



REAL ESTATE CONTRACT
Tweedy Trust Auction – Tract 1

IT IS AGREED between the Elsie B. Tweedy Revocable Inter Vivos Trust under Agreement dated July 28, 2014, Linda Mullen, Senior Trust Officer of Connection Bank, Trustee ("Seller"); and _____ ("Buyers").

Sellers agree to sell and Buyers agree to buy certain real estate in Lee County, Iowa, which is described for auction purposes as:

Parcel advertised as Tract 1, containing 15 acres more or less, with said acreage including the residence, garage, Quonset building, and pond

Said parcel being located at 2582 320th Street, Montrose, Lee County, IA, with the exact legal description to be as determined by survey.

Also including 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; interest of others.) JG Partners is the farm tenant for this parcel through February 28, 2021. Said Tenancy has been terminated.

Said property, hereafter referred to as the "Real Estate", is sold upon the following terms:

1. **PRICE.** The total purchase price for the Real Estate is _____ Dollars (\$_____) of which _____ Dollars (\$_____) has been paid. Buyers shall pay the balance to Sellers at the Law Office of Laura M. Krehbiel, 716 Orchard Street, Donnellson, Iowa 52625 or at other location designated for closing this transaction or as directed by Sellers, as follows:
Ten per cent of the total purchase price shall be paid on the day of sale (July 10, 2023) as earnest money for this purchase, and shall be listed above as the down-payment which has been paid. The balance of the purchase price shall be paid in full at closing which shall be held on or before August 24, 2023 or as soon thereafter as is reasonably possible.
2. **REAL ESTATE TAXES.** Sellers shall pay their share of real estate taxes prorated to possession, including all taxes due and payable in Sept. 2023 and March 2024 (for Seller's possession 7/1/22 - 6/30/23), and the prorated share of real estate taxes due and payable in Sept. 2024 (for possession from 7/1/23 through date of closing) 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.

3. **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.
4. **POSSESSION CLOSING.** Sellers shall give Buyers possession of the Real Estate on date of closing, subject to the current farm tenancy disclosed in the opening paragraph above, provided Buyers are not in default under this contract. Closing shall be on or before August 24, 2023 or as soon thereafter as is reasonably possible.
5. **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.
6. **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.
7. **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.)
8. **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.
9. **DEED.** Upon payment of purchase price, Sellers shall convey the Real Estate to Buyers or their assignees, by Trustee 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.

10. REMEDIES OF THE PARTIES.

- a. If Buyers (a) fail to make the payments aforesaid, or any part thereof, as same become due; or (b) fail 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) fail to keep the property insured; or (d) fail to keep it in reasonable repair as herein required; or (e) fail to perform any of the agreements as herein made or required; then Sellers, in addition to any and all other legal and equitable remedies which they may have, at their option, may proceed to forfeit and cancel this contract as provided by law (Chapter 656 Code of Iowa). Upon completion of such forfeiture Buyers shall have no right of reclamation or compensation for money paid, or improvements made; but such payments and/or improvements if any shall be retained and kept by Sellers 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 Buyers, 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 lease, and may accordingly be ousted and removed as such as provided by law.
- b. If Buyers fail to timely perform this contract, Sellers, at their 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 and of the revenues and income accruing therefrom and to rent or cultivate the same as the receiver may deem best for the interest of all parties concerned, and such receiver shall be liable to account to Buyers only for the net profits, after application of rents, issues and profits from the costs and expenses of the receivership and foreclosure and upon the contract obligation.

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 year for redemption from said sale provided by the statutes of the State of Iowa shall be reduced to six (6) months provided the Sellers, in such action file an election to waive any deficiency judgment against Buyers 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 Buyers, 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) Sellers in such action file an election to waive any deficiency judgment against Buyers or their successor in interest in such action. If the redemption period is so reduced, Buyers or their successors 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 Buyers 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. Upon completion of such forfeiture Buyers 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 Sellers 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 Buyers, 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.

- c. 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.
- d. Buyers and Sellers are also entitled to utilize any and all other remedies or actions at law or in equity available to them.
- e. 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.

11. TIME IS OF THE ESSENCE. Time is of the essence in this contract.

12. 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.

13. CERTIFICATION. Buyers and Sellers each certify that they are not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by any Executive Order or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person" or any other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control; and are not engaged in this transaction, directly or indirectly on behalf of, any such person, group, entity or nation. Each party hereby agrees to defend, indemnify and hold harmless the other party from and against any and all claims, damages, losses, risks, liabilities and expenses (including attorney's fees and costs) arising from or related to my breach of the foregoing certification.

14. INSPECTION OF PRIVATE SEWAGE DISPOSAL SYSTEM. Seller represents and warrants to Buyer that the Property is served by a private sewage disposal system. The Seller is exempt from Iowa's time of transfer requirements relating to private sewage disposal systems, as this property is being sold in the course of administration of said Trust. Seller shall not be obligated to have the private sewage disposal system inspected or to take any further action related to said system.

15. ADDITIONAL PROVISIONS. (Tract 1)

- A. This real estate is selling subject to public road easements and all other easements of record.
- B. All fences and fence lines shall be governed by the State of Iowa and the Lee County fence line rules and regulations.
- C. Buyers acknowledge and represent that the Real Estate has been the subject of an auction and that all of the property subject to this Contract and all of the rules and regulations governing Buyers' use of the subject property have been inspected by Buyers or by agent of Buyers, or if not inspected that Buyers' have had adequate opportunity to undertake said inspection, and further acknowledges that said rules and regulations and said property are satisfactory in all respects and that this agreement is made voluntarily by Buyers, relying wholly upon the knowledge and investigation of the Buyers and not upon any statements or representations made by Sellers or by any person representing or purporting to represent the Sellers. **Buyers accept the property subject to this Contract, including all structures and fences thereon, in its present condition and "as is", and "where is".**
- D. Buyer is hereby notified that about three acres of this property is enrolled in the Farm Service Agency's CRP program. Said enrollment expires in 2030. Buyer is responsible to educate himself or herself about the rules and regulations of said CRP program. Buyer shall be solely responsible for any fees, penalties, expenses, or payments required to be made to the Farm Service Agency due to Buyer's failure to abide by the rules of the CRP program, and Buyer shall indemnify and hold Sellers harmless from any liability for the same.
- E. Buyer and Seller shall receive their prorated shares of the CRP payment made in October, 2023, with said proration to be made following the rules established by the Farm Service Agency. It will be Buyer's responsibility to show proof of purchase to the Lee County Farm Service Agency (FSA) office so that he/she will receive said CRP payment and any future government payments. Seller agrees to cooperate in signing any documents required by the Farm Service Agency in order to effectuate the terms set out in this paragraph.
- F. All tillable property in this Tract has been enrolled in CRP. There is no farm tenant on this Tract.
- G. If in the future a site clean-up is required, it will be at the expense of Buyer.

- H. Seller shall be responsible to pay the cost of the survey. Seller is offering five tracts for sale at the same auction, and Seller hereby reserves the right to combine adjacent tracts purchased by the same Buyer at said auction into one survey and shall not be obligated to provide separate surveys for multiple tracts purchased by the same Buyer.
- I. Seller shall be responsible to pay the real estate transfer tax, the expense of preparing the Trustee Warranty Deed, and the expense of any corrective legal work required to clear title.

I UNDERSTAND THAT HOMESTEAD PROPERTY IS IN MANY CASES PROTECTED FROM THE CLAIMS OF CREDITORS AND EXEMPT FROM JUDICIAL SALE; AND THAT BY SIGNING THIS CONTRACT, I VOLUNTARILY GIVE UP MY RIGHT TO THIS PROTECTION FOR THIS PROPERTY WITH RESPECT TO CLAIMS BASED UPON THIS CONTRACT.

By signing hereto, Buyers specifically acknowledge the above understanding and hereby enter into this Contract.

_____, Buyer

_____, Buyer

This Contract signed on the date set out below by the following parties:

Dated: _____.

Dated: _____

Linda Mullen, Senior Trust Officer of
Connection Bank, Trustee of the
Elsie B. Tweedy Revocable Inter Vivos Trust
under Agreement dated July 28, 2014,
Seller

_____, Buyer

_____, Buyer