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MICHELLE UTSLER  
RECORDER  
MADISON COUNTY, IOWA

SPACE ABOVE THIS LINE FOR RECORDER

**REAL ESTATE CONTRACT (SHORT FORM)**

It is AGREED between Ruby M. O'Brien, Single (Seller); and Marilyn K. Spencer and Wendell H. Spencer, husband and wife, as Joint Tenants with full rights of survivorship, and not as Tenants in Common (Buyers):

Seller agrees to sell and Buyers agree to buy real estate in Madison County, Iowa, described as: Lot One (1) and the East 6 feet of Lot Two (2), Block Ten (10) of the West 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; upon the following terms:

1. **PRICE.** The total purchase price for the Real Estate is Eighty-five Thousand Dollars (\$85,000.00) of which Six Thousand and no/100 Dollars (\$6,000.00) has been paid. Buyers shall pay the balance of \$79,000.00 to Seller at Seller's Residence, or as directed by Seller, as follows:

\$19,000.00 principal plus accrued interest to date upon the sale of Buyers' Home in Topeka, Kansas, or on January 16, 1995, whichever is the earliest date. Remaining balance of \$60,000.00 to be paid in monthly installments of \$463.09 per month beginning one month from the date of said payment of \$19,000.00 principal and accrued interest, and \$463.09 on the same date each month thereafter until August 20, 1996, when the full unpaid balance of principal and interest shall become due and payable. All payments shall be applied first to interest and then to principal.

2. **INTEREST.** Buyers shall pay interest from August 1, 1994, on the unpaid balance, at the rate of 8 percent per annum, payable as set forth above. 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 of the real property taxes due and payable July 1, 1994, before they become delinquent (first half delinquent October 1, 1994; second half delinquent April 1, 1995) and one-sixth of the first half taxes due and payable July 1, 1995 (delinquent October 1, 1995). 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. All other special assessments shall be paid by Buyers.

5. **POSSESSION.** Sellers shall give Buyers possession of the Real Estate on August 1, 1994, 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 Seller and Buyers as their interests may appear. Buyers shall provide Sellers with evidence of such insurance.

7. **ABSTRACT AND TITLE.** Abstract of title to Real Estate has been examined by Buyers' Attorney and abstract is accepted by Buyers. 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, including all downstairs window treatments and refrigerator and stove.

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 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. If Buyers fail to timely perform this contract, Sellers may, at Sellers' option, forfeit Buyers' rights in the 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 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.

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

13. ADDITIONAL PROVISIONS. 1. Buyers shall have the right to make additional payments of principal at any time without penalty. 2. In the event Buyers sell all or any part of the above-described real estate, or assign this Contract, Seller shall have the right to declare the entire unpaid balance to be due and payable. 3. It is understood that Seller has an existing mortgage against said real estate. Seller shall not be required to pay said mortgage in full at this time, but shall only be required to make the payments called for in this or any subsequent mortgage instruments. Balance of any Mortgages shall not exceed \$51,000.00.

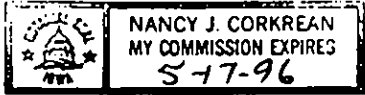
Dated: July 29, 1994

*Wendell H. Spencer*      *Ruby M. O'Brien*  
 \_\_\_\_\_  
 Wendell H. Spencer, Buyer      Ruby M. O'Brien, Seller

*Marilyn K. Spencer*  
 \_\_\_\_\_  
 Marilyn K. Spencer, Buyer

STATE OF Iowa Aug, COUNTY OF Madison, ss:  
On this 1st day of July, 1994, before me, the undersigned, a Notary Public in and for said State, personally appeared Ruby M. O'Brien, to me known to be the identical person named in and who executed the foregoing instrument and acknowledged to me that they executed the same as their voluntary act and deed.

Nancy J. Corkrean  
Notary Public in and for said State.



STATE OF Kansas, COUNTY OF Shawnee, ss:  
On this 29th day of July, 1994, before me, the undersigned, a Notary Public in and for said State, personally appeared Wendell H. Spencer and Marilyn K. Spencer, to me 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.

Mary Jo Jackson  
Notary Public in and for said State.

