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Hopkin & Huebner, P.C.  
2700 Grand Avenue, Suite 111  
Des Moines, Iowa 50312

MICHELLE UTSLER  
RECORDER  
MADISON COUNTY, IOWA

SPACE ABOVE THIS LINE  
FOR RECORDER



### REAL ESTATE CONTRACT (SHORT FORM)

IT IS AGREED between Norma Dee Partnership, a partnership consisting of Bonnie Dee Townsend and Norma V. Rosewall by Bonnie Dee Townsend, partner, Norma V. Rosewall, partner, Bonnie Dee Townsend, unmarried and Norma V. Rosewall, unmarried ("Sellers"), and Glen D. Knowles and Lisa Lutter Knowles, 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 County, Iowa, described as:

Lot Thirteen (13) of Evans Rural Estates Sub-District, being a part of the Northeast Quarter (1/4) of Section Twenty-five (25), in Township Seventy-seven (77) North, Range Twenty-six (26) 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; interests of others.) \_\_\_\_\_

(the "Real Estate"), upon the following terms:

1. **PRICE.** The total purchase price for the Real Estate is Thirty-five Thousand Dollars (\$ 35,000.00 ) of which One Thousand Dollars (\$ 1,000.00 ) has been paid. Buyers shall pay the balance to Sellers at West Des Moines, Iowa or as directed by Sellers, as follows: Three Thousand Dollars upon signing and

The balance of Thirty-one Thousand Dollars (\$31,000) will be paid in monthly installments of One Thousand Dollars (\$1,000) per month due on the 20th day of each month with the remaining balance due and payable on March 20, 1995.

2. **INTEREST.** Buyers shall pay interest from the date of this contract on the unpaid balance, at the rate of 8 percent per annum. ~~payments shall first be applied to interest then to principal. There is no prepayment penalty.~~

Buyers shall also pay interest at the rate of 8 percent per annum on all delinquent amounts and any sum reasonably advanced by Sellers to protect their interest in this contract, computed from the date of the delinquency or advance.

3. **REAL ESTATE TAXES.** Sellers shall pay all real estate taxes prorated to date of signing of this Real Estate Contract

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.

4. **SPECIAL ASSESSMENTS.** Sellers shall pay all special assessments which are a lien on the Real Estate as of the date of this contract ~~XX~~ All other special assessments shall be paid by Buyers.

5. **POSSESSION.** Sellers shall give Buyers possession of the Real Estate on signing of this Real Estate Contract provided Buyers are not in default under this contract.

6. **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.

7. **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 through delivery of deed 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.

8. **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) \_\_\_\_\_

9. **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.

10. **DEED.** Upon payment of purchase price, Sellers shall convey the Real Estate to Buyers or their assignees, by General 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.

11. **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.

~~xxxxxx~~ 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.

12. **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.

13. **JOINER 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.

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

15. **PERMANENT RIGHTS.** This contract creates the sale of real property, and the Sellers a special interest in the proceeds of the sale of the real property, to be held in trust for the purposes set forth herein.

16. **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.

17. **ADDITIONAL PROVISIONS.**

- a. Any payment in excess of \$1000.00 per month shall be applied directly to reduce the principal amount of this Contract.
- b. Payments are due on the 20th day of each month, but Sellers grant Buyers a 10 day grace period before any payment shall be considered delinquent.

Norma Dee Partnership  
Bonnie Dee Townsend  
by Bonnie Dee Townsend, one of the 2 partners of the Norma Dee Partnership  
Norma V. Rosewall  
by Norma V. Rosewall, one of the 2 partners of Norma Dee Partnership  
Bonnie Dee Townsend, an unmarried individual  
Norma V. Rosewall, an unmarried individual  
SELLERS

Dated March 26<sup>th</sup> 1993  
Glen D. Knowles  
Lisa Butler Knowles  
BUYERS

STATE OF Iowa COUNTY OF POLK SS:  
I, Bonnie Dee Townsend before me, the undersigned, a Notary Public in and for said State, personally appeared \_\_\_\_\_

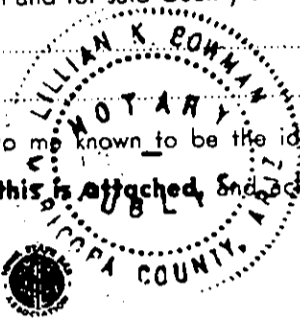
and he/she/it is known to be the identical persons named in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their voluntary act and deed.  
Shyllis C. Raffay  
Notary Public in and for Said State.

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

STATE OF ~~IOWA~~ <sup>Arizona</sup> MARICOPA COUNTY, ss:

On this 22<sup>ND</sup> day of MARCH, A. D. 1993, before me, the undersigned, a Notary Public  
in and for said County and State, personally appeared Norma V. Rosewall

to me known to be the identical persons named in and who executed the within and foregoing instrument, to which  
this is attached, and acknowledged that they executed the same as their voluntary act and deed.



*Lillian K. Bowman*

Notary Public in and for said County and State

My Commission Expires January 23, 1994

IOWA STATE BAR ASSOCIATION

Official Form No. 11 (Trade-Mark Registered, State of Iowa, 1967)  
905126 This Printing: May, 1979

(Section 95B.39, Code of Iowa)