

FILED NO. **000963**

BOOK **2003** PAGE **963**

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MICKI OYSLER
RECORDER
MADISON COUNTY, IOWA

REC \$ **15.00**
AUD \$ **5.00**
R.M.F. \$ **1.00**

COMPUTER
RECORDED
COMPARED

Preparer Information John E. Casper, 223 E. Court Avenue, Winterset, (515) 462-4912
Individual's Name Street Address City Phone
John E. Casper ISBA # 00000816

SPACE ABOVE THIS LINE
FOR RECORDER

Address Tax Statements: Mary Anne Dunham Sterner, 1271 Badger Creek Rd., Van Meter, IA 50261

REAL ESTATE CONTRACT (SHORT FORM)

IT IS AGREED between RUSSELL M. LANDER and ALICE M. LANDER, Husband and Wife, ("Sellers"); and MARY ANNE DUNHAM STERNER ("Buyers").

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

The Northwest Quarter (NW1/4) of the Southeast Quarter (SE1/4) of Section Twenty-four (24), Township Seventy-seven (77) North, Range Twenty-seven (27) West of the 5th P.M., 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.) NONE (the "Real Estate"), upon the following terms:

1. **PRICE.** The total purchase price for the Real Estate is Seventy-Six Thousand and 0/100 Dollars (\$76,000.00) of which Ten Thousand and 0/100 Dollars (\$ 10,000.00) has been paid. Buyers shall pay the balance to Sellers at Winterset, Iowa on January 7, 2004.

2. **REAL ESTATE TAXES.** Sellers shall pay one-fourth (1/4) of the property taxes payable upon the premises during the fiscal year commencing on July 1, 2004, 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 for the year currently payable 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 this contract. All other special assessments shall be paid by Buyers.

4. **POSSESSION CLOSING.** Sellers shall give Buyers possession of the Real Estate on October 1, 2003, provided Buyers are not in default under this contract. Closing shall be on or about October 1, 2003.

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 80 percent 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: (consider: rental items.) None

8. **CARE OF PROPERTY.** 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 during the term of this contract. Buyers shall not make any material alteration to the Real Estate without the written consent of the Sellers.

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 fail to timely perform this contract, Sellers may, at Sellers' option, forfeit Buyers rights in this contract as provided in the Iowa Code, and all payments made by Buyers shall be forfeited. 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.

b. 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.

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

d. 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. ADDITIONAL PROVISIONS.

18. The Seller retains the right to receive the Farm Service Agency CRP payment on this real estate for the 2003 year.

19. The Buyer shall not have the right to prepay any principal due under this Sales Contract and Buyer specifically waives the right, if any, to tender Seller any such prepayment.

20. The Seller grants the Buyer a right of way ingress and egress access easement to the above described real estate upon, along and over the real estate legally described as:

**The Southwest Quarter of the Southeast Quarter of Section 24, Township 77 North,
Range 27 West of the 5th P.M., Madison County, Iowa,**

through the gate located about 300 feet west of Seller's residence. This easement shall be personal to the Buyer and their invitees; shall not be a public right of way; and shall be for the conduct and operation of Buyer's farm located upon this real estate and adjoining real estate. This Agreement shall be a covenant running with the land binding upon the parties, their successors and assigns and shall survive the executory term of this Sales Contract.

21. The Seller at their cost on or before October 1, 2003, shall have a registered land surveyor establish the parcel corners and South fence line of the real estate being sold.

22. The Buyer at their cost shall install the partition fences upon the above described real estate. Thereafter, the parties shall maintain the fence bearing one-half of the costs each. This agreement shall be a covenant running with the land binding upon the parties, their successors and assigns and shall survive beyond the executory term of this Sales Contract.

23. The Seller hereby grants the Buyer an option to be exercised in the 2005 calendar year only to purchase the real estate now owned by Seller which is legally described as:

**The Northwest Quarter of the Southwest Quarter of Section 24, Township 77 North, Range 27 West
of the 5th P.M., Madison County, Iowa.**

The parties agree the purchase price for this real estate shall be Seventy-six Thousand Dollars (\$76,000.00). The terms and conditions of this purchase option shall be that the Buyer shall tender Seller Ten Thousand Dollars (\$10,000.00)

of the purchase price upon the exercise of this option and shall tender all remaining balances owed in one (1) payment upon Seller's tender of the deed and abstract. The Buyer shall be entitled to possession of this real estate on the earliest date after Buyer's exercise of the option that Seller is able to tender possession after the termination of any leasehold interest, if any. The Seller shall pay any special assessments against this real estate which are a lien against such real estate as of the date of the Buyer's possession. The property taxes shall be prorated to the date of the Buyer's possession based upon the taxes for the year currently payable at the time of the Buyer's possession. The land survey costs, if any, shall be paid by the Seller. This purchase option terms shall also include the same terms as set forth in paragraphs 6 through 13 inclusive and paragraphs 16, 19 and 22 of this real estate contract. This purchase option shall be binding upon the Seller, their successors and assigns. The farm cash rents on the real estate subject to option shall be prorated in the year of sale to the date of Buyer's possession based upon a crop year commencing on March 1st.

24. In the event the Buyer exercises the purchase option under paragraph 23 then the parties agree that the abstract showing merchantable title for the parcel of real estate being purchased by the Buyer shall be the same abstract for the real estate being sold pursuant to this Sales Contract. The Seller shall pay the additional abstracting costs necessary to show Seller's merchantable title in conformity with the purchase option terms, Iowa law and the Title Standards of the Iowa State Bar Association and also pay the costs of any abstracting due to any act or change in the affairs of the Seller resulting in a change of title by operation of law or otherwise for the real estate being purchased by the Buyer.

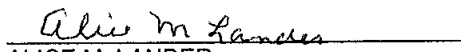
I UNDERSTAND THAT HOMESTEAD PROPERTY IS IN MANY CASES PROTECTED FROM THE CLAIMS OF CREDITORS AND EXEMPT FROM JUDICIAL SALE; AND THAT BY SIGNING THIS CONTRACT, I VOLUNTARILY GIVE UP MY RIGHT TO THIS PROTECTION FOR THIS PROPERTY WITH RESPECT TO CLAIMS BASED UPON THIS CONTRACT.

Dated: February 18, 2003


MARY ANNE DUNHAM STERNER

Dated: February 12, 2003


RUSSELL M. LANDER


ALICE M. LANDER


MARY ANNE DUNHAM STERNER

STATE OF IOWA, MADISON COUNTY, ss;

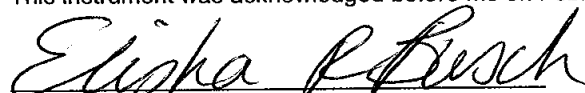
This instrument was acknowledged before me on February 12, 2003 by RUSSELL M. LANDER and ALICE M. LANDER.


Notary Public in and for the State of Iowa



STATE OF IOWA, MADISON COUNTY, ss;

This instrument was acknowledged before me on February 18, 2003 by MARY ANNE DUNHAM STERNER.


Notary Public in and for the State of Iowa

