

THE IOWA STATE BAR ASSOCIATION
OFFICIAL FORM NO. 142

FOR THE LEGAL EFFECT OF THE USE
OF THIS FORM, CONSULT YOUR LAWYER

COMPARED



REAL ESTATE CONTRACT-INSTALLMENTS

IT IS AGREED this _____ day of _____, 19____, by and between Merlyn R. Hammond a/k/a
Merlyn Robert Hammond, a single person

of the County Madison, State of Iowa, Sellers; and Shawn P. Riley, a single person

of the County of Polk, 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:

A tract of land described as follows: Beginning at a point 84.4 feet East and 44.3 feet South of the Northwest corner of the Northeast Quarter (NE¼) of the Southwest Quarter (SW¼) of Section Twelve (12), Township Seventy-four (74) North, Range Twenty-seven (27) West of the 5th P.M., Madison County, Iowa, running thence South 39°02', West 47.63 feet, thence South 378 feet, thence East 183 feet, thence North 124 feet, thence East 144 feet, thence North 267 feet, thence West to the place of beginning.

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 of 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 \$ 30,000.00 due and payable at _____ County, Iowa, as follows:

(a) DOWN PAYMENT of \$ 4,000.00 RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED: and
(b) BALANCE OF PURCHASE PRICE \$ 26,000.00 as follows \$ 228.17 (principal and interest) or more at the option of the Buyer, payable on or before the 1st day of each and every month beginning July 1, 1992 until all of said principal sum and interest on every part thereof at the rate of 10 percent per annum from May 28, 1992 is fully paid; said payment to be applied first in payment of all interest then accrued on the remainder of said principal sum.

The unpaid balance of this contract shall become due and payable in full on May 1, 1994.

In the event this contract is assigned or the premises sold or conveyed, then the unpaid balance of this contract shall become immediately due and payable in full.

2. POSSESSION. Buyers, concurrently with due performance on their part shall be entitled to possession of said premises on the 28th day of May, 1992, and thereafter so long as they shall perform the obligations of this contract. If Buyers are taking subject to the rights of lessees and are entitled to rentals therefrom on and after date of possession, so indicate by "yes" in the space following _____

3. TAXES. Sellers shall pay ten months and 28 days of the 1991/92 real estate taxes due and payable in fiscal year 1992/93, prior to said taxes becoming delinquent.

and any unpaid taxes thereon payable in prior years. Buyers shall pay any taxes not assumed by Sellers 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 parties 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. (Decide, for yourself, if that formula is fair if Buyers are purchasing a lot with newly built improvements.)

4. SPECIAL ASSESSMENTS. Sellers shall pay the special assessments against this property: (Strike out either (a) or (b) below.)

~~X~~ (a) Which are a lien thereon as of _____

(b) Which are a lien thereon as of May 28, 1992 (Date)

(c) Including all sewage disposal assessments for coverage charge heretofore assessed by any municipality having jurisdiction as of date of possession.

Buyers, except as above stated, shall pay all subsequent special assessments 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 Sellers so as not to prejudice the Buyers' equity herein. Should Sellers fail to pay, Buyers may pay any such sums in default and shall receive credit on this contract for such sums so paid. MORTGAGE BY SELLERS. 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 100 % 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. Buyers hereby expressly consent to such a mortgage and agree to execute and deliver all necessary papers to said Sellers in securing such a mortgage which shall be prior and paramount to any of Buyers' then rights in said property. DEED FOR BUYERS SUBJECT TO MORTGAGE. If Buyers have 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 Sellers, at their option, any time before Buyers have made such a mortgage commitment, may reduce or pay off such mortgage. ALLOCATED PAYMENTS. Buyers, 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, reserve the right, if reasonably necessary for their protection to divide or allocate the payments to the interested parties as their interests may appear. SELLERS AS TRUSTEES. Sellers agree 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 Sellers or their assigns in said real estate; and if Sellers 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 Buyers for the use and benefit of the Buyers.

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 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 compliance 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 smaller 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.

*Not Amended + Substituted Contract
See Deed Record 133-351
9-2-94*

3115
Inst. No. _____
Book 130 Page 138
Filed for Record this 22nd day of JUNE 1992
Michelle Utaler, Recorder, By [Signature] Deputy

STATE OF IOWA, SS.
MADISON COUNTY,

