

ARTICLES OF AGREEMENT

This Agreement is made and entered into this 15th day of December, 2018, by and between. Bergstrom Livestock, Inc., a Kansas Corporation, hereinafter referred to as SELLER, and _____, hereinafter (collectively) referred to as PURCHASER.

In consideration of the agreements contained herein, it is mutually agreed by the respective parties as follows:

1. **Property Description.** SELLER agrees to sell and convey to PURCHASER and PURCHASER agrees to buy and pay for the following described real estate located in Republic County, Kansas:

The Southwest Quarter (SW¼) of Section Thirty-three (33), Township Two (2) South, Range Five (5) West of the 6th P.M., Republic County, Kansas

together with any/all appurtenances, permanent improvements, and fixtures thereto belonging, including the Reinke Center Pivot and pump.

2. **Purchase Price.** The total purchase price is _____ Dollars (\$_____), payable as follows:

(a) Ten percent (10%) (\$_____) as down payment upon execution of this Agreement, payable to the hereinafter named Escrow Agent.

3. **Joint Tenancy/General Warranty Deed.** SELLER shall convey marketable title by Joint Tenancy/General Warranty Deed to be delivered to PURCHASER at the closing of this Agreement, upon receipt of the total purchase price, free of all liens and encumbrances EXCEPT:

(a) Zoning or deed restriction, apparent easements and easements of record;

4. **Proof of Marketable Title.** SELLER shall make available to PURCHASER, the expense to be shared equally between the parties, a standard owner's preliminary title insurance report, and after closing of this Agreement, a standard owner's title insurance policy which will insure PURCHASER against loss or damage to the extent of the total purchase price by reason of defects in the title of SELLER to said real estate, subject to the above exceptions. Upon delivery of the preliminary owner's title insurance report, PURCHASER shall have a reasonable time not to exceed five (5) days to examine the same and return the same to SELLER with any written objections concerning the marketability of the title or the same shall be deemed waived. If the SELLER shall be unable to deliver marketable title as herein provided, the earnest money deposit shall be returned to PURCHASER and this Agreement shall be of no further force or effect; provided, however, SELLER shall have a reasonable time (not to exceed 120 days) to satisfy any valid objections to title.

5. **Escrow Agent.** It is further agreed by and between the parties hereto that the Escrow Agent shall be the Ideal Title LLC, 354 Nth Commercial, Superior, NE. The Escrow Agent is hereby given the following powers, responsibilities and instructions:

To receive all payments mentioned herein and to disburse the same in the following manner, to-wit:

- a) Pay the cost of Title Insurance.
- b) Pay any existing indebtedness secured against said real estate.
- c) Pay the auction commission to Midwest Land and Home.
- d) Pay the legal costs for the Contract and Deed.
- e) Pay any other expenses of closing authorized by the SELLER.
- f) Pay the balance of the proceeds to the SELLER as per their instructions.

To hold the policy of title insurance and the deed mentioned herein pending payment in full whereupon the appropriate documents shall be transferred pursuant to the terms and intentions of this Agreement.

It is expressly agreed by both parties that the Escrow Agent shall be held harmless for any acts or omissions which may result in breach, anticipatory breach, failure of consideration, fraud,

default or any other misrepresentation by any party. All rights and duties hereunder shall be those of the respective parties hereto and not the rights and duties of the Escrow Agent.

Both parties agree not to look to the Escrow Agent for damages as regards any Article of this Agreement.

It is further agreed the Escrow fees will be divided equally between the parties.

6. **Reporting Agent.** The reporting agent for the sale of the subject matter real estate, as required by the rules and regulations of the Internal Revenue Service shall be the Ideal Title LLC. The reporting agent shall file all applicable information returns, 1099's, and any other reporting information required by the Internal Revenue Service.

7. **IRS Code Section 1031 Tax Deferred Exchange.** The parties acknowledge that either or both may desire to accomplish an IRS Code Section 1031 tax deferred exchange and that each party's rights and obligations under this agreement may be assigned to a third party for the purposes of completing such exchange. Any party desiring to make an IRS Code section 1031 exchange shall be hereinafter referred to as the "electing party". The parties agree to accept performance from said third party and shall tender performance to said third party and shall cooperate with the electing party and said third party in any manner reasonably necessary or desirable in order to effectuate such exchange, provided that the electing party shall be responsible for any additional expense or liability resulting from said party's exchange. If both parties so elect, Seller shall be responsible for any additional expense or liability resulting from Seller's exchange, and Buyer shall be responsible for any additional expense or liability resulting from Buyer's exchange.

8. **Risk of Loss.** The risk of loss to the property until closing shall be that of the SELLER. From and after closing the risk of loss shall be borne by the PURCHASER.

9. **Closing and Possession.** This Agreement shall be closed on or before the 15th day of January, 2019, unless said closing date is extended by written consent of SELLER and

PURCHASER, or additional time is required to provide marketable title. Possession shall be delivered to PURCHASER on the date of closing and upon full payment of purchase price subject to Seller's right to graze the stalks until March 1st, 2019.

10. **Crops/FSA Payments** There are no growing crops upon the real estate. Any and all USDA-FSA Payments relating to calendar year 2018 are reserved to the SELLER without regard to when the same may be paid.

11. **Taxes and Assessments.** The SELLER agrees to pay all taxes relating to said real estate for calendar year 2017 and all prior years. The SELLER agrees to pay the 2018 general real estate taxes in the amount of \$4,103.23. The SELLER shall also pay the 2018 special taxes in the amount of \$6,163.61 relating to the Bostwick Irrigation Assessments, however, the PURCHASER agrees, at closing, to reimburse SELLER for the \$6,163.61 special taxes.

12. **Assignability.** Prior to the closing of this Agreement, PURCHASER shall not sell, assign, or transfer this Agreement or any interest in said property without first obtaining the written consent of SELLER.

13. **Liens.** SELLER shall pay all contractors, subcontractors, laborers, materialmen, or suppliers for all work done or material furnished to the above property prior to the closing of this Agreement, which might form the basis of a mechanic's lien. SELLER shall indemnify and hold PURCHASER harmless from any obligation for payment of any amounts by reason of any mechanic's liens which may be filed for labor performed or material furnished prior to the closing of this Agreement.

14. **No Oral Agreements.** This Agreement constitutes the entire Agreement between the parties and there are no representations, warranties, conditions, or agreements other than those expressly set forth herein. No other agreement, statement, promise, warranty, or representation

made by any party to this Agreement, or by any employee, officer, or agent of any party, that is not in writing and signed by all parties to this Agreement, shall be binding.

15. **Default.** Time is of the essence of this Agreement. In the event PURCHASER fails to comply with any of the terms of this Agreement, then this Agreement shall, at the option of the SELLER, become null and void and all rights of PURCHASER hereunder shall then terminate and all monies paid and improvements made hereunder shall then be retained by SELLER as rent and as liquidated damages for said default by PURCHASER. In such event, SELLER shall be entitled to possession of said real estate, free of all right, title, and interest of the PURCHASER, and all parties shall then be released from all further liability hereunder. If SELLER does not exercise this option to terminate this Agreement, SELLER may require specific performance and also exercise any other legal rights and remedies available to SELLER under Kansas law.

16. **Condition of Premises.** The PURCHASER acknowledges that he has carefully examined the subject premises and that he is familiar in all respects with the same. In this regard the PURCHASER agrees that he is purchasing the property on an "AS IS" basis and that SELLER has not offered or made any warranties or guarantees in regard to said premises. By reason thereof SELLER shall not be required to do or perform any work or repairs upon the premises prior to the date of closing.

17. **Real Estate Broker (Seller's Agent).** The Broker and Listing Agent is acting as agent for the SELLER only, and as agent of the SELLER, the Broker has a duty to represent the SELLER'S interests and is not an agent for nor represent the interests of the PURCHASER. The parties acknowledge that any information given by the PURCHASER to an agent of the SELLER, must be disclosed to the SELLER. PURCHASER is not represented by a Broker or Agent. By signing this contract SELLER and PURCHASER acknowledge that they have read and understand the foregoing Relationship Disclosure and that they previously received a copy of the Real Estate Brokerage Relationships Brochure, also known as the Agency Disclosure Brochure, required by K.S.A. 58-30,110.

The real estate firm involved in this transaction are agents only and not parties to this contract and will in no case whatsoever be held liable to either party for performance of any term or condition of this agreement or for damages for non-performance. PURCHASER acknowledges that said firm has made no representations and has given no express or implied warranties with regard to the condition of the subject property. SELLER and PURCHASER agree that the real estate firm shall not be responsible for the conduct of third parties providing specialized services whether those services were arranged by SELLER, PURCHASER or the real estate firm on behalf of either.

18. **Survey.** The parties expressly agree that the subject premises may be surveyed by PURCHASER and PURCHASER will pay the cost of said survey.

19. **Seller's Reservation.** Seller reserves the right to graze the crop residue (stalks) until March 1st, 2019. Seller may retain the meter at said location through March 1st, 2019, but shall be responsible for all energy charges incidental thereto. Seller agrees to coordinate with the PURCHASER to transfer the meter should PURCHASER so desire.

20. **Integration.** This Agreement shall extend to and become binding upon the heirs, executors, administrators, successors, and assigns of the respective parties.

IN WITNESS WHEREOF, the parties have signed their names as of the day and year first above written.

Bergstrom Livestock, Inc.

by _____
Marvin D. Bergstrom, President

SELLER

PURCHASER