



buyafarm.com

AUCTION REAL ESTATE SALES CONTRACT

BAF # _____

Seller Information

Buyer Information

Auctioneer and Buy A Farm are agents for Sellers only. Auctioneer and Buy A Farm are not Agents for Buyer. If not understood, seek legal consultant before agreeing to terms and bidding.

Non-Absolute Auction (reserve auction); Sellers will have 24 hours from close of auction to accept all or part of bids OR
 Absolute Auction (non-reserve auction); Sellers have agreed to accept all final high bids.

1. **Agreement to Purchase.** Buyer submits the following terms of auction on _____, 20____, to purchase the Property, as hereinafter described and defined, subject to Seller’s approval. This offer shall automatically expire at 5 p.m. CST on _____, 20____ unless otherwise accepted in writing by Seller prior thereto. Time is of the essence as to Seller’s response.

This box is checked if the Property has been sold at an auction sale. For an auction sale, this Real Estate Sales Contract is made to confirm and set forth the terms of the Buyer’s bid, which has been accepted at the auction sale, including any terms announced on the date of the auction sale. The parties intend this Real Estate Sales Contract to be binding upon execution thereof.

2. **Legal Description.** Buyer, hereby agrees to purchase the following described property (“Property”), under terms and conditions set forth herein, having a common address of _____

_____ with Seller’s current vesting legal description, or a survey if herein agreed upon, to govern. The parties agree that the Property consists of approximately acres _____ (+/-). The parties acknowledge and agree that unless otherwise agreed to in Addendum A, no survey of the Property will be performed or obtained and that the acreage and descriptions as set forth or referred to herein shall govern. Buyer hereby acknowledges and understands that the Property, including improvements situated thereon, if any, is being sold on an “as is, where is” basis. Addendum A - Agreement as to Survey is attached hereto if this box is checked.

3. **Purchase Price and Method of Payment.** The Property shall be sold (check one box only):

_____ by the acre, with the purchase price to be the total sum of \$ _____
(total amount in numbers)

(spell out amount)
Dollars (\$ _____) per acre,

_____ in gross, with the total purchase price for the Property shall be the sum of \$ _____
(total amount in numbers)

(spell out amount)
Dollars (\$ _____) per acre,

which price is hereby accepted by Seller. The entire purchase price, less any earnest money hereby paid, shall be due and payable upon closing, plus or minus pro-rations, additions or changes, in the form of cash or certified, cashier's or bank check, or, as may be required by law, in readily available wire transfer funds. Time is of the essence as to the payment of the purchase price. Earnest Money: Buyer shall and does hereby pay to Auctioneer the sum of: (spell out amount below)

Dollars (\$ _____) to serve as earnest money, which shall be deposited and held without interest in _____ escrow account and applied to the purchase price upon closing unless otherwise specified herein.

4. **Closing.** Closing shall be not later than _____, 20____, or at such other time as the parties may mutually agree in writing. Time is of the essence as to closing and the payment of expenses hereinafter set forth. Closing shall take place at the office of _____. Seller and Buyer agree that all expenses are to be paid as follows prior to or at the closing or as otherwise herein established. Due diligence and financing are the responsibility of Buyer before they bid.

(a) Seller's Expenses. Seller agrees to pay: (i) all costs and expenses for releasing any existing loans and/or recording releases thereof; (ii) unless otherwise agreed to by the parties on Addendum H-Special Agreements, one-half of the closing fee charged by closing agent; (iii) the cost of any owner's title insurance policy premium; (iv) the cost for the preparation of deed and Real Estate Transfer Declaration (P-Tax 203); (v) by credit against the purchase price the Sellers obligation for real estate taxes as pro-rated pursuant to paragraph 11 below; (vi) all transfer taxes; (vii) the cost of recording any mortgage or lien releases as to the Property; (viii) any other expenses stipulated to be paid by Seller under other provisions of this Contract; and (ix) if applicable, Seller's broker's commission. Addendum H-Special Agreements is attached hereto if this box is checked. _____

(b) Buyer's Expenses. Buyer agrees to pay: (i) all expenses incident to any Buyer loan (including but not limited to, points, loan commitment fees, loan closing fees, preparation of note, mortgage, and other loan documents, recording fees, title examinations, mortgage title insurance policy premium, pre-payable interest, credit reports); (ii) unless otherwise agreed to by the parties on Addendum H-Special Agreements, one-half of the closing fee charged by closing agent; (iii) the cost of any copies of documents pertaining to restriction, easements, or conditions affecting the Property; (iv) the cost of recording the deed from Seller to Buyer; (v) any expenses stipulated to be paid by Buyer under other provisions of this Contract; and (vi) if applicable, Buyer's broker's commission. Addendum H-Special Agreements is attached hereto if this box is checked. _____

5. **Conveyance.** Buyer shall direct Seller as to how Buyer will elect to take title. Unless Buyer directs otherwise, conveyance of the Property shall be to Buyer as herein listed by recordable Warranty Deed with release of

homestead rights. Unless otherwise agreed in Addendum B - Reservation of Minerals, Seller is reserving no mineral, coal, gas, oil or other right, title or interest of any nature in the Property. Addendum B - Reservation of Minerals is attached hereto if this box is checked. _____

6. **Evidence of Title.** Seller shall furnish at Seller's expense a title insurance policy insuring title to the real estate in Buyer for the amount of the purchase price. Permissible exceptions shall include, but not limited to: (a) rights or claims of parties in possession not shown by the public records; (b) easements or claims of easements not shown by the public records; (c) encroachments, overlaps; boundary line disputes or other matters which would be disclosed by an accurate survey or inspection of the Property; (d) any lien or right of lien for services, labor or material heretofore or hereinafter furnished, imposed by law and not shown by the public record; (e) taxes or special assessments which are not shown as existing liens; (f) any water, mineral or other rights already granted or reserved by Seller or other parties, including but not limited to any mineral leases; (g) the rights of any current tenants in possession of the Property; (h) such easements, covenants, restrictions, conditions and other matters, if any, identified in the title commitment, (i) those exceptions referred to on Seller's deed to the real property, and (j) the usual printed exceptions in such title insurance policies. At least _____ days prior to closing, Seller shall provide Buyer with a commitment for such title insurance. After receipt of the title commitment, Buyer shall have three (3) business days to provide written objections to Seller. If Buyer does not timely deliver a written objection to Seller regarding the title commitment, the contents of the title commitment shall be deemed approved by Buyer. If Buyer provides timely written objections to Seller, Buyer and Seller shall have three (3) business days after Seller's receipt of Buyer's objections (the "Title Response Period") in which to agree in writing upon the manner of resolving Buyer's objections. Seller may, but shall not be required to, resolve Buyer's objections. If Buyer and Seller do not agree in writing upon the manner of resolving Buyer's objections, Buyer may cancel this Contract by providing written notice to Seller no later than three (3) business days after expiration of the Title Response Period, whereupon any earnest money shall be released to Buyer. If the Contract is not timely canceled by Buyer, Buyer's objections regarding the contents of the title commitment shall be deemed waived by Buyer and the parties shall proceed to closing. If the objection process herein provided for is undertaken, the closing deadline as set forth in the Contract shall be automatically extended for a period of not less than: (a) thirty (30) days, (b) that period of time as agreed to by the parties in resolving Buyer's objections, or (c) such other period as Buyer and Seller may agree to in writing.

The undersigned parties acknowledge and agree that neither Agent nor Buy A Farm Land and Auction Company, LLC assumes any responsibility for providing evidence of marketable title, examination of the title, curing title defects or for any closing delays caused thereby.

In the event the Property has been sold at an auction sale, any announcements made at the auction sale or agreements of the parties which modify or amend the terms of this paragraph 6 are set forth on Addendum H – Special Agreements. Addendum H – Special Agreements is attached hereto if this box is checked. _____

7. **Possession.** Except for leases of any interest in coal, oil, gas or other minerals which is a part of the Property and which leases are of record prior to the date of this Real Estate Sales Contract, all leases as to the Property shall be terminated by Seller prior to closing. Seller shall deliver possession of the Property to Buyer upon closing free and clear of any such leases except for any leases of any interest in coal, oil, gas or other minerals of record prior to the date of this Real Estate Sales Contract and except as set forth on Addendum C - Lease Disclosure to this Contract. Addendum C - Lease Disclosure is attached hereto if this box is checked. _____
8. **Agreement to Continue Certain Contracts.** Buyer acknowledges that all or some portion of the Property may currently be subject to certain state and/or federal government programs as set forth on Addendum D - Agreement as to Government Programs to this Contract. Addendum D - Agreement as to Government Programs is attached hereto if this box is checked. _____

9. **No Contingencies for Buyer / Bidder Financing.** Due diligence and financing are responsibility of Buyer / Bidder before they register or bid.
10. **Compliance.** 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, when applicable and as amended: a) Real Estate Settlement Procedures Act of 1974; b) Internal Revenue Service Form 1099S; c) Section 1445 of the Internal Revenue Code (which relates to tax reporting based upon the citizenship status of Seller); d) a mutually agreeable summary of the closing transaction; and e) all laws, statutes, ordinances, rules and regulations applicable to the transaction.
11. **Proration of Real Estate Taxes.** (Check one box only)

Option 1: Real estate taxes which are due and payable shall be paid before or at closing by Seller. Real estate taxes that are a lien on the property but not yet due and payable shall be prorated to the date of closing based on one hundred percent (100%) of the most recent annual ascertainable taxes. Buyer shall receive the credit at closing for an amount equal to the Seller's share of prorated real estate taxes and Buyer shall be responsible for payment of all real estate taxes becoming due and payable after the date of closing.

Option 2: Real Estate Taxes: _____

12. **Limitation on Warranty and Representations.** Buyer acknowledges that a full inspection of the Property and all related information, including this Contract, was made prior to Buyer's execution of this Contract, and that Buyer is satisfied in all respects with the condition of the Property and all matters pertaining thereto. The Buyer acknowledges that the Seller has not made, will not make and hereby disclaims any and all representations and warranties concerning the environmental condition of the Property. Buyer further acknowledges and agrees that, except as may otherwise be expressly set forth in this Contract, neither Seller nor any agent or representative of Seller, has made or shall be deemed to have made any oral or written representation or warranty concerning any matter relating to the Property to be sold and conveyed to Buyer hereunder or concerning any other matter connected with or related to the purchase and sale hereunder, and that the Property is being sold "as-is" as of the date of this Contract. All warranties for workmanship, habitability or fitness for a particular purpose are hereby expressly disclaimed by Seller and waived by Buyer.
13. **1031 Exchange.** Seller and Buyer agree to cooperate with each other, if requested, for purposes of effecting and structuring, in conjunction with the sale of the Property, a like-kind exchange of real property, whether a simultaneous or deferred exchange, pursuant to Section 1031 of the Internal Revenue Code of 1986, as amended, (the "Code") and the Treasury Regulations promulgated thereunder. Upon request of Buyer and/or Seller (the "**Exchanging Party**"), the other party (the "**Cooperating Party**") agrees to execute any and all documents, and take any and all acts, reasonably required, to effectuate such exchange, whether on a concurrent or deferred basis (including through a third-party qualifying intermediary) as are reasonable necessary to implement such an exchange; provided that Exchanging Party; (i) shall provide Cooperating Party with notice of its desire to enter into the exchange and of all acts and documents requested of or to be executed by the Exchanging Party in connection with the exchange; (ii) shall be solely responsible for assuring that the structure of any proposed exchange is effective for its own tax purposes and for paying all costs and expenses associated with the proposed exchange; and (iii) shall indemnify, protect, defend and hold the Cooperating Party and any of its partners, officers, directors, shareholders, members, managers, attorneys and agents harmless from and against any and all liability, including, but not limited to, costs and attorneys' fees, caused by or resulting from their participation in the exchange. Cooperating Party agrees that Exchanging Party may assign this Agreement and any of its rights or obligations hereunder, in whole or in part, as necessary or appropriate in furtherance of effectuating a Section 1031 like kind

exchange for the Property, provided that such assignment shall not serve to relieve Exchanging Party of any liability for Exchanging Party's obligations hereunder. Notwithstanding the foregoing, the scheduled closing shall not in any way be postponed or be subject to rescission or be contingent upon completion of the exchange; and Cooperating Party: (a) shall not be required to incur any liability or expense in connection with its participation in the Exchanging Party's exchange; (b) shall not be required to hold or otherwise acquire, or be entitled to, any property other than the Property; (c) shall not be required to execute any document creating any liability on its part by reason of the Exchanging Party's exchange; (d) makes no representation or warranty to Exchanging Party that such exchange will qualify for tax deferral or other tax treatment, whether pursuant to the Code or otherwise

14. **Residential Property.** If the Property, or any part thereof, is residential property, Addendum G - Residential Addendum shall be applicable. Buyer further acknowledges receipt of the Real Property Disclosure Report, Lead Based Paint Disclosure, Mold Disclosure, and Radon Disclosure, all of which shall be deemed incorporated herein by reference. Addendum G - Residential Addendum is attached hereto if this box is checked. _____
15. **Insurance.** If all or a material part of the Property is destroyed without fault of the Buyer or is taken by eminent domain, the Buyer may elect to terminate this Real Estate Sales Contract by written notice to Seller and Buyer shall be entitled to a refund of the earnest money deposit. Seller shall assume the risk of loss from damage or destruction to the premises prior to closing and may maintain such casualty or other insurance as Seller may elect. From and after closing, Buyer shall assume and bear the risk of loss from damage or destruction of the property. Each party may maintain such liability insurance coverage as the party may elect.
16. **Parties.** The covenants and agreements herein contained shall extend to and be obligatory upon the heirs, executors, administrators and assigns of the parties.
17. **Modifications.** Any modification of this Contract must be signed by all parties.
18. **Date.** The date and time of this Contract shall be the latest date in the space above the Seller's and Buyer's signatures.
19. **Default.** If Buyer defaults as to any term or obligation required by this Contract, Buyer shall be deemed to be in default and: (a) Seller may seek specific performance notwithstanding any common law to the contrary, or seek any other remedy provided by law or equity; or (b) Seller may treat this Contract as being terminated and receive the earnest money as liquidated damages. Seller shall be entitled to recover from Buyer all of Seller's costs and expenses (including, without limitation, reasonable attorneys' fees) in enforcing any of the provisions of this Contract. If Seller breaches this Contract and is found to be in default, then and only then shall the earnest money be returned to Buyer. In the event earnest deposit is to be paid out or refunded other than for closing, Seller and Buyer agree to execute an authorization for release thereof, and if Seller and Buyer cannot agree, the earnest money will be held until the holder thereof is directed by a court to make distribution of such.
20. **Choice of Law.** This Contract is being executed and delivered in the State of _____ and shall be governed by and construed and enforced in accordance with the laws of the State of _____.
21. **Waiver.** The waiver by either party of the breach of any provision of this Contract by the other party shall not operate or be construed as a waiver of any subsequent breach.
22. **Assignment.** Except as otherwise provided within this Contract, neither party hereto may transfer or assign this Contract without prior written consent of the other party.
23. **Legally Binding.** The undersigned each represent that such party: (a) has read this Contract; (b) intends this to be a legally binding contract with substantial legal implications when fully signed; (c) has had the

opportunity to consult with an attorney before signing this Contract; and (d) by signing does knowingly and voluntarily accept the terms herein. The parties to this contract agree to hold harmless and indemnify Buy A Farm Land And Auction Company LLC, its owners, shareholders, directors, officers, agents, members and representatives, including in regards to any matters claims, damages and attorney's fees, in regard to any matters, issues, or disputes, relating to this transaction or parties of this contract.

24. SELLER UNDERSTANDS IT IS ILLEGAL FOR EITHER SELLER OR BROKER TO REFUSE TO SELL OR DISCRIMINATE AGAINST ANY PERSON BECAUSE OF THE PERSON'S RACE, COLOR, SEX, RELIGION, NATIONAL ORIGIN, ANCESTRY, AGE, FAMILY STATUS, HANDICAP, OR UNFAVORABLE DISCHARGE FROM THE MILITARY SERVICE, AS THOSE TERMS ARE DEFINED IN EITHER THE ILLINOIS HUMAN RIGHTS ACT OR THE FEDERAL FAIR HOUSING ACT OR ANY OTHER APPLICABLE FEDERAL, STATE, COUNTY OR LOCAL STATUTE OR ORDINANCE.

25. *Is there a Licensed Real Estate Agent Interest?* ____Yes ____No If yes, complete the rest of this section and initial below. Pursuant to 225 ILCS 454/10-27, you are notified that _____ is a licensed real estate agent/broker and has an interest, direct or indirect, as the Seller or Buyer of the Property that is the subject of this transaction.

_____ (Buyer) _____ (Seller)

26. *Incorporation of Exhibits by Reference.* The following, if checked by the parties hereto, are made a part of and incorporated into this Contract by reference:

- ____Addendum A - Agreement as to Survey
- ____Addendum B - Reservation of Minerals
- ____Addendum C - Lease Disclosure
- ____Addendum D - Agreement as to Government Programs
- ____Addendum G - Residential Addendum
- ____Addendum H - Special Agreements
- ____Residential Real Property Disclosure Report
- ____Lead Base Paint Disclosure
- ____Attachment A - Multi Signatures

Buyer Date Buyer Date

Buyer Date Buyer Date
____Seller hereby accepts the terms of this Contract.

Seller Date Seller Date

Seller Date Seller Date

Designated Agent _____ Contact Phone # _____
 Designated Agent / Auctioneer License Number _____
 Brokerage Office Phone# _____ Brokerage Office License Number _____
 Brokerage Office Address _____