

City Hall, 215 Sycamore St.
Muscatine, IA 52761-3840
(563) 262-4141
Fax (563) 262-4142

COMMUNITY DEVELOPMENT

MEMORANDUM

**Planning,
Zoning,
Building Safety,
Construction Inspection Services,
Public Health,
Housing Inspections,
Code Enforcement**

To: Mayor and City Council Members
Cc: Gregg Mandsager, City Administrator
From: Steven Boka, Director of Community Development
Date: April 1, 2014
Re: Request Approval to Acquire Real Property – 2106 Grandview Avenue

INTRODUCTION: The City has been in discussion with the Iowa Department of Transportation (IDOT) concerning a transfer of jurisdiction of all IDOT rights-of-way and adjacent properties located between the Norbert F. Beckey Bridge and extending southwesterly along the current alignment of Iowa Highway 92/US Bus 61 to its current intersection with Highway 61.

BACKGROUND: As a part of the transfer, the city will have an opportunity to make several public improvements that will have a positive effect on traffic and pedestrian safety, flood protection, storm water management, trail enhancements, wayfinding, and aesthetics to name a few. Through discussions with IDOT it has been brought to our attention that a large portion of the property adjacent to the 2100 block of Grandview Avenue is being transferred. Dividing this real estate is a 2-acre site that could create obstruction to re-development of the property in the future. The current owner has been consulted and has no plans for future use of the site. The property (Parcel No. 1310351001) contains 2.47 acres of property or 89,734 square feet and is assessed at \$24,720.00. Through negotiations the owner has agreed to a sale price of \$15,000.00 or slightly less than \$0.17 per square foot.

RECOMMENDATION/RATIONALE: It is recommended that the City Council approve the purchase of the above described real estate for \$15,000.00 provided the seller delivers an updated abstract and title at sellers expense and pays all taxes pro-rated to the date of sale.

BACKUP INFORMATION:

1. Purchase Agreement

DUAL AGENCY AGREEMENT
(Between Buyers and Sellers)

This agreement is entered into by and between WHY USA PARKER REALTY and

Earl Schumbe, Sellers, and City of Muscatine -

Buyers of the property commonly known as 1/2 W. Main Ave adjacent to 2108 Grand Ave.

1) SITUATION:

WHY USA PARKER REALTY has a Listing Agreement Addendum with Seller whereby WHY USA PARKER REALTY is the Seller's agent to sell said property. WHY USA PARKER REALTY also has a Buyer Agreement whereby WHY USA PARKER REALTY is the Buyer's agent to find property for the buyer to purchase. Buyer now wishes to make an offer to purchase Seller's property, and both Seller and Buyer wish to continue to use the services of WHY USA PARKER REALTY who is a dual agent.

2) CONSENT TO DUAL AGENCY:

Seller and Buyer understand that this dual agency creates the potential for conflict of interest, and further understand that the Broker cannot knowingly represent the interests of either party to the exclusion of detriment of the other party. At the time Seller and Buyer entered into their separate agreements with WHY USA PARKER REALTY, Seller and Buyer were informed about and acknowledged the likely possibility of dual agency and consented to such dual agency. Seller and Buyer each hereby reaffirm their prior consent to WHY USA PARKER REALTY acting as a dual agent and agree that WHY USA PARKER REALTY shall continue to serve as a disclosed dual agent.

3) PROVISIONS GOVERNING BROKER'S ACTIONS:

The Broker will not knowingly say anything or does anything which might place one party at a disadvantage, such as disclose personal confidences. It is understood, however, that Broker must disclose matters required by law, and all facts known to the Broker which materially affect the value of the property that are not known to or within diligent attention and observation to the parties.

The Broker shall not, without prior expressed written consent of the Seller, disclose to the Buyer that Seller might accept a price; less than the listing price or material terms other than those specified in the listing agreement; nor shall Broker without the prior expressed written consent of the Buyer, disclose to Seller that the Buyer may be willing to pay a higher price or accept less favorable terms than those indicated in buyer's initial offer.

Broker will not aggressively represent the interests of either Seller or Buyer to the detriment of the other. Buyer and Seller shall primary negotiate on their own behalf and Broker shall cease to serve as either Seller's or Buyer's sole and exclusive agent, but will assist both Buyer and Seller in arriving at the mutually satisfactory close of the transaction.

Seller and Buyer agree that WHY USA Parker Realty shall not be liable to either party for refusing or failing to disclose information which in the sole discretion of WHY USA Parker Realty would harm one party's bargaining position but would benefit the other party.

4) SELLER AND BUYER HOLD BROKER HARMLESS:

Buyer and Seller waive any claim each may now have or have in the future against WHY USA Parker Realty as a dual agent in this transaction. Seller and Buyer understand that they may seek legal counsel in order to assist them with any matter relating to this transaction.

5) IF PURCHASE AGREEMENT DOES NOT CLOSE:

In the event that Seller and Buyer do not enter into an agreement for purchase and sale of the Seller's Property to Buyer, or in the event the purchase for sale provided for in a purchase agreement between Seller and Buyer does not close, then the dual agency role of the company under this agreement shall be deemed by all parties to have been terminated and WHY USA parker Realty will become the agent of each Buyer and Seller on the terms previously agreed upon.

I (we) have read and understand this agreement. If not understood, seek legal advice before signing.

[Signature] 4/3/14
Buyer Date

[Signature] 3-31-14
Seller Date

Buyer Date

[Signature]
Selling Agent Date

Seller Date

[Signature]
Listing Agent Date

The Selling Agent above acknowledges that the Buyer signed this agreement before signing any offer to purchase. The Listing Agent above acknowledges that the Seller signed this agreement before reviewing any offer to purchase.

WHY USA PARKER REALTY
2810 170th St
Muscatine, IA 52761
Phone: (563) 260-2907
E-Mail: whyusarealty@gmail.com
Licensed in Iowa

1. DATE OF OFFER: The date of this offer to purchase is agreed to be: March 31, 2014

2. OFFER TO: Carl Schmelzer Seller(s).

The undersigned City of Muscatine Buyers) hereby

offers to buy real property situated in Muscatine County and commonly known by street address as

South Grandview Road, adjacent N. to 2100th and Ave. West and legally described as:

see Abstract description (enclosed) or more particularly described in abstract, hereinafter designated as "Property," subject to zoning restrictions, restrictive covenants, and easements, if any, including, if present, lighting, heating and plumbing fixtures, all outdoor plantings, window and porch shades, venetian blinds, screens and shutters, curtain rods, drapery rods, window and central air conditioning, automatic heating equipment, attached mirrors, awnings, water softener (except rentals), garage door openers and all transmitters, LP tanks (except rentals), built-in kitchen appliances, wall-to-wall carpeting, mailboxes and storm windows and doors

3. OFFER AMOUNTS AND CONDITIONS:

A. The purchase amount offered to Seller by Buyer shall be \$ 15,000

B. Earnest money in the amount of \$ TBD is included herewith, or to be delivered upon full acceptance, and shall be deposited in the Listing Broker's Trust Account upon full acceptance of this purchase agreement by all parties.

C. All items checked here apply and are a part of this Offer to Purchase. Items not specifically checked do not apply:

- This offer is not contingent upon Buyer obtaining financing.
- Buyer shall obtain a loan commitment on or before _____ . All expenses resulting from lender requirements are the responsibility of the Buyer. Buyer agrees to make a full loan application, including paying for appraisal and credit report, within seven (7) days of acceptance of this offer by Seller. Appraisal and credit report shall be ordered from vendors within fourteen (14) days of acceptance of this offer by Seller.
- This sale is contingent upon the ability to obtain a Homeowner's Insurance Commitment that is satisfactory to the Buyer on or before _____ .
- This offer is subject to conventional financing.
- This offer is subject to FHA financing. Buyer to pay cost of first re-inspection required by FHA appraiser. Any subsequent repair inspection fees shall be at Seller's expense.
- This offer is subject to VA financing. Seller to pay costs of any re-inspections required by VA appraiser.
- This is an Installment Contract offer. The attached Installment Contract Addendum is a part of this Purchase Agreement.
- This offer is subject to the property appraising at or above purchase price.
- There is an addendum(s) that shall become an integral part of this Purchase Agreement.

D. Sale Subject To: _____

4. CLOSING: Closing and possession shall be on or before April 20, 2014 . If actual possession is before or after the closing date, Buyer and Seller shall make a separate agreement with rent and other adjustments as of the closing date.

Buyer: ESM Date: 4/2/14 Buyer: _____ Date: _____
Seller: E.S. Date: 3-31-14 Seller: _____ Date: _____

5. CONDITION OF PROPERTY:

A. The property as of the date of this agreement including buildings, grounds and all improvements will be preserved by Seller in its present condition until possession or closing, whichever takes place first, ordinary wear and tear excepted. Seller assures heating and air conditioning systems, plumbing system, all appliances and all other mechanical equipment, included as part of the purchase price, will be in working condition as of either the date of possession or closing, whichever takes place first, unless disclosed otherwise on the listing data sheet or the Seller's Disclosure of Property Condition.

Buyer shall be permitted to make a walk-through inspection of the property prior to possession or closing, whichever takes place first, in order to determine that there has been no material change in the condition of the property. If acceptance is made by Buyer after inspection or no inspection is made, Buyer hereby agrees that, at time of closing, Buyer will accept property in its current condition subject to the above paragraph.

B. Buyer must choose one of the two following alternatives relative to property inspections:

Buyer may, at their sole expense, have the property inspected by a person or person of their choice to determine if there are any structural, mechanical, plumbing, electrical, environmental, or other deficiencies. Buyer shall notify Seller in writing on or

before _____ of what steps, if any, Buyer is requesting Seller to take to correct any deficiencies before closing. Failure to do so shall be deemed a waiver of Buyer's inspection and repair rights and Buyer agrees to accept the property in its present form.

When Buyer notifies Seller in writing of corrective steps requested, Seller shall then notify Buyer in writing within _____ business days of what steps, if any, Seller will take to correct any deficiencies before closing. Buyer shall then notify Seller in

writing within _____ business days if the (a) Seller's response is acceptable to Buyer and the Purchase Agreement is so modified and shall be binding on all parties; or (b) Seller's response is not acceptable to Buyer and the Purchase Agreement is null and void and earnest money shall be returned to Buyer; or (c) Seller's response is not acceptable to Buyer, however, Buyer does not wish to void the Purchase Agreement and instead, a new agreement containing revised requests by Buyer will be created.

Buyer acknowledges that they have made a satisfactory inspection of the property and are purchasing the property in its existing condition, subject to the provisions of paragraph 5 A.

C. New Construction: If the improvements on the subject property are under construction or are to be constructed, this Agreement shall be subject to approval of plans and specifications by the parties. This Purchase Agreement is not a construction contract. The contract for construction will be a separate agreement between the Contractor and Buyer which will set forth all of the terms, conditions and specifications of the property to be constructed. **Broker(s) and agents make no warranties as to the quality of construction or materials or any warranty of habitability.**

6. MULTIPLE LISTING SERVICE: Buyer and Seller hereby authorize the Listing Broker to report the terms of this sale to the multiple listing service members.

7. TAXES AND SPECIAL ASSESSMENTS: All accrued real estate taxes on the property shall be prorated between Buyer and Seller as of the date of possession. Special assessments to be levied for improvements completed or where notice of resolution for improvements is in effect previous to the date hereof but not yet levied shall be paid by Seller. All subsequent taxes and special assessments shall be paid by Buyer. Any homeowner's association dues shall be prorated to the date of possession.

8. INSURANCE: Seller shall maintain fire, windstorm, and extended coverage insurance until closing. If any part of the property is damaged or destroyed, Seller shall restore same to its previous condition as soon as reasonably possible, but in any event by closing date. If Seller is unable to do so without fault, Buyer shall have the option to terminate this Purchase Agreement and Buyer's earnest money shall be refunded. Buyer has the option of purchasing additional insurance to protect their interest.

9. FLOOD HAZARD ZONE: Buyer has been advised that the property may be in an area found to have special flood hazards that may require Flood Insurance in order to obtain financing. **For further information, Buyer should consult a lender and insurance carrier.**

10. PERSONAL PROPERTY AND DEBRIS: Seller agrees to remove all debris and all personal property not included herein from the property by possession date unless there is a prior written agreement by the parties.

11. TITLE APPROVAL: Seller shall provide evidence of title by an abstract of title to be continued to date. Such abstract shall be delivered to the Buyer's or Lender's Attorney for examination. Seller agrees to perfect the title so that upon conveyance, title shall be deemed merchantable in compliance with this Purchase Agreement. Seller agrees to convey Title by General Warranty Deed or Installment Contract as provided for herein.

Buyer: SM Date: 4/3/14 Buyer: ES Date: 3-31-14
Seller: _____ Date: _____ Seller: _____ Date: _____

12. DUTIES AND REMEDIES OF PARTIES:

A. Seller and Buyer acknowledge and agree that Brokers) and its affiliated licensees and employees: (1) must respond to all questions of the parties, however they are not required to discover hidden defects or give advise on matters outside the scope of their real estate license; (2) make no representations or warranties as to the physical or mechanical condition of the property, its size, value, future value, income potential, whether the basement is waterproof, etc.; (3) are not qualified to advise on questions concerning the condition of the property, the legal sufficiency, legal effect or tax consequences of this document or transaction. **For such matters, Seller and Buyer are advised to consult the appropriate professional (s).**

B. Seller and Buyer acknowledge that the Seller of real property has a legal duty to disclose **material adverse facts and material defects** of which Seller has actual knowledge and which a reasonable inspection by Buyer would not reveal. **Buyer has the right to obtain inspections, survey, and measurements at Buyer's expense.**

C. If Buyer or Seller should fail to fulfill the obligations of this Purchase Agreement, said party shall be liable for any costs incurred including reasonable attorney's fees. A defaulting Seller shall pay the brokerage fee in full.

13. WOOD INFESTATION: Buyer shall have the right to have the property inspected, at their expense, for wood destroying organisms by a licensed inspector prior to closing. If an active infestation or evidence of an untreated prior infestation is discovered, Seller shall have the property treated, at their expense, by a licensed pest exterminator. In the event there is damage caused by said active or previous infestation, Seller shall have the option of having the damage repaired to Buyer's satisfaction, or declaring this agreement null and void. Buyer agrees to accept treated and/or repaired property, or prior to the commencement of treatment and repairs, shall have the option of declaring this agreement null and void and be entitled to full return of the earnest money. This provision does not apply to fences, trees, shrubs, or outbuildings other than garages. **To comply with VA regulations in VA financed sales, Seller, and not Buyer, shall pay for the pest inspection.**

14. EARNEST MONEY: It is understood by all parties hereto that earnest money deposits must be deposited in a special Trust Account pending final closing. The deposit shall be made no later than five business banking days following acceptance of this offer by all parties. The escrow agent does not assume or have any liability for the performance or nonperformance of any party. The escrow agent shall require the receipt, release, and authorization of all parties prior to any release of the earnest money deposit. **Earnest money will not automatically be returned or paid to any party.** The escrow agent shall not be liable for interest or other charges on the funds held. If any party unreasonably fails to agree in writing to an appropriate release of the earnest money, then said party shall be liable to the other parties. Interest on Trust Account shall be forwarded to the Iowa Association of REALTORS® Foundation or as directed and mutually agreed in writing by both Buyer and Seller.

15. NOTIFICATION: All documents required under this Agreement shall be deemed delivered when they are received either by hand delivery, facsimile, electronic communication, or mail. Persons designated for receipt of any notification shall be Seller and Buyer or their Agent or Broker. Electronic or facsimile transmission sent to the appropriate party, followed by electronic or facsimile acknowledgement of receipt, shall constitute delivery of signed document.

16. ACCEPTANCE DEADLINE: If this offer is not accepted or countered on or before _____ then it shall become null and void. Acceptance by Seller(s) after this date shall require Buyer's acceptance of same by initials to reinstate the offer to a valid and binding offer.

Buyer: [Signature] Date: 4/9/14

Buyer: _____ Date: _____

Buyer's present address: _____

Attorney: _____ Selling Co.: My USA Realty Agent: [Signature]

17. ACCEPTANCE: We, the Seller(s), do hereby accept this offer: as written as initialed hereon as per attached counter offer this offer is declined and agree to pay the Listing Broker a commission in accordance with our prior listing contract.

Seller: [Signature] Date: 3-31-14

Seller: _____ Date: _____

Seller's present address: _____

Attorney: [Signature] Listing Co.: My USA Realty Agent: [Signature]

William F Creasey

ATTORNEY AT LAW
319 EAST SECOND STREET, SUITE 301
MUSCATINE, IOWA 52761

TEL. NO. (563) 264-8926
FAX NO. (563) 264-0812
wcreasey@machlink.com

April 14, 2014

City of Muscatine
Attn: Steven Boka
City Hall
Muscatine, IA 52761

RE: TITLE OPINION –

A part of the Southwest Quarter of the Southwest Quarter of Section 10, Township 76 North, Range 2 West of the 5th Principal Meridian, in Muscatine County, Iowa, more particularly described as follows: Starting at a concrete monument which is the Southwest corner of said Section 10; then North 0° 20' 40'' West along the section line a distance of 799.7 feet to an iron pin which is on the Westerly right-of-way of the Chicago, Rock Island and Pacific Railroad, the true point of beginning; then North 0° 20' 40'' West along said Section line a distance of 352.3 feet to an iron pin on the Southerly right-of-way of U.S. Highway #61 and Iowa Highway #92; then North 45° 24' East a distance of 267.9 feet (the chord of an arc concave to the left of a 1° curve with a radius of 5780 feet) on the Southerly right-of-way of said Highway, to an iron pin on the East-West Quarter Quarter Section line; thence North 89° 36' East a distance of 289.0 feet along said Quarter Quarter Section line to an iron pin on the Westerly right-of-way or the Chicago, Rock Island and Pacific Railroad; thence South 41° 21' 20'' West a distance of 722.7 feet along said railroad right-of-way to the true point of beginning containing 2.56 acres, more or less.

Dear Sir:

Pursuant to your request, I have examined for you an abstract of title to the above-described real estate. The last continuation of the abstract is certified to the 3rd day of April 2014, at 8:00 o'clock a.m. by Muscatine County Abstract Company, Title Guarantee No. 8112.

Assuming said abstract to be true and correct as prepared and submitted to me, I find the fee simple title to be vested in Earl Lee Schmelzer, subject to the following comments and objections:

1. **MORTGAGE**: The abstract shows no mortgage of record.

2. **REAL ESTATE TAXES:** Real estate taxes are paid in a fiscal year; July 1st to June 30th and are payable in two installments, September 1st and March 1st. The first installment in the amount of \$495.00 has been paid. The second installment in the amount of \$495.00 has been paid. Any unpaid installments constitute a lien against the real estate.
3. **REAL ESTATE DIMENSIONS:** According to the Plat contained in the abstract, the real estate covered by this abstract has a frontage on Iowa Highway #92 of 267.9 feet. A copy of the plat is attached hereto for your information. I have marked with hash marks the subject real estate.
4. **ZONING:** The City of Muscatine has passed a comprehensive zoning ordinance regulating and restricting the use of property within its limits. There are also regulations and restrictions on obtaining building permits in companion ordinances. These ordinances affect the use of the subject real estate. It is your responsibility to determine the effect of this ordinance on the real estate.
5. **RESTRICTIVE COVENANTS:** The abstract sets forth Restrictive Covenants affecting the title to the real estate under examination. These are recorded in the Office of the Recorder of Muscatine County, Iowa. The Restrictive Covenants are part of the abstract and were give to you when we met this week.
6. **EASEMENTS:** According to the abstract there are easements for utility purposes affecting this real estate. Easements may also be obtained by usage and as a result may not appear in the abstract.
8. **POSSESSION:** In the event there is anyone in possession of this real estate other than the above owners, you should determine what their rights are as their rights may take priority over your interest.
7. **ENVIRONMENTAL MATTERS:** The abstract does not reveal any environmental problems regarding this real estate, but generally such matters would not be set forth in the abstract. I have not made any determination whether there are or are not environmental problems regarding the real estate. This responsibility is yours. Environmental problems could include, but not limited to the existence of underground storage tanks or the prior use of the real estate for the disposal of solid waste, hazardous waste, chemical waste or other similar waste.
8. **MECHANIC'S LIEN:** The abstract does not reveal any mechanic's liens filed against the real estate. Liens can be filed and can be enforced against real estate for a period of ninety days following the performance of labor or installation of materials on the real estate or improvements. If there is any indication that repairs or improvements have been made to the subject real estate or the improvements within the last ninety days you should check to determine if the same have been paid for or they could constitute a lien prior to your interest.
9. **FEDERAL BANKRUPTCY MATTERS:** Bankruptcy proceedings are in Federal District Court and therefore the proceedings are not likely to be on file in the county courthouse where the records are researched to make the abstract. Federal bankruptcy proceedings may have a significant adverse impact on the title to the real estate. If you have any reason to suspect that any recent owner of the real estate has filed bankruptcy, it is necessary that the bankruptcy

proceedings be reviewed carefully to make sure that the title to the real estate is not adversely affected.

This Opinion is confined to an examination of the abstract only and no inspection has been made of the premises, the boundary lines, building encroachments and easements existing by usage. Certain liens may exist without being shown in the abstract. Namely, Mechanic's Liens mentioned above and also, special assessments for public improvements such as street and sewer projects which may have been commenced or completed and not yet certified by the County Auditor. If such improvements have been made, you should ascertain whether or not they have been paid for.

Subject to the above comments, I find this abstract shows good and merchantable title.

Respectfully submitted,



William F. Creasey
Title Guarantee No. 7803

WFC/bc
Enclosure

TITLE: Title to the real estate will be taken in the name City of Muscatine.

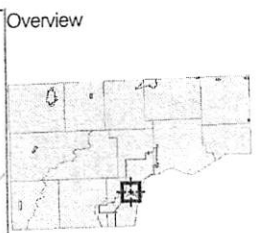
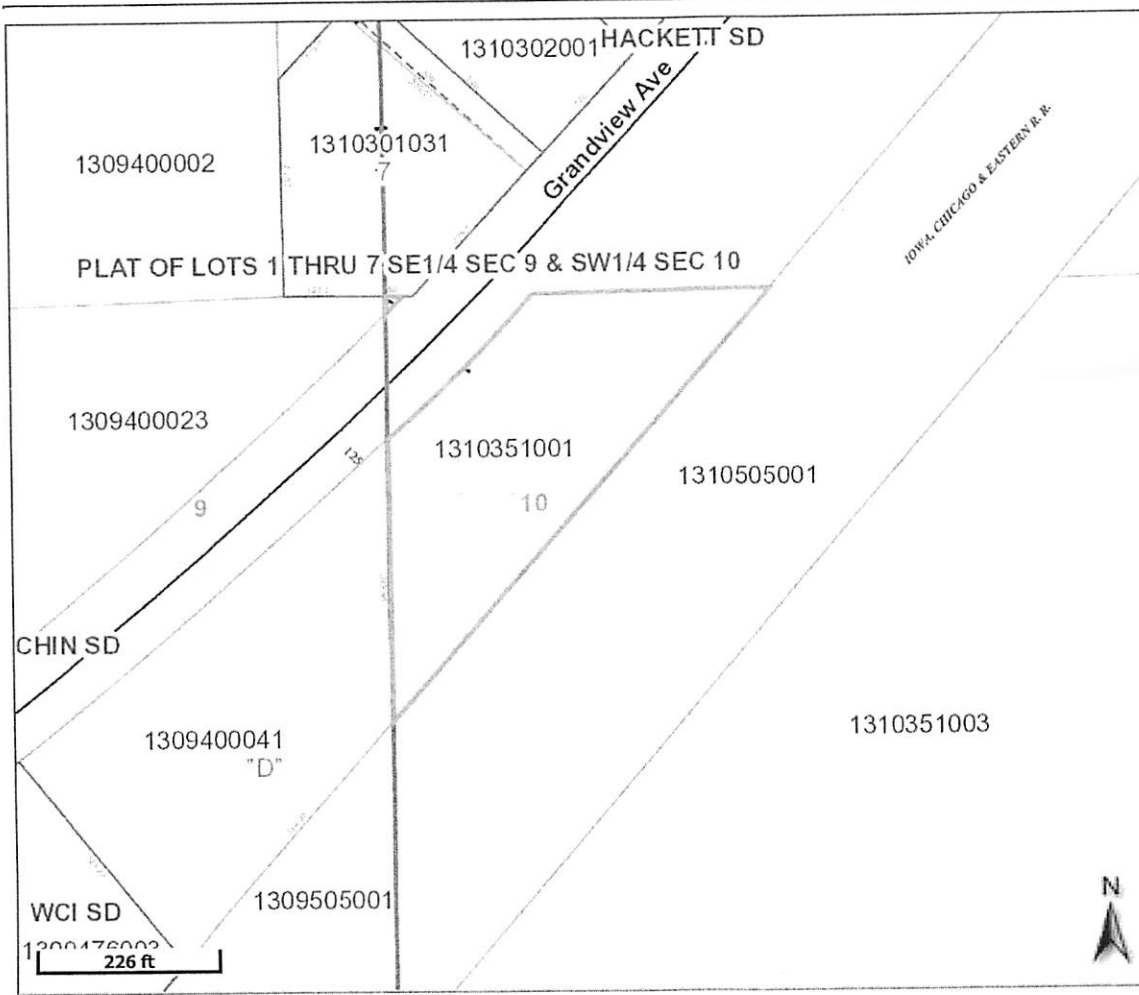
cc: Duane Goedken

TAX PRORATION

Schmelzer to Muscatine

REAL ESTATE TAXES PAYABLE IN THE 2015 & 2016 FISCAL YEAR

January 1, 2010 assm	Land		\$24,720.00
	+ Building		\$0.00
		Total Assessment	\$24,720.00
Residential roll-back factor		X	0
	Adjusted Value	=	\$24,720.00
Military Exemption (\$1,852)		-	\$0.00
	Adjusted Value	=	\$24,720.00
	Mill Rate	=	0.04004201
	Gross tax	=	\$989.84
Homestead Credit			
	Net Tax	=	\$989.84
(Prorated taxes)			
288 days			
calendar year days, 365			\$781.02



- Legend
- Corporate Limits
 - Political Townships
 - PLSS Sections
 - Dimension Leader**
 - 2
 - 3
 - Land Hook**
 - 0
 - 1
 - PIN Leader**
 - 4
 - 5
 - Lot Numbers
 - Parcels
 - Subdivision Names
 - Condominiums**
 - 579
 - 580
 - Buildings on Leased Land**
 - 998
 - 999
 - Subdivisions
 - Lot Lines
 - Roads**
 - Not Classified
 - Airport Runway
 - County Road
 - City Street
 - Neighbor County
 - Private Dr
 - State Highway
 - US Highway
 - US Hwy - Divided
 - Major Roads
 - Streams That Split

Category Detail

Summary Between 4/22/10 and 4/21/14

Category Details

Date	Account	Num.	Payee	Memo	Category	Amount
Income						
Total Income						\$0.00
Expenses						
<i>City of Muscatine</i>						
4/21/14	Trust Account	3484	City of Muscatine		City of Muscatine	\$15,000.00
4/21/14	Trust Account	3484	Why USA - Laura Parker	Schmelzer to City	City of Muscatine	(\$1,050.00)
4/21/14	Trust Account	3485	Muscatine County Abstract	Schmelzer Property	City of Muscatine	(\$190.00)
4/21/14	Trust Account	3486	Duane Goedken	Schmelzer Property	City of Muscatine	(\$395.00)
4/21/14	Trust Account	3487	Muscatine County Recorder	Schmelzer Property	City of Muscatine	(\$40.20)
4/21/14	Trust Account	3488	Earl Schmelzer	Net Proceeds Sale to City	City of Muscatine	(\$12,560.78)
4/21/14	Trust Account	3489	City of Muscatine		City of Muscatine	(\$764.02)
<i>Total City of Muscatine</i>						\$0.00
Total Expenses						\$0.00
TOTAL INCOME & EXPENSES						\$0.00

50

\$1700 DDW
\$23.20 8/16/14
\$40.20 CK 3487



Document#: 2014-01313

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Date: 04/22/2014 @ 02:42 PM

Document Type: DDW

Fee: Paid \$17.00

Real Estate Transfer Tax: \$23.20

Cynthia S. Gray - Muscatine County Recorder
414 E 3rd St. Muscatine, IA 52761

Mail tax bill to City of Muscatine, Iowa 215 Sycamore, Muscatine, IA 52761
Return to William F. Creasey, 319 E 2nd St., Ste 301, Muscatine, IA 52761
Prepared by Duane J. Goedken 319 E 2nd St., Ste 301 Muscatine, IA 52761

WARRANTY DEED

I, **Earl Lee Schmelzer**, a single person, hereby grants and conveys unto the **City of Muscatine, Iowa**, real estate located in Muscatine County, Iowa and described as follows:

A part of the Southwest Quarter of the Southwest Quarter of Section 10, Township 76 North, Range 2 West of the 5th Principal Meridian, in Muscatine County, Iowa, more particularly described as follows: Starting at a concrete monument which is the Southwest corner of said Section 10; then North 0° 20' 40'' West along the section line a distance of 799.7 feet to an iron pin which is on the Westerly right-of-way of the Chicago, Rock Island and Pacific Railroad, the true point of beginning; then North 0° 20' 40'' West along said Section line a distance of 352.3 feet to an iron pin on the Southerly right-of-way of U.S. Highway #61 and Iowa Highway #92; then North 45° 24' East a distance of 267.9 feet (the chord of an arc concave to the left of a 1° curve with a radius of 5780 feet) on the Southerly right-of-way of said Highway, to an iron pin on the East-West Quarter Quarter Section line; thence North 89° 36' East a distance of 289.0 feet along said Quarter Quarter Section line to an iron pin on the Westerly right-of-way or the Chicago, Rock Island and Pacific Railroad; thence South 41° 21' 20'' West a distance of 722.7 feet along said railroad right-of-way to the true point of beginning containing 2.56 acres, more or less.

Grantor covenants with Grantee, and successors in interest, that Grantor holds title to the above real estate in fee simple; free and clear of all liens and encumbrances; and Grantor covenants to warrant and defend the real estate against the lawful claims of all persons.

EXECUTED at Muscatine, Iowa, this 21st day of April 2014.



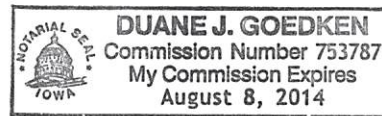
Earl Lee Schmelzer

STATE OF IOWA, Muscatine County, ss:

This instrument was signed and acknowledged before me, the undersigned Notary Public, on the above date, by the said Earl Lee Schmelzer.



NOTARY PUBLIC, State of Iowa





Document#: **GW14-01313**

Page: 1 of 002

Date: 04/22/2014 @ 02:42 PM

Document Type: GW11

Fee: Paid \$0.00

Real Estate Transfer Tax: \$0.00

Cynthia S. Gray - Muscatine County Recorder
414 E 3rd St. Muscatine, IA 52761

REAL ESTATE TRANSFER - GROUNDWATER HAZARD STATEMENT
TO BE COMPLETED BY TRANSFEROR

TRANSFEROR:

Name Earl Lee Schmelzer

Address 2006 Sampson St., Muscatine, IA 52761

Number and Street or RR

City, Town or P.O.

State

Zip

TRANSFeree:

Name City of Muscatine, Iowa

Address 215 Sycamore St., Muscatine, IA 52761

Number and Street or RR

City, Town or P.O.

State

Zip

Address of Property Transferred:

Unimproved R/E. with no address. on Grandview Ave., Muscatine, IA

Number and Street or RR

City, Town, or P.O.

State

Zip

Legal Description of Property: (Attach if necessary) See attached legal description

1. Wells (check one)

- There are no known wells situated on this property.
- There is a well or wells situated on this property. The type(s), location(s) and legal status are stated below or set forth on an attached separate sheet, as necessary.

2. Solid Waste Disposal (check one)

- There is no known solid waste disposal site on this property.
- There is a solid waste disposal site on this property and information related thereto is provided in Attachment #1, attached to this document.

3. Hazardous Wastes (check one)

- There is no known hazardous waste on this property.
- There is hazardous waste on this property and information related thereto is provided in Attachment #1, attached to this document.

4. Underground Storage Tanks (check one)

- There are no known underground storage tanks on this property. (Note exclusions such as small farm and residential motor fuel tanks, most heating oil tanks, cisterns and septic tanks, in instructions.)
- There is an underground storage tank on this property. The type(s), size(s) and any known substance(s) contained are listed below or on an attached separate sheet, as necessary.

5. Private Burial Site (check one)

- There are no known private burial sites on this property.
- There is a private burial site on this property. The location(s) of the site(s) and known identifying information of the decedent(s) is stated below or on an attached separate sheet, as necessary.

6. Private Sewage Disposal System (check one)

- All buildings on this property are served by a public or semi-public sewage disposal system.
- This transaction does not involve the transfer of any building which has or is required by law to have a sewage disposal system.
- There is a building served by private sewage disposal system on this property or a building without any lawful sewage disposal system. A certified inspector's report is attached which documents the condition of the private sewage disposal system and whether any modifications are required to conform to standards adopted by the Department of Natural Resources. A certified inspection report must be accompanied by this form when recording.
- There is a building served by private sewage disposal system on this property. Weather or other temporary physical conditions prevent the certified inspection of the private sewage disposal system from being conducted. The buyer has executed a binding acknowledgment with the county board of health to conduct a certified inspection of the private sewage disposal system at the earliest practicable time and to be responsible for any required modifications to the private sewage disposal system as identified by the certified inspection. A copy of the binding acknowledgment is attached to this form.
- There is a building served by private sewage disposal system on this property. The buyer has executed a binding acknowledgment with the county board of health to install a new private sewage disposal system on this property within an agreed upon time period. A copy of the binding acknowledgment is provided with this form.
- There is a building served by private sewage disposal system on this property. The building to which the sewage disposal system is connected will be demolished without being occupied. The buyer has executed a binding acknowledgment with the county board of health to demolish the building within an agreed upon time period. A copy of the binding acknowledgment is provided with this form. [Exemption #9]
- This property is exempt from the private sewage disposal inspection requirements pursuant to the following exemption [Note: for exemption #9 use prior check box]: _____.
- The private sewage disposal system has been installed within the past two years pursuant to permit number _____.

Information required by statements checked above should be provided here or on separate sheets attached hereto:

I HEREBY DECLARE THAT I HAVE REVIEWED THE INSTRUCTIONS FOR THIS FORM AND THAT THE INFORMATION STATED ABOVE IS TRUE AND CORRECT.

Signature: Earl Lee Schmelzer Telephone No.: (563) 299-2623
(Transferor or Agent)
 Earl Lee Schmelzer, Seller

William F Creasey

ATTORNEY AT LAW
319 EAST SECOND STREET, SUITE 301
MUSCATINE, IOWA 52761

TEL. NO. (563) 264-8926
FAX NO. (563) 264-0812
wcreasey@machlink.com

April 14, 2014

City of Muscatine
Attn: Steven Boka
City Hall
Muscatine, IA 52761

RE: TITLE OPINION –

A part of the Southwest Quarter of the Southwest Quarter of Section 10, Township 76 North, Range 2 West of the 5th Principal Meridian, in Muscatine County, Iowa, more particularly described as follows: Starting at a concrete monument which is the Southwest corner of said Section 10; then North 0° 20' 40'' West along the section line a distance of 799.7 feet to an iron pin which is on the Westerly right-of-way of the Chicago, Rock Island and Pacific Railroad, the true point of beginning; then North 0° 20' 40'' West along said Section line a distance of 352.3 feet to an iron pin on the Southerly right-of-way of U.S. Highway #61 and Iowa Highway #92; then North 45° 24' East a distance of 267.9 feet (the chord of an arc concave to the left of a 1° curve with a radius of 5780 feet) on the Southerly right-of-way of said Highway, to an iron pin on the East-West Quarter Quarter Section line; thence North 89° 36' East a distance of 289.0 feet along said Quarter Quarter Section line to an iron pin on the Westerly right-of-way or the Chicago, Rock Island and Pacific Railroad; thence South 41° 21' 20'' West a distance of 722.7 feet along said railroad right-of-way to the true point of beginning containing 2.56 acres, more or less.

Dear Sir:

Pursuant to your request, I have examined for you an abstract of title to the above-described real estate. The last continuation of the abstract is certified to the 3rd day of April 2014, at 8:00 o'clock a.m. by Muscatine County Abstract Company, Title Guarantee No. 8112.

Assuming said abstract to be true and correct as prepared and submitted to me, I find the fee simple title to be vested in Earl Lee Schmelzer, subject to the following comments and objections:

1. **MORTGAGE**: The abstract shows no mortgage of record.

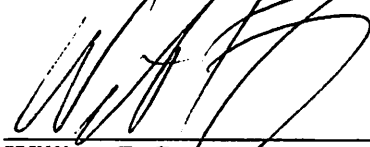
2. **REAL ESTATE TAXES:** Real estate taxes are paid in a fiscal year; July 1st to June 30th and are payable in two installments, September 1st and March 1st. The first installment in the amount of \$495.00 has been paid. The second installment in the amount of \$495.00 has been paid. Any unpaid installments constitute a lien against the real estate.
3. **REAL ESTATE DIMENSIONS:** According to the Plat contained in the abstract, the real estate covered by this abstract has a frontage on Iowa Highway #92 of 267.9 feet. A copy of the plat is attached hereto for your information. I have marked with hash marks the subject real estate.
4. **ZONING:** The City of Muscatine has passed a comprehensive zoning ordinance regulating and restricting the use of property within its limits. There are also regulations and restrictions on obtaining building permits in companion ordinances. These ordinances affect the use of the subject real estate. It is your responsibility to determine the effect of this ordinance on the real estate.
5. **RESTRICTIVE COVENANTS:** The abstract sets forth Restrictive Covenants affecting the title to the real estate under examination. These are recorded in the Office of the Recorder of Muscatine County, Iowa. The Restrictive Covenants are part of the abstract and were give to you when we met this week.
6. **EASEMENTS:** According to the abstract there are easements for utility purposes affecting this real estate. Easements may also be obtained by usage and as a result may not appear in the abstract.
8. **POSSESSION:** In the event there is anyone in possession of this real estate other than the above owners, you should determine what their rights are as their rights may take priority over your interest.
7. **ENVIRONMENTAL MATTERS:** The abstract does not reveal any environmental problems regarding this real estate, but generally such matters would not be set forth in the abstract. I have not made any determination whether there are or are not environmental problems regarding the real estate. This responsibility is yours. Environmental problems could include, but not limited to the existence of underground storage tanks or the prior use of the real estate for the disposal of solid waste, hazardous waste, chemical waste or other similar waste.
8. **MECHANIC'S LIEN:** The abstract does not reveal any mechanic's liens filed against the real estate. Liens can be filed and can be enforced against real estate for a period of ninety days following the performance of labor or installation of materials on the real estate or improvements. If there is any indication that repairs or improvements have been made to the subject real estate or the improvements within the last ninety days you should check to determine if the same have been paid for or they could constitute a lien prior to your interest.
9. **FEDERAL BANKRUPTCY MATTERS:** Bankruptcy proceedings are in Federal District Court and therefore the proceedings are not likely to be on file in the county courthouse where the records are researched to make the abstract. Federal bankruptcy proceedings may have a significant adverse impact on the title to the real estate. If you have any reason to suspect that any recent owner of the real estate has filed bankruptcy, it is necessary that the bankruptcy

proceedings be reviewed carefully to make sure that the title to the real estate is not adversely affected.

This Opinion is confined to an examination of the abstract only and no inspection has been made of the premises, the boundary lines, building encroachments and easements existing by usage. Certain liens may exist without being shown in the abstract. Namely, Mechanic's Liens mentioned above and also, special assessments for public improvements such as street and sewer projects which may have been commenced or completed and not yet certified by the County Auditor. If such improvements have been made, you should ascertain whether or not they have been paid for.

Subject to the above comments, I find this abstract shows good and merchantable title.

Respectfully submitted,



William F. Creasey
Title Guarantee No. 7803

WFC/bc
Enclosure

TITLE: Title to the real estate will be taken in the name City of Muscatine.

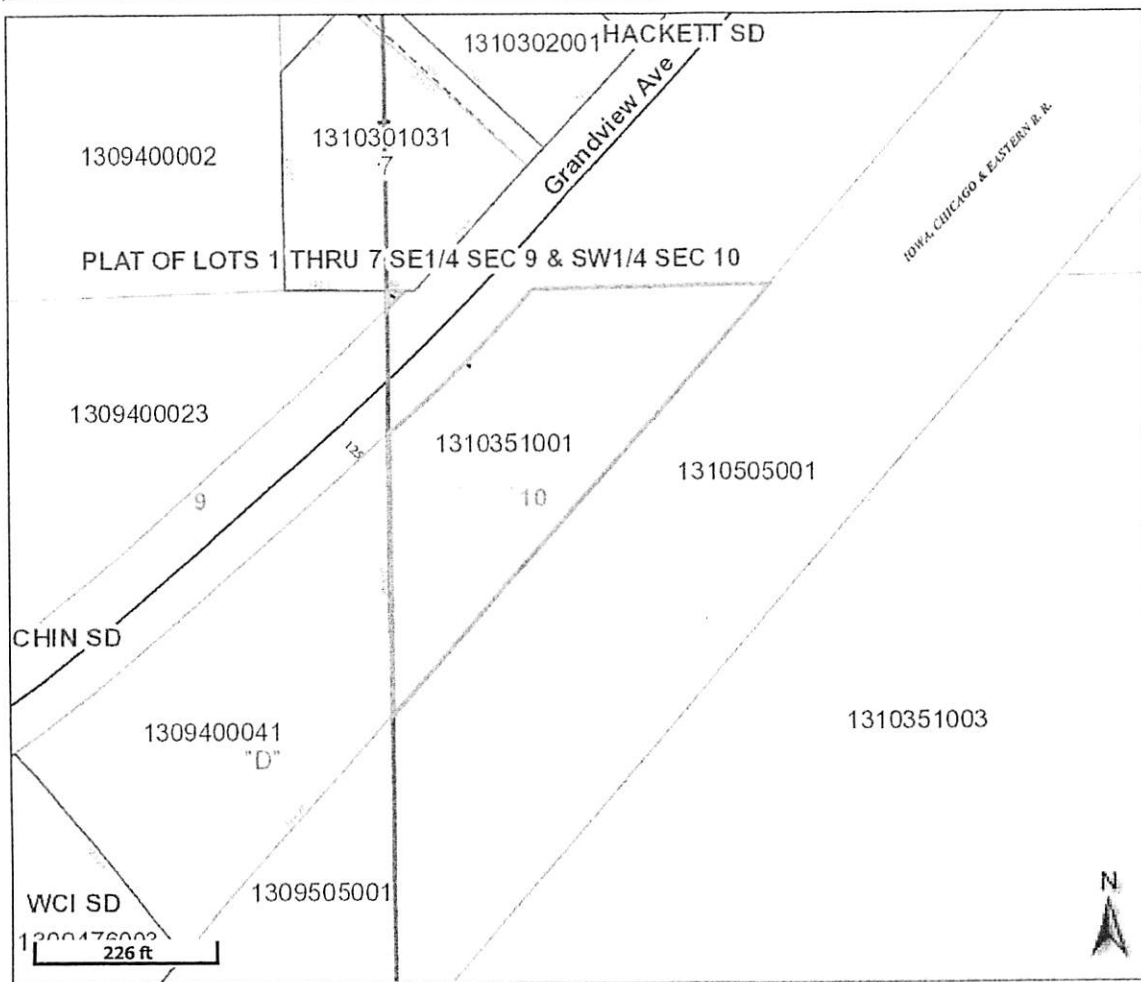
cc: Duane Goedken

TAX PRORATION

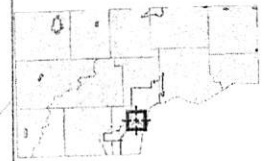
Schmelzer to Muscatine

REAL ESTATE TAXES PAYABLE IN THE 2015 & 2016 FISCAL YEAR

January 1, 2010 assm	Land		\$24,720.00
	+ Building		\$0.00
	Total Assessment		\$24,720.00
Residential roll-back factor	X		0
	Adjusted Value	=	\$24,720.00
Military Exemption (\$1,852)	-		\$0.00
	Adjusted Value	=	\$24,720.00
	Mill Rate	=	0.04004201
	Gross tax	=	\$989.84
Homestead Credit			
	Net Tax	=	\$989.84
(Prorated taxes)			
288 days			
calendar year days, 365			\$781.02



Overview



Legend

- Corporate Limits
- Political Townships
- PLSS Sections
- Dimension Leader**
- 2
- 3
- Land Hook**
- 0
- 1
- PIN Leader**
- 4
- 5
- Lot Numbers
- Parcels
- Subdivision Names**
- Condominiums**
- 579
- 580
- Buildings on Leased Land**
- 998
- 999
- Subdivisions
- Lot Lines
- Roads**
- Not Classified
- Airport Runway
- County Road
- City Street
- Neighbor County
- Private Dr
- State Highway
- US Highway
- US Hwy - Divided
- Major Roads
- Streams That Split



Category Detail
Summary Between 4/22/10 and 4/21/14

Category Details

Date	Account	Num.	Payee	Memo	Category	Amount
Income						
Total Income						\$0.00
Expenses						
<i>City of Muscatine</i>						
4/21/14	Trust Account	3484	City of Muscatine		City of Muscatine	\$15,000.00
4/21/14	Trust Account	3484	Why USA - Laura Parker	Schmelzer to City	City of Muscatine	(\$1,050.00)
4/21/14	Trust Account	3485	Muscatine County Abstract	Schmelzer Property	City of Muscatine	(\$190.00)
4/21/14	Trust Account	3486	Duane Goedken	Schmelzer Property	City of Muscatine	(\$395.00)
4/21/14	Trust Account	3487	Muscatine County Recorder	Schmelzer Property	City of Muscatine	(\$40.20)
4/21/14	Trust Account	3488	Earl Schmelzer	Net Proceeds Sale to City	City of Muscatine	(\$12,560.78)
4/21/14	Trust Account	3489	City of Muscatine		City of Muscatine	(\$764.02)
<i>Total City of Muscatine</i>						\$0.00
Total Expenses						\$0.00
TOTAL INCOME & EXPENSES						\$0.00