

REAL ESTATE CONTRACT - FARMLAND

PARTIES: Richard Stenson, Trustee of the Revocable Trust of Richard Stenson and Mark Stenson, dated September 7, 2015, and also dated September 12, 2015,

SELLER

and

BUYER

REAL ESTATE INVOLVED:

The Northwest Quarter (NW $\frac{1}{4}$) of Section Twenty-nine (29), Township One (1) South, Range Five (5) West of the 6th P.M., Republic County, Kansas.

CONSIDERATION: \$ _____ to be paid as hereinafter provided.

A G R E E M E N T

Seller hereby agrees to sell to Buyer, since Buyer was the highest bidder at public auction held on February 22, 2020, and Buyer agrees to pay the auction bid price, as follows:

1. Buyer hereby pays a downpayment of 10% which is \$ _____ of the total purchase price upon execution of this agreement, and Seller acknowledges receipt of said downpayment.

2. The balance of the purchase price which is 90%, totaling \$ _____ shall be due and payable in full at time of closing by Buyer.
3. The parties agree that closing shall be held on approval of title and on or before March 26, 2020. Closing shall be at such location and at such time as the parties shall mutually agree.
4. In the event the real estate appraises in an amount less than the Purchase Price, the parties shall remain subject to and bound by the provisions of this Contract.
5. This sale is not subject to financing.

APPURTEANCES:

The real estate includes all appurtenances, permanent improvements, and fixtures thereon.

ASSIGNMENT:

The parties shall not assign this Contract or sell or transfer any rights obtained hereunder without the prior written consent of the parties hereto until the purchase price is paid in full. Such consent shall not be unreasonably withheld, unless otherwise agreed in writing. Any total or partial assignment shall not relieve either party of their obligations pursuant to this Agreement.

ATTORNEYS:

It is agreed by and between the parties that Scott R. Condray of Condray & Thompson, LLC, attorney at law, has only represented the Seller herein and has not

represented or purported to represent in any manner the Buyer. If the Buyer has any questions, Buyer should have this Contract reviewed by Buyer's own attorney.

ATTORNEY FEES:

Upon default by Buyer or Seller, and litigation arising therefrom, the prevailing party shall be entitled to recover attorney fees where allowed by applicable law.

DEFAULT:

It is agreed by and between the parties that in the event either of them should default on the terms, covenants and agreements herein, the other party has the option to declare this Contract null and void or they shall also have all of the remedies allowed by law, including the remedy of specific performance. If either party defaults, then the other party shall also have the right to:

1. Bring an action to require the specific performance of this Contract by the other party, unless Seller is considered in default because of the lack of merchantable title;
2. Seek damages for the failure of the other party to perform this Contract according to the terms and conditions herein stated;
3. If the Buyer defaults, the Seller may elect to cancel this Contract and Seller shall retain the earnest money paid hereunder as liquidated damages; and/or
4. If the Seller defaults, the Buyer may elect to cancel this Contract and the earnest money shall be paid to the Buyer.

If the Contract is declared breached, forfeited and cancelled or declared null and void by either party, then all parties shall be released from any further liability hereunder.

DISCLOSURES:

The Seller makes the following statements and disclosures to the Buyer:

1. None, at the Buyer is purchasing this property "as is" and the Buyer has had an opportunity to make all inspections needed prior to the day of sale.

ENVIRONMENTAL LIABILITY:

Buyer agrees that Buyer has had an opportunity to view and inspect the real estate and improvements being sold under this Agreement. The Seller is not aware of any environmental hazards or liabilities.

ESCROW / CLOSING AGENT:

The Escrow Agent / Closing Agent for purposes of this Contract shall be Scott R. Condray of Condray & Thompson, LLC d/b/a Attorney's Title Company, Concordia, Kansas. The Escrow Agent shall hold the executed Trustee's Deed, a copy of the Title Insurance Commitment, and a copy of this Contract until such time as the Contract is paid in full or until such time as the Escrow Agent receives instructions to do otherwise by the parties hereto. All payments shall be made directly to the Escrow Agent, who shall then deposit each payment to the account of Seller or as Seller may direct.

The earnest money shall be held by the Escrow Agent in its non-interest bearing trust account.

Notwithstanding any other terms of this Contract providing for forfeiture or refund of the earnest money deposit, the parties hereto understand that applicable Kansas Real Estate Law prohibits the Escrow Agent from disbursing the earnest money, once deposited, unless:

1. The consent of all parties to this Contract;
2. Pursuant to Court Order; or
3. The transaction is closed according to the terms of this Contract.

Seller and Buyer agree that failure by either party to respond in writing to a certified letter from Escrow Agent within seven (7) days of receipt thereof or failure to make written demand for return or forfeiture of an earnest money deposit within 30 days of notice of cancellation of this Contract shall constitute consent to distribution of the earnest money as referenced in any such certified letter or as demanded by the other party hereto.

Provided the Escrow Agent / Closing Agent performs all of its obligations under this Agreement, the parties agree to defend, indemnify and hold the Escrow Agent / Closing Agent harmless from any and all liabilities, losses or damages that the Escrow Agent / Closing Agent, in good faith and without fault on its part, may incur or suffer by reason of this Agreement and in connection with any court action arising out of this Agreement. The provisions of this paragraph shall survive the closing of this Agreement.

The Closing Agent is authorized to pay all of the Seller's expenses under this Contract from the funds paid by the Buyers at closing and the Closing Agent shall remit the net amount of those funds to the Seller. Each party shall pay one-half of the closing costs for this Contract.

FOREIGN INVESTMENT:

Seller represents that Seller is not a foreign person as described in the Foreign Investment in Real Property Act and agrees to deliver a certificate at closing to that effect, if requested, which shall contain Seller's tax identification number.

Buyer represents that Buyer is not a foreign person as described in the Foreign Investment in Real Property Act and agrees to deliver a certificate at closing to that effect, if requested, which shall contain Buyer's tax identification number.

GOVERNMENT PAYMENTS:

It is agreed by and between the parties that Seller shall receive all government payments which are paid for 2018 and any prior years, from the above described real estate. If there is a 2019 payment, it will go to the current tenant, Christensen Ag. It is agreed that Buyer shall receive all government payments which are paid for 2020 and all subsequent years from the above described real estate.

GROWING CROPS:

It is agreed by and between the parties that there are no crops growing on the above described real estate.

INSPECTION:

Buyer agrees that Buyer has had access to the premises and that the above-described real estate and any improvements thereon have been inspected and agrees to accept such property "as is" in its present condition, without any warranties given by the Seller, other than the warranties provided under the Warranty Deed and the Environmental Liability Section. Buyer also acknowledges that Buyer has not relied on any statements of the Seller or any agents of the Seller regarding the above-described real estate. All inspections not made by the date of sale shall be waived by Buyer.

Buyer further acknowledges that no express or implied warranties have been given by either the Seller or any agents of the Seller concerning the above-described real estate.

Buyer acknowledges that defects or conditions concerning the property may exist of which Seller may not be aware, but could be revealed as a result of an inspection by a qualified professional.

INSURANCE:

It is agreed by and between the parties that Seller presently maintains liability insurance on the above-described real estate and that Seller shall be entitled to cancel said insurance at closing. Seller shall not cancel said insurance until time of closing. At time of closing all risk of loss shall pass from Seller to Buyer.

LEGAL AND TAX:

Seller and Buyer acknowledge that they have had the opportunity to receive separate and independent advice regarding the legal and tax consequences of this Contract. There are no representations or warranties by or between the Seller and Buyer as to the legal and tax consequences of this Contract except those which are set forth in writing in this Contract.

MECHANICS LIENS:

Seller warrants that there are no monies owed to any contractors, sub-contractors, laborers, materialmen or suppliers for work done or material furnished to the real estate in the last four (4) months, other than any incurred by Buyer. Neither Seller nor Buyer shall allow any Mechanics Liens or any other liens to attach to the above described real estate.

MEDIATION:

If a dispute arises out of or relates to this Contract, or the breach thereof, and if said dispute cannot be settled through direct discussions, the parties agree to attempt to settle

the dispute in an amicable manner by mediation before resorting to litigation. Mediation is an informal non-binding alternative dispute resolution process in which a trained mediator facilitates discussions and negotiations among the parties to help them resolve their disputes. If either party refuses to participate in mediation, then the other party may proceed with a lawsuit.

MINERAL INTERESTS:

All mineral and water rights owned by the Seller, and related to this real estate, are to be transferred by the Seller to the Buyer, including Water Right, File No. 29,348.

MORTGAGES:

It is agreed by and between the parties that neither party may encumber the real estate or contract rights herein, without the prior written consent of the other party, until this Contract is paid in full and closed. If the Buyer obtains a mortgage, the Buyer shall pay all closing costs on the mortgage.

NOTICE:

Any notice required to be made hereunder shall be deemed to be valid when posted by restricted mail addressed to Buyer or Seller at the addresses shown with the signatures. Both parties agree to notify the other party, within 10 days, if their address changes.

PERSONAL PROPERTY:

It is agreed by and between the parties that there is no personal property passing with this real estate.

POSSESSION:

Buyer will receive possession of the real estate at closing.

REAL ESTATE COMMISSION:

The Seller shall be responsible for the real estate commission and pay the same from the gross sale proceeds at closing. The real estate commission shall be paid to Midwest Land and Home, Washington, Kansas, and they shall be solely responsible for the payment of any broker commissions, real estate sales commissions, and other such commissions due and owing to any other persons operating in conjunction with them.

REALTOR DISCLOSURE STATEMENT:

Seller and Buyer acknowledge that the real estate licensees involved in this transaction may be functioning as agents of the Seller, agents of the Buyer, or transaction brokers. Licensees functioning as an agent of the Seller have a duty to represent the Seller's interest and will not be the agent of the Buyer. Information given by the Buyer to an agent for the Seller will be disclosed to the Seller. Licensees functioning as an agent of the Buyer has a duty to represent the Buyer's interest and will not be an agent of the Seller. Information given by Seller to an agent for the Buyer will be disclosed to the Buyer. Licensees functioning in the capacity of a transaction broker are not agents for either party and do not advocate the interests of either party.

Seller and Buyer acknowledge that the Real Estate Brokerage Relationship Brochures have been furnished to them.

Listing Licensee is functioning as:

Seller's Agent Transaction Broker

Selling Licensee is functioning as:

Seller's Agent Buyer's Agent Transaction Broker

REPORTING AGENT:

The Reporting Agent for the sale of the hereinabove described real estate, as required by the rules and regulations of the Internal Revenue Service, shall be Scott R. Condray of Condray & Thompson, LLC d/b/a Attorney's Title Company, Concordia, Kansas. Said Reporting Agent shall file all applicable information returns, 1099's, 1096's, and any and all other reporting information required by the rules and regulations of the Internal Revenue Service, as well as all related filings required by the State of Kansas.

TAXES:

Seller shall pay the real estate property taxes due on the above-described real estate for the year 2019 and all prior years. The Buyer shall pay all real estate taxes and assessments that are due for the year 2020 and all subsequent years.

TENANTS:

The Seller states that there is currently a tenant on the farmland and the Seller states that Christensen Ag, is the current tenant on the above-described real estate and that the contract with the tenant expires on March 15, 2020.

TITLE INSURANCE:

Seller agrees to convey merchantable title to the real estate herein by providing a standard Owners Title Insurance Policy in the total amount of the purchase price from Attorney's Title Company, Concordia, KS. The title insurance policy provided, after closing, shall guarantee the merchantability of the title to the real estate, subject to easements, visible and of record, which do not affect the merchantability of the title. Upon the execution of this Contract, a Title Commitment shall be prepared. Upon delivery of the

Preliminary Owner's Title Commitment, the Buyer shall have a reasonable time, not to exceed five (5) business days, to examine the same and return the same to Seller with any written objections to the title within such time, otherwise any such objections shall be deemed to be waived. The Seller shall have a reasonable time, after the Title Commitment has been received and after receiving any written objections from Buyer, to correct any defects in title.

If the title to the real estate should prove uninsurable, then the Buyer may void this Contract without any further claim or damages, and all payments made hereunder by the Buyer shall be returned to the Buyer, as the sole and exclusive remedy.

Any questions concerning marketable title will be determined as nearly as possible in accordance with the Title Standards Handbook published by the Kansas Bar Association. If the Seller is unable to provide merchantable title, any earnest money paid shall be returned to Buyer.

By agreement of the parties, the expense of providing the Owner's Title Insurance Policy shall be divided equally between them, and if a Mortgage Title Insurance Policy is required, the full expense of providing said Mortgage Title Insurance Policy shall be paid by the Buyer. Seller shall be responsible for the preparation and recording of any curative documents required to establish title in Seller.

The parties agree that the Title Insurances does not cover:

1. Easements, right-of-ways, encroachments, encumbrances and other such items which are shown of record or are visible from an inspection of the real estate.
2. Encumbrances created by Buyer.

3. Any lien, or right to a lien, for services, labor or material heretofore furnished, imposed by law and not shown by the public records.
4. Any encroachments, easements, measurements, variations in area or content, or other facts which a correct survey of the premises would show.
5. Rights or claims of parties in possession.
6. Roads, ways, streams or easements, if any, not shown of record, riparian rights and the title to any filled-in lands.

WARRANTY DEED:

Seller agrees to convey marketable title to the above described real estate to Buyer, at closing, by general warranty deed in the manner and form requested by the Buyer, excepting only easements and restrictions of record not affecting the merchantability of title, except:

1. Encumbrances created by Buyer; and
2. Zoning or deed restrictions, easements, covenants, restrictions, rights of way, and reservations of record, which do not materially affect the value or prohibit the use of the property for residential use.

MISCELLANEOUS:

1. This sale is subject to all reservations, restrictions, easements and right-of-ways, whether of record or not, and subject to all other visible easements.
2. It is agreed by and between the parties that time is of the essence of this Contract.
3. It is agreed by and between the parties that this Contract shall be binding upon the heirs, devisees, legatees, executors, administrators, personal

representatives, legal representatives, fiduciaries, successors and assignees of the parties hereto.

4. It is agreed by and between the parties that this Contract includes the entire agreement between the parties and shall not be amended or modified except in writing and signed by all parties to this Agreement.
5. In the event any covenant, condition, term, or provision contained herein shall be held to be invalid, illegal, or unenforceable in any respect, in whole or in part, by a judgment, order or decree of any Court or other tribunal of competent jurisdiction, the validity of the remaining covenants, conditions, terms and provisions contained herein, and the validity of the remaining part of any term or provision held to be partially invalid, illegal or unenforceable, shall in no way be affected, prejudiced, or disturbed thereby.
6. It is agreed by and between the parties that the topics underlined herein have been utilized for clarification, and they are to be incorporated into and interpreted as a part of this Contract. Any use of the singular shall include the plural and any use of the masculine shall include the feminine, and vice versa.
7. It is agreed by and between the parties that this Contract shall be interpreted and enforced according to the laws of the State of Kansas.
8. All representations, warranties, covenants and agreements contained in this Contract, or in any instrument, certificate, opinion, or other writing provided for herein, shall survive the Closing and shall be binding upon the respective parties hereto, their heirs, successors and assigns.

9. It is agreed by and between the parties hereto that the expenses shall be paid as follows:

Seller

$\frac{1}{2}$ Preparation of Contract
Preparation of Trustee's Deed
Preparation of Trust Certification
Filing Fee for Trust Certification
 $\frac{1}{2}$ Title Insurance - Owner's Policy
 $\frac{1}{2}$ Contract Closing Costs & Closing Conference for Contract
Real Estate Commission
All expenses for clearing title to the real estate.

Buyer

$\frac{1}{2}$ Preparation of Contract
 $\frac{1}{2}$ Title Insurance - Owner's Policy
Title Insurance - Mortgage Policy
 $\frac{1}{2}$ Contract Closing Costs & Closing Conference for Contract
Mortgage Closing Costs (if needed)
Appraisal (if needed)
Filing Fee for Trustee's Deed

10. It is agreed by and between the parties that the above described real estate was purchased at a public auction held on February 22, 2020.
11. The Contracts hereto shall be executed in quadruplicate with each of the parties hereto receiving an executed original, with the third executed original being delivered to the real estate agent and with the fourth executed original being delivered to the escrow agent. Each executed original shall be an original of the contract.
12. Facsimile (fax) and electronic mail (email) signature on this contract shall have the same force and effect as an original.

13. This agreement may be executed simultaneously in counter-parts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This agreement shall not be fully effective unless and until it is signed by each of the above-named parties.

The parties have hereunto set their names on the day and year as written by their names.

Richard Stenson, Trustee
Revocable Trust of Richard Stenson and
Mark Stenson

Buyer

Buyer

P.O. Box/Street

City, State, Zip

Telephone No.

Telephone No.

Email Address

Email Address

"Seller"

"Buyer"

RECEIPT BY ESCROW AGENT

The undersigned hereby acknowledges receipt of the executed original of this Contract, Trustee's Deed and the sum of \$_____ as earnest money, and agrees to act as Escrow Agent. Said Deed shall be delivered to said Buyer by the Escrow Agent upon the closing of this Contract, pursuant to its terms.

This receipt is executed this February _____, 2020.

Scott R. Condray, Chartered
d/b/a Attorney's Title Company

Scott R. Condray, President

Scott R. Condray
CONDRAY & THOMPSON, LLC
812 Washington
P.O. Box 407
Concordia, KS 66901-0407
(785) 243-1357
FAX (785) 243-1359
condraylaw@condraylaw.com