 E. Main St., Manchester, IA 52057-1736

**Grantors:**
Ronald B. Salow
Teresa M. Salow

**Grantees:**
James E. Hoeger
Diane M. Hoeger

**Legal Description:** See Page 2

# REAL ESTATE CONTRACT-INSTALLMENTS

IT IS AGREED this 20 day of March 2020 by and between Ronald B. Salow and Teresa M. Salow, Husband and Wife of the County Delaware, State of Iowa, Sellers; and James E. Hoeger, Diane M. Hoeger Buyers as joint tenants with right of survivorship, 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 of Delaware, State of Iowa, to-wit:

The South Three-Fourths (S ¾) of the Southeast Quarter (SE ¼) of the Northeast Quarter (NE ¼); and

the North One-Half (N ½) of the Southeast Quarter (SE ¼) except Parcel 2019-71 according to Plat recorded at Book 2019, Page 3310;

all in Section Twelve (12), Township Eighty-Eight North (T88N), Range Four (4), West of the Fifth P.M. in Delaware County, Iowa, and subject to covenants, conditions, restrictions and easements of record.

And,

The Northeast Quarter (NE ¼) of the Northeast Quarter (NE ¼) except Parcel 2019-75 in Section Thirteen (13) according to Plat recorded at Book 2019, Page 3310, Township Eighty-Eight North (T88N), Range Four (4), West of the Fifth P.M. in Delaware County, Iowa, subject to covenants, conditions, restrictions and easements of record.

1. **TOTAL PURCHASE PRICE.** BUYERS agree to pay for said property the total of **$654,752** due and payable to SELLERS Ronald B. Salow and Teresa M. Salow as joint tenants with right of survivorship at Delaware County, Iowa, as follows:

a. **DOWN PAYMENT** of **$490,752** **RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED:** and

b. **BALANCE OF PURCHASE PRICE. $164,000** plus interest at the rate of 3.50 percent per annum from March 20, 2020, as follows:

**$36,374.26** on March 20, 2021, with payments of $36,374.26 continuing each March 20 through March 20, 2025 or as adjusted and shown on the attached Loan Amortization Schedule marked as Exhibit A. All payments shall be applied first against interest accrued and then on the principal balance. Prepayment of the contract is not allowed.

2. **POSSESSION.** Buyers, concurrently with due performance on their part shall be entitled to possession of said premises on **March 20, 2020** and thereafter so long as they shall perform the obligations of this contract.

3. **TAXES.** Sellers shall pay, prorated to date of possession, any unpaid taxes thereon, and any unpaid taxes on the property from 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.

4. **SPECIAL ASSESSMENTS.** Sellers shall pay the special assessments against this property:

a. Which, if not paid, in the year 2019, would become delinquent and all assessments payable prior thereto.

b. 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 the contract for such sums so paid.

MORTGAGE BY SELLERS. There is an existing mortgage in favor of Farm Credit Services of America recorded at Book 2016, Page 3068. The parties to this contract will work cooperatively to obtain a mortgage modification from Farm Credit Services of America so that the mortgage will be for no more than $164,000, and will no longer be an open-ended mortgage, or one that secures future advances, other than for protective advances paid by the lender for taxes, insurance, or to protect collateral. Each party will pay his or her own attorney's fees in connection with the mortgage modification, but BUYER will bear any expenses charged by Farm Credit Services of America, or any other expenses associated with preparation of, filing, or recording of the modification to or replacement of the mortgage.

RIGHT TO REFINANCE MORTGAGE LOAN: SELLERS shall have the right to refinance the loan and mortgage. The interest rate and amortization thereof shall be no more onerous than the installment requirements of this contract, and shall not exceed the principal balance plus protective advancements on the then existing mortgage. 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.

ALLOCATED PAYMENTS. BUYER, 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.

BUYER'S RIGHT TO PROOF MORTGAGE LOAN OBLIGATION IS CURRENT: Annually, BUYER shall have the right to request and obtain proof from SELLERS that the balance on SELLERS' mortgage loan is current, and that the balance does not exceed the contract balance.

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 BUYERS with rights of survivorship and not as BUYERS in common; and Buyers, in the event of the death of one of such joint BUYERS, 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 ordinances; (b) Such restrictive covenants as may be shown of record; (c) Easements of record, if any; (d) As limited by paragraphs 1, 2, 3 and 4 of this contract; (e) Sellers shall warrant that the real estate is free from incumbrances, except as to any liens or incumbrances created or suffered to be created by the acts or defaults of the grantee(s); (f) Spouse if not titleholder, need not join in any warranties of the deed unless otherwise stipulated:

14. **DEED AND ABSTRACT, BILL OF SALE.** If all said sums of money and interest are paid to Sellers during the life of this contract, and all other agreements for performance by Buyers has been complied with, Sellers will execute and deliver to Buyers a Special Warranty Deed conveying said premises to Buyers in joint tenancy with right of survivorship and in fee simple pursuant to and in conformity with this contract and Sellers will at this time deliver to Buyers an abstract showing merchantable title, subject to a mortgage of Farm Credit Services of America recorded at Book 2016, Page 3068, and otherwise in conformity with this contract. Such abstract shall begin with the government patent (unless pursuant to the Iowa State Bar Association title standards there is a lesser requirement as to period of abstracting) to said premises and shall show title thereto in Sellers as of the date of this contract; or as of such earlier date if and as designated in the next sentence. This contract supersedes any previous written offer of Buyers to

buy the above described property. Sellers shall also pay the cost of any abstracting due to any act or change in the personal affairs of Sellers resulting in a change of title by operation of law or otherwise. If any personal property is a part of this agreement, then upon due performance by Buyers, Sellers shall execute and deliver a Bill of Sale consistent with the terms of this contract. Sellers shall pay all taxes on any such personal property payable through March 19, 2020, and all taxes thereon payable prior thereto.

15. **APPROVAL OF ABSTRACT.** Buyers have examined the abstract of title to this property and such abstract is accepted.

16. **FORFEITURE.** If Buyers (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 Sellers, 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 Buyers 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 Sellers 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 Buyers. 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 BUYERS holding over, unlawfully after the expiration of a lease, and may accordingly be ousted and removed as such as provided by law.

17. **FORECLOSURE AND REDEMPTION.** 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 at 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 end 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 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 rate of 18 percent per annum 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.** The Property is not served by a private sewage disposal system.

27. **SPECIAL PROVISIONS.**

a. **WAIVER OF HOMESTEAD RIGHTS: 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.**

b. There shall be no plowing or disking of waterways.

c. BUYERS accept land and improvements as is.

d. All other agreements between Sellers and Buyers whether written or oral, are merged into this contract and do not survive.

Dated: 3/20/2020

Ronald B. Salow
Seller

Teresa M. Salow
Seller

STATE OF IOWA, COUNTY OF DELAWARE ) ss:

This record was acknowledged before me on the 20th day of March 2020 by Ronald B. Salow and Teresa M. Salow.

Mark A. Roeder
Signature of Notary Public

MARK A. ROEDER
Commission Number 728724
MY COMMISSION EXPIRES
JUNE 6, 2020

Dated: 3-20-2020

James E. Hoeger, Buyer

Diane M. Hoeger, Buyer

STATE OF IOWA, COUNTY OF DELAWARE ) ss:

This record was acknowledged before me on 20 day of March, 2020 by James E. Hoeger, Diane M. Hoeger.

Signature of Notary Public

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

# AMORTIZATION SCHEDULE

| Principal | Loan Date | Maturity | Loan No | Call / Coll | Account | Officer | Initials |
|---|---|---|---|---|---|---|---|
| $164,000.00 | 03-20-2020 | 03-20-2025 | | | | | |

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item.
Any item above containing "***" has been omitted due to text length limitations.

**Borrower:** Sample Amortization

**Lender:** [redacted]

Jim H

**Disbursement Date:** March 20, 2020
**Interest Rate:** 3.500

**Repayment Schedule:** Installment
**Calculation Method:** 365/360 U.S. Rule

| Payment Number | Payment Date | Payment Amount | Interest Paid | Principal Paid | Remaining Balance |
|---|---|---|---|---|---|
| 1 | 03-20-2021 | 36,374.26 | 5,819.72 | 30,554.54 | 133,445.46 |
| 2 | 03-20-2022 | 36,374.26 | 4,735.46 | 31,638.80 | 101,806.66 |
| 3 | 03-20-2023 | 36,374.26 | 3,612.72 | 32,761.54 | 69,045.12 |
| 4 | 03-20-2024 | 36,374.26 | 2,456.86 | 33,917.40 | 35,127.72 |
| 5 | 03-20-2025 | 36,374.27 | 1,246.55 | 35,127.72 | 0.00 |
| **TOTALS:** | | 181,871.31 | 17,871.31 | 164,000.00 | |

**NOTICE:** This is an estimated loan amortization schedule. Actual amounts may vary if payments are made on different dates or in different amounts.

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## Exhibit A