

## PURCHASE AGREEMENT

TO: Tyson David Smith and Amber Smith (SELLER)

The undersigned BUYERS hereby offer to buy and the undersigned SELLERS, by their acceptance agree to sell the real property situated in Decatur County, Iowa, totaling 80.91 acres m/l and legally described as:

North One-Half of Fractional Northwest Quarter (N1/2 NW1/4) Section Two (2), Township Sixty-nine (69) North, Range Twenty-six (26) West of the 5th P.M. EXCEPT beginning at Northwest (NW) corner of said Section Two (2), South 639.28 feet, thence Northeast along existing fence 557.26 feet, thence North along existing fence for 195.79 feet, thence North in a line extending such direction in a straight line to North line of Northwest Quarter (NW1/4) of said Section Two (2), West to beginning; AND EXCEPT Parcel "A" located in a portion of the NE1/4 NW1/4 of Section 2, Township 69 North, Range 26 West of the 5th P.M., Decatur County, Iowa, more particularly described as: Commencing at a lead plug on the N1/4 corner of said Section 2, thence S88°12'11"W along the North line of the NW1/4 of said Section 2 a distance of 729.59' to a cotton gin spike on the point of beginning, thence S17°02'11"W a distance of 418.77' to a 5/8" iron pin, thence S07°32'02"W a distance of 257.14' to a 5/8" iron pin, thence N89°38'08"W a distance of 176.99' to a 5/8" iron pin, thence N04°24'02"E a distance of 258.12' to a 5/8" iron pin, thence S84°41'39"W a distance of 40.97' to a 5/8" iron pin, thence N01°45'55"E a distance of 390.06' to a cotton gin spike on the North line of the NW1/4 of said Section 2, thence N88°12'11"E along the North line of the NW1/4 of said Section 2 a distance of 342.53' to the point of beginning, containing 3.67 acres subject to any easements of record.

together with any easements and appurtenant servient estates, but subject to any reasonable easements of record for public utilities or roads, any zoning restrictions, customary restrictive covenants and mineral reservations of record, if any, herein referred to as the "Property," upon the following terms and conditions:

1. PURCHASE PRICE. The Purchase Price shall be \$ \_\_\_\_\_ per acre of the net taxable acres, totaling \$ \_\_\_\_\_ and the method of payment shall be as follows:

\$ \_\_\_\_\_ equal to 10% of auction price with this offer to be received by Seller upon acceptance of this offer, payable to Helton Law Offices Trust Account, to be held in trust by Helton Law Offices PLLC as earnest money; and the balance of the Purchase Price shall be paid, in cash at the time of closing with adjustment for closing costs to be added or deducted from this amount. This Agreement is NOT contingent upon BUYERS obtaining financing for such funds.

2. REAL ESTATE TAXES. A. SELLERS shall pay all real estate taxes that are due and payable as of the date of possession and constitute a lien against the Property, including any unpaid real estate taxes for any prior years.

SELLERS will be responsible for termination of any and all leases prior to closing.

**1031 Exchange or QOZ planning.** Both BUYERS and SELLERS agree to work with one another to facilitate a 1031 exchange, QOZ, or other tax planning, as necessary or beneficial for either party, and that each party timely notify the other of any such desire and will complete any reasonably necessary paperwork to facilitate such an exchange for the other.

B. A. SELLERS shall pay all real estate taxes that are due and payable as of the date of possession and constitute a lien against the Property, including any unpaid real estate taxes for any prior years.

B. SELLERS shall pay their prorated share, based upon the date of possession, of the real estate taxes for the fiscal year in which possession is given due and payable in the subsequent fiscal year.

BUYERS shall be given a credit for such proration at closing based upon the last known actual net real estate taxes payable according to public record. However, if such taxes are based upon a partial assessment of the present property improvements or a changed tax classification as of the date of possession, such proration shall be based on the current millage rate, the assessed value, legislative tax rollbacks and real estate tax exemptions that will actually be applicable as shown by the Assessor's Records on the date of possession.

C. BUYERS shall pay all subsequent real estate taxes.

3. SPECIAL ASSESSMENTS. A. SELLERS shall pay in full all special assessments which are a lien on the Property as of the date of acceptance June 14, 2022.

B. All charges for solid waste removal, sewage and maintenance that are attributable to SELLERS' possession, including those for which assessments arise after closing, shall be paid by SELLERS.

C. Any preliminary or deficiency assessment which cannot be discharged by payment shall be paid by SELLERS through an escrow account with sufficient funds to pay such liens when payable, with any unused funds returned to SELLERS.

D. BUYERS shall pay all other special assessments.

4. RISK OF LOSS AND INSURANCE. SELLERS shall bear the risk of loss or damage to the Property prior to closing or possession, whichever first occurs. SELLERS agree to maintain existing insurance and BUYERS may purchase additional insurance. In the event of substantial damage or destruction prior to closing, this Agreement shall be null and void; provided, however, BUYERS shall have the option to complete the closing and receive insurance proceeds regardless of the extent of damages. The property shall be deemed substantially damaged or destroyed if it cannot be restored to its present condition on or before the closing date.

5. POSSESSION AND CLOSING. If BUYERS timely perform all obligations, possession of

the Property shall be delivered to BUYERS and closing shall occur on or before July 29, 2022, and any adjustments of rent, insurance, taxes, interest and all charges attributable to the SELLERS' possession shall be made as of the date of closing and possession. Closing shall occur after approval of title by buyers' attorney and vacation of the Property by SELLERS, but prior to possession by BUYERS. SELLERS agree to permit BUYERS to inspect the Property within 48 hours prior to closing to assure that the premises are in the condition required by this Agreement. If possession is given on a day other than closing, the parties shall make a separate agreement with adjustments as of the date of possession. This transaction shall be considered closed upon the filing of title transfer documents and receipt of all funds then due at closing from BUYERS under the Agreement.

6. FIXTURES. Included with the Property shall be all fixtures that integrally belong to, are specifically adapted to or are a part of the real estate, whether attached or detached, such as: fencing, gates, bushes, trees, shrubs and plants.

#### 7. CONDITION OF PROPERTY.

A. The property as of the date of this Agreement including buildings, grounds, and all improvements will be preserved by the SELLERS in its present condition until possession, ordinary wear and tear excepted.

B. BUYERS acknowledge that they have made a satisfactory inspection of the Property and are purchasing the Property in its existing condition.

8. ABSTRACT AND TITLE. SELLERS, at their expense, shall promptly obtain an abstract of title to the Property continued through the date of acceptance of this Agreement, and deliver it to BUYERS' attorney for examination. It shall show merchantable title in SELLERS in conformity with this Agreement, Iowa law, and Title Standards of the Iowa State Bar Association. The SELLERS shall make every reasonable effort to promptly perfect title. If closing is delayed due to SELLERS' inability to provide marketable title, this Agreement shall continue in force and effect until either party rescinds the Agreement after giving ten days written notice to the other party. The abstract shall become the property of BUYERS when the purchase price is paid in full. SELLERS shall pay the costs of any additional abstracting and title work due to any act or omission of SELLERS, including transfers by or the death of SELLERS or their assignees.

9. SURVEY. The parties agree that no new survey will be required.

10. ENVIRONMENTAL MATTERS. (a) SELLERS warrant to the best of their knowledge and belief that there are no abandoned wells, solid waste disposal sites, hazardous wastes or substances, or underground storage tanks located on the Property, the Property does not contain levels of radon gas, asbestos or urea-formaldehyde foam insulation which require remediation under current governmental standards, and SELLERS have done nothing to contaminate the Property with hazardous wastes or substances. SELLERS warrant that the Property is not subject to any local, state, or federal judicial or administrative action, investigation or order, as the case may be, regarding wells, solid waste disposal sites, hazardous wastes or substances, or underground storage tanks. SELLERS shall also provide BUYERS with a properly executed

GROUNDWATER HAZARD STATEMENT showing no wells, private burial sites, solid waste disposal sites, private sewage disposal system, hazardous waste and underground storage tanks on the Property unless disclosed.

(b) BUYERS may at their expense, within 10 days after the date of acceptance, obtain a report from a qualified engineer or other person qualified to analyze the existence or nature of any hazardous materials, substances, conditions or wastes located on the Property. In the event any hazardous materials, substances, conditions or wastes are discovered on the Property, BUYERS' obligation hereunder shall be contingent upon the removal of such materials, substances, conditions or wastes or other resolution of the matter reasonably satisfactory to BUYERS. However, in the event SELLERS are required to expend any sum in excess of \$0.00 to remove any hazardous materials, substances, conditions or wastes, SELLERS shall have the option to cancel this transaction and refund to BUYER all Earnest Money paid and declare this Agreement null and void. The expense of any inspection shall be paid by BUYERS. The expense of any action necessary to remove or otherwise make safe any hazardous material, substance, conditions or waste shall be paid by SELLERS, subject to SELLERS' right to cancel this transaction as provided above.

11. DEED. Upon payment of the purchase price, SELLERS shall convey the Property to BUYERS by Warranty Deed, free and clear of all liens, restrictions, and encumbrances except as provided in this Agreement. General warranties of title shall extend to the time of delivery of the deed excepting liens or encumbrances suffered or permitted by BUYERS.

12. USE OF PURCHASE PRICE. At time of settlement, funds of the purchase price may be used to pay taxes and other liens and to acquire outstanding interests, if any, of others.

13. JOINT TENANCY IN PROCEEDS AND IN REAL ESTATE. If SELLERS, immediately preceding acceptance of the offer, hold title to the Property in joint tenancy with full right of survivorship, and the joint tenancy is not later destroyed by operation of law or by acts of the SELLERS, then the proceeds of this sale, and any continuing or recaptured rights of SELLERS in the Property, shall belong to SELLERS as joint tenants with full rights of survivorship and not as tenants in common; and BUYERS in the event of the death of any SELLER agree to pay any balance of the price due SELLERS under this contract to the surviving SELLER and to accept a deed from the surviving SELLER.

14. JOINDER BY SELLER'S SPOUSE. This property is held by a married couple and both SELLERS' shall both sign conveyance to complete transfer.

15. STATEMENT AS TO LIENS. If BUYERS intend to assume or take subject to a lien on the Property, SELLERS shall furnish BUYERS with a written statement prior to closing from the holder of such lien, showing the correct balance due.

16. APPROVAL OF COURT. This sale of this Property is not contingent upon Court approval.

17. REMEDIES OF THE PARTIES. A. If BUYERS fail to timely perform this Agreement,

SELLERS may forfeit it as provided in the Iowa Code (Chapter 656), and all payments made shall be forfeited; or, at SELLERS' option, upon thirty days written notice of intention to accelerate the payment of the entire balance because of BUYERS' default (during which thirty days the default is not corrected), SELLERS may declare the entire balance immediately due and payable. Thereafter this agreement may be foreclosed in equity and the Court may appoint a receiver.

B. If SELLERS fail to timely perform this Agreement, BUYERS have the right to have all payments made returned to them.

C. BUYERS and SELLERS are also entitled to utilize any and all other remedies or actions at law or in equity available to them and shall be entitled to obtain judgment for costs and attorney fees as permitted by law.

18. NOTICE. Any notice under this Agreement shall be in writing and be deemed served when it is delivered by personal delivery or by certified mail return receipt requested, addressed to the parties at the address given below.

19. CERTIFICATION. Buyers and Sellers each certify that they are not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by any Executive Order or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person" or any other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control; and are not engaged in this transaction, directly or indirectly on behalf of, any such person, group, entity or nation. Each party hereby agrees to defend, indemnify and hold harmless the other party from and against any and all claims, damages, losses, risks, liabilities and expenses (including attorney's fees and costs) arising from or related to my breach of the foregoing certification.

20. GENERAL PROVISIONS. In the performance of each part of this Agreement, time shall be of the essence. Failure to promptly assert rights herein shall not, however, be a waiver of such rights or a waiver of any existing or subsequent default. This Agreement shall apply to and bind the successors in interest of the parties. This Agreement shall survive the closing. Paragraph headings are for convenience of reference and shall not limit or affect the meaning of this Agreement. Words and phrases herein shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender according to the context.

21. ADDITIONAL PROVISIONS:  
**SPECIAL PROVISIONS:**

- This real estate auction will have a 5% Buyer's fee. This means the Buyer's fee in the amount of five percent (5%) of the bid amount shall be charged to the Buyer and added to the bid amount to arrive at the total contract purchase price.
- Land will be sold by the acre with Assessor acres being the multiplier used to determine the total bid amount.
- Seller shall not be obligated to furnish a survey.

- Down payment is due on the day the bidding closes and signing of the contracts will take place through email and electronic document signatures. In the event the auction bidding closes after 3:00pm, the earnest money will be due the following business day.
- The Seller will give fall tillage rights, upon the completion of the 2022 fall harvest. The farm is selling free and clear for the 2023 farming season.
- It shall be the obligation of the Buyer to report to the Decatur County FSA office and show filed deed in order to receive the following if applicable: Allotted base acres. B. Any future government programs.
- This auction sale is not contingent upon Buyer's financing or any other Buyer contingencies.
- If a Buyer is unable to close due to insufficient funds or otherwise, Buyer will be in default and the deposit money will be forfeited.
- The Buyer shall be responsible for any fencing in accordance with state law.
- The Buyer shall be responsible for installing his/her own entrances if needed or desired.
- If in the future a site clean-up is required, it shall be at the expense of the Buyer.
- All mineral rights, if any, held by Seller will be transferred upon closing.
- This real estate is selling subject to any and all covenants, restrictions, encroachments and easements, as well as all applicable zoning laws.
- The Buyer acknowledges that they have carefully and thoroughly inspected the real estate and are familiar with the premises. The Buyer is buying this real estate in its "as is" condition and there are no expressed or implied warranties pertaining to the real estate.
- All lines, drawings and boundaries are approximate.
- Steffes Group, Inc. is representing the Seller.
- Any announcements made the day of sale take precedence over advertising.

**Possession:** Landlord's Possession shall be granted at closing with projected date of July 29, 2022. All row crops and hay crops are reserved by the seller. Full possession shall be granted following the completion of the fall 2022 harvest

ACCEPTANCE. When accepted, this Agreement shall become a binding contract.

Dated: June \_\_, 2022

\_\_\_\_\_  
Buyer Signature

\_\_\_\_\_

\_\_\_\_\_  
Buyer Name and Address

\_\_\_\_\_  
Phone #

\_\_\_\_\_  
SS#

Accepted by Sellers on June \_\_\_\_, 2022:

\_\_\_\_\_  
Tyson David Smith (SELLER)

\_\_\_\_\_  
Amber Smith (SELLER)