

REAL ESTATE SALES CONTRACT

This Agreement, made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2023, by and between Michael Hood and Sandra M. Hood, husband and wife, hereinafter referred to as "Sellers", and \_\_\_\_\_, hereinafter referred to as "Buyer."

WITNESSETH: That Sellers hereby agree to sell and convey marketable title by a Warranty Deed to the Buyer, or such other person(s) designated by Buyer, free and clear of all liens and encumbrances except easements and restrictions of record and subject to applicable zoning laws, and Buyer agrees to purchase all of the following described real estate, to-wit:

An approximate 78-acre tract of land described as follows:

The West Half of the Southeast Quarter (W $\frac{1}{2}$ SE $\frac{1}{4}$ ) of Section Six (6), Township Three (3) South, Range Four (4) East of the 6<sup>th</sup> P.M., in Washington County, Kansas, EXCEPT a tract of land in the Northwest Quarter of the Southeast Quarter (NW $\frac{1}{4}$ SE $\frac{1}{4}$ ) of said Section Six (6) described as beginning at the Northwest corner of said Northwest Quarter of the Southeast Quarter (NW $\frac{1}{4}$ SE $\frac{1}{4}$ ) and thence South on the West line of said tract to the point where Mill Creek intersects said West line, thence in a Northeasterly direction following the center line of Mill Creek to the point where Mill Creek intersects the North line of said Northwest Quarter of the Southeast Quarter (NW $\frac{1}{4}$ SE $\frac{1}{4}$ ), thence West on the North line of said Northwest Quarter of the Southeast Quarter (NW $\frac{1}{4}$ SE $\frac{1}{4}$ ) to the point of beginning, containing 6.02 acres, more or less; TOGETHER WITH

A tract of land described as all that part of the Southwest Quarter of the Northeast Quarter (SW $\frac{1}{4}$  NE $\frac{1}{4}$ ) of Section Six (6), Township Three (3) South, Range Four (4) East of the 6<sup>th</sup> P.M., in Washington County, Kansas, lying South of Mill Creek, containing 2.36 acres, more or less; AND TOGETEHR WITH

A small tract of land lying West of the centerline of Mill Creek in the East Half of the Southeast Quarter (E $\frac{1}{2}$ SE $\frac{1}{4}$ ) of Section Six (6), Township Three (3) South, Range Four (4) East of the 6<sup>th</sup> P.M., in Washington County, Kansas, said tract running along the West side of said East Half of the Southeast Quarter (E  $\frac{1}{2}$ SE  $\frac{1}{4}$ ).

**The parties acknowledge and understand that an exact legal description for the real estate the subject of this agreement will be determined by a survey to be completed prior to final closing. Sellers and Buyer agree to equally split the total cost of the survey. Sellers make no guarantee as to total acreage or boundary lines.**

1. The purchase price is \$\_\_\_\_\_. The Buyer will pay the sum of \$\_\_\_\_\_ (10% of the purchase price) to the Escrow Agent upon the execution of this contract. The Buyer will pay the balance of the purchase price in the form of certified funds (bank money order and/or cashiers check) on or before May 4, 2023, the date hereinafter set for

closing unless extended by mutual agreement of the parties hereto, and upon receipt of the Warranty Deed which conveys marketable record title to Buyer.

2. Sellers agree to deliver to Buyer within a reasonable time after the execution of this contract, a preliminary owner's title insurance commitment, and after closing, a standard owner's title policy, covering the above described property certified to date in the full amount of the purchase price of the above property. Sellers agree that as a condition of this contract, the title insurance commitment must show insurable title to be vested in the Sellers. Buyer shall be entitled to a reasonable time thereafter in which to have said title insurance report examined and to return the same to Sellers with any written objections as to the exclusions or underwriting requirements in said title insurance commitment. Sellers shall then have a reasonable time to satisfy any underwriting requirements. The title insurance premium will be paid equally by Sellers and Buyer. Buyer shall be responsible for the cost of any required lender's policy.

3. A Warranty Deed shall be executed and deposited with the Escrow/Closing Agent. The Escrow Agent is hereby directed to deliver the Deed to Buyer when the entire purchase price has been paid in full.

4. The parties hereto make and designate The Law Office of Elizabeth Baskerville Hiltgen, P.A., 209 C Street, Washington, Kansas, the Escrow/Closing Agent herein. The Escrow/Closing Agent is hereby authorized and directed to pay any and all necessary and incidental expenses of the sale of the above-described real property, including a real estate commission of the gross proceeds from the sale due and owing from Sellers to Midwest Land and Home. The Escrow/Closing Agent shall pay over the balance to which the Sellers are entitled to the Sellers or Sellers' assigns. The Sellers and Buyer shall equally share the fee charged by the Escrow/Closing Agent. In the event an additional closing agent shall be needed to close a loan on behalf of Buyer, Buyer agrees to pay any fee incurred by said closing agent.

The parties understand that applicable Kansas real estate laws prohibit the escrow agent from distributing the earnest money, once deposited, without the consent of all parties to this agreement. Buyer and Sellers agree that failure by either to respond in writing to a certified letter from the 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 thirty (30) days of notice of cancellation of this agreement, shall constitute consent to distribution of the earnest money as suggested in any such certified letter, or as demanded by the other party hereto.

Provided the Escrow/Closing Agent performs all of its obligations under the Agreement, the parties agree to defend, indemnify and hold the Escrow/Closing Agent harmless from any and all liabilities or losses 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.

5. Possession of the above premises shall be delivered to Buyer upon the execution of this contract; provided, however, that Buyer shall be entitled to immediate possession of the real estate the subject of this contract for the purpose of spring planting **only**. Should Buyer choose to assume possession under these provisions, Buyer shall do so at Buyer's own risk and the same must be covered under Buyer's own liability insurance policy. The Buyer specifically acknowledges that there is no policy of Sellers in place, and Buyer specifically agrees to hold Sellers harmless from any liability in the event Buyer takes possession for planting upon execution of this contract. In the event Buyer is unable to fulfill Buyer's obligations under this contract and this transaction does not close, Sellers shall retain as Sellers' sole property any crops planted upon the real estate and shall not be obligated to reimburse Buyer for any expenses incurred as a result of planting.

6. Sellers agree to pay all taxes and assessments for the year 2022 and all prior years. Buyer agrees to pay all taxes and assessment for the year 2023 and all subsequent year's taxes and assessments. Any back taxes due and owing, and any penalties associated with said back taxes, shall be paid from Escrow.

7. It is agreed and understood that this contract is for the sale of the real estate in its present existing condition. Sellers make no representation or warranty as to the condition of the property. It is specifically understood and agreed by the parties that the property is sold "AS IS, WHERE IS, WITH ALL FAULTS AND WITHOUT ANY REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED at the time of closing. Sellers make no guarantee as to total acreage or boundary lines.

8. AGENCY DISCLOSURE. SELLERS and BUYER acknowledge that the real estate licensees involved in this transaction may be functioning as agents of the SELLERS, agents of the BUYER, or transaction brokers. Licensees functioning as an agent of the SELLERS have a duty to represent the SELLERS' interest and will not be the agent of the BUYER. Information given by the BUYER to an agent for the SELLERS will be disclosed to the SELLERS. Licensees functioning as an agent of the BUYER have a duty to represent the BUYER'S interest and will not be an agent of the SELLERS. Information given by SELLERS 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.

SELLERS and BUYER acknowledge that the Real Estate Brokerage Relationship Brochures have been furnished to them.

Listing Licensee is functioning as:

XX SELLER'S Agent

\_\_\_\_ Transaction Broker

Selling Licensee is functioning as:

XX SELLER'S Agent                      \_\_\_\_\_ BUYER'S Agent                      \_\_\_\_\_ Transaction Broker

9. CONSENT TO MODIFICATION OF GRANTEE. Notwithstanding any other provision herein, Buyer may modify the ultimate "Grantee" named in any deed to: (1) any LLC, Partnership or Corporation owned in whole or in part by Buyer, (2) any trust created by or for the benefit of Buyer (in whole or in part), or (3) to include joint tenancy to any related person or business partner. Buyer shall provide written notification to the title company and the person or entity responsible for drafting the deed of any "modification of grantee" made under this paragraph.

10. The real estate firm/firms 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. Buyer acknowledges that said firm/firms have made no representations and have given no express or implied warranties with regard to the condition of the subject property. Sellers and Buyer agree that the real estate firm/firms shall not be responsible for the conduct of third parties providing specialized services whether those services were arranged by Sellers, Buyer, or the real estate firm/firms on behalf of either.

11. Buyer and Sellers agree that the real estate licensees involved in this transaction are not experts regarding whether any environmental or health hazards exist in and on the property. Buyer and Sellers should seek expert advice and obtain inspections to determine if hazards, defects or damage exist in and on the property. If inspections are not performed regarding all or part of the property, Buyer is bound by whatever information an inspection would have revealed, and waives any claim, right or cause of action relating to or arising from any condition of the property that would have been apparent had inspections been performed.

12. The parties to this contract acknowledge and agree that either party may wish to make this transaction a part of an exchange or trade for other property pursuant to IRC Section 1031 or other applicable IRS rules or regulations. If either party chooses to effectuate such exchange or trade, then the other party shall cooperate fully in executing such documents reasonably necessary to consummate such exchange or trade, including additional real estate contracts; provided that the cooperating party does not incur liability or cost in connection with said exchange or trade, and shall be indemnified by the trading party against any liability whatsoever in connection with such exchange or trade. **Either party that decides to complete a 1031 exchange agrees to give the other party notice of their intent to do so within a reasonable time prior to the closing date so that the closing of this transaction is not delayed, and shall solely be responsible for the cost of the same.**

13. In the event Buyer fails to comply with any of the terms of this contract Sellers may declare this agreement null and void, in which case the earnest money deposit shall be forfeited for the payment of any expenses incurred, including, but not limited to contract costs, title searches and/or title insurance policy cancellation fees and escrow fees which shall be paid directly to the party entitled to such fees, with the balance of the earnest money payable to the Sellers as liquidated damages for non-performance, all rights of Buyer hereunder shall end, Sellers shall be entitled to retain possession of said real estate and upon said election all parties shall be released from further liability hereunder. If Sellers do not exercise the option to terminate this contract, Sellers may pursue such other rights as they may have and shall be entitled to whatever other legal or equitable remedies are available to them.

14. In the event that Sellers cannot follow through with all the terms of this Contract, then Sellers will be responsible for any expenses incurred, including, but not limited to contract costs, title searches and/or title insurance policy cancellation fees, and escrow fees which shall be paid directly to the party entitled to such fees, in which case the earnest money deposit will be returned to Buyer and upon such return, this contract shall have no force or effect and neither party shall have any rights against the other hereunder.

15. The parties will furnish the escrow agent with their social security number and/or tax identification number in compliance with the tax reform act of 1984 and the Sellers will execute an Internal Revenue Service Form W-9 to be prepared by the Escrow Agent. The escrow agent is responsible for completion and filing of Internal Revenue Service Form 1099's required to report the sale or exchange of real estate.

16. The parties agree that this Contract constitutes the entire agreement and that there are no other written or unwritten agreements, oral or implied promises, covenants or warranties. It is further agreed by the parties hereto that this Contract may only be amended or modified by a written agreement signed by all of the parties.

17. The Sellers authorize the Escrow Agent to receive any mortgage and/or loan information, which may apply to the above-mentioned property.

18. The Buyer authorizes the Escrow Agent to receive any mortgage and/or loan information, which may apply to the above-mentioned property.

19. Buyer shall not have authority to assign this contract or any interest under this contract without the express written consent of the Sellers.

20. The terms and provisions of this contract shall extend to and become binding upon the heirs, executors, administrators, and assigns of the respective parties hereto.

21. The costs of the preparation of the Real Estate Sales Contract, Warranty Deed, Escrow Fee, closing costs, and the survey referenced herein shall be paid equally by Sellers and



ACCEPTANCE OF ESCROW AGENT

The undersigned hereby accepts the duties and responsibilities as Escrow Agent for the purpose of the foregoing sale.

Receipt of the \$ \_\_\_\_\_ down payment acknowledged this \_\_\_\_ day of \_\_\_\_\_, 2023.

Receipt of the Real Estate Sales Contract dated this \_\_\_\_ day of \_\_\_\_\_, 2023.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2023.

*The Law Office of Elizabeth Baskerville Hiltgen*

By: \_\_\_\_\_  
Elizabeth Baskerville Hiltgen