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Pages 6
County Recording Fee: \$37.00
Iowa E-Filing Fee: \$3.00
Combined Fee: \$40.00
Revenue Tax:
BRANDY L. MACUMBER, RECORDER
Madison County, Iowa

**REAL ESTATE CONTRACT
(SHORT FORM)
Recorder's Cover Sheet**

Preparer Information:

Samuel H. Braland, 115 E. First Street, P.O. Box 370, Earlham, Iowa 50072 (515) 758-2267

Taxpayer Information: (name and complete address)

Parker L. Frey
1509 - 135th Street
Earlham, Iowa 50072

Return Document To:

Samuel H. Braland, 115 E. First Street, P.O. Box 370, Earlham, Iowa 50072

Grantors:

Michael H. Frey
Penny L. Frey

Grantees:

Parker L. Frey

Legal Description: See Page 2



REAL ESTATE CONTRACT (SHORT FORM)

IT IS AGREED between MICHAEL H. FREY AND PENNY L. FREY, husband and wife, ("Sellers"); and PARKER L. FREY, a single person, ("Buyer") as follows: Sellers agree to sell and Buyer agrees to buy real estate in Madison County, Iowa, described as:

The Northwest Quarter (NW¹/₄) of Section Twenty-Four (24) Township Seventy-seven (77) North Range Twenty-nine (29) West of the 5th P.M., Madison County, Iowa,

with any easements and appurtenant servient estates, but subject to the following:

- a. any zoning and other ordinances; b. any covenants of record, and (c) any easements of record;

(the "Real Estate"), upon the following terms:

1. **PRICE.** The total purchase price for the Real Estate is One Million Six Hundred Thousand and no/100ths Dollars (\$1,600,000.00) payable by the Buyer to the Sellers at Earlham, Iowa or as directed by Sellers, as follows:

\$100,000.00 shall be paid as a down payment on March 1, 2024.

The balance of the purchase price in the amount of \$1,500,000.00 shall be paid as follows: \$100,000.00 principal on the March 1, 2025; \$100,000.00 principal on March 1, 2026; and the entire unpaid principal balance in the amount of \$1,300,000.00 shall be due and paid in full on March 1, 2027 unless Sellers and Buyer mutually agree to extend this payment. Said monthly payments include both interest and principal, and shall be applied first toward accrued interest and then principal.

In addition to the foregoing purchase price, Buyer agrees to reimburse Sellers the costs of 2023 crop year inputs previously paid by Sellers in the amount \$31,154.00 plus any additional input costs attributable to this Real Estate paid by Sellers. All such costs shall be paid by Buyer to the Sellers on March 1, 2024. See paragraph 17 pertaining to entitlement of the 2023 crop.

2. **INTEREST.** No interest shall accrue on the unpaid principal balance.
3. **REAL ESTATE TAXES.** Sellers shall pay the real estate taxes due and payable at the County Treasurer's office in the fiscal year beginning July 1, 2024, prorated to the closing date, and any unpaid real estate taxes payable in prior years. Buyer shall pay all subsequent 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.

4. **SPECIAL ASSESSMENTS.** Sellers shall pay all special assessments which are a lien on the Real Estate as of the closing date. All other special assessments shall be paid by Buyer.
5. **POSSESSION CLOSING.** Sellers shall give Buyer possession of the real estate on September 15, 2023, provided Buyer is not in default under this contract. Closing shall be on March 1, 2024.
6. **INSURANCE.** Sellers maintain existing insurance upon the Real Estate until the date of possession. Buyer shall accept insurance proceeds instead of Sellers replacing or repairing damaged improvements. After possession and until full payment of the purchase price, Buyer shall keep the improvements on the Real Estate insured against loss by fire, tornado, and extended coverage for a sum not less than 80% of full insurable value payable to the Sellers and Buyer as their interests may appear. Buyer shall provide Sellers with evidence of such insurance.
7. **ABSTRACT AND TITLE.** When the purchase price is paid in full, Sellers, at their expense, shall promptly obtain an abstract of title to the Real Estate continued to date and deliver it to Buyer for examination. It shall show merchantable title in Sellers in conformity with this contract, Iowa Law and the Title Standards of the Iowa State Bar Association. The abstract shall become the property of the Buyer when the purchase price is paid in full, however, Buyer reserves the right to occasionally use the abstract prior to full payment of the purchase price.
8. **FIXTURES.** All property that integrally belongs to or is part of the Real Estate, such as fencing, gates, and landscaping shall be considered a part of the Real Estate and included in this sale.
9. **CARE OF PROPERTY.** Buyer 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. Buyer shall not make any material alteration to the Real Estate without the written consent of the Sellers.
10. **DEED.** Upon payment of the purchase price in full, Sellers shall convey the Real Estate to Buyer or its assignees, by 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.
11. **REMEDIES OF THE PARTIES.**
 - a. If Buyer (a) fails 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 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/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 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 lease, and may accordingly be ousted and removed as such as provided by law.

- b. If Buyer fails 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 Buyer 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 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) Sellers in such action file 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 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 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. 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 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 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.

- c. If Sellers fails to timely perform their obligations under this contract, Buyer shall have the right to terminate this contract and have all payments made returned to them.
- d. Buyer 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.

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

13. PERSONAL PROPERTY. If this contract includes the sale of any personal property, Buyer grants the Sellers a security interest in the personal property and Buyer shall execute the necessary financing statements and deliver them to Sellers.

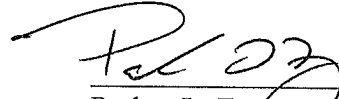
14. CONSTRUCTION. Words and phrases in this contract shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender, according to the context.

15. RELEASE OF RIGHTS. Sellers hereby relinquish all rights of dower, homestead and distributive share in and to the property and waive all rights of exemption as to any of the property.

16. CERTIFICATION. Buyer 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.

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.

Dated: September 12, 2023

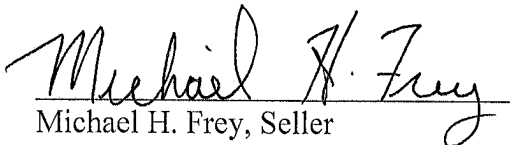

Parker L. Frey, Buyer

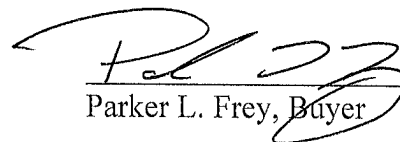
17. ADDITIONAL PROVISIONS.

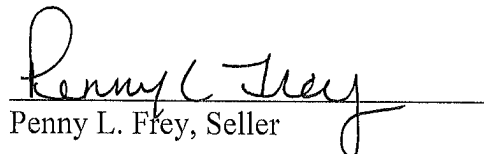
No Sale or Assignment. Buyer shall not assign this contract to a third party, nor sell the Real Estate to a third party, without the written consent of Sellers. If Buyer proceeds without Sellers' consent, then the entire unpaid principal balance plus all interest accrued thereon shall accelerate and become immediately due and paid in full.

2023 Crop. The 2023 crop growing on the Real Estate is included in this sale and shall be the property of Buyer.

Dated: September 12, 2023

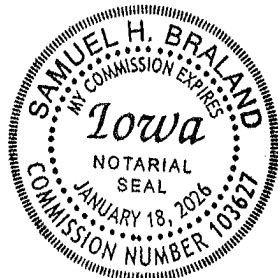

Michael H. Frey, Seller

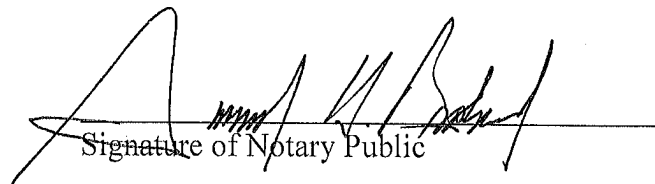

Parker L. Frey, Buyer


Penny L. Frey, Seller

STATE OF IOWA, COUNTY OF MADISON: ss

This record was acknowledged before me on the 12th day of September, 2023, by Michael H. Frey and Penny L. Frey, husband and wife, and by Parker L. Frey a single person.




Signature of Notary Public