

REAL ESTATE PURCHASE AGREEMENT

This Real Estate Purchase Agreement (“Agreement”) is entered by and between the **CITY OF MARSHALLTOWN, IOWA**, an Iowa municipal corporation (“SELLER”), and **LINN STREET PROPERTIES LLC**, an Iowa limited liability company (“BUYER”), as of the date of last signature set forth below (“Effective Date”).

SELLER is the owner of the real property (“Property”) situated in the City of Marshalltown, Marshall County, Iowa, locally known as 406 West Linn Street, Marshalltown, Iowa 50158, Parcel No. 8418-35-108-004, and legally described as follows:

LOT 3, BLOCK 8, RICE’S ADDITION TO THE TOWN OF
MARSHALL, MARSHALL COUNTY, IOWA.

SELLER agrees to sell and BUYER agrees to purchase the Property, together with any easements and appurtenant servient estates, and subject to any easements of record for public utilities or roads; any zoning restrictions; restrictive covenants, and/or mineral reservations of record, if any, upon the following terms and conditions:

1. **PURCHASE PRICE.** The Purchase Price shall be One Hundred and 00/100 Dollars (\$100.00) upon performance of SELLER’S obligations and satisfaction of BUYER’S contingencies with adjustment for such closing costs as are customary or otherwise provided for in this Agreement, to be added to or deducted from this amount.

2. **DEVELOPMENT OF PROPERTY.** BUYER agrees, at BUYER’S expense, to develop the Property by completing constructing a single-family home on the Property suitable for occupancy within twenty-four (24) months from the date the deed conveying the Property from SELLER to BUYER is filed with the Marshall County Recorder, subject to such reasonable extension(s) BUYER and SELLER may mutually agree upon, in writing. The requirement that BUYER construct a home on the Property shall not preclude BUYER from moving a home to the Property from another location. BUYER’S development of the Property shall comply with all relevant provisions of the City Code of the City of Marshalltown and BUYER shall obtain all necessary permits and undergo all necessary inspections. Until such time development of the Property is complete and a certificate of occupancy issues, BUYER shall not encumber the Property by lien, mortgage, or other similar debt obligation, nor sell the Property to a third-party, without the express written consent of SELLER. The provisions of this Agreement, generally, and this Paragraph, specifically, shall survive closing.

3. **RIGHT OF REVERSION.** Notwithstanding anything herein to the contrary, and as security for BUYER’S obligation to develop the Property as provided in the preceding paragraph, the Quit Claim Deed conveying the Property to BUYER shall contain a right of reversion which may be exercised by SELLER, in its reasonable discretion, if BUYER fails to develop the Property pursuant to the terms of this Agreement.

To exercise SELLER'S right of reversion, SELLER shall issue BUYER a written notice to cure providing SELLER thirty (30) days in which to complete the required development. Should BUYER fail to comply with SELLER's written notice to cure, BUYER agrees to execute and deliver to SELLER, within thirty (30) days of the expiration of BUYER'S period to cure, a Quit Claim Deed and any other documents necessary to convey title to the Property to SELLER. BUYER further agrees to take all reasonable steps to ensure SELLER acquires marketable title to the Property, including without limitation satisfying any lien, mortgage, or other similar debt obligation encumbering the Property. BUYER acknowledges and understands the exercise of SELLER'S right of reversion shall entitle SELLER to ownership of the Property, as improved by BUYER, including all improvements and betterments, including fixtures attached to the Property, with no remuneration to BUYER.

Further, SELLER reserves the right to enforce the terms of this Agreement, including the right of reversion, by instituting a legal action for specific performance and/or to quiet title in SELLER. SELLER shall be entitled to compensation for reasonable attorney fees and court costs in such an action.

SELLER'S reversionary right with respect to the Property shall terminate and be of no further force or effect the earlier of when BUYER (or its permitted successors, assigns, or transferees) completes development of the Property, as herein required, or thirty (30) months from the date the deed conveying the Property from SELLER to BUYER is filed with the Marshall County Recorder, in which event SELLER agrees to execute any documents reasonably requested by BUYER to evidence termination of the City's reversionary right as set forth herein.

4. **REAL ESTATE TAXES.** BUYER assumes the obligation to pay any real estate taxes accrued against the Property and constituting a lien against the Property through the date of closing whether payable at the time of closing or otherwise. It shall be BUYER'S responsibility to confirm potential real estate tax liabilities with the Marshall County Treasurer's Office prior to executing this Agreement. BUYER shall pay all subsequent real estate taxes to the extent required by law.

5. **SPECIAL ASSESSMENTS.** SELLER is an Iowa municipal corporation, and the Property is exempt from special assessments. BUYER shall pay all subsequent special assessments to the extent required by law.

6. **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, provided SELLER shall have the right but not the obligation to repair such damage. In the event the Property is damaged prior to closing or possession this Agreement shall continue in force and effect until either party rescinds the Agreement after giving thirty (30) days written notice to the other party.

7. **POSSESSION AND CLOSING.** If BUYER timely performs all obligations, possession of the Property shall be delivered to BUYER on the date of closing, and any adjustments of rent, insurance, interest, and all charges attributable to SELLER'S possession shall be made as of the date of closing. This transaction shall be considered closed, and BUYER shall take possession, upon the filing of title transfer documents and receipt of all funds due at

closing from BUYER under this Agreement. Closing shall be held on such date as the parties may mutually agree, but not later than _____, 2022.

8. **CONDITION OF PROPERTY.** SELLER makes no warranties, expressed or implied, as to the condition of the Property and BUYER shall take possession to the Property “as is.” BUYER acknowledges BUYER has made a satisfactory inspection of the Property and is purchasing the Property in its existing condition.

9. **ABSTRACT AND TITLE.** BUYER, at its expense, may obtain an abstract of title to the Property continued through the date of acceptance of this Agreement, and BUYER’S attorney may, at BUYER’S expense, examine the abstract after it is continued through the date of acceptance. If BUYER’S title opinion does not show marketable title in SELLER in conformity with Iowa law, and title standards of the Iowa State Bar Association, BUYER may request SELLER make reasonable efforts to perfect title, provided SELLER shall be under no obligation to do so. If closing is delayed due to SELLER’S inability to perfect title, or election not to perfect title, this Agreement shall continue in force and effect until either party rescinds the Agreement after giving thirty (30) days written notice to the other party.

10. **DEED.** Upon payment of the Purchase Price, SELLER shall convey the Property to BUYER by Quit Claim Deed prepared by SELLER at SELLER’S expense.

11. **SURVEY.** BUYER, at its expense, may have the Property surveyed and certified by a registered land surveyor prior to closing.

12. **ENVIRONMENTAL MATTERS.** SELLER warrants to the best of its knowledge and belief there are no abandoned wells, solid waste disposal sites, hazardous wastes or substances or underground storage tanks located on the Property, which require remediation under current governmental standards, and SELLER has done nothing to contaminate the Property with hazardous wastes or substances. SELLER warrants the property is not subject to any local, state or federal judicial or administrative action, investigation or order regarding wells, solid waste disposal sites, hazardous wastes or substances or underground storage tanks.

13. **INSPECTION OF PRIVATE SEWAGE DISPOSAL SYSTEM.** SELLER represents and warrants to BUYER the Property is not served by a private sewage disposal system, and there are no known private sewage disposal systems on the property.

14. **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.

15. **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 BUYER. 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.

16. REMEDIES OF PARTIES.

- A. If BUYER fails 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 (30) 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.
- B. If SELLER fails to timely perform this Agreement, BUYER has the right to have all payments made returned to it and declare this Agreement null and void.
- C. BUYER and SELLER 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.

17. REAL ESTATE AGENT OR BROKER. Neither party has used the service of a real estate agent or broker in connection with this transaction.

18. CERTIFICATION. BUYER and SELLER each certify that it is 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 attorneys' fees and costs) arising from or related to any breach of the foregoing certification.

19. APPROVAL BY CITY COUNCIL. This Agreement shall be expressly contingent upon approval by the City Council for Marshalltown, Iowa.

20. COUNTERPARTS. This Agreement may be executed in several counterparts, each of which, when so executed and delivered, shall be deemed an original, and all of which, when taken together, shall constitute the same instrument, even though all parties are not signatories to the original or the same counterpart. Furthermore, the parties may execute and deliver this Agreement by electronic means such as PDF or a similar format. BUYER and SELLER agree that delivery of the Agreement by electronic means shall have the same force and effect as delivery of original signatures and that each of the parties may use such electronic

signatures as evidence of the execution and delivery of the Agreement by all parties to the same extent as an original signature.

21. **ADDITIONAL PROVISIONS.** None if not listed in an addendum hereto.

22. **EXECUTION.** When and if executed by both SELLER and BUYER, this Agreement shall become a binding contract.

BUYER

LINN STREET PROPERTIES LLC,
an Iowa limited liability company

Dated this _____ day of _____ 2022

By: _____
Craig Harabedian, President

Address: P.O. Box 1146
Marshalltown, IA 50158

Telephone: (313) 244-4104

STATE OF IOWA,
MARSHALL COUNTY, SS:

On this ____ day of _____ 2022 before me, the undersigned, personally appeared **Craig Harabedian**, as President of Linn Properties, LLC, an Iowa limited liability company, who being duly sworn, executed the foregoing instrument and affirmed such execution to be his voluntary act and deed on behalf of said company, as authorized by its members.

Notary Public in and for said State

SELLER

CITY OF MARSHALLTOWN, IOWA,
an Iowa municipal corporation

Dated this _____ day of _____ 2022

By: _____
Joel T.S. Greer, Mayor

Attest:

Alicia Hunter, City Clerk

Address: City Hall
24 North Center Street
Marshalltown, IA 50158

Telephone: (641) 754-5701

STATE OF IOWA,
MARSHALL COUNTY, SS:

On this _____ day of _____ 2022 before me, the undersigned, personally appeared **Joel T.S. Greer**, as Mayor, and **Alicia Hunter**, as City Clerk, for the City of Marshalltown, an Iowa municipal corporation, who being duly sworn, executed the foregoing instrument and affirmed such execution to be their voluntary acts and deeds on behalf of said municipal corporation, as authorized by the City Council.

Notary Public in and for said State