

**AGREEMENT TO PURCHASE**

To: **Ernie Johnson, Jr.** (and Ernie Daniel Johnson, if the Property includes Tract 8) ("Seller")

Date: **June 30, 2016**

I/We the undersigned ("Buyer") offer to purchase the real estate identified as tract(s) \_\_\_\_\_ in the auction brochure prepared for purposes of the auction conducted on this date by Schrader Real Estate and Auction Company, Inc. ("Auction Company"), said tract(s) being approx. \_\_\_\_\_ (±) acres located in Sec. 2-T9N-R9W and/or Sec. 10-T9N-R9W and/or Sec. 11-T9N-R9W (Curry Twp.) in Sullivan County, Indiana, including improvements and permanent fixtures, if any, presently existing on said tract(s) (the "Property"). This offer incorporates the terms and conditions set forth herein and the auction announcements attached as **Addendum A** (collectively, this "Agreement").

1. **PURCHASE PRICE.** The purchase price is \$ \_\_\_\_\_, all of which shall be paid in cash at closing, less applied Earnest Money and any other credits due Buyer as may be provided in this Agreement. The purchase price shall be subject to adjustment if and only if (and only to the extent that) such an adjustment is applicable in accordance with the terms of Addendum A.
2. **EARNEST MONEY.** Concurrently with this offer, Buyer is delivering to Auction Company the sum of \$ \_\_\_\_\_ (the "Earnest Money"), to be held in escrow, delivered to the closing agent prior to closing, and applied to the purchase price at closing.
3. **TAXES AND ASSESSMENTS.** Any unpaid real estate taxes and assessments which are assessed against and attributable to the Property for the calendar year 2015 and prior years (including 2015 real estate taxes due in 2016), and any related penalties, shall be withheld from Seller's proceeds at closing and paid directly to the county. The 2016 real estate taxes (due in 2017) shall be estimated based on the amount billed for 2015 and the amount thus estimated shall be paid via credit against the sums due from Buyer at closing, with no further settlement or adjustment after closing; *provided, however*, if the Property includes Tract 7, the credit for estimated 2016 taxes for Tract 7 shall be prorated on a calendar year basis to the date of closing. Having received such credit, Buyer shall then pay all taxes and assessments which become due after closing.
4. **SURVEY.** A new perimeter survey of the Property shall be obtained if and only if: (a) the conveyance of the Property will involve the creation of a new parcel for which there is/are no existing legal description(s); or (b) the official(s) responsible for recording the deed will not accept the conveyance for recording without a new survey; or (c) a new survey is deemed necessary or appropriate for any other reason in Seller's sole discretion. If a new survey is obtained: (i) the survey shall be ordered by the Auction Company; (ii) the survey shall be sufficient for the purpose of recording the conveyance, but the type of survey shall otherwise be determined solely by the Seller; and (iii) the survey costs shall be shared equally (50:50) by Seller and Buyer.
5. **DEED; TITLE INSURANCE.** Seller shall furnish at Seller's expense and shall execute and deliver at closing a Warranty Deed conveying the Property to Buyer, subject to the Permitted Exceptions. Seller shall also furnish at Seller's expense an owner's title insurance policy, in the amount of the purchase price, insuring marketable title to the Property (but not insuring the title to any minerals); subject, however, to all standard exceptions, conditions and requirements and subject to the Permitted Exceptions. Prior to closing, Buyer shall be entitled to receive a commitment for the issuance of such title insurance policy dated after the date of this Agreement (the "Final Title Commitment").
6. **PERMITTED EXCEPTIONS.** Buyer agrees to accept the title, deed, title insurance and any survey subject to and notwithstanding the following matters (each a "Permitted Exception" and collectively the "Permitted Exceptions"): (a) existing roads, public utilities and drains; (b) visible and/or apparent uses and easements; (c) any variation between a deeded boundary line and a fence line, field line, ditch line or other visible or apparent occupancy line; (d) recorded easements, conditions, restrictions, reservations and other matters (except liens) appearing of record; (e) any lien for current, non-delinquent real estate taxes; (f) any matter disclosed in this Agreement (including Addendum A); (g) any outstanding mineral rights or reservations and any subsisting mineral lease; and (h) any other matter (except liens, if any) disclosed or listed in the preliminary title insurance schedules described in Addendum A and/or the 2012 survey as described in Addendum A.
7. **CLOSING.** Closing shall be held **on or before August 1, 2016**; *provided, however*, Seller may extend the closing date for a reasonable period of time if additional time is required in connection with the completion of the survey, if applicable, the Final Title Commitment and/or the Seller's closing documents (and/or the completion of any post-sale bankruptcy court proceedings that may be required in order to consummate the sale). The closing shall be held at and/or administered through the office of **First American Title Insurance Company, 251 E. Ohio Street, Suite 555, Indianapolis, IN 46204 (Tel: 317-423-0370)**, or otherwise as mutually agreed. If Seller is unable to convey the Property in conformance with the requirements of this Agreement, either party may terminate this Agreement prior to closing by written notice to the other; *provided, however*, prior to any such termination by Buyer, Buyer must give Seller sufficient written notice of the nonconformity to enable Seller to cure such nonconformity and Seller shall have the right to extend the date of closing up to 30 days in order to cure such nonconformity. In the event of termination by either party pursuant to this Section, Buyer shall be entitled to the return of the Earnest Money as Buyer's sole and exclusive remedy.
8. **RISK OF LOSS.** The Property shall be conveyed at closing in substantially its present condition, normal wear and tear excepted. Seller assumes the risk of loss and damage until closing. Seller's insurance may be canceled as of the closing date.
9. **POSSESSION.** Possession shall be delivered in accordance with Addendum A. Seller shall pay for all utilities until possession is delivered.
10. **INCLUDED/EXCLUDED ITEMS.** Notwithstanding any other provision, the "Property" includes or excludes any item that is specifically included or excluded according to Addendum A or any residential disclosure form signed by Seller. Propane tanks are excluded unless otherwise provided.
11. **THE PROPERTY IS SOLD "AS IS" AND "WHERE IS". ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE CONDITION OF THE PROPERTY, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, ARE HEREBY DISCLAIMED. IN NO EVENT SHALL SELLER OR AUCTION COMPANY BE LIABLE FOR CONSEQUENTIAL DAMAGES.** Without limiting the foregoing provision, Seller, Auction Company and their respective agents and representatives disclaim any representation or warranty with regard to acreages, zoning matters, location or availability of utilities, availability of building or other permits, whether or not the Property qualifies for any specific use or purpose and/or the accuracy of any third party reports or materials provided in connection with the Auction or this Agreement.
12. **REMEDIES.** Except as otherwise provided above, if either party (the "Defaulting Party") fails to complete this transaction and is in default, the other party may elect either to: (a) terminate this Agreement by written notice to the Defaulting Party; or (b) seek specific performance and/or any other remedy available in equity or at law. If Buyer is the Defaulting Party, the Earnest Money shall be either delivered to Seller as liquidated damages (if Seller elects to terminate this Agreement) or applied towards any judgment for damages or specific performance. If Seller is the Defaulting Party, the Earnest Money shall be returned to Buyer. Notwithstanding any other provision, if this transaction fails to close, the escrow agent or closing agent holding the Earnest Money is authorized to hold such funds until it receives either: (i) written disbursement instructions signed by Buyer and Seller; (ii) a written release signed by one party authorizing disbursement to the other party; or (iii) a final court order specifying the manner in which the Earnest Money is to be disbursed.
13. **AGENCY. Auction Company and its agents and representatives are acting solely on behalf of, and exclusively as the agent for, the Seller. This Agreement is solely between Buyer and Seller. The Auction Company and its employees, representatives and independent agents shall not be liable for any existing or arising defects or deficiencies in any land, improvements, fixtures or equipment.**
14. **1031 EXCHANGE.** Each party shall reasonably cooperate if the other party intends to structure the transfer or acquisition of the Property as part of an exchange under 26 U.S.C. § 1031 ("Exchange"). This Agreement may be assigned for purposes of an Exchange, but the assignor shall not be released from any obligation. A party is not required to assume or incur any additional obligation in connection with another party's Exchange.
15. **GENERAL PROVISIONS.** This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, personal representatives and successors. This Agreement constitutes the entire agreement between Buyer and Seller regarding the Property. Neither party is relying upon any other statement or promise and neither shall be bound by any purported oral modification or waiver.
16. **ACCEPTANCE DEADLINE.** This offer shall be deemed automatically withdrawn and the Earnest Money shall be returned to Buyer if this offer is not accepted by Seller in writing on or before 11:59 pm on **July 1, 2016**. Acceptance by Seller shall be effective upon delivery of Seller's signature(s) below to Auction Company and/or Buyer within that time (including delivery in person or by fax or email).

Buyer's Name: \_\_\_\_\_

Buyer's Name: \_\_\_\_\_

Sign: \_\_\_\_\_

Sign: \_\_\_\_\_

Address: \_\_\_\_\_ Phone: \_\_\_\_\_

Deed to: \_\_\_\_\_

Lender / Contact: \_\_\_\_\_ Buyer's Attorney: \_\_\_\_\_

Earnest Money in the amount of \$ \_\_\_\_\_ received by: \_\_\_\_\_ on \_\_\_\_\_, 2016

**SELLER HEREBY ACCEPTS** this offer on this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

All Tracts: \_\_\_\_\_  
Ernie Johnson, Jr.

If the Property includes Tract 8: \_\_\_\_\_  
Ernie Daniel Johnson

Buyer(s): \_\_\_\_\_

Seller(s): \_\_\_\_\_

## ADDENDUM A

**SCHRADER REAL ESTATE AND AUCTION COMPANY, INC.**  
Auction Marketing Specialists Nationwide

**Date:** June 30, 2016

**Owners:** Ernie Johnson, Jr. (and also Ernie Daniel Johnson w/r/t Tract 8)  
(collectively "Seller", as their respective interests appear)

**Sale Manager:** Brad Horrall

SCHRADER REAL ESTATE AND AUCTION COMPANY, INC. welcomes you to bid YOUR price on the real estate offered at this auction.

### **PART A - BIDDING PROCEDURES TO KEEP IN MIND:**

1. This sale has been authorized by the U.S. Bankruptcy Court. Your Bidder's Packet includes a copy of the bid procedures approved by the court for this sale.
2. All bidding is open to the public. You will need to raise your hand or call out your bid as the auctioneer asks for bids. It is easy! Don't be bashful! This is a one-time opportunity. Watch the auctioneer and his bid assistants. They will take your bid and will assist you with any questions.
3. Tract 7 and Tract 8 are offered as individual tracts only and may not be combined with any other tract. Subject to the foregoing restriction, you may bid on any tract or combination of tracts. Bidding will remain open on individual tracts and all permitted combinations until the close of the auction.
4. Bidding will be on a lump sum basis. Minimum bids are at the auctioneer's discretion.
5. Your bidding is not conditional upon financing, so be sure you have arranged financing, if needed, and are capable of paying cash at closing.
6. Tract 7 will be sold to the highest bidder regardless of price. All other tracts will be sold to the highest bidders if and only if the aggregate total of the high bids is equal to or greater than the unpublished reserve amount.
7. Acceptance by Seller shall be effective upon delivery of Seller's signature(s) by Friday, July 1, 2016 in accordance with Section 16 of the Agreement to Purchase.

### **PART B - TERMS OF SALE OUTLINED:**

8. 10% of the purchase price is due as a cash down payment at the close of auction. A cashier's check or a personal or corporate check immediately negotiable is satisfactory for the down payment. The balance of the purchase price is due in cash at closing.
9. The closing will be scheduled in accordance with the terms of the Agreement to Purchase in your Bidder's Packet. The targeted closing deadline is August 1, 2016. The closing agent's fee for an administered closing will be shared equally (50:50)

between Buyer and Seller. Buyer will pay any closing charges due to Buyer securing a mortgage.

10. At closing, Seller will furnish the deed and owner's title insurance at Seller's expense in accordance with the terms of Section 5 of the Agreement to Purchase in your Bidder's Packet. The title is to be conveyed and the title insurance is to be issued free and clear of liens (except current taxes), but subject to all easements and all other "Permitted Exceptions" which are described in Section 6 of the Agreement to Purchase.
11. Preliminary title insurance schedules dated April 26, 2016 (effective April 21, 2016) have been prepared by First American Title Insurance Company and are available for your review in the auction display area.
12. The sale of the real estate will include minerals currently owned by Seller, *if any*. No promise, warranty or representation is made as to the existence or ownership of any minerals or the extent of Seller's interest (if any) in the minerals.
13. Any balance due for real estate taxes and/or penalties for 2015 and prior years will be paid from Seller's proceeds at closing. Buyer will receive a credit at closing for the estimated amount of the real estate taxes for all of 2016 (due in 2017) except that, with respect to Tract 7, the tax credit will be prorated to the date of closing. Buyer will then assume and pay all tax installments becoming due after closing.
14. Any drainage assessments and/or other special assessments billed in 2016 (with the 2015 taxes) shall be paid from Seller's proceeds at closing. Buyer shall assume and pay all assessments billed in 2017 and thereafter.
15. If any conveyance involves a tax parcel split, the real estate taxes billed in 2017 may not reflect the parcel split. In such event, each Buyer shall fully cooperate with the other owner(s) to facilitate the timely payment of such taxes when due in 2017. If a parcel split is not provided by the county, such taxes shall be equitably allocated using the parcel split information available to the parties. **SELLER, AUCTION COMPANY AND CLOSING AGENT SHALL HAVE NO OBLIGATION WITH RESPECT TO THE TAXES BILLED IN 2017.**
16. Possession shall be delivered at closing, but subject to the rights of tenants under: (a) the existing farm lease for the remainder of the 2016 crop year; and (b) the existing Billboard Location Leases for their remaining terms. Seller is retaining the rights to the farm rent for 2016.
17. If any tract or combination is sold which cannot be conveyed using existing legal description(s), one or more new surveys will be obtained in accordance with the terms of the Agreement to Purchase. Otherwise, a new survey will be obtained only as Seller may deem necessary or appropriate in Seller's sole discretion.
18. If a new survey is obtained, the survey will be ordered by the Auction Company and the survey costs shall be shared equally (50:50) between Buyer and Seller. Any survey of adjacent tracts purchased in combination will be for the perimeter only.
19. If one or more new perimeter survey(s) is/are obtained in accordance with the terms of the Agreement to Purchase, the purchase price shall be adjusted proportionately to reflect any difference between the advertised acres and the gross acres shown in the

survey(s); provided, however: (a) the purchase price shall be adjusted only if the purchase price includes one or more tracts for which a new perimeter survey is obtained in accordance with the Agreement to Purchase; (b) for purposes of calculating any such adjustment, the "gross acres shown in the survey" shall include the advertised acres for any tract(s) included in the purchase price but not surveyed; and (c) no adjustment to the purchase price shall be made with respect to Tract 7.

20. If Buyer disputes the location of a surveyed boundary or any other boundary, the Auction Company, with the consent of Seller, shall have the right (but shall not be required) to terminate the purchase contract by giving written notice of termination to Buyer and, in the event of such termination, the earnest money shall be refunded to Buyer and the Buyer shall have no further rights with respect to the property and/or the purchase contract.
21. Boundary lines and auction tract maps depicted in the auction brochure and other marketing materials are approximations provided for illustrative purposes only. Flags and lath posted prior to the auction indicate approximate locational references only. Such maps and markers are not provided as survey products and are not intended to depict or establish authoritative boundaries or locations.
22. The advertised acres are approximate and have been estimated based on the total acres shown in the existing legal descriptions and an approximate and provisional allocation of the total acres between the individual tracts. No warranty or authoritative representation is made with respect to the number of gross acres or tillable acres included with any tract or set of tracts.
23. Information booklets have been provided to prospective buyers in printed form and/or via download from the auction website and are available for further review in the auction information area. The information booklets include information obtained or derived from third-party sources, including surety® soil maps, soil tests, FSA information, billboard lease information, CRP contract, Tract 7 survey, property tax information, and yield history. Although believed to be from reliable sources, such information is subject to verification and is not intended as a substitute for a prospective buyer's independent review and investigation of the property. Auction Company disclaims any warranty or liability for the information provided.
24. Approximately 0.6 acres of Tract 1 is subject to an existing Conservation Reserve Program (CRP) contract through September 2020. The Buyer of Tract 1 shall assume the existing CRP contract obligations and shall timely sign all documents required by the FSA office in connection therewith. Buyer shall be responsible for any penalty, repayment and/or interest assessed due to termination or non-compliance after closing. Buyer shall receive the CRP payments due in 2016 and thereafter.
25. Parts of Tracts 1 and 4 are enrolled in the Indiana Classified Forest program (resulting in lower property taxes). The Buyer(s) of these tracts shall assume (and take title subject to) the terms and conditions of this program and shall pay (and hold Seller harmless from) all back taxes, penalties, interest and/or other charges assessed due to withdrawal or non-compliance after closing.
26. A survey drawing and legal description was prepared by Steele dated January 6, 2012 showing the perimeter boundary of Tract 7 and a 30' x 1,860' roadway and utility

easement serving Tract 7. This survey also shows the perimeter boundary of the 1.46-acre parcel located between Tracts 2 and 3 and a 30' x 388' roadway and utility easement serving said parcel. A copy of this survey is available for your review in the auction display area and is hereinafter called the "2012 survey".

27. Tracts 2 and 3 shall be conveyed subject to an existing roadway and utility easement within a 30-foot wide easement corridor (as shown in the 2012 survey) for the benefit of the 1.46-acre parcel located between Tracts 2 and 3. The northerly part of the common boundary between Tracts 2 and 3 (if sold separately) shall approximately correspond with the centerline of the existing easement corridor as determined by the surveyor.
28. Tract 1 shall be conveyed subject to (and Tract 7 shall be conveyed together with) a new non-exclusive roadway and utility easement for the benefit of Tract 7 within a 30-foot wide easement corridor as described in the 2012 survey; *provided, however*, if the surveyor determines that any part of the existing drive and/or overhead electric line serving Tract 7 is not located within the easement corridor as described in the 2012 survey, the route of the easement corridor may be adjusted as deemed appropriate by the surveyor. Tract 2 may also be subject to said easement depending on the location of the easement corridor and the east line of Tract 2 as determined by the surveyor. The instrument creating the easement shall include a covenant pursuant to which the respective owner(s) of Tract 1 and Tract 7 shall have the shared use of the drive within the easement corridor and shall share equally (50:50) in the cost of maintaining same.
29. Also, Tracts 1 and 2 shall be conveyed subject to (and Tract 7 shall be conveyed together with) a new blanket easement for the continued use and maintenance of the existing underground water line serving Tract 7 between Tract 7 and CR 1100 N. In lieu of physically locating the water line, this new blanket easement shall be created in case any part of the water line runs outside of the 30-foot wide easement corridor.
30. The new easements described above shall be created at or prior to closing by grant and/or reservation in the deeds and/or pursuant to a separate instrument prepared by an attorney on behalf of the Seller. The survey costs and any other cost of creating the easements shall be charged equally (50/50) to Seller and the Buyer of Tract 7.
31. Tract 5 shall be conveyed subject to all existing rights with respect to the billboard located on Tract 5, including the rights of Drury Development Corporation and/or its successors in interest under an existing Billboard Location Lease, as amended. All rights and obligations of Seller with respect to said lease, as amended, shall be assigned to and assumed by the Buyer of Tract 5, as further provided below.
32. The common boundary line between Tracts 9 and 10 is intended to be north of the existing billboard on the east side of the highway near said common line. If Tracts 9 and 10 are sold separately, the south line of Tract 9 shall be established (by survey) to the north of said billboard. The Seller's land under and around said billboard shall be conveyed subject to all existing rights with respect to the billboard, including the rights of Drury Development Corporation and/or its successors in interest under an existing Billboard Location Lease, as amended. All rights and obligations of Seller with respect to said lease, as amended, shall be assigned to and assumed by the Buyer of Tract 10, as further provided below.

33. With respect to each of the billboard lease assignments described above: (a) the respective parties shall execute an instrument of assignment and assumption at closing upon request; (b) in any event, however, the assignment and assumption of the lease, as described above, shall be effective as of the closing with or without the execution of a separate instrument of assignment and assumption; (c) Seller shall retain all rights to the billboard rent due for the month in which the closing occurs and all prior rent; and (d) all rights to future rent shall be assigned to the Buyer.
34. Tracts 5 and 6 will be conveyed subject to all existing rights and easements with respect to the concrete anchors and guy wires located on and over parts of Tracts 5 and 6 and attached to a tower located on the adjoining parcel. As an update to the auction tract map, the preliminary title evidence indicates that six small parcels, each 10 feet square, and corresponding with the location of the concrete anchors, will be excluded from the conveyance(s) of Tracts 5 and 6.
35. The sale of Tract 7 includes the double oven and stove top. The Seller's Residential Real Estate Sales Disclosure form and the lead-based paint disclosure form for the home on Tract 7 are posted in the auction display area. These forms shall be signed by the Buyer of Tract 7 at the end of the auction.
36. Your bids are to be based solely upon your inspection. All property is sold "AS IS" without any warranty. Without limiting the foregoing, Seller and Auction Company and their respective agents and representatives make no warranty with respect to: any specific zoning classifications or that the property qualifies for any specific use or purpose; availability or location of utilities; availability of building, driveway, water or septic permits; or any information or materials prepared or provided by any third party regarding the auction property.
37. Deeds shall be recorded in the order designated by the Seller.
38. At the close of the auction, the high bidder(s) will be required to execute a purchase contract in the form of the Agreement to Purchase and Addendum A provided in each Bidder's Packet. The terms of these documents are non-negotiable. You will be closing on the tract or combination of tracts on which you are the successful bidder in the manner in which you bid at the auction.
39. Schrader Real Estate and Auction Company, Inc. and its agents and representatives are exclusively the agents of the Seller.
40. Time is of the essence. All terms of the Agreement to Purchase and this Addendum A shall survive the closing. The Agreement to Purchase and this Addendum A shall be construed as a whole and shall be harmonized to the extent possible. However, if any provision of this Addendum A is incompatible with a provision of the Agreement to Purchase, the provision of this Addendum A shall control.

Thank you for your interest in this offering. If you have any questions, please feel free to talk to one of our representatives.

**ANY ANNOUNCEMENTS MADE BY THE AUCTIONEER  
TAKE PRECEDENCE OVER THIS PRINTED MATERIAL.**