

OFFER TO PURCHASE

(Approximately 193.31 Acres – Section 27, Wilton Township, Muscatine County, Iowa)

To: James D. Batchelor Revocable Trust (“Seller”)

The undersigned, Steffes, Inc, and/or assigns (hereinafter designated as "Buyer"), hereby offers to purchase for the total sum of \$_____ (“Purchase Price”), and upon the herein contained terms and conditions, the real estate located in Muscatine County, Iowa, described as follows (“Property”):

The North Half of the Northwest Quarter; the North Half of the South Half of the Northwest Quarter; and the West Half of the Northeast Quarter of Section 27, Township 78 North, Range 1 West of the 5th P.M., in Muscatine County, Iowa; except Parcel D, per plat of survey, recorded as Document No. 2022-06060, in the Muscatine County, Iowa, Recorder’s Office, located in the Northwest Quarter of the Northwest Quarter of Section 27, Township 78 North, Range 1 West of the 5th P.M., Muscatine County, Iowa.

(Muscatine County Tax Parcel Nos. 0427100002, 0427100003, 0427100004, 0427200001, 0427200003, 0427100008)

I. PAYMENT TERMS:

The Purchase Price shall be paid by Buyer paying \$_____ (“Earnest Money”), submitted herewith, to be held until closing in the Trust Account of Eichelberger Law Office PC, receipt of which is acknowledged, with the balance of \$_____ payable in full upon delivery of a Trustee Warranty Deed at the time of closing.

II. GENERAL TERMS AND CONDITIONS:

(A) Evidence of Title. Seller shall furnish to Buyer satisfactory evidence of merchantable title to the Property, which shall be an abstract of title in accord with title standards of Muscatine County Bar Association. The title to be conveyed to Buyer shall be free and clear of all liens and encumbrances not herein specifically waived or agreed to be assumed by Buyer, except existing easements, covenants, restrictions, encroachments and applicable zoning regulations. Conveyance of title shall be by Trustee Warranty Deed. The abstract of title shall be submitted to Buyer's attorney for examination as soon after this date as reasonably possible, and any objections to title raised by Buyer's attorney shall be made in writing as soon thereafter as reasonably possible, so that same may be cured on or before the date of closing.

(B) Closing. Closing of this transaction shall be on or before October_____, 2023.

(C) Possession. Possession of said Property shall be given at the time of closing, subject to the rights of the tenant in possession.

(D) Taxes and Rent.

(i) Property taxes shall be prorated between the parties as of the date of closing in the manner normally used by the members of the Muscatine County Bar

Association, using the last available tax statement. Seller shall pay any unpaid real estate taxes payable in prior years.

(ii) Seller has already received the first half of the 2023 farm rent of \$22,000 from the Tenant. The Buyer shall be entitled to receive the second half of the 2023 farm rent of \$22,000 directly from the tenant.

(E) Assessments. Seller shall pay special assessments against the Property, which are liens thereon as of the date hereof. Buyer shall pay all subsequent special assessments and charges, including those for work in process on the date of this Offer.

(F) Condition of Property. 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 condition and there are no expressed or implied warranties pertaining to the real estate.

(G) Default. If Buyer herein fails to fulfill Buyer's part of this agreement after the same has been accepted by Seller, then Buyer shall forfeit the Earnest Money made herewith in full. In addition, Buyer shall be liable for any costs incurred, including reasonable attorney's fees. If Seller herein fails to fulfill its part of this agreement after the same has been accepted by Buyer, then Seller shall return the Earnest Money made herewith in full and shall be liable for any costs incurred, including reasonable attorney's fees.

(H) Attorney Fees. In the event that any party to this agreement commences litigation as a result of the terms of this agreement, then the losing party in that litigation shall pay the reasonable attorney's fees sustained by the prevailing party(s).

(I) Exchange. Seller agrees to cooperate with Buyer if Buyer attempts to qualify this transaction as a part of an exchange of property under the provisions of Internal Revenue Code Section 1031. Buyer's performance under this Offer is not conditioned on the Buyer's ability to affect said exchange.

(J) Government Programs. Seller shall transfer to the Buyer any interest Seller has in any Conservation Reserve Program ("CRP") contract or other federal farm program applicable to the Property. Any CRP or other federal farm program payments applicable to the Property shall be divided in an equitable manner as ultimately determined by the Muscatine County Farm Service Agency; however, the parties agree that an equitable division of the payments in the fiscal year the Property is transferred would be to prorate the payments to the date of Closing, with Seller receiving payment for the period prior to the date of the Closing and Buyer receiving payment for the period following the Closing through the end of the fiscal year. Buyer shall be entitled to all subsequent payments. Buyer will be required to (i) execute the appropriate documents to assume responsibility for continuing the federal farm program contracts encumbering the Property; and (ii) follow all requirements, conservation plans and practices imposed on the Property by the Muscatine County Farm Service Agency. If any action or inaction of Seller taken prior to the Closing should result in the termination of the Property's eligibility to participate in any applicable federal farm program or CRP contract, Seller shall indemnify Buyer from any liability associated with said termination. If the actions or inactions of Buyer taken following the Closing should result in the termination of the Property's eligibility to participate in any applicable federal farm program or CRP contract, Buyer shall indemnify Seller from any liability associated with said termination.

(K) Additional Provisions.

(i) Steffes Group, Inc. is representing Seller in this transaction. The Purchase Price shall also include a Buyer's Premium equal to 5.0% of the Purchase Price, which shall be payable by Buyer to Steffes Group, Inc. at the closing.

(ii) Buyer's obligations under this agreement are not contingent on Buyer's ability to obtain financing or any other contingencies.

(iii) Any future site clean-up of the Property, if required, shall be at the expense of the Buyer.

(iv) The Buyer shall be responsible for any fencing around the property in accordance with state law.

(v) It shall be the obligation of the Buyer to report to the Muscatine County FSA office and show the recorded Deed in order to receive the following if applicable:

1. Allotted base acres; and
2. Any future government programs.

(vi) The Seller shall not be obligated to furnish a survey.

(vii) The Buyer shall be responsible for installing Buyer's own entrances to the Property, if needed or desired.

(viii) The LP tank located on the Property is included in the sale. No farm equipment currently located on the Property is included in the sale.

(The remainder of this page is intentionally left blank.)

THIS IS A LEGALLY BINDING CONTRACT. BY SIGNING THIS DOCUMENT, YOU ACKNOWLEDGE THAT YOU HAVE READ THE ENTIRE DOCUMENT AND THAT YOU HAD THE OPPORTUNITY TO OBTAIN INDEPENDENT LEGAL ADVICE.

Offer made this August _____, 2023.

Buyer:

Signature

Signature

Print Name

Print Name

Present address is _____.

Buyer's attorney is _____.

Seller accepts this Offer on the August _____, 2023.

Seller:

James D. Batchelor Revocable Trust

By _____
Jonathan Holthe
Senior Vice President
Senior Trust Officer
CBI Bank & Trust, Trustee
Successor to Central State Bank