

REAL ESTATE PURCHASE AGREEMENT – TRACT 1 (LAND)

THIS REAL ESTATE PURCHASE AGREEMENT (this "Agreement") is made and executed to be effective as of the 28th day of March, 2024 (the "Effective Date"), by and between KENNETH E. JOHNSTON, single, ("Seller") and _____ ("Buyer").

WITNESSETH:

1. Agreement of Purchase and Sale. Seller agrees to sell and Buyer agrees to buy that certain real property located in Van Buren County, Iowa, legally described as:

See Exhibit A attached hereto,

together with (a) any easements and servient estates appurtenant thereto, and (b) all buildings and other improvements thereon (collectively, the "Property"). Buyer shall accept Seller's conveyance of the Property subject to (i) zoning and other ordinances, (ii) covenants of record, (iii) easements of record for public utilities, roads and highways, and (iv) mineral rights of record (collectively, the "Permitted Exceptions").

2. Purchase Price. The purchase price for the Property shall be equal to the sum of (a) the bid amount \$ _____ (the "Bid Amount") plus (b) the amount of 5% of the Bid Amount \$ _____ (the "Buyer's Premium") totaling \$ _____ (the "Purchase Price").

3. Down Payment. On the Effective Date, Buyer shall deliver to Nicole L. Cox of Cox Law Firm, LLP, 105 W. Van Buren, Centerville, IA 52544, (641) 216-8350 ("Seller's Attorney") a down payment in an amount equal to 10% of the Purchase Price, or \$ _____ (the "Down Payment") to be deposited in trust and placed in escrow. The Down Payment shall be applied to the Purchase Price at the Closing (hereinafter defined). If no Closing occurs, the Down Payment shall be disbursed in accordance with the provisions of this Agreement.

4. Abstract; Title Commitment. Seller shall provide to Buyer's attorney an abstract for the Property continued through the Effective Date (as continued, the "Abstract") for examination by Buyer's attorney. The Abstract shall show merchantable title in Seller in conformity with this Agreement, Iowa law and the Iowa Title Standards of the Iowa State Bar Association (the "Title Standard"). Seller shall pay all costs related to such continuation of the Abstract. Buyer's attorney may also submit the title opinion to Iowa Title Guaranty to obtain a current commitment for issuance of a title guaranty certificate to Buyer from the State of Iowa's Title Guaranty Division (the "Title Commitment") at Buyer's cost. If the Abstract or Title Commitment reflects or discloses any defect, exception or other matter affecting title to the Property that is not in conformity with the Title Standard (a "Title Defect"), then Seller must use its reasonable efforts to remove or cure the Title Defects, but shall not be required to institute litigation in doing so; provided, however, Seller shall, on or before the Closing Date (defined below), satisfy or cause to be cured or bonded around any monetary liens shown in the Abstract or Title Commitment. If Seller does not cure any or all of the Title Defects on or before the Closing Date, then Buyer may, as its sole and exclusive remedy, terminate this Agreement. If Buyer terminates this Agreement as provided in this Section 4, Seller's Attorney shall return the Down Payment to Buyer and neither Seller nor Buyer shall have any further right or obligation under this Agreement after such termination.

5. Assumption of CRP Contracts. Buyer shall assume all obligations of any and all CRP contracts or any other government programs for the Property enforceable on the Effective Date and shall

execute all necessary documents required by the United States Department of Agriculture (the "USDA") or any subdivision thereof to complete such assumption within 60 days of the Closing Date (defined below). If Buyer is unwilling or unable to assume such obligations, Buyer shall indemnify Seller against any and all claims based on Buyer's failure to perform such obligations, including any damages or repayment of CRP payments sought by the USDA or other government agency. This clause shall survive Closing.

6. Inspection of Private Sewage Disposal System. Seller represents and warrants to Buyer that the Property is not served by a private sewage disposal system, and there are no known private sewage disposal systems on the Property.

7. Fixtures and Personal Property. All personal property located on the Property on the Closing Date, and property that integrally belongs to or is part of the Property, such as electrical service cable, outside television towers and antenna, fencing, gates and landscaping shall be considered a part of the Property and included in this sale.

8. Condition of the Property. Buyer agrees that it has had reasonable opportunity to inspect the Property, including the structures and improvements located upon the Property, and agrees to accept the same in an "AS-IS, WHERE-IS" condition.

9. Closing.

a. Date and Place. The sale and purchase of the Property shall be consummated at a closing (the "Closing") to be held at the offices of Seller's Attorney, unless otherwise agreed in writing by Buyer and Seller, on or before May 10, 2024 (the "Closing Date").

b. Items to be Delivered by Seller at the Closing. At the Closing, Seller shall deliver to Buyer each of the following items:

- i. Warranty Deed signed by Seller conveying unto Buyer fee simple title to the Property, free and clear of any liens, encumbrances, easements or other matters affecting title to the Property except the Permitted Exceptions;
- ii. The Abstract;
- iii. Groundwater Hazard Statement signed by Seller (if necessary); and
- iv. Declaration of Value signed by Seller.

c. Items to be Delivered by Buyer at the Closing. At the Closing, Buyer shall deliver to Seller the remaining amount of the Purchase Price by cashier's check or certified check drawn on a national banking association made out to "Cox Law Firm, LLP Trust Account" or by wire transfer to Seller's Attorney's Trust Account.

d. Adjustments and Prorations. Seller shall pay all real estate taxes through the Closing Date, including any unpaid real estate taxes for prior tax years. Buyer shall pay all subsequent real estate taxes. At the Closing, Seller shall pay Buyer, or Buyer shall be given a credit for, real estate taxes from the first day of July (prior to the Closing Date) to the Closing Date, based upon the last known actual real estate taxes payable according to public records.

e. Other Items. Except as otherwise provided herein, each party shall pay its share of all other closing costs as is normally paid by a seller or purchaser, respectively, in a transaction of this character in Van Buren County, Iowa.

10. Remedies of Parties.

a. Default by Seller. If Seller fails to perform its obligations under this Agreement, Buyer may forfeit this Agreement, in which case this Agreement shall be deemed null and void and Seller's Attorney shall return the Down Payment to Buyer.

b. Default by Buyer. If Buyer fails to perform its obligations under this Agreement, Seller may forfeit this Agreement as provided in Iowa Code (Chapter 656), in which case this Agreement shall be deemed null and void and Seller's Attorney shall deliver the Down Payment to Seller, or, at Seller's option, upon thirty days' written notice of intention to accelerate the payment of the entire balance due because of Buyer's default (during which thirty days the default is not corrected), Seller may declare the entire balance immediately due and payable. Thereafter, this Agreement may be foreclosed in equity and the Court may appoint a receiver.

Additionally, in the event Purchaser fails to make any payment of the purchase price promptly when the same shall become due as herein specified, or promptly to perform any covenant or agreement herein contained, Sellers may elect to specifically enforce this agreement or to terminate this agreement and retain as liquidated damages any payments theretofore made hereunder by Purchaser; provided that if such payments are inadequate to compensate Sellers for their damages, or no payments have been made, Sellers may exercise their right to sue for damages for Purchaser's default. Sellers may elect to bring action, or actions, on any intermediate overdue installment or on any payments, or payments made by Sellers and repayable by Purchaser, it being stipulated that the covenant to pay intermediate installments, or to pay items repayable by Purchaser is independent of the covenant to make a deed, and that every such action is any action arising on contract for the recovery of money only, as if the promise to pay had been expressed in a different instrument, and that no such action shall constitute an election not to proceed otherwise as to any subsequent default. No waiver by Sellers of any default on the party of Purchaser shall be construed as a waiver of any subsequent default.

c. Attorneys' Fees. In the event either party files a lawsuit in connection with this Agreement or any provisions contained herein, then the party that prevails in such action shall be entitled to recover from the non-prevailing party, in addition to all other remedies or damages as limited herein, reasonable attorneys' fees and court costs incurred in such lawsuit.

d. Interest on Late Payments of the Purchase Price and Expenses. If Buyer fails to pay the Purchase Price at the Closing pursuant to the terms of this Agreement and in addition to other remedies in this Agreement, (i) any unpaid portion of the Purchase Price shall accrue interest from the Closing Date until paid by Buyer at the lower of a rate of 10% per annum, compounded monthly, or the highest rate allowed by applicable law, (the "Interest Rate") and (ii) Buyer shall reimburse Seller for any expenses incurred by Seller to enforce the terms of this Agreement against Buyer and interest thereon from the time each expense is incurred until paid by Buyer at the Interest Rate.

e. Other Remedies. Buyer and Seller are also entitled to utilize any and all other remedies or actions at law or in equity available to them, including specific performance and injunctive relief.

f. Survival. This Section 10 shall survive the Closing or the earlier termination of this Agreement.

11. Miscellaneous.

a. Time is of the Essence. Time is of the essence in this Agreement.

b. Notices. Any notice required or permitted to be given under this Agreement (except any notice required by law) shall be void and of no effect unless given in accordance with the provisions of this Section 11. All notices (except as may otherwise be provided by law) must be in writing and delivered to the person to whom it is directed either (i) in person, (ii) by an overnight delivery service (such as FedEx or UPS) or (iii) by certified mail, return receipt requested. All notices so given shall be deemed delivered and received on, (i) if delivered in person, the date delivered, (ii) if sent via overnight delivery service, the next day after delivered to such overnight delivery service; and (iii) if sent via certified mail, three days after being deposited in the mail. All notices shall be given to the parties hereto at the addresses set forth below the signature of such party. Either party may change its address for notice from time to time by delivery of at least ten days' prior notice of such change to the other party hereto in the manner prescribed herein.

c. Entire Agreement. This Agreement and the exhibits attached hereto constitute the entire agreement of the parties with respect to the subject matter hereof, and supersede all other oral or written agreements between the parties. All prior and contemporaneous negotiations and agreements between the parties on the matters contained in this Agreement, oral and written, are expressly merged into and superseded by this Agreement.

d. Amendment; Waiver. Except as specifically provided herein, no change, modification, amendment, addition or termination of this Agreement or any part thereof shall be valid unless in writing and signed by or on behalf of the party to be charged therewith. No provision of this Agreement or any default, misrepresentation, or breach of warranty or agreement under this Agreement may be waived except in a writing executed by the party against which such waiver is sought to be enforced.

e. Brokers. Buyer represents and warrants to Seller that no broker or finder has been engaged by Buyer in connection with this Agreement. This covenant shall survive the Closing or termination of this Agreement.

f. Joint Tenancy. If Seller, immediately preceding this Agreement held title to the Property in joint tenancy with full rights of survivorship, and the joint tenancy is not later destroyed by operation of law or by acts of Seller, then the proceeds of this sale and any continuing or recaptured rights of Seller in the Property shall belong to Seller as joint tenants with full rights of survivorship and not as tenants in common; and Buyer, in the event of the death of either Seller, agrees to pay any balance of the price due Seller under this Agreement to the surviving Seller and to accept a deed from the surviving Seller.

g. Blocked Persons. Buyer and Seller 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.

h. Binding on Successors. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

i. Assignment. This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective heirs, legal representatives, successors and assigns. This Agreement may not be assigned by Buyer or Seller without the prior written consent of the other party.

j. Construction and Interpretation. The terms (i) "herein", "hereof", "hereunder", "hereby" and other similar references are construed to mean and include this Agreement and all amendments and supplements unless the context clearly indicates or requires otherwise, (ii) "day" means calendar day (i.e., not a business day), unless specified otherwise, (iii) "including" means including, without limitation, (iv) "terms" and "provisions" are deemed to be synonymous and (v) "sole discretion" and "sole and absolute discretion" are deemed to be synonymous. All references to "Sections" contained in this Agreement are, unless specifically indicated otherwise, references to articles, sections, subsections and paragraphs of this Agreement. Each reference to a "Schedule" or an "Exhibit" is, unless specifically indicated otherwise, a reference to a schedule or an exhibit to this Agreement, which is incorporated into this Agreement by each such reference. Whenever in this Agreement the singular number is used, the same shall include the plural as appropriate (and vice versa), and words of any gender shall include each other gender as appropriate. The captions in this Agreement are for convenience only and in no way affect the interpretation of this Agreement. The normal rule of construction that any ambiguities be resolved against the drafting party shall not apply to the interpretation of this Agreement.

k. Governing Law. This Agreement shall be construed, enforced and interpreted in accordance with the laws of the State of Iowa, without regard to principles of conflicts of law.

l. Counterparts and Electronic Signatures. This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which will constitute one and the same instrument and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties. Signatures hereon that are transmitted by electronic means such as telecopy and e-mail shall be binding as if they were original and counterparts hereof with electronic signatures shall be deemed originals for all purposes.

m. Severability. If any provision of this Agreement, or any application of any such provision to any party or circumstances, shall be determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Agreement or the application of such provision to such person or circumstances, other than the application as to which such provision is determined to be invalid or unenforceable, shall not be affected thereby, and each provision shall be valid and shall be enforced to the fullest extent permitted by law.

12. Special Provisions Related to the Sale of the Property. See list of Special Provisions related to the Sale of the Property attached hereto and incorporated herein as Exhibit B.

THE REMAINDER OF THIS PAGE IS INTIONALLY LEFT BLANK.
SIGNATURE PAGE TO FOLLOW.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

Buyer:

Seller:

Printed Name: _____

KENNETH E. JOHNSTON

Printed Name: _____

Address of Seller for purpose of notice:

c/o Nicole L. Cox
Cox Law Firm, LLP
105 W. Van Buren
Centerville, IA 52544
Tel. No. 641-216-8350

Address of Buyer for purpose of notice:

Representing Attorney of Seller:
Nicole L. Cox

Tel. No. _____

Representing Attorney of Buyer:

Name of Lender, if applicable:

Exhibit A

The Property

Legal Description

A part of the North-Half of the Northwest Quarter, and the North-Half of the Southeast Quarter of the Northwest Quarter, all in Section 1, Township 68 North, Range 11 West of the Fifth Principal Meridian, Van Buren County, Iowa, also being designated as Auditor's Parcel "E", and being more particularly described as follows:

Beginning at the Southeast Corner of the Northwest Quarter of the Northwest Quarter of said Section 1; thence North 89 degrees 00 minutes 11 seconds West along the south line of the North-Half of the Northwest Quarter of said Section 1 a distance of 664.96 feet to the east line of the West-Half the Northwest Quarter of the Northwest Quarter of said Section 1; thence North 00 degrees 06 minutes 32 seconds East along said east line a distance of 1322.38 feet to the north line of the Northwest Quarter of said Section 1; thence South 89 degrees 27 minutes 54 seconds East along said north line a distance of 829.50 feet; thence South 00 degrees 24 minutes 02 seconds West a distance of 1129.76 feet; thence South 89 degrees 26 minutes 50 seconds East a distance of 1172.00 feet to the east line of said Northwest Quarter; thence South 00 degrees 23 minutes 48 seconds West along said east line a distance of 877 .52 feet to the south line of North-Half of the Southeast Quarter of the Northwest Quarter of said Section 1; thence North 88 degrees 46 minutes 13 seconds West along said south line a distance of 1327.78 feet to the west line of said Southeast Quarter of the Northwest Quarter; thence North 00 degrees 12 minutes 20 seconds East along said west line a distance of 663.84 feet to the Point of Beginning, containing 50.96 acres, including 0.96 acres of presently established Van Buren County road easement.

Exhibit B

Special Provisions

- This online auction will have a 5% buyer's premium. This means a buyer's premium 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 is selling free and clear for the 2024 farming season.
- It shall be the obligation of the Buyer to report to the Van Buren County FSA office and show filed deed in order to receive the following if applicable: A. Allotted base acres. B. Any future government programs. C. Final tillable acres shall be determined by the FSA office. D. CRP Prorate.
- Buyer agrees to follow all requirements of conservation plans and practices required by the FSA to maintain eligibility in the Conservation Reserve Program. Buyer agrees to accept responsibility and liability for any actions by the Buyer which would endanger eligibility for the CRP or actions that would require repayment of the CRP payment or payments. Buyer further agrees to indemnify and hold harmless the Sellers for any recovery sought by the FSA due to actions of Buyer, which would violate the requirements of the CRP.
- Both Tracts will be surveyed by a licensed surveyor, at Seller's expense. Tract 1 will be sold by the acre with gross surveyed acres being the multiplier used to determine the total bid amount. Tract 2 will be sold lump sum price. In the event the final survey is not completed by auction day or if the recorded survey is different than the announced gross surveyed acres, adjustments to the final contract price will be made accordingly at closing only on Tract 1, where the gross surveyed acres were used for the multiplier. No adjustments will be made to Tract 2, as it is selling lump sum price.
- This real estate auction is selling subject to final approval of the survey and subdivision requirements of the county.
- If one Buyer purchases more than one tract, the Seller shall only be obligated to furnish one abstract and deed (husband & wife constitute one buyer).
- Buyer of Tract 2 shall bear the responsibility and expense to have the septic system pumped & inspected, prior to closing, as required by the Iowa DNR. It shall also be the Buyer's responsibility and expense, if needed, to upgrade, repair, or any other matters to the septic system in accordance with Van Buren County & Iowa Laws & regulations. Prior to closing, the Buyer shall acquire the proper paperwork required by the Van Buren County Sanitarian for the septic system.
- 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 of Tract 1 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 to Buyer upon closing.
- This real estate is selling subject to any and all covenants, restrictions, encroachments and easements, as well as all applicable zoning laws.
- All lines, drawings, boundaries, 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 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.
- Steffes Group, Inc. is representing the Seller.
- Any announcements made the day of sale take precedence over advertising.