

REAL ESTATE PURCHASE AGREEMENT

This Real Estate Purchase Agreement (the "Agreement") is entered into between Dream Acres, LC (Seller) and the undersigned Buyer.

1. **Purchase and Sale, the Property.** Seller agrees to sell to Buyer and Buyer agrees to purchase from Seller the real property situated in Panora, Iowa legally described as:

Lot _____ in Dream Acres Plat 2, as shown on the Final Plat of Dream Acres Plat 2 filed with the Guthrie County Recorder as instrument 2022-3205,

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, all of which is herein referred to as the "Property", upon the following terms and conditions.

2. **Purchase Price.** Buyer agrees to pay for the Property the total sum of \$ _____, which, subject to adjustment for prorations or adjustments required under this Agreement, shall be paid as follows:

a. An earnest deposit of \$ _____ (10% of the purchase price) shall be paid to Bump & Bump, LLP of Panora, Iowa, as escrow agent with this Agreement, to be deposited only if this Agreement is accepted by Seller; and

b. The balance of the purchase price, which, subject to adjustment for prorations or adjustments required under this Agreement, shall be paid at the time of closing to Seller through Bump & Bump, LLP, of Panora, Iowa, as escrow agent.

c. This agreement is **NOT** subject to Buyer obtaining suitable financing.

3. **Abstract.** Seller agrees to deliver to Buyer for its examination an abstract of title covering the above described real estate continued to the present time and showing merchantable title in Seller in accordance with the Iowa Land Title Standards, subject to any matters permitted by this Agreement.

4. **Property Taxes.** Seller shall pay its prorated share, based on the date of possession, of the regular real estate taxes for the fiscal year in which possession is given, (those due and payable in the subsequent fiscal year) and any unpaid real estate taxes for any prior years plus any special assessments for improvements which have been made as of the date of this Agreement. Buyer shall be given a credit at closing for Seller's prorated share of taxes for which they are responsible but which are not yet payable, which proration adjustment shall be based upon the last known actual real estate taxes payable according to public record.

5. **Risk of Loss and Insurance.** Seller shall bear the risk of loss or damage to any improvements on the real estate prior to delivery of possession, and thereafter such risk of loss shall be borne by Buyer.

6. **Closing and Possession.** Closing shall be held on or about 45 days after execution of this agreement by all parties at the offices of Bump & Bump, LLP in Panora, Iowa, or at such other place as may be mutually agreed upon by the parties. Possession of the property shall be delivered by Seller to Buyer upon completion of closing.

7. **Environmental Matters.** Seller represents that it has no knowledge of any soil or groundwater contamination associated with the Property and that it has not received any written notice of any pending or threatened action, demand, investigation or inquiry by any governmental entity or person relating to any violations of any environmental law.

8. **Deed.** Upon payment of all sums owing by Buyer to Seller under this Agreement Seller shall deliver to Buyer a good and sufficient general warranty deed conveying merchantable title to the Property to Buyer, free and clear of all liens, charges and encumbrances except as provided in this Agreement.

9. **Remedies.** If Buyer fails to timely perform this Agreement in any respect, time being of the essence, then Seller may forfeit this Agreement as provided in the Iowa Code (Chapter 656), and all payments made shall be forfeited; or, at Seller's option, upon thirty days written notice of intention to accelerate the payment of the entire balance because of Buyer's default (during which thirty days the default is not corrected), Seller may declare the entire balance immediately due and payable. Thereafter this agreement may be foreclosed in equity and the Court may appoint a receiver. If Seller fails to timely perform this Agreement, Buyer has the right to have all payments made returned to it. Buyer and Seller are also entitled to utilize any and all other remedies or actions at law or in equity available to them and shall be entitled to obtain judgment for costs and attorney fees as permitted by law.

10. **Notices.** Any notice under this Agreement shall be in writing and shall be deemed served when it is delivered by personal delivery or by certified mail return receipt requested, addressed to the parties at the addresses given below.

11. **Miscellaneous.** 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. 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.

12. **Additional Provisions.**

a. **Option to Purchase.** Buyer agrees at closing to execute an Option to Purchase which

shall provide for the Seller's option to repurchase the property if improvements agreed to between seller and buyer to the property consisting of the construction of a residential home meeting the requirements of the zoning ordinances of the City of Panora and in compliance with the Building Restrictions and Protective Covenants of Dream Acres Plat 2 has not been made within 18 months of closing. The Option to Purchase which will be executed will be in substantially the form of the instrument attached hereto. Seller will agree to subordinate this Option to Purchase to any lender proposing to place a construction mortgage on the property.

- b. Covenants. Seller has filed certain Building Restrictions and Protective Covenants which will affect the real estate. Buyer acknowledges that it has reviewed the same prior to making this offer and that the same are accepted.
- c. Closing Costs. Buyer agrees to pay for title opinion to be performed by Buyer's attorney, deed recording fees, and \$650.00 of the customary costs involved in closing this transaction, with closing to be performed by Bump & Bump, LLP. Buyer shall be responsible for any additional costs involved in closing which are due to Buyer's financing or otherwise. Seller shall pay for preliminary abstracting, document preparation, and transfer taxes.
- d. Property Condition. Buyer acknowledges that it has made a satisfactory inspection of the property and accepts the same "as-is."
- e. Acceptance of Buyer's offer. Seller shall either acknowledge acceptance of the terms herein by signing below within 72 business hours after Buyer presents the same or Buyer's offer shall be considered null and void and all earnest money shall be returned to Buyer.

Accepted on _____, 2022
SELLER – DREAM ACRES LC

Dated _____, 2022
BUYER

By: Andrew Randol, Manager
P.O. Box 189
Panora, Iowa 50216
641-755-2424

Printed Name: _____
Address: _____
Email: _____
Phone: _____

Printed Name: _____
Address: _____

OPTION TO PURCHASE

THIS AGREEMENT, entered into by and between Dream Acres, LC, its heirs, successors, and assigns (hereinafter collectively referred to as “Dream Acres”), and _____ (“Purchaser”).

WHEREAS, Purchaser has purchased from Dream Acres the following described real estate:

[legal description].

WHEREAS, as consideration for said sale, Purchaser has agreed that a residential structure will be constructed on said real estate within a certain period of time after the date of purchase, and in the event the same has not occurred, Purchaser has agreed to allow Dream Acres to repurchase said real estate from Purchaser for the price, and under the terms and conditions specified herein.

NOW, THEREFORE, the parties agree as follows:

1. The Option. In the event a residential home meeting the requirements of the zoning ordinances of the City of Panora and in compliance with the Building Restrictions and Protective Covenants of Dream Acres Plat 2 not been constructed on the above-described property within 18 months after the filing of the deed of conveyance from Dream Acres to Purchaser for the above-described real estate (the “option date”), Dream Acres shall have the option to purchase the above-described property from Purchaser for the sum of \$_____.

2. Exercise of Option. Dream Acres’s option shall be exercised by Dream Acres giving Purchaser written notice of its intent to purchase the property under the terms and conditions of this agreement by certified mail, return receipt requested within 60 days after the option date (hereinafter the “option period”). If this option is not exercised on or before the end of the option period then this option shall become null and void and Purchaser shall have no further obligations or responsibilities under this agreement.

3. Closing. In the event the option is exercised, closing of the sale of the property shall occur upon exercise of the option or at such later time as the parties may agree upon. If closing occurs more than 30 days after exercise of this option, then interest on the purchase price shall accrue commencing at the end of said 30-day period at the legal rate established from time to time by the superintendent of banking of the State of Iowa.

4. Abstract. Upon exercise of this option, Purchaser shall promptly deliver to Dream Acres an Abstract of Title to the property, continued at least to the date the option is exercised, demonstrating merchantable title in conformity with this option and the Land Title Law of the State of Iowa and the Iowa Title Standards of the Iowa State Bar Association.

5. Deed. Upon closing and payment by Dream Acres of the purchase price, Purchaser shall convey title by warranty deed, with terms and provisions as set forth in the form provided by the Iowa State Bar Association, free and clear of all liens and encumbrances, reservations, exceptions or modifications, except the Building Restrictions and Protective Covenants of Dream Acres Plat 2 and except as otherwise expressly provided in this option. All warranties shall extend to the time of closing.

6. Taxes and Closing Expenses. Purchaser shall pay its prorated share, based on the date of possession, of the regular real estate taxes for the fiscal year in which possession is given, (those due and payable in the subsequent fiscal year) and any unpaid real estate taxes for any prior years plus any special assessments for improvements which have been made as of the date of this Agreement. Dream Acres shall be given a credit at closing for Purchaser's prorated share of taxes for which he is responsible but which are not yet payable, pro-rated to the date of closing. Purchaser will also be responsible for all normal and customary costs involved with the transaction, including but not limited to title opinion, abstracting, document preparation, recording charges, closing, and transfer tax.

7. Successors and Assigns. This option shall apply to and bind the successors and assigns of the parties.