

CONTRACT TO PURCHASE AGRICULTURAL LAND

This Agreement ("**Agreement**" or "**Contract**") is entered into by and between:

Seller: James M. Cochran, as Successor Trustee of the Reed Living Trust dated January 14, 1991, as Restated November 3, 2008, and of the Edith F. Reed Family Trust created under the Reed Living Trust dated January 14, 1991

Mailing Address:

Email:

Buyer(s): _____

Mailing Address: _____ Zip _____

Email: _____

who contract(s) to purchase the following described real estate the legal description for which is attached hereto as **Exhibit A**, (the "**Real Estate**" or "**Property**") and which was auctioned by Hertz Real Estate Services as Parcel # _____

Parcel Identification Number(s): _____

1. CONTRACT SALES PRICE AND TERMS

Purchase Price:

_____ surveyed acres at \$ _____ /acre per ALTA Survey of _____ \$ _____
Krause Surveying, Inc. on July 28, 2023, or thereafter:

Earnest Money Deposit: \$ _____

Balance Due at Closing, subject to adjustments provided herein: \$ _____

2. METHOD OF PAYMENT: Buyer shall pay the balance of the Purchase Price due at Closing by wire transfer to Seller's escrow agent in good U.S. Federal funds. This Agreement and Buyer's obligations are not subject to or contingent on Buyer obtaining financing or investors.

3. CLOSING AND POSSESSION

This Contract shall be closed on or before November _____, 2023, or at such other time as may be mutually agreed in writing. Possession is subject to the right of any tenant farmers in possession. The parties agree that possession of the Real Estate is to be delivered to Buyer on or before March 1, 2024, depending on when Seller's 2023 crops have been harvested and removed from the Real Estate. Prior to March 1, 2024, Buyer shall have the right, following fall harvesting and removal of crops, to enter the Real Estate for the purpose of performing land husbandry, customary tillage, application of fertilizer and lime, soil conservation practices and soil testing for the 2024 crop season.

4. REAL ESTATE TAXES - Drainage Taxes and Special Assessment

The 2022 real estate taxes, due and payable in 2023, shall be paid by Seller.

For the 2023 real estate taxes, due and payable in 2024, Seller shall give Buyer a credit at Closing in the amount of the actual 2022 full year real estate tax bill, and Buyer shall be responsible for payment of the actual 2023 real estate taxes.

5. CROPS AND EXPENSES

Seller shall receive 100% of the landowner's share of crops and 100% of the cash rent for the 2023 crop year.

Buyer shall receive 100% of the landowner's share of crops and 100% of the cash rent for the 2024 crop year.

Seller shall pay 100% of the landowner's share of the 2023 crop expenses.

Buyer shall pay 100% of the landowner's share of the 2024 crop expenses.

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6. GOVERNMENT AGRICULTURAL PROGRAM PAYMENTS

- A. Buyer agrees to continue to honor any existing government agricultural program contracts ("Government Contracts") affecting the Property and agrees to indemnify and hold harmless Seller for any damage Seller may sustain by reason of any failure of Buyer to keep or perform any of the covenants and obligations provided to be kept or performed under the terms and conditions of any such contracts by Seller.
- B. Seller shall receive the landowner share of any Agricultural Risk Coverage/ Price Loss Coverage ("ARC/PLC") government program payments for the 2023 crop year.
Buyer shall receive the landowner share of any ARC/PLC government program payments for the 2024 crop year.
- C. Seller shall receive the landowner share of any other government conservation program payments for the 2023 crop year.
Buyer shall receive the landowner share of any other government conservation program payments for the 2024 crop year.
- D. This Section 6 shall not merge with the Deed and shall survive the Closing. Seller shall perform any actions necessary to complete an Assignment to Buyer of any Government Contracts affecting the Property. Seller and Buyer agree to provide all information necessary to complete and execute all documents and perform all actions necessary to continue any Government Contracts affecting the Property and to provide documentation of payments received pursuant thereto within a reasonable time following request.

7. LEASE ASSIGNMENT / TERMINATION

Seller shall be responsible for the termination of the rights of any tenant in possession of the Property after the 2023 crop year crops are harvested and removed from the Real Estate. If requested by Seller, Buyer shall have the right to obtain satisfactory evidence that the rights of all parties to possession have been terminated by March 1, 2024.

8. ATTORNEY REVIEW

The parties shall have until 5:00 p.m. Central Time on October 9, 2023 ("**Review Period**") to have the Contract reviewed by their respective attorney, and that attorney may propose modifications within the Review Period, except that an attorney may not propose changes in price, date of closing or terms of possession. If the parties do not reach agreement on any proposed modification and written notice terminating this Contract is given to the other within the Review Period, this Contract shall be null and void and any earnest money refunded to Buyer. If written notice is not served within the Review Period, this provision shall be deemed waived by the parties and this Contract shall remain in full force and effect.

9. CONVEYANCE

- A. At closing Seller shall convey and transfer the Real Estate to Buyer by Trustee's Deed, which instrument shall be subject to the exceptions permitted herein. At the same time, the balance of the purchase price then due shall be paid by Buyer and all documents relative to the transaction shall be signed and delivered.
- B. At Closing Seller shall deliver to Buyer a completed Real Estate Transfer Declaration signed by Seller in the form required pursuant to the Real Estate Transfer Tax Act of the State of Illinois. Any transfer tax imposed by the Real Estate Transfer Declaration shall be paid by Seller.
- C. Recording fees imposed on the recording of the deed shall be paid by Buyer.

10. ENVIRONMENTAL

Seller represents, to the best of Seller's knowledge, that during the period of Seller's ownership or control over the Property, Seller has no knowledge of, nor reason to suspect, that there has been any underground storage (or other) tank or any presence, disposal, release, or threatened release of hazardous substances or hazardous wastes on, from or under the Property, by or through Seller, or any other party whatsoever. Seller similarly represents that, to the best of Seller's knowledge, there was no underground storage (or other) tank, nor any presence, disposal, release or threatened release of hazardous substances or hazardous waste on, from or under the Property prior to Seller's acquisition or ownership or control of the Property. Seller similarly represents that, to the best of Seller's knowledge, the Property (including underlying soil and ground water conditions) is not in violation of any state, local, federal, municipal or other law, statute, regulation, code, ordinance, decree or order relating to hygienic or environmental conditions, and during

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Seller's ownership of the Property, to the best of Seller's knowledge, no party has stored or disposed of any flammable explosives, radioactive materials, hazardous waste, toxic substances, or other released materials on, under or about the Property. As used herein, "**Seller's knowledge**" shall mean the actual, not constructive, knowledge of James M. Cochran.

11. SURVEY

Seller shall secure a boundary or ALTA survey (as determined by Seller) ("**Survey**") by a licensed land surveyor at 100% Seller's expense, dated within six (6) months prior to Closing. Final Purchase Price shall be based upon surveyed acres measured to the centerline of any street included as part of the Property. If the survey shows matters other than the Permitted Exceptions defined in Paragraph 14 below, encroachments from adjacent property, or improvements that are not located within the setback and lot lines, then these shall be considered defects in the title to the Property. Buyer shall notify Seller in writing of Buyer's objections to the Survey as provided in Section 14 below.

12. MINERAL RIGHTS

The Buyer will receive, and Seller will convey, all of Seller's water, oil, gas, coal, and other mineral rights, if any, not conveyed of record, and shall execute an appropriate assignment of any existing leases or contracts relating to those rights.

13. CARBON CREDIT RIGHTS

To the best of Seller's knowledge, the Property is not currently subject to an existing carbon credit program which shall be assigned by Seller to Buyer at Closing.

14. TITLE EVIDENCE

Seller shall deliver to Buyer or Buyer's attorney within customary time limitations as evidence of title in Seller, a title commitment for an ALTA title insurance policy issued by a Company licensed to issue the same in the State of Illinois for the amount of the purchase price. Seller shall pay the initial title search charge and title insurance premium. Buyer shall pay the search charge as to Buyer, the cost of mortgagee's title insurance policy, if any, and the cost of all necessary endorsements to the title insurance policy. Buyer and Seller shall furnish immediately upon request all information legally required for financing or transfer of title.

The title commitment shall be subject only to the following: (a) all taxes and special assessments now a lien, or levied, or confirmed after the date hereof, (b) building, use and occupancy or restrictions, if any, which do not unreasonably interfere with Buyer's intended use of the Property as agricultural land, (c) zoning laws and ordinances, (d) easements of record or in place affecting the Property, if any, which do not unreasonably interfere with Buyer's intended use of the Property as agricultural land, (e) drainage ditches, feeders and laterals, if any, (f) conveyances or reservations of coal, minerals and mining rights, if any, of record, (g) mortgage or other lien that may be eliminated at closing by application of the purchase price, (h) rights of tenants in possession if any, and (i) encroachments shown on the Survey that do not materially interfere with Buyer's intended use of the Property as agricultural land (Collectively, the "Permitted Exceptions").

Buyer or his attorney shall within five (5) business days after receiving such title commitment and Survey, deliver to Seller or his attorney, a written notice specifying survey-related title defects as defined in Section 11 above and unpermitted exceptions to which Buyer objects. Seller shall provide a written response to Buyer's notice of objections within a reasonable time period after receipt and advise whether Seller will cause such unpermitted exceptions or survey-related title defects to be cured, waived, or insured over before Closing. If Seller cannot cause such unpermitted exceptions or survey-related title defects to be cured, waived, or insured over before Closing, then this Contract shall, at Buyer's option, be void, and all earnest money shall be returned to Buyer. Buyer may, nevertheless, elect to take such title as it then is, and may deduct from the purchase price the amounts of any monetary liens and encumbrances of a definite or ascertainable amount and, in such case, the Seller shall convey the Property as agreed.

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15. PERFORMANCE

In the event of default by either party beyond any applicable cure period provided for in this Contract, the non-defaulting party shall have all rights and remedies available in law and equity; except if Buyer shall default, Seller shall be entitled to terminate this Agreement and retain earnest money as its sole remedy. If either Buyer or Seller brings an action against the other with the respect to the Contract, the prevailing party shall be entitled to recover reasonable attorney fees, costs and expenses from the non-prevailing party as ordered by a court of competent jurisdiction.

16. COMMISSIONS AND FEES

Seller shall be responsible for any auction fee due to Hertz Real Estate Services pursuant to a separate contract, and Buyer shall pay any commissions or fees due to any broker, finder, or consultant engaged by Buyer or its principals or affiliates. Buyer shall indemnify, defend, and hold Seller harmless from any claims for a commission or fee due to any person or entity engaged by Buyer.

17. EARNEST MONEY ESCROW

The earnest money funds shall be held in escrow for the mutual benefit of the Parties by Iroquois Title Company, as "**Escrowee**". Earnest Money of \$_____ shall be tendered to Escrowee on or before two business days after date of acceptance of this Agreement for the mutual benefit of the parties and shall be disbursed according to the terms of this Contract.

18. DATE OF ACCEPTANCE OF THIS AGREEMENT

The date of acceptance of this Agreement shall mean the last date this Agreement is signed by Buyer or Seller, as the case may be.

19. TAX DEFERRED EXCHANGE

Buyer, at its expense, may elect to perform an Internal Revenue Code Section 1031 tax deferred exchange with respect to the transfer of the Property, and in such event, each party agrees to cooperate in such exchange and take all steps reasonably necessary to allow its completion; provided, however, Buyer shall hold Seller harmless from and against any and all claims, costs, liabilities, expense or delays in time resulting from such an exchange. Any such election must be made by Buyer giving Seller written notice not later than October 20, 2023.

20. DEFAULT RETURN OF EARNEST MONEY

If Seller shall default under this Agreement, and fail to cure such default within five (5) business days after its receipt of written notice from Buyer, then Buyer may either (i) seek specific performance; or (ii) terminate this Agreement by written notice to Seller, and receive a refund of the Earnest Money deposit, either to be its sole remedy. If Buyer shall default under this Agreement and fail to cure such default within five (5) business days after its receipt of written notice from Seller, then Seller may terminate this Agreement by written notice to Buyer and retain the Earnest Money deposit as its sole remedy. In the event that the transaction does not timely close, or this Agreement is terminated as provided above, and the Escrowee is holding earnest money in its escrow account on behalf of the Buyer and Seller, said earnest money will be returned or held by Escrowee in accordance with the following terms:

- A. Escrowee holding the earnest money shall give 15 days' written notice to the parties to the transaction as to the Escrowee's proposed distribution of the earnest money;
- B. Written notice to the parties shall be given either by personal delivery or by a recognized national courier or sent via U.S. Mail, first class with postage fully paid addressed, return receipt requested, to the parties at their respective addresses as appear above in this Contract. Notice sent by U.S. Mail shall be deemed to be delivered on the third business day after being deposited in the mail;

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- C. If the Escrowee does not receive an objection to its proposed distribution within said 15-day time frame, it shall be considered that the Buyer and Seller agree with the Escrowee's proposed distribution, and Escrowee shall distribute the proceeds in the manner set forth in the Escrowee's notice.

Buyer and Seller acknowledge that as long as Escrowee returns earnest money in accordance with the above written procedures and in accordance with the 15-day notice given by Escrowee, this Contract provision is considered as written consent to disburse said earnest money funds. **In the event that the Buyer and the Seller fail to reach an agreement regarding dispersal of the earnest money, the escrow agent is authorized to file an interpleader action, and the parties agree that the escrow agent will be reimbursed from the earnest money for all costs including reasonable attorney's fees.**

21. GENERAL CONDITIONS AND STIPULATIONS

- A. Time shall be considered to be of the essence of this Contract. The warranties and agreement herein contained shall extend to and be obligatory upon the heirs, executors, administrators, successors and assigns of the parties hereto. If there be more than one Seller or Buyer, the word "Seller" or "Buyer" wherever used herein shall, respectively, be construed to mean Sellers and Buyers, and the necessary grammatical plural changes shall in all cases be assumed as though in each case fully expressed.
- B. All notices and demands herein required or given hereunder shall be in writing. The mailing of any such notice or demand by mail to the Seller or to the Buyer at their respective addresses hereinbefore set forth shall be considered sufficient service as of three (3) days after mailing. If there is more than one Seller or Buyer hereunder, the mailing of such notice or demand to any one Seller or Buyer at said respective addresses shall be considered to be sufficient service on all such Sellers and Buyers respectively. Notice may also be sent by facsimile or email to the Seller or Buyer at the facsimile number or email indicated on the signature page of this Contract.
- C. THE UNDERSIGNED ACKNOWLEDGE THAT IT IS ILLEGAL TO REFUSE TO SELL REAL ESTATE BECAUSE OF RACE, COLOR, AGE, RELIGION, SEX, SEXUAL ORIENTATION, CREED, PHYSICAL OR MENTAL HANDICAP, NATIONAL ORIGIN, ANCESTRY, MARITAL OR FAMILIAL STATUS, UNFAVORABLE MILITARY DISCHARGE OR DISCHARGE STATUS, ORDER OF PROTECTION STATUS, OR OTHER CLASS PROTECTED BY ARTICLE 3 OF THE ILLINOIS HUMAN RIGHTS ACT
- D. This Contract contains all the terms and conditions agreed upon by the parties hereof and supersedes all oral agreement regarding the subject matter of this Contract and may only be amended or altered in writing signed by all parties.
- E. Seller and Buyer agree to provide all information necessary to complete and execute all documents and perform all actions necessary to comply with the following: (a) Real Estate Settlement Procedures Act of 1974; (b) Internal Revenue Service Form 1099S; (c) Section 445 of the Internal Revenue Code as amended (which deals with the citizenship of the Seller;); (d) a mutually agreeable summary of the closing transaction and (e) all laws, statutes, ordinances and regulations applicable to the transaction.
- F. Facsimile copies, Electronic copies, and signatures on this Contract shall be as valid as an originally signed Contract.
- G. Counterpart Signatures: This Agreement may be signed in counterparts, which together shall constitute one agreement. If the Agreement is signed in counterparts, no signatory hereto shall be bound until all parties named below have duly executed, or caused to be duly executed, a counterpart of this Agreement.
- H. The parties intend this Contract to be governed by the laws of the State of Illinois.

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IN WITNESS WHEREOF, this Agreement is hereby executed by the parties.

Buyer Signature Date

Seller Signature Date

Buyer Signature Date

Buyer Phone Number

Seller Phone Number

Buyer Email Address

Seller Email Address

Attorney Name

Robert G. Davidson, Partner Harrison LLP

Attorney Name

Attorney Address

333 W Wacker Drive, Suite 1700, Chicago, IL 60606

Attorney Address

Attorney Phone #/Fax #

Phone (847) 858-5430 Fax (312) 753-6124

Attorney Phone #/Fax #

Attorney Email Address

RDavidson@harrisonllp.com

Attorney Email Address

Real Estate Brokers for this transaction are:

Hertz Real Estate Services
Listing Broker

By Agent Melissa Halpin

200 East Court St. Suite 600
Kankakee, IL 60901

P 815-935-9878 F 815-935-5757
Phone #/Fax #

melissah@hertz.ag
Email Address

THIS IS A LEGALLY BINDING CONTRACT. IF NOT UNDERSTOOD, SEEK LEGAL ADVICE. IT CONTAINS THE ENTIRE AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CHANGED EXCEPT BY THEIR WRITTEN CONSENT BY BOTH PARTIES.

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Exhibit A – Legal Description

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Notice of No Agency Relationship

Thank you for giving Melissa Halpin, Eric Wilkinson, or Dakota Behrends ("Licensees")
with Hertz Real Estate Services ("Sponsoring Brokerage Company")
the opportunity to Present Contract to Purchase
in regard to Reed Trusts Farms

Licensee's Sponsoring Broker has previously entered into a contract with a client to provide certain real estate
brokerage services through Licensee who acts as that client's designated agent. As a result, Licensee will not be
acting as your agent but as the agent of the Seller.

THIS NOTICE OF NO AGENCY IS BEING PROVIDED AS REQUIRED BY STATE LAW

Licensee - Melissa A. Halpin

Customer-

Date

Date

Licensee - Eric Wilkinson

Date

Licensee - Dakota Behrends

Date

DRAFT: Non-Executable