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LISA SMITH, COUNTY RECORDER  
MADISON COUNTY IOWA

**REAL ESTATE CONTRACT-INSTALLMENTS**  
**THE IOWA STATE BAR ASSOCIATION**  
Official Form No. 141  
**Recorder's Cover Sheet**

*\$116,530*

**Preparer Information:** (name, address and phone number)

Krystle L. Campa, 4201 Westown Parkway, Suite 300, West Des Moines, IA 50266  
Phone: (515) 288-2500

**Taxpayer Information:** (name and complete address)

Gregory G. Graves  
2636 110<sup>th</sup> Street  
Van Meter, IA 50261

✓ **Return Document To:** (name and complete address)

Krystle L. Campa, 4201 Westown Parkway, Suite 300, West Des Moines, IA 50266

**Grantors:**

David G. Graves and Cynthia I. Graves, husband and wife

**Grantee:**

Gregory G. Graves, a married person

**Legal Description:**

See Page 2.

## REAL ESTATE CONTRACT-INSTALLMENTS

IT IS AGREED this 24<sup>th</sup> day of November, 2014, by and between David G. Graves and Cynthia I. Graves, husband and wife (together, the "Seller"); and Gregory G. Graves, a married person ("Buyer");

That the Seller, as in this contract provided, agrees to sell to the Buyer, and the Buyer in consideration of the premises, hereby agrees with the Seller to purchase real estate situated in the County of Madison, State of Iowa, locally known as 815 E Green Street, Winterset, Iowa, and legally described to-wit:

Lots 7 and 8 and the East 54 feet of the South 62 feet and the East 57 feet and 3 inches of the North 70 feet of Lot 6 in Block Eleven of Loughridge & Cassiday's Addition to the Town of Winterset, Madison County, Iowa,

together with any easements and servient estates appurtenant thereto (the "Real Estate"), but with such reservations and exceptions of title as may be below stated, all upon the terms and conditions following:

1. **TOTAL PURCHASE PRICE.** The Buyer agrees to pay for the Real Estate the total of \$150,000.00 (the "Purchase Price") due and payable as follows:

(a) **DOWN PAYMENT** of \$0.00 upon the execution of this contract, receipt of which is hereby acknowledged, and

(b) **BALANCE OF PURCHASE PRICE.** \$150,000.00, as follows: commencing on January 1, 2015, monthly payments in the amount of \$1,035.87 shall be due on the first day of each month during the term of this Contract. The entire unpaid principal balance shall be due and payable on December 1, 2029 (the "Maturity Date"). Interest shall accrue on the unpaid principal balance from the Closing Date at the rate of 3.0% per annum from the date of possession until fully paid. From and after the Maturity Date, interest will accrue on the outstanding principal balance at the rate of 10% per annum. Any payments received after the Maturity Date shall be applied first to accrued interest and then to principal. Any payment due prior to the Maturity Date that is more than five days delinquent will be subject to a late fee equal to 10% of the delinquent payment. All payments shall be made to Seller at the address for Seller set forth below or such address as may be designated by Seller from time to time in writing. Buyer may prepay all or any part of the principal at any time without penalty.

2. **POSSESSION.** Buyer, concurrently with due performance on its part shall be entitled to possession of the Real Estate at a date and time mutually agreeable to the parties, but not later than December 1, 2014 (the "Closing Date"); and thereafter so long as it shall perform the obligations of this Contract.

3. **TAXES.** Seller shall pay all taxes due and owing for fiscal year 2013-2014 before they become delinquent and any unpaid real estate taxes for prior fiscal years. Buyer shall pay any taxes not assumed by Seller and all subsequent taxes before the same become delinquent.

4. **SPECIAL ASSESSMENTS.** Seller shall pay the special assessments against this property that are a lien thereon as of the Closing Date. Buyer shall pay all subsequent special assessments before they become delinquent.

5. **MORTGAGE.** Any mortgage or encumbrance of a similar nature against the said property shall be timely paid by Seller so as not to prejudice the Buyer's equity herein. Should Seller fail to pay, Buyer may pay any such sums in default and shall receive credit on this contract for such sums so paid. Seller, its successors in interest or assigns may, and hereby reserve the right to at any time mortgage its right, title or interest in the Real Estate 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. Buyer hereby expressly consents to such a mortgage and agrees to execute and deliver all necessary papers to aid Seller in securing such a mortgage which shall be prior and paramount to any of Buyer's then rights in said property. If Buyer has reduced the balance of this Contract to the amount of any existing mortgage balance on the Real Estate, Buyer may at its option, assume and agree to pay said mortgage according to its terms, and subject to such mortgage shall receive a deed to the Real Estate; or Seller, at its option, any time before Buyer has made such a mortgage commitment, may reduce or pay off such mortgage. Buyer, in the event of acquiring the Real Estate from an equity holder instead of a holder of the fee title, or in the event of a mortgage against the Real Estate, reserves the right, if reasonably necessary for its protection to divide or allocate the payments to the interested parties as their interests may appear. Seller agrees that it 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 Seller or its assigns in said Real Estate; and if Seller shall hereafter collect or receive any moneys hereunder beyond such amount, it shall be considered as collecting and receiving said money as the agent and trustee of the Buyer for the use and benefit of the Buyer.

6. **INSURANCE.** Buyer as and from said date of possession, shall constantly keep in force insurance, premiums therefore to be prepaid by Buyer (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 the Real Estate, in an amount not less than the full insurable value of such improvements or not less than the unpaid purchase price herein whichever amount is smaller with such insurance payable to Seller and Buyer as their interests may appear. In the event of any such casualty loss, the insurance proceeds may be used under the supervision of the Seller to replace or repair 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. Buyer will protect, indemnify and save harmless the Seller from and against any and all loss, costs, damage and expenses occasioned by, or arising out of, any accident or other occurrence causing or inflicting injury and/or damage to any person or property, happening or done, in, upon or about the Real Estate. Buyer further covenants and agrees that it will at its own expenses procure and maintain

liability insurance in an amount not less than \$1,000,000.00, protecting Seller and Buyer against such claims, damages, costs or expenses on account of injury to any person or persons, or to any property belonging to any person or persons, by reason of such casualty, accident or other happening on or about the Real Estate during the term thereof. All such insurance policies shall be issued by companies authorized to do business in the State of Iowa and reasonably approved by Seller. Buyer shall deliver to Seller before the Closing Date and each renewal period thereafter during the term of this contract Certificates of Insurance or copies of said policies, naming the Seller in a standard mortgagee's clause or as an additional insured, and providing for thirty (30) days' notice to Seller before cancellation.

7. **FIXTURES.** Included with the Real Estate shall be all fixtures that integrally belong to, are specifically adapted to or are a part of the real estate, whether attached or detached.

8. **CARE OF PROPERTY.** Buyer shall take good care of the Real Estate; shall keep the buildings and other improvements now or hereafter placed on the Real Estate in good and reasonable repair and shall not injure, destroy or remove the same during the life of this Contract. Buyer shall not make any material alteration in said premises without the written consent of the Seller. Notwithstanding, until the Purchase Price is paid in full, any and all alterations or improvements to the Real Estate made by Buyer will become the property of Seller without any compensation to Buyer in the event that Buyer defaults under this Contract. Buyer shall not use or permit said premises to be used for any illegal purpose.

9. **LIENS.** No mechanics' lien shall be imposed upon or foreclosed against the Real Estate described herein.

10. **ADVANCEMENT BY SELLER.** If Buyer fails to pay such taxes, special assessments and insurance and effect necessary repairs, as above agreed, Seller may, but need not, pay such taxes, special assessments, insurance and make necessary repairs, and all sums so advanced shall be due and payable on demand or such sums so advanced may, at the election of Seller, be added to the principal amount due hereunder and so secured.

11. **JOINT TENANCY IN PROCEEDS AND SECURITY RIGHTS IN REAL ESTATE.** If Seller, immediately preceding acceptance of the offer, holds title to the Property 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 Seller, then the proceeds of this sale, and any continuing or recaptured rights of Seller in the Property, shall belong to Seller as joint tenants with full rights of survivorship and not as tenants in common; and Buyer in the event of the death of any Seller, agrees to pay any balance of the price due Seller under this contract to the surviving Seller and to accept a deed from the surviving Seller consistent with Paragraph 15.

12. **JOINDER BY SELLER'S SPOUSE.** Intentionally Omitted.

13. **TIME IS OF THE ESSENCE.** Time is of the essence in this Contract. Failure to promptly assert rights of Seller herein shall not, however, be a waiver of such rights or a waiver of any existing or subsequent default.

14. **EXCEPTIONS TO WARRANTIES OF TITLE.** The warranties of title in any Deed made pursuant to this contract (See paragraph 15) shall be without reservation or qualification EXCEPT: (a) Zoning ordinances; (b) Such restrictive covenants as may be shown of record; (c) Easements of record, if any; (d) As limited by paragraphs 1, 2, 3 and 4 of this Contract; and (e) Seller shall give Special Warranty as to the period after equitable title passes to Buyer.

15. **DEED AND ABSTRACT.** Upon payment of the purchase price in full, Seller shall execute and deliver to Buyer a Warranty Deed conveying said premises in fee simple pursuant to and in conformity with this contract. Prior to the Maturity Date, Seller will, at its expense, deliver to Buyer's attorney an abstract for examination and approval showing merchantable title, in conformity with this contract. Such abstract shall begin with the government patent (unless pursuant to the Iowa State Bar Association title standards there is a lesser requirement as to period of abstracting) to said premises and shall show title thereto in Seller as of the date of this contract. Buyer shall pay the cost of its attorney's preliminary title opinion. Seller shall pay the cost of any abstracting due to any act or change in the personal affairs of Seller resulting in a change of title by operation of law or otherwise.

16. **APPROVAL OF ABSTRACT.** Buyer has not yet examined the abstract of title to the Real Estate and such abstract is not yet accepted.

17. **FORFEITURE.** If Buyer (a) fails to make the payments aforesaid, or any part thereof, as same become due; or (b) fails to pay the taxes or special assessments or charges, or any part thereof, levied upon said property, or assessed against it, by any taxing body before any of such items become delinquent; or (c) fails to keep the property insured; or (d) fails to keep it in reasonable repair as herein required; or (e) fails to perform any of the agreements as herein made or required; then Seller, in addition to any and all other legal and equitable remedies which it may have, at its option, may proceed to forfeit and cancel this contract as provided by law (Chapter 656 Code of Iowa). Upon completion of such forfeiture Buyer shall have no right of reclamation or compensation for money paid, or improvements made; but such payments and for improvements if any shall be retained and kept by Seller as compensation for the use of said property, and/or as liquidated damages for breach of this contract; and upon completion of such forfeiture, if the Buyer, or any other person or persons shall be in possession of said Real Estate or any part thereof, such party or parties in possession shall at once peacefully remove therefrom, or failing to do so may be treated as tenants holding over, unlawfully after the expiration of a lease, and may accordingly be ousted and removed as such as provided by law.

18. **FORECLOSURE AND REDEMPTION.** If Buyer fails to timely perform this Contract, Seller, at its option, may elect to declare the entire balance immediately due and payable after such notice, if any, as may be required by Chapter 654, The Code. Thereafter this Contract may be foreclosed in equity and the court may appoint a receiver to take immediate possession of the property.

It is agreed that if this Contract covers less than ten (10) acres of land, and in the event of the foreclosure of this contract and sale of the property by sheriff's sale in such foreclosure proceedings, the time of one (1) year for redemption from said sale provided by the statutes of the State of Iowa shall be reduced to six (6) months provided the Seller, in such action file an

election to waive any deficiency judgment against Buyer which may arise out of the foreclosure proceedings: all to be consistent with the provisions of Chapter 628 of the Iowa Code. If the redemption period is so reduced, for the first three (3) months after sale such right of redemption shall be exclusive to the Buyer, and the time periods in Sections 628.5, 628.15 and 628.16 of the Iowa Code shall be reduced to four (4) months.

It is further agreed that the period of redemption after a foreclosure of this contract shall be reduced to sixty (60) days if all of the three following contingencies develop: (1) The Real Estate is less than ten (10) acres in size; (2) the Court finds affirmatively that the said Real Estate has been abandoned by the owners and those persons personally liable under this contract at the time of such foreclosure; and (3) Seller in such action files an election to waive any deficiency judgment against Buyer or its successor in interest in such action. If the redemption period is so reduced, Buyer or its successor in interest or the owner shall have the exclusive right to redeem for the first thirty (30) days after such sale, and the time provided for redemption by creditors as provided in Sections 628.5, 628.15 and 628.16 of the Iowa Code shall be reduced to forty (40) days. Entry of appearance by pleading or docket entry by or on behalf of Buyer shall be presumption that the property is not abandoned. Any such redemption period shall be consistent with all of the provisions of Chapter 628 of the Iowa Code. This paragraph shall not be construed to limit or otherwise affect any other redemption provisions contained in Chapter 628 of the Iowa Code.

**19. ATTORNEY'S FEES.**

A. Unless otherwise provided for herein, each party shall pay its own attorney's fees.

B. In case of any action, or in any proceedings in any Court to collect any sums payable or secured herein, or to protect the lien or title herein of Seller, or in any other case permitted by law in which attorney's fees may be collected from Buyer, or imposed upon them, or upon the above described property, Buyer agrees to pay Seller's reasonable attorney's fees.

**20. INTEREST ON DELINQUENT AMOUNTS.** Either party will pay interest at the rate of ten percent (10%) per annum to the other on all amounts herein as and after they become delinquent, and/or on cash reasonably advanced by either party pursuant to the terms of this contract, as protective disbursements.

**21. ASSIGNMENT.** The unpaid balance of this contract shall, at Seller's option, be immediately due and payable in full upon any transfer or sale of any portion of the Real Estate, or any assignment of this Contract, by Buyer without Seller's prior written consent. In case of any permitted assignment of this Contract by either of the parties, prompt notice shall be given to the other parties, who shall at the time of such notice be furnished with a duplicate of such assignment by such assignors. 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.

**22. PERSONAL PROPERTY.** This contract includes the sale of personal property, and Seller and Buyer agree that the allocation of the Purchase Price for the personal property is \$33,470.00. Buyer grants the Seller a security interest in the personal property and upon request,

Buyer shall execute the necessary financing statements and deliver them to Seller.

23. **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.

24. **RELEASE OF RIGHTS.** The Buyer hereby relinquishes all rights of dower, homestead and distributive share in and to the property and waives all rights of exemption as to any of the property.

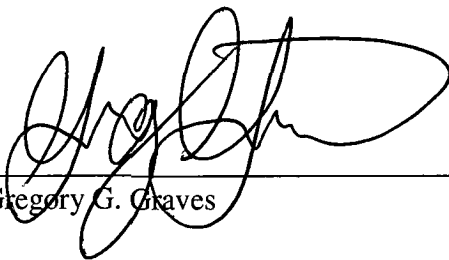
25. **INSPECTION OF PRIVATE SEWAGE DISPOSAL.** Seller represents and warrants to Buyer that the Real Estate is not served by a private sewage disposal system, and there are no known private sewage disposal systems on the property.


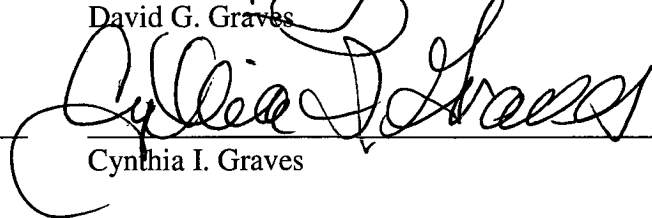
26. **COUNTERPARTS.** This contract may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

EXECUTED as of the date first above written.

BUYER:

SELLER:

  
\_\_\_\_\_  
Gregory G. Graves

  
\_\_\_\_\_  
David G. Graves  
  
\_\_\_\_\_  
Cynthia I. Graves

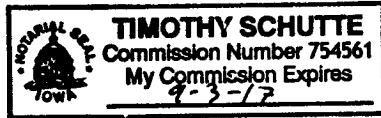
Address: 2636 110th Street  
Van Meter, IA 50261


Address: 2215 S 4<sup>th</sup> Street  
West Des Moines, Iowa 50265

[Acknowledgment Page to Follow]

STATE OF IOWA, COUNTY OF Polk, ss:

This record was acknowledged before me on November 24, 2014, by Gregory G. Graves, a married person.

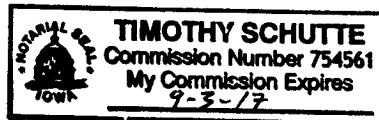



  
\_\_\_\_\_  
Timothy Schutte, Notary Public

[SEAL]

STATE OF IOWA, COUNTY OF Polk, ss:

This record was acknowledged before me on November 24, 2014, by David G. Graves and Cynthia I. Graves, husband and wife.



  
\_\_\_\_\_  
Timothy Schutte, Notary Public

[SEAL]