



OFFER TO BUY REAL ESTATE AND ACCEPTANCE

TO: The City of North Liberty, Iowa (SELLER)

The undersigned BUYERS hereby offer to buy, and the undersigned SELLER by its acceptance agrees to sell, the real property situated in North Liberty, Johnson County, Iowa, locally known as 5 East Cherry Street, and legally described as:

Lot 7 except the East 50 feet thereof and all of Lot 8 excepting the South 1 foot 4 inches thereof and further excepting the east 50 feet thereof, all in Block 3, in Murphy's Addition to the Town of North Liberty, Johnson County, Iowa, according to the plat thereof recorded in Deed Record 16, pages 192 and 193, Deed Records of Johnson County, Iowa,

together with any easements and appurtenant servient estates, but subject to any 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.

1. PURCHASE PRICE. The Purchase Price shall be \$ _____ and the method of payment shall be as follows: \$ _____ with this offer, to be deposited upon acceptance of this offer and held in trust by _____ as earnest money, to be delivered to the SELLER upon performance of SELLER'S obligations and satisfaction of BUYERS' contingencies, if any; and the balance of the Purchase Price, as follows:

2. REAL ESTATE TAXES. SELLER shall pay all real estate taxes attributable to seller's ownership of the property, and taxes which are due and payable for the fiscal year in which closing occurs and any unpaid real estate taxes payable in prior years. Buyers shall pay all subsequent real estate taxes. Unless otherwise provided in this Agreement, at closing SELLER 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. SELLER shall pay in full at time of closing all special assessments which are a lien on the Property as of the date of acceptance: July 27, 2021.

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

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

D. BUYERS shall pay all other special assessments or installments not payable by SELLER.

4. RISK OF LOSS AND INSURANCE. SELLER shall bear the risk of loss or damage to the Property prior to closing or possession, whichever first occurs. SELLER agrees 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 _____, and any adjustments of rent, insurance, interest and all charges attributable to the SELLER'S possession shall be made as of the date of possession. Closing shall occur after the approval of title by BUYERS and vacation of the Property by SELLER, but prior to possession by BUYERS. SELLER agrees to permit BUYERS to inspect the Property within 48 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 upon the delivery of the title transfer documents to BUYERS and receipt of all funds then 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: _____.

The following items shall not be included _____.

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

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. SELLER, at its expense, shall promptly obtain an abstract of title to the Property continued through the date of acceptance of this Agreement, July 27, 2021, and deliver it to BUYERS' attorney for examination. It shall show marketable title in SELLER in conformity with this Agreement, Iowa law, and title standards of the Iowa State Bar Association. The SELLER shall make every reasonable effort to promptly perfect title. If closing is delayed due to SELLER'S 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. SELLER shall pay the costs of any additional abstracting

and title work due to any act or omission of SELLER, including transfers by SELLER or transfers by or the death of its assignees.

9. SURVEY. If a survey is required under Iowa Code Chapter 354, or city or county ordinances, SELLER 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. SELLER warrants to the best of its 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 SELLER has done nothing to contaminate the Property with hazardous wastes or substances. SELLER warrants 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. SELLER shall also provide BUYERS with a properly executed GROUNDWATER HAZARD STATEMENT showing no wells, solid waste disposal sites, hazardous wastes and underground storage tanks on the Property.

B. BUYERS may at their expense, within five (5) days after the date of acceptance, obtain a report from a qualified engineer or other person qualified to analyze the existence or nature of any hazardous materials, substances, conditions or wastes located on the Property. In the event any hazardous materials, substances, conditions or wastes are discovered on the Property, BUYERS' obligation hereunder shall be contingent upon the removal of such materials, substances, conditions or wastes or other resolution of the matter reasonably satisfactory to BUYERS. However, in the event SELLER is required to expend any sum in excess of \$1.00 to remove any hazardous materials, substances, conditions or wastes, SELLER shall have the option to cancel this transaction and refund to BUYERS all earnest money paid and declare this Agreement null and void. The expense of any inspection shall be paid by BUYERS. The expense of any action necessary to remove or otherwise make safe any hazardous material, substances, conditions or waste shall be paid by SELLER, subject to SELLER'S right to cancel this transaction as provided above.

11. DEED. Upon payment of the Purchase Price, SELLER shall convey the Property to BUYERS by Warranty 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, SELLER 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 CITY COUNCIL; VETO. SELLER is an Iowa municipal corporation. Acceptance of the agreement by SELLER may only be made by resolution of the City Council of the City of North Liberty following publication of notice and a public hearing, pursuant to Iowa Code § 364.7, and any such resolution is subject to veto by the mayor of said municipal corporation pursuant to Iowa Code § 380.6(2). The exercise of such a veto by the mayor shall render this Agreement null and void.

15. REMEDIES OF THE PARTIES.

A. If BUYERS fail to timely perform this Agreement, SELLER may forfeit it 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 BUYERS' 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.

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

C. BUYERS and SELLER are also entitled to utilize any and all other remedies or actions at law or in equity available to them.

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 SELLER 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.

19. CERTIFICATION. BUYERS and SELLER 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 either party's breach of the foregoing certification.

20. INSPECTION OF PRIVATE SEWAGE DISPOSAL SYSTEM. Seller represents and warrants to Buyer that the Property is not served by a private sewage disposal system, and there are no known private sewage disposal systems on the property.

21. ADDITIONAL PROVISIONS

ACCEPTANCE. When accepted, this Agreement shall become a binding contract. If not accepted and delivered to BUYERS on or before July 30, 2021, this Agreement shall be null and void and all payments made shall be returned immediately to BUYERS. If accepted by SELLER at a later date and acceptance is satisfied in writing, then this contract shall be valid and binding.

Dated _____

BUYERS' Signature(s)

BUYERS' Name(s): _____

BUYERS' Address: _____

BUYERS' Phone No. _____

Accepted by SELLER on _____

Mayor Terry Donahue
SELLER'S NAME: City of North Liberty, Iowa
SELLER'S Address: 3 Quail Creek Circle
PO Box 77
North Liberty, Iowa 52317
SELLER'S Phone No.: 319-626-5700