

ARTICLES OF AGREEMENT

This Agreement is made and entered into this 20th day of November, 2021, by and between Timothy E. Gottschalk and Sharon R. Larrick, Trustees of the Alfred Havel Jr. Revocable Trust dated August 13th, 1990, hereinafter referred to as SELLER, and _____, hereinafter 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 Northwest Quarter (NW¼) of Section Sixteen (16), Township Three (3) South, Range Two (2) West of the 6th P.M., Republic County, Kansas,

EXCEPT the following described tract, to wit: Beginning at a point on the West line of said NW¼ and One Thousand Fifty-three (1053.0) feet South of the Northwest corner (NW/c) of said NW¼; thence S 00°00'00" W on and along said West line, Fifteen Hundred Seventy-six and 2/10 (1576.2) feet; thence S 89°42'52" E, Four Hundred Five and 3/10 (405.3) feet; thence N 00°24'10" E, Fifteen Hundred Eighty-one (1581) feet; thence S 89°37'44" W, Four Hundred Sixteen and 2/10 (416.2) feet to the point of beginning.

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

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

(b) The remaining balance of the purchase price, being _____
Thousand Dollars (\$ _____), by **certified funds** payable to the hereinafter named Escrow Agent on January 8th, 2021.

3. **Trustee's Warranty Deed.** SELLER shall convey marketable title by Trustee's 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 Navis & Nelson, LLC Law Office of Belleville, Kansas. 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 the real estate commission to Midwest Land and Home.
- c) Pay any other expenses of closing authorized by the SELLER.
- d) 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.

The parties understand that applicable Kansas real estate laws prohibit the Escrow/Closing Agent from distributing the down payment money, once deposited, without the consent of all parties to this Agreement. PURCHASER and SELLER agree that failure by either to respond in writing to a certified letter from the Escrow/Closing agent within seven (7) days of receipt thereof or failure to make written demand for return or forfeiture of the down payment within thirty (30) days of notice of cancellation of this Agreement, shall constitute consent to distribution of the down payment 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 this 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.

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 Navis & Nelson, LLC Law Office of Belleville, Kansas. The reporting agent shall file all applicable information returns, 1099's, and any other reporting information required by the Internal Revenue Service.

7. **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.

8. **Closing and Possession.** This Agreement shall be closed on or before the 23rd day of December, 2021, unless said closing date is extended or advanced by written consent of SELLER and PURCHASER, or additional time is required to provide marketable title. The PURCHASER shall receive full possession of the real estate at the date of closing.

9. **Taxes and Assessments.** The SELLER agrees to pay the real estate taxes for 2021 and all prior years. The PURCHASER shall pay all subsequent years' taxes. PURCHASER shall notify the Republic County Treasurer to send future years real estate tax statements to PURCHASER. The parties acknowledge that future year's real estate taxes may be higher or lower than the current year's taxes due to Kansas law requiring periodic appraisal and the applicable mill levy.

10. **Boundaries.** The boundaries of the Real Property have been heretofore established by fences, roads and/or lines of demarcation. The PURCHASER agrees to take the property subject to the boundaries as presently exist, and SELLER does not guarantee location of the boundaries or that the location of the fences, roads and/or lines of demarcation are on the exact legal descriptions.

11. **Farm Program Payments.** The parties acknowledge and agree that any USDA farm program payments for calendar year 2021 and prior years will remain the property of the SELLER'S Tenant irrespective of when said payments are made. The farm program payments for calendar year 2022 and future years shall be the property of the PURCHASER.

12. **Rent.** The SELLER shall be entitled to retain all rent for calendar year 2021.

13. **Tenancy.** The SELLER warrants that the existing tenancy has been terminated. Accordingly, PURCHASER acknowledges that he/they is/are acquiring the real estate free of any tenancy rights.

14. **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.

15. **Liens.** SELLER shall pay any/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.

16. **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.

17. **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.

18. **Condition of Premises.** The PURCHASER acknowledges that he/they have carefully inspected the subject premises and that he/they are familiar in all respects with the same. In this regard the PURCHASER agrees that he/they are purchasing the property on an "AS IS" basis and that SELLER has not offered or made any warranties or guarantees in regard to said real estate. 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.

19. **Brokerage Relationships:** SELLER AND PURCHASER acknowledge that the Real Estate Licensees involved in this transaction may be functioning as agents of the SELLER, agents of the PURCHASER, 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 PURCHASER. Information given by the PURCHASER to an agent of the SELLER will be disclosed to the SELLER. Licensees functioning as an agent of the PURCHASER have a duty to represent the PURCHASER'S interest and will not be an agent of the SELLER. Information given by the SELLER to an agent for the PURCHASER will be disclosed to the PURCHASER. Licensees functioning in the capacity of a Transaction Broker are not agents for either party and do not advocate the interest of either party. SELLER and PURCHASER acknowledge that the Real Estate Brokerage Relationships Brochures have been furnished to them. (Listing Company) Midwest Land and Home (Name of Licensee) Mark Uhlik Broker is functioning as: () Seller's Agent () Designated Seller's Agent () Transaction Broker. (Selling Company) Midwest Land and Home (Name of Licensee) Mark Uhlik Broker is functioning as: () Seller's Agent () Purchaser's Agent () Designated Purchaser's Agent () Transaction Broker.

In the event either licensee is acting as Designated Agent for SELLER or PURCHASER, his/her supervising broker will be functioning as Transaction Broker.

Seller and Purchaser acknowledge that the Real Estate Brokerage Relationships Brochures have been furnished to them.

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. PURCHASER 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. SELLER and PURCHASER 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, Purchaser, or the real estate firm/firms on behalf of either.

20. **Survey.** The parties agree that the SELLER is not providing a survey. If PURCHASER desires a survey, PURCHASER shall be responsible for paying for the same.

21. **Costs.** The parties agree to equally divide the following costs associated with this transaction: Title insurance costs, and escrow and closing costs. Any or all other costs associated with the transaction will be paid by the party who incurs the same.

22. **Disclaimer.** PURCHASER and SELLER agree that the real estate licensees involved in this transaction are not experts regarding whether any environmental or health hazards, defects in the mechanical equipment or systems, structural defects, or damage from wood destroying organisms exist in and on the property. PURCHASER and SELLER 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, PURCHASER is bound by whatever information an inspection would have revealed, and waive 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.

23. **1031 Exchange.** The parties acknowledge that PURCHASER may choose to accomplish an IRS Section 1031 tax deferred exchange utilizing the real estate the subject of this Agreement. The parties agree that PURCHASER may assign PURCHASER rights under this contract to a third party for the purposes of completing the exchange. SELLER agree to accept performance from the third party, shall tender performance to the third party, and shall cooperate with PURCHASER and the third party in any manner necessary or desirable in order to affect the exchange provided SELLER shall incur no additional expense or liabilities as a result of the exchange.

24. **Attorneys.** The SELLER has retained Navis & Nelson, LLC, to prepare this Agreement, and the PURCHASER is so advised. If the PURCHASER has any questions

concerning this Agreement, they should have this Agreement reviewed by an attorney of PURCHASER'S choice.

25. **Miscellaneous.**

- a) It is agreed by and between the parties that this Agreement shall be binding upon the heirs, devisees, legatees, executors, administrators, personal representatives, legal representatives, fiduciaries, and successors of the parties hereto.
- b) 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, prejudice, or disturbed thereby.
- c) It is agreed by and between the parties that the topics underlined herein have been utilized for clarification, and they are to be incorporated and interpreted as a part of this Agreement. Any use of the singular shall include the plural and any use of the masculine shall include the feminine, and vice versa.
- d) It is agreed by and between the parties that time is of the essence of this Agreement, and that said Agreement shall be interpreted and enforced according to the laws of the State of Kansas.
- e) All representations, warranties, covenants and agreements contained in this Agreement, 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, and successors in interest.
- f) This Agreement is considered as dated on the day and year when it is first executed by one of the parties.

- g) For purposes of this Agreement, the parties agree to accept e-mailed or facsimile (fax) signatures and initials as originals.
- h) This Agreement may be executed counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.
- i) Any mineral interests and water rights owned by SELLER shall be transferred to PURCHASER as a part of this Agreement.

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

ALFRED HAVEL JR. REVOCABLE TRUST
DATED AUGUST 13, 1990

Timothy E. Gottschalk, Trustee

Sharron R. Larrick

SELLER

PURCHASER

**EARNEST MONEY AND PURCHASE AGREEMENT RECEIPT
BY DESIGNATED ESCROW AGENT**

We, Navis and Nelson, LLC. hereby acknowledge receipt of a copy of the purchase agreement, dated November 20, 2021, between Timothy E. Gottschalk and Sharon R. Larrick, Trustees of the Alfred Havel Jr. Revocable Trust dated August 13th, 1990, as SELLER and _____
_____, as PURCHASER(S).

We also received an earnest money deposit of \$ _____:

- Cash Check Note Other (please specify below)

Date contract was received by escrow agent: _____, 2021.

Date earnest money was received by escrow agent: _____, 2021.

Date signed _____, 2021. _____
Signature of person employed by or associated with the escrow company

After the receipt is signed by the escrow agent, the transaction number assigned by the responsible broker should be entered.

TRANSACTION NUMBER: _____

Receipt required by K.S.A. 58-3061(f) and amendments thereto.