

REAL ESTATE PURCHASE CONTRACT
(Strickler Land Auction)

THIS CONTRACT is made and entered into this 11th day of April, 2020, by and between **Dale L. Strickler and Danell K. Strickler**, both single persons (hereinafter referred to as the "SELLERS"), and

_____ ,
(hereinafter referred to as the "BUYER"), WITNESSETH:

WHEREAS, the SELLERS are the owners of the real estate hereinafter described, which SELLERS desire to sell to the BUYER; and

WHEREAS, the BUYER desires to purchase the said real estate from the SELLERS, all according to the terms and conditions hereinafter set forth.

NOW THEREFORE, in consideration of the mutual promises and agreements set forth herein, the BUYER and SELLERS agree as follows:

1. DESCRIPTION: The SELLERS do hereby agree to sell and convey to the BUYERS and the BUYERS do hereby agree to buy and to pay for on the terms and conditions hereinafter set forth, the following described real estate ("the Property") located in Republic County, Kansas, to wit:

Southeast Quarter (SE¹/₄) of Section Twenty-nine (29), Township Three (3) South, Range Five (5) West of the Sixth (6th) P.M., except a tract described as follows: beginning at the southeast corner of said Section Twenty-Nine (29), thence running north 0°10' west 690.4 feet, thence running west 672.1 feet to the right of way of the irrigation ditch, thence running south 6°26' east 500 feet, thence running south 13°05' east 50 feet, thence running south 14°37' east 50 feet, thence running south 89°52' east 500 feet, thence south 45°00' east 140 feet to the point of beginning, containing 9.35 acres, more or less,

together with any and all appurtenances, permanent improvements, and fixtures thereto belonging, including the T&L center pivot irrigation system, drip irrigation system, irrigation pumps, motors, and fuel tank located on the property.

2. PURCHASE PRICE: The purchase price for the sale of said real estate is in the total sum of \$ _____, which is the highest amount bid at the public auction held on April 11, 2020. The BUYER agrees to pay the purchase price to the SELLERS, and the SELLERS agree to receive the purchase price from the BUYER in the following manner:

- a. BUYER will pay a down payment of ten percent (10%) (\$ _____) of the total purchase price upon execution of this Contract;
- b. BUYER will pay the other ninety percent (90%) (\$ _____) of the total purchase price at the time of closing; and

c. All payments will be made payable to the Escrow Agent designated herein.

3. CLOSING AND POSSESSION: This Contract shall be closed on or before May 15, 2020, at such location and at such time as the parties shall mutually agree, unless: (1) the closing date is extended by written consent of SELLERS and BUYER; or (2) additional time is required by the SELLERS to provide marketable title. Full possession of the property shall be delivered to BUYER upon completion of the closing. Possession of the property for farming purposes shall be delivered to the BUYER upon executing this Contract, provided that the BUYER shall be subject to immediate removal from the property if the BUYER fails to successfully complete the closing.

4. DEED OF CONVEYANCE: The SELLERS shall execute and acknowledge a Warranty Deed transferring and conveying the above-described real estate to the BUYER. The Deed and an executed copy of this Contract shall be delivered to the Escrow Agent, hereinafter designated, to be held by said Escrow Agent until such time as the full purchase price provided for by this Contract has been paid in full by the BUYER, at which time the Escrow Agent is directed and authorized to deliver the Warranty Deed to the BUYER.

5. TITLE INSURANCE: The SELLERS agree to convey merchantable title to the real estate herein by providing a standard Owner's Policy of Title Insurance in the total amount of the purchase price. This policy shall be in lieu of providing an abstract of title and having the same brought to date and examined by an attorney. The title insurance policy provided 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 execution of this Contract, a Title Commitment will be prepared by a title insurance company. Upon delivery of the Title Commitment, the BUYER will have a reasonable time, not to exceed five (5) business days, to examine the same and return the same to SELLERS with any written objections to the title, otherwise any such objections shall be deemed to be waived. The SELLERS 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.

By agreement of the parties, the cost of said Owner's Policy of Title Insurance shall be paid one-half by the SELLERS and one-half by the BUYER. The cost of a Mortgage Insurance Policy and title insurance endorsements, if any, shall be paid by the BUYER.

6. MINERAL INTERESTS: All mineral and water rights owned by the SELLERS and related to this real estate will be transferred by the SELLERS to the BUYER at the closing.

7. PERSONAL PROPERTY/BILL OF SALE: The SELLERS will execute and deliver to the Escrow Agent a Bill of Sale transferring and conveying the above-described personal property (i.e., the T&L center pivot irrigation system, drip irrigation system, irrigation pumps, motors, and fuel tank) to the BUYER. The Bill of Sale shall be given to the Escrow Agent and

delivered to the BUYER when the BUYER completes the payment obligations under this Contract.

8. TAXES: SELLERS agree to pay the real estate taxes and assessments for 2019 and all prior years. BUYER will be responsible for the real estate taxes and assessments for 2020 and all subsequent years. The “specials tax” billed with the 2019 real estate taxes, which is described as IRR O&M of \$5,566.00 and IRR Repay of \$554.07, and which is used to fund the Kansas Bostwick Irrigation District’s budget in 2020, will be paid by the BUYER at the closing.

9. ESCROW AGENT: The SELLERS and BUYER herein designate Thompson & Thompson, P.A., Scandia, Kansas 66966, as the Escrow Agent for the purpose of this sale, or such other person as shall be appointed by Thompson & Thompson, P.A.

The Escrow Agent shall receive all consideration for this contract, and shall pay therefrom the legal expenses, real estate taxes, title insurance, existing indebtedness secured against the real estate, auction commission, advertising costs, and any other expenses pertaining to this sale and authorized by the SELLERS. The Escrow Agent shall account to the SELLERS and BUYER for any such payments. The deed of conveyance, bill of sale, and an executed copy of this Contract shall also be delivered to the Escrow Agent to be held by said Escrow Agent until the consideration for this Contract has been paid in full by the BUYER, at which time the Escrow Agent is directed and authorized to deliver the deed of conveyance to the BUYER.

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

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 Contract or pursuant to a court order. BUYER and SELLER 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 Contract, shall constitute consent to distribution of the earnest money as suggested in any such certified letter, or as demanded by the other party hereto.

By agreement of the parties, the escrow/closing fee charged by the Escrow Agent shall be paid one-half by the SELLERS and one-half by the BUYER.

10. REAL ESTATE COMMISSION: The SELLERS 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 Midwest Land and Home 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.

11. BROKERAGE RELATIONSHIPS: The Broker and Listing Agent for this property, Midwest Land and Home, is acting as agent for the SELLERS only, and as agent of the

SELLERS the Broker has a duty to represent the SELLERS' interests and is not an agent for nor represent the interests of the BUYER. The parties acknowledge that any information given by the BUYER to an agent of the SELLERS must be disclosed to the SELLERS. BUYER is not represented by a Broker or Agent. By signing this contract SELLERS and BUYER 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, as required by K.S.A. 58-30,110.

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.

BUYER and SELLERS 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. 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. REPORTING AGENT: The reporting agent for the sale of the subject real estate, as required by the rules and regulations of the Internal Revenue Service, shall be the above-named Escrow Agent. The reporting agent shall file all applicable information returns, 1099s, and any other reporting information required by the Internal Revenue Service.

13. 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 that of the BUYER.

14. CROPS/FARM PROGRAM PAYMENTS: There are no growing crops on the subject property. The parties agree that the BUYER will receive all government farm program payments which are paid for the 2020 crop year and all subsequent crop years from the property. SELLERS and their tenants will receive all of the government farm program payments for the 2019 crop year and prior crop years, without regard to when the payments may be paid.

15. UTILITIES: SELLERS will be responsible for paying the cost of utilities on the property until the date of closing, except that BUYER will be responsible for paying any utilities used by the BUYER for farming the property prior to closing.

16. NO APPRAISAL OR FINANCING CONTINGENCY: The BUYER's obligation to purchase the real property shall not be contingent upon the property appraising for a price at or

above the contract purchase price or upon the BUYER being able to obtain financing for the full purchase price.

17. ENVIRONMENTAL LIABILITY: BUYER agrees that BUYER has had an opportunity to view and inspect the real estate and improvements being sold under this Contract. The SELLERS are not aware of any environmental hazards or liabilities.

18. ASSIGNABILITY: Prior to the closing of this Contract, BUYER shall not sell, assign, or transfer this Contract or any interest in said property without first obtaining written consent of SELLERS, which shall not be unreasonably withheld. Any total or partial assignment shall not relieve either party of their obligations pursuant to this Contract.

19. 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 Contract, which might form the basis of a mechanic's lien. SELLER shall indemnify and hold BUYER 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 Contract.

20. CONDITION OF PREMISES: The BUYER acknowledges that he has carefully examined the subject property, and that he is familiar in all respects with the same. In this regard, the BUYER agrees that BUYER is purchasing and will accept the property on an "AS IS" basis, and that SELLERS have not offered or made any warranties or guarantees in regard to the subject property, other than warranties of title. By reason thereof, SELLERS shall not be required to do or perform any work or repairs upon the subject property prior to the date of closing.

21. NO ORAL AGREEMENTS: This Contract 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 Contract, or by any employee, officer, or agent of any party, that is not in writing and signed by all parties to this Contract, shall be binding.

22. DEFAULT: Time is of the essence of this Contract. In the event BUYER fails to comply with any of the terms of this Contract, then this Contract shall, at the option of the SELLERS, become null and void, and all rights of BUYER hereunder shall then terminate, and all monies paid and improvements made hereunder shall then be retained by SELLERS as rent and as liquidated damages for said default by BUYER. In such event, SELLERS shall be entitled to possession of said real estate, free of all right, title, and interest of the BUYER, and all parties shall then be released from all further liability hereunder. If SELLERS do not exercise this option to terminate this Contract, SELLERS may require specific performance and also exercise any other legal rights and remedies available to SELLERS under Kansas law. Upon default by either party and litigation arising therefrom, the prevailing party shall be entitled to recover attorney fees where allowed by applicable law.

23. BINDING EFFECT: This contract shall be binding upon and shall inure to the benefit of the parties hereto, their respective heirs, survivors, devisees, personal representatives, successors, trustees and assigns.

24. KANSAS LAW GOVERNS: This Contract shall be construed in accordance with the laws of the State of Kansas.

25. IRS CODE SECTION 1031 TAX DEFERRED EXCHANGE: The parties acknowledge that BUYER may choose to accomplish an IRS Code Section 1031 tax deferred exchange utilizing the subject real estate. The parties agree that BUYER may assign BUYER's rights under this contract to a third party for the purposes of completing the exchange. SELLERS agree to accept performance from the third party, shall tender performance to the third party, and shall cooperate with BUYER and the third party in any manner necessary or desirable in order to complete the exchange; provided SELLERS shall incur no additional expense or liabilities as a result of the exchange.

26. MISCELLANEOUS:

- a. This sale is subject to all reservations, restrictions, easements, and rights-of-way, all of record and subject to highway and all other visible easements.
- b. The fees for recording the Warranty Deed will be split equally between the SELLERS and BUYER. The fees for recording any other documents necessary to transfer marketable title shall be paid in full by the SELLERS.
- c. The cost of an Owner's Policy of Title Insurance shall be paid one-half by the SELLERS and one-half by the BUYER. The cost of a Mortgage Insurance Policy, if any, and title insurance endorsements, if any, shall be paid in full by the BUYER.
- d. If a different Escrow Agent is required by the BUYER's lender to handle the closing, the escrow fees will be paid one-half by the SELLERS and one-half by the BUYER.
- e. The parties acknowledge that Jeffrey Thompson of Thompson & Thompson, P.A. has been hired by the SELLERS to prepare this Contract and to provide other services on behalf of the SELLERS in connection with this real estate sale, and has not represented or purported to represent the BUYER in any manner. If the BUYER has any questions, BUYER should have this Contract reviewed by BUYER's own attorney. The attorney fees of Thompson & Thompson, P.A. for preparing this Contract, the Warranty Deed, and other related documents for this sale will be paid one-half by the SELLERS and one-half by the BUYER.

IN WITNESS WHEREOF, the parties have signed their names as of the day and year first written above on FOUR (4) original copies of this Contract.

SELLERS:

Dale L. Strickler

Danell K. Strickler

BUYER:

Buyer
Name: _____
Address: _____

Buyer
Name: _____
Address: _____

ACCEPTANCE BY ESCROW AGENT

Thompson & Thompson, P.A., Scandia, Kansas 66966, hereby acknowledges receipt of an executed original of this Contract and the sum of \$_____ as earnest money, and agrees to act as Escrow Agent pursuant to the terms set forth herein.

Dated: _____, 2020

Thompson & Thompson, P.A.

By: _____
Jeffrey Thompson