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DOV# 573

Preparer Information John E. Casper, 223 E. Court Avenue,

MICHELLE "MICKI" UTSLER, COUNTY RECORDER
MADISON IOWA (515) 462-4912

Individual's Name	Street Address	City	Phone
John E. Casper ISBA # 000000816	SPACE ABOVE THIS LINE FOR RECORDER		

Address Tax Statement: Jerrold J. Narland
✓ MCA 122 South 7th Avenue
Winterset, Iowa 50273

30 November
2004 Joan Welch

REAL ESTATE CONTRACT (SHORT FORM)

IT IS AGREED between the Union State Bank, of Winterset, Iowa, ("Sellers"); and Jerrold J. Narland and Orlene Neal Narland, husband and wife, as joint tenants with full rights of survivorship and not as tenants in common ("Buyers").

Sellers agree to sell and Buyers agree to buy real estate in Madison County, Iowa, described as:

Lot Seven (7) in Block Fifteen (15) of Pitzer & Knight's Addition to the Town of Winterset, Madison County, Iowa



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 easements; interest of others.) (the "Real Estate"), upon the following terms:

1. **PRICE.** The total purchase price for the Real Estate is Eighty-three Thousand and 0/100 Dollars (\$83,000.00) of which Eighteen Thousand Three Hundred Eighteen Dollars and Sixty-three Cents (\$18,318.63) has been paid. Buyers shall pay the balance to Sellers at 201 West Court Avenue, Winterset, Iowa, 50273 or as directed by Sellers, as follows:

\$493.48, or more, due on or before January 10, 2005; and, \$493.48, or more, due on or before the tenth day of each month thereafter until December 10, 2009 when all remaining balances due hereunder shall be due and payable in full. The Buyer shall pay Seller interest upon the unpaid principal balances from November 23, 2004 at the rate of six and three-fourths percent (6.75 %) per annum payable monthly as provided herein. The monthly payments include principal and interest. All payments shall be first credited towards the interest accrued to the date of the payment and the balance towards the reduction in principal. Buyers shall also pay interest at the rate provided under paragraph nineteen of this contract on all delinquent amounts and any sums reasonably advanced by Seller to protect their interest in this Contract, computed from the date of the delinquency or advance.

In addition to the foregoing monthly payment, the Buyer shall each month on the payment due date pay to the Seller one-twelfth (1/12th) of the annual insurance premium and property taxes on the premises to be held by the Seller in an escrow fund established by the Seller. The monthly escrow amount shall be established by the Seller and Buyer at the time of closing. Seller shall use these funds to pay the real estate taxes and insurance prior to their delinquency. Any funds from the property tax proration allocated to the Buyer at the closing shall be deposited into this escrow fund. The parties shall review and make adjustments in the amount of the monthly deposit to this account as necessary to allow for the timely

payment of the insurance premium and property taxes during the term of this real estate sales contract.

2. REAL ESTATE TAXES. Sellers shall pay the property taxes accrued to the date of the Buyers' possession and payable in the fiscal year commencing on July 1, 2005 and any unpaid real estate taxes payable in prior years. Buyers shall pay all subsequent real estate taxes. Any proration of real estate taxes on the Real Estate shall be based upon such taxes payable in the fiscal year commencing on July 1, 2004 unless the parties state otherwise.

3. SPECIAL ASSESSMENTS. Sellers shall pay all special assessments which are a lien on the Real Estate as of the date of the Buyers' possession. All other special assessments shall be paid by Buyers.

4. POSSESSION CLOSING. Sellers shall give Buyers possession of the Real Estate on November 23, 2004, provided Buyers are not in default under this contract. Closing shall be on or about November 23, 2004.

5. INSURANCE. Sellers shall maintain existing insurance upon the Real Estate until the date of possession. Buyers shall accept insurance proceeds instead of Sellers replacing or repairing damaged improvements. After possession and until full payment of the purchase price, Buyers shall keep the improvements on the Real Estate insured against loss by fire, tornado, and extended coverage for a sum not less than one hundred percent (100%) of full insurable value payable to the Sellers and Buyers as their interests may appear. Buyers shall provide Sellers with evidence of such insurance.

6. ABSTRACT AND TITLE. Sellers, at their expense, shall promptly obtain an abstract of title to the Real Estate continued through the date of this contract and deliver it to Buyers for examination. It shall show merchantable title in Sellers in or conformity with this contract, Iowa law and the Title Standards of the Iowa State Bar Association. The abstract shall become the property of the Buyers when the purchase price is paid in full, however, Buyers reserve the right to occasionally use the abstract prior to full payment of the purchase price. Sellers shall pay the costs of any additional abstracting and title work due to any act or omission of Sellers, including transfers by or the death of Sellers or their assignees.

7. FIXTURES. All property that integrally belongs to or is part of the Real Estate, whether attached or detached, such as light fixtures, shades, rods, blinds, awnings, windows, storm doors, screens, plumbing fixtures, water heaters, water softeners, automatic heating equipment, air conditioning equipment, wall to wall carpeting, built-in items and electrical service cable, outside television towers and antenna, fencing, gates and landscaping shall be considered a part of Real Estate and included in the sale except the Goal setter basketball set including the mounting bracket in the ground, hot tub, some perennial flowers such as Iris's around deck, and swing set and club house in the back yard. The sales contract includes the kitchen refrigerator, stove unit, microwave and dishwasher, draperies in the first level living room and master bedroom, and the portable shed in the back yard.

8. CARE OF PROPERTY. Following their possession, Buyers shall take good care of the property; shall keep the buildings and other improvements now or later placed on the Real Estate in

good and reasonable repair and shall not injure, destroy or remove the property. Buyer shall not make any material alteration to the Real Estate without the written consent of the Seller.

9. **DEED.** Upon payment of purchase price, Sellers shall convey the Real Estate to Buyers or their assignees, by warranty deed, free and clear of all liens, restrictions, and encumbrances except as provided herein. Any general warranties of title shall extend only to the date of this contract, with special warranties as to acts of Sellers continuing up to time of delivery of the deed.

10. **REMEDIES OF THE PARTIES.** a. 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 tenants holding over, unlawfully after the expiration of lease, and may accordingly be ousted and removed as such as provided by law.

b. 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 successors 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. Upon completion of such 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 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.

c. If Sellers fail to timely perform their obligations under this contract, Buyers shall have the right to terminate this contract and have all payments made returned to them.

d. Buyers and Sellers are also entitled to utilize any and all other remedies or actions at law or in equity available to them.

e. In any action or proceeding relating to this contract the successful party shall be entitled to receive reasonable attorney's fees and costs as permitted by law.

11. JOINT TENANCY IN PROCEEDS AND IN REAL ESTATE. If Sellers, immediately preceding this contract, hold title to the Real Estate in joint tenancy with full right of survivorship, and the joint tenancy is not later destroyed by operation of law or by acts of Sellers, then the proceeds of this sale, and any continuing or recaptured rights of Sellers in the Real Estate, shall belong to Sellers as joint tenants with full right of survivorship and not as tenants in common; and Buyers, in the event of the death of either Seller, agree to pay any balance of the price due Sellers under this contract to the surviving Seller and to accept a deed from the surviving Seller consistent with paragraph 10.

12. JOINDER BY SELLER'S SPOUSE. Seller's spouse, if not a titleholder immediately preceding acceptance of this offer, executes this contract only for the purpose of relinquishing all rights of dower, homestead and distributive shares or in compliance with Section 561.13 of the Iowa Code and agrees to execute the deed for this purpose.

13. TIME IS OF THE ESSENCE. Time is of the essence in this contract.

14. PERSONAL PROPERTY. If this contract includes the sale of any personal property, Buyers grant the Sellers a security interest in the personal property and Buyers shall execute the necessary financing statements and deliver them to Sellers.

15. CONSTRUCTION. Words and phrases in this contract shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender, according to the context.

16. 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.

17. **AS "IS" CONDITION.** The parties agree the premises are sold in its "AS IS" condition; the Sellers make no representation or warranties, express or implied, as to the habitability, structural quality or usability of the premises; and, the Buyers acknowledge full opportunity to inspect the structural, electrical, plumbing, sewer and other conditions of the premises.

18. **LEAD-BASED PAINT NOTICE.** This contract is contingent upon a risk assessment or inspection of the property for the presence of lead-based paint and/or lead-based paint hazards at the purchaser's expense until 9 p.m. on the tenth calendar-day after ratification of this contract. (Intact lead-based paint that is in good condition is not necessarily a hazard. See the EPA pamphlet Protect Your Family from Lead in Your Home for more information). This contingency will terminate at the above predetermined deadline unless the purchaser (or purchaser's agent) delivers to the seller (or seller's agent) a written contract addendum listing the specific existing deficiencies and corrections needed, together with a copy of the inspection and/or risk assessment report. The seller may, at the seller's option, within ten (10) days after delivery of the addendum, elect in writing whether to correct the condition(s) prior to settlement. If the seller will correct the condition, the seller shall furnish the purchaser with certification from a risk assessor or inspector demonstrating that the condition has been remedied before the date of the settlement. If the seller does not elect to make the repairs, or if the seller makes a counter-offer, the purchaser shall have ten (10) days to respond to the counter-offer or remove this contingency and take the property in "as is" condition or this contract shall become void. The purchaser may remove this contingency at any time without cause.

19. **MISCELLANEOUS TERMS.** The Seller agrees at their cost prior to Buyer's possession to remove the tree limb hanging over the house roof; repair the upstairs front West window; and; repair the basement water pipe in Northeast corner. In addition, the Seller shall preserve the property as of the date of this Sales Contract including all buildings and other improvements in its present condition until the date of Buyer's possession, ordinary wear and tear excepted. The Buyer shall be permitted to make an inspection(s) of the property prior to their possession or closing, whichever is sooner, in order to determine that there has been no change in the condition of the property and that the Seller has completed the repairs described in this paragraph.

Dated: November 23, 2004 at Winterset, Iowa.

Sellers: Union State Bank

By: Jeffrey J. Nolan, Pres
Jeffrey J. Nolan, President

Buyers:

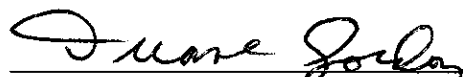
Jerrold J. Narland
Jerrold J. Narland

Orlene Neal Narland
Orlene Neal Narland

STATE OF IOWA, MADISON COUNTY, ss;

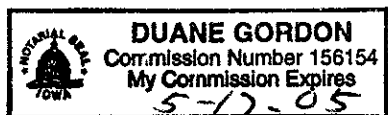
This instrument was acknowledged before me on November 23, 2004, by Jerald J. Narland and Orlene Neal Narland.

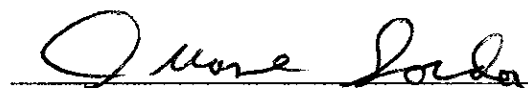



Notary Public in and for said State of Iowa

STATE OF IOWA, MADISON COUNTY, ss:

On November 23, 2004, before me, the undersigned, a Notary Public in and for said State, personally appeared Jeffrey J. Nolan to me personally known, who being by me duly sworn, did say that he is the President, respectively, of said corporation; that no seal has been procured by the said corporation that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and that the said Jeffrey J. Nolan as such officer, acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by him voluntarily executed.




Notary Public in and for said State of Iowa