

# REAL ESTATE AUCTION PURCHASE AND SALE AGREEMENT

THIS REAL ESTATE AUCTION PURCHASE AND SALE AGREEMENT (this "Agreement") is entered into as of this 15th day of November, 2014 by and between G.O. HEAD FARMS, INC., a Delaware corporation ("Seller"), and \_\_\_\_\_ ("Buyer").

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by both parties, Seller and Buyer hereby agree as follows:

1. **PROPERTY**. Seller agrees to sell, and Buyer agrees to buy, for the price and on the terms and conditions set forth herein, the real estate identified as Tract(s) # \_\_\_\_\_ at the auction held today by Sullivan Auctioneers, LLC (the "Auctioneer") containing a total of approximately \_\_\_\_\_ acres, which is legally described on Exhibit "A" attached hereto and made a part hereof and depicted on that certain survey(s) prepared by Jones Surveying & Engineering Corporation previously delivered to Buyer which identifies such Tract(s) (collectively, the "Survey"), together with any and all buildings and/or other improvements located thereon and all easements, rights of way, appurtenances and all other interests of Seller pertaining thereto (collectively, the "Property").

2. **PURCHASE PRICE**. The total purchase price for the Property of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) (the "Purchase Price") shall be paid by Buyer to Seller as follows:

A. **Earnest Money**. Earnest money in the sum of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_)

(the "Earnest Money"), which is equal to ten percent (10%) of the Purchase Price, in the form of a check drawn on an account with good and sufficient funds payable to Chicago Title Insurance Company (the "Title Company"), is hereby delivered by Buyer to the Auctioneer and shall be deposited promptly with the Title Company pursuant to a strict joint order escrow agreement in the form attached hereto as Exhibit "B" and made a part hereof, which shall be executed on the date of this Agreement by the parties or the attorneys representing them and held in such escrow pending the "Closing" (as hereinafter defined).

B. Balance. The balance of the Purchase Price in sum of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) by wire transfer of immediately available funds at the time of "Closing" (as hereinafter defined).

3. **CLOSING**. The purchase and sale of the Property as contemplated herein shall be closed at the offices of the "Title Company" (as hereinafter defined) or its agent located in Jacksonville, Illinois as shall be mutually agreed upon by the parties on a date and at a time during the week of December 15 to 19, 2014 that is mutually acceptable to Buyer and Seller (the "Closing"). The parties shall each pay one-half of the fee charged by the Title Company for the Closing and the Earnest Money escrow (excluding the title insurance policy, which shall be paid by Seller).

4. **DEED**. At the Closing, Seller shall convey title to the Property to Buyer by a special warranty deed in the form attached hereto as Exhibit "C" and made a part hereof, subject to the exceptions to title set forth in the title insurance commitment(s) for the

Property previously delivered to Buyer, matters set forth in the Survey and any other matters agreed to or caused by Buyer (collectively, the "Permitted Exceptions").

5. **TITLE INSURANCE**. At or prior to the Closing, Seller shall furnish to Buyer an updated title insurance commitment issued by the Title Company. If the title commitment discloses any new exceptions that are not Permitted Exceptions (collectively, the "Unpermitted Exceptions"), then Seller shall use reasonable efforts to have the Unpermitted Exceptions removed or insured over.

If any Unpermitted Exceptions are not removed or insured over by Seller as aforesaid, then Buyer may elect to accept title subject to any such Unpermitted Exceptions and proceed to Closing, with the right to deduct from the Purchase Price any encumbrances of a definite or ascertainable amount not caused by Buyer, as Buyer's sole and exclusive remedy with respect to such Unpermitted Exceptions. If Buyer does not elect to accept title to the Property as provided above, then Buyer shall give written notice thereof to Seller, in which case this Agreement shall terminate, the Earnest Money shall be refunded to Buyer as Buyer's sole and exclusive remedy and neither Buyer nor Seller shall have any further obligations or liabilities under this Agreement.

At the Closing, Seller shall, at its sole expense, furnish to Buyer an owner's title insurance policy in the amount of the Purchase Price subject only to the Permitted Exceptions or such Unpermitted Exceptions as are accepted by Buyer as provided above.

6. **POSSESSION**. Possession of the Property shall be delivered to Buyer at the Closing.

7. **TAXES**. Seller shall pay the 2013 real estate taxes, payable in 2014, when the tax bills are issued. The estimated 2014 real estate taxes, payable in 2015, will be

credited against the Purchase Price based on 100% of the amount of the 2013 taxes payable in 2014. Seller shall pay for all State and County transfer taxes.

8. **CRP CONTRACTS (if applicable)**. Seller shall be entitled to any and all Conservation Reserve Program and Conservation Reserve Enhancement Program (collectively, "CRP") payments with respect to the Property that were paid or are due and payable on or before the Closing. A copy of any and all CRP contracts applicable to the Property was previously delivered, or made available, to Buyer. Seller hereby transfers and assigns all of its right, title and interest in and to all such CRP contracts to Buyer, and Buyer hereby accepts such transfer and assignment. Buyer agrees to assume all obligations and liabilities of Seller under such CRP contracts and shall not violate any terms or conditions of such CRP contracts. Buyer shall be entitled to all CRP payments which are paid or due and payable after the Closing. Seller and Buyer shall execute any documents reasonably required to transfer and assign such CRP contract to Buyer. Buyer shall indemnify and hold Seller harmless from and against any and all claims, damages, fines or penalties arising after the Closing with respect to such CRP contracts. These CRP provisions shall survive the Closing and not merge into the deed.

9. **DEFAULT / REMEDIES**. If Buyer fails to fulfill any of its obligations under this Agreement, and such failure continues for three (3) business days after written notice thereof is given by Seller to Buyer, then Seller may terminate this Agreement by giving written notice thereof to Buyer and retain as liquidated damages and its sole property the Earnest Money deposit made by Buyer as the sole and exclusive remedy of Seller for such default, the parties agreeing that Seller's actual damages for such default would be speculative and difficult or impossible to calculate and that such liquidated damages

amount is fair and reasonable; provided, that if insufficient funds exist in the bank account from which Earnest Money check is drawn, then Seller shall have the right to pursue against Buyer any and all remedies available under applicable law for such default of Buyer.

If Seller fails to fulfill its obligations under this Agreement, and such failure continues for three (3) business days after written notice thereof is given by Buyer to Seller, then Buyer may terminate this Agreement by giving written notice thereof to Seller and receive a refund of the Earnest Money deposit made by Buyer or, at Buyer's option, proceed with a suit for specific performance without any claim or demand for damages.

In the event of litigation, the prevailing party shall be entitled to recover reasonable attorney's fees and costs from the non-prevailing party.

10. **MISCELLANEOUS.**

A. Condition. Buyer has inspected the Property and all matters relating to it and is purchasing it in "AS IS", "WHERE IS" condition, subject to any and all faults and defects whether foreseeable or unforeseeable, ordinary or extraordinary, patent or latent. Seller shall keep the Property in good condition until the Closing, except for casualty and other events beyond its reasonable control.

B. Risk of Loss. In the event of any loss, damage or destruction to the Property by fire, other casualty or event beyond the control of Seller between the date of this Agreement and the Closing, Seller shall elect, in its sole and absolute discretion, to either (i) repair or replace such damaged or destroyed Property at its sole expense or (ii), if covered by insurance, transfer and assign to Buyer at the Closing all insurance proceeds paid or payable to Seller in connection therewith,

and Seller shall have no further obligations or liabilities with respect to any such loss, damage or destruction and the Closing shall occur as required hereunder.

C. Inspection. Buyer shall have the right to inspect the Property at any reasonable time prior to Closing by giving Seller prior notice thereof, but this Agreement shall not be subject to termination or otherwise contingent on the outcome of any such inspections.

D. Environmental. To the best knowledge of Seller, Seller warrants that it has received no written notice from any governmental authorities of any violation of any laws governing hazardous substances, underground storage tanks, pollutants or contaminants.

E. No Financing Contingency. This Agreement is not subject to Buyer obtaining financing. Buyer represents and warrants to Seller that it has sufficient cash or financing to complete the purchase of the Property on the terms and conditions contained herein.

F. Integration. The parties expressly acknowledge that this Agreement contains their entire agreement with respect to the subject matter hereof and that they have not relied on any prior or contemporaneous oral or written representations or statements by the other party in connection with the subject matter of this Agreement.

G. Successors. This Agreement shall be binding on the heirs, executors, administrators, successors and permitted assigns of the parties.

H. Amendment. This Agreement may not be amended except by a written instrument executed by both parties.

I. Time of the Essence. Time is of the essence of this Agreement and the performance of all the terms and conditions hereof.

J. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. This Agreement shall be effective upon delivery with original signatures or delivery of copies of signatures via facsimile or e-mail.

K. Brokers. The Auctioneer's fee shall be paid by Seller at its sole expense. Each party represents and warrants to the other that no broker or finder has been engaged or has any interest in the transaction represented by this Agreement other than the Auctioneer. Each party shall indemnify and hold harmless the other party from and against any claims for a commission or other fee from any broker claiming by, through or under them with respect to the transaction contemplated herein. This provision shall survive the Closing and not merge into the deed.

L. No Recording. Neither this Agreement nor any memorandum of it may be recorded with the Recorder of Deeds of Scott or Morgan Counties, Illinois.

M. No Personal Liability. Buyer agrees that Seller shall have no personal liability under this Agreement and that Buyer shall look solely to the Property for the satisfaction of any liabilities or the performance of any obligations of Seller arising under this Agreement. This provision shall survive the termination of this Agreement or the Closing and not merge into the deed. Any warranties given by Seller under this Agreement shall expire upon the Closing.

N. Cooperation. The parties hereto shall fully cooperate with each other and execute all documents reasonably required to complete the transaction contemplated by this Agreement and any related tax-deferred exchange of real estate under Section 1031 of the Internal Revenue Code requested by either party hereto.

O. Legal Advice. Buyer acknowledges that prior to the auction it received a copy of this form of agreement, read it carefully, understands it and had the opportunity to consult with a lawyer regarding it.

P. Notice. Any notice to be given under this Agreement shall be in writing, addressed as provided on the signature page of this Agreement, delivered by a reputable overnight mail courier and deemed given on the date of delivery.

Q. Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Illinois.

IN WITNESS WHEREOF, the parties have executed this Agreement on the above date in duplicate originals.

**SELLER:**

**BUYER:**

G.O HEAD FARMS, INC.

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By: \_\_\_\_\_  
Kathryn S. Head  
Vice President

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**SELLER'S ADDRESS:**

**BUYER'S ADDRESS:**

G.O HEAD FARMS, INC.  
c/o K&L Gates LLP  
Attn: Gregory R. Andre  
70 W. Madison Street, Suite 3100  
Chicago, Illinois 60602

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**Exhibit "A"**  
**to**  
**Real Estate Auction Purchase and Sale Agreement**

**LEGAL DESCRIPTION OF PROPERTY**

**ESCROW TRUST INSTRUCTIONS  
STRICT JOINT ORDER #1  
(EARNEST MONEY)**

Eric W. Campbell, Office Manager  
Chicago Title and Trust Company, Escrow Trustee  
1043 S. Fifth St.  
Springfield, IL 62705  
Phone: (217)789-9863 Fax: (217)789-9898

**Date:** September 3, 2014  
**Escrow No.:** 0271-1400954-001

**CUSTOMER IDENTIFICATION:**

**Seller:** G.O. Head Farms, Inc.  
**Purchaser:**  
**Property Address:**  
**Project Reference:**  
**Proposed Disbursement Date:**

**DEPOSITS:**

1. The sum of \$\_\_\_\_\_ representing: Deposit or Earnest Money

**DELIVERY OF DEPOSITS:**

The above-referenced escrow trust deposits ("deposits") are deposited with the escrow trustee to be delivered by it only upon the receipt of a joint order of the undersigned or their respective legal representatives or assigns.

In no case shall the above-mentioned deposits be surrendered except upon the receipt of an order signed by the parties hereto, their respective legal representatives or assigns, or in obedience to the court order described below.

**BILLING INSTRUCTIONS:**

Escrow trust fee will be billed as follows:

There will be no charge if this transaction closes. If transaction cancels a \$300 escrow fee will be accessed against deposit.

An annual maintenance fee, as determined by the then current rate schedule, will commence ~~December 20, 2014~~.

PLEASE NOTE: The escrow trust fee for these joint order escrow trust instructions is due and payable within thirty (30) days from the projected disbursement date (which may be amended by joint written direction of the parties hereto). In the event no projected disbursement date is ascertainable, said escrow trust fee is to be billed at acceptance and is due and payable within thirty (30) days from the billing date. Chicago Title and Trust Company, at its sole discretion, may reduce or waive the escrow trust fee for these joint order escrow instructions in the event the funds on deposit herein are transferred to or disbursed in connection with sale escrow trust instructions or an agency closing transaction established at Chicago Title and Trust Company.

**INVESTMENT:**

Deposits made pursuant to these instructions may be invested on behalf of any party or parties hereto; provided that any direction to escrow trustee for such investment shall be expressed in writing and contain the consent of all other parties to this escrow, and also provided that you are in receipt of the taxpayer's identification number and investment forms as required. Escrow trustee will, upon request, furnish information concerning its procedures and fee schedules for investment.

**ESCROW TRUST INSTRUCTIONS**  
**STRICT JOINT ORDER #1**  
**(EARNEST MONEY)**  
(continued)

**COMMINGLE:**

Except as to deposits of funds for which escrow trustee has received express written direction concerning investment or other handling, the parties hereto agree that the escrow trustee shall be under no duty to invest or reinvest any deposits at any time held by it hereunder; and, further, that escrow trustee may commingle such deposits with other deposits or with its own funds in the manner provided for the administration of funds under Section 2-8 of the Corporate Fiduciary Act (205 ILCS 620/2-8) and may use any part or all such funds for its own benefit without obligation to any party for interest or earnings derived thereby, if any. Provided, however, nothing herein shall diminish escrow trustee's obligation to apply the full amount of the deposits in accordance with the terms of these escrow instructions.

In the event the escrow trustee is requested to invest deposits hereunder, Chicago Title and Trust Company is not to be held responsible for any loss of principal or interest which may be incurred as a result of making the investments or redeeming said investment for the purposes of these escrow trust instructions.

**LIABILITY OF ESCROW TRUSTEE:**

Undersigned hereby agrees that escrow trustee shall only be liable for gross negligence and willful misconduct in the duties under this agreement and shall not be bound by this agreement unless acceptance is initialed below. Escrow trustee may act in reliance upon any writing, instrument or signature which it, in good faith, believes to be genuine; may assume the validity and accuracy of any statements or assertions contained therein; and may assume that any person signing such writing had been duly authorized to do so. Escrow trustee reserves the right to resign as holder of this escrow at any time with notice to the parties, and if necessary may petition a court to appoint a successor escrow holder. The liability of escrow trustee is limited to proper payment of the amount of the funds placed in escrow and damages for any improper payment are limited to the amount of the funds placed in escrow.

**COMPLIANCE WITH COURT ORDER:**

The undersigned authorize and direct the escrow trustee to disregard any and all notices, warnings or demands given or made by the undersigned (other than jointly) or by any other person. The said undersigned also hereby authorize and direct the escrow trustee to accept, comply with, and obey any and all writs, orders, judgments or decrees entered or issued by any court with or without jurisdiction; and in case the said escrow trustee obeys or complies with any such writ, order, judgment or decree of any court, it shall not be liable to any of the parties hereto or any other person, by reason of such compliance, notwithstanding any such writ, order, judgment or decree be entered without jurisdiction or be subsequently reversed, modified, annulled, set aside or vacated. In case the escrow trustee is made a party defendant to any suit or proceedings regarding this escrow trust, the undersigned, for themselves, their heirs, personal representatives, successors, and assigns, jointly and severally, agree to pay to said escrow trustee, upon written demand, all costs, attorney's fees, and expenses incurred with respect thereto. The escrow trustee shall have a lien on the deposit(s) herein for any and all such costs, fees and expenses. If said costs, fees and expenses are not paid, then the escrow trustee shall have the right to reimburse itself out of the said deposit(s).

**RIGHT TO INTERPLEAD:**

The parties agree that escrow trustee shall not interplead any funds in escrow until and unless there is a dispute among two or more parties hereunder with respect to the disposition of funds held in escrow. If any dispute arises among any two (2) or more of the parties hereunder and such parties fail to resolve such dispute or commence an arbitration proceeding to resolve such dispute within thirty (30) days after a written demand by escrow trustee to do so, then the escrow trustee shall have the right to interplead the amounts in controversy into a court of competent jurisdiction and, upon the deposit of said funds into court as aforesaid, escrow trustee shall have no further obligations hereunder with respect to such funds. All costs of any such interpleader action shall be reimbursed to escrow trustee from the funds deposited hereunder.

**ESCROW TRUST INSTRUCTIONS**  
**STRICT JOINT ORDER #1**  
**(EARNEST MONEY)**  
(continued)

**EXECUTION:**

These escrow trust instructions are governed by and are to be construed under the laws of the state of Illinois. The escrow trust instructions, amendments or supplemental instructions hereto, may be executed in counterparts, each of which shall be deemed an original and all such counterparts together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned have executed this document on the date(s) set forth below.

**SELLER(S):**

G.O. Head Farms, Inc.

BY: \_\_\_\_\_ Date \_\_\_\_\_

**PURCHASER(S):**

\_\_\_\_\_

BY: \_\_\_\_\_ Date \_\_\_\_\_

**ACCEPTED:**

Chicago Title and Trust Company, as Escrow Trustee

\_\_\_\_\_  
Signature Date \_\_\_\_\_

By: \_\_\_\_\_  
Print Name

Its: \_\_\_\_\_  
Print Title

**Exhibit "C"**  
**to**  
**Real Estate Auction Purchase and Sale Agreement**

**DEED FORM**

PREPARED BY:  
K&L Gates LLP  
Attn: Gregory R. Andre  
70 W. Madison Street  
Suite 3100  
Chicago, Illinois 60602

MAIL TAX BILL AND  
RECORDED DEED TO:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

### SPECIAL WARRANTY DEED

GRANTOR, G.O. HEAD FARMS, INC., a Delaware corporation, for and in consideration of Ten and 00/100 DOLLARS (\$10.00), and other good and valuable consideration in hand paid, by these presents does REMISE, RELEASE, ALIEN and CONVEY to GRANTEE, \_\_\_\_\_, of \_\_\_\_\_, \_\_\_\_\_, FOREVER, the real estate situated in the County of \_\_\_\_\_, in the State of Illinois, and legally described on Exhibit A attached hereto and made a part hereof.

Together with all and singular the hereditments and appurtenances thereunto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues, and profits thereof, and all the estate, right, title, interest, claim or hereditaments and appurtenances: TO HAVE AND TO HOLD the said premises as above described, with the appurtenances, unto the Grantee, forever.

Grantor does covenant, promise and agree, to and with Grantee, that it has not done or suffered to be done, anything whereby the said premises hereby granted are, or may be, in any manner encumbered or charged, except as herein received; and that the said premises, against all persons lawfully claiming, or to claim the same, by, through or under it, it WILL WARRANT AND DEFEND, subject to general real estate taxes for 2014 and subsequent years and \_\_\_\_\_.

Address of Real Estate: \_\_\_\_\_

P.I.N.: \_\_\_\_\_

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2014

G.O. HEAD FARMS, INC.,  
a Delaware corporation

By: \_\_\_\_\_  
Kathryn S. Head  
Vice President



**Exhibit A  
To  
Special Warranty Deed**

**LEGAL DESCRIPTION**