

AGREEMENT

for

Sale and Purchase of

The South Half of the South Half of the Northeast Quarter (S/2 S/2 NE/4) of Section Thirteen (13), Township Thirty-three (33) South, Range Twenty-eight (28) West of the 6th P.M., Meade County, Kansas; and

The Northwest Quarter (NW/4) of Section Fifteen (15), Township Thirty-three (33) South, Range Twenty-seven (27) West of the 6th P.M., Meade County, Kansas.

Mike Burkhart, Broker/Auctioneer
Burkhart Real Estate & Auction
P.O. Box 1564
Dodge City, Kansas 67801
(620) 430-2000
mike@soldbyburkhart.com

Agreement prepared by:

Terry E. Cordes
Attorney at law
148 N. Fowler
P.O. Box 1270
Meade, Kansas 67864
(620) 873-2133
office@terrycordeslaw.com

AGREEMENT

THIS AGREEMENT made and entered into this ____ day of _____, 2023, by and between the following parties:

James D. Tennis and Brent E. Tennis, co-executors of the Estate of Dean E. Tennis, Deceased, with respective addresses of P.O. Box 44, Rose Hill, Kansas 67133, and 121 N Estates Lane, Henderson, Texas 75652;

hereinafter “First Party” (whether one or more); and

_____;

hereinafter “Second Party”, (whether one or more); as follows, **WITNESSETH:**

1. Premises. First Party agrees to sell and convey to Second Party by good and sufficient Co-Executors’ Deed, accompanied by title insurance and made in accordance with current title standards, the following described real estate situated in Meade County, Kansas, to-wit:

The South Half of the South Half of the Northeast Quarter (S/2 S/2 NE/4) of Section Thirteen (13), Township Thirty-three (33) South, Range Twenty-eight (28) West of the 6th P.M.; and

The Northwest Quarter (NW/4) of Section Fifteen (15), Township Thirty-three (33) South, Range Twenty-seven (27) West of the 6th P.M.;

and said Co-Executors’ Deed to be given by First Party to Second Party shall recite therein that the conveyance of the above-described real estate is except and subject to all existing easements, rights of way, oil and gas leases, and other restrictions of record, if any.

2. Consideration. Second Party agrees to pay for said real estate and First Party agrees to accept therefor the sum of \$_____, payable as follows:

\$25,000.00 cash, which shall be payable upon the execution of this Agreement as earnest money to the escrow agent hereinafter named.

\$_____, being the balance of said purchase price, to be paid to the escrow agent hereinafter named upon delivery of a good and sufficient Co-Executors’ Deed, conveying to Second Party the above-described real estate, together with title insurance made in accordance with current title standards showing marketable title in First Party.

3. Escrow Agent. Terry E. Cordes, Attorney at Law is hereby designated and appointed as escrow agent of the parties hereto. The purchase price to be paid by Second Party for said real estate, the Co-Executors’ Deed to be executed by First Party, all as herein provided, and a copy of this Agreement duly executed shall be paid and delivered to said escrow agent who shall

hold and then pay and deliver the same to the respective parties entitled thereto, upon full performance by the parties hereto of all the terms of this Agreement, and these presents shall constitute the authority of said escrow agent in the premises. At the time of closing this transaction, said escrow agent is hereby authorized to deduct the following:

- a. The real estate tax obligation of First Party as hereinafter provided;
- b. Any sum or sums of money necessary to secure the release of any and/or all liens encumbering the real estate the subject of this Agreement;
- c. First Party's proportionate share of the title insurance charges as hereinafter provided;
- d. First Party's proportionate share of the escrow fee of the escrow agent as hereinafter provided;
- e. The commission fee of Mike Burkhart, Broker/Auctioneer;
- f. The attorney fees and expenses advanced of Terry E. Cordes, Attorney at Law of Meade, Kansas associated with and incidental to the sale of the above described real estate; and
- g. Any other incidental expenses of sale, which incidental expenses of sale shall be first approved of by First Party;

and then remit the balance of the purchase money to First Party, James D. Tennis and Brent E. Tennis, co-executors of the Estate of Dean E. Tennis, Deceased.

4. Possession. It is further agreed by and between the parties hereto that there is approximately 200 acres of planted/growing wheat situated upon and about the above described real estate and that Leo Reimer is First Party's one-third / two-thirds (1/3 – 2/3) crop share tenant, and is entitled to possession of said premises until the harvest of said wheat crop in the summer of 2023, failure of the planted wheat crop (including destruction thereof), or until the 1st day of August, 2023, whichever date is the earliest to occur, and thereafter Second Party shall be entitled to possession of said premises free and clear of any tenancy interest of Leo D. Reimer.

It is further agreed by and between the parties hereto that, notwithstanding anything contained herein to the contrary, First Party is retaining in its entirety First Party's one-third (1/3) landlord share of the growing wheat situated upon and about the real estate above described as well as the one-third (1/3) landlord share of any and/or all FSA or other government payments paid subsequent to closing concerning said growing wheat, and by reason thereof, Second Party understands and acknowledges that upon payment in full and the closing of this transaction, Second Party shall not have any right, title, or interest in and to the tenancy or landlord shares of such growing wheat crop or any and/or all FSA or government payments paid subsequent to closing respecting the tenancy or landlord share in said growing wheat crop. By reason of the understandings and agreements made within this paragraph 4. Possession, the parties hereto do hereby agree to execute any and/or all documents necessary to effectuate their mutual intentions,

and further agree that all of said understandings and agreements as made within this paragraph shall survive payment in full and the closing of this transaction.

5. Real Estate Taxes. First Party agrees to pay the 2023 real estate taxes and all prior years' real estate taxes assessed and levied on the real estate the subject of this Agreement and agrees to pay the said 2023 real estate taxes at the time of closing this transaction, and said amount shall be deducted from the proceeds receivable under this Agreement and result in a credit for Second Party on the purchase price at the closing of this transaction. The said 2023 real estate taxes shall be calculated on the basis of the 2022 real estate taxes assessed and levied on said real estate. By reason of Second Party receiving a credit at closing for First Party's payment of the 2023 real estate taxes based on the 2022 real estate taxes, Second Party agrees to pay the 2023 real estate taxes when assessed and levied by the Meade County Treasurer's Office, as well as all subsequent years' real estate taxes that may be assessed and levied on said real estate.

6. Condition of Property. In addition to all other agreements contained herein, Second Party further agrees that Second Party has inspected all of the real estate, including fixtures, improvements, water sources, and all fences situated upon and about the premises the subject of this Agreement, if any, and that upon execution hereof, Second Party accepts the same "as is" in their present condition. The parties hereto further expressly acknowledge that no statement or other representation is made hereunder, or has been previously made by First Party, or any agent of First Party, as to the physical condition of the property, the property lines, water rights and quality, noxious weeds, crop yields, operations, environmental matters, or any other matter affecting the subject property, and neither party hereunder is relying upon any statement or representation made by the other unless specifically set forth in this Agreement.

7. Cancellation. Second Party agrees that the aforesaid earnest money paid is a guarantee that the terms and conditions of this Agreement will be fulfilled, said payment to be applied on the purchase price at the time of closing this transaction. In the event Second Party shall fail to fulfill the obligations herein, First Party may at First Party's option cancel this Agreement, and thereupon the aforementioned earnest money payment shall become the property of First Party, not as a penalty but as liquidated damages, provided, however, that in the event First Party is unable to furnish a marketable title to the real estate the subject of this Agreement, the earnest money payment shall be returned to Second Party, and this Agreement shall be considered canceled, null and void, and of no further force and effect. It is mutually understood and agreed by the parties hereto that no matter shall be construed as an encumbrance or defect in title so long as the same is not so construed under the title examination standards of the Kansas Bar Association where applicable.

8. Evidence of Title and Closing. It is further agreed that First Party will furnish Second Party a commitment for title insurance and that furthermore, First Party will meet any requirements as reflected on said commitment form so as to show a good and marketable title in First Party, free and clear of all encumbrances **EXCEPT AND SUBJECT TO** existing easements, rights of way, oil and gas leases, and other restrictions of record, if any, provided, however, that First Party shall have a reasonable length of time to meet any requirements necessary to make such title marketable. Upon satisfaction of all requirements, it is agreed that final payment shall be made by Second Party, and this transaction shall be closed on or before May 25, 2023, unless such date is mutually extended in writing by First Party and Second Party, and thereafter an owners title insurance policy in the amount of the purchase price for the real estate above described shall be

issued to Second Party. Notwithstanding anything contained herein to the contrary, the parties hereto do hereby specifically understand and agree that the title insurance charges, as well as the escrow fee of the escrow agent hereinabove nominated shall be paid one-half (½) by First Party, and one-half (½) by Second Party, and that in the event Second Party finances the purchase of premises the subject of this agreement, and Second Party's lender requires a mortgage policy, that then and in such event Second Party shall be responsible for the entirety of the charges associated with the issuance of a mortgage policy in favor of Second Party's lender.

9. 1031 Exchange. First Party and Second Party agree that this transaction may be completed as a like-kind exchange and each party will cooperate with and assist the other party in completing the sale as a like-kind exchange, provided that the cooperating party's tax treatment remains unaffected and any additional costs incurred will be paid by the party requesting the exchange. Second Party has the right at any time prior to closing to assign all or a portion of its rights under this Agreement to a "Qualified Intermediary" (as that term is defined in Section 1.1031(k)-1(g)(4)(v) of the Treasury Regulations) in order to accomplish the transaction in a manner that will comply, either in whole or in part, with the requirements of a like-kind exchange pursuant to Section 1031 of the Internal Revenue Code of 1986, as amended (the "Code"). Likewise, First Party has the right at any time prior to closing to assign all or a portion of its rights under this Agreement to a Qualified Intermediary for the same purpose. In the event a party assigns its rights under this Agreement pursuant to this paragraph, such party agrees to notify the other party in writing of such assignment at or before closing. If First Party assigns its rights under this Agreement for this purpose, Second Party agrees to: (i) consent to First Party's assignment of its rights in this Agreement; and (ii) pay the Purchase Price into a qualified escrow or qualified trust account at closing as directed in writing. If Second Party assigns its rights under the Agreement for this purpose, First Party agrees to: (i) consent to Second Party's assignment of its rights in this Agreement; (ii) accept the Purchase Price from the qualified escrow or qualified trust account at closing; and (iii) at closing, convey and assign directly to Second Party the premises upon satisfaction of the other conditions to closing and other terms and conditions hereof. First Party and Second Party acknowledge and agree that any assignment of this Agreement to a Qualified Intermediary will not release a party from any of their respective liabilities and obligations to each other under this Agreement, and that neither party represents to the other that any particular tax treatment will be given to a party as a result thereof.

10. Broker/Auctioneer Disclosure. It is further agreed that pursuant to K.S.A. 58-3062(14), that all the parties to this Agreement have been notified by Mike Burkhart, Broker/Auctioneer of the following:

- A. Mike Burkhart, Broker/Auctioneer is acting as agent for First Party, with the duty to represent the interests of First Party.
- B. Mike Burkhart, Broker/Auctioneer will not be the agent for the undersigned Second Party; and
- C. Information given to Mike Burkhart, Broker/Auctioneer will be disclosed to First Party.

11. Counterparts and Signatures. This Agreement may be executed originally or electronically and in any number of counterparts, each of which shall be deemed to be an original

instrument, and each party executing a counterpart hereof shall be bound thereby in the same manner and with like effect as if every party executing a counterpart hereof had joined in and executed the same counterpart hereof.

12. Captions. The captions in this Agreement are for convenience only, and are not a part of this Agreement, and do not in any way limit or amplify the terms and provisions of this Agreement.

13. Entire Agreement. This Agreement constitutes the entire agreement by and between First Party and Second Party, and both parties expressly disclaim any interest in or rights under any other oral or side agreements by and between First Party and Second Party that may exist. This Agreement may not be modified or otherwise amended except in writing executed by the parties hereto.

14. Inurement. It is further agreed that all covenants and agreements herein contained shall extend to and bind the respective heirs, executors, administrators, successors or assigns of the parties hereto.

IN WITNESS WHEREOF, the parties have hereto set their hands the date and year above stated.

JAMES D. TENNIS, Co-Executor of
the Estate of Dean E. Tennis, Deceased

BRENT E. TENNIS, Co-Executor of
the Estate of Dean E. Tennis, Deceased

“First Party”

“Second Party”