

FILED NO. 2484

BOOK 55 PAGE 778

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REC.   
PAGE

MARY E. WELTY  
RECORDER  
MADISON COUNTY, IOWA  
Fee \$25.00

SPACE ABOVE THIS LINE  
FOR RECORDER



### REAL ESTATE CONTRACT (SHORT FORM)

IT IS AGREED between Robert Pierson and Joan Pierson, Husband and Wife,

(Sellers), and Donald G. Lincoln and Harriet M. Lincoln

(Buyers)

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

Lot Eleven (11) of Helen McCall Huntoon Addition - Plat No. 3 to the City of  
Winterset, Madison County, Iowa,

together with all of the equipment, furniture, fixtures and other tangible  
personal property used in connection with the operation of the motel located  
on said premises,

SATISFIED 12-20-00 SEE  
Deed RECORD 624 PAGE 406

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.) \_\_\_\_\_

(the "Real Estate"), upon the following terms:

1. **PRICE.** The total purchase price for the Real Estate is Three Hundred Thirty-five Thousand Dollars (\$ 335,000.00 )  
of which Fifty Thousand Dollars (\$ 50,000.00 )  
has been paid. Buyers shall pay the balance to Sellers at \_\_\_\_\_, or as  
directed by Sellers, as follows:

Balance of \$285,000.00 to be paid as follows:  
\$2,750 on the first day of July, 1990; and  
\$2,750 on the first day of each month thereafter until all sums due hereunder are paid  
in full. Said monthly payments shall be applied first to the interest then unpaid  
and next upon the unpaid balance of the principal.

2. **INTEREST.** Buyers shall pay interest from June 1, 1990 on the unpaid balance, at  
the rate of ten (10) percent per annum, payable monthly as set forth above,

Buyers shall also pay interest at the rate of ten (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 11/12ths of the taxes payable in the fiscal year  
beginning July 1, 1990, and ending June 30, 1991,

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, 1990  
provided Buyers are not in default under this contract.

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.

*For Assignment To Robert A. Skellady  
See Deed Record 55-783  
Released 9-1-92 Deed Rec 51-153*

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 or conformity with this contract, 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 term 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 to 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, Sellers may, at Seller's option, either (i) forfeit Buyers' rights in this contract as provided in the Iowa Code, and all payments made by Buyers shall be forfeited or (ii) upon thirty days written notice by Sellers to Buyers of Sellers' 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, and 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 Iowa Code

b. If Sellers fail to timely perform their obligations under this contract, Buyers shall have the right to terminate this contract and 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 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 shares or in compliance with Section 561.13 of the Iowa 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, 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 ATTACHED SHEET FOR ADDITIONAL PROVISIONS

Dated: May 16, 1990 19\_\_\_\_  
Donald G. Lincoln  
Harriet M. Lincoln  
Harriet M. Lincoln **BUYERS**

Robert Pierson  
Robert Pierson  
Joan Pierson  
Joan Pierson **SELLERS**

STATE OF IOWA, COUNTY OF MADISON, ss:  
On this May day of 1990, before me, the undersigned, a Notary Public in and for said State, personally appeared Robert Pierson and Joan Pierson

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.

[Signature]  
Notary Public in and for Said State.

STATE OF IOWA )  
Pawnee County )§

On this 25th day of May, 1990, before me, a Notary Public in and for the State of Iowa, personally appeared Donald G. Lincoln and Harriet M. Lincoln, to me known to be the identical persons named here, and who acknowledged that they executed the above and foregoing document as their voluntary act and deed.

Robert Allen Shellady.  
Notary Public

Type or print: Robert Allen Shellady



My commission expires 8-29-90

PIERSON-LINCOLN REAL ESTATE CONTRACT

ADDITIONAL PROVISIONS

- A) The sale by Sellers to Buyers does not include any cash on hand or accounts receivable, which shall be retained by Sellers
- B) Buyers shall make all payments due on this Contract to Sellers to the Farmers & Merchants State Bank of Winterset, Iowa. The Farmers & Merchants State Bank shall be authorized to pay from said payment the monthly payment due to Stephen Zahn and Jo Ann Zahn in the sum of \$1834 per month. It is understood by and between the parties hereto that said Stephen Zahn and Jo Ann Zahn have payments due on a promissory note to the Farmers & Merchants State Bank, which note is secured by a Mortgage. Sellers shall not be required to obtain a release of said mortgage at this time but shall only be required to make the timely payments to Zahns as called for by their Real Estate Contract with Zahns.
- C) Until Buyers take possession, Sellers shall preserve the business as a going business, shall not enter into any Contracts relating to the business other than such as are incidental to its normal current operation and shall not dispose of any part of the assets used in connection with the operation of Village View Motel. Provided, however, Sellers shall continue to retain any profits or suffer any losses of said business until Buyers take possession.
- D) Buyers shall obtain all necessary licenses for the operation of the motel herein sold so as to fully comply with all governmental regulations in connection with the operation of said motel.
- E) Sellers hereby grant Buyers the right to the use of the name Village View Motel and Sellers shall, on the date of possession, terminate any trade name filing under Chapter 547 of the Code of Iowa pertaining to the name Village View Motel. Buyers shall, promptly after taking possession, file a verified statement of trade name in accordance with Chapter 547 of the Code of Iowa showing the Buyers to be the owners of and the persons conducting the business known as Village View Motel.
- F) Concurrently with the execution of this Contract, Sellers shall execute a Warranty Deed and a Bill of Sale in conformance with the provisions of this Contract, which Deed and Bill of Sale shall be held in escrow by the Farmers & Merchants State Bank, Winterset, Iowa, delivered according to the terms of this Contract. Sellers shall pay all fees or expenses of the escrow agent and hold the Buyers harmless therefrom. The parties shall execute a standard escrow agreement directing the escrow agent that if all sums of money and interest are paid by the Buyers during the life of this Contract, and all other agreements for performance by Buyers have been complied with, the escrow agent shall deliver to Buyers the Warranty Deed and Bill of Sale held in escrow so as to convey the real estate and personal property pursuant to and in conformity with this Contract.
- G) As additional security for the payment of the sums due under this Contract, Buyers shall execute and deliver to Sellers a security agreement granting to Sellers a security interest in and to all tangible personal property being sold by Sellers to Buyers pursuant to this Contract. Buyers shall also execute financing statements covering said property. In the event of Buyers' default, Sellers shall have, in addition to the other remedies of Sellers pursuant to the terms of this Contract, all the rights and remedies granted secured parties under the Uniform Commercial Code of Iowa.
- H) Any motel unit rental payments made in advance shall be prorated between Sellers and Buyers as of the date of possession.
- I) In case of the assignment of this Contract by either of the parties, prompt notice shall be given to the other party, who shall at the time of such notice be furnished with a duplicate of such assignment by the assignor. Any such assignment shall not terminate the liability of the assignor to perform, unless a specific release in writing is given and signed by the other party to this Contract. In addition, in the event Buyers shall sell the above-described real estate and other assets which are the subject matter of this Contract, whether by assignment of this Contract or not, prompt notice shall be given to the

PIERSON-LINCOLN REAL ESTATE CONTRACT  
ADDITIONAL PROVISIONS CONTINUED  
PAGE TWO

Sellers herein, which said notice shall contain the name or names of the then Buyers, and the current address of the Buyers herein. Any such sale shall not terminate the liability of the Buyers to perform under the terms of this Contract unless a specific release in writing is given.

J) Sellers warrant and represent that there are no known structural or mechanical defects in the property unrevealed to the Buyers, and that all equipment will be in working order on the date of possession. However, Buyers understand that they are buying said property in its "as is" condition on date of possession.

K) Buyers understand that the riding lawn mower and the antiques in the lobby are not included in this sale.

L) Buyers shall assume the payment of the broker's fee of six percent (6%) in the sum of \$20,100.00 in a manner acceptable to the broker.

M) Seller shall transfer any rights under the rental agreement on the water softener to Buyers.