



# OFFER TO BUY REAL ESTATE AND ACCEPTANCE

TO \_\_\_\_\_, Sellers:

1. REAL ESTATE DESCRIPTION. The Buyers offer to buy real estate in \_\_\_\_\_ County, Iowa, described as follows:

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 record for public utilities, roads and highways; and d. (consider: liens, mineral rights; other easements; interests of others.)

\_\_\_\_\_ designated the Real Estate; provided Buyers, on possession, are permitted to make the following use of the Real Estate:

2. PRICE. The purchase price shall be \$ \_\_\_\_\_, payable at \_\_\_\_\_ County, Iowa, as follows:

3. REAL ESTATE TAXES. Sellers shall pay

and any unpaid real estate taxes payable in prior years. Buyers shall pay all subsequent real estate taxes. Any proration of real estate taxes on the Real Estate shall be based upon such taxes for the year currently payable unless the parties state otherwise.

4. SPECIAL ASSESSMENTS.

- a. Sellers shall pay all special assessments which are a lien on the Real Estate as of the date of acceptance of this offer.
- b. IF a. IS STRICKEN, then Sellers shall pay all installments of special assessments which are a lien on the Real Estate and, if not paid, would become delinquent during the calendar year this offer is accepted, and all prior installments thereof.
- c. All other special assessments shall be paid by Buyers.

5. RISK OF LOSS AND INSURANCE. Risk of loss prior to Seller's delivery of possession of the Real Estate to Buyers shall be as follows:

- a. ~~All risk of loss shall remain with Sellers until possession of the Real Estate shall be delivered to Buyers.~~
- b. ~~IF a. IS STRICKEN, Sellers shall maintain \$ \_\_\_\_\_ of fire, windstorm and extended coverage insurance on the Real Estate until possession is given to Buyers and shall promptly secure endorsements to the appropriate insurance policies naming Buyers as additional insureds as their interests may appear. Risk of loss from such insured hazards shall be on Buyers after Sellers have performed under this paragraph and notified Buyers of such performance. Buyers, if they desire, may obtain additional insurance to cover such risk.~~
- c. Buyer assumes risk of loss upon the execution of the offer and Acceptance, with the proviso, however, that if the sale does not close or title does not otherwise transfer, Seller shall thereupon be deemed to have re-assumed risk of loss.

6. CARE AND MAINTENANCE. The Real Estate shall be preserved in its present condition and delivered intact at the time possession is delivered to Buyers, provided, however, if 5.a. is stricken and there is loss or destruction of all or any part of the Real Estate from causes covered by the insurance maintained by Sellers, Buyers agree to accept such damaged or destroyed Real Estate together with such insurance proceeds in lieu of the Real Estate in its present condition and Sellers shall not be required to repair or replace same.

7. POSSESSION. If Buyers timely perform all obligations, possession of the Real Estate shall be delivered to Buyers on \_\_\_\_\_, with any adjustments of rent, insurance, and interest to be made as of the date of transfer of possession.

8. FIXTURES. All property that integrally belongs to or is part of the Real Estate, whether attached or detached, such as 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 Real Estate and included in the sale except: (consider: rental items.)

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9. 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.

10. ABSTRACT AND TITLE. Sellers, at their expense, shall promptly obtain an abstract of title to the Real Estate continued through the date of acceptance of this offer, and deliver it to Buyers for examination. It shall show merchantable title in Sellers in conformity with this agreement, Iowa law and 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. 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 Sellers or their assignees.

11. DEED. Upon payment of the purchase price, Sellers shall convey the Real Estate to Buyers or their assignees, by \_\_\_\_\_ deed, free and clear of all liens, restrictions, and encumbrances except as provided in 1. a. through 1. d. Any general warranties of title shall extend only to the time of acceptance of this offer, with special warranties as to acts of Sellers continuing up to time of delivery of the deed.

12. JOINT TENANCY IN PROCEEDS AND IN REAL ESTATE. If Sellers, immediately preceding acceptance of this offer, 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 the 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 rights 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 11.

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 or real estate contract for this purpose.

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

15. REMEDIES OF THE PARTIES.

a. If Buyers fail to timely perform this contract, Sellers may forfeit it as provided in the Iowa Code, 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 such failure (during which thirty days such failure is not corrected) Sellers may declare the entire balance immediately due and payable. Thereafter this contract may be foreclosed in equity and the Court may appoint a receiver.

b. If Sellers fail to timely perform this contract, Buyers have the right to have all payments made returned to them.

c. Buyers and Sellers also are 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.

16. STATEMENT AS TO LIENS. If Buyers intend to assume or take subject to a lien on the Real Estate, Sellers shall furnish Buyers with a written statement from the holder of such lien, showing the correct balance due.

17. SUBSEQUENT CONTRACT. Any real estate contract executed in performance of this contract shall be on a form of the Iowa State Bar Association.

18. APPROVAL OF COURT. If the sale of the Real Estate is subject to Court approval, the fiduciary shall promptly submit this contract for such approval. If this contract is not so approved, it shall be void.

19. CONTRACT BINDING ON SUCCESSORS IN INTEREST. This contract shall apply to and bind the successors in interest of the parties

20. CONSTRUCTION. Words and phrases shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender, according to the context.

21. TIME FOR ACCEPTANCE. If this offer is not accepted by Sellers on or before \_\_\_\_\_, it shall become void and all payments shall be repaid to the Buyers.

22. CERTIFICATION. Buyers and Sellers 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.

23. OTHER PROVISIONS. Attach Addendum.

THIS OFFER IS ACCEPTED \_\_\_\_\_

\_\_\_\_\_  
Seller  
CITY OF CEDAR RAPIDS, IOWA

\_\_\_\_\_  
Seller

\_\_\_\_\_  
Jim Prosser  
City Manager

ATTEST:-

\_\_\_\_\_  
City Clerk



## OFFER TO BUY REAL ESTATE AND ACCEPTANCE

THE IOWA STATE BAR ASSOCIATION

Official Form No. 153

Recorder's Cover Sheet

**Preparer Information:** (Name, address and phone number)

City of Cedar Rapids Attorney, 3851 River Ridge Drive NE, City Hall, Cedar Rapids, Iowa 52402 (319) 286-5025

**Taxpayer Information:** (Name and complete address)

City of Cedar Rapids Controller-Auditor, 3851 River Ridge Drive NE, City Hall, Cedar Rapids, Iowa 52402 (319) 286-5025

**Return Document To:** (Name and complete address)

City of Cedar Rapids City Clerk, 3851 River Ridge Drive NE, City Hall, Cedar Rapids, Iowa 52402 (319) 286-5025

**Seller:**

**Buyer:**

**Legal description:** See Page 2

**Document or instrument number of previously recorded documents:**

**ADDENDUM TO OFFER TO BUY REAL ESTATE AND ACCEPTANCE**

DATED \_\_\_\_\_ BY AND BETWEEN  
\_\_\_\_\_ (Seller) and CITY OF CEDAR RAPIDS, IOWA, (Buyer)

**Recitals and Acknowledgements:** The parties to the Offer to Buy Real Estate and Acceptance dated \_\_\_\_\_ (hereinafter "Offer and Acceptance"), hereby acknowledge the following recitals:

1. The State of Iowa is Grantee pursuant to a program of the Federal Emergency Management Administration known as the Hazard Mitigation Grant Program.
2. Buyer City of Cedar Rapids (hereinafter "Buyer") is a Subgrantee of the State of Iowa.
3. \_\_\_\_\_ is the Authorized Agent of Buyer
4. In connection with FEMA's Hazard Mitigation Grant Program, Buyer desires to purchase certain properties, including that certain property which is the subject of the Offer and Acceptance, as a means of mitigating risks of natural disasters.
5. Seller has no obligation to sell the Property to Buyer.

**Additional Terms of Offer and Acceptance:** In addition to the terms set forth in the Offer and Acceptance, the parties thereto agree to the following terms:

1. Within 60 days of Seller's Acceptance of the Offer, Buyer shall be entitled to conduct an inspection of the Property at its own expense. Seller shall remove from the property, at Seller's own expense and prior to closing, all vehicles, wood, construction materials, debris and personal property.
2. With respect to any property with past or present commercial or industrial use, or that is adjacent to such property, or that is suspected of having hazardous contaminants, Seller shall provide information identifying what, if any, hazardous materials other than incidental demolition or household wastes have been deposited or stored on the property. Seller shall remove any such hazardous materials and any containers at Seller's own expense.

With respect to any property containing any hazardous contaminants other than incidental demolition or household wastes, Seller shall provide certification from the appropriate State agency that the property has been cleared of such contaminants prior to closing.

Seller acknowledges that any cleanup costs associated with obtaining the above-referenced certification, and any costs associated with hazardous materials are not

eligible project costs and that as such, Seller may be responsible for said costs and/or the purchase price may be changed to reflect Buyer's assumption of said costs.

3. If Buyer, the State of Iowa and/or FEMA determine that a Phase I environmental site assessment is necessary, then Buyer, the State of Iowa and/or FEMA may conduct one prior to closing on the sale of the property. The cost of Phase III environmental site assessment remediation plans, cleanup, and certification of the property are not eligible mitigation grant project costs.

Seller hereby agrees to indemnify Buyer, the State of Iowa and FEMA for any liability arising from previous contamination of the property.

5. FEMA Hazard Mitigation Grant Program funds being used for the purchase of Property can not and will not duplicate benefits received from other sources of funds. Seller will return any disaster aid money received if any such money results in a duplication of benefits.

6. Proceeds from the sale of Property shall first be applied to all liens on Property, including any real estate taxes that are due and payable to the date of settlement. Seller hereby authorizes Buyer to negotiate the settlement and/or satisfaction of any and all liens and encumbrances against the Property and hereby appoints Buyer as Seller's Attorney in Fact for such purposes.

7. Seller shall execute all necessary documents to transfer fee simple title to Property to Buyer, and any and all documents, now and in the future, required by Buyer, Grantee, or FEMA to complete this transaction and comply with local, State, or Federal regulation. These documents shall include but are not necessarily limited to the following, which are hereby incorporated by reference and made a term of the Offer and Acceptance as though fully set forth herein:

a) City of Cedar Rapids, Iowa Right of Entry Agreement, attached to this Addendum as Exhibit 1.

b) Statement of Voluntary Transaction, attached to this Addendum as Exhibit 2.

c) Statement of Hazardous Materials, attached to this Addendum as Exhibit 3.

8. Seller shall not remove any property considered a portion of the real estate without first notifying Buyer in writing and providing written appraisals of any such property. Final value of the property will be determined by Seller and negotiated prior to removal. The value, as finally determined, will be deducted from the purchase price or repaid by Seller within ten (10) days after removal, as appropriate.

9. Seller shall not remove any fixtures, materials, or improvements to the real estate from the premises, nor salvage any materials from the premises at the time of settlement or

demolition. Any violation of this agreement may change the fair market value of the structure.

10. Seller saves and holds harmless Buyer as a result of the Offer and Acceptance or anything incident to the sale of the referenced real property.
11. The Offer to Buy Real Estate and Acceptance is subject to City Council approval.

**Seller's Representations and Warranties:**

1. The Property to be sold has been damaged by natural disaster.
2. Seller qualifies for the assistance granted in connection with FEMA's Hazard Mitigation Grant Program.
3. Seller voluntarily chooses to sell Property to Buyer.
4. Any hazardous wastes other than incidental demolition or household wastes deposited or stored on the property are identified by means of a separate writing, without which Buyer shall have no obligations under this Agreement.
5. Seller has reviewed this Agreement and has had an opportunity, at its discretion and expense, to contact an attorney of its choice to review this Agreement. Seller enters into this Agreement fully understanding the nature thereof.

\_\_\_\_\_  
Seller(s) Signature

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

\_\_\_\_\_  
Seller(s) Signature

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

Buyer City of Cedar Rapids by:

\_\_\_\_\_  
James Prosser  
City Manager

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

ATTEST:-

\_\_\_\_\_  
City Clerk