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2016-01858

RECORDER MARK BRANDENBURG
POTTAWATTAMIE COUNTY, IA
FILE TIME: 02/17/2016 9:57:13 AM
REC: 20.00AUD: T TAX:
RMA: 1.00ECM: 1.00

R FEE \$ 20.00 RMA \$ 1.00

A FEE \$ _____ ECOM \$ 1.00

T TAX \$ _____

Option to Buy

Recorder's Cover Sheet

Preparer Information: Clint Fichter
PO Box 532
Avoca, IA 51521
402-990-3623

Return Document to: Chris Martin, City Clerk
City of Shelby
419 East Street, PO Box 186
Shelby, IA 51570

Legal Description: East Half of the Fractional Northwest Quarter of Section 4,
Township 77 North, Range 40 West of the 5th P.M., in the City of Shelby,
Pottawattamie County, Iowa as described in the Plat of Survey recorded in Book
2008, Page 000585, in the Recorder's Office of Pottawattamie County, Iowa.

Option Agreement to Purchase Real Estate

PARTIES: The parties to this Option Agreement to Purchase Real Estate (hereafter the "Option") are the City of Shelby, Iowa, a municipal corporation (hereafter the "Purchaser") and Homegrown Investments, LLC, a domestic corporation under the laws of the State of Iowa (hereafter the "Seller").

DATE OF AGREEMENT: This agreement shall be effective on the 1st day of January, 2016.

SUBJECT MATTER: The property subject to this Option is a seven (7) acre parcel in Shelby, Iowa identified as Parcel # 7740 04 100 013 or legally described as the East Half of the Fractional Northwest Quarter of Section 4, Township 77 North, Range 40 West of the 5th P.M., in the City of Shelby, Pottawattamie County, Iowa as described in the Plat of Survey recorded in Book 2008, Page 000585, in the Recorder's Office of Pottawattamie County, Iowa.

PAYMENT FOR OPTION: The Purchaser shall pay Seller \$500.00 for the right to purchase the Property subject to this Option. Even if the Purchaser does not exercise the Option, the Parties understand that the Seller will keep this payment, unless the failure to exercise this Option is due to the Seller's inability to convey marketable title. However, if the Purchaser does exercise the Option, this amount will be credited to the Purchaser at Closing.

EXCLUSIVE OPTION: The Seller grants the Purchaser an exclusive and irrevocable right to purchase the Property for the term of the Option.

TERM OF OPTION: The Purchaser shall have until January 1, 2017 to exercise this Option. The Purchaser may extend the term of this Option until January 1, 2018 upon payment of an additional \$500 to the Seller.

PRICE AND TERMS: The Purchaser agrees to pay for said Property the sum of \$119,000 or \$17,000 per acre.

INCLUDED IN THIS PURCHASE: The Property shall also include all land, together with all improvements and fixtures thereon, all appurtenant rights, privileges, easements, and mineral rights.

DEED TO CONVEY TITLE: The Seller shall convey marketable title to the Property by General Warranty Deed free, clear, and unencumbered except existing mortgages, restrictions, and easements of record.

CONDITIONS NOT EFFECTING TITLE: The property is to be conveyed subject to: (a) Building and zoning regulations; (b) Conditions, agreements, restrictions and easements of record; (c) Any state of facts an inspection or survey of the Property may show as long as it does not make the title to the property unmarketable; (d) Existing tenancies; and (e) Unpaid assessments payable after the date of the transfer of title.

RISK OF LOSS: The risk of loss or damage by fire or other casualty before title closing is assumed by Seller.

NOTICE TO EXERCISE OPTION AND CLOSING: In the event the Purchaser chooses to exercise this Option, the Purchaser shall notify the Seller of this decision in writing. Upon receipt of the notice of intent to exercise this Option, the Parties shall enter into a formal Agreement for Purchase and shall set a closing date no later than 90 days after notification to the Seller that the Purchaser chose to exercise the Option. The deed shall be delivered and the purchase money shall be paid at the time and place chosen by the Parties for Closing.

LOCATION FOR DELIVERY OF NOTICES AND COMMUNICATION: In the event any notice or communication is necessary under this Option, said communication should be delivered regular mail to the Parties at the following locations:

City of Shelby
419 East Street
Shelby, IA 51570

Homegrown Investments, LLC
12 East Street
Shelby, IA 51570

SUCCESSORS AND ASSIGNS: This Option is binding upon, and will inure to the benefit of the parties to this agreement, and their respective successors and assigns.

TERMS NOT DEFINED: Any terms not defined by this Option will be defined by the Parties prior to closing in an Agreement to Purchase or will be defined by common practice for real estate transactions.

Seller and Purchaser have executed this Option as of the date at the top of the first page.

BUYER is responsible for all abstracting and title insurance.

SELLER *JK ek*

Donald Robinson

Agent for Homegrown Investments, LLC

Accepted by Purchaser

Ron Kroll
Ron Kroll, Mayor

Authentication by Notary:

Seller Authentication

Subscribed and sworn to by Dave Robinson before me on
behalf of Homegrown Investments, LLC, a Notary Public in and for said County and
State, on this date 1-28-16.

Christie Martin
Notary Public in and for the State of Iowa



Purchaser Authentication

Subscribed and sworn to by Ron Kroll on behalf of the City of Shelby before me,
a Notary Public in and for said County and State, on this
date 1-28-16.

Christie Martin
Notary Public in and for the State of Iowa

