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# *REAL ESTATE PURCHASE AGREEMENT*

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THIS REAL ESTATE PURCHASE AGREEMENT (hereinafter referred to as “Agreement”) is made and entered into on August 19, 2024, by and between **LINDA RESCHLY**, not personally or individually, but as **Trustee of the LINDA RESCHLY REVOCABLE INTER VIVOS TRUST, DATED SEPTEMBER 25, 2007**, presently of 3648 Clark Road SE, Cedar Rapids, Iowa 52403, and her Successors in Trust, and **MARK E. RESCHLY**, not personally or individually, but as **Trustee of the MARK E. RESCHLY REVOCABLE INTER VIVOS TRUST, DATED SEPTEMBER 25, 2007**, presently of 3648 Clark Road SE, Cedar Rapids, Iowa 52403 (hereinafter collectively referred to as “Seller”), and presently of \_\_\_\_\_ (hereinafter referred to as “Purchaser”), which Seller and Purchaser are collectively hereinafter referred to as “Parties” or individually as a “Party”.

## **WITNESSETH:**

For and in consideration of the premises and agreements hereinafter set forth, it is COVENANTED and AGREED by and between Seller and Purchaser as follows:

### **1. Description of Real Estate**

Providing Purchaser shall first make the payments hereinafter set forth and perform the covenants hereinafter mentioned on the part of Purchaser to be made and performed, Seller hereby COVENANTS and AGREES to convey and assure to Purchaser, in fee simple, the tract of Real Estate legally described as follows, to-wit:

That part of Lot Numbered Two (2) of the Southwest Quarter of Section Thirty-two (32), in Cedar Township, Township Ten (10) North, Range One (1) East of the Fourth Principal Meridian, Knox County, Illinois, which lies South of the East-West Highway extended West from the South line of Lot Numbered One (1) of the Subdivision of the Southwest Quarter of Section Thirty-two (32), as per Plat thereof recorded in Volume 5 of Plats, page 15, containing **97 acres**, more or less; situated in the County of Knox and State of Illinois;

Parcel Identification Number: 13-32-300-004;

Parcel Address: Knox Highway 23, Abingdon, IL 61410;

(hereinafter referred to as “Real Estate”).

### **2. Purchase Price and Payment**

Purchaser agrees to purchase said Real Estate and to pay Seller therefor the sum of \_\_\_\_\_ **Dollars** (\$ \_\_\_\_\_) (hereinafter referred to as “Purchase Price”) in the following manner,

to-wit: (a) the sum of \_\_\_\_\_ **Dollars** (\$ \_\_\_\_\_), in cash, as an earnest money deposit (hereinafter referred to as "Deposit") to be held by Seller's attorneys, WHITNEY & POTTS, LTD., 118 West Main Street, Post Office Box 368, Elmwood, Illinois 61529-0368, in its Trust Account, pending the final closing of this transaction, the receipt of which is hereby acknowledged by Seller; and, (b) Purchaser shall pay the remaining balance of the Purchase Price to Seller, in certified funds, by wire transfer to the Closing Agent's account, on and at the final closing of this transaction.

### **3. Closing**

The final closing of this transaction shall take place on or before **October 1, 2024** (hereinafter referred to as "Closing" or "Closing Date"). The Closing shall take place at: (a) the office of Seller's attorneys, WHITNEY & POTTS, LTD., 118 West Main Street, Elmwood, Illinois 61529-0368; or, (b) the office of the title insurance company providing title insurance for the transaction; or, (c) such other place and time as the Parties shall mutually agree in writing.

### **4. Possession**

Possession of the Real Estate shall be delivered to Purchaser immediately following the final Closing of the transaction, subject to the rights of **DAYBREAK FARMS, INC.**, the farm tenant in possession of the Real Estate, whose cash rent lease will expire on December 31, 2024. Said farm tenant has reserved title to, possession of, and the right to harvest the farm crops now growing on the Real Estate. Seller shall retain all of the cash rent due from such tenant for the 2024 crop year. As soon as all of the 2024 crops now growing on the Real Estate have been fully harvested and Purchaser has obtained adequate liability insurance coverage on the Real Estate, Purchaser will have the option, at Purchaser's risk, to perform fall tillage, fertilize, and otherwise prepare the cropland for the 2025 crop.

### **5. No Financing Contingency**

This Agreement is not conditioned on Purchaser's ability to secure any type of loan whatsoever to finance the purchase of the Real Estate from Seller.

### **6. Conveyance of Real Estate**

At the final Closing of this transaction, Seller shall deliver a fully executed and recordable Trustees' Deed conveying merchantable title to the Real Estate to Purchaser or to Purchaser's nominee, in exchange for the balance of the Purchase Price due hereunder. Such Deed will be subject to: the year 2024 Real Estate Taxes payable in the year 2025 and all Real Estate Taxes levied and payable thereafter; all Roads and Highways, Easements, Rights-of-Way, Dedications, Reservations, Restrictions and Covenants affecting the real estate, if any; Rights-of-Way for Drainage Tiles, Ditches, Feeders and Laterals, if any; all applicable Zoning Ordinances and Restrictions; and all acts of Purchaser and Purchaser's Assigns and Successors in title but free and clear of all other encumbrances whatsoever, unless otherwise hereinafter stated. Within seven (7) calendar days after execution of this Agreement, Purchaser shall notify Seller or Seller's attorney, in writing, how Purchaser intends to take title to the Real Estate if different than in the introductory paragraph of this Agreement.

## **7. Evidence of Title**

Not less than ten (10) days prior to Closing, Seller shall deliver to Purchaser or Purchaser's Attorney and to Purchaser's Lender, if any, for examination purposes, a Commitment for Title Insurance in the amount of the Purchase Price of the Real Estate as of a reasonably current date. Objections to merchantable title shall be reported to Seller's Attorneys within five (5) days after receipt of evidence of title by Purchaser or Purchaser's Attorney. If the actual defects in title are not cured at or prior to Closing, this Agreement shall become inoperative at the option of either Party and the Deposit shall be refunded to Purchaser; however, Purchaser reserves the privilege to waive said defects and complete the transaction pursuant to the terms of this Agreement. Any matter which may be and is settled for out of the Purchase Price due Seller shall not be considered an actual defect in title. All expenses in connection with perfecting title, revenue stamps and the premium for the owner's title insurance policy in the amount of the Purchase Price of the Real Estate, shall be paid by Seller. In the event Purchaser will be conveying a real estate mortgage to Purchaser's lender at the closing of the transaction, Purchaser shall pay the closing fee charged by the title insurance company to close the transaction. Otherwise, the closing fee shall be shared equally by the Seller and Purchaser.

## **8. Real Estate Taxes**

Seller covenants that the 2023 taxes, payable in the year 2024, for the Real Estate and all real estate taxes levied and payable prior thereto will be fully paid at or prior to closing. The year 2024 taxes, payable in the year 2025 for the Real Estate shall be settled for at the Closing of the transaction with Seller giving Purchaser credit against the balance of the Purchase Price due hereunder, for the estimated 2024 taxes, payable in 2025. The settlement for the real estate taxes will be based upon the latest available real estate tax bill and known changes in the assessment, exemptions, and tax rate, if any. Purchaser shall then be responsible for full payment of the year 2024 taxes, payable in the year 2025, and all taxes and assessments on the Real Estate levied and payable thereafter.

## **9. Insurance**

Seller shall, at Seller's expense, keep the Real Estate constantly insured with a responsible insurance company or companies insuring Seller for liability coverage at the current limits until Closing.

## **10. Environmental Acknowledgments and Representations**

Purchaser acknowledges that the Real Estate and land adjacent and near thereto have been farmed for many years, and that pesticides, fertilizers and other chemicals have been and will continue to be used on or applied to the Real Estate and land adjacent and near thereto and that various farm and related equipment have been and will continue to be used thereon, which may expose the Real Estate to various environmental risks associated therewith. Except as to such matters, Seller represents that, to the best of Seller's knowledge but without investigation, Seller has no actual knowledge of: (a) the existence of any underground fuel or chemical storage tanks on the Real Estate; or (b) the presence of any toxic, hazardous or dangerous chemicals or other substances on the Real Estate which could give rise to any action by the United States of America, the U.S. Environmental Protection Agency, the Illinois Environmental Protection Agency, the Attorney General of the State of Illinois or any federal, state or local authority for the removal of such

chemicals, substances or conditions from the Real Estate or for the discontinuance of any environmentally sensitive activity conducted on the Real Estate; or (c) any pending or past actions by any governmental authority imposing any clean-up of the Real Estate. Purchaser acknowledges that Purchaser has had an opportunity to inspect the Real Estate for environmental hazards; however, if Purchaser desires to make any environmental audit of the Real Estate, Purchaser may do so at Purchaser's own expense prior to the Closing Date; however, in no event shall the Closing be delayed to obtain such audit.

#### **11. Condition of Premises**

Purchaser acknowledges and agrees that Purchaser has personally examined the Real Estate and the improvements and fixtures appurtenant thereto, if any, and is satisfied as to their physical condition and all other matters pertaining to them, as of the date of the execution of this Agreement; and, Purchaser further acknowledges that neither Seller nor Seller's agents have made any warranties, express or implied, as to the physical condition, size of or quality of the fixtures and improvements appurtenant to the Real Estate or with regard to the Real Estate itself, other than those warranties expressed herein and that Purchaser is buying the Real Estate and fixtures and improvements appurtenant thereto, if any, AS IS and WITH ALL FAULTS, except as otherwise specifically set forth herein.

#### **12. IRC Section 1031 Exchange**

Seller and Purchaser each shall accommodate the other, at no liability, cost or expense to either, in selling and acquiring the Real Estate as part of a tax-deferred like-kind exchange under Section 1031 of the Internal Revenue Code. Each Party consents to the assignment of this Agreement by the other to an Exchange Trustee or Accommodation Party. Seller and Purchaser shall execute such additional instruments, documents and agreements as may be reasonably required to effectuate the exchange, and which are customarily used in such transactions. A failure or delay in completion of the contemplated exchange shall not terminate or delay either party's obligation to the other under this Agreement. Neither Party shall be required to take title to the replacement property of the other.

#### **13. Binding on Successors**

All of the covenants and agreements herein contained shall extend to and be obligatory upon the heirs, devisees, personal representatives, successors and assigns of the respective Parties hereto.

#### **14. Timeliness of Payments/Performance**

Time of payment shall be of the essence of this Agreement and acceptance of any late or partial payments by Seller shall in no event be construed as constituting a waiver of the provision that time of payment shall be of the essence of this Agreement.

#### **15. Nonmerger**

The terms of this Agreement shall not merge with the delivery of the deed conveying the Real Estate to Purchaser but shall survive the delivery thereof.

## **16. Breach**

In the event of failure of Purchaser to make any of the payments due hereunder or any part thereof or perform any of the covenants hereof on the part of Purchaser hereby made and entered into: (a) this Agreement shall, at the option of Seller, be forfeited and determined and Purchaser shall forfeit all payments made on this Agreement and such payments, if any, shall be retained by Seller in full satisfaction and in liquidation of all damages sustained by Seller and Seller shall have the right to re-enter and re-take possession of the Real Estate if Purchaser is in possession of the Real Estate and in addition thereto, Purchaser shall pay to Seller all expenses, costs and reasonable Attorneys' fees which are necessary to effectuate a forfeiture of this Agreement and recover title to and possession of the Real Estate; or (b) Seller, at Seller's option, may elect the remedy of specific performance, and in such an event, Purchaser agrees, upon demand, to pay to Seller the full principal balance hereof remaining unpaid, together with reasonable Attorneys' fees, costs, expenses of suit and interest at the rate of six percent per annum on the unpaid balance hereof remaining unpaid from the Closing Date as above set forth to the date of recovery of the full balance of the Purchase Price due hereunder. In the event Seller fails to perform the terms of this Agreement, Seller shall pay the costs and reasonable Attorneys' fees incurred by Purchaser which are necessary to obtain Seller's performance of the terms hereof.

## **17. Code Violations**

Seller warrants that no notice from any city, village or other governmental authority of a code violation involving the Real Estate has been received by Seller within ten (10) years of the date of this Agreement.

## **18. Notices**

Any notice required under this Agreement shall be in writing and shall be deemed served upon Seller or Purchaser when personally delivered, or deposited for mailing by first class mail, or sent by facsimile with written confirmation by first class mail deposited the same day, to Purchaser or Seller at their respective address set forth in this Agreement or such other last known address, if different, or their respective Attorneys.

## **19. Execution in Counterparts / Telefaxed or Electronic Signatures**

This Agreement may be executed in several counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument. This Agreement may contain more than one counterpart of the signature page, and this Agreement may be executed by the affixing of the signature of each of the Parties to one of such counterpart signature pages. All of such counterpart signature pages shall be read as though one and they shall have the same force and effect as though all of the signers had signed a single page. A telefaxed or other electronic copy of a counterpart signature page shall be deemed, for all purposes, to be an original.

## **20. Entire Agreement / Modifications**

This document constitutes the entire Agreement of the Parties hereto. No modifications of this Agreement shall be binding upon the Parties unless they are made in writing and signed by all the Parties hereto.

**CAUTION: This will be a legally binding contract when fully signed and the Parties should seek such legal counsel as they deem appropriate.**

IN WITNESS WHEREOF, the Parties hereto have hereunto executed this Agreement on the date first above written.

**SELLER:**

**LINDA RESCHLY, as Trustee of the  
LINDA RESCHLY REVOCABLE INTER  
VIVOS TRUST, DATED SEPTEMBER 25,  
2007.**

**PURCHASER:**

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Linda Reschly, Trustee aforesaid

**MARK E. RESCHLY, not personally or  
individually, but as Trustee of the MARK  
E. RESCHLY REVOCABLE INTER  
VIVOS TRUST, DATED SEPTEMBER 25,  
2007.**

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Mark E. Reschly, Trustee aforesaid

THIS DOCUMENT WAS DRAFTED FOR SELLER BY ROBERT L. POTTS, ESQ., WHITNEY & POTTS, LTD.,  
118 West Main Street, Post Office Box 368, Elmwood, Illinois 61529.

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