



Document 2010 2845

Book 2010 Page 2845 Type 03 010 Pages 6

Date 11/12/2010 Time 11:35 AM

Rec Amt \$34.00 Aud Amt \$5.00

INDX
ANNO
SCAN
CHEK

DOV# 676

LISA SMITH, COUNTY RECORDER
MADISON COUNTY IOWA

Real Estate Contract

Preparer Information: (Individual's name, address and phone number)

George Montross
109 N 2nd Ave, Winterset, Iowa
515-238-2963

Taxpayer Information: (Taxpayer's name and full mailing address)

G.L. Montross Trust -
Post Office Box 31
Winterset, Iowa 50273

Return Document To: (Name and full mailing address)

Catherine Camp
P.O. Box 1652
Nederland, CO 80466

Grantors:

G.L. Montross Trust

Grantees:

Mark Adams

Parcel Identification Number: (If required or applicable)

Legal Description:

LOTS ONE (1) AND TWO (2) IN BLOCK (5) OF LAUGHRIDGE & CASSIDAYS ADDITION
TO WINTERSET, IOWA, MADISON COUNTY

Document or instrument number of associated documents previously recorded:

REAL ESTATE INSTALLMENT CONTRACT

This Real Estate Installment Contract ("Agreement") is made and entered into this 22 day of July 2010 by and between the G.L Montross Trust ("Seller") and Mark Adams ("Buyer").

1. Property Sale: Seller hereby agrees to sell to Buyer, and Buyer hereby agrees to purchase from Seller, upon and subject to the terms and conditions of this Agreement, the real estate situated in Iowa, known as 618 East Washington Street, Winterset, Iowa ("Property") and legally described on Attachment A. This property consists of two lots, one with a house and one with a garage. The home lot is being sold for \$58,000 and the lot with the garage is being sold for \$20,000.

2. Monthly Payments and Financing by Seller: Seller is providing Buyer with a loan for 17 years at 6% interest with monthly payments of \$550 a month. The loan will be deemed fully paid when the buyer has completed 17 years of payment, with approximately \$130 a month of each payment going to reduction of principal.

SELLER IS NOT PAYING OFF THE UNDERLYING DEBT WHICH IS AGAINST THIS PROPERTY. THIS SALE IS A CONTRACT TO SELL TO BUYER SUBJECT TO THE PRIOR OBLIGATIONS OF SELLER. Sellers financing to Exchange State Bank is not due for 29 more years.

THE MONTHLY PAYMENT OF INTEREST IS TAX DEDUCTIBLE FOR THE BUYER AND SHOULD SAVE IN EXCESS OF \$100 A MONTH IN TAXES DUE.

An amount of (approximately \$130 of each months payment will be payment of principal when Buyer makes his monthly payment and the principal balance owing will be adjusted accordingly.

3. Purchase Price: The purchase price for this sale will be: **\$58,000 for the lot with the house, and \$20,000 for the lot with the garage. The two properties will be treated as one sale of \$78,000 and buyer may only pay off seller by paying the balance owing for both properties.**

4. Prepayment of Purchase Price. Buyer may prepay the balance owing on this loan at any time with no prepayment penalty. The actual payoff will have to be computed by a CPA using the formula that buyer pays \$550 a month with an original balance owing of \$71,000 bearing annual interest of 6%.

5. Real Estate Taxes, Special Assessments and Other Charges (if any):

Buyer --THE OWNER-- shall be responsible for paying the County Real Estate Taxes on the "Property" in Iowa. Those taxes are currently **around \$ 110 a month. Taxes are due in September and March of each year. For this year, 2010, the seller will make the September 2010 payment for the buyer. In 2011 the buyer will start to be responsible for their real estate taxes.**

The amount of Real Estate Tax charged by the County may vary from year to year and the Seller has no control over the assessments. Any assessment of Real Estate taxes not paid by Buyer within 30 days of the due date will be a default under this contract.

6. Insurance. Seller currently has this property insured with State Farm with a monthly premium of \$30. Buyer may chose to pay the \$30 to Seller along with the monthly payment or obtain their own insurance. The \$30 amount may increase and is set by State Farm. If seller does not obtain alternate insurance and does not pay seller whatever amount State Farm demands then buyer will be in default on this contract.

7. Place of Payment: All monthly payments of interest, principal and insurance shall be paid to Exchange State Bank, 113 South John Wayne Drive, Winterset, Iowa 50273 unless specified otherwise to Buyer by Seller at a later date. These payments should be made for the G.L. Montross Trust from subject property, Winterset.

8. Utilities and Expenses. Buyer is to pay all charges for solid waste removal, sewage, water, electricity and Mid American natural gas, all

assessments for weed cutting, snow removal or any other payment imposed by any government body on subject property. Such payments are currently the responsibility of tenant. Any amount billed is to be paid with 90 days of the due date or Buyer will be in default under this Installment Contract.

9. Possession: Buyer has inspected the property (yes) or no. As the Buyer of the property, and having inspected the property, has the Buyer seen any surface that he thinks might contain lead paint YES OR NO If you say yes, more investigation of this condition is warranted.

Any improvements required by Buyer prior to purchase are listed on Attachment B to this agreement and signed by Seller.

10. Section left blank.

11. Section left blank

12. This sale is "AS IS". No guarantees by seller as to any condition of the property.

13. Mechanics Liens. Buyer shall not permit any materialmen's, mechanical, artisans or other lien to be filed or placed or exist against subject property. If any lien should be filed, Buyer shall cause same to be discharged of record within 30 days or Buyer will be in default under this Installment contract.

14. This Installment Contract may be recorded if Buyer and Seller agree that it is **in both of their best interests**. A copy will be kept at Exchange State Bank as they hold the underlying financing on this property. If at some point in the future Buyer wishes to record a deed on the property it will be at his expense. Seller will provide him with the Abstract on the property from when he purchased the property at no expense to Buyer.

15. Remedies. (a) Forfeiture. If Buyer fails to make the monthly payments required by this Agreement when they become due, or fails to pay the taxes or special assessment or charges upon any part of the property, or fails to keep the property in good condition, or fails to make the agreed upon improvements, or fails to perform any of the agreements herein, then Seller, in addition to any and all other remedies that it may have at its option, may proceed to forfeit and cancel this Agreement as to the property as provided by

Chapter 656 of the Code of Iowa. Upon completion of such forfeiture Buyer shall have no right of reclamation or compensation for money paid, or improvements made. Such payments and/or improvements shall be retained and kept by Seller as compensation for the use of the property and/or liquidated damages for breach of this Agreement. Upon completion of such forfeiture, if Buyer or any other person or persons shall be in possession of the Property or any portion thereof, such party or parties shall at once remove themselves, or failing to do so may be treated as tenants holding over unlawfully under a lease and may accordingly be ousted and removed as provided by Iowa law.

(b) Foreclosure. If Buyer fails to make the payments required by this Agreement as the same becomes due, or fails to pay taxes or special assessments when due or fails to keep the property in good condition, Seller may declare the entire balance hereunder immediately due and payable, and thereafter at the option of Seller this Agreement may be foreclosed in equity and a receiver may be appointed to take charge of the property as may be directed by the Court.

16. Attorney's Fees. In the case of any action by either party against the other party to collect money due under or secured by this Agreement or to enforce compliance with this Agreement or any rights or remedies available under this Agreement or in the Property, or to protect the lien or title herein provided, the prevailing party shall be entitled to collect attorney's fees from the other party.

17. Notice Whenever any notice is required or permitted under this Agreement it shall be in writing and shall be delivered by U.S. Certified Mail, receipt return requested. Such notice shall be delivered as follows:

Seller:

G.L Montross Trust

Post Office Box 31
Winterset, Iowa 50273

Buyer: BUYER
618 East Washington Street
Winterset, Iowa

Either party may change his address by notifying the other party via Certified Mail.

18. Other clauses: Time is of the essence in the performance of this agreement. This is the whole agreement, and oral modifications are null and void. Any waivers of this agreement will be in writing only and a waiver to one issue will not apply to any other portion of this agreement. This agreement shall terminate upon the transfer of the property by deed.

Seller, the G.L. Montross Trust, will agree to reacquire this property from buyer at any time after the down payment of \$7000 dollars has been made. Such a repurchase from buyer will be negotiated at a future date if desired by buyer.

If buyers the \$7000 down payment during July 2010, their first monthly payment under the contract will be September 1, 2010, in the amount of \$550.

Seller Mike Martin Date 7/22/10

Buyer Neal Adams Date 7/22/10



Stephanie K. Gerleman