

# Land Grant Development Corporation



## CONDOMINIUM PURCHASE AGREEMENT

**THIS CONTRACT HAS SUBSTANTIAL LEGAL CONSEQUENCES AND THE PARTIES ARE ADVISED TO CONSULT LEGAL AND TAX COUNSEL.**

1. **AGREEMENT TO SELL AND PURCHASE:** Seller agrees to sell, and Buyer agrees to buy from Seller the property described as follows: *(complete adequately to identify property)*

LOT NO: \_\_\_\_\_ PLAN NAME: \_\_\_\_\_

Unit NO: \_\_\_\_\_

All property sold by this contract is called the "Property."

This Purchase Agreement contains Exhibit A (legal description of the land); Exhibit B (Upgrades and Amenities-Price Worksheet); Exhibit C (Floor Plan and Elevations); Exhibit D (Material Specifications); Exhibit E (Covenants, Conditions and Restrictions), all of which are hereby incorporated by reference; Exhibit F (Condominium Articles) .

THE BUYER HAS BEEN INFORMED THAT SELLER HAS NOT RECEIVED FINAL APPROVAL OF THE SUBDIVISION PROCESS AND CONSEQUENTLY SELLER SHALL NOT BE ABLE TO CONVEY CLEAR TITLE TO THE PROPERTY UNTIL SUCH TIME THAT SELLER HAS RECEIVED FINAL SUBDIVISION PLAT APPROVAL FROM JEFFERSON COUNTY. THIS CONTRACT IS CONTINGENT UPON SAID APPROVAL, AND ALL MONIES SHALL BE REFUNDED IF NOT RECEIVED ON OR BEFORE DECEMBER 31<sup>st</sup>, 2007.

2. **SALES PRICE:** \$\_\_\_\_\_ per the attached Exhibit B Sales Price Worksheet, includes options/upgrades and non-standard fees, if applicable.

**DEPOSIT:** Deposit of \$\_\_\_\_\_ (cash/check/applied from Lot Deposit) shall be applied to this Purchase Agreement. Deposit is non-refundable once all contract conditions herein have been satisfied. This Deposit is for a unit in a Condominium Building, and the construction of this building (has begun) (will begin when 75% of the units are pre-sold). Contract is null and void and Deposit shall be returned to Buyer if construction has not begun prior to \_\_\_\_\_.

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3. FINANCING: The following provisions apply with respect to financing:

CASH SALE: This contract is not contingent on financing.

NEW LOAN: This contract is contingent on Buyer obtaining financing. Within 5 days after the effective date of this contract, Buyer shall apply for all financing and make every reasonable effort to obtain financing approval. Financing approval will be considered obtained when the lender determines that Buyer has satisfied all of lender's financial requirements (those items relating to Buyer's net worth, income and creditworthiness). If financing approval is not obtained within 30 days after the effective date hereof, this contract will terminate.

4. Substantial Completion: Home shall be Substantially Completed within \_\_\_\_\_ days of the start of this contract. If not completed on this date for reasons other than Acts of God, Liquidated Damages of \_\_\_\_\_ per day shall/shall not apply. Substantial Completion shall be such time when construction is adequately completed according to the Seller in accordance with the construction plans and specifications so that the Buyer may occupy or utilize the building for its intended purpose as set forth in the construction plans and specifications.

5. Changes to the Plans and Specifications: Changes to the Plans or Specifications may be proposed by the Buyer at any time. Changes may affect the date of Substantial Completion. Pricing of the Changes and any new date of Substantial Completion will be quoted to the Buyer by the Seller prior to commencement of Changes. Changes shall be in writing and agreed to by both parties prior to commencement.

6. CLOSING: The closing shall be within 10 days of Substantial Completion. The Property may not be occupied or used by Buyer in any manner until Closing is completed.

Closing may be extended to within 7 days after objections to matters disclosed in the title abstract have been cured.

*If financing approval has been obtained*, the Closing Date will be extended up to 15 days if necessary to comply with lender's closing requirements (for example, appraisal, survey, insurance policies, lender-required repairs, closing documents). If either party fails to close this sale by the Closing Date, the non-defaulting party will be entitled to exercise the remedies contained herein. The closing date may also be extended by written agreement of both parties.

7. ABSTRACT, TITLE AND CONVEYANCE: Property is located at Lot \_\_\_\_\_, Phase I of Cypress Villages, Fairfield, Iowa 52556, further described in Exhibit A. Seller, upon the removal of any contingencies, at its expense, shall obtain an abstract of title to the Property continued through the date of the acceptance of this Purchase Agreement, and deliver it to Buyer for examination. It shall show merchantable title from Seller in conformity with this Agreement, Iowa law, and the Title Standards of the Iowa State Bar Association. The abstract shall become the property of the Buyer 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 or the death of Seller or their assignees. Seller is to convey title to Buyer by Warranty Deed subject only to (a) covenants, conditions and restrictions of record, (b) public, private utility easements and roads and rights-of-way, (c) applicable zoning ordinances and prior mineral reservations, (d) other:\_\_\_\_\_. Any general warranties of title shall extend only to the time of

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acceptance of this Agreement, with special warranties as to acts of Seller continuing up to the time of delivery of the deed.

Seller will also execute a Bill of Sale, if necessary, for the transfer of any personal property. Seller shall, prior to or at closing, satisfy all outstanding mortgages, deeds of trust and special liens affecting the subject property which are not specifically assumed by Buyer herein.

If there are title defects, Buyer, at Buyer's option, may either (a) if defects cannot be cured by designated closing date, cancel this contract, in which case all earnest money deposited shall be returned, (b) accept title as is, or (c) if the defects are of such character that they can be remedied by legal action within a reasonable time, permit Seller such reasonable time to perform curative work at Seller's expense. In the event that Seller performs the curative work, the time specified herein for closing of this sale shall be extended for a reasonable period necessary for such action. Seller represents that the property may be legally used as zoned and that no government agency has served any notice to Seller requiring repairs, alterations or corrections of any existing condition except as stated herein.

8. POSSESSION AND TITLE: Seller shall deliver possession of the Property to Buyer at closing. Title shall be conveyed to Buyer, if more than one as  Joint tenants with rights of survivorship,  tenants in common,  Other: \_\_\_\_\_. Prior to closing, the property shall remain in the possession of Seller and Seller shall deliver the property to Buyer in substantially the same condition at closing, as on the date of this contract, reasonable wear and tear excepted.
9. TAXES/SPECIAL ASSESSMENTS: Seller shall pay real estate taxes currently due, fiscal year 200\_\_ taxes prorated to the date of Closing, and any unpaid real estate taxes payable in prior years. Buyers shall pay all subsequent taxes. Any prorating of real estate taxes on the Real Estate shall be based upon such taxes for the year currently payable.
10. CASUALTY LOSS: If any part of the Property is damaged or destroyed by fire or other casualty loss after the effective date of the contract, Seller shall restore the Property to its previous condition as soon as reasonably possible. If Seller fails to do so due to factors beyond Seller's control, Buyer may either (a) terminate this contract and the earnest money will be refunded to Buyer, (b) extend the time for performance and the Closing Date will be extended as necessary, or (c) accept the Property in its damaged condition and accept an assignment of insurance proceeds.
11. DEFAULT: If Buyer fails to comply with this contract, Buyer will be in default, and Seller may either (a) seek such relief as may be provided by law, or (b) terminate this contract and receive the earnest money as liquidated damages, thereby releasing both parties from this contract, or (c) Seller may forfeit this contract as provided in the Iowa Code, and all payments made shall be forfeited or, at Seller's option, upon thirty days written notice if Seller intends to accelerate the payment of the entire balance because of such failure (during which such thirty days such failure 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, due to factors beyond Seller's control, Seller fails within the time allowed to make any non-casualty repairs or deliver evidence of clean title, Buyer may either (a) extend the time for performance up to 15 days and the Closing Date will be extended as necessary or (b) terminate this contract and receive a refund of the earnest money and reimbursement for any costs paid in anticipation of the sale. If Seller fails to comply with this contract for any other

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reason, Seller will be in default and Buyer may either (a) seek relief as may be provided by law, or (b) terminate this contract and receive the earnest money, thereby releasing both parties from this contract.

12. ATTORNEY'S FEES: The prevailing party in any legal proceeding brought under or with respect to the transaction described in this contract is entitled to recover from the non-prevailing party all costs of such proceeding and reasonable attorney's fees.

13. REPRESENTATIONS: Seller represents that as of the Closing Date (a) there will be no liens, assessments, or security interests against the Property which will not be satisfied out of the sales proceeds unless securing payment of any loans assumed by Buyer and (b) assumed loans will not be in default. If any representation in this contract is untrue on the Closing Date, this contract may be terminated by Buyer and the earnest money will be refunded to Buyer. Any building warranties with respect to the improvements upon the Property shall survive the Closing.

14. COVENANTS, CONDITIONS AND RESTRICTIONS. The Buyer has received a copy of the Covenants, Conditions and Restrictions attached hereto as Exhibit E relating to the Property and shall be deemed to have accepted and approved them unless Buyer notifies the Seller of such objection within 7 days of the effective date of this contract, in which case, this Purchase Agreement shall be considered terminated and the Seller shall return the Buyer's earnest money deposit.

15. NOTICES: Any notice required to be given, or writing required to be served, pursuant to the provisions of this Agreement shall be personally served or sent by fax, or sent by next-day overnight courier, or by certified mail return receipt requested to a party at their respective addresses as set forth below. Receipt of notice shall be deemed made upon delivery in the case of personal service and next-day overnight courier, and upon transmittal when served via fax provided the sender retains written confirmation of the transmission of the fax, and three (3) days after deposit thereof in the United States mail, postage prepaid, and addressed to the party to whom such notice is to be given.

To Buyer at:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Telephone (\_\_\_\_\_)\_\_\_\_\_

Facsimile (\_\_\_\_\_)\_\_\_\_\_

To Seller at:

Land Grant Development Corporation

PO Box 572

Fairfield, IA 52556

Telephone (641) 469-5900

Facsimile (309) 439-5900  
\_\_\_\_\_

16. ASSIGNMENT: This agreement may be assigned by Seller and shall be binding on the heirs and assigns of the parties hereto.

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17. FINAL AGREEMENT: This contract is the final and complete agreement of the parties and supercedes all prior agreements between the parties whether written or oral. This agreement cannot be changed except by their written consent. Neither party has relied upon any statement or representation made by the other party or any sales representative bringing the parties together. Neither party shall be bound by any terms, conditions, oral statements, warranties, or representations not herein contained. Each party acknowledges that he has read and understands this contract. The provisions of this contract shall apply to and bind the heirs, executors, administrators, successors and assigns of the respective parties hereto. When herein used, the singular includes the plural and the masculine includes the feminine as the context may require.

18. NO BROKER OR AGENTS: The parties represent that neither party has employed the services of a real estate broker or agent in connection with the property, or that if such agents have been employed, that the party employing said agent shall pay any and all expenses outside the closing of this agreement.

19. OTHER PROVISIONS:

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20. WARRANTY: Warranty on the Performance and Condition of the Property is as provided in Exhibit B.

21. TIME OF THE ESSENCE. Time is of the essence in this Agreement.

22. GOVERNING LAW: This contract shall be governed by the laws of the State of Iowa.

EXECUTED the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ (THE EFFECTIVE DATE).

|       |        |
|-------|--------|
| _____ | _____  |
| Buyer | Seller |
| _____ | _____  |
| Buyer | Seller |

**EXHIBIT FOR CONTRACT:**

- Legal Description of Land - Exhibit A
- Sales Price Worksheet (including Upgrades) - Exhibit B
- Floor plan and elevations - Exhibit C

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- Material specifications - Exhibit D
- Covenants, Conditions and Restrictions - Exhibit E
- Schedule of community amenities – Exhibit F

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