

REAL ESTATE CONTRACT (CASH)

Prepared by: Nathan R. Mather 226 E. 2nd Street, Ste. 2, Muscatine IA 52761 (563) 263-1800

IT IS AGREED between

Kim A. Castillo and Hector F. Castillo, husband and wife ("**Seller**"),

And

The City of Muscatine, Iowa, ("**Buyer**"),

Sellers agree to sell and Buyers agree to buy real estate in MUSCATINE COUNTY IOWA described as:

ADDRESS: 1011 1st Avenue, Muscatine, Iowa (Parcel # 0825376033)

Also described as: Lots 41 and 42, in Block 16, of Park Place Addition to the city of Muscatine, in Muscatine, Iowa

with any easements and appurtenant servient estates, but subject to the following: a. any zoning and other ordinances, b. any covenants of record; c. any easements of records for public utilities, roads and highways; (the "Real Estate"), upon the following terms:

1. **PRICE.** The total purchase price for the Real Estate is **\$11,796.03**, payable in cash at the time of closing. Said purchase price shall be reduced or increased by **\$2.11** for each day earlier or later than August 11, 2017, respectively, that closing occurs.

2. **REAL ESTATE TAXES.** The Seller agrees to pay all taxes which are a lien against said real estate. All other taxes shall be prorated to the date of possession.

3. **SPECIAL ASSESSMENTS.** Sellers shall pay all special assessments which are a lien on the Real Estate as of the date of this contract **FOR WHICH A RESOLUTION** for improvements is in effect previous to the date hereof. All other special assessments shall be paid by Buyers.

4. **POSSESSION.** Buyer shall be entitled to possession of the Real Estate at the time of closing which shall be held on or before the **11th day of August, 2017**.

5. **INSURANCE.** Sellers shall maintain existing insurance upon the Real Estate until the date of closing. Buyers shall accept insurance proceeds instead of Sellers replacing damaged improvements. After possession and until full payment of the purchase price, Buyers shall keep the improvements on the Real Estate insured against loss by fire, tornado, and extended coverage for a sum not less than 80 percent of full insurable value payable to the Sellers and Buyers as their interests may appear. Buyers shall provide Sellers with evidence of such insurance.

6. **ABSTRACT OF TITLE.** Sellers shall, as soon as financing is committed, promptly obtain an abstract of title to the Real Estate continued through the date of this contract, and deliver it to Buyers for examination. It shall show merchantable title in Sellers in conformity with the contract, Iowa law and the Title Standards of the Iowa State Bar Association. The abstract shall

become the property of the Buyers when the purchase price is paid in full, however, Buyers reserve the right to occasionally use the abstract prior to full payment of the purchase price. 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 Seller or their assignees.

7. **FIXTURES.** All property that integrally belongs to or is part of the Real Estate, whether attached or detached, such as ceiling fans, light fixtures, shades, rods, blinds, awnings, windows, storm doors, screens, plumbing fixtures, water heaters, water softeners, automatic heating equipment, air conditioning equipment, wall to wall carpeting, built-in items and electrical service cable, outside television towers and antenna, fencing, gates and landscaping shall be considered a part of the Real Estate and included in the sale.

8. **PERSONAL PROPERTY.** Included in the purchase price are the following items of personal property:

None

9. **WARRANTIES.** Sellers makes no warranties and specifically disclaims any and all warranties as to the fitness or condition of any aspect of the Real Estate, excepting only title thereto.

10. **DEED.** Upon payment of purchase price, Sellers shall convey the Real Estate to Buyers or to their assignees, by Warranty Deed, free and clear of all liens, restrictions, and encumbrances except as provided herein. Any general warranties of all 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 Buyers fail to timely perform this contract, Sellers may, at Seller's option, either (i) forfeit Buyer's rights in this contract as provided in the Iowa Code, and all payments made by Buyers shall be forfeited or (ii) upon thirty days written notice by Sellers to Buyers of Sellers' intention to accelerate the payment of the entire balance because such failure (during which thirty days such failure is not corrected) Sellers may declare the entire balance immediately due and payable, and thereafter this contract may be foreclosed in equity; the Court may appoint a receiver; and the period of redemption after sale on foreclosure may be reduced under the conditions of Section 628.26 or Section 628.27 of the Iowa Code.

b. If Sellers fail 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.

c. Buyers and Sellers are also entitled to utilize any and all other remedies or actions at law or in equity available to them.

d. 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. **JOINT TENANCY IN PROCEEDS AND IN REAL ESTATE.** If Sellers, immediately preceding this contract, hold title to the Real Estate in joint tenancy with full right of survivorship, and the joint tenancy is not later destroyed by operation of law or by acts of Sellers, then the proceeds of this sale, and any continuing or recaptured rights of Sellers in the Real Estate, shall belong to Sellers as joint tenants with full right of survivorship and not as tenants in common; and

Buyers, in the event of the death of either Seller, agree to pay any balance of the price due Sellers under this contract to the surviving Seller and to accept a deed from the surviving Seller consistent with paragraph.

13. **JOINDER BY SELLER'S SPOUSE.** Seller's spouse, if not a titleholder immediately preceding acceptance of this offer, executes this contract only for the purpose of relinquishing all rights of dower, homestead and distributive shares or in compliance with Section 561.13 of the Iowa code and agrees to execute the deed for this purpose.

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

15. **WOOD INFESTATION.** Buyer may have the premises inspected for wood destroying insects and Seller shall pay for any treatment and the repairs of any damage caused by such infestation.

16. **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.

17. **LEAD PAINT.** Unless the property is exempt, Seller agrees to comply with the disclosure requirements of Section 1018 of the Residential Lead Based Paint Hazard Reduction Act of 1992.

18. **Private Sewage Disposal System (check one)**

 X There are no known private sewage disposal systems on this property.

 There is a private sewage disposal system on this property. A certified inspector's report will be provided which documents the condition of the private sewage disposal system and whether any modifications are required to conform to standards adopted by the Department of Natural Resources.

 There is a private sewage disposal system on this property. Weather or other temporary physical conditions prevent the certified inspection of the private sewage disposal system from being conducted. The buyer has executed 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. A copy of the binding acknowledgment is provided with this form.

 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. The buyer has executed a binding acknowledgment with the county board of health to demolish the building within an agreed upon time period. A copy of the binding acknowledgment is provided with this form.

19. Other

a. Buyer accepts the property in its **AS IS** condition. Seller makes no warranties except as to title.

Date: _____

BUYERS:

City of Muscatine, Iowa

SELLERS:

Kim A. Castillo
105 Jefferson Street
Muscatine, IA 52761

Hector F. Castillo
105 Jefferson Street
Muscatine, IA 52761