

\$35,000.00



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BRANDY MACUMBER, COUNTY RECORDER
MADISON COUNTY IOWA

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REAL ESTATE CONTRACT

Recorder's Cover Sheet

Preparer Information:

Vicky Jean McClelland of 319 Water St, Kellogg, IA 50135

641-840-9830

Taxpayer Information:

Patrick Edward McClelland of 26420 State Highway Y, Novinger, MO 63559

Return Document To:

Vicky McClelland, 319 Water St, Kellogg, IA 50135

Grantor:

Vicky Jean McClelland of 319 Water St, Kellogg, IA 50135

Grantee:

Patrick Edward McClelland of 26420 State Highway Y, Novinger, MO 63559

Legal Description:

Parcel "B" in the West Half of the Southeast Quarter of Section 12, Township 75 North, Range 29 West of the 5th P.M., Madison County, Iowa, containing 26.47 acres, as shown in Plat of Survey filed in Book 2012, Page 808 on March 19, 2012, in the Office of the Recorder of Madison County, Iowa.

REAL ESTATE CONTRACT FOR DEED

THIS CONTRACT FOR DEED (this "Agreement") dated this 1st day of January, 2022

BETWEEN:

Vicky Jean McClelland of 319 Water St, Kellogg, IA 50135
(the "Seller")

OF THE FIRST PART

AND

Patrick Edward McClelland of 26420 State Highway Y, Novinger, MO 63559
(the "Purchaser")

OF THE SECOND PART

IN CONSIDERATION OF the covenants and agreements contained in this Agreement and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties to this Agreement agree as follows:

SALE OF PROPERTY

1. On the 1st day of January, 2022, the Seller, for and in consideration of the sum of \$35,000.00, does hereby convey and grant with warranty covenants to the Purchaser, all of the lands and property, together with all improvements located on the property in Madison County Iowa described as follows:

Parcel "B" in the West Half of the Southeast Quarter of Section 12, Township 75 North, Range 29 West of the 5th P.M. Madison County, Iowa, containing 26.47 acres, as shown in Plat of Survey filed in Book 2012, Page 808 on March 19, 2012, in the Office of the Recorder of Madison County, Iowa. More particularly described on the attached Exhibit A Plat of Survey.

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 easement; interest of others)

PURCHASE PRICE

2. The purchase price (the "Purchase Price") of the Premises is Thirty-Five Thousand and 00/100 dollars (\$35,000.00), of which Two Thousand Two Hundred and 00/100 dollars (\$2,200.00) has been paid. The Purchaser agrees to pay the balance of the Purchase Price to Seller at 319 Water St, Kellogg, Iowa as follows: Thirty-Two Thousand Eight Hundred and 00/100 dollars (\$32,800.00) being payable in monthly installments of \$189.18, due on the 1st of each month, beginning on April 1, 2023, until the Purchase Price is paid in full. All payments shall be applied first to interest and to principal. Interest shall run from date of possession to the date of payment at the rate of 0.05% per annum.

INTEREST CHARGES

3. Interest of 0.05% per year will be computed monthly and deducted from the monthly payments. The balance of the monthly payment will be applied to the principal amount of the Purchase Price outstanding.

LUMP SUM PAYMENTS

4. Lump sum payments may be made at any time, without penalty, to reduce the principal amount of the Purchase Price outstanding.

PROPERTY TAXES AND ASSESSMENTS

5. Seller shall pay real property taxes payable during the twelve month fiscal year commencing April 1, 2024 and any unpaid real estate taxes payable in prior years. For the duration of this Agreement, the Purchaser will be responsible for all subsequent taxes and assessments levied against the Premises.

INSURANCE

6. The Purchaser is not responsible for insuring the Seller's contents and furnishings in or about the Premises against either damage or loss and the Purchaser assumes no liability for any such damage or loss.

7. The Purchaser is hereby advised and understands that the personal property of the Purchaser is not insured by the Seller for either damage or loss, and the Seller assumes no responsibility for any such damage or loss. The Purchaser is advised that, if insurance coverage is desired by the Purchaser, the Purchaser should inquire with the Purchaser's insurance agent regarding a personal contents policy of insurance.

8. The Purchaser is hereby advised and understands that the Premises is not insured by the Seller for either damage or loss to the structure, mechanical or improvements to the Premises, and the Seller assumes no responsibility for any such damage or loss. The Purchaser is advised that insurance coverage is required by the Seller, and the Purchaser should inquire with the Purchaser's insurance agent regarding a policy of insurance for the Premises and provide a copy of such policy to the Seller once it is in place. Failure to insure the Premises is a violation of this Agreement and may result in the termination of the Agreement.

9. The Purchaser is responsible for maintaining liability insurance on the Premises for the benefit of both the Purchaser and the Seller, and the Purchaser assumes liability for any damage or loss arising from the liability of either the Purchaser or the Seller.

10. For any required insurance of the Purchaser stipulated in this contract, the proof of insurance will be furnished to the Seller upon the request of the Seller.

PURCHASER'S DEFAULT

11. In the event of the Purchaser's failure to perform any covenant or condition contained in this Agreement, the Seller will give the Purchaser a notice of default. The notice will give the Purchaser 14 days from the date the notice is received to remedy the default. If the Purchaser fails to remedy the default within 14 days, then the entire balance of the Purchase Price, including interest payable, will become due 90 days after the 14-day period to remedy the default expires (the "Notice Period"). Failure to pay the full amount of the Purchase Price owing will result in the termination of this Agreement at the end of the Notice Period.

12. The Purchaser and the Seller agree that in the event that the Purchaser fails to remedy a default and this Agreement is terminated, the Purchaser will vacate the Premises within 90 days of the Agreement terminating. The Purchaser and the Seller further agree that failure of the Purchaser to vacate within that period gives the Seller a right to maintain an action to obtain vacant possession of the Premises.

13. In the event of default and termination of this Agreement by the Purchaser, the Purchaser forfeits any and all payments made under the terms of this Agreement, including but not limited to all payments made towards the Purchase Price, and any and all taxes, assessments, or insurance premiums paid by the Purchaser, as liquidated damages for breach of this Agreement.

14. The Seller reserves the right to recover damages resulting from the willful acts or negligence of the Purchaser.

SELLER'S RIGHT TO REINSTATE AGREEMENT AFTER DEFAULT

15. In the event of the Purchaser's default and the termination of this Agreement, the Seller, at his sole discretion, will have the right to reinstate this Agreement. In exercising his discretion, the Seller may require the Purchaser to:

- (i) pay all amounts due and owing under this Agreement had the Agreement not been terminated;
- (ii) cure any defaults that have occurred; and
- (iii) pay all expenses incurred by the Seller in enforcing their rights under this Agreement.

16. All payments made under the preceding provision must be made in a form acceptable to both parties.

ASSIGNMENT OR SALE OF THE PREMISES

17. The Purchaser may not sell, assign, transfer, convey, encumber, or otherwise deal with any interest in the Premises without the written consent of the Seller. (See 1 in addendum.)

DEED AND EVIDENCE OF TITLE

18. Upon payment of the full Purchase Price, including all taxes, assessments, interest, and other charges due to the Seller, the Seller agrees to deliver to the Purchaser, within a reasonable amount of time, a Warranty Deed to the Premises in the name of the Purchaser, free and clear of all liens and encumbrances. Seller, at their expense shall obtain an abstract of title to the Real Estate continued through the date of payment of full Purchase Price and recording of Warranty Deed. 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.

DISCLOSURE REQUIREMENTS

19. The Purchaser and the Seller shall make all disclosures required by law.

NOTICES

20. All notices required to be sent under this Agreement will be sent by prepaid registered mail to:

If to the Purchaser:

Patrick Edward McClelland of 26420 State Highway Y, Novinger, MO 63559.

If to the Seller:

Vicky Jean McClelland of 319 Water St, Kellogg, IA 50135.

RELEASE OF RIGHTS

21. 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.

SECURITY

22. This Agreement will act as security for the performance of all of the Purchaser's obligations under this Agreement.

TIME OF THE ESSENCE

23. Time is of the essence for the performance of all of the Purchaser's obligations under this Agreement.

ATTORNEY FEES

24. In the event of a default by the Purchaser, the Purchaser will pay all the Seller's reasonable and actual attorney fees associated with enforcing the Seller's rights under this Agreement. The default will not be deemed to be corrected until all attorney fees have been paid.

ENTIRE AGREEMENT

25. This Agreement will constitute the entire agreement between the Purchaser and the Seller. Any prior understanding or representation of any kind preceding the date of this Agreement will not be binding on either party except to the extent that it is incorporated into this Agreement.

AMENDMENTS

26. Any amendments or modifications of this Agreement or additional obligations assumed by either party in connection with this Agreement will only be binding if they are evidenced in writing and signed by each party or an authorized representative of each party.

WAIVERS

27. A waiver of any rights by any party in connection with this Agreement will only be binding if evidenced in writing and signed by each party or an authorized representative of each party.

SEVERABILITY

28. If there is a conflict between any provision of this Agreement and the applicable legislation of the State of Iowa (the "Act"), the Act will prevail and such provisions of this Agreement will be amended or deleted as necessary in order to comply with the Act. Further, any provisions that are required by the Act are incorporated into this Agreement.

29. In the event any of the provisions of this Agreement will be held to be invalid or unenforceable in whole or in part, those provisions, to the extent enforceable and all other provisions of this Agreement will nevertheless continue to be valid and enforceable as though the invalid parts had not been included in this Agreement and the remaining provisions had been executed by both parties subsequent to the expungement of the invalid provision.

INTERPRETATION

30. Headings are inserted for the convenience of the parties only and are not to be considered when interpreting this Agreement. Words in the singular mean and include the plural and vice versa. Words in the masculine mean and include the feminine and vice versa.

JOINT AND SEVERAL LIABILITY

31. All Sellers are jointly and severally liable for the acts, omissions, and liabilities of all other Sellers to this Agreement.

HEIRS AND ASSIGNS


32. This Agreement will extend to and be binding upon and inure to the benefit of the respective heirs, executors, administrators, successors, and assigns, as the case may be, of each party to this Agreement. All covenants are to be construed as conditions of this Agreement.

ADDITIONAL PROVISIONS


33. See 1 in Addendum.

IN WITNESS WHEREOF the Seller and Purchaser have duly affixed their signatures under hand and seal on this 31 day of March, 2023.

Witness: _____ (Sign)
_____ (Print)


Vicky Jean McClelland (Seller)

Witness: _____ (Sign)
_____ (Print)


Patrick Edward McClelland (Purchaser)

SELLER ACKNOWLEDGMENT

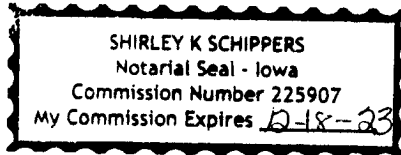
STATE OF IOWA

COUNTY OF Jasper

The foregoing instrument was acknowledged before me on the
31 day of March, 2023 by Vicky Jean McClelland.

Shirley K Schippers
Notary Public

My commission expires: 12-18-2023



PURCHASER ACKNOWLEDGMENT

STATE OF IOWA

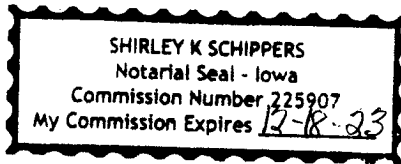
COUNTY OF Jasper

The foregoing instrument was acknowledged before me on the
31 day of March, 2023 by Patrick Edward McClelland.

Shirley K Schippers

Notary Public

My commission expires: 12-18-23



ADDENDUM

1. 34. Right of Refusal Retained by Seller. Should Patrick Edward McClelland, or his successors or assigns, wish to sell the real property covered by this Real Estate Contract to anyone other than an immediate family member, the following procedure must be followed for any sale that will be completed during a period of twenty years after April 1, 2023.
 - a. Patrick Edward McClelland, or his successors or assigns, shall have the real property that is desired to be sold, which includes all or any part of the Parcel "B" covered by this present Real Estate Contract, appraised by an Iowa State Certified Appraiser, or any other appraiser agreed to by Vicky Jean McClelland and Patrick Edward McClelland or his successors or assigns.
 - b. When such appraisal is completed, Vicky Jean McClelland shall have a right to purchase the property for the appraised value, with real property taxes prorated to the date of possession, and the seller providing merchantable or marketable title, with possession no more than ninety days from the date that Vicky Jean McClelland receives the appraisal, and a proposed Real Estate Contract complying with this lettered subparagraph of of paragraph 34 of this present Real Estate Contract.
 - c. Within thirty days after receipt of the appraisal and the proposed Real Estate Contract from Patrick Edward McClelland or his successors or assigns, Vicky Jean McClelland shall, in writing, accept the Real Estate Contract or provide a written waiver of his right to purchase the property as set forth in this lettered subparagraph of paragraph 34 of this present Real Estate Contract.
 - d. If Vicky Jean McClelland determines at an earlier time that she does not want to purchase the real property in question, she shall give Patrick Edward McClelland, or his successors or assigns a written waiver of her rights under this paragraph 34 of this present Real Estate Contract.
 - e. The rights of Vicky Jean McClelland shall run with the land and survive the delivery of a Warranty Deed to Patrick Edward McClelland or to his successors or assigns, pursuant to the terms of this present Real Estate Contract.
 - f. This paragraph 34 of the present Real Estate Contract shall be null and void for all purposes if Vicky Jean McClelland dies any time prior to the exercise of the provisions of this paragraph 34 by Patrick Edward McClelland or by his successors or assigns.

INDX ✓
ANNO ✓
SCAN ✓
CHK ✓

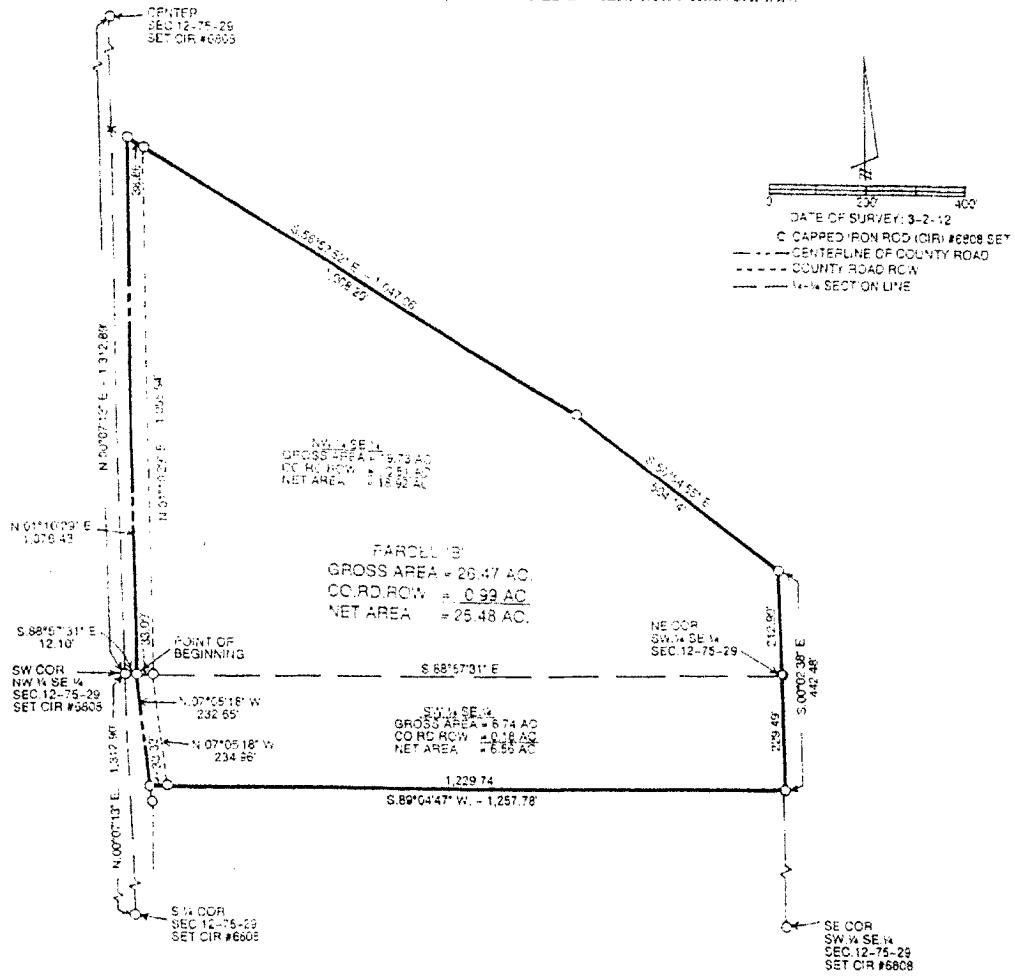
LISA SMITH, COUNTY RECORDER
MADISON COUNTY IOWA

VANCE & HOCHSTETLER, P.C. • CONSULTING ENGINEERS • WINTERSSET, IOWA 50273

12-23

CHARLES T. VANCE • 110 WEST GREEN ST., WINTERSSET, IOWA • (515) 462-3995
JAMES M HOCHSTETLER • 110 WEST GREEN ST., WINTERSSET, IOWA • FAX: (515) 462-9845

PLAT OF SURVEY IN THE WEST HALF OF THE SOUTHEAST QUARTER OF
SECTION 12, TOWNSHIP 75 NORTH, RANGE 29 WEST OF THE 5TH P.M.,
MADISON COUNTY, IOWA OWNED BY KENNETH H. KLINGAMAN.



LEGAL DESCRIPTION

Parcel "B" in the West Half of the Southeast Quarter of Section 12, Township 75 North, Range 29 West of the 5th P.M., Madison County, Iowa more particularly described as follows:

Commencing at the Southwest Corner of the Northwest Quarter of the Southeast Quarter of Section 12, Township 75 North, Range 29 West of the 5th P.M., Madison County, Iowa; thence South 88°57'31" East 12.10 feet along the South line of said Northwest Quarter of the Southeast Quarter to the centerline of a county road which is the Point of Beginning, thence North 01°10'29" East 1,078.43 feet along said centerline, thence South 56°57'52" East 1,047.06 feet; thence South 50°54'55" East 504.14 feet to a point on the East line of the West Half of said Southeast Quarter; thence South 00°02'38" East 442.48 feet along said East line; thence South 89°04'47" West 1,257.78 feet to a point on the centerline of a county road; thence North 07°05'18" West 232.65 feet along said centerline to the Point of Beginning containing 26.47 acres including 0.99 acres of County Road right-of-way.

LICENSED LAND SURVEYOR
 J. M. HOCHSTETLER
 #6808

I hereby certify that this land surveying document was prepared and the related surveying work was performed by me or under my direct personal supervision and that I am a duly licensed Land Surveyor under the laws of the State of Iowa.

J. M. HOCHSTETLER
 License number 6808 Date 3/7/12
 My license renewal date is December 31, 2017
 Pages or sheets covered by this seal: 1

