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REAL ESTATE CONTRACT (SHORT FORM)

MARY E. WELTY  
RECORDER

IT IS AGREED between Mark William Tunell and Barbara J. Tunell, husband and wife, Sellers, and Jenny L. Shoning and Melvin Shoning, wife and husband as joint tenants with full rights or survivorship and not as tenants in common, Buyers:

Madison County, Iowa  
Fee  
\$20.00  
paid

Subject to Sellers Mortgagee, First Federal Savings and Loan Association of Creston, Iowa (hereafter First Federal), agreeing not to invoke the due on sale clause of Sellers Mortgage and agreeing that Sellers mortgage shall not fall due until October 1, 1993 if all monthly payments on said mortgage are timely made and no other defaults of the terms and conditions of the mortgage and note secured thereby occur before such date,

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

Lot Five (5) Block One (1) of Railroad 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; and, c. any easements of record for public utilities, roads and highways;

designated the Real Estate, upon the following terms:

1. PRICE. The total purchase price for the real estate is Thirty two thousand and no/100 Dollars (\$32,000.00) of which One Thousand Five Hundred and no/100 Dollars (\$1,500.00) has been paid. Buyers shall pay the balance to Sellers at their address, or as directed by Sellers, as follows:

A. The difference between \$30,500.00 and the amount equal to the balance of Sellers mortgage due First Federal after Sellers make the mortgage payments due on September 1, 1989 and October 1, 1989 shall be paid by paying Sellers:

\$2700.00 on September 28, 1989;  
\$1100.00 on December 1, 1989 and,  
the balance of such amount on July 1, 1990.

B. The amount equal to the Sellers mortgage to First Federal shall be paid by paying Sellers an amount equal to the monthly mortgage payment on the Seller's mortgage to First Federal as the same may be determined, increased or decreased from time to time by First Federal under the terms and conditions of Sellers note and mortgage to First Federal, on the 1st day of November, 1989 and the 1st day of each and every month thereafter until October 1, 1993 when all sums due hereunder shall be paid in full. Buyers at their option may pay the monthly payments provided for in this sub-paragraph directly to First Federal but in any event, if the said monthly payment as herein provided is not paid to Seller or First Federal by Buyers on or before the 1st day of each month, Buyers shall be responsible for and agrees to pay any and all late payment charges or fees assessed by First Federal.

2. INTEREST. (A). Buyers agree to pay interest on the balance of the amount determined under paragraph 1(A) above at the rate of ten and one half (10½%) per annum from the 28th day of September, 1989 payable on principal payment dates.

(B). Buyers agree to pay interest on the balance of the amount determined under paragraph 1(B) above at a rate equal to the rate First Federal charges Sellers on the mortgage loan from October 1, 1989 payable monthly.

Buyers understand and agree that the rate of interest charged Sellers by First Federal is a variable rate which may be increased

or decreased from time to time by First Federal under the terms of the note secured by Sellers Mortgage and the parties agree that the interest rate to be paid by Buyers under (B) hereof shall be increased or decreased on the date Sellers interest rate is increased or decreased by First Federal.

3. REAL ESTATE TAXES. Sellers shall pay one fourth of the real estate taxes payable in the fiscal year commencing July 1, 1990 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.

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 September 29, 1989.

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, First Federal and Buyers as their interests may appear. Buyers shall provide Sellers and First Federal 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 subject only to the first mortgage lien of First Federal. 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. The following items situated on or in the premises are not included in the sale and shall remain the property of Sellers and be removed by Sellers:

1. water softener
2. old well pump in back yard
3. tow (2) outside ornamental eagles
4. glass towel bar in bathroom
5. curtains in bedroom
6. mirror
7. appliances
8. shelving in basement

The builtin stove and oven and upstairs shelving are included in the 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 herein. 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. TIME IS OF THE ESSENCE. Time is of the essence in this contract.

14. 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.

15. TERMITE INSPECTION. The parties agree that a termite inspection has been made and the results of said inspection are accepted by Buyers.

16. TAXES AND INSURANCE. The Sellers monthly mortgage payment to First Federal includes an amount for taxes and insurance. Any increase or decrease in the amount of real estate taxes or insurance premiums may cause First Federal to increase or decrease the Sellers monthly mortgage payment. In the event Sellers monthly mortgage payment is increased or decreased by First Federal Buyers monthly payment due hereunder shall be increased or decreased by the same amount.

17. STATEMENT TO BUYER. Seller agrees that as soon as possible after October 1, 1989, they shall furnish Buyers a statement, verified by First Federal Savings and Loan of Creston, Iowa, showing the following:

- a. The date of the statement
- b. the principal balance of Seller's mortgage loan after crediting the payment due on October 1, 1989
- c. that all payments due on or before October 1, 1989 have

