

OPTION AGREEMENT FOR PURCHASE OF REAL PROPERTY

THIS OPTION AGREEMENT ("Agreement") made and entered into this 7th day of December, 2021, by and between Carrie Peters Spencer, whose principal address is P.O. Box 585, Storm Lake, Iowa 50588, hereinafter referred to as "Seller" and the City of Early, Iowa, whose principal address is 107 Main, Early, Iowa 50535, hereinafter referred to as "Purchaser" or "Buyer":

WITNESSETH:

WHEREAS, Seller is the fee simple owner of certain real property being, lying and situated in the County of Sac, State of Iowa, such real property being described as follows as "Tract 1" part of Out Lot 3 on the attached plat of survey (which is incorporated herein by this reference), and;

WHEREAS, Seller has been informed that the real property is not part of a planned or designated area where all the property in the areal will eventually be acquired, and;

WHEREAS, prior to the execution of this Option Agreement, Purchaser has agreed that it will not use its power of eminent domain even if negotiations fail and Seller has been provided by certified mail the Land Acquisition Information Notice with the URA pamphlet included in said mailing as shown by the attached proof of mailing (incorporated herein by this reference) which includes an estimate of the current fair market value, and;

WHEREAS, said Land Acquisition Notice has also advised the Seller, prior to this Option Agreement being executed, that in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) owner-occupants who move as a result of a voluntary acquisition are not eligible for relocation assistance, and;

WHEREAS, Purchaser desires to procure an option to purchase the Premises upon the terms and provisions as hereinafter set forth;

NOW, THEREFORE, for good and valuable consideration the receipt and sufficiency of which is hereby acknowledged by the parties hereto and for the mutual covenants contained herein, Seller and Purchaser hereby agree as follows:

1. DEFINITIONS. For the purposes of this Agreement, the following terms shall have the following meanings:

(a) "Execution Date" shall mean the day upon which the last party to this Agreement shall duly execute this Agreement;

(b) "Option Term" shall mean that period of time commencing on the Execution Date and ending on or before February 15th, 2022;

(c) "Option Exercise Date" shall mean that date, within the Option Term, upon which the Purchaser shall send its written notice to Seller exercising its Option to Purchase;

(e) "Closing Date" shall mean the last day of the Option Term or such other date during the closing term selected by Purchaser.

2. GRANT OF OPTION. For the consideration of the promises set forth herein, Seller does hereby grant to Purchaser the exclusive right and Option ("Option") to purchase the premises upon the terms and conditions as set forth herein.

3. PAYMENT OF SURVEY AND CLOSING COSTS. Purchaser agrees to pay for a survey of the Seller's real property described herein plus all closing costs upon the Execution Date.

4. EXERCISE OF OPTION. Purchaser may exercise its exclusive right to purchase the Premises pursuant to the Option, at any time during the Option Term, by giving written notice thereof to Seller. As provided for above, the date of sending of said notice shall be the Option Exercise Date. In the event the Purchaser does not exercise its exclusive right to purchase the Premises granted by the Option during the Option Term, this agreement shall become absolutely null and void and neither party hereto shall have any other liability, obligation or duty hereinafter or pursuant to this Agreement.

5. CONTRACT FOR PURCHASE & SALE OF REAL PROPERTY. In the event that the Purchaser exercises its exclusive Option as provided for in the preceding paragraph, Seller agrees to sell and Purchaser agrees to buy the Premises and both parties agree to execute a contract for such purchase and sale of the Premises in accordance with the following terms and conditions:

A. PURCHASE PRICE. The Purchase Price shall be \$19,000.00 and will be paid, only if Early Drainage project in DD-59 has received grant money for this purchase from CDBG (Iowa Community Development Block Grant)

B. REAL ESTATE TAXES. Sellers shall pay pro-rated to date of possession and any unpaid real estate taxes payable in prior years. Buyers shall pay all subsequent real estate taxes.

C. POSSESSION AND CLOSING. 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.

D. CONDITION OF PROPERTY. The property as of the date of this Agreement, including buildings, grounds, and all improvements, will be preserved by the SELLERS in its present condition until possession, ordinary wear and tear excepted. SELLERS make 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.

E. ABSTRACT AND TITLE. SELLERS, at BUYERS expense, shall promptly obtain an abstract of title to the Property continued through the date of acceptance of this Agreement, and deliver it to BUYERS' attorney for examination. It shall show marketable title in SELLERS in conformity with this Agreement, Iowa law, and title standards of the Iowa State Bar Association. The SELLERS shall make every reasonable effort to promptly perfect title. If closing is delayed due to SELLERS' 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. 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. Unless stricken, the abstract shall be obtained from an abstracter qualified by the Guaranty Division of the Iowa Housing Finance Authority.

F. SURVEY. The survey required under Iowa Code Chapter 354, or city or county ordinances, has been paid for by BUYERS consideration for the Option to Purchase.

G. ENVIRONMENTAL MATTERS.

1. SELLERS warrant 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, the Property does not contain levels of radon gas, asbestos, or urea-formaldehyde foam insulation which require remediation under current governmental standards, and SELLERS have done nothing to contaminate the Property with hazardous wastes or substances. SELLERS warrant 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. SELLERS shall also provide BUYERS 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: none

2. BUYERS may at their expense, within 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, 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 SELLERS are required to expend any sum in excess of \$0.00 to remove any hazardous materials, substances, conditions or wastes, SELLERS 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 SELLERS, subject to SELLERS' right to cancel this transaction as provided above.

H. DEED. Upon payment of the Purchase Price, SELLERS 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.

I. 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.

J. REMEDIES OF THE PARTIES.

1. If BUYERS fail to timely perform this Agreement, SELLERS may forfeit it as provided in the Iowa Code (Chapter 656), and all payments made shall be forfeited; or, at SELLERS' 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), SELLERS may declare the entire balance immediately due and payable. Thereafter this Agreement may be foreclosed in equity and the Court may appoint a receiver.

2. If SELLERS fail to timely perform this Agreement, BUYERS have the right to have all payments made returned to them.

3. BUYERS and SELLERS 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.

K. 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.

L. 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 SELLERS 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.

M. NO REAL ESTATE AGENT OR BROKER. Neither party has used the service of a real estate agent or broker in connection with this transaction.

N. 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.

O. 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.

ACCEPTANCE. When accepted, this Agreement shall become a binding contract for Option to Purchase.


Dated Dec. 1st 2021
SELLER


Carrie Spencer Peters

Address : P.O. Box 585 , Storm Lake, IA 50588

Telephone: (712) 299-2996

Dated 12-7-2021 2021
BUYER

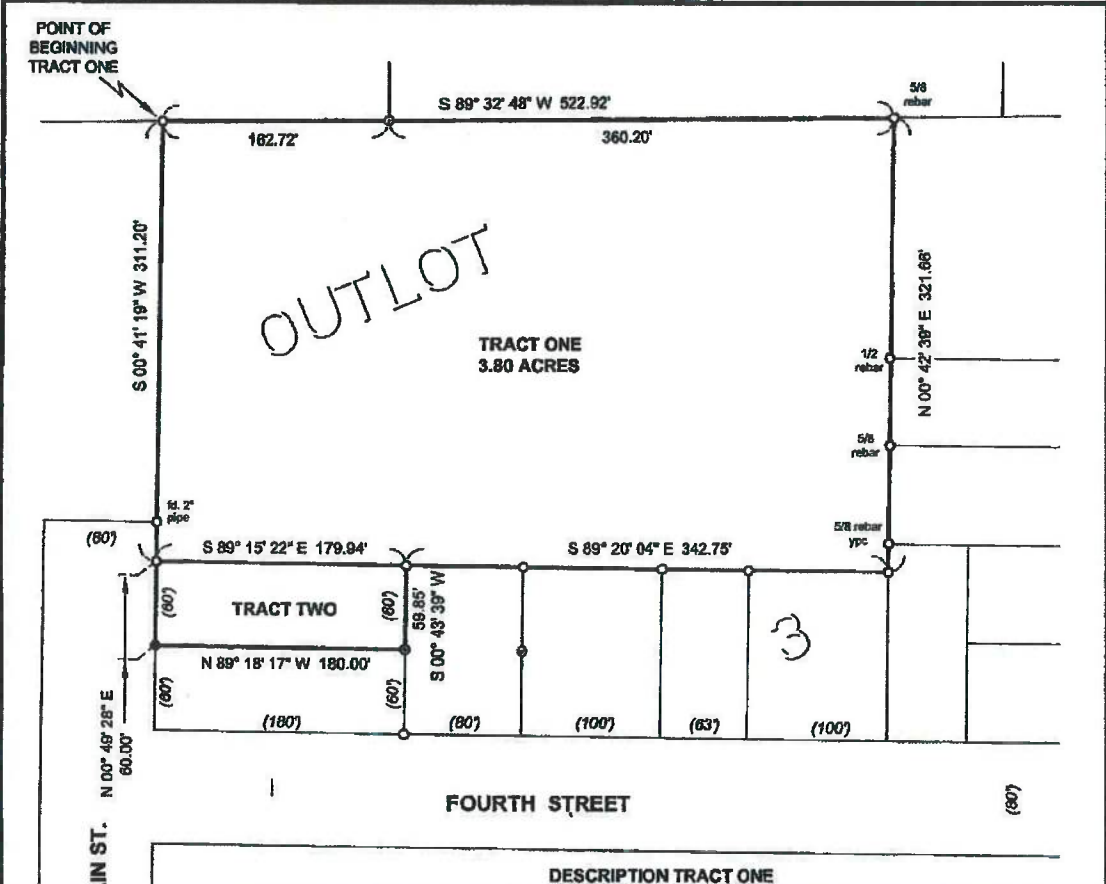

City of Early, Iowa

Address : Council Chamber, 107 Main, Early,
IA 50535

Telephone: 712-273-5283

(City Atty has original copy) ¹²⁻⁷⁻²⁰²¹

INDEX LEGEND	
PLAT OF SURVEY PART OUTLOT 3	
CITY:	EARLY
COUNTY:	SAC
SUBDIVISION/ADDITION NAME:	
LOT:	OUTLOT 3
BLOCK:	
PROPRIETOR:	CARRIE SPENCER
SURVEY PREPARED FOR:	CITY OF EARLY
SURVEY PREPARED BY:	J. SCOTT SHEVEL (IOWA PLS NO. 11810)
COMPANY NAME:	ISG
ADDRESS:	1725 N. LAKE AVE. STORM LAKE, IA 50588
PHONE:	712-732-7745



DESCRIPTION TRACT ONE

A TRACT OF LAND LOCATED IN PART OF OUTLOT THREE (3) IN THE SOUTHEAST QUARTER (SE ¼) OF SECTION 4, TOWNSHIP 88 NORTH, RANGE 37 WEST OF THE 5TH P.M., WITHIN THE CORPORATE LIMITS OF THE TOWN OF EARLY, SAC COUNTY, IOWA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

Beginning at the Northwest (NW) Corner of said Outlot Three (3); Thence South 00° 41' 19" West, along the West line of said Outlot Three (3), 311.20 feet to the North line of the South one hundred twenty feet (S. 120') of said Outlot Three (3); Thence South 89° 15' 22" East, along said North line, 179.94 feet; Thence continuing along said North line, South 89° 20' 04" East, 342.75 feet to the West line of the East One hundred ninety-seven feet (E. 197') of said Outlot Three (3); Thence North 00° 42' 39" East, along said West line, 321.66 feet to the North line of said Outlot Three (3); Thence South 89° 32' 48" West, along said North line, 522.92 feet to the Point of Beginning.

Tract contains 3.80 acres and is subject to all easements of record.

DESCRIPTION TRACT TWO

THE NORTH SIXTY FEET (N. 60') OF THE SOUTH ONE HUNDRED TWENTY FEET (S. 120') OF THE WEST ONE HUNDRED EIGHTY FEET (W. 180') OF OUTLOT THREE (3) IN THE SOUTHEAST QUARTER (SE ¼) OF SECTION 4, TOWNSHIP 88 NORTH, RANGE 37 WEST OF THE 5TH P.M., WITHIN THE CORPORATE LIMITS OF THE TOWN OF EARLY, SAC COUNTY, IOWA.



- LEGEND OF SYMBOLS/ABBREVIATIONS**
- CORNERS FOUND (3/4" rebar unless otherwise noted)
 - CORNERS FOUND (5/8" rebar w/opc no. 16749)
 - CORNERS SET (1/2" rebar w/pc no. 11810)
 - 100.00' MEASURED
 - (100.00') RECORDED AS
 - rpc RED PLASTIC CAP
 - ypc YELLOW PLASTIC CAP
 - opc ORANGE PLASTIC CAP

I hereby certify that this land surveying document was prepared by me and the related survey work was performed by me or under my direct personal supervision and that I am a duly licensed Land Surveyor under the laws of the State of Iowa.



J. Scott Shevel
 License Number 11810
 My License renewal date is December 31, 2021
 Pages covered by this seal 1

ISG Incorporated Engineering Land Surveying Planning

I+S GROUP

PN: 21-25894
 Drawn: JSS
 Sheet 1 OF 1
 Surveyed by: JAW
 Surveyed: 8/29/21
 Revised:
 Drawing Name:

CITY OF EARLY, IOWA

Dear Carrie Spencer Peters:

The City of Early is interested in acquiring property you own legally described as: A TRACT OF LAND LOCATED IN PART OF OUTLOT THREE (3) IN THE SOUTHEAST QUARTER (SE ¼) OF SECTION 4, TOWNSHIP 88 NORTH, RANGE 37 WEST OF THE 5TH P.M. WITHIN THE CORPORATE LIMITS OF THE TOWN OF EARLY, SAC COUNTY for a proposed project which may receive funding assistance from the U.S. Department of Housing and Urban Development (HUD) under the Community Development Block Grant program.


Please be advised that, the City of Early possesses eminent domain authority to acquire property, however, in the event you are not interested in selling your property, or if we cannot reach an amicable agreement for the purchase of your property, we will not pursue its acquisition under eminent domain. Your property is not a necessary part of the proposed project and is not part of an intended, planned, or designated project area where substantially all of the property within the area is to be acquired.

We are prepared to offer you \$5,000 per acre (acreage based on final survey and plat) to purchase your property. We believe this amount represents the current market value of your property.

Please contact us at your convenience if you are interested in selling your property. In accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA), owner-occupants who move as a result of a voluntary acquisition are not eligible for relocation assistance.

If you have any questions about this notice or the proposed project, please contact Sharon Ann Irwin, Mayor, at 712-273-5283 or isharon@ruralwaves.us.

Sincerely,


Mayor

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
Carrie Peters
710 Pleasantview Drive
Storm Lake, IA 50588



9590 9402 2866 7069 6260 35

2. Article Number (Transfer from service label)
7009 0820 0002 1873 6070

COMPLETE THIS SECTION ON DELIVERY

A. Signature *MH CV19* #1/15/21
 Agent
 Addressee
X.C. Peters

B. Received by (Printed Name) C. Date of Delivery

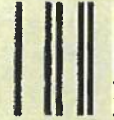
D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type
- | | |
|--|--|
| <input type="checkbox"/> Adult Signature | <input type="checkbox"/> Priority Mail Express® |
| <input type="checkbox"/> Adult Signature Restricted Delivery | <input type="checkbox"/> Registered Mail™ |
| <input checked="" type="checkbox"/> Certified Mail® | <input type="checkbox"/> Registered Mail Restricted Delivery |
| <input type="checkbox"/> Certified Mail Restricted Delivery | <input checked="" type="checkbox"/> Return Receipt for Merchandise |
| <input type="checkbox"/> Collect on Delivery | <input type="checkbox"/> Signature Confirmation® |
| <input type="checkbox"/> Collect on Delivery Restricted Delivery | <input checked="" type="checkbox"/> Signature Confirmation Restricted Delivery |
| <input type="checkbox"/> Insured Mail | |
| <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500) | |

USPS TRACKING #
DES MOINES IA 500



18 NOV 2011 PM 3 L
9590 9402 2866 7069 6260 35



First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

United States
Postal Service

• Sender, Please print your name, address, and ZIP+4® in this box®

CITY OF EARLY
P.O. Box 411
Early, Iowa 50535-0411

