



REAL ESTATE CONTRACT (SHORT FORM)

IT IS AGREED between Raccoon Valley State Bank

Sellers, and Ralph B. Tharp

Buyers:

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

See Exhibit "A" which is attached hereto.

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.) rights of Tenant, Michael Rodgers,

designated the Real Estate, upon the following terms:

1. PRICE. The total purchase price for the real estate is one hundred eighty-nine thousand five hundred and no/100-----Dollars (\$189,500.00)

of which thirty thousand and no/100-----Dollars (\$ 30,000.00 ) has been paid. Buyers shall pay the balance to Sellers at their address, or as directed by Sellers, as follows: \$20,000.00, including interest, on March 1, 1988, and \$20,000.00, including interest, on March 1 of each and every year thereafter until March 1, 1997, at which time all amounts due hereunder shall be paid in full. Buyer shall have the right to prepay all or any part of the principal.

2. INTEREST. Buyers shall pay interest from March 1, 1987, upon the unpaid balance, at the rate of 9 percent per annum, payable on March 1, 1988, and March 1 of each and every year thereafter until March 1, 1998, at which time all amounts due hereunder shall be paid in full. Buyers shall also pay interest at the rate of 14 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 for the 1985-1986 fiscal year, due and payable during the 1986-1987 fiscal year, and fifty percent (prorated to January 1, 1987) of the real estate taxes for the 1986-1987 fiscal year, due and payable during the 1987-1988 fiscal year, 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

5. POSSESSION. Sellers shall give Buyers possession of the Real Estate on March 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.

Contract

FILED NO. 1890
BOOK 123 PAGE 25
1987 MAR 23 AM 10:30
MARY E. WELTY
RECORDER
MADISON COUNTY IOWA
Fee \$20.00

7. **ABSTRACT AND TITLE.** Sellers, at their expense, shall ~~promptly~~ <sup>prior to payment of the payment due 3-1-98</sup> 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 invariable 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.) \_\_\_\_\_

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 special 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.

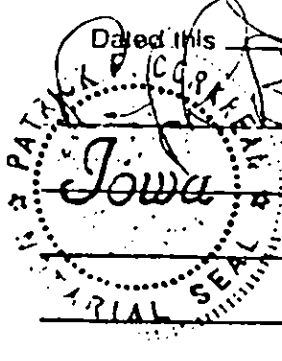
13. **JOINDER BY SELLER'S SPOUSE.** Seller's spouse, if not a titleholder immediately preceding acceptance of this offer, executes this contract only for the purpose of relinquishing all rights of dower, homestead and distributive share or in compliance with Section 516.13 of The Code and agrees to execute 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 Exhibits "B" and "C" which are attached hereto.

Dated this 11<sup>th</sup> day of March, 1987.  
  
 \_\_\_\_\_  
 BUYERS  
 \_\_\_\_\_  
 Buyers' Address

RACCOON VALLEY STATE BANK  
 \_\_\_\_\_  
 BY: Barbara Vaughan, Cashier  
 SELLERS  
 1009 Court  
 \_\_\_\_\_  
 Adel, Iowa 50003  
 Sellers' Address

STATE OF Iowa, COUNTY OF Madison, ss:  
 On this 11<sup>th</sup> day of March, 1987, before me, the undersigned, a Notary Public in and for said State, personally appeared Ralph P. Sharp

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.  
 \_\_\_\_\_  
 Notary Public in and for Said State.

ACKNOWLEDGEMENT

STATE OF Iowa Dallas COUNTY, ss:  
 On this 12 day of March A. D. 1987, before me Dan Hawkins  
Hawkins a Notary Public in and for Dallas County, State of Iowa  
 personally appeared Barb Vaughn, Cashier and Robert K. Gubser, President  
 to me personally known, who, being by me duly sworn, did say on oath that (they are) respectively the  
Cashier, and President (he is)  
 of said Raccoon Valley State Bank  
 and that the seal affixed to said instrument is the seal of said  
~~notary~~ Raccoon Valley State Bank and  
Raccoon Valley State Bank  
 that said instrument was signed and sealed in behalf of said  
 by authority of its Board of Directors and said Cashier  
 and President acknowledged the execution of said instrument to be the  
 voluntary act and deed of said Corporation and by it voluntarily executed.

*Dan Hawkins*  
 Notary Public in and for Dallas County, Iowa

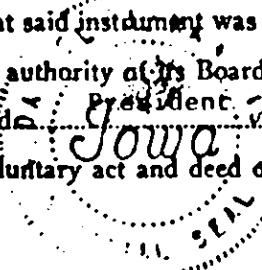


EXHIBIT "A"

The Northeast Fractional Quarter (1/4) of the Northwest Quarter (1/4) and all that part of the North Fractional Half (1/2) of the Northeast Quarter (1/4) lying and being North and West of the center of the channel of Middle River and the Southwest Quarter (1/4) of the Northeast Quarter (1/4) and the Southeast Quarter (1/4) of the Northwest Quarter (1/4) (except therefrom all that part of the Southwest Quarter (1/4) of the Northeast Quarter (1/4) lying and being South and East of the center of the channel of Middle River, and also except a tract commencing at the Southwest corner of the Southeast Quarter (1/4) of the Northwest Quarter (1/4) and running thence East on the South line thereof to the Southeast corner of the Southwest Quarter (1/4) of the Northeast Quarter (1/4), thence North 28 rods, thence West 75 rods, thence North, 2° East, 4 rods, thence North, 75° West, 5 rods, thence North, 88° West, 19.95 chains, thence South, 2° West, 8.84 chains to the place of beginning), of Section Four (4), in Township Seventy-five (75) North, Range Twenty-seven (27) West of the 5th P. M.; and the East Half (1/2) of the Southeast Quarter (1/4) and the Southwest Quarter (1/4) of the Southeast Quarter (1/4) and the East Half (1/2) of the Northwest Quarter (1/4) of the Southeast Quarter (1/4) of Section Thirty-three (33), and all that part of the West Three-fourths (3/4) of the Northwest Quarter (1/4) of the Southwest Quarter (1/4) and of the North 18 Acres of the Southwest Quarter (1/4) of the Southwest Quarter (1/4) lying North and West of the center of the channel of Middle River, in Section Thirty-four (34), in Township Seventy-six (76) North, Range Twenty-seven (27) West of the 5th P. M.; and a tract of real estate described as follows, to-wit:- Commencing at the Northwest Corner of the East Half (1/2) of the Southeast Quarter (1/4) of Section Thirty-four (34), in Township Seventy-six (76) North, Range Twenty-seven (27) West of the 5th P. M., thence due South 2 chains, thence West 11° South 11 chains, thence South 35° West 4.60 chains, thence West 7° North 7.60 chains, thence West 35° South 6 chains, thence West 1° South 4 chains, thence North 28° West 3.70 chains, thence West 3° South 12.30 chains to the West line of the East One-fourth (1/4) of the Northwest Quarter (1/4) of the Southwest Quarter (1/4) of said Section Thirty-four (34), thence South along said West line 7.50 chains to the center of the main channel of Middle River, thence following the center of the main channel of Middle River easterly to the point where the main channel of Middle River crosses the North line of the Northwest Quarter (1/4) of the Southwest Quarter (1/4) of Section Thirty-five (35), in Township Seventy-six (76) North, Range Twenty-seven (27) West of the 5th P. M., thence westerly along the half-section line of Sections Thirty-five (35) and Thirty-four (34) to the point of beginning, all in Madison County, Iowa,

EXHIBIT "B"

BUYER UNDERSTANDS THAT HOMESTEAD PROPERTY IS IN MANY CASES PROTECTED FROM THE CLAIMS OF CREDITORS AND EXEMPT FROM JUDICIAL SALE; AND THAT BY SIGNING THIS CONTRACT, BUYER VOLUNTARILY GIVES UP HIS RIGHT TO THIS PROTECTION FOR THIS PROPERTY WITH RESPECT TO CLAIMS BASED UPON THIS CONTRACT.

R. B. Thompson BUYER

EXHIBIT "C"

18. Seller reserves the grain storage facilities on this farm until September 30, 1987.

19. Buyer agrees not to sell the real estate or any part thereof without the prior written consent of Seller, which consent shall not unreasonably be withheld. In consenting to any such sale, Seller shall be entitled to review the credit worthiness of the prospective purchaser, and shall be entitled to withhold consent to the sale if the prospective purchaser does not satisfy the lending criteria which Seller applies to Borrowers seeking loans for similar purposes and in similar amounts as of the date of the prospective sale.

RACCOON VALLEY STATE BANK

Robert K. Nelson Pres.

R. B. Thompson BUYER

By: Barbara Laughlin, Cashier SELLER

