



REAL ESTATE CONTRACT—INSTALLMENTS

IT IS AGREED this _____ day of February, 1988, by and between _____

Roger L. Asher, a single person and Lynn A. Morsch fka Lynn A. Asher and Howell A. Morsch, wife and husband

of the County Madison, State of Iowa, Sellers; and _____

Melvin D. Henley and Carolyn S. Henley, husband and wife
as joint tenants with full rights of survivorship

of the County of Madison, State of Iowa, Buyers:

That the Sellers, as in this contract provided, agree to sell to the Buyers, and the Buyers in consideration of the premises, hereby agree with the Sellers to Purchase the following described real estate situated in the County of Madison, State of Iowa, to-wit:

SEE EXHIBIT "A"

together with any easements and servient estates appurtenant thereto, but with such reservations and exceptions of title as may be below stated, and certain personal property if and as may be herein described or if and as an itemized list is attached hereto and marked "Exhibit A" all upon the terms and conditions following:

1. **TOTAL PURCHASE PRICE.** The buyer agrees to pay for said property the total of \$ 2,025.00 due and payable at _____ County, Iowa, as follows:

(a) **DOWN PAYMENT** of \$ -0- **RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED:** and
(b) **BALANCE OF PURCHASE PRICE,** \$ 2,025.00 as follows \$ \$1,012.50 (principal only)
due February 1, 1988 and \$1,012.50 (principal only) due May 1, 1988

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1988 FEB 24 AM 10:49

MARY E. WELTY
RECORDER
MADISON COUNTY, IOWA

Fee \$15.00

2. **POSSESSION.** Buyers, concurrently with due performance on their part shall be entitled to possession of said premises on the 1st day of February, 1988; and thereafter so long as they shall perform the obligations of this contract. If Buyers are taking subject to the rights of lessees and are entitled to rentals therefrom on and after date of possession, so indicate by "yes" in the space following _____

3. **TAXES.** Sellers shall pay twelve months of the 1986/87 taxes payable 1987/88 prior to such taxes becoming delinquent,

and any unpaid taxes thereon payable in prior years. Buyers shall pay any taxes not assumed by Sellers and all subsequent taxes before same become delinquent. Whoever may be responsible for the payment of said taxes, and the special assessments, if any, each year, shall furnish to the other parties evidence of payment of such items not later than July 15 of each year. ~~Any proration of taxes shall be based upon the taxes for the year currently payable unless the parties state otherwise.~~

(Decide, for yourself, if that formula is fair if Buyers are purchasing a lot with newly built improvements.)

4. **SPECIAL ASSESSMENTS.** Sellers shall pay the special assessments against this property: (Strike out either (a) or (b) below.)

(a) ~~Which are not paid in the year in which they would become delinquent and all assessments payable prior thereto.~~

(b) Which are a lien thereon as of February 1, 1988

(c) Including all sewage disposal assessments for overage charge heretofore assessed by any municipality having jurisdiction as of date of possession.

Buyers, except as above stated, shall pay all subsequent special assessments and charges, before they become delinquent.

5. **MORTGAGE.** Any mortgage or encumbrance of a similar nature against the said property shall be timely paid by Sellers so as not to prejudice the Buyers' equity herein. Should Sellers fail to pay, Buyers may pay any such sums in default and shall receive credit on this contract for such sums so paid. **MORTGAGE BY SELLERS.** Sellers, their successors in interest or assigns may, and hereby reserve the right to at any time mortgage, their right, title or interest in

such premises or to renew or extend any existing mortgage for any amount not exceeding 100 % of the then unpaid balance of the purchase price herein provided. The interest rate and amortization thereof shall be no more onerous than the installment requirements of this contract. Buyers hereby expressly consent to such a mortgage and agree to execute and deliver all necessary papers to aid Sellers in securing such a mortgage which shall be prior and paramount to any of Buyers' then rights in said property. **DEED FOR BUYERS SUBJECT TO MORTGAGE.** If Buyers have reduced the balance of this contract to the amount of any existing mortgage balance on said premises, they may at their option, assume and agree to pay said mortgage according to its terms, and subject to such mortgage shall receive a deed to said premises; or Sellers, at their option, any time before Buyers have made such a mortgage commitment, may reduce or pay off such mortgage. **ALLOCATED PAYMENTS.** Buyers, in the event of acquiring this property from an equity holder instead of a holder of the fee title, or in the event of a mortgage against said premises, reserve the right, if reasonably necessary for their protection to divide or allocate the payments to the interested parties as their interests may appear. **SELLERS AS TRUSTEES.** Sellers agree that they will collect no money hereunder in excess of the amount of the unpaid balance under the terms of this contract less the total amount of the encumbrance on the interest of Sellers or their assigns in said real estate; and if Sellers shall hereafter collect or receive any moneys hereunder beyond such amount, they shall be considered and held as collecting and receiving said money as the agent and trustee of the Buyers for the use and benefit of the Buyers.

6. **INSURANCE.** Except as may be otherwise included in the last sentence of paragraph 1(b) above, Buyers as and from said date of possession, shall constantly keep in force, insurance, premiums therefor to be prepaid by Buyers (without notice or demand) against loss by fire, tornado and other hazards, casualties and contingencies as Seller may reasonably require on all buildings and improvements, now on or hereafter placed on said premises and any personal property which may be the subject of this contract, in companies to be reasonably approved by Sellers in an amount not less than the full insurable value of such improvements and personal property or not less than the unpaid purchase price herein whichever amount is smaller with such insurance payable to Sellers and Buyers as their interests may appear. **BUYERS SHALL PROMPTLY DEPOSIT SUCH POLICY WITH PROPER RIDERS WITH SELLERS** for the further security for the payment of the loss if the proceeds be adequate; if not, then some other reasonable application of such funds shall be made; but in any event such proceeds shall stand as security for the payment of the obligations herein.

7. **CARE OF PROPERTY.** Buyers shall take good care of this property; shall keep the buildings and other improvements now or hereafter placed on the said premises in good and reasonable repair and shall not injure, destroy or remove the same during the life of this contract. Buyers shall not make any material alteration in said premises without the written consent of the Sellers. Buyers shall not use or permit said premises to be used for any illegal purpose.

8. **LIENS.** No mechanics' lien shall be imposed upon or foreclosed against the real estate described herein.

9. **ADVANCEMENT BY SELLERS.** If Buyers fail to pay such taxes, special assessments and insurance ~~and~~ necessary repairs, as above agreed, Sellers may, but need not, pay such taxes, special assessments, insurance and make necessary repairs, and ~~amounts~~ advanced shall be due and payable on demand or such sums so advanced may, at the election of Sellers, be added to the principal amount due hereunder and so secured. (For Buyers' rights to make advancements, see paragraph 5 above.)

EXHIBIT "A"

A parcel of land described as commencing at the Southeast corner of the Northeast Quarter (1/4) of Section Twenty-three (23), Township Seventy-five (75) North, Range Twenty-six (26) West of the 5th P.M., St. Charles, Madison County, Iowa; thence South 85 degrees 09' West along south line of said Northeast Quarter (1/4) 1,066.82 feet to point of beginning; thence North 294.32 feet to the Southeast corner of Lot Thirty-three (33) of Kephart's Addition to St. Charles Plat No. 2; thence West 204.94 feet; thence South 0 degrees 04' West along the east fence line of the abandoned Des Moines, Osceola & Southern Railroad right of way 311.74 feet; thence North 85 degrees 09' East along South line of said Southeast Quarter (1/4) of the Northeast Quarter (1/4), 206.04 feet to point of beginning, containing 1.3425 acres,