

## PURCHASE AGREEMENT

TO: **RACCOON RIVER LAND CO., L.L.C. (SELLER)**

The undersigned BUYER hereby offers to buy and the undersigned SELLER by their acceptance agree to sell as identified by this Purchase Agreement ("Agreement"), the real property situated in the City of West Des Moines, Dallas County, Iowa, legally described as:

Lot \_\_\_ in THE PRESERVE ESTATES PLAT 1, an Official Plat, now included in and forming a part of the City of West Des Moines, Dallas County, Iowa

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, herein referred to as the "Property," upon the following terms and conditions provided BUYER, on possession, is permitted to use the Property for residential purposes:

1. **PURCHASE PRICE.** The purchase price shall be \$\_\_\_\_\_ ("Purchase Price"). Within five (5) days after the full execution of this Agreement, BUYER shall deliver to SELLER earnest money in the sum of five percent (5%) of the total Purchase Price ("Earnest Money"), to be deposited and held in trust by Knapp Properties L.C. Trust Account. The entire balance of the Purchase Price remaining after the Earnest Money payment has been made shall be paid in full at Closing.
2. **REAL ESTATE TAXES.** The Seller shall pay its pro-rated share, based upon date of possession, of real estate taxes for the fiscal year in which possession is given due and payable in the subsequent fiscal year. The Buyer shall be given credit for such pro-ration at closing based upon the last known actual real estate taxes payable according to public record. However, if such taxes are not based upon the full assessment of the present property improvements or the tax classification as of the date of possession, such pro-rations shall be based on the current millage and the assessed value as shown by the Assessor's Records on the date of possession. Notwithstanding the foregoing, if the Real Estate is an individual lot within a subdivision plat and said lot has not yet been individually assessed as a separate tax parcel, Buyer hereby agrees to waive pro-ration required by this Section 2. The Dallas County Auditor will designate a new tax parcel identification numbers for the lots upon request after the filing of the plat. The Dallas County Assessor will thereafter allocate the assessed value between the lots. SELLER agrees to pay to BUYER its pro-rated share of the taxes as soon as real estate taxes numbers are available. BUYER shall pay all subsequent real estate taxes on the lot.
3. **SPECIAL ASSESSMENTS.**
  - a. SELLER shall pay all installments of special assessments which are a lien on the Property up to the closing date and, if not paid, would become delinquent during the calendar year this offer is accepted, and all prior installments thereof.

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. BUYER shall pay all other special assessments.

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 BUYER may purchase additional insurance. In the event of substantial damage or destruction prior to closing, this Agreement shall be null and void; provided, however, BUYER 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 BUYER timely perform all obligations, possession of the Property shall be delivered to BUYER on or about 30 days from the date Buyer removes Buyer's contingencies described in section 21 ("Closing Date"). Any adjustments of rent, insurance, taxes, interest and all charges attributable to the SELLER'S possession shall be made as of the date of possession. Closing shall occur after approval of title by Buyers' attorney and vacation of the Property by SELLER, but prior to possession by BUYER. SELLERS agree to permit BUYER to inspect the Property within forty-eight (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.

6. ACKNOWLEDGEMENTS. BUYER acknowledges the following:

a. The Property will be governed by Declaration of Covenants, Conditions and Restrictions for The Preserve Estates Plat 1 ("Declaration"), which covenants shall include the Design Guidelines attached thereto. A draft of the Declaration has been provided to the BUYER for BUYER's review, but SELLER may revise the Declaration at any time prior to the filing of the Final Plat for The Preserve Estates Plat 1. The final recorded Declaration will be included in the abstract and title of the Property for the BUYER's review prior to Closing.

b. Burning of trees and other debris from clearing the lot or the burning of construction materials is strictly prohibited.

c. The owner of each lot is responsible for the maintenance and stability of slopes located on the lots. SELLER makes no representation as to the suitability of the soil conditions or approves the manner of construction on any lot. Raccoon River Land Co.,

L.L.C., Knapp Properties, L.C., or any of its affiliates, agents and employees shall have no liability for any failure of soil and consequently any damage to improvements located on any lot due to a failure of the soil and the slopes. Construction of any and all improvements is solely at the risk of the lot owner or owners. It is recommended that consultation with a geotechnical engineer be made prior to construction.

d. The owner of each Lot is responsible for any damage done to a public utility and for any relocation or revision to a utility service as may be necessary due to activity occurring on or for your lot.

e. BUYER shall consult with their architect, engineer and/or builder in determining walkout, daylight, or standard basement design for the Property. Basement design criteria depends on factors beyond the SELLER'S control including: 1) setback from the street right-of-way, 2) foundation dimensions, 3) finished floor and basement floor elevation in relation to Lot elevations, 4) basement floor elevation in relation to the sanitary sewer stub elevation, and 5) M.O.E., minimum foundation opening elevations as determined by BUYER'S engineer in relation to storm water overland flowage. Engineering design drawings for The Preserve Estates are available upon request. BUYER may inspect Property with their architect, engineer and/or builder prior to purchase to determine basement design suitability after public improvements for grading, underground utilities, and pavement at The Preserve Estates are accepted by the City of West Des Moines.

f. Houses within The Preserve Estates Plat 1 shall not be positioned, nor the Property graded, in a manner that blocks upstream stormwater flow causing water to pond or backup on any adjacent lot.

g. It is the BUYER'S responsibility to verify the Property's sanitary service stub depth and location prior to setting the house foundation elevation to ensure gravity sanitary sewer flow.

7. **CONDITION OF PROPERTY.** The property is a vacant lot, improved in accordance with grading and utility plans as approved by the City of West Des Moines.
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 and deliver it to BUYER'S attorney for examination. It shall show merchantable 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 (10) day written notice to the other party. The abstract shall become the property of 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.

9. SURVEY. BUYER may, at BUYER'S expense prior to closing, have the property surveyed and certified by a Registered Land Surveyor. If the survey shows any 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 their 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, 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 BUYER with a properly executed GROUNDWATER HAZARD STATEMENT showing no wells, private burial sites, solid waste disposal sites, private sewage disposal system, hazardous waste and underground storage tanks on the Property unless disclosed here:

b. BUYER may at their expense, within ten (10) 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, BUYER'S obligation hereunder shall be contingent upon the removal of such materials, substances, conditions or wastes or other resolution of the matter reasonably satisfactory to BUYER. However, in the event SELLER is required to expend any sum in excess of \$5,000.00 to remove any hazardous materials, substances, conditions or wastes, SELLER shall have the option to cancel this transaction and refund to BUYER all Earnest Money paid and declare this Agreement null and void. The expense of any inspection shall be paid by BUYER. The expense of any action necessary to remove or otherwise make safe any hazardous material, substance, 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 BUYER by warranty deed, free and clear of all liens, restrictions, and encumbrances except as provided in this Agreement. General warranties of title shall extend to the time of delivery of the deed excepting liens or encumbrances suffered or permitted by BUYER.

12. 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.

13. REMEDIES OF THE PARTIES.

a. If BUYER fails to timely perform this Agreement, SELLER may forfeit it as provided in the Iowa Code, 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 them.

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 shall be entitled to obtain judgment for costs and attorney fees as permitted by law.

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

SELLER:

BUYER:

Raccoon River Land Co., L.L.C.  
5000 Westown Parkway, Suite 400  
West Des Moines, Iowa 50266

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\_\_\_\_\_  
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15. CERTIFICATION. BUYER 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 my breach of the foregoing certification.
16. 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. 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.
17. 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.

18. **BROKERS.** BUYER acknowledges that the SELLER is affiliated with Knapp Properties, L.C., a real estate broker in the State of Iowa. Knapp Properties, L.C. represents the SELLER in this transaction and does not represent BUYER. Gerard D. Neugent, William C. Knapp II, William C. Knapp and Knapp Properties, L.C. are licensed real estate brokers in the State of Iowa and hereby acknowledge that one or more of them has an ownership interest in the SELLER named in this Agreement. This disclosure is issued pursuant to Chapter 543B of the Code of Iowa.
19. **NPDES.** BUYER shall, at its own cost and expense, obtain and maintain a **National Pollutant Discharge Elimination System (“NPDES”) Permit in accordance with the Iowa Department of Natural Resources, the United States Environmental Protection Agency and any such other local, state or government agency. BUYER shall further indemnify defend, release and hold SELLER Harmless from any obligation or complication in connection with the NPDES Permit.**
20. **COVID-19.** The parties acknowledge and agree that this Agreement has been negotiated during the COVID-19 pandemic, and therefore each party has evaluated its respective risks with respect thereto prior to entering into this Agreement. Accordingly, notwithstanding anything to the contrary contained herein, BUYER shall not be entitled to any remedy, delay, waiver or concession as a result of the COVID-19. BUYER hereby waives all rights and remedies relating to the COVID-19 pandemic at law or in equity, including, but not limited to, the equitable doctrines of frustration of purpose and impossibility of performance and hereby agrees that in no event shall this Agreement be terminated, or any of BUYER'S obligations hereunder be delayed, waived, or forgiven, as a result of the COVID-19 pandemic other than based upon the express agreement of the parties in writing.
21. **ADDITIONAL PROVISIONS/CONTINGENCIES.** \_\_\_\_\_  
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ACCEPTANCE. When accepted, this Agreement shall become a binding contract. If not accepted and delivered to BUYER on or before March \_\_, 2021 this Agreement shall be null and void and all payments made shall be returned immediately to BUYER.

[SIGNATURES ON THE FOLLOWING PAGE]

Dated \_\_\_\_\_

**SELLER:**

**RACCOON RIVER LAND CO., L.L.C.**  
an Iowa limited liability company

By: William C. Knapp, L.C.  
an Iowa limited liability company  
Managing Member

By: \_\_\_\_\_  
Gerard D. Neugent, Manager

By: **RACCOON RIVER INVESTORS, L.L.C.**  
Managing Member

By: JSC TRUST  
Member

By: \_\_\_\_\_  
Paul D. Hayes, Trustee

**BUYER:** \_\_\_\_\_

**BUYER:** \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Address: \_\_\_\_\_

Date: \_\_\_\_\_