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Daneen Schindler, RECORDER/REGISTRAR
DELAWARE COUNTY IOWA

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Lease with Option to Purchase

This agreement, made and entered into this 11 day of Sept, 2020, by and between Michael A. Welter and Andrea R. Welter, Landlord as Sellers and Jessica German and Steven German, Tenant and Buyer.

Witnesseth, that in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration having been paid by the Buyer to the Seller as more fully set forth below, the receipt and sufficiency of which is hereby acknowledged by the Seller, it is hereby agreed as follows:

The property is covered in this agreement is located at 1246 Buchanan Delaware Avenue, Lamont, Iowa 50650, Delaware County, Iowa, legally described as:

> The South seven hundred ninety five (795) feet of the West three hundred five and five-tenths (305.5) feet of the Southwest Quarter (SW ¼) of the Northwest Quarter (NW ¼) and the North sixty one (61) feet of the West three hundred five and five-tenths (305.5) feet of the Northwest Quarter (NW¼) of the Southwest Quarter (SW¼) of Section Eighteen (18), Township Ninety (90) North, Range Six (6) West of the Fifth P.M., Delaware County, Iowa.

The Seller/Landlord hereby grants to Buyer/Tenant the exclusive right to rent and then purchase the above entitled property on the following terms and conditions:

Rent shall be $350.00 per month and $200.00 of each month's rent shall be credited to the purchase price in the event Buyer/Tenant exercises the option to purchase. In the event that the Buyer/Tenant does not exercise this option, the $350.00 shall be considered rent payment and the Seller/Landlord and shall not be returned to the Buyer/Tenant.

This lease/option agreement shall be for a period of month to month, beginning Oct. 10, 2020 and extending one month at a time. Either party may cancel the agreement with a thirty (30) day written notice to the other. Buyer/Tenant shall pay Seller/Landlord the sum of $350.00 on Oct. 10, 2020 and Buyer/Tenant shall pay ~~$350.00 the first (1st) day~~ $175.00 bi-weekly of each month thereafter. Said payments shall be considered rent, In the event that the Buyer/Tenant does not exercise their option under terms of this agreement. In the event the Buyer/Tenant does exercise the option, $350.00 monthly payment shall be credited as a down payment to the purchase price. Buyer/Tenant shall be allowed a 10-day grace period before the payment will be considered delinquent.

During the term of this agreement, Buyer/Tenant shall have the option to purchase said real estate for a price to be negotiated by the parties, but said price shall not exceed $150,000.00. Seller/Landlord agree to gift to Buyer/Tenant the sum of $30,000.00 upon notice of their intention to exercise the option with Seller/Landlord and said sale shall be completed within sixty (60) days of the date of this notice. Purchase price shall be considered $120,000.00 remaining balance and $200.00 of each monthly rent shall be credited as additional down payment. Buyer/Tenant shall have until 1, 2020 to give written notice to Seller/Landlord. If on that date, Buyer/Tenant have not exercised their option, this agreement shall terminate and all payments shall be considered rent, and Buyer/Tenant shall continue to rent the house on a month to month basis. Seller/Landlord shall be under no obligation to return any rental payment to Buyer/Tenant if the Buyer/Tenant does not exercise their option to purchase the property. Unless other agreement has been considered ERW 9/11/2020

Buyer/Tenant agrees to use the property exclusively as a private single-family residence and neither the premises nor any part thereof shall be used for any other purpose. The Buyer/Tenant stipulates that they have examined the premises including the ground and all buildings and improvements at the time of this lease option are in good order, safe and clean condition and hereby agrees to accept the premise "as is". During the term of this agreement, Buyer/Tenant shall be responsible for all utilities, heating expense and appliance repair. Seller/Landlord shall be responsible for all plumbing, electrical, building repair, except for damage caused by Buyer/Tenant, which shall be repaired at Buyer/Tenant's expense.

Michael A. Welter and Andrea R. Welter, whose address is 1129 Washington Avenue, Lamont, Iowa 50650, is the persons are designated as Seller/Landlord to manage the premises and receive all notices due under this agreement.

Seller/Landlord shall have the right, subject to Buyer/Tenant's consent and consent shall not be unreasonably withheld, to enter the dwelling unit in order to inspect the premises, make necessary or agreed repairs; provided however, the Seller/Landlord may enter the dwelling without Buyer/Tenant's consent in a case of emergency otherwise provided by the Iowa Uniform Residential Landlord and Tenant Act.

Without the prior written consent, the Seller/Landlord, Buyer/Tenant shall not assign this lease option or sublet or grant this option to any other person.

In the event that Buyer/Tenant exercise this option to purchase, Seller/Landlord shall furnish the Buyer/Tenant an abstract of title continued through the date of this agreement. Buyer/Tenant shall have the abstract examined by an attorney of their choice. At the time of closing, Seller/Landlord will deliver to Buyer/Tenant a warranty deed.

Seller/Landlord shall pay all real estate taxes prorated to the date of closing, in the event that the purchase option is exercised.

In the event property is destroyed or substantially damaged by fire or other cause before the date of closing, this agreement shall be null and void and Buyer/Tenant's monthly payments shall be considered rent and not returned to the Buyer/Tenant. In the event the option property is less than substantially damaged by fire or other cause before closing date, Seller/Landlord shall properly and diligently repair or replace the same; and if repairs are not completed by closing date then at Buyer/Tenant's option the closing date may be postponed until repairs are complete. This agreement shall be construed and enforced in accordance with the Laws of the State of Iowa. The covenants and conditions herein contained shall apply and bind the heirs, legal representatives and assigns of the parties hereto.

The parties agree that either party shall have the right to cancel this lease option with a thirty (30) written notice to the other party.

In the event Buyer/Tenant exercises their option to purchase said real estate the following appliances should be included in the sale: stove, refrigerator, dishwasher, dehumidifier, and freezer.

It is agreed that during the term of this agreement that no other individuals shall occupy any out building or trailers located on the premises without the written permission of Seller/Landlord.

Michael A. Welter

Andrea R. Welter

Steven German

Jessica German

State of Iowa :
:ss
Buchanan County :

Subscribed and sworn to by Michael A. Welter and Andrea R. Welter, husband and wife this 11th day of September, 2020.

NOTARIAL SEAL IOWA
KATHY A WELTER
COMMISSION NO. 825034
MY COMMISSION EXPIRES
4/30/2023

Notary Public, State of Iowa

State of Iowa :
:ss
Buchanan County :

Subscribed and sworn to by Steven German and Jessica German, husband and wife this 11th day of September, 2020.

NOTARIAL SEAL IOWA
KATHY A WELTER
COMMISSION NO. 825034
MY COMMISSION EXPIRES
4/30/2023

Notary Public, State of Iowa