



# REAL ESTATE CONTRACT (SHORT FORM)

IT IS AGREED between EDWIN J. ACELA and JOAN K. ACELA, Husband and Wife,

\_\_\_\_\_

\_\_\_\_\_, Sellers, and JERRY CLEGHORN and KATHLEEN CLEGHORN

\_\_\_\_\_, Buyers:

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

See the attached and incorporated Exhibit "A",

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BOOK 123 PAGE 241  
1987 MAY 30 AM 10:06

MARY E. WELTY  
RECORDER  
MADISON COUNTY, IOWA  
Fee \$20.00

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 ) \_\_\_\_\_

designated the Real Estate, upon the following terms:

1. **PRICE.** The total purchase price for the real estate is TWENTY-SEVEN THOUSAND FIVE HUNDRED AND NO/100----- Dollars (\$ 27,500.00 )

of which TWO THOUSAND AND NO/100----- Dollars (\$ 2,000.00 ) has been paid. Buyers shall pay the balance to Sellers at their address, or as directed by Sellers, as follows: \$274.02 on or before July 1, 1987, and \$274.02 on or before the 1st day of each month thereafter until June 1, 1999, when the full unpaid balance of principal and interest shall be due and payable. All payments shall be applied first to the interest and then to the principal.

2. **INTEREST.** Buyers shall pay interest from June 1, 1987, upon the unpaid balance, at the rate of 10 percent per annum, payable as provided above

Buyers shall also pay interest at the rate of 10 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 11/12 of the real property taxes payable during the twelve-month fiscal year commencing July 1, 1987

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 or \_\_\_\_\_  
All other special assessments shall be paid by Buyers.

5. **POSSESSION.** Sellers shall give Buyers possession of the Real Estate on June 1, 1987

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 deliver it to Buyers for examination. It shall show merchantable title in Sellers in conformity with this agreement, 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.) The propane tank presently located on the property is included in this sale.

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 life 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 in 1.a through 1.d. Any general warranties of title shall extend only 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, the Sellers may forfeit it as provided in The Code, and all payments made shall be forfeited or, at Seller's option, upon thirty days written notice of intention to accelerate the payment of the entire balance because of such failure (during which thirty days such failure is not corrected) Sellers may declare the entire balance immediately due and payable. Thereafter this contract may be foreclosed in equity; the Court may appoint a receiver; and the period of redemption after sale on foreclosure may be reduced under the conditions of Section 628.26 or Section 628.27 of The Code.

b. If Sellers fail to timely perform this contract, Buyers have the right to 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 the 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. **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 share or in compliance with Section 516.13 of The 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. **PERSONAL PROPERTY.** If this contract includes the sale of any personal property, the Buyers grant the Sellers a security interest in the personal property and Buyers shall execute the necessary financing statements and deliver them to Sellers.

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.** See additional provisions on the attached and incorporated

Exhibit "A".  
Dated this 30 day of May, 1987

Jerry J. Cleghorn  
Jerry Cleghorn  
Kathleen Cleghorn  
Kathleen Cleghorn  
**BUYERS**

Edwin J. Acela  
Edwin J. Acela  
Joan K. Acela  
Joan K. Acela  
**SELLERS**

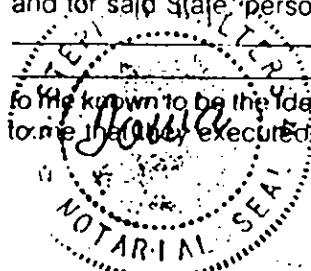
Buyers' Address

Sellers' Address

STATE OF IOWA, COUNTY OF MADISON, ss:

On this 30 day of May, 1987, before me, the undersigned, a Notary Public in and for said State, personally appeared Edwin J. Acela and Joan K. Acela

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.



G. Stephen Walters  
G. Stephen Walters  
Notary Public in and for Said State.

EXHIBIT "A"

ADDITIONAL PROVISIONS

1. If the Buyers sell all or any part of this real property without the prior written consent of the Sellers, the full unpaid balance of principal and interest shall be immediately due and payable.

2. Attached hereto and incorporated herein by this reference is a Homestead Exemption Waiver executed by the Buyers at the same time as they executed this Contract.

DESCRIPTION OF REAL ESTATE

Parcel 1:

A parcel of land in the Southwest fractional quarter of the Southwest Quarter of Section 31, Township 77 North, Range 27 West of the 5th P.M., Madison County, Iowa, more particularly described as follows:

Commencing at the Southwest Corner of Section 31, Township 77 North, Range 27 West of the 5th P.M.; thence North 00°00'00" 837.70 feet, along the West line of the Southwest Quarter of said Section 31, to the point of beginning; thence continuing North 00°00'00" 403.80 feet along said West line; thence North 89°55'00" East 202.30 feet; thence South 00°07'00" East 407.61 feet; thence North 89°00'24" West 203.16 feet to the point of beginning. Said parcel contains 1.888 acres, including 0.420 acres of highway right-of-way.

Note: The West line of the Southwest Quarter (SW<sup>1</sup>/<sub>4</sub>) of Section 31-77-27 is assumed to bear due North and South.

Parcel 2:

Commencing at the Northeast Corner of the above-described Parcel 1; thence South 00°07'00" East 247.30 feet to the point of beginning; thence South 89°36'00" East 50.0 feet; thence South 50.0 feet; thence in a Southwesterly direction in a straight line to the Southeast corner of the above-described Parcel 1; thence in a Northerly direction in a straight line to the point of beginning.

Parcel 3:


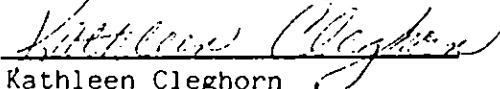
Commencing at the Southeast Corner of the above-described Parcel 1; thence in a Westerly direction along the Southern boundary of the above-described Parcel 1 70.17 feet to the point of beginning; thence South 275.0 feet; thence West to the Western line of the above-described Section 31; thence in a Northerly direction along the Western line of the above-described Section 31 to the Southwestern Corner of the above-described Parcel 1; thence in an Easterly direction along the Southern boundary of the above-described Parcel 1 to the point of beginning.

NOTE: Parcels 1, 2 and 3 described above are all located in Section Thirty-one (31), Township Seventy-seven (77) North, Range Twenty-seven (27) West of the 5th P.M., Madison County, Iowa.

**HOMESTEAD EXEMPTION WAIVER**

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 or mortgage, I voluntarily give up my right to this protection for this property with respect to claims based upon this contract or mortgage.

This Homestead Exemption Waiver is signed and dated this 30 day of May, 19 87, at the same time as the execution of the attached contract or mortgage, and is a part thereof.

  
Jerry Cleghorn  
  
Kathleen Cleghorn

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