Vern & Edith Algreen
To
Hobart & Edna Garwood

#4508

Fee $1.80 VL

Filed for record the 3 day of November A. D. 1948 at 2:40 o'clock P. M.

Wilma M. Wade, Recorder

OPTION FOR PURCHASE OF FARM

NON-VETERAN-DIRECT LOAN
STATE Iowa
COUNTY Madison
CASE NO. 16-61-

UNITED STATES DEPARTMENT OF AGRICULTURE
Farmers Home Administration

WITH A LOAN MADE OR INSURED BY THE UNITED STATES OF AMERICA; VENDOR TO FURNISH TITLE INSURANCE

1. In consideration of the sum of One Dollar ($1) in hand paid and other valuable considerations the receipt and sufficiency of which are hereby acknowledged, the undersigned (hereinafter called the "Seller"), who covenants that he is the owner thereof, hereby, for himself and his heirs, executors, administrators, successors, and assigns, offers and agrees to sell and convey to Hobart Garwood and ~~and~~ Edna Garwood, his wife, as joint tenants with the right of survivorship and not as tenants in common.
(Name and address)
(hereinafter called the "Buyer"), and hereby grants to the said Buyer the exclusive and irrevocable option and right to purchase, under the conditions hereinafter provided, the following-described lands, located in the county of Madison, State of Iowa:
(Here insert full and complete legal description)

Southwest Quarter (SW¼) of Section Thirty-One (31) Township Seventy-Seven (77) North, Range Twenty-Nine (29) West of the 5th P. M., consisting of approximately 144.16 acres, Madison County, Iowa.

including all improvements and together with all rights, easements, and appurtenances thereunto belonging, and together with all water rights and water stock appertaining thereto, described as follows:

The title to said land is to be conveyed free and clear of all encumbrances except

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for the following reservations, exceptions, and leases, and no others:

(Here insert a full statement of all reservations, exceptions, and leases, including, in the case of leases, the date of the termination of the lease, the correct name(s) and address(es) of the lessee(s) and, if recorded, the place of recordation)

The above described farm is leased to Hobart Garwood for the period March 1, 1948 to March 1, 1949. The seller reserves all rents in connection with this lease. It is the intention of the seller to leave all appurtenances now on the farm.

2. This option is given to enable the Buyer to obtain a loan made or insured by the United States of America, acting by and through the Administrator of the Farmers Home Administration, or his delegatee, hereinafter called the "Government," for the purchase of said land pursuant to Title I of the Bankhead-Jones Farm Tenant Act, as amended. It is agreed that the Buyer's efforts to obtain such a loan constitutes a part of the consideration for this option.

3. The total purchase price for said lands is $10,800.00; said amount being in addition to the $1 above mentioned.

4. The Seller agrees to deliver, without charge to the Buyer a policy of mortgage title insurance in favor of the Mortgagee, issued by such Company as the Government shall approve, in the amount of the purchase price of said property, and to comply with all the requirements of such Company. The Seller further agrees to deliver an abstract of title, when required, which shall become the property of the Buyer, continuing down to and including the date when the deed to the Buyer and the mortgage to the Mortgagee have been recorded. The Seller further agrees that, except as herein provided, all taxes, liens, encumbrances, or other interests in third persons, will be satisfied, discharged, or paid by him, including stamp taxes and other expenses incidental to the preparation and execution of the deed and other evidences of title required by the Government. Upon failure of the Seller to furnish such policy of insurance within a reasonable time, the Buyer may procure such insurance, in which event the cost thereof, shall be deducted from the purchase price herein provided.

5. The Seller also agrees to secure for the Buyer, from the records of the County Agricultural Conservation Association, aerial surveys of the farm when available, all obtainable information relating to allotments and production history, and any other information needed in connection with the consideration of the proposed purchase of the farm.

6. The Seller further agrees to convey said lands to the Buyer by general warranty deed (except where the law provides otherwise for conveyances by trustees, officers of courts, etc.) in the form, manner, and at the time required by the Government, conveying to the Buyer a valid, unencumbered, indefeasible fee-simple title to said lands meeting all requirements of the Government; that the purchase price shall be paid at the time of recording such deed; that said lands, including improvements, shall be delivered in the same condition as they now are customary use and wear excepted.

7. Taxes, water assessments, and other general and special assessments of whatsoever nature for the year in which the closing of the transaction takes place shall be prorated as of the date of the closing of the transaction, it being expressly agreed that for the purpose of such proration the tax year shall be deemed to be the calendar year. If the closing of the transaction shall occur before the tax rate is fixed, the apportionment of taxes shall be on the basis of the tax rate for the next preceding year applied to the latest assessed valuation.

(Here insert any different tax agreement)

Seller will pay all taxes, water assessments, and other general and special assessments of whatsoever nature for the year 1948 (due in 1949); buyer will pay all subsequent taxes, water assessments and other general and special assessments of whatsoever nature; the provisions of paragraph 7 of this option to the contrary notwithstanding.

8. The Buyer will not assume or pay any share of prepaid insurance premiums.

9. This option may be exercised by the Buyer at any time while the offer herein shall remain in force, by mailing, telegraphing, or delivering in person a written notice of acceptance of the offer herein to Vern Algreen, at Dexter, in the city of - , State of Iowa. The offer herein shall remain irrevocable for a period of two months from the date hereof and shall remain in force thereafter until 1 year from the date hereof unless earlier terminated by the Seller. The Seller may terminate this offer at any time after the two months' irrevocable period provided herein by giving to the Buyer, ten (10) days' written notice of intention to terminate at the address of the Buyer. Acceptance of this option by the Buyer within ten (10) days after such notice is received by him shall constitute a valid acceptance of the option.

10. The Buyer shall have the right to assign this option to an assignee approved by the Government. In the event of such assignment, said assignee shall be substituted for, and shall have all rights, powers, privileges, and duties of the Buyer hereunder. A copy of the instrument used in making any such assignment shall be furnished to the Seller. (Strike out this paragraph when inapplicable.)

11. Loss or damage to the property by fire or from an act of God shall be at the risk of the Seller until the deed to the Buyer has been recorded, and in the event that such loss or damage occurs, the Buyer may, without liability, refuse to accept conveyance of title, or he may elect to accept conveyance of title, in which case there shall be an equitable adjustment of the purchase price.

(Here insert conditions peculiar to particular transaction

Seller agrees to give possession March 1, 1949.

12. It is hereby represented and agreed that the purchase price herein provided represents the entire consideration for the sale of the farm. This representation is made with full knowledge that it will influence the action of the Government upon the application of the Buyer for a loan or mortgage insurance to enable the Buyer to purchase said farm. It is understood that any party knowingly making a false representation herein is subject, upon conviction, to a fine of not more than $2,000 or imprisonment for not more than two years, or both, as provided in the Farmers Home Administration Act of 1946, Public Law 731, 79th Congress, 2d Session. Under regulations of the Secretary of Agriculture any side agreement between the Seller and Buyer for the payment of a greater or lesser sum or for the giving of additional consideration of any nature whatsoever, is void and unenforceable, and shall be cause for refusing to make or insure the loan. Any amount in addition to the purchase price herein set forth which is paid by the Buyer to the Seller shall be returned to the Buyer by the Seller.

IN WITNESS WHEREOF, the Seller have set their hands and seals this 22 day of September, 1948.

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(Witness)

Vern Algreen
Vern Algreen (Husband)

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(Witness)

Edith Algreen
Edith Algreen (Wife)

(Indicate marital status of Seller as "married," "single," "divorced," after signature.)

ACKNOWLEDMENT

STATE OF IOWA COUNTY OF MADISON) SS.

On this 22nd day of September, 1948, A. D. before me a Notary Public within and for said county and state, personally appeared Vern Algreen and Edith Algreen, his wife, to me personally known to be the persons described in, and who executed the foregoing instrument and acknowledged that such persons executed the same as the free voluntary act and deed of such persons for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on the day and year last above written.

My commission expires 7-4-51. (Notarial Seal)

W. L. Leeson
Notary Public

Date September 22, 1948

Received of Hobart Garwood and Edna Garwood, of the county of Madison, State of Iowa,

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the sum of one dollar ($1) in consideration of the foregoing option to purchase the aoove-described land owned by me.

[redacted]

Vern Algreen
Vern Algreen (Seller)

persons named in and who executed the foregoing instrument, and acknowledged that they