

CONTRACT FOR THE SALE OF REAL ESTATE

THIS AGREEMENT, Entered into this 21st day of November, 2020, by and between **The Schultes Family Trust** dated **October 10, 2000**, as Seller and _____, as Buyer:

WITNESSETH: That Seller for the consideration mentioned covenants and agrees to sell to Buyer, or heirs, successors and assigns of Buyer, the following real estate, to wit:

The Northwest Quarter (NW¹/₄) of Section Twenty-eight (28), Township Six (6) South, Range Six (6) East of the 6th P.M., in Riley County, Kansas.

and

A tract in the East One-Half of the Southwest Quarter (E¹/₂ SW¹/₄) of Section Twenty-eight (28), Township Six (6) South, Range Six (6) East of the 6th P.M., in Riley County, Kansas, known as Tract 5, containing approximately 48 acres and more particularly described as follows: Beginning at a point on the South line of the Southwest Quarter of said Section 28, which point is 59 rods East of the Southeast corner of the West One-Half of the Southwest Quarter of said Section 28; thence East to the Southeast corner of the Southwest Quarter of said Section 28; thence North to the Northeast corner of the Southwest Quarter of said Section 28; thence West to a point which is 5 34/100 rods East of the Northeast corner of the West One-Half of the Southwest Quarter of said Section 28; thence Southeasterly to the point of beginning.

All Seller's interest in mineral and water rights are included and will transfer to Buyer at closing.

Subject to easements and rights of way of record

Buyer and Seller acknowledge that any reference to the number of acres contained in the legal description in this contract are estimates only and that the final number of acres contained the legal description as determined by any survey of the tract being sold will not result in the adjustment of the purchase price should the final number of acres be either more or less than estimates of acres provided in any advertising or by any other source.

Buyer accepts the real estate subject to all applicable zoning ordinances and other codes and regulations imposed by governmental authority; NOTE: Seller makes no warranty, either expressed or implied regarding the zoning classification of the property and Buyer acknowledges that Buyer takes the property subject to the current zoning classification and that any intended use of Buyer of the property not within said classification may require a change in zoning classification for the property and that is not a contingency of this sale.

Buyer hereby acknowledges that in order to remain eligible for programs and payments from the United States Department of Agriculture (USDA), Buyer must notify the United States Department of Agriculture (USDA) within 30 days of the date of the recording the deed, that Buyer has purchased the subject property. Buyer acknowledges that Buyer will be required to enter into a new contract with the USDA in order to enroll in the current farm program and to be eligible to receive payments under the farm program. Buyer hereby acknowledges that Seller shall have no liability to Buyer for any loss caused by Buyer not properly notifying the USDA and Seller

shall not be required to reimburse Buyer for any loss, due to the loss of eligibility under the current farm program, caused by Buyer not properly notifying the USDA nor any loss caused by Buyer not entering into a contract with the USDA regarding payments and eligibility under the current farm program.

TOGETHER WITH all improvements, fixtures and appurtenances located thereon and belonging thereto, upon the terms and conditions hereinafter specified.

Buyer agrees to purchase the described real property, and to pay to Seller the sum of _____ (\$ _____) in the manner following: **10% of said purchase price, being (\$ _____)**, on the signing of this contract, to be held in escrow with Charlson & Wilson Bonded Abstracters, Inc., Manhattan, Kansas, as earnest money to the date of closing and then applied to the purchase price; and the balance of said purchase price, to be paid on the date of closing, with closing to be on or before **December 23, 2020.**

Buyer acknowledges that the earnest money deposit is non-refundable.

Buyer acknowledges that they have completed all inspections of the property, prior to the signing this contract and as part of the consideration herein, Buyer accepts the subject real estate, to include all improvements, fixtures included in this sale, in "existing condition" without further requirement or warranty from Seller. Buyer acknowledges that they have made all desired inspections of the property and is aware of the condition of said property and has not relied upon any representations from Seller or Seller's agent(s) concerning the condition of the property. Seller neither offers nor extends any express or implied warranties with regard to the condition of the subject property. Buyer further acknowledges that the purchase price set forth herein was negotiated after consideration of all defects of which Buyer was aware or reasonably should have been aware.

The escrow agent reserves the right to require the balance of the purchase price to be provided by bank wire transfer to the escrow agent's financial institution at or prior to closing. Notwithstanding the definition of good funds in Kansas law, it is agreed by the parties hereto that funds to close must be fully settled and unconditionally credited to the account of the escrow agent at or prior to closing.

Buyer shall have possession of the subject property on the date of closing of this transaction at 5:00 P.M. **Buyer's possession of the property is subject to crop and pasture leases that terminate on January 1, 2021 and hunting lease that terminates on January 10, 2021.**

Seller shall at once execute to Buyer a good and sufficient Trustees' Deed conveying unto Buyer the realty described, in fee simple, free and clear of all liens and encumbrances, subject only to exceptions hereinbefore stated, which said Deed together with a copy of this agreement shall be deposited in escrow with Charlson and Wilson Bonded Abstracters, Inc., Manhattan, Kansas, until the closing of this agreement, when said Deed shall be delivered to the Buyer.

Seller shall furnish to Buyer prior to closing, the cost to be shared as stated herein, a commitment for a standard owner's policy of title insurance from Charlson and Wilson Bonded Abstracters, Inc., showing marketable title in the Seller, subject to the exceptions hereinbefore stated. Buyer shall make any objections relative to the marketability of the title in writing to Seller prior to closing; any objections not so furnished shall be deemed waived by Buyer. The owner's policy of title insurance shall be issued following the closing of this sale and shall insure Buyer against loss or damage

to the extent of the purchase price by reason of defects in Seller's title to said real estate, subject to exceptions hereinbefore stated and standard exceptions noted in Schedule B of said policy.

Seller shall have 30 days, to remedy any title defects, and if legal proceedings are necessary they shall be commenced promptly and prosecuted to completion. The date of closing of this sale shall be extended until title or other work necessary to render the title marketable shall be concluded. If the Seller is unable to furnish marketable title as provided, then this contract shall become null and void, and all monies paid by or on behalf of Buyer, if any, shall be returned to Buyer, and the escrow agent shall return the Deed to Seller, and all parties shall be released from further liability hereunder. Buyer shall not have a claim against Seller should the consummation of this contract be prevented because of the inability of the Seller to deliver marketable title. In case of dispute between the parties, the Title Standards adopted by the Kansas Bar Association and the Kansas Marketable Title Act shall control.

Seller shall pay in full all general real estate taxes levied against the subject property for 2020 at closing and the Buyer agrees to pay all 2021 real estate taxes. Neither Seller, the Seller's agent(s) nor the escrow agent shall be responsible for the payment of any increase in taxes resulting from reassessment, classification or increase in mill levy after the date of closing.

Buyer and Seller agree to **share equally** in the cost of document drafting and escrow/settlement services from Charlson and Wilson Bonded Abstracters, Inc. (\$400.00) and to share equally in the cost of the premium for an owner's policy of title insurance. Buyer agrees to pay all mortgage closing costs and fees, including the appraisal fee, credit report fee, the premium for the loan policy of title insurance and for recording the deed and mortgage, and for any inspection fees, but acknowledges that this contract is not contingent upon any of these items.

Seller or Buyer is in default under this contract if either fails to comply with any material covenant, agreement or obligation within any time limit required by this contract. Following a default by either Seller or Buyer under this contract, the other party shall have the following remedies, to wit:

- a. If the Seller defaults, Buyer may pursue any remedy and damages available at law or in equity, including an action for specific performance;
- b. If Buyer defaults, Seller may terminate this contract by written notice to Buyer and, at Seller's option, (i) either retain the earnest money, if any, as liquidated damages and not as penalty, as the Seller's sole remedy, or (ii) pursue any other remedy and damages available at law or in equity, or Seller may elect to treat this contract as being in full force and effect and Seller shall have the right to an action for specific performance or damages or both.

Seller shall bear all risk of loss or damage to the property to date of closing.

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. Seller 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 Seller, Buyer or the real estate firm/firms on behalf of either.

Buyer 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. Buyer 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, 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.

Buyer shall not sell, assign or transfer this contract or any interest under it, or any interest in or to said property prior to the date of closing of this sale, without first obtaining the written consent of Seller. Except that either party may assign their interest for the sole purpose of a 1031 exchange as stated below.

Section 1031 Exchange: 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. In the event either party chooses to effectuate such exchange or trade, the other party shall cooperate fully in executing such documents as may be reasonably necessary to consummate such exchange or trade, including real estate contracts. Provided, however, that the cooperating party shall incur no 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 date is not delayed.**

Charlson and Wilson Bonded Abstracters, Inc., Manhattan, Kansas, is appointed as escrow agent for this sale and shall have the authority to do whatever is necessary to aid in the handling of this escrow. In accepting any funds or documents delivered hereunder, it is agreed and understood that, in the event of disagreement between the parties to this contract, the escrow agent will and reserves the right to hold all money and documents concerning this escrow until all the parties agree or until delivery is legally authorized by final judgment or decree from a court of competent jurisdiction. The escrow agent may bring an appropriate action or proceeding for leave to deposit said money and/or documents in court pending such determination and shall have the right to employ attorneys for the reasonable protection of the escrow property and of itself and shall have the right to reimburse itself out of any funds in its possession for costs, expenses, attorney fees and its compensation, and shall have a lien on all money and documents held in escrow to cover same. Furthermore, the parties hereby agree that the escrow agent may retain any interest earned on escrowed funds and that if this contract is canceled by the parties or if the earnest money is to be forfeited or refunded, the amount to be distributed shall first be reduced by any unpaid charges for credit reports, appraisals, surveys, termite, mechanical and other inspections, and title investigation fees, if any, incurred by the escrow agent on behalf of the party receiving the funds.

DISCLOSURE: Pursuant to applicable state law, Midwest Land and Home, notifies the undersigned Buyer in writing as part of this contract as follows:

The licensee(s) is or will be acting as agent of the Seller with the duty to represent the Seller's interest, the licensee(s) will **not** be acting as the agent of the undersigned Buyer, and all information given to licensee(s) will be disclosed to Seller;

DISCLOSURE OF ALTERNATIVE AGENCY RELATIONSHIPS: By signing this Contract, Seller and Buyer acknowledge that the agency relationships described herein were disclosed to each of them and/or their respective agents pursuant to applicable state law prior to execution of this agreement. Seller and Buyer also acknowledge that the Real Estate Brokerage Relationships brochure is not

required to be provided to them, pursuant to K.S.A. 58-30,110(a)(3)(D), when the property is sold at public auction.

Seller directs Charlson & Wilson Bonded Abstracters, Inc., to pay Midwest Land and Home a commission based on the purchase price set forth herein for arranging this sale, pursuant to the listing agreement between Seller and Midwest Land and Home, said commission to be paid from the escrow proceeds at date of closing of this transaction.

This document may be executed by facsimile or electronic signature by any party and such signature will be binding without delivery of an original signature being required. This agreement may be executed in several counterparts, each of which will be considered an original, and all of which together shall constitute one agreement.

This contract constitutes the complete agreement of the parties concerning the subject real estate, shall supersede all previous agreements, whether oral or written, and may be modified only by a subsequent written agreement signed by all parties hereto.

The parties hereby acknowledge that Todd A. Sheppard is an attorney licensed in the State of Kansas, is employed by Charlson & Wilson Bonded Abstracters, Inc., and that he drafted this contract at the request of the parties hereto, according to their instructions. Furthermore, each party acknowledges that he/she has had the opportunity to employ his/her own independent attorney and/or tax advisor in regard to this contract. The parties acknowledge an awareness of the fact that neither Todd A. Sheppard nor Charlson & Wilson Bonded Abstracters, Inc., represents the parties as an attorney in this transaction and, in the event of a dispute, the parties may need to retain independent counsel.

Time is of the essence of this agreement, and further, that all covenants and agreements herein contained shall extend to and be binding upon the respective heirs, executors, administrators, successors and assigns of said parties.

Seller:

Schultes Family Trust dated October 10, 2000

By: Janet E. Robbins, Trustee

Date

By: Michael L. Robbins, Trustee

Date

Buyer:

Date

Date

Buyer Current Address:

_____.

Phone Number: _____.

E-mail address: _____.