

Mortgage Record, No. 88, Madison County, Iowa

W.H. King

#2588

Filed for record the 1 day of
June A.D.1937 at 8;25 o'clock
A.M.

To

Fee \$1.00✓

P.E. & Ida Garst

Valda C. Bishop, Recorder

REAL ESTATE CONTRACT

THIS AGREEMENT, Made and entered into this 16 day of Sept. 1935 by and between W.H.King of Madison County and State of Iowa, party of the first part, and P.E. & Ida Garst of Madison County and State of Iowa, party of the second part.

WITNESSETH, That the party of the first part, in consideration of the covenants herein contained, agrees to sell unto the party of the second part, the following described real estate, situated in County and State of Iowa, to-wit:

Lot Four (4) Block Seven (7) Original Town of Truro

for the sum of Five Hundred (\$500.00) Dollars, payable as hereinafter mentioned.

And the said party of the second part, in consideration of the covenants herein contained, agrees to and with the party of the first part to purchase all his right, title and interest in and to the real estate above described, and to pay therefor to the said W.H.King his heirs, representatives or assigns, at the office of Truro State of Iowa the sum of Five Hundred (\$500.00) Dollars in the manner following, to-wit: One Hundred (\$100.00) Dollars on the execution of this contract, receipt thereof being hereby acknowledged, and the balance of Four Hundred (\$400.00) Dollars as follows, to-wit: One Hundred (\$100.00) annually on the First day of October each year until the face of the contract is paid in full, with interest from date at the rate of 7 per cent per annum on all sums as shall remain unpaid payable annually, on the 1st day of October and Annually in each year till all is paid; with privilege, however, of paying any part or all of said sums at any time before maturity if desired, All principal and interest not paid at maturity shall draw interest at the rate of eight per cent per annum thereafter until paid.

The party of the first part, on receiving the full amount as above provided, agrees to execute and deliver to the party of the second part, at his own cost, a general warranty deed conveying the premises in fee simple to the said party of the second part, free from all liens and incumbrances to the date of this contract, except and to furnish an abstract of title for the same showing a merchantable title to the date of this contract.

It is further agreed that the stipulations herein are to apply to, obligate and bind the heirs, executors, administrators and assigns of the respective parties hereto.

Party of the second part shall have possession of the premises conveyed on the 1st day of Oct 1935. The second party further agrees that all improvements placed on said premises shall remain thereon during the life of this contract, and also agrees to pay all taxes and assessments that may be levied against said premises before the same becomes delinquent and to give the receipts therefor to the party of the first part, including the taxes for the year 1935 due and payable in the year 1936.

The second party further agrees to keep the buildings in said premises insured against fire and windstorm, for the benefit of the party of the first part, in a solvent company in the sum of Four Hundred (\$400.00) Dollars. In event the party of the second part fails or refuses to insure said buildings, the party of the first part may do so at the cost of the party of the second part, and this contract shall be security therefor.

If the party of the second part fails to make payments of principal or interest, or any part thereof, as the same becomes due, or fails to pay the taxes, and assessments, or any part thereof, levied upon said premises, as herein provided, or fails to keep the buildings insured as herein stated, or fails to perform any of the agreements herein made, or shall use the premises for an unlawful purpose, or permit the same to be so used, then, in any of said cases, the party of the first part shall have the right at his option either:

FIRST. To declare this contract null and void, in which case all the rights and interest hereby acquired by the party of the second part shall be forfeited and the property shall revert fully to the party of the first part, without right of said second party to reclamation or compensation for money paid or improvements made; such payments or improvements being deemed compensation for the use of said premises, or as liquidated damages for the breach of this contract. Notice of intention to declare this contract null and void shall be in the manner provided by the laws of Iowa; or

SECOND. To proceed in an action at law to collect the full amount due, or to become due, under this contract, with interest; or,

THIRD. To proceed with an action in equity to foreclose this contract for the whole amount due or to become due thereon, with interest as herein provided, in which event he shall be entitled to have a receiver appointed to take possession of the property and to all rents, issues and profits which may arise therefrom.

FOURTH. To proceed with an action in equity for specific performance of this contract.

If an action either at law or in equity be brought on this contract by the party of the first part, the party of the second part agrees to pay a reasonable attorney's fee to the attorney of the party of the first part, to be taxed as part of the costs in the action.

Neither extension of time nor waiver of any right, or rights, by the party of the first part shall be deemed an extension of time or waiver of rights subsequently maturing or re^{curing}

It is further agreed that this contract shall be performed by the party of the second part P.E. & Ida Garst in the State of Iowa, and that TIME IS THE ESSENCE OF THIS CONTRACT.

Witness our hands this day and year first above written.

W.H.King
Party of the First Part

P.E. & Ida Garst
by P.E. Garst
Party of the Second Part.