

**OFFER TO BUY REAL ESTATE AND ACCEPTANCE  
(NONRESIDENTIAL)**

TO: Etcher Farms, Inc. (Sellers)

The undersigned BUYERS hereby offer to buy and the undersigned SELLERS by their acceptance agree to sell the real property (35 Acres M/L) situated in Lovilia, Iowa, locally known as 1405 576th Avenue, Lovilia, Iowa and legally described as:

In part of the NW1/4 of Section 28, Township 73 North, Range 18 West of the 5th P.M., Monroe County, Iowa, described as follows:

Commencing at the N1/4 corner of Section 28, said point being also the POINT OF BEGINNING; thence South 00°09'12" East, along the east line of said NW1/4 of Section 28 and the centerline of 576th Avenue, 759.25 feet; thence South 58°37'39" West, 1,223.37 feet; thence South 79°51'34" West, 467.85 feet; thence North 49°54'53" West, 172.50 feet; thence North 02°55'05" West, 480.67 feet; thence North 36°54'09" East, 417.12 feet; thence North 78°51'16" East, 561.25 feet; thence North 01°12'37" West, 427.10 feet to a point on the north line of said NW1/4 of Section 28 in the centerline of 139th Trail; thence, along said common line, North 88°47'23" East, 867.56 feet to the POINT OF BEGINNING, containing 35.37 acres, of which, 1.65 acres are public road right-of-way.

The above bearings are based on Iowa State Plane South Coordinates and all distances are horizontal ground distances.

together with any easements and appurtenant servient estates, but subject to any reasonable easements of record for public utilities or roads, any zoning restrictions customary restrictive covenants and mineral reservations of record, if any, herein referred to as the "Property," upon the following terms and conditions provided BUYERS, on possession, are permitted to use the Property for agricultural

1. PURCHASE PRICE. The Purchase Price shall be \$\_\_\_\_\_ and the method of payment shall be as follows: 10% down payment on August 8, 2019 with this offer. Personal check or cash is acceptable for down payment, and the balance of the Purchase Price shall be paid by cash, certified check or wire transfer. Balance due at closing with a projected date of September 20, 2019 (subject to tenant's rights on the tillable land), upon delivery of merchantable abstract and deed and all objections have been met. Immediately following the auction of the real estate, the Buyer shall enter into a written contract with the Seller.

2. REAL ESTATE TAXES. The Seller will pay the 2019 real estate taxes due and payable in 2020, and will be prorated to the date of closing on the basis of the last available tax statement. The 2020 real estate taxes and subsequent years will be paid by the Buyer.

Unless otherwise provided in this Agreement, at closing SELLERS shall pay BUYERS, or BUYERS shall be given a credit for, taxes from the first day of July prior to possession to the date of possession based upon the last known actual net real estate taxes payable according to

public records. However, if such taxes are based upon a partial assessment of the present property improvements or a changed tax classification as of the date of possession, such proration shall be based on the current levy rate, assessed value, legislative tax rollbacks and real estate tax exemptions that will actually be applicable as shown by the assessor's records on the date of possession.

### 3. SPECIAL ASSESSMENTS.

A. SELLERS shall pay in full at time of closing all special assessments which are a lien on the Property as of the date of acceptance, August 8, 2019.

B. IF "A" is stricken, then SELLERS shall pay at time of closing all installments of special assessments which are a lien on the Property and, if not paid, would become delinquent during the calendar year this offer is accepted, and all prior installments thereof.

C. All charges for solid waste removal, sewage and maintenance that are attributable to SELLERS' possession, including those for which assessments arise after closing, shall be paid by SELLERS.

D. Any preliminary or deficiency assessment which cannot be discharged by payment shall be paid by SELLERS through an escrow account with sufficient funds to pay such liens when payable, with any unused funds returned to SELLERS.

E. BUYERS shall pay all other special assessments or installments not payable by SELLERS.

4. RISK OF LOSS AND INSURANCE. SELLERS shall bear the risk of loss or damage to the Property prior to closing or possession, whichever first occurs. SELLERS agree to maintain existing insurance and BUYERS may purchase additional insurance. In the event of substantial damage or destruction prior to closing, this Agreement shall be null and void; provided, however, BUYERS shall have the option to complete the closing and receive insurance proceeds regardless of the extent of damages. The property shall be deemed substantially damaged or destroyed if it cannot be restored to its present condition on or before the closing date.

5. POSSESSION AND CLOSING. If BUYERS timely perform all obligations, possession of the Property shall be delivered to Buyers on September 20, 2019. Title Insurance in the full amount of the purchase price will be provided by the Seller, and any adjustments of rent, insurance, interest and all charges attributable to the SELLERS' possession shall be made as of the date of possession. Projected date of closing is September 20, 2019 (subject to tenant's rights on the tillable land). Closing shall occur after the approval of title by BUYERS and vacation of the Property by SELLERS, but prior to possession by BUYERS. SELLERS agree to permit BUYERS to inspect the Property within 24 hours prior to closing to assure that the premises are in the condition required by this Agreement. If possession is given on a day other than closing, the parties shall make a separate agreement with adjustments as of the date of possession. This transaction shall be considered closed:

A. Upon the delivery of the title transfer documents to BUYERS and receipt of all funds then due at closing from BUYERS under the Agreement.

B. (If "A" is stricken) Upon the filing of the title transfer documents and receipt of all funds due at closing from BUYERS under the Agreement.

6. FIXTURES. Included with the Property shall be all fixtures that integrally belong to, are specifically adapted to or are a part of the real estate, whether attached or detached. Also included shall be the following: All items present on the day of closing

The following items shall not be included: LP tank, all personal property of tenants.

7. CONDITION OF PROPERTY. The property as of the date of this Agreement, including buildings, grounds, and all improvements, will be preserved by the SELLERS in its present condition until possession, ordinary wear and tear excepted. SELLERS make no warranties, expressed or implied, as to the condition of the property.

A. BUYERS acknowledge that they have made a satisfactory inspection of the Property and are purchasing the Property in its existing condition.

8. ABSTRACT AND TITLE. SELLERS, at their expense, shall promptly obtain an abstract of title to the Property continued through the date of acceptance of this Agreement, August 8, 2019, and deliver it to BUYERS' attorney for examination. It shall show marketable title in SELLERS in conformity with this Agreement, Iowa law, and title standards of the Iowa State Bar Association. The SELLERS shall make every reasonable effort to promptly perfect title. If closing is delayed due to SELLERS' inability to provide marketable title, this Agreement shall continue in force and effect until either party rescinds the Agreement after giving ten days written notice to the other party. The abstract shall become the property of BUYERS when the Purchase Price is paid in full. 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. Unless stricken, the abstract shall be obtained from an abstracter qualified by the Guaranty Division of the Iowa Housing Finance Authority.

9. SURVEY. If a survey is required under Iowa Code Chapter 354, or city or county ordinances, SELLERS shall pay the costs thereof. BUYERS may, at BUYERS' expense prior to closing, have the property surveyed and certified by a registered land surveyor. If the survey shows an encroachment on the Property or if any improvements located on the Property encroach on lands of others, the encroachments shall be treated as a title defect.

10. ENVIRONMENTAL MATTERS.

A. SELLERS warrant to the best of their knowledge and belief that there are no abandoned wells, solid waste disposal sites, hazardous wastes or substances, or underground storage tanks located on the Property, the Property does not contain levels of radon gas, asbestos, or urea-formaldehyde foam insulation which require remediation under current

governmental standards, and SELLERS have done nothing to contaminate the Property with hazardous wastes or substances. SELLERS warrant that the property is not subject to any local, state, or federal judicial or administrative action, investigation or order, as the case may be, regarding wells, solid waste disposal sites, hazardous wastes or substances, or underground storage tanks. SELLERS shall also provide BUYERS with a properly executed GROUNDWATER HAZARD STATEMENT showing no wells, private burial sites, solid waste disposal sites, private sewage disposal system, hazardous waste and underground storage tanks on the Property unless disclosed here: \_\_\_\_\_

11. DEED. Upon payment of the Purchase Price, SELLERS shall convey the Property to BUYERS by Quit Claim deed, free and clear of all liens, restrictions, and encumbrances except as provided in this Agreement. General warranties of the title shall extend to the time of delivery of the deed excepting liens and encumbrances suffered or permitted by BUYERS.

12. STATEMENT AS TO LIENS. If Buyers intend to assume or take subject to a lien on the Property, SELLERS shall furnish BUYERS with a written statement prior to closing from the holder of such lien, showing the correct balance due.

13. USE OF PURCHASE PRICE. At time of settlement, funds of the Purchase Price may be used to pay taxes and other liens and to acquire outstanding interests, if any, of others.

14. APPROVAL OF COURT. If the Property is an asset of an estate, trust or conservatorship, this Agreement is contingent upon Court approval unless Court approval is not required under Iowa law and title standards of the Iowa State Bar Association. If the sale of the Property is subject to Court approval, the fiduciary shall promptly submit this Agreement for such approval. If this Agreement is not so approved by closing either party may declare this Agreement null and void, and all payments made hereunder shall be made to BUYERS.

15. REMEDIES OF THE PARTIES.

A. If BUYERS fail to timely perform this Agreement, SELLERS may forfeit it as provided in the Iowa Code (Chapter 656), and all payments made shall be forfeited; or, at SELLERS' option, upon thirty days written notice of intention to accelerate the payment of the entire balance because of BUYERS' default (during which thirty days the default is not corrected), SELLERS may declare the entire balance immediately due and payable. Thereafter this Agreement may be foreclosed in equity and the Court may appoint a receiver.

B. If SELLERS fail to timely perform this Agreement, BUYERS have the right to have all payments made returned to them.

C. BUYERS and SELLERS are also entitled to utilize any and all other remedies or actions at law or in equity available to them, and the prevailing parties shall be entitled to obtain judgment for costs and attorney fees.

16. NOTICE. Any notice under this Agreement shall be in writing and be deemed served when it is delivered by personal delivery or mailed by certified mail, addressed to the parties at the addresses given below.

17. GENERAL PROVISIONS. In the performance of each part of this Agreement, time shall be of the essence. Failure to promptly assert rights herein shall not, however, be a waiver of such rights or a waiver of any existing or subsequent default. This Agreement shall apply to and bind the successors in interest of the parties. This Agreement shall survive the closing. This Agreement contains the entire agreement of the parties and shall not be amended except by a written instrument duly signed by SELLERS and BUYERS. Paragraph headings are for convenience of reference and shall not limit or affect the meaning of this Agreement. Words and phrases herein shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender according to the context.

18. NO REAL ESTATE AGENT OR BROKER. Neither party has used the service of a real estate agent or broker in connection with this transaction, except for Steffes Group, Inc. who represents the Seller.

19. 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.

20. INSPECTION OF PRIVATE SEWAGE DISPOSAL SYSTEM. If the Property is served by a private sewage disposal system, or there is a private sewage disposal system on the Property, Seller and Buyer agree to the provision selected in the attached Addendum for Inspection of Private Sewage Disposal System.

21. ADDITIONAL PROVISIONS. Buyer agrees to purchase the subject real estate through public auction as stated further herein:

- This is a 5% buyer's premium auction. This means the buyer's premium in the amount of five percent (5%) of the bid amount shall be charged to the Buyer and added to the bid amount to arrive at the total contract purchase price.

- The tillable ground is rented for the 2019 farming season. It shall be the obligation of the buyer to serve termination to the tenant, prior to September 1, 2019, if so desired.

- It shall be the obligation of the buyer to report to the appropriate County FSA office and show filed deed in order to receive the following if applicable: A. Allotted base acres; B. Any future government programs; C. Final tillable acres will be determined by the appropriate County FSA office.

- It shall be the buyer's responsibility and expense to inspect, repair and/or update, if needed, the home & office septic systems and acquire the DNR Time of Transfer certificate for the home & office septic systems. This shall be done prior to closing.
- The seller shall not be obligated to furnish a survey on Tracts 1 & 2. Tracts #3 & 4 will be surveyed by a licensed surveyor.
- This auction sale is not contingent upon Buyer's financing or any other Buyer contingencies.
- Purchasers who are unable to close due to insufficient funds or otherwise, will be in default and the deposit money will be forfeited.
- The buyer shall be responsible for any fencing in accordance with state law.
- If in the future a site clean-up is required it shall be at the expense of the buyer.
- This real estate is selling subject to any and all covenants, restrictions, encroachments and easements, as well as all applicable zoning laws.
- The buyer acknowledges that they have carefully and thoroughly inspected the real estate and are familiar with the premises. The buyer is buying this real estate in its "as is" condition and there are no expressed or implied warranties pertaining to the real estate.
- Steffes Group, Inc. is representing the Seller.
- Any announcements made the day of sale take precedence over advertising.

ACCEPTANCE. When accepted, this Agreement shall become a binding contract. If not accepted and delivered to BUYERS on or before August 8, 2019, this Agreement shall be null and void and all payments made shall be returned immediately to BUYERS. If accepted by SELLERS at a later date and acceptance is satisfied in writing, then this contract shall be valid and binding.

Accepted August 8, 2019  
SELLERS

Dated  
BUYERS

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Print Name Etcher Farms, Inc.  
SS#

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Print Name  
SS#

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Print Name  
SS#

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Print Name  
SS#

Address :  
Telephone:

Address :  
Telephone:

**Addendum for  
Inspection of Private Sewage Disposal System**

Buyer and Seller agree on the following initialed alternative to comply with the time of transfer inspection of private sewage disposal systems:

\_\_\_\_\_ There is a private sewage disposal system on this Property which serves the Property. Seller has obtained or shall obtain at Seller's expense within \_\_\_\_\_ days a certified inspector's report which documents the condition of the private sewage disposal system, that it is of sufficient capacity to serve the Property, that the continued use of the system is permitted, and whether any modifications are required to conform to standards adopted by the Department of Natural Resources. Seller shall attach the inspection report to the Groundwater Hazard Statement to be filed at closing.

If Seller receives an unsatisfactory report, the basis of which cannot be resolved between Buyer and Seller within \_\_\_\_\_ days of delivery of a copy to Buyer, then upon written notice from Buyer to Seller, this agreement shall be null and void and all earnest money paid hereunder shall be returned immediately to Buyer.

X There is a private sewage disposal system on this Property. Buyer shall execute a binding acknowledgment with the County Board of Health to conduct a certified inspection of the private sewage disposal system at the earliest practicable time and to be responsible for any required modifications to the private sewage disposal system as identified by the certified inspection. Buyer shall attach a copy of the binding acknowledgment to the Groundwater Hazard Statement to be filed at closing. When the inspection is completed, an amended Groundwater Hazard Statement shall be filed with the certified inspection and shall include the document numbers of both the real estate transfer document and the original Groundwater Hazard Statement

\_\_\_\_\_ There is a private sewage disposal system on this Property. The building to which the sewage disposal system is connected will be demolished without being occupied. Buyer shall execute a binding acknowledgement with the county board of health to demolish the building within an agreed upon time period. Buyer shall attach a copy of the binding acknowledgement to the Groundwater Hazard Statement to be filed at closing.

\_\_\_\_\_ There is a private sewage disposal system on this Property. The private sewage disposal system has been installed within the past two years pursuant to permit number \_\_\_\_\_.

**OFFER TO BUY REAL ESTATE AND ACCEPTANCE  
(NONRESIDENTIAL)  
Recorder's Cover Sheet**

**Preparer Information:** (name, address and phone number)  
Jeffrey D. Goetz, 801 Grand Avenue, Suite 3700 Des Moines, Iowa 50309-8004  
Phone: (515) 246-5842

**Taxpayer Information:** (name and complete address)

**Return Document To:** (name and complete address)

**Grantors:**  
Etcher Farms, Inc.

**Grantees:**

**Legal Description:** See Page 2

**Document or instrument number of previously recorded documents:**