

Deed Record, No. 78, Madison County, Iowa

Des Moines Joint Stock Land Bank of Des Moines	#3776	Filed for record the 23 day of June A.D.1941 at 2:30 o'clock P.M.
To	Fee \$ 3.20 ✓	
F.A.Schutz		Pearl E. Shetterly, Recorder I-904-1420 Schutz.
<u>C O N T R A C T</u>		

THIS AGREEMENT, Made and entered into this 9th day of December, 1940, by and between Des Moines Joint Stock Land Bank of Des Moines a corporation, of Des Moines, Polk County, Iowa, party of the first part, and F.A.Schutz of Macksburg Post Office, Madison County, Iowa, party of the second part;

WITNESSETH: That party of the first part hereby agrees to sell and convey, and party of the second part hereby agrees to buy, as herein provided, all of the right, title and interest of the party of the first part in and to the following described real estate situated in the County of Madison, State of Iowa, to-wit:

Southwest quarter of Southeast quarter (SW $\frac{1}{4}$ SE $\frac{1}{4}$) and Southeast quarter of Southwest quarter (SE $\frac{1}{4}$ SW $\frac{1}{4}$) and west 17 7/9 rods of Northeast quarter of Southwest quarter (NE $\frac{1}{4}$ SW $\frac{1}{4}$) of Section Seventeen (17), and the West half of Northwest quarter (W $\frac{1}{2}$ NW $\frac{1}{4}$) of Section Twenty (20), in Township Seventy-four (74) North, Range Twenty-nine (29) West 5th P.M. subject to easements or highway right of way of record.

Party of the second part hereby consents to sealing of corn by party of the first part and its tenant on the premises covered by this sale contract for period ending October 15, 1941. together with the rents, crops and profits raised, or to be raised upon said premises from the date party of the second part is entitled to possession of said premises hereunder, for the sum of Fifty-four hundred and no/100 DOLLARS (\$5400.00), to be paid by party of the second part as follows: Three hundred and no/100 Dollars (\$300.00) at the signing of this

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contract, the receipt whereof is hereby acknowledged by first party, the balance to be paid to first party in the following manner, to-wit: \$600.00 Feb. 15, 1941, \$200. March 1, 1942, \$200. March 1, 1943, \$200. March 1, 1944, \$200. March 1, 1945, \$260. March 1, 1946 and the balance of \$3400.00 by assuming and agreeing to pay then unpaid balance of certain mortgage to Metropolitan Life Insurance Co. referred to hereafter. or at basis of \$5200.00 with \$300.00 at signing of this contract, \$980.00 Feb. 15, 1941 and assume and agree to pay then unpaid balance of said certain Mortgage to Metropolitan Life Ins.Co. as follows: provided, however, that when this contract is paid down to the amount of the then unpaid balance of a first real estate mortgage on the above described premises now held of record by Metropolitan Life Insurance Company first party shall convey at once its interest in the above described premises and said second party shall assume and agree to pay the unpaid balance of said first real estate mortgage; by special warranty deed subject to said first real estate mortgage;/said mortgage being in the original amount of \$4000. due April 1, 1948, upon which annual principal payments are made commencing 4-1-40 & annually thereafter of \$80.00, bearing 4% interest payable semi-annually.

Party of the second part shall have the option of paying any part or all of the purchase price down to the unpaid balance of said Metropolitan mortgage at any time before maturity. All deferred payments due on the purchase price above specified shall draw five per cent interest per annum, from March 1, 1941, payable semiannually on the first day of September and March in each year until all is paid.

The payments provided for herein shall be made in lawful money of the United States at the office of said first party, in Des Moines, Iowa, but should a draft, check or other negotiable instrument be accepted by said first party as a payment of any part or all of the sum due hereunder, it is agreed that said items are credited subject to final payment in cash or solvent credits; and first party shall be authorized to send any and all such items for collection as agent of the second party directly or indirectly, to any bank, including the payor, and accept its draft or credit as conditional payment in lieu of cash; and first party shall not be liable for default or negligence of its duly selected correspondents nor for losses in transit, and each correspondent so selected shall not be liable except for its own negligence.

It is further understood and agreed that possession shall be given on the first day of March, 1941, providing the payments and covenants of this contract which have matured on or before that date have been made and complied with, and said first party reserves a vendor's lien for the full amount of the unpaid purchase price due under this contract, together with costs, taxes and insurance accruing hereunder. Second party shall not make any material alterations in said premises or create any lien thereon without the written consent of the first party, or permit the said premises or any part thereof to be used for any unlawful purpose.

Party of the first part agrees to deliver to party of the second part, for examination, abstracts of title in present form to the above described premises as hereinabove set forth, with abstracters' certificates, within 30 days from day of signing of this contract, the original certificate or certificates attached thereto and the continuations thereof showing that said abstract has been certified from government entry to date hereof. Second party agrees to notify first party, in writing, as to his acceptance of or objection to the merchantability of first party's interest within 10 days after the receipt of abstract of title from first party, and all objections not so specified to first party shall be deemed waived. It is further agreed that if the interest of first party in said real estate and personalty is not and cannot be made merchantable within four months from date of receipt by first party of the report of examining attorney for second party, this agreement shall be null and void and the payments received shall be refunded by first party. During the period allowed to first party for perfection of title hereunder, both parties hereto agree to fully perform all cove-

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nants and make all payments imposed upon them, or each of them hereunder.

It is further understood and agreed that the first party in selling its interest in the above premises, is selling in addition to the land, only the buildings, fences and appurtenances now located on said farm and owned by said first party. In case of loss by fire or tornado prior to the date possession is given to second party the amount of insurance collected by first party shall be regarded as the full value of the property destroyed.

As security for the payments herein due and to become due from party of the second part, the vendor reserves a lien as of a chattel mortgage upon all crops grown from year to year on the above described premises, during the life of said contract. And in case the said crops are not properly grown, planted, cultivated, harvested, threshed, or cared for, the said vendor shall have the right to enter on said land, and do all that is necessary to properly put in, harvest, thresh and market such crops and reimburse itself for all labor and expense out of the proceeds thereof, the portion remaining to be applied on the debt hereby secured.

In event of default as to the performance of any of the covenants of party of the second part hereunder, then it shall be lawful for the vendor, its successors or assigns, by agent or attorney, to take immediate possession of personal property herein described wherever it may be, and for that purpose may, with or without force or process of law, enter upon the premises of the undersigned or of the holder of said personal property, and search for, take possession of, remove, sell and dispose of said personal property and all equity of redemption therein, as provided by law, and retain out of the proceeds the amount then due on this contract and all expenses incurred for pursuing, searching for, taking, removing, caring for, advertising and selling said property, any prior liens thereon, and Fifteen Dollars Attorney's fee, returning the surplus, if any, to the undersigned. The vendor may become purchaser at said sale.

The undersigned vendee hereby acknowledges the receipt from the vendor of a true, correct and complete copy of this contract.

The second party agrees to pay the cost of recording all instruments evidencing his title, and all deeds of trust or mortgages given as part of the purchase price as above provided, and also agrees to pay the registration tax or any form of stamp tax and Federal revenue stamps required to be affixed to all deeds and mortgages delivered in connection with the consummation of this contract, if any, and to have the abstract of title extended to show all said instruments of record and properly certified as to judgments against said second party. The second party further agrees to return to the first party all abstracts submitted to him for examination, to be retained by the first party, or delivered by the first party to the holder of the first mortgage on the herein described property, until the loan or loans herein specified are paid in full, and said abstracts are not to be delivered to the second party before payment, in full, of the loan or loans as aforesaid, without a deposit of sufficient amount to adequately reimburse the first party or the holder of said loans for any loss of said abstract or abstracts.

The terms and provisions of this contract shall not be binding upon first party (even though the earnest money deposit herein provided for is accepted by first party) until the within contract shall have been signed by an officer of first party, and it is expressly understood and agreed that at any time prior to the signing of said contract by first party, the earnest money deposit herein provided for may be returned by the first party without interest, and upon the return of said earnest money deposit the rights of ~~the~~ party of the second part hereunder shall cease and terminate.

Said party of the second part further covenants and agrees to pay prior to delinquency thereof all unpaid installments of special assessments which are a lien on the premises at

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the date hereof, all special assessments which may be hereafter levied against the premises, the general taxes for the year 1941 which become due and payable on the first day of January, 1942, and all taxes for subsequent years; also that all buildings and improvements now on said land, or that shall hereafter be erected, placed, or made thereon, shall not be removed therefrom, but shall be and remain the property of the party of the first part until this contract shall be fully performed by the party of the second part; and does further covenant and agree, at his own expense, to keep the buildings on said premises in good repair and insured in insurance companies acceptable to said first party from and after noon of March 1, 1941, against loss or damage by fire, lightning, windstorm and tornado in an amount of at least equal to the full insurable value thereof, said policies to be payable to first party as its interest may appear and to be delivered to first party at least five days before the date such policies become effective. But should the second party fail to pay any item to be paid by said party under the terms hereof, same may be paid by first party and shall be forthwith payable with seven per cent interest per annum as an additional amount due as a part of the purchase price hereunder, secured hereby, in favor of first party but the payment of said items by first party shall not waive any rights, options or elections to which first party may be entitled under other provisions of this contract by reason of said default of said second party.

But should default be made in the payment of principal or interest due hereunder, or of any part thereof, to be by second party paid, or should second party fail to pay the taxes or assessments upon said land, premiums upon said insurance, or to perform any or either of the covenants, agreements, terms or conditions herein contained, to be by said second party kept or performed, then, or at any time thereafter, during the continuance of such default the said party of the first part may, without notice, declare the whole indebtedness due hereunder due and payable at once, and first party may sue to collect said indebtedness, or any part thereof, at law, and any judgment accruing thereby shall be considered as payment of said amount sued on and as liquidated damages for the use and occupation of the premises and breach by party of the second part; or first party may bring suit in equity for specific performance of the covenants herein contained; or first party may bring suit in equity to foreclose first party's vendor's lien herein reserved, with all rights and privileges of a mortgagee; or first party may by written notice declare this contract cancelled and terminated, and all rights, title and interest acquired thereunder by said second party shall thereupon cease and terminate, and all improvements made upon the premises, and all payments made hereunder, shall belong to said party of the first part as liquidated damages for breach of this contract by said second party, said notice to be in accordance with the Statutes and Laws of Iowa. Neither the extension of time of payment of any sum or sums of money to be paid hereunder, nor any waiver by the party of the first part of its rights to declare this contract forfeited by reason of any breach thereof, shall in any manner affect the right of said first party to cancel this contract because of defaults subsequently maturing, and no extension of time shall be valid unless evidenced by duly signed instrument. Further, upon default after said notice said party of the second part hereby specifically agrees, upon demand of said party of the first part, quietly and peaceably to surrender to it possession of said premises, and every part thereof.

It is understood and agreed that party of the second part has made a personal inspection of the premises described herein and has thus been satisfied as to the condition of the soil, the buildings and as to whether there are any noxious weeds. It is further agreed that second party is making this offer solely as the result of such personal inspection and that the offer is not based on any statements made by agents of first party as to the physical condition of the property.

Second party hereby consents to the placing of mortgages by first party or any assignee

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of first party, at any time desired by first party or its assignees, in favor of any person, firm or corporation, without notice to second party on the above described real estate, payable over a term of years and providing for the payment of any interest rate not exceeding that contained in this contract as to deferred payments; and the placing of said mortgages on the above described real estate after the signing of this contract shall not constitute a breach of any covenants with respect to conveyance of title by first party, so long as the unpaid balance on said mortgages shall not exceed the unpaid balance due to first party under the terms of this contract. Whenever the unpaid balance on said mortgages shall equal the unpaid balance due on this contract, second party agrees upon request of first party to accept a deed in performance of this contract and assume and agree to pay the balance due on said mortgages.

At any time, upon request of first party, second party agrees to execute a note or notes in favor of first party upon terms similar to those contained in this contract secured by purchase money mortgages, covering the real estate described in this contract free and clear of all liens and to deliver same to first party in settlement of the balance due on this contract. The principal amount of said notes and mortgages shall be fixed by first party but shall not exceed in the aggregate the unpaid balance due on this contract.

Upon written request of first party second party agrees at his expense to make application for loans from federal agencies or third parties for the purpose of paying off the balance due first party under this contract or any papers executed in lieu hereof and second party further agrees to complete said loans promptly, if allowed, at his expense.

Time is the essence of this contract, which is executed in triplicate.

It is mutually agreed that all of the covenants and agreements herein contained shall run with the land and bind the heirs, executors, administrators, successors and assigns of the respective parties hereto.

IN TESTIMONY WHEREOF, the said first party has caused these presents to be executed in its corporate name by its President and its Secretary and its corporate seal to be hereunto affixed, and said party of the second part has hereunto set his hand the day and year first above written.

In Presence of

As to First Party

DES MOINES JOINT STOCK LAND BANK OF DES MOINES

By Allen Whitfield

President

Attest Benton Smith

Its Secretary

As to Second Party

F.A.Schutz

(Corporate Seal)

COMPARED

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