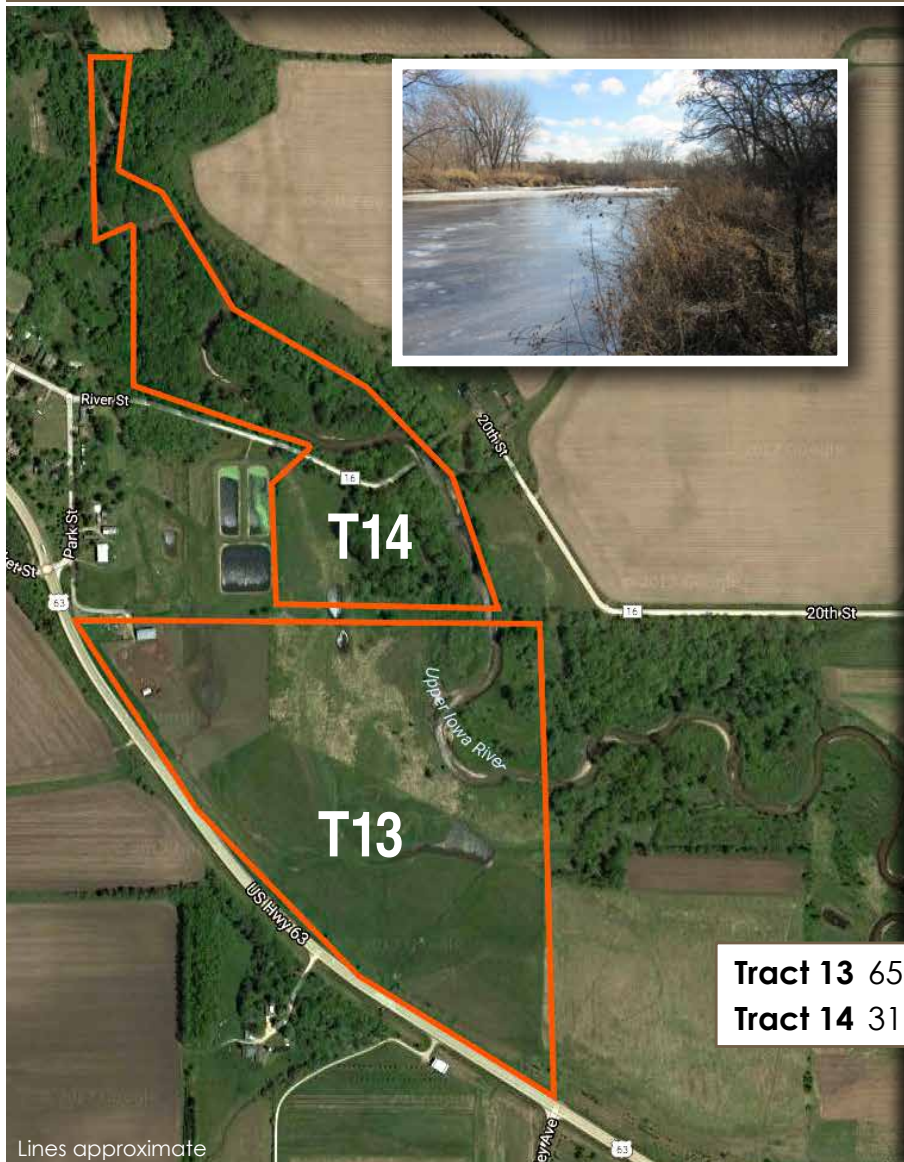




buyer's PROSPECTUS

Thursday, January 25 @ 10AM ²⁰¹⁸



96
± acres
offered in
2 tracts

Howard County, IA
Chester Township

Auction Location
Riverview Green Golf Course
1800 Club House Drive NE, Stewartville, MN 55976

Tract 13 65 Acres
Tract 14 31.41 Acres

Tracts 1-5 in
Fillmore County, MN

Tracts 6-12 in
Mower County, MN

**Tract 13 & 14 in
Howard County, IA**

Multi-Tract Land Auction

Court Ordered Bankruptcy Auction

Contact **320.693.9371**
Randy Kath 701.429.8894
or Shelly Weinzetl 763.300.5055

24400 MN Hwy 22 South, Litchfield, MN 55355
2245 Bluegrass Road, Mt. Pleasant, IA 52641
Tim Meyer IA-B36355000
SteffesGroup.com
TERMS: 10% down upon signing purchase agreement with
balance due at closing in 45 days. This is a 5% buyer's
premium auction.

The Terms and Conditions of Sale are set forth upon this page in this Buyer's Prospectus and the Earnest Money Receipt and Purchase Agreement (the "Purchase Agreement"). The information set forth is believed to be accurate. However, the owner of the properties and Steffes Group make no warranties or guaranties expressed or implied. Information contained in this document was collected from sources deemed to be reliable and is true and correct to the best of the writer's knowledge. Auctioneers and owners will not be held responsible for advertising discrepancies or inaccuracies.

All ANNOUNCEMENTS ON AUCTION DAY TAKE PRECEDENCE OVER PREVIOUSLY ADVERTISED INFORMATION.

Prospective buyers are advised to consult with an attorney of their choice with respect to the purchase of any real property including but not limited to, seeking legal advice from their own attorney regarding disclosures and disclaimers set forth below.



TERMS & CONDITIONS

- All capitalized terms not defined herein shall have the meaning ascribed to them in the Purchase Agreement.
- Auction staff will be at the sale site approximately one hour prior to sale time.
- The successful bidder will be required to sign a Purchase Agreement at the close of the real estate auction.
- A total non-refundable deposit of **10%** of the Purchase Price (as defined in the Purchase Agreement) will be required. Those funds will be placed in the Steffes Group Auction Trust Account as good faith money until closing. The good faith money is fully earned by the Seller and non-refundable under all circumstances other than: (i) Seller's failure or refusal to tender to the successful bidder a Bankruptcy Local Form 6004-1(f) conveying the property to Buyer by which title in accordance with the terms and conditions of the Purchase Agreement could be conveyed to the successful bidder; (ii) failure of the Bankruptcy Court to approve the sale to the of the property to the Buyer; or (iii) the Debtor (as defined in the Purchase Agreement) has properly and timely exercised the ROFR (as defined below) with respect to the property.
- Purchasers who are unable to close, other than as a result of the Debtor's proper and timely exercise of the ROFR rights with respect to the property, will be in default and the deposit money will be forfeited.
- Balance of the purchase price must be paid in full in cash by certified or other immediately available funds at Closing (as defined in the Purchase Agreement).
- Within fifteen (15) business days of the auction date, the Seller shall cause a commitment for an A.L.T.A. owner's policy of title insurance to be issued at Closing (as defined in the Purchase Agreement), or as soon as possible thereafter, in the amount of the total Purchase Price, which commitment shall be issued by Old Republic National Title Insurance Company ("Title"), with an effective date no earlier than the date of auction date, wherein Title shall agree to insure the title in the condition required by these Terms and Conditions and the Purchase Agreement (the "Title Commitment") to be delivered to the Buyer. Together with the Title Commitment, Title shall deliver to the Buyer copies of all documents recorded in the chain of title which are disclosed by Title as exceptions to title. The Seller shall pay the cost of the Title Commitment, and Buyer shall pay the costs of issuance of any owner's or lender's title insurance policies.
- Seller will convey property by Bankruptcy Local Form 6004-1(f).
- Taxes and installments of special assessments payable in 2017, and all prior years will be paid by Seller. Any taxes and installments of special assessments payable in any year subsequent to 2017, to be paid by Buyer. Real Estate Taxes are subject to reassessment under new owner.
- Closing Agent Fee will be shared equally between Buyer and Seller.
- **Please note the bidding will not close and property will not be sold until everyone**

has had the opportunity to make his or her highest and best bid.

- The auction sale is for registered bidders and their guests. All bidding is open to the public and the property is offered for sale to qualified purchasers without regard to sex, race, color, religion, natural origin, or handicap.

THIS IS A 5% BUYER'S PREMIUM AUCTION. FIVE PERCENT WILL BE ADDED TO THE FINAL BID TO ARRIVE AT THE CONTRACT SALE PRICE.

THE PROPERTY WILL BE SOLD "AS-IS", "WITH ALL FAULTS", WITH NO WARRANTIES EXPRESSED OR IMPLIED.

The Property being purchased and sold "AS-IS," "WITH ALL FAULTS," and without any representations or warranties of any kind by the Seller, express or implied, and all such representations and warranties are expressly hereby disclaimed by Seller and hereby waived by the Buyer. The Buyer is purchasing the property based upon his/her/its own investigation and inquiry and is not relying on any representation of Seller or other person, and Buyer agrees to accepted the property, including the property's extent, condition and completeness, and shall have no claim against Seller or the Debtor's bankruptcy estate on account of any of the foregoing.

THE PROPERTY WILL BE SOLD FREE AND CLEAR OF ALL LIENS, ENCUMBRANCES, AND OTHER INTERESTS, BUT SUBJECT TO THE RIGHT OF FIRST REFUSAL.

The property will be sold free and clear of all liens, encumbrances, and other interests, but subject to easements of record and the Debtor's right of first refusal (the "ROFR") provided in that certain Memorandum of Understanding approved by the bankruptcy court on March 20, 2017 [Doc. No. 392]. In order to exercise the ROFR on any property, on or before fifteen (15) days following the filing of the auction report the Debtor shall (a) provide written notice to the Seller of his intention to exercise the ROFR on the specific property and (b) remit to the Seller a nonrefundable deposit of ten percent (10%) of the amount of the successful bid for the specific property in certified funds.

THE PROPERTY WILL BE SOLD SUBJECT TO BANKRUPTCY COURT APPROVAL.

Within five (5) business days following the expiration of the ROFR, the Seller shall file a motion with the bankruptcy court on an expedited basis seeking one or more orders of the court approving the sale of each property to the successful bidder for that property or, if the Debtor has properly and timely exercised the ROFR for a specific property, to the Debtor for that specific property, and authorizing the Seller to close all such sales (collectively, the "Sale Approval Orders").

PROPERTY SOLD WITHOUT WARRANTY

All dimensions and descriptions are approximations only based upon the best information available and are subject to possible variation. Sketches may not be drawn to scale and photographs may not depict the current condition of the property. Bidders should inspect the property and review all the pertinent documents and information available, as each bidder is responsible for evaluation of the property and shall not rely upon the

Seller, Broker or Auctioneer, their Employees or Agents. The property will be sold "AS-IS", "WITH ALL FAULTS", and without any warranties or representations, express or implied.

SUCCESSFUL BIDDER

The successful bidder of the property shall be determined by competitive bidding. Should any dispute arise between bidders, the auctioneer shall have the right to make the final decision to either determine the successful bidder or to re-offer the property that is in dispute. The auction will be recorded and the auctioneer's records shall be conclusive in all respects.

CLOSING

The successful bidder will be required, at the close of the auction, to complete the Purchase Agreement. A sample Purchase Agreement is included in this Prospectus. The balance of the Purchase Price is due in cash by certified or other immediately available funds at Closing (as defined in the Purchase Agreement). Closing will take place through Old Republic Title Insurance Company ("Old Republic") at a location which is operated by or affiliated with Old Republic and which is mutually agreeable to both Buyer and Seller.

SELLER'S PERFORMANCE

The Seller has agreed to the terms of the sale as published. However, the Broker and Auctioneer make no warranties or guaranties as to the Seller's performance.

AGENCY DISCLOSURE

Steffes Group, Inc. is representing the Seller.

POSSESSION

Possession will be at Closing (as defined in the Purchase Agreement) unless otherwise agreed to in writing and agreeable by Buyer and Seller.

ENVIRONMENTAL DISCLAIMER

The Seller, Broker and Auctioneers do not warrant with respect to the existence or nonexistence of any pollutants, contaminants or hazardous waste prohibited by federal, state or local law. Buyer is responsible for inspection of the property prior to purchase for conditions including but not limited to water quality, and environmental conditions that may affect the usability or value of the property. No warranties are made as to the existence or nonexistence of water wells on the property, or the condition of any wells.

SELLER DISCLAIMER OF ALL REPRESENTATIONS AND WARRANTIES

The Seller makes no representations or warranties whatsoever regarding the property. By submitting a bid in this auction, Buyer acknowledges and agrees as follows: (i) the Seller is the court appointed chapter 11 trustee of the bankruptcy estate of Tracy J. Clement, In re Tracy J. Clement, United States Bankruptcy Court for the District of Minnesota, Bankruptcy Case No. 16-31189; (ii) the Seller has never been in possession of or occupied any of the property subject to this auction, and does not have any particular knowledge with respect to any property subject to this auction or its extent, condition or completeness; and (iii) the Seller has no knowledge of the extent and ownership of the furniture, fixtures, equipment and other personal property

located on any of the property subject to this auction, and the Seller, therefore, makes no representations, warranties or covenants of any kind, nature, or extent with regard to the furniture, fixtures, equipment and other personal property. The property subject to this auction being purchased and sold in accordance with these Terms and Conditions and the Purchase Agreement is being purchased and sold "AS-IS," "WITH ALL FAULTS," and without any representations or warranties of any kind by Seller, express or implied, and all such representations and warranties are expressly hereby disclaimed by Trustee and hereby waived by Buyer. The Buyer is purchasing the property based upon his/her/its own investigation and inquiry and is not relying on any representation of Seller or other person, and Buyer has agreed to accepted the property, including the property's extent, condition and completeness, and shall have no claim against Seller or the Debtor's bankruptcy estate on account of any of the foregoing. The Seller hereby disclaims all warranties, express or implied, contractual, statutory or otherwise, and the Buyer hereby waives all such warranties and claims of warranty.

EASEMENTS AND SURVEY

The property to be sold is subject to any restrictive covenants or easements of record and any results that an accurate survey may show.

BIDDING PROCEDURE

As a buyer you have two objectives to accomplish:

1. Purchasing the property.
2. Purchasing the property at a price you can afford.

How is this accomplished?

1. Estimate comparative value
2. Experienced buyers always decide what to pay before the bidding begins.
3. Inspect the property carefully.
4. Compare with other properties available in the area.
5. Check the selling price of previously sold properties.
6. Discuss your buying plans with a lender. Have your financing arrangements made in advance.
7. **This sale is not subject to financing.**

AVOID OVER OR UNDER BIDDING

- Always bid on a property toward a price.
- Establish that price before the bidding begins. By doing this you will avoid getting caught up in the auction excitement and pay a price that is too high for the market or one that you cannot afford. It will also make you confident to bid to your established fair market value. Many bidders who do not plan ahead end up with regrets after the auction because they were too nervous or uncertain about their judgment to bid.

THE BIDDING STRATEGY

- Research and know the value of the property.
- Have your financing arranged before the auction.
- Establish your highest and best bid **before** the bidding begins.
- Make your bids promptly to force other bidders up or out without delay.

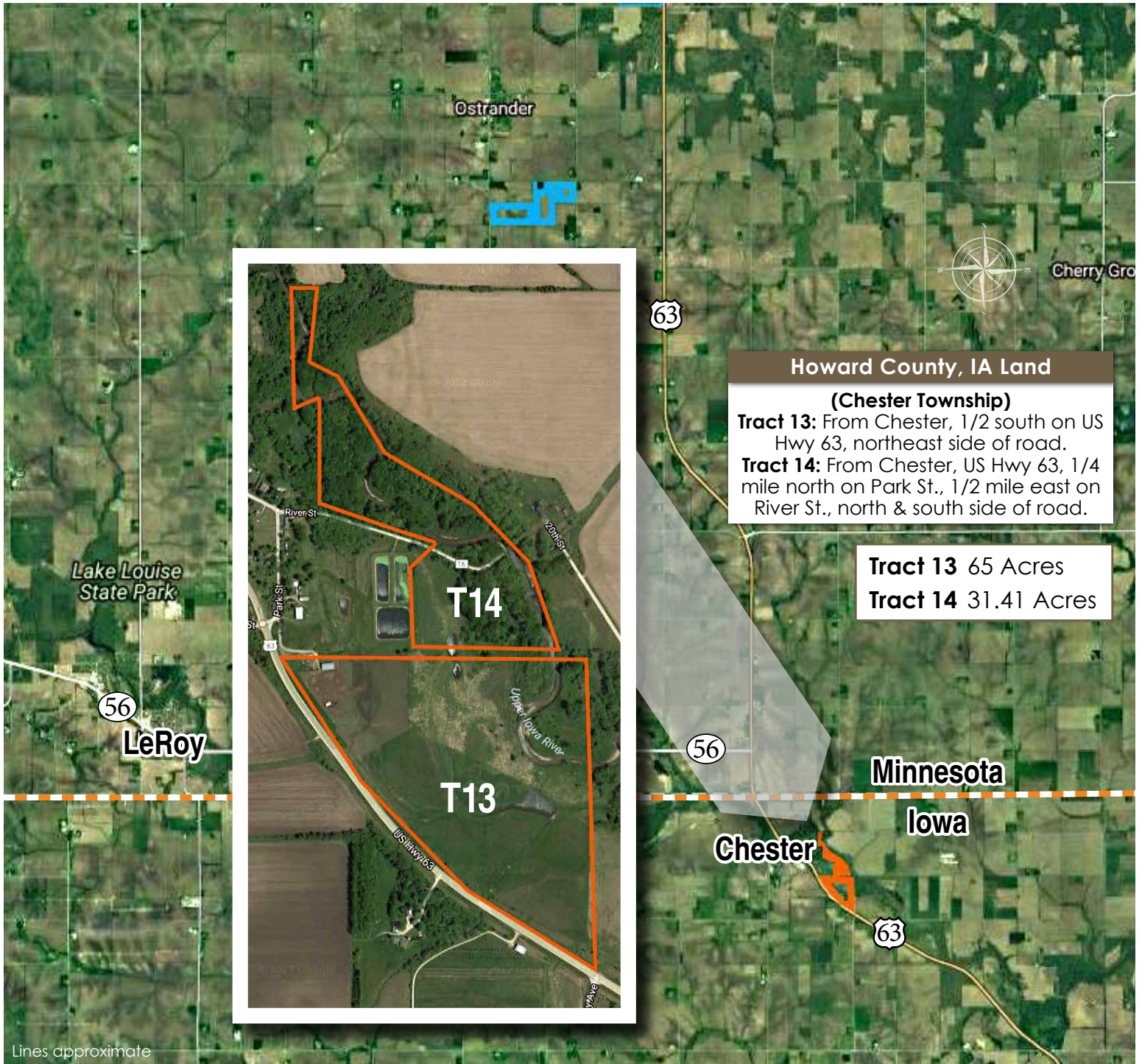
Selling Choice Privilege

Tracts #13-14 will be sold so much an acre X the multiplier (acres) for each tract and will be sold Choice with the Privilege, whereas the high bidder may take any or all tracts or any combination of tracts, in any order, for their high bid. This will continue until all tracts are sold.

The bidding will continue at the auctioneer's discretion and only one break will be taken unless another break is requested by interested parties or if the auctioneer deems necessary.

Sample Multi-Tract Bidding Grid. This is an AUCTION! To the Highest Bidder.

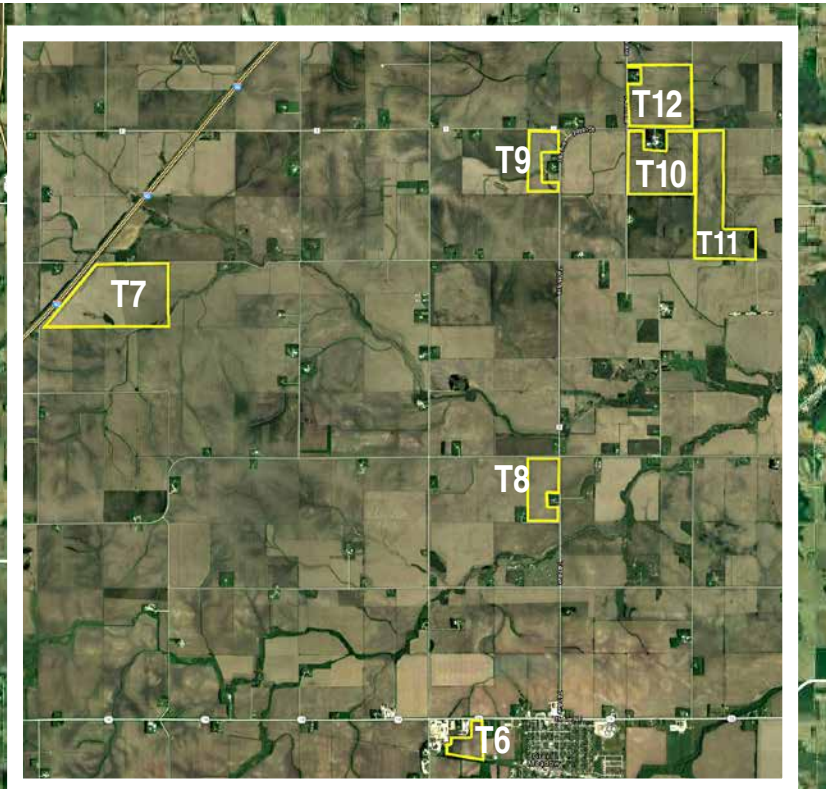
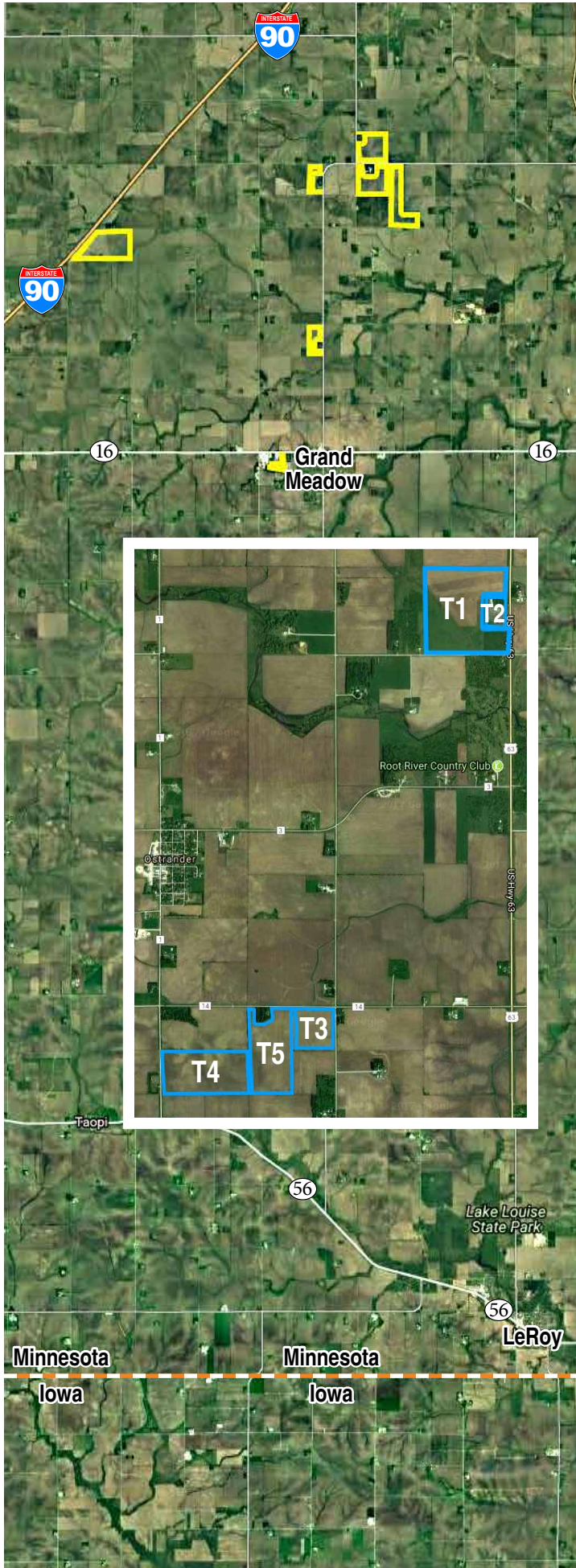
	Acres		High Bidder Price	Purchase Price
Tract #13	Multiplier	X	TBD	TBD
Tract #14	Multiplier	X	TBD	TBD



Aerial Map of All Tracts

Lines approximate

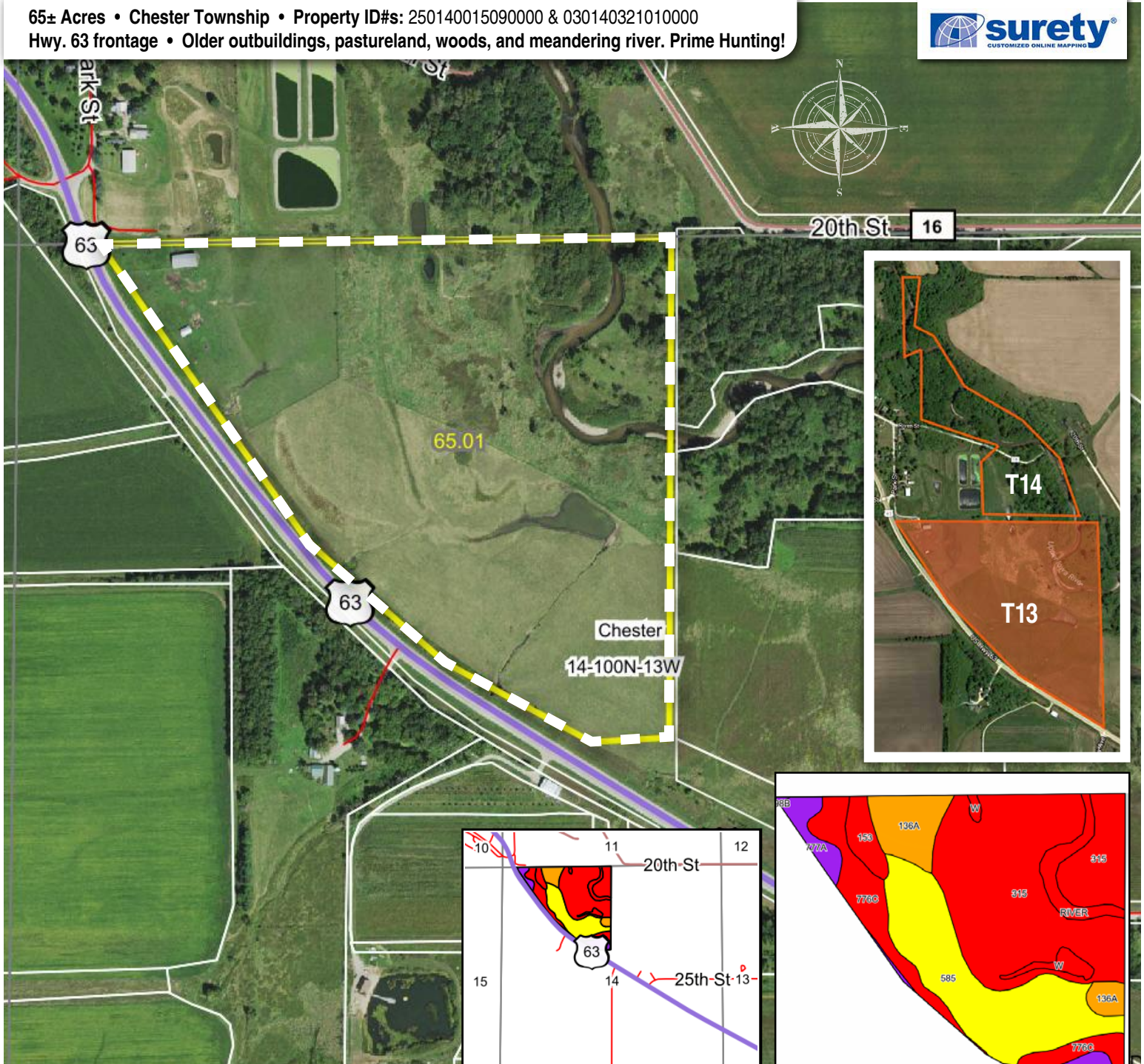
Fillmore & Mower Counties, MN & Howard County, IA



Tract 13 Lines approximate

Howard County, IA

65± Acres • Chester Township • Property ID#s: 250140015090000 & 030140321010000
 Hwy. 63 frontage • Older outbuildings, pastureland, woods, and meandering river. Prime Hunting!



Area Symbol: IA089, Soil Area Version: 25

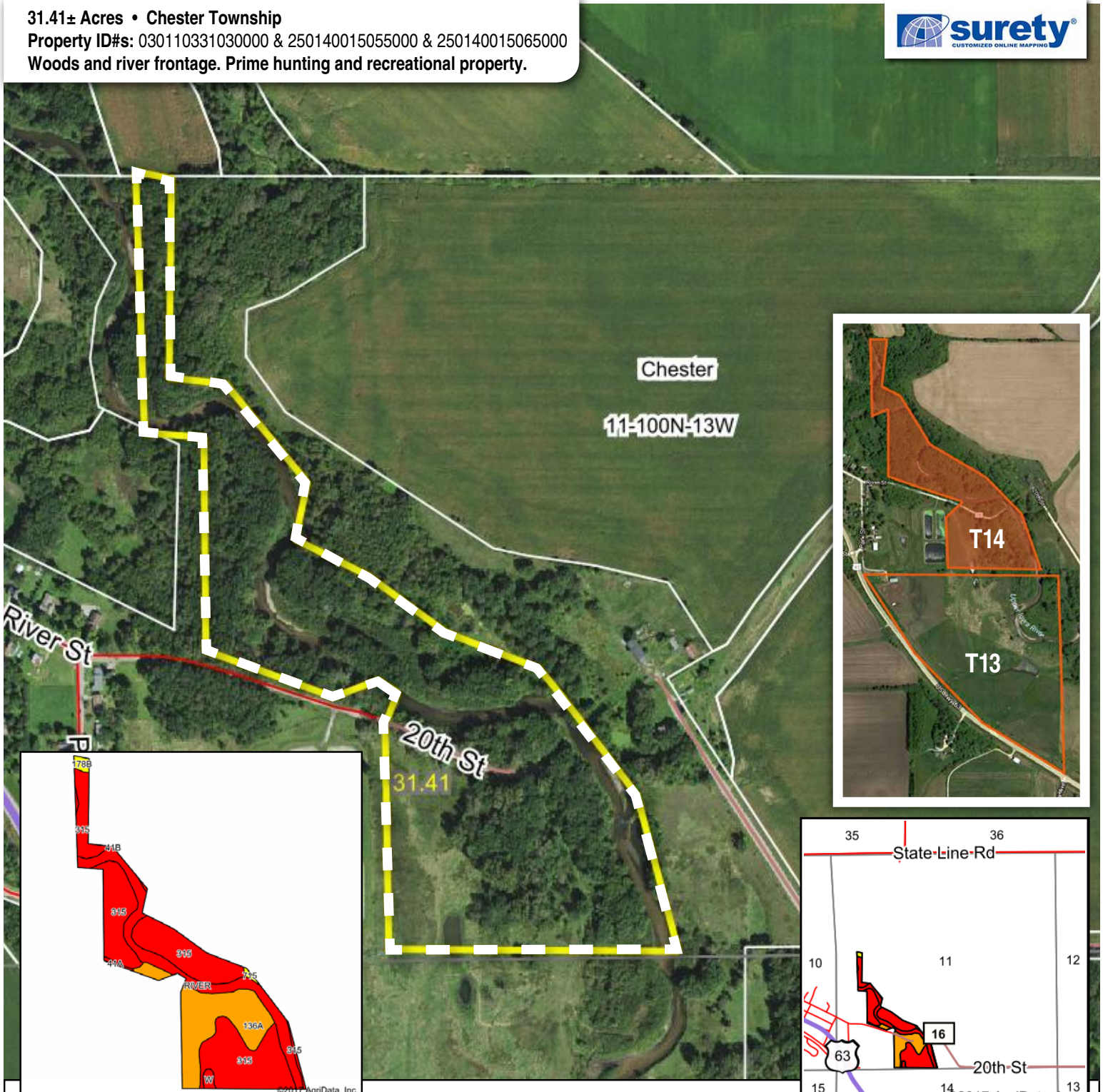
Code	Soil Description	Acres	Percent of field	CSR2 Legend	Non-Irr Class *c	CSR2**	CSR
315	Colo-Alluvial land complex, channeled	27.04	41.6%		Vw	24	5
585	Spillville-Colo complex	15.61	24.0%		Ilw	70	85
776C	Lilah sandy loam, 3 to 9 percent slopes	7.08	10.9%		IVe	5	15
136A	Ankeny sandy loam, 0 to 2 percent slopes	5.04	7.8%		IIIs	77	70
777A	Wapsie loam, 0 to 2 percent slopes	4.95	7.6%		IIIs	55	58
RIVER	Water, rivers and streams	2.25	3.5%			0	
153	Marshan clay loam, depressional	1.86	2.9%		IIIw	28	65
W	Water	1.18	1.8%			0	0
Weighted Average						38.3	*-

** IA has updated the CSR values for each county to CSR2. *- CSR weighted average cannot be calculated on the current soils data, use prior data version for csr values. *c: Using Capabilities Class Dominant Condition Aggregation Method. Soils data provided by USDA and NRCS.

Tract 14 Lines approximate

Howard County, IA

31.41± Acres • Chester Township
 Property ID#s: 030110331030000 & 250140015055000 & 250140015065000
 Woods and river frontage. Prime hunting and recreational property.



Area Symbol: IA089, Soil Area Version: 25

Code	Soil Description	Acres	Percent of field	CSR2 Legend	Non-Irr Class *c	Irr Class *c	CSR2**	CSR
315	Colo-Alluvial land complex, channeled	17.70	56.4%		Vw		24	5
136A	Ankeny sandy loam, 0 to 2 percent slopes	7.46	23.8%		Ils		77	70
RIVER	Water, rivers and streams	5.41	17.2%				0	
178B	Waukee loam, 2 to 5 percent slopes	0.30	1.0%		Ils		64	74
W	Water	0.29	0.9%				0	0
41A	Sparta loamy fine sand, 0 to 2 percent slopes	0.13	0.4%		IVs	Ile	43	45
715	Colo-Alluvial land complex	0.12	0.4%		Vw		68	20
Weighted Average							32.9	*-

** IA has updated the CSR values for each county to CSR2. *- CSR weighted average cannot be calculated on the current soils data, use prior data version for csr values. *c: Using Capabilities Class Dominant Condition Aggregation Method. Soils data provided by USDA and NRCS.

Warren J Steffen
Howard County Treasurer
137 North Elm
Cresco, Ia 52136
wsteffen@co.howard.ia.us

Receipt#
10377
250140015090000

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Howard County Treasurer
137 North Elm
Cresco, Ia 52136
wsteffen@co.howard.ia.us

Receipt#
10377
250140015090000

TOTAL TAX DUE: or Sept 30, 2017 Delq
\$210.00 \$105.00
 DED 009923009 Delinquent Oct 1, 2017

TAX DUE: March 31, 2018 Delq
\$105.00
 DED 009923009 Delinquent Apr 1, 2018

CLEMENT, TRACY J
12515 COUNTY ROAD 3
SPRING VALLEY MN 55975

CLEMENT, TRACY J
12515 COUNTY ROAD 3
SPRING VALLEY MN 55975

250 CHESTER CORP HOWARD-WINN AG

250 CHESTER CORP HOWARD-WINN AG

Howard County Tax Bill for 2017-2018. Payments can be paid on the web at www.iowatreasurers.org. If you have any questions, please call 563-547-9211. Please return stub 1 with first half payment and stub 2 with second half payment.

Based on January 1, 2016 Valuations. Taxes for July 1, 2016 thru June 30, 2017. Payable September 2017 and March 2018.

Parcel 250140015090000

Location:

Gross Acres 14.66
Exempt Acres .00
Net Acres 14.66

250 CHESTER CORP HOWARD-WINN AG

Sect 014Twn 100 Rng 013

LEGAL Description THAT PORTION OF LOT 1 NW IN CORP

VALUATIONS AND TAXES THIS YEAR		LAST YEAR		TAXES DUE	Delinquent Tax, Specials, Drainage, Tax Sale
Agr	Assessed	Taxable	Assessed	Taxable	
AG					131.00 1516-2
Land:	18,700	8,882	18,700	8,622	
Buildings:					
Dwelling:					
TOTAL VALUE:	\$18,700	\$8,882	\$18,700	\$8,622	
Less Military Exemption:					
NET TAXABLE VALUE:		\$8,882		\$8,622	
Value Times Levy per 1000 of:	24.5682100		24.8028900		009923009 000000000 000000000
EQUALS GROSS TAX OF:		218.21		213.85	Clement, Tracy J
Less Credits of:					
Homestead Credit					12515 County Road 3
Ag Land Credit		9.11-		11.11-	Spring Valley MN 55975
Family Farm Credit					
Business Prop Tax Credit Fund					
Low Income/Elderly Credit					
Prepaid Tax					
NET ANNUAL TAXES:		\$210.00		\$202.00	

House Tax: City EMS \$ 551.00 County EMS \$ 19,161.00

Taxing Authority:	Distribution of your current & prior year taxes			Total property taxes levied by taxing authority		
	%Total	Current	Prior	Current	Prior	Percent +/-
HOWARD-WINNEISHI	49.976	104.95	99.71	6,429,442.00	6,213,230.00	3.640
COUNTY FUNDS	24.967	52.43	53.42	3,634,911.00	3,656,929.00	.602-
CHESTER	12.224	25.67	24.46	1,724.00	1,673.00	3.048
NICC	4.476	9.40	7.64	12,211,543.00	10,091,823.00	21.004
HOSPITAL	4.395	9.23	8.80	636,970.00	598,731.00	6.386
ASSESSOR	2.748	5.77	5.50	398,106.00	374,207.00	6.386
AG EXTENSION	1.200	2.52	2.44	174,205.00	166,159.00	4.842
BANGS T.B.	.014	.03	.03	479,738.00	490,539.00	2.201-



Warren J Steffen
Howard County Treasurer
137 North Elm
Cresco, Ia 52136
wsteffen@co.howard.ia.us

Receipt#
01350

030140321010000

Warren J Steffen
Howard County Treasurer
137 North Elm
Cresco, Ia 52136
wsteffen@co.howard.ia.us

Receipt#
01350

030140321010000

TOTAL TAX DUE: **\$580.00** or **Sept 30, 2017** Delq
 DED 009923009 **\$290.00** Delinquent Oct 1, 2017

TAX DUE: **March 31, 2018** Delq
 DED 009923009 **\$290.00** Delinquent Apr 1, 2018

CLEMENT, TRACY J
12515 COUNTY ROAD 3
SPRING VALLEY MN 55975

CLEMENT, TRACY J
12515 COUNTY ROAD 3
SPRING VALLEY MN 55975

030 CHESTER TWP HOWARD-WINN

030 CHESTER TWP HOWARD-WINN

Howard County Tax Bill for 2017-2018. Payments can be paid on the web at www.iowatreasurers.org. If you have any questions, please call 563-547-9211. Please return stub 1 with first half payment and stub 2 with second half payment.

Based on January 1, 2016 Valuations. Taxes for July 1, 2016 thru June 30, 2017. Payable September 2017 and March 2018.

Parcel 030140321010000

Location:

Gross Acres 54.36
 Exempt Acres 4.01
 Net Acres 50.35

030 CHESTER TWP-HOWARD-WINN

Sect 014 Twn 100 Rng 013

LEGAL Description LOT 1 NW EX THAT PORTION IN CORP

VALUATIONS AND TAXES THIS YEAR		LAST YEAR		TAXES DUE	Delinquent Tax, Specials, Drainage, Tax Sale
Agr/AG	Assessed	Taxable	Assessed	Taxable	
Land:	48,840	23,199	48,840	22,519	247.00 1516-2
Buildings:					
Dwelling:					
TOTAL VALUE:	\$48,840	\$23,199	\$48,840	\$22,519	
Less Military Exemption:					
NET TAXABLE VALUE:		\$23,199		\$22,519	
Value Times Levy per 1000 of:	25.9973900		26.2287700		009923009 000000000 000000000
EQUALS GROSS TAX OF:		603.11		590.65	Clement, Tracy J
Less Credits of:					
Homestead Credit					12515 County Road 3
Ag Land Credit		23.80-		19.84-	Spring Valley MN 55975
Family Farm Credit					
Business Prop Tax Credit Fund					
Low Income/Elderly Credit					
Prepaid Tax					
NET ANNUAL TAXES:		\$580.00		\$570.00	

House Tax:

County EMS \$ 19,161.00

Taxing Authority:	Distribution of your current & prior year taxes			Total property taxes levied by taxing authority		
	%Total	Current	Prior	Current	Prior	Percent +/-
HOWARD-WINNEISHI	47.230	273.93	266.07	6,439,442.00	6,213,230.00	3.640
COUNTY FUNDS	38.207	221.60	225.15	5,304,379.00	5,204,484.00	1.919
NICC	4.231	24.54	20.38	12,211,543.00	10,091,823.00	21.004
HOSPITAL	4.153	24.09	23.47	636,970.00	598,731.00	6.386
ASSESSOR	2.597	15.06	14.67	398,106.00	374,207.00	6.386
CHESTER	2.434	14.12	13.68	13,231.00	12,807.00	3.310
AG EXTENSION	1.136	6.59	6.51	174,205.00	166,159.00	4.842
BANGS/T.B.	.012	.07	.07	479,738.00	490,539.00	2.201-



Warren J Steffen
Howard County Treasurer
137 North Elm
Cresco, Ia 52136
wsteffen@co.howard.ia.us

Receipt#
01349

030110331030000

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Howard County Treasurer
137 North Elm
Cresco, Ia 52136
wsteffen@co.howard.ia.us

Receipt#
01349

030110331030000

TOTAL TAX DUE: or **Sept 30, 2017** Delq
\$216.00 **\$108.00**
 DED 009923009 Delinquent Oct 1, 2017

TAX DUE: **March 31, 2018** Delq
\$108.00
 DED 009923009 Delinquent Apr 1, 2018

CLEMENT, TRACY J
12515 COUNTY ROAD 3
SPRING VALLEY MN 55975

CLEMENT, TRACY J
12515 COUNTY ROAD 3
SPRING VALLEY MN 55975

030 CHESTER TWP HOWARD-WINN

030 CHESTER TWP HOWARD-WINN

Howard County Tax Bill for 2017-2018. Payments can be paid on the web at www.iowatreasurers.org. If you have any questions, please call 563-547-9211. Please return stub 1 with first half payment and stub 2 with second half payment.

Based on January 1, 2016 Valuations. Taxes for July 1, 2016 thru June 30, 2017. Payable September 2017 and March 2018.

Parcel 030110331030000 Location:

030 CHESTER TWP HOWARD-WINN

Sect 011 Twn 100 Rng 013
Gross Acres 20.02
Exempt Acres 1.30
Net Acres 18.72

LEGAL Description LOT B E 1/2 SW

VALUATIONS AND TAXES THIS YEAR		LAST YEAR		TAXES DUE	Delinquent Tax, Specials, Drainage, Tax Sale
Ag AG	Assessed	Taxable	Assessed	Taxable	
Land:	18,210	8,650	18,210	8,396	92.00 1516-2
Buildings:					
Dwelling:					
TOTAL VALUE:	\$18,210	\$8,650	\$18,210	\$8,396	
Less Military Exemption:					
NET TAXABLE VALUE:		\$8,650		\$8,396	
Value Times Levy per 1000 of:	25.9973900		26.2287700		009923009 000000000 000000000
EQUALS GROSS TAX OF:		224.88		220.22	Clement, Tracy J
Less Credits of:					
Homestead Credit					12515 County Road 3
Ag Land Credit		8.87-		7.42-	Spring Valley MN 55975
Family Farm Credit					
Business Prop Tax Credit Fund					
Low Income/Elderly Credit					
Prepaid Tax					
NET ANNUAL TAXES:		\$216.00		\$212.00	

Taxing Authority:	Distribution of your current & prior year taxes			Total property taxes levied by taxing authority		
	%Total	Current	Prior	Current	Prior	Percent +/-
HOWARD-WINNEISHI	47.228	102.01	98.96	6,439,442.00	6,213,230.00	3.640
COUNTY FUNDS	38.208	82.53	83.73	5,304,379.00	5,204,484.00	1.919
NCCC	4.231	9.14	7.58	12,211,543.00	10,091,823.00	21.004
HOSPITAL	4.153	8.97	8.73	636,976.00	598,731.00	6.386
ASSESSOR	2.597	5.61	5.46	398,106.00	374,207.00	6.386
CHESTER	2.435	5.26	5.09	13,231.00	12,807.00	3.310
AG EXTENSION	1.134	2.45	2.42	174,205.00	166,159.00	4.842
RANGS TB	.014	.03	.03	479,738.00	490,539.00	2.201-



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wsteffen@co.howard,ia.us

Receipt#
10376

250140015065000

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137 North Elm
Cresco, Ia 52136
wsteffen@co.howard,ia.us

Receipt#
10376

250140015065000

TOTAL TAX DUE: or **Sept 30, 2017** Delq
\$54.00 \$27.00
 DED 009923009 Delinquent Oct 1, 2017

TAX DUE: **March 31, 2018** Delq
\$27.00
 DED 009923009 Delinquent Apr 1, 2018

CLEMENT, TRACY J
12515 COUNTY ROAD 3
SPRING VALLEY MN 55975

CLEMENT, TRACY J
12515 COUNTY ROAD 3
SPRING VALLEY MN 55975

250 CHESTER CORP HOWARD-WINN AG 250 CHESTER CORP HOWARD-WINN AG

Howard County Tax Bill for 2017-2018. Payments can be paid on the web at www.iowatreasurers.org. If you have any questions, please call 563-547-9211. Please return stub 1 with first half payment and stub 2 with second half payment. Based on January 1, 2016 Valuations. Taxes for July 1, 2016 thru June 30, 2017. Payable September 2017 and March 2018.

Parcel 250140015065000 Location:

250 CHESTER CORP HOWARD-WINN AG

Sect 011Twn 100 Rng 013 Exempt Acres .00
Gross Acres 8.39
Net Acres 8.39

LEGAL Description LOT B IN LOT 9 W 1/2 SW

VALUATIONS AND TAXES THIS YEAR		LAST YEAR		TAXES DUE	Delinquent Tax, Specials, Drainage, Tax Sale
Ag/AG	Assessed	Taxable	Assessed	Taxable	
Land:	4,650	2,209	4,650	2,144	17.00 1516-2
Buildings:					
Dwelling:					
TOTAL VALUE:	\$4,650	\$2,209	\$4,650	\$2,144	
Less Military Exemption:					
NET TAXABLE VALUE:		\$2,209		\$2,144	
Value Times Levy per 1000 of:	24.5682100		24.8028900		009923009 000000000 000000000
EQUALS GROSS TAX OF:		54.27		53.18	Clement, Tracy J
Less Credits of:					
Homestead Credit					12515 County Road 3
Ag Land Credit					Spring Valley MN 55975
Family Farm Credit					
Business Prop Tax Credit Fund					
Low Income/Elderly Credit					
Prepaid Tax					
NET ANNUAL TAXES:		\$54.00		\$54.00	

Taxing Authority:	Distribution of your current & prior year taxes				Total property taxes levied by taxing authority		
	%Total	Current	Prior		Current	Prior	Percent +/-
HOWARD-WINNEISHI	49.981	26.99	26.66		6,439,442.00	6,213,230.00	3.640
COUNTY FUNDS	24.963	13.48	14.28		3,634,911.00	3,656,929.00	.602-
CHESTER	12.222	6.60	6.54		1,724.00	1,673.00	3.048
NICC	4.481	2.42	2.04		12,211,543.00	10,091,823.00	21.004
HOSPITAL	4.389	2.37	2.35		636,970.00	598,731.00	6.386
ASSESSOR	2.741	1.48	1.47		398,106.00	374,207.00	6.386
AG EXTENSION	1.204	.65	.65		174,205.00	166,159.00	4.842
BANGS/T.B.	.019	.01	.01		479,738.00	490,539.00	2.201-



Warren J Steffen
Howard County Treasurer
 137 North Elm
 Cresco, Ia 52136
 wsteffen@co.howard.ia.us

Receipt#
10375
 250140015055000

Warren J Steffen
Howard County Treasurer
 137 North Elm
 Cresco, Ia 52136
 wsteffen@co.howard.ia.us

Receipt#
10375
 250140015055000

TOTAL TAX DUE: or **Sept 30, 2017** Delq
\$30.00 **\$15.00**
 DED 009923009 Delinquent Oct 1, 2017

TAX DUE: **March 31, 2018** Delq
\$15.00
 DED 009923009 Delinquent Apr 1, 2018

CLEMENT, TRACY J
 12515 COUNTY ROAD 3
 SPRING VALLEY MN 55975

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 12515 COUNTY ROAD 3
 SPRING VALLEY MN 55975

250 CHESTER CORP HOWARD-WINN AG 250 CHESTER CORP HOWARD-WINN AG

Howard County Tax Bill for 2017-2018. Payments can be paid on the web at www.iowatreasurers.org. If you have any questions, please call 563-547-9211. Please return stub 1 with first half payment and stub 2 with second half payment.

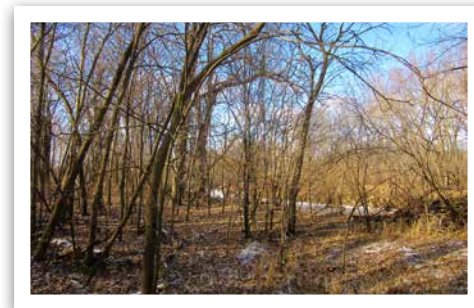
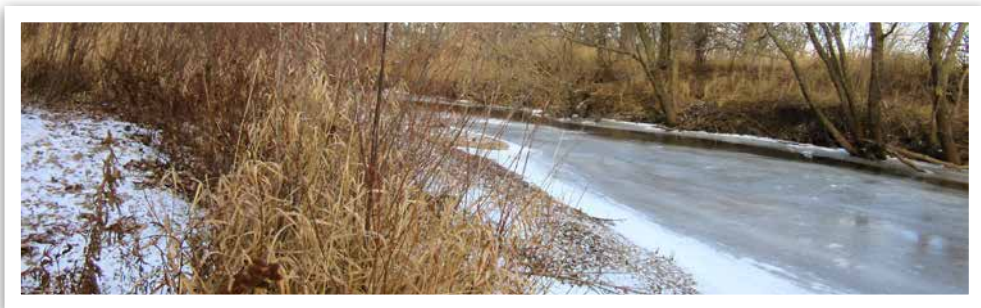
Based on January 1, 2016 Valuations. Taxes for July 1, 2016 thru June 30, 2017. Payable September 2017 and March 2018.

Parcel 250140015055000 Location:
 250 CHESTER CORP HOWARD-WINN AG Sect 011 Twn 100 Rng 013 Exempt Acres .00
 Gross Acres 4.30
 Net Acres 4.30
 LEGAL Description LOT B IN LOT 2 W 1/2 SW & BAL OF 3 S1/8 OF VAC PARK ADDN & BAL SEE EXTENDED LEGAL LOT 3 W 1/2 SW LYING NORTH OF

VALUATIONS AND TAXES THIS YEAR		LAST YEAR		TAXES DUE	Delinquent Tax, Specials, Drainage, Tax Sale
Assessed	Taxable	Assessed	Taxable	8.00 15:6-2	
Land: 2,580	1,225	2,580	1,190		
Buildings:					
Dwelling:					
TOTAL VALUE:	\$2,580	\$2,580	\$1,190		
Less Military Exemption:					
NET TAXABLE VALUE:	\$1,225	\$1,190			
Value Times Levy per 1000 of:	24.5682100	24.8028900		009923009	000000000 000000000
EQUALS GROSS TAX OF:	30.10	29.52			
Less Credits of:					
Homestead Credit					
Ag Land Credit					
Family Farm Credit					
Business Prop Tax Credit Fund					
Low Income/Elderly Credit					
Prepaid Tax					
NET ANNUAL TAXES:	\$30.00	\$30.00			

House Tax: City EMS \$ 551.00 County EMS \$ 19,161.00

Taxing Authority:	Distribution of your current & prior year taxes			Total property taxes levied by taxing authority		
	% Total	Current	Prior	Current	Prior	Percent +/-
HOWARD-WINNEISHI	49.967	14.99	14.81	6,439,442.00	6,213,230.00	3.640
COUNTY FUNDS	25.000	7.50	7.94	3,634,911.00	3,656,929.00	.602-
CHESTER	12.233	3.67	3.63	1,724.00	1,673.00	3.048
NICC	4.467	1.34	1.13	12,211,543.00	10,091,823.00	21.004
HOSPITAL	4.400	1.32	1.31	636,970.00	598,731.00	6.386
ASSESSOR	2.733	.82	.82	398,106.00	374,207.00	6.386
AG EXTENSION	1.200	.36	.36	174,205.00	166,159.00	4.842
BANGS/T.B.				479,738.00	490,539.00	2.201-









THIS EARNEST MONEY RECEIPT AND PURCHASE AGREEMENT (collectively, the "Purchase Agreement") is made and executed effective as of the ____ day of _____, 2018 (the "Effective Date").

RECITALS

1. On April 11, 2016, Tracy J. Clement dba Clement Farms (the "Debtor"), filed a petition under chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the District of Minnesota (the "Bankruptcy Court"), thereby commencing the chapter 11 bankruptcy case captioned as In re Tracy J. Clement, which case is currently pending as Bankruptcy Case No. 16-31189.

2. By order dated September 19, 2017, the Phillip L. Kunkel (the "Trustee" or the "Seller") was appointed as the chapter 11 trustee for the bankruptcy estate of the Debtor.

3. The Trustee is authorized, subject to the approval of the Bankruptcy Court, to dispose of the real property assets of the Debtor's bankruptcy estate, including that certain real property legally described on Exhibit A to this Purchase Agreement, and all buildings located thereon, and all tenements, hereditaments, easements, improvements, and rights benefiting or appurtenant to the property (collectively, the "Property"), in accordance with terms and conditions of this Purchase Agreement.

EARNEST MONEY RECEIPT

Received of _____ (the "Buyer").

Whose Address is _____

SS# _____ Phone # _____ the sum of \$ _____ in certified funds as nonrefundable earnest money (the "Earnest Money") deposited with and to be held under the terms of this Purchase Agreement by Steffes Auctioneers, Inc. The Earnest Money represents ten (10%) percent of the total Purchase Price (as defined below) of the Property. The Earnest Money is fully earned by Seller, shall be distributed to Seller, and is nonrefundable to the Buyer under all circumstances other than: (i) Seller's failure or refusal to tender to the Buyer a Bankruptcy Local Form 6004-1(f) conveying the property to Buyer by which title in accordance with the terms and conditions of this Purchase Agreement could be conveyed to the Buyer; (ii) failure of the Bankruptcy Court to approve the sale to the of the property to the Buyer; or (iii) the Debtor has properly and timely exercised the ROFR (as defined below) with respect to the Property.

AGREEMENT

IN CONSIDERATION of the foregoing premises and the mutual covenants contained in this Purchase Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Seller and Buyer agree as follows:

1. Sale of Property. The Seller, solely in his capacity as the chapter 11 trustee of the Debtor's bankruptcy estate, agrees to sell to Buyer, and Buyer agrees to buy from the Debtor's bankruptcy estate, all of the bankruptcy estate's right, title and interest in the Property, free and clear of liens, encumbrances, and other interests, but subject to easements of record and the Debtor's ROFR (as defined below), for the total sum of \$ _____, plus five percent (5%) of the foregoing amount as an auction fee (collectively, the "Purchase Price").

2. Debtor's Right of First Refusal. The property will be sold free and clear of all liens, encumbrances, and other interests, but subject to easements of record and the Debtor's right of first refusal (the "ROFR") provided in that certain Memorandum of Understanding approved by the bankruptcy court on March 20, 2017 [Doc. No. 392]. In order to exercise the ROFR on the Property, on or before fifteen (15) days following the filing of the auction report the Debtor shall (a) provide written notice to the Seller of his intention to exercise the ROFR on the specific property and (b) remit to the Seller a nonrefundable deposit of ten percent (10%) of the amount of the successful bid for the Property in certified funds.

3. Payment of Purchase Price. The Purchase Price shall be paid via wire transfer, or shall be payable in cash by certified or other immediately available funds.

4. Closing. The closing of the purchase and sale of the Property as contemplated by this Purchase Agreement (the "Closing") shall occur at a mutually agreeable time on or before March 23, 2018 (the "Closing Date"). The Closing shall be



conducted through a title insurance company mutually agreeable to Buyer and Seller ("Title") and shall take place via facsimile, electronic mail, U.S. Mail and courier service.

- a. **Seller's Closing Documents.** On the Closing Date, Seller shall execute and deliver to Buyer the following (collectively, "Seller's Closing Documents"):
 - (i) **Conveyance of Property.** Bankruptcy Local Form 6004-1(f) conveying the Property to Buyer (the "Conveyance Instrument"). The parties acknowledge and agree that Seller shall not be obligated to remedy or remove any defects or encumbrances affecting the Property and that the sale of the Property by the Seller to the Buyer is "**AS-IS**" "**WHERE IS**" and "**WITH ALL FAULTS**".
 - (ii) **Title Documents.** Such affidavits or other documents as may be reasonably required by Title in order to record the Closing Documents.
 - (iii) **Other Documents.** All other documents reasonably necessary to effect the sale of the Property.
 - b. **Buyer's Closing Documents.** On the Closing Date, Buyer will execute, as applicable, and deliver to Seller the following (collectively, "Buyer's Closing Documents"):
 - (i) **Purchase Price.** The Purchase Price by wire transfer or other immediately available funds of United States currency on or before the Closing Date.
 - (ii) **Title Documents.** Such affidavits or other documents as may be reasonably required by Title in order to record the Closing Documents.
 - (iii) **Other Documents.** All other documents reasonably necessary to effect the sale of the Real Property.
- 5. Allocation of Closing Costs.** Seller and Buyer agree to the following allocation of costs regarding this Agreement:
- a. **Closing Fee.** The fees charged by a title company for closing shall be paid one-half by Seller and one-half by Buyer.
 - b. **Conveyance Tax, Recording Costs.** Buyer shall pay any conveyance taxes payable in connection with the recording of the Conveyance Instrument, and the other costs of recording the Conveyance Instrument and any mortgages or other documents pertaining to Buyer's financing.
 - c. **Real Estate Taxes and Special Assessments.** General real estate taxes and installments of special assessments payable in 2017 and all prior years will be paid by Seller. General real estate taxes and installments of special assessments payable in any year subsequent to 2017 shall be paid by Buyer. Real estate taxes are subject to reassessment under the new owner.
- 6. Title Examination.** Title examination will be conducted as follows:
- a. **Seller's Title Evidence.** Within fifteen (15) business days of the Effective Date, Seller shall cause a Commitment for an A.L.T.A. owner's policy of title insurance to be issued at Closing (or as soon as possible thereafter) in the amount of the total Purchase Price, which Commitment shall be issued by Title, with an effective date no earlier than the date of this Agreement, wherein Title shall agree to insure the title in the condition required by this Agreement (the "Title Commitment") to be delivered to the Buyer. Seller shall pay the cost of the Title Commitment, and Buyer shall pay the costs of issuance of any owner's or lender's title insurance policies.
 - b. **Buyer's Objections.** The Buyer acknowledges and agrees the only Objections (as defined below) that may be raised by Buyer to the condition of title are liens or encumbrances against the interest of the Debtor's bankruptcy estate in the Property, that would not otherwise be set aside under 11 U.S.C. § 363(f) pursuant to an Order entered by the Bankruptcy Court approving the purchase and sale of the Property as contemplated by this Purchase Agreement. If written objection to the condition of title is made by Buyer and delivered to Seller on or before the later of thirty (30) business days of the Effective Date (the "Title Objection Period"), then timely objection to title (collectively, the "Objections") shall have been made. In the event of Objections, Seller shall have fifteen (15) days from the date it is notified in writing of the particular Objections, at Seller's sole discretion, to: (i) remedy the title, (ii) obtain title insurance to insure over such Objections, subject to Buyer's written approval, or (iii) identify those Objections that Seller is unable or unwilling to remedy or obtain the title insurance to insure over. If Seller does not timely remedy



or cure such Objections in accordance with the foregoing provisions, then Buyer may at its sole discretion: (i) waive such Objections and proceed to Closing, or (ii) terminate this Purchase Agreement, but with the Earnest Money retained and remaining fully earned by the Seller. Buyer's failure to deliver the Objections to Seller on or before the expiration of the Title Objection Period will constitute a waiver of the Objections, and any matter shown on the Title Commitment and not so objected to by Buyer shall be deemed a "Permitted Encumbrance".

7. Representations and Warranties by Seller, Acknowledgement by Buyer. The Seller makes absolutely no representations or warranties whatsoever regarding the Property. Buyer acknowledges and agrees as follows: (i) the Seller is the court appointed chapter 11 trustee of the Debtor's bankruptcy estate; (ii) the Seller has never been in possession of or occupied the Property, and does not have any particular knowledge with respect to the Property or its extent, condition or completeness; and (iii) the Seller has no knowledge of the extent and ownership of the furniture, fixtures, equipment and other personal property, if any, located on the Property, and the Seller, therefore, makes no representations, warranties or covenants of any kind, nature, or extent with regard to the furniture, fixtures, equipment and other personal property. The Property being purchased and sold in accordance with this Purchase Agreement is being purchased and sold "**AS-IS,**" "**WITH ALL FAULTS,**" and without any representations or warranties of any kind by Seller, express or implied, and all such representations and warranties are expressly hereby disclaimed by the Seller and hereby waived by Buyer. The Buyer is purchasing the Property based upon their own investigation and inquiry and is not relying on any representation of Seller or other person, and Buyer has accepted the Property, including the Property's extent, condition and completeness, and shall have no claim against Seller or the Debtor's bankruptcy estate on account of any of the foregoing. The Seller hereby disclaims all warranties, express or implied, contractual, statutory or otherwise, and the Buyer hereby waives all such warranties and claims of warranty.

Except as herein expressly stated, Seller makes absolutely no representation or warranty of any kind, express or implied, with respect to the Property, Buyer is purchasing the Property based upon its own investigation and inquiry and is not relying on any representation of Seller or other person, and is agreeing to accept and purchase the Property "**AS IS, WHERE IS**" subject to the conditions of examination herein set forth and the express warranties herein contained.

8. Representations and Warranties by Buyer. Buyer represents and warrants to Seller as follows:

- a. Authority. Buyer has the requisite of power and authority to enter into this Purchase Agreement and the related documents signed by it; such documents have been duly authorized by all necessary action on the part of Buyer and have been duly executed and delivered; that the execution, delivery and performance by Buyer of such documents do not conflict with or result in violation of, as applicable, any judgment, order or decree of any court or arbiter to which the Buyer is a party; such documents are valid and binding obligations of Buyer, and are enforceable in accordance with their terms.
- b. Financial Ability. Buyer has the present ability to fully pay the Purchase Price in accordance with this Purchase Agreement, and that there is no financing contingency to Buyer's obligation to proceed to Closing and consummate the purchase of the Property. Buyer acknowledges that their ability to secure the Purchase Price is not a condition precedent to this Purchase Agreement or Buyer's duty to complete the purchase of the Property in accordance with this Purchase Agreement.
- c. Acknowledgments Concerning Property. Buyer acknowledges the following representations from Seller with respect to the Property, and Buyer waives any and all claims against Seller and the Debtor's bankruptcy estate based upon any of the following: (i) the Seller is the court appointed chapter 11 trustee of the Debtor's bankruptcy estate; (ii) the Seller has never been in physical possession of, and never occupied, the Property; (iii) the Seller has no special knowledge of the condition of the Property; (iv) the Buyer is not relying upon the Seller in any way or to any degree concerning the nature, condition, completeness or extent of the Property; (v) the Seller will be allowed to inspect the Property prior to Closing so that it satisfies itself as to the condition of the Property, and by its execution and delivery of this Purchase Agreement the Buyer hereby elects to purchase the Property, and the Buyer agrees to accept the Property, including the Property's extent, condition and completeness, and Buyer shall have no claim against Seller or the Debtor's bankruptcy estate on account of any of the foregoing; and (vi) the Property is being purchased by Buyer "**AS-IS,**" "**WHERE IS**" "**WITH ALL FAULTS,**" and without any representations or warranties of any kind by Seller, and all such representations and warranties are expressly hereby disclaimed by Seller and hereby waived by Buyer.

Buyer will indemnify Seller and the Debtor's bankruptcy estate, and will hold Seller and the Debtor's bankruptcy estate harmless from any expenses or damages, including reasonable attorneys' fees, which the Seller or the Debtor's bankruptcy estate incurs because of the breach of any of the above representations and warranties, whether such breach is discovered before or after closing.



9. **Post-Auction Court Approval.** Notwithstanding anything to the contrary in this Purchase Agreement, the sale of the Property to the Buyer is subject to the approval of the United States Bankruptcy Court for the District of Minnesota. Within five (5) business days following the expiration of the ROFR, the Seller shall file a motion with the bankruptcy court on an expedited basis seeking and order of the court approving the sale of the Property to Buyer, or if the Debtor has properly and timely exercised the ROFR for the Property, to the Debtor, and authorizing the Seller to close all such sales (the "Sale Approval Order"). In the event the sale of the Property is not approved by the court, the Earnest Money paid by Buyer shall be refunded to Buyer, and this Purchase Agreement shall automatically terminate and the parties shall thereafter have no obligations under the Purchase Agreement.

10. **Assignment.** Buyer may assign its rights under this Agreement to an entity directly affiliated with the Buyer.

11. **Miscellaneous.**

a. **Survival.** Except as specifically provided herein, all of the terms of this Purchase Agreement will survive and be enforceable after the Closing.

b. **Notices.** Any notice required or permitted to be given by any party upon the other is given in accordance with this Agreement if it is directed to Seller by delivering it personally to an officer of Seller; or if it is directed to Buyer, by delivering it personally to Buyer; or if mailed in a sealed envelope by United States registered or certified mail, return receipt requested, postage prepaid; or if transmitted by facsimile, copy followed by mailed notice as above required; or if deposited cost paid with a nationally recognized, reputable overnight courier, properly addressed as follows:

If to Seller: Phillip L. Kunkel, Chapter 11 Trustee
c/o Gray Plant Mooty
1010 West St. Germain Street
Suite 500
St. Cloud, Minnesota 56301

If to Buyer: _____

Notices shall be deemed effective on the earlier of the date of receipt or the date of deposit as aforesaid; provided, however, that if notice is given by deposit, the time for response to any notice by the other party shall commence to run one business day after any such deposit. Any party may change its address for the service of notice by giving written notice of such change to the other party, in any manner above specified, ten (10) days prior to the effective date of such change.

c. **Captions.** The paragraph headings or captions appearing in this Purchase Agreement are for convenience only, are not a part of this Purchase Agreement and are not to be considered in interpreting this Agreement.

d. **Entire Agreement; Modification.** This written Purchase Agreement, together with the Terms and Conditions of the Buyer's Prospectus, constitute the complete agreement between the parties and supersedes any prior oral or written agreements between the parties regarding the Property. There are no verbal agreements that change this Purchase Agreement and no waiver of any of its terms will be effective unless in a writing executed by the parties. **This Purchase Agreement shall control with respect to any provision that conflicts or that is inconsistent with the Terms and Condition and Buyer's Prospectus, or any announcements made at auction.**

e. **Binding Effect.** This Agreement shall bind and benefit the Buyer on the Effective Date and the Seller upon approval hereof by the Bankruptcy Court.

f. **Time is of Essence.** Time is of the essence in the payment and performance of the parties' covenants, agreements, duties and obligations hereunder.

g. **Controlling Law.** This Purchase Agreement has been made under the laws of the State of Minnesota, and such laws will control its interpretation.



h. Counterparts; Facsimile/Electronic Signatures. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument. Copies of signature received by facsimile or electronic means shall be deemed originals for all purposes.

i. Steffes Auctioneers. Steffes Auctioneers, Inc. represents the Seller in this transaction.

WHEREFORE, the parties have executed Purchase Agreement as of the date first set forth above.

SELLER:

BUYER:

Phillip L. Kunkel, the chapter 11 trustee of the Tracy L. Clement dba Clement Farms bankruptcy estate

AUCTIONEER:

STEFFES AUCTIONEERS, INC.

By _____

Its _____

EXHIBIT A

Legal Description of Property



Multi-Tract Auction

Howard County, IA

Thursday, January 25 @ 10AM²⁰¹⁸



96
± acres
offered in
2 tracts

Prime Hunting Ground



SteffesGroup.com