



REAL ESTATE CONTRACT (SHORT FORM)

Compared

1858

IT IS AGREED between Boone State Bank & Trust Company

FILED NO. BOOK 124 PAGE 236

1988 APR 13 AM 8:14

Sellers, and Kenneth L. Spetman, Jr. and Paulette Spetman, husband and wife

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

Buyers:

Sellers agree to sell and Buyers agree to buy real estate in Madison County, Iowa, described as: Commencing at the NE Corner of the Northwest Quarter (NW1/4) of the Southeast Quarter (SE1/4) Section Three (3), T-77-N R-26-W. The house and building site containing approximately 363 feet North and South and 360 feet East and West located in the North West quarter (NW1/4) of the South East quarter (SE1/4) of Section Three (3), Township Seventy-seven (77) North, Range Twenty-six (26) West of the 5th P.M.

This is to be accurately surveyed at the Seller's expense.

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 So long as it does not interfere with Buyers'
d. water supply, Seller retains the right to use the well upon the premises and an easement across the premises for furnishing water to the remainder of Seller's property during the term of this contract. Seller will be responsible to maintain the pipe from the house to Seller's remaining pasture. designated the Real Estate, upon the following terms:

1. PRICE. The total purchase price for the real estate is Twenty one thousand and no/100---

-----Dollars (\$21,000.00)

of which Five hundred and no/100----- Dollars (\$500.00)

has been paid. Buyers shall pay the balance to Sellers at their address, or as directed by Sellers, as follows: \$225.00 on May 15, 1988 and a like amount on the 15th of each month until paid in full. Said payments to apply first to interest and the balance to principal. Buyers to have the right to pay in full on any payment date.

2. INTEREST. Buyers shall pay interest from April 15, 1988 upon the unpaid balance, at

the rate of 10 percent per annum, payable monthly for two full years. Thereafter, the interest rate shall be two (2) percent over New York Prime adjusted annually, but not to exceed fifteen (15) percent per annum. Buyers shall also pay interest at the rate set out above 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 prorated taxes to the date of possession,

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. All other special assessments shall be paid by Buyers.

5. POSSESSION. Sellers shall give Buyers possession of the Real Estate on April 15, 1988.

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.) None

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. **JOINER 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.** It is understood that this contract is subject to a Right of First Refusal in Richard Gail Stanley and Mary Ellen Stanley, husband and wife, which Right of First Refusal expires if not accepted on or before April 1, 1988. If accepted, this contract to be void and down payment returned.

18. **See attached**  
Dated this 8 day of March, 1988.

Kenneth L. Spetman, Jr.  
Kenneth L. Spetman, Jr.

Paulette Spetman  
Paulette Spetman

Route 1 - Box 145  
Booneville, Iowa  
Buyers' Address

BOONE STATE BANK & TRUST COMPANY  
SELLERS  
By K. D. Sundala  
K. D. Sundala, President  
By A. E. Huffman  
A. E. Huffman, Cashier  
716 8th Street-Boone, Iowa 50036

STATE OF IOWA, COUNTY OF BOONE, ss:  
On this 8 day of March, 1988, before me, the undersigned, a Notary Public in and for said State, personally appeared Kenneth L. Spetman, Jr. and Paulette Spetman, husband and wife

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.



Barbara A. Weigel  
Notary Public in and for Said State.

FOR THE LEGAL EFFECT OF THE USE OF THIS FORM, CONSULT YOUR LAWYER

STATE OF IOWA, BOONE COUNTY, ss:

On this 8 day of March, A.D. 1988, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared K. D. Sundall and A. E. Huffman, to me personally known, who, being by me duly sworn, did say that they are the President and Cashier, respectively, of said corporation executing the within and foregoing instrument to which this is attached, that ~~(the seal has been preserved by the said)~~ corporation; that said instrument was signed (and sealed) on behalf of (the seal affixed thereto is the seal of said)

said corporation by authority of its Board of Directors; and that the said President and Cashier as such officers acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.



BARBARA A. WEIGEL  
MY COMMISSION EXPIRES  
1/9/91

Barbara A. Weigel  
Notary Public in and for said County and State.

IOWA STATE BAR ASSOCIATION  
Official Form No. 12 (Precedent-Notary Registered, State of Iowa, 1987)  
Current January, 1981

Chapters 88B.20 and 88B.20, Code of Iowa

Attachment to Real Estate Contract: Boone State Bank & Trust Company  
SELLERS  
Kenneth L. Spetman, Jr. and  
Paulette Spetman  
BUYERS

18. Seller agrees to bring the present well on the premises into operational order. If the well is not operational by the possession date, Seller will reimburse the Buyers' present rental of \$150.00 per month until the well is operational. Seller also agrees that the water used from these premises will be limited to use for livestock only, and when Seller uses the water, Seller will reimburse Buyers for the electricity required to furnish the water supply, but not to exceed \$10.00 per month.

19. When the interest rates are adjusted as above set out, the monthly payment will also be adjusted so as to amortize fully the remaining balance over the remaining period.