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LISA SMITH, COUNTY RECORDER
MADISON COUNTY IOWA

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REAL ESTATE CONTRACT-INSTALLMENTS
Recorder's Cover Sheet

\$60,000

Preparer Information:

Jane E. Rosien, 114 E. Jefferson Street, P.O. Box 67, Winterset, Iowa 50273-0067
Phone: (515) 462-4912

Taxpayer Information:

Dennis L. McDonald, 220 S. 8th Avenue, Winterset, Iowa 50273

U ✓ **Return Document To:**

Jane E. Rosien, 114 E. Jefferson Street, P.O. Box 67, Winterset, Iowa 50273-0067

Grantor:

Dennis L. McDonald

Grantee:

Alyssa Miller

Legal Description: See Page 2

Document or instrument number of previously recorded documents: N/A



REAL ESTATE CONTRACT-INSTALLMENTS

IT IS AGREED on January 7, 2021, by and between Dennis L. McDonald, a single person, of the County Madison, State of Iowa, Seller; and Alyssa Miller of the County of Madison, State of Iowa, Buyer;

That the Seller, as in this Contract provided, agrees to sell to the Buyer, and the Buyer in consideration of the premises, hereby agrees with the Seller to purchase the following described real estate situated in the County of Madison, State of Iowa, to-wit:

Lot Seven (7) in Block Seven (7) of Railroad Addition to the Town of Winterset, Iowa,

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 Buyer agrees to pay for said property the total of \$60,000.00 due and payable at 220 S. 8th Avenue, Winterset, Madison County, Iowa, as follows:

- a) **DOWN PAYMENT:** No down payment is due upon the execution of this Contract.
- b) **BALANCE OF PURCHASE PRICE.** \$60,000.00, to be paid as follows:
\$300.00 due on or before January 1, 2021, and \$300.00 due on or before the 1st day of each and every month thereafter until January 1, 2027, when all remaining balances due under this Sales Contract shall become due and payable in full, PLUS interest on any unpaid balance thereof at the rate of .48% per annum from January 1, 2021 until fully paid; said payments to be applied first to the interest then unpaid and next upon the balance of the principal. Buyer shall have the right to prepay any and all amounts due and owing according to this Contract provided that said prepayment is made within the same tax year as the payment due date.

2. **POSSESSION.** Buyer, concurrently with due performance on their part shall be entitled to possession of said premises on January 1, 2021; and, thereafter so long as they shall perform the obligations of this Contract. Buyer is taking subject to the rights of lessees and is entitled to rentals therefrom on and after date of possession.

3. **TAXES.** Seller shall pay the property taxes accrued to the date of Buyer's possession and payable during the fiscal year commencing on July 1, 2020 and any unpaid taxes thereon payable in prior fiscal years. Buyer shall pay any taxes not assumed by Seller 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 party 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. Seller shall pay the special assessment installments against this property that have become due and payable prior to January 1, 2021, including all sewage disposal assessments for overage charge heretofore assessed by any municipality having jurisdiction as of date of possession. Buyer, except as above stated, shall pay all subsequent special assessment installments 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 Seller so as not to prejudice the Buyer's equity herein. Should Seller fail to pay, Buyer may pay any such sums in default and shall receive credit on this contract for such sums so paid. MORTGAGE BY SELLER. Seller, 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 80% 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. Buyer hereby expressly consents to such a mortgage and agrees to execute and deliver all necessary papers to aid Seller in securing such a mortgage which shall be prior and paramount to any of Buyer's then rights in said property. DEED FOR BUYER SUBJECT TO MORTGAGE. If Buyer has 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 Seller, at their option, any time before Buyer has made such a mortgage commitment, may reduce or pay off such mortgage. 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, reserves the right, if reasonably necessary for their protection to divide or allocate the payments to the interested parties as their interests may appear. SELLER AS TRUSTEES. Seller agrees 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 Seller or their assigns in said real estate; and if Seller 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 Buyer for the use and benefit of the Buyer.

6. INSURANCE. Buyer as and from said date of possession, shall constantly keep in force insurance, premiums therefore to be prepaid by Buyer (without notice or demand) against loss by fire, tornado and other hazards, casualties and contingencies as Seller 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 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 and Buyer as their interests may appear. Seller's interest shall be protected in accordance with a standard or union-type loss payable clause. BUYER SHALL PROMPTLY DEPOSIT SUCH POLICY WITH PROPER RIDERS WITH SELLER 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 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. Buyer 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. Buyer shall not make any material alteration in said premises without the written consent of the Seller. Buyer 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 SELLER. If Buyer fails 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.

10. 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.

11. EXCEPTIONS TO WARRANTIES OF TITLE. The warranties of title in any Deed made pursuant to this Contract 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) Seller shall give Special Warranty as to the period after equitable title passes to Buyer; (f) Spouse if not titleholder, need not join in any warranties of the deed unless otherwise stipulated.

12. DEED AND ABSTRACT, BILL OF SALE. If all said sums of money and interest are paid to Seller during the life of this Contract, and all other agreements for performance by Buyer have been complied with, Seller will execute and deliver to Buyer a Warranty Deed conveying said premises in fee simple pursuant to and in conformity with this Contract and Seller will at

this time deliver to Buyer an abstract showing merchantable title, 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 Seller as of the date of this Contract. Seller shall also pay the cost of any abstracting due to any act or change in the personal affairs of Seller 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 Buyer, Seller shall execute and deliver a Bill of Sale consistent with the terms of this Contract. Seller shall pay all taxes on any such personal property payable in 2020, and all taxes thereon payable prior thereto.

13. APPROVAL OF ABSTRACT. Buyer has not examined the abstract of title to this property and such abstract is not accepted.

14. FORFEITURE. If Buyer (a) fails to make the payments aforesaid, or any part thereof, as same become due; or (b) fails 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) fails to keep the property insured; or (d) fails to keep it in reasonable repair as herein required; or (e) fails 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 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 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 a lease, and may accordingly be ousted and removed as such as provided by law.

15. FORECLOSURE AND REDEMPTION. If Buyer fails 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 files 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 files 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 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 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.

16. 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 Seller, or in any other case permitted by law in which attorney's fees may be collected from Buyer, or imposed upon them, or upon the above described property, Buyer agrees to pay reasonable attorney's fees.

17. INTEREST ON DELINQUENT AMOUNTS. Either party will pay interest at the rate of three percent (3%) per annum to the other on all amounts herein as and after they become delinquent, and/or on cash reasonably advanced by either party pursuant to the terms of this Contract, as protective disbursements.

18. ASSIGNMENT. In case of the assignment of this Contract by either of the parties, prompt notice shall be given to the other party, who shall at the time of such notice be furnished with a duplicate of such assignment by such assignor. 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.

19. 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 Buyer's

rights in said real estate shall concurrently operate as the forfeiture or foreclosure hereto against all such personal property.

20. 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 "Seller."

21. RELEASE OF RIGHTS. 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.

22. LEAD-BASED PAINT NOTICE. If applicable, see attached Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazard.

23. 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.

24. 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.

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: January 7, 2021



Alyssa Miller, Buyer

Dennis L. McDonald

Dennis L. McDonald, Seller
220 S. 8th Avenue
Winterset, IA 50273

Alyssa Miller

Alyssa Miller, Buyer
803 E. North Street
Winterset, IA 50273

STATE OF IOWA, COUNTY OF MADISON

This instrument was acknowledged before me on January 7, 2021, by Dennis L. McDonald.



Carla J. Vasey
Signature of Notary Public

STATE OF IOWA, COUNTY OF MADISON

This record was acknowledged before me on January 7, 2021, by Alyssa Miller.



Carla J. Vasey
Signature of Notary Public