

OFFER TO BUY REAL ESTATE AND ACCEPTANCE

TO: Maharishi Vedic City Development Foundation, Seller:

1. **REAL ESTATE DESCRIPTION.** The Buyer(s), _____ agree to buy real estate in Maharishi Vedic City, Jefferson County, Iowa described as follows:

with any easements and appurtenant subservient 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. terms, restrictions, covenants, and conditions of the Townhouse development, designated the Real Estate; provided Buyers, on possession, are permitted to make the following use of the Real Estate: RESIDENTIAL. The parties acknowledge that the improvements including said unit are in the planning or construction process, are being built using modular construction, and that the unit is not in existence at this time. This agreement is premised on the completion of the units pursuant to the plan drawings and specifications attached hereto as Exhibits A & B. Buyers shall confirm their approval of said plans by initialing and dating said Exhibits.
2. **PRICE.** The purchase price shall be \$ _____ payable at Fairfield, Jefferson County, Iowa, as follows: Buyers shall deposit a non-refundable down payment into the Foss, Kuiken, Gooken, and Cochran PC Trust Account ("Attorney's Trust Account") in the sum of \$ _____, being the full down payment required by the Buyer's lender, but no less than 15% percent of the purchase price. Buyers shall pay for their pro-rated portion of the sewer hook-up fee based on \$1800 per 1000 square feet. At the time that the Seller orders the building from the Seller's modular construction company, and Seller so certifies the same to the holder of the earnest money in writing, the Buyer's down payment will be paid to the Seller from the Attorney's Trust Account to be used by the Seller toward building costs. The remaining purchase price shall be due and payable at closing, within thirty-five days after written certification of completion of the unit is given to Buyer. Prior to acceptance of this purchase agreement, Seller must have written documentation of Buyers' mortgage financing commitment or other demonstration of financial ability to complete the purchase.
3. **REAL ESTATE TAXES.** Seller shall pay current taxes, future taxes prorated to the date of possession 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.** Seller shall pay all special assessments against the real estate on the books as of the date of this agreement.
5. **UTILITIES.** Utilities and infrastructure including road, sewer, electric, and water will be brought to the Real Estate by the Seller.
6. **ENERGY EFFICIENCY REBATES AND TAX CREDITS.** Rebates from utility companies for energy efficient appliances, heat pump, etc. will go to the Seller. Homeowner tax credits will go to the Buyer.
7. **HOMEOWNERS' ASSOCIATION FEES AND ASSESSMENTS.** Buyer understands that there will be a Homeowners' Association to manage common requirements and associated expenses, included but not limited to expenses for insurance, landscape maintenance, exterior building maintenance, management, common utilities if any, snow removal, road maintenance, and legal services. After completion of this sale, initial fees of \$100 per month for a townhouse unit of 450 sq ft, \$125 per month for a unit of 675 sq ft, and \$150 per month for a unit of 900 sq ft will be collected by the Seller, deposited in the Homeowners' Association account, and used for the above expenses until sale of all units in the building is completed and management of the Homeowners' Association is taken over by the owners. With 30 days' advanced notice to the homeowners, fees may be adjusted and special assessments may be made based on actual cost of the common expenses.
8. **RISK OF LOSS AND INSURANCE.** Risk of loss prior to Seller's delivery of possession of the Real Estate to Buyers shall remain with Seller until possession of the Real Estate shall be delivered to Buyers.
9. **POSSESSION.** If Buyers timely perform all obligations, possession of the Real Estate shall be delivered to Buyers within 30 days after the real estate is certified by the Seller as being completed if closing has been completed. All prorations of taxes shall be based on the possession date.
10. **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, and built-in items and electrical service cable shall be considered a part

of Real Estate and included in the sale. Basic landscaping of the townhouse development is being provided by Seller. Buyers may do additional landscaping, at Buyer's expense, subject to the rules and regulations of the Homeowners' Association.

11. **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.
12. **ABSTRACT AND TITLE.** Seller, 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 Seller 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. Seller shall pay the costs of any additional abstracting and title work due to any act or omission of Seller, including transfers by Seller or their assignees.
13. **DEED.** Upon payment of the purchase price, Seller shall convey the Real Estate to Buyers or their assignees, by warranty deed, free and clear of all liens, restrictions, and encumbrances except as provided in Homeowners' Association covenants and City ordinances. Any general warranties of title shall extend only to the time of acceptance of this offer, with special warranties as to acts of Seller continuing up to time of delivery of the deed.
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, Seller 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) Seller 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 Seller fails 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. **NOTICES.** All notices referred to herein, except for those under paragraph 14 above, shall be in writing and shall be deemed delivered on the date such notices are mailed to the other party, at the address set out on this agreement, by certified or registered United States Mail.
17. **SUBSEQUENT CONTRACT.** Any real estate contract executed in performance of this contract shall be on a form consistent with the Iowa State Bar Association form.
18. **CONTRACT BINDING ON SUCCESSORS IN INTEREST.** This contract shall apply to and bind the successors in interest of the parties.
19. **CONSTRUCTION OF OFFER.** Words and phrases shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender, according to the context.
20. **CONFIDENTIALITY.** Buyer agrees that the dimensions, designs and principles shown on the house plans of the Real Estate are confidential information of Seller and Maharishi Vedic Education Development Corporation and agrees to keep this information private and confidential. Buyer further agrees not to share this confidential information with any third party other than contractors or their agents working on the unit on behalf of buyer or make other use of this confidential information for any other purpose. The Seller is entitled to equitable relief against the Buyer for breach of this clause, as the parties agree that Seller would not have an adequate remedy at law.
21. **IMPROVEMENTS TO REAL ESTATE.** Seller shall complete the improvements to the real estate in workmanlike fashion consistent with the plans and specifications attached hereto, subject to changes not materially affecting the quality or dimensions of the Real Estate. In the unlikely event that substantive changes need to be made, Seller shall notify the Buyer of any such changes in writing. Buyer shall notify the Seller in writing within ten days of receipt of notice of changes if the changes are not acceptable to the Buyer. For safety reasons, Buyer shall not come onto the site for any reason until after construction is completed.
22. **BUILDING MATERIALS.** The Seller, working closely with the Seller's modular building company, has taken care to specify non-toxic materials throughout the building. If the Buyer is chemically sensitive or for any reason wishes to further research the building materials, the Buyer is responsible for whatever due diligence he or she considers necessary, with reasonable assistance from the Seller regarding the materials used. Seller hereby disclaims any liability for damages resulting from possible toxicity of building

materials used, and Buyer hereby releases Seller from all claims resulting from such toxicity of building materials and any other environmental concerns. Seller intends to use non-toxic materials but does not warrant or represent that all building materials are non-toxic.

- 23. **OPTIONS, UPGRADES, AND CHANGES.** Certain options, upgrades, and changes to the floor plan may be available to the Buyer. However, the townhouse units are not intended to be entirely custom buildings; hence the Seller does not guarantee that every detailed change requested by the Buyer can be implemented.
- 24. **WARRANTY.** Warranties on workmanship and materials for the building are provided by the Seller's modular company. There are additional warranties on certain items such as appliances. The Seller does not provide any additional warranties. Once closing has occurred, all material and labor warranties are assigned to Buyers and Homeowners' Association and Seller is no longer responsible for any warranties.
- 25. **TIME FOR COMPLETION.** Seller shall give its best efforts to complete the construction within a reasonable time, subject to acts of God and other matters over which Seller has no control. For multi-family townhouse buildings, all the units must be pre-sold before construction begins. At this time, construction is expected to be completed by _____.
- 26. **NOTICE OF COMPLETION.** Within five days of Seller's certification of completion of the real estate, the Buyer will inspect the real estate in the Seller's or Seller's representative's presence, unless other arrangements are made with the consent of the Seller, such consent not being unreasonably withheld. Buyer agrees to sign a Notice of Completion at that time, subject to items on a signed punch-list, which Buyer will give to the Seller, identifying any deficiencies in materials or workmanship. The Seller will correct any items on the Buyer's punch-list that are, in the good faith judgment of the Seller, deficient in workmanship, according to the standards of construction in this area. The Seller will correct those defects within a reasonable period of time not to exceed 45 days. The Seller's obligation to correct any defects will not be the grounds for postponing or delaying the closing or for imposing any conditions upon the closing not specified in this contract. Seller may use such force as is necessary to deny occupancy of the project by Buyer or anyone else until Seller has received all payments due under this contract, and until Notice of Completion has been signed.
- 27. **ONGOING WORK ON DEVELOPMENT AFTER CLOSING.** Seller reserves the right to complete the work on landscaping, the yard, installation of the roof tile over the standard shingled roof, and completion of the permanent Vastu fence and parking areas as well as other exterior or aesthetical improvements unnecessary to the Buyer's reasonable use and enjoyment of the Real Estate after the closing of this contract. Some cement work and other exterior improvement must wait for a period of time to allow for proper settlement or working of the soil. Buyer shall not refuse to close this transaction because of the unfinished nature of this type of work.
- 28. **TIME FOR ACCEPTANCE.** If this offer is not accepted by Seller on or before _____, 20____, it shall become void and all payments shall be repaid to the Buyers.

DATED: _____, 20____

Buyer

Buyer

Address: _____

This contract is accepted _____, 20____.

by _____
Seller, Maharishi Vedic City Development Foundation

Buyer _____

Buyer _____

Social Security number _____

Social Security number _____

Telephone: _____

Email: _____