



# REAL ESTATE CONTRACT (SHORT FORM)

It Is Agreed between Patricia Olson

of Madison County, Iowa, Sellers, and, JAB Industries, Inc

of Polk County, Iowa, Buyers:

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

REC \$ 25.00  
AUDS  
R.M.F. \$ 1.00

Commencing at a point 22 feet North of the South-west Corner of Lot 4 in Block 25 of the Original Town of Winterset, Madison County, Iowa, running thence East 33 feet, thence North 34 feet, thence West 33 feet, thence South 34 feet to the place of beginning,

FILED NO. \_\_\_\_\_  
BOOK \_\_\_\_\_ PAGE \_\_\_\_\_

STATE OF IOWA, SS. Inst No. 3214 Filed for Record this 20 day of May 19 94 at 10:49 AM  
MADISON COUNTY, Book 59 Page 266 Recording Fee \$ 26.00 Michelle Utzler, Recorder. By Betty M. Nibbe Deputy

together with all easements and servient estates appurtenant thereto, upon the following terms: **MADISON COUNTY, IOWA**

1. **TOTAL PURCHASE PRICE** for said property is the sum of 40,000 & no/100 Dollars (\$ 40,000)  
of which 21,000 Thousand & no/100 Dollars (\$ 21,000) has been paid herewith, receipt of which is hereby acknowledged by Sellers; and Buyers agree to pay the balance to Sellers at residence of Sellers, or as directed by Sellers, as follows:

\$3,000.00 on 15 of May, 1994, and \$300.00 on the 15 day of each month thereafter until October 15 1994 at which time the entire balance of interest and principal then unpaid shall be due and payable in full. Buyer shall have the right to make additional payments of P.O. principal at any time, including payment in full.

COMPUTER   
RECORDED   
COMPARED

2. **INTEREST.** Buyers agree to pay interest from \_\_\_\_\_ upon the unpaid balances, at the rate of None per cent per annum, payable monthly as a portion of the monthly payments above stated.

3. **TAXES.** Sellers agree to pay all real estate taxes payable in the fiscal year that began \_\_\_\_\_, and any unpaid taxes thereon payable in prior years and any and all special assessments for improvements which have been installed at the date of this contract; and Buyers agree to pay, before they become delinquent, all other current and subsequent taxes and assessments against said premises. **Any proration of taxes shall be based upon the taxes for the year currently payable unless the parties state otherwise.\***

4. **POSSESSION.** Sellers agree to give Buyers possession of said premises on or before APRIL 15 1994.

5. **INSURANCE.** Sellers agree to carry existing insurance until date of possession and Buyers agree to accept the insurance recovery instead of replacing or repairing buildings or improvements. Thereafter until final settlement, Buyers agree to keep the improvements upon said premises insured against loss by fire, tornado and extended coverage for a sum not less than \$40,000.00 or the balance owing under this contract, whichever is less, with insurance payable to Sellers and Buyers as their interests may appear, and to deliver policies therefor to Sellers.

6. **ABSTRACT.** Sellers agree to forthwith deliver to Buyers for their examination abstract of title to said premises continued to the date of this contract showing merchantable title in accordance with Iowa Title Standards. After examination by Buyers the abstract shall be held by Sellers until delivery of deed. Sellers agree to pay for an additional abstracting which may be required by acts, omissions, death or incompetency of Sellers, or either of them, occurring before delivery of deed.

7. **FIXTURES.** All light fixtures, electric service cable and apparatus, shades, rods, blinds, venetian blinds, awnings, storm and screen doors and windows, attached linoleum, attached carpeting, water heater, water softener, outside TV tower and antenna, attached fencing and gates, pump jacks, trees, shrubs and flowers and any other attached fixtures are a part of the real estate and are included in this sale except

\*This formula is fair if Buyers are purchasing a lot with newly built improvements.

8. **CARE OF PROPERTY.** Buyers shall not injure, destroy or remove the improvements or fixtures or make any material alterations thereof without the written consent of Sellers, until final payment is made.

9. **DEED.** Upon payment of all sums owing by Buyers to Sellers by virtue of this contract, Sellers agree to contemporaneously execute and deliver to Buyers a warranty deed upon the form approved by The Iowa State Bar Association and which shall be subject to:

- (a) Liens and encumbrances suffered or permitted by Buyers, and taxes and assessments payable by Buyers.
- (b) Applicable zoning regulations and easements of record for public utilities and established roads and highways.

(c) 21,000 down, Balance as is follows: P.O.  
On or before October 15, 1994 of 19,000 <sup>00</sup> <sub>RP</sub>

10. **FORFEITURE AND FORECLOSURE.** If Buyers fail to perform this agreement in any respect, time being made the essence of this agreement, then Sellers may forfeit this contract as provided by Chapter 656 of the Iowa Code and all payments made and improvements made on said premises shall be forfeited; or Sellers may declare the full balance owing due and payable and proceed by suit at law or in equity to foreclose this contract, in which event Buyers agree to pay costs and attorney fees and any other expense incurred by Sellers. It is agreed that the periods of redemption after sale on foreclosure may be reduced under the conditions set forth in Sections 628.26 and 628.27, Code of Iowa.

11. **PERSONAL PROPERTY.** If this contract includes personally, then Buyer grants Seller a security interest in such personally. In the case of Buyer's default, Seller may, at his option, proceed in respect to such personally in accordance with the Uniform Commercial Code of Iowa and treat such personally in the same manner as real estate, all as permitted by Section 554.9501(4), Code of Iowa.

12. **JOINT TENANCY IN PROCEEDS AND IN SECURITY RIGHT IN REAL ESTATE.** If, and only if, the Sellers, immediately preceding this sale, hold the title to the above described property in joint tenancy, this sale shall not constitute a destruction of that joint tenancy. In that case, all rights of the Sellers in this contract, in the proceeds thereof, and in any continuing or recaptured rights of Sellers in said real estate, shall be and continue in Sellers as joint tenants with full rights of survivorship and not as tenants in common. 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 and to accept deed executed solely by such survivor; but with due regard for the last sentence of paragraph 6, above.

13. **"SELLERS."** Spouse, if not a 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 this 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.

14. (Here add further terms or provisions) See further terms and conditions set forth in Exhibit "A" attached hereto and made a part hereof. Words and phrases herein shall be construed as singular or plural and as masculine, feminine or neuter gender according to the context

Dated this 13<sup>th</sup> day of May 1994

William A. Shumaker Pres. JAB Ind Inc  
William A. Shumaker BUYERS  
590 NW 54<sup>th</sup> Ct

Pat Olson  
Patricia Ruth Inc  
PATRY OLSON SELLERS

Johnston Ia 50131  
Buyers' Address

Sellers' Address

STATE OF IOWA MADISON COUNTY, ss:

On this 13 day of April, A. D. 1994, before me, the undersigned, a Notary Public in and for said State, personally appeared William A. Shumaker and Pat Olson

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



James E. Thompson  
Notary Public in and for State

EXHIBIT "A"

ADDITIONAL TERMS AND CONDITIONS

15. Buyer agrees that Sellers shall not be required to comply with the requirements of the Bulk Sales Law included in the Iowa Uniform Commercial Code. This is done with the understanding and agreement that Sellers shall pay all of its creditors, if any, and shall hold Buyer harmless from all claims by such creditors. Sellers shall pay all debts incurred in connection with said business through \_\_\_\_\_.

16. The parties acknowledge that the purchase price set forth at Paragraph 1 of this Contract represents the purchase price of both real estate and of personalty used in connection with the operation of Sellers' business, \_\_\_\_\_ . The parties agree said purchase price shall be allocated as follows:

Real Estate	
Equipment a& Furnishings	
Inventory	
	<hr/>
TOTAL PURCHASE PRICE	\$40,000.00

17. As security for the payment of the unpaid balance of that portion of the purchase price representing equipment, furnishings, and inventory, Buyer grants Sellers a security interest in and to the property being sold except inventory by Sellers to Buyer, and replacements and substitutions thereof. On the date of possession Buyer and Sellers shall execute a Financing Statement as provided by the Iowa Uniform Commercial Code for filing with the office of the Secretary of State or the Madison County Recorder, or both, as the case may be.

18. Buyer's obligation to procure and maintain insurance as provided in Paragraph 5 hereof shall include a duty to carry insurance against loss by fire, tornado and extended coverage covering the personalty included in this sale. Said coverage shall be in an amount not less than that amount allocated to said personalty or the balance owing under this contract, whichever is less, with insurance payable to Sellers and Buyer as their interests may appear, and to deliver policies therefor to Sellers.

19. Upon payment of the total purchase price expressed in Paragraph One hereof, Sellers will deliver to Buyer a Bill of Sale to the personalty included herein free and clear of all liens and encumbrances.

4.  
Exhibit "A"  
Page -2-

20. The parties understand and agree that the real and personal property being sold herein is purchased by Buyer in its present condition, or "as is".

21. In the event Buyer is adjudicated bankrupt during the executory term of this agreement, such adjudication shall be deemed a default of the Buyer's obligation under this agreement and shall immediately accelerate without any notice to the Buyer any and all obligations remaining hereunder.

22. Buyer shall not sell or assign this contract, or any portion thereof, without the written consent of Sellers, which consent shall not be unreasonably withheld. Any sale or assignment of this contract, or any portion thereof, without the prior written consent of the Sellers shall immediately accelerate without any notice to the Buyer any and all obligations remaining under the contract as provided by this agreement.

23. This agreement supercedes all prior negotiations between the parties and it is expressly understood that this sale is based upon no other representation, save those expressly set forth herein.

24. None of the provisions, terms, or conditions of this agreement shall be modified in any manner whatsoever, waived or abandoned, except by written instrument duly signed by the parties hereto.

25. This sale shall include the business operated by Seller known as "P's D.". Sellers agree that neither of them shall as an owner, operator, partner, shareholder, agent, manager, employee, or otherwise participate in business which would compete with the business herein sold located within five (5) miles of the corporate limits of the City of Winterset, Iowa, for a period of six (6) months from and after the date hereof. Nothing, however, shall prohibit the Sellers or either of them, from working as a bartender, waiter, or kitchen worker in any other establishment after sixty (60) days from the date hereof.

26. The security interest and financing statement referred to in Paragraph 17 hereof shall be released at any time Buyer has paid principal amount of Six Thousand Dollars (\$6,000.00) plus the value of the inventory herein sold at such value is herein established.

Exhibit "A"  
Page -3-

27. Buyer may without the consent of Seller sell the business or personal property used in connection therewith but not the real estate herein described at any time Buyer has paid a total of ~~Fourteen Thousand~~ <sup>40,000</sup> Dollars (~~\$14,000.00~~) plus the value of the inventory as herein established, on the principal balance due hereunder. P.O.