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BOOK 142 PAGE 883

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MICKI UTSLER
RECORDER
MADISON COUNTY, IOWA

COMPUTER ✓
RECORDED ✓
COMPARED _____
REC \$ 40.00
AUD \$ _____
R.M.F. \$ 7.00

Preparer
Information James L. Bergkamp, Jr., 218 S. 9th St., P.O. Box 8, Adel, (515) 993-1000

James L. Bergkamp, Jr. ISBA # 15470

SPACE ABOVE THIS LINE
FOR RECORDER

REAL ESTATE CONTRACT-INSTALLMENTS

H.K.C. & B.L.C.
IT IS AGREED this ~~13~~th day of August, 2000, by and between Raccoon Valley State Bank, an Iowa Corporation of the County Dallas, State of Iowa, Sellers; and Howard K. Clayton, Sr. and Betty L. Clayton of the County of Dallas, State of Iowa, Buyers;

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 Madison, State of Iowa, to-wit:

See attached "Exhibit A"

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 Buyers agree to pay for said property the total of \$97,129.42 due and payable at 1009 Court St., Dallas County, Iowa, as follows:

(a) **DOWN PAYMENT** of \$ 0.00 **RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED:** and

(b) **BALANCE OF PURCHASE PRICE.** \$ 97,129.42, as follows \$748.06 including 8.5% **INTEREST** (or more at the option of the Buyers) on or before the September 25, 2000, and \$ 748.06 on or before the 25th day of each and every **MONTH** thereafter including interest on unpaid balances thereof at the rate of 8.5% per annum, payable **MONTHLY** through and including August 25, 2003 with the entire unpaid principal and interest balance due on September 25, 2003. Payments shall be applied first to the interest then unpaid and next upon the balance of the principal.

2. **POSSESSION.** Buyers, concurrently with due performance on their part shall be entitled to possession of said premises on the 18th day of August, 2000; and thereafter so long as they shall perform the obligations of this contract. Buyers take subject to the rights of lessees, if any, and are entitled to rentals therefrom on and after date of possession.

3. **TAXES.** Sellers shall pay no taxes. Buyers shall be responsible for all unpaid taxes, even

delinquent taxes (including any penalties thereon), that have already accrued and that will accrue in the future. Buyers acknowledge that real estate taxes are delinquent and has the responsibility to bring the taxes current. Buyers shall furnish to Sellers evidence of payment of taxes and special assessments upon request and if no request is made, not later than July 15 of each year.

4. SPECIAL ASSESSMENTS. Buyers shall pay all special assessments and charges before they become delinquent.

5. MORTGAGE. Sellers, 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 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. 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.

6. INSURANCE. Except as may be otherwise included in the last sentence of paragraph 1(b) above, Buyers as 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 greater with such insurance payable to Sellers and Buyers as their interests may appear. **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, 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 Sellers, be added to the principal amount due hereunder and so secured.

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 tenants with rights of survivorship and not as tenants in common; and Buyers, in the event of the death of one of such joint tenants, 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 this 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 the 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 give Special Warranty as to the period after equitable title passes to Buyers; (f) Spouse if not titleholder, need not join in any warranties of the deed unless otherwise stipulated; and (g) Buyers take subject to any rights of holders in possession.

14. DEED AND ABSTRACT. 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 have been complied with, Sellers will execute and deliver to Buyers a Warranty Deed conveying said premises in fee simple pursuant to and in conformity with this contract. All abstracting costs shall be born by Buyers, however such abstract 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 oral or written agreements between the parties concerning the above described property, except any quit claim deeds executed and delivered by Buyers to Sellers and any release of redemption rights by Buyers made or done in conjunction with the execution of this contract.

15. APPROVAL OF ABSTRACT. Buyers have examined abstract examined the abstract of title to this property and such abstract is Buyers have accepted abstract 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 for 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 tenants 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 of 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 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 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 attorney's fees.

19. INTEREST ON DELINQUENT AMOUNTS. Either party will pay interest at the highest legal contract rate applicable to a natural person 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.

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 personalty 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 hereto 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 Buyers 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 Paint and/or Lead-Based Paint Hazard.

25. SPECIAL PROVISIONS.

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.

NKC'24 BLC.

Dated: ~~18~~th day of August, 2000



Raccoon Valley State Bank, an Iowa Corporation, Seller
1009 Court St., Adel, Iowa 50002

Howard K. Clayton Sr.
Howard K. Clayton, Sr., Buyer
~~1917 105th St., Earlham, Iowa 50072~~
319 N. 11th, Adel, Iowa 50003

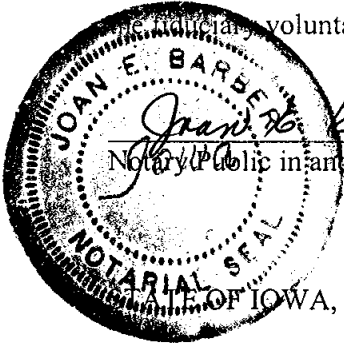
Betty L. Clayton
Betty L. Clayton, Buyer
~~1917 105th St., Earlham, Iowa 50072~~
319 N. 11th, Adel, Iowa 50003

STATE OF IOWA, COUNTY OF DALLAS, ss,

NKC'24 BLC.

On this ~~18~~th day of August, 2000, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared *Daran T Ryan* and *Roger Platz*, to me personally known, who, being by me duly sworn, did say that they are the *Executive V P* and *Cashier*, respectively, of the corporation executing the foregoing instrument; that (no seal has been procured)(the seal affixed thereto is the seal of) the corporation; that the instrument was signed (and sealed) on behalf of the corporation by authority of its Board of Directors; that *Daran T. Ryan* and *Roger Platz* acknowledged the execution of the instrument to be the voluntary act and deed of the corporation and of the fiduciary, by them and as

the instrument voluntarily executed.



Joan E. Barber
Notary Public in and for the State of Iowa

STATE OF IOWA, DALLAS COUNTY, ss:

On this 24th day of August, 2000, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Howard K. Clayton, Sr. and Betty L. Clayton to me known to be the identical persons named in and who executed the within and foregoing instrument, and acknowledged that he executed the same as their voluntary act and deed.

[Signature]
Notary Public in and for the State of Iowa

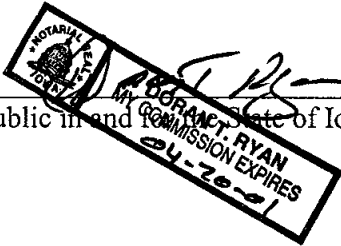


Exhibit "A"

A parcel of land in the Southwest Quarter (SW $\frac{1}{4}$) of the Northwest Quarter (NW $\frac{1}{4}$) of Section Three (3), Township Seventy-seven (77) North, Range Twenty-eight (28) West of the 5th P.M., Madison County, Iowa, more particularly described as follows: Commencing at the West Quarter Corner of Section Three (3), Township Seventy-seven (77) North, Range Twenty-eight (28) West of the 5th P.M., thence North 90°00'00" East 945.00 feet along the Quarter Section Line to the point of beginning. Thence continuing North 90°00'00" East 268.20 feet, thence North 00°30'57" West 248.99 feet, thence North 15°22'27" West 199.54 feet, thence North 90°00'00" West 204.93 feet; thence South 01°03'18" West 441.45 feet to the point of beginning. Said parcel contains 2.543 Acres including 0.246 Acres of county road right of way.