STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
WESTERN DIVISION

IN RE:	)	**CHAPTER 11**
	)	
DAVID L. GEERTS and	)	
JULIE A. NORMAN-GEERTS,	)	**Case No. 17-80321**
	)	
Debtors.	)	

NOTICE OF HEARING ON MOTION FOR AUTHORITY TO SELL REAL PROPERTY COMMONLY DESCRIBED AS THE SCHIPPER FARM

TO: See attached service list.

David L. Geerts and Julie A. Norman-Geerts, Debtors, have filed with this Court their Motion for Authority to Sell Real Property Commonly Described as the Schipper Farm.

Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one in this bankruptcy case. (If you do not have an attorney, you may wish to consult one.)

If you do not want the Court to grant the Motion, you or your attorney must:

1. File an Objection to the Motion on or before March 26, 2018 at:

Clerk of Court
United States Bankruptcy Court
Stanley J. Roszkowski – U.S. Courthouse
327 South Church Street
Rockford, IL 61101

OR

2. Attend the hearing scheduled to be held on **Wednesday, March 28, 2018 at 11:00 a.m.** at the United States Bankruptcy Court, 327 South Church Street, Rockford, Illinois 61101.

If you mail your Objection to the Court for filing, you must mail it early enough so that the Court will receive it on or before the date stated above.

You must also mail a copy of your Objection to:

Attorney Jocelyn L. Koch
HolmstromKennedyPC
P.O. Box 589
Rockford, IL 61105-0589

If you or your attorney do not take these steps, the Court may decide that you do not oppose the relief sought in the Motion and may enter an Order granting that relief.

Dated: March 14, 2018

David L. Geerts and Julie A. Norman-Geerts,
Debtors,

BY: HOLMSTROMKENNEDYPC,
Their Attorneys

BY: ______________________
One of its Attorneys

ATTORNEY BRADLEY T. KOCH #3122997
ATTORNEY JOCELYN L. KOCH #6298482
ATTORNEY ALLISON M. HUNTLEY #6317951
HolmstromKennedyPC
800 North Church Street
P.O. Box 589
Rockford, IL 61105-0589
(815) 962-7071

PROOF OF SERVICE

The undersigned, being first duly sworn, states that a copy of the foregoing **Notice of Hearing** and **Motion for Authority to Sell Real Property Commonly Described as the Schipper Farm** were served upon the parties and attorneys of record herein, by either the Court's ECF Notification System or by depositing said envelope, with postage fully prepaid by first class mail, in the United States Post Office mailbox in Rockford, Illinois on the 14th day of March, 2018:

Community State Bank
c/o Attorney William J. Barrett
Barack Ferrazzano Kirschbaum
& Nagelberg LLP
200 W. Madison St., Suite 3900
Chicago, IL 60606

Kenneth G. Schipper
c/o Attorney Bernard J. Natale
1639 N. Alpine Rd., Suite 401
Rockford, IL 61107

Ceres Farms Cropland Holdings, LLC
Atten: Heidi M. Adamovsky
1251 N. Eddy Street, Suite 200
South Bend, IN 46617

Attorney Nicole I. Pellerin
Attorney Brian P. Thill
Attorney Jane F. (Ginger) Zimmerman
Murphy Desmond S.C.
33 E. Main Street, Suite 500
Madison, WI 53703

Attorney Debra L. Schneider
Office of the U.S. Trustee,
Region 11
780 Regent Street, Suite 304
Madison, WI 53715

With a copy of the Notice only forwarded to the below-named individuals:

Attorney Mary A. Corrigan
Attorney Mark A. Bogdanowicz
Howard & Howard
Attorneys PLLC
211 Fulton Street, Suite 600
Peoria, IL 61602

American Express
P.O. Box 981535
El Paso, TX 79998-1535

Capital One (USA), N.A. by American
InfoSource LP as agent
P.O. Box 71083
Charlotte, NC 28272-1083

Chadwick Oil & AG Services, Inc.
P.O. Box 205
Chadwick, IL 61014

Chase Slate
P.O. Box 15298
Wilmington, DE 19850-5298

CNH Industrial Capital America LLC
P.O. Box 3600
Lancaster, PA 17604

CNH Productivity Plus Account
P.O. Box 78004
Phoenix, AZ 85062-8004

Community State Bank
1325 17th Street
Fulton, IL 61252

Consolidated Grain and Barge Co.
928 Walton Road
Dixon, IL 61021

David Conner
6605 N. Smith Road
Edwards, IL 61528

Department of Defense
US Army Corps of Engineers
Clock Tower Building
PO Box 2004
Rock Island, IL 61204-2004

Eastern Iowa Petro
4540 Lincolnway Street
Clinton, IA 52732

Gurstel Law Firm, P.C.
4401 Weston Parkway, Suite 370
West Des Moines, IA 50266

IH Mississippi Valley Credit Union
P.O. Box 1010
Moline, IL 61266

John Deere Financial
Attn: Jerry McMains
PO Box 6600
Johnston, IA 50131

Ken & Mike Rentals
118 E. Main Street
Morrison, IL 61270

Ken Duncan
1741 Industrial Drive
Sterling, IL 61081

Lance Coers
21223 266th Street North
Cordova, IL 61242

Lease Consultants Corp.
P.O. Box 71397
Des Moines, IA 50325

Merchants Bank Equipment Finance
Attn: Corey Hothan
7600 Parklawn Avenue, Suite 384
Minneapolis, MN 55435

Stacy Wellford
Midwestern BioAg, Inc.
918 Deming Way, Suite 200
Madison, WI 53717

PHI Financial Services
P.O. Box 733260
Dallas, TX 75373

QC Dental Docs, P.C.
3024 Victoria Street
Bettendorf, IA 52722

Sheffield Financial
P.O. Box 580229
Charlotte, NC 28258-0229

Southeast National Bank Visa
P.O. Box 790408
Saint Louis, MO 63179

Stearns Bank - EFD
P.O. Box 750
Albany, MN 56307

US Department of Agriculture
Whiteside Co. Farm Service Agency
16255 Liberty St.
Morrison, IL 61270

Attorney W. Kent Carter
Gordon & Rees LLP
One N. Franklin St., Suite 800
Chicago, IL 60606

Internal Revenue Service
Centralized Insolvency Operation
P.O. Box 7346
Philadelphia, PA 19101-7346

Attorney Gary E. Green
Clark Hill PLC
130 E. Randolph Street, Suite 3900
Chicago, IL 60601-7553

Soil Service
P.O. Box 403
91 South Adams
Carthage, IL 62321

Kay Spidahl
Chadwick Oil & AG Services, Inc.
P.O. Box 205
Chadwick, IL 61014

Ken Kophamer/Blean Realty
118 East Main Street
Morrison, IL 61270

Attorney Douglas R. Lindstrom Jr.
Lane & Waterman
220 N. Main Street, Suite 600
Davenport, IA 52801

Farm Credit Services of America
c/o Attorney Jeffrey D. Richardson
132 S. Water St., Suite 444
Decatur, IL 62523

Linda S. Hedlund

Subscribed and sworn to before me
this 14th day of March, 2018.

Jenny M. Hancock
Notary Public

OFFICIAL SEAL
JENNY M. HANCOCK
Notary Public, State of Illinois
My Commission Expires 04/28/18

ATTORNEY BRADLEY T. KOCH #3122997
ATTORNEY JOCELYN L. KOCH #6298482
ATTORNEY ALLISON M. HUNTLEY #6317951
HolmstromKennedyPC
800 North Church St., P.O. Box 589
Rockford, IL 61105-0589
(815) 962-7071

**UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
WESTERN DIVISION**

IN RE:	)	**CHAPTER 11**
	)	
DAVID L. GEERTS and	)	
JULIE A. NORMAN-GEERTS,	)	**Case No. 17-80321**
	)	
Debtors.	)	

MOTION FOR AUTHORITY TO SELL REAL PROPERTY COMMONLY DESCRIBED AS THE SCHIPPER FARM

David L. Geerts and Julie A. Norman-Geerts, Debtors and Debtors in Possession (collectively the "Debtors"), by their attorneys, HolmstromKennedyPC, for their Motion for Authority to Sell Real Property commonly described as the Schipper Farm, pursuant to Section 363 of the Bankruptcy Code, state:

1. The Debtors filed a Voluntary Petition for Relief pursuant to Chapter 11 of the Bankruptcy Code with this Court on February 17, 2017.

2. Debtors are presently in possession, operating and managing their business.

3. A Creditors Committee, as provided under §1102 of the Bankruptcy Code, has been appointed in the Debtors' bankruptcy proceeding.

4. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§157 and 1334. Venue is proper pursuant to 28 U.S.C. §§1408 and 1409. This matter is a core proceeding pursuant to 28 U.S.C. §157(b)(2)(A) and (N).

5. The statutory basis for the relief requested within this Motion is §§363 and 1142 of the Bankruptcy Code and Bankruptcy Rule 2002(a)(2).

6. On October 27, 2017, this Court entered an Order ("Auction Order") authorizing the employment of Ken Duncan and Duncan Land and Auction, Inc. (collectively "Auctioneer")

as an Auctioneer for the purpose of conducting a public auction ("Auction Sale") of certain farm real estate owned by the Debtors including farm real estate commonly described as the Schipper Farm (PIN Nos. 0314300001, 00002, 00003, 00004) located in Sections 14 and 15, Cordova Township, Rock Island County, State of Illinois containing approximately 221.78 acres, as legally described on Exhibit A hereto ("Schipper Farm").

7. The Auction Order provided that Debtors would file a Sale Approval Motion for each property sold pursuant to the Auction Sale, which Sale Approval Motion would set forth the identity of the prevailing successful bidder, the gross sales price, costs and expenses of sale including the commission payable to the Auctioneer, net sales proceeds and the identity of the parties to whom the proceeds shall be distributed. The Auction Order further provided that the Sale Approval Motion be scheduled for a hearing before the Court within fourteen (14) days of filing.

8. On December 13, 2017, the Auctioneer conducted the Auction Sale. At the conclusion of the Auction Sale, the Debtors declared Ceres Farms Cropland Holdings, LLC ("Buyer") to be the high bidder for the Schipper Farm. Thereupon, the Debtors and the Buyer entered into a Cash Sale Real Estate Contract (the "Contract") under which the Buyer agreed to purchase the Schipper Farm for $930,811.40. In this Motion, the Debtors seek approval of the Contract and authority to complete the sale of the Schipper Farm in accordance with the Contract. A photocopy of which Contract is attached hereto and hereby incorporated by reference as Exhibit B.

9. The Contract provides, in pertinent part, for the payment of an earnest money deposit in the amount of $93,081.14 by the Buyer with the balance of the purchase price to be paid by the Buyer to the Debtors at the closing which is to occur on or before March 31, 2018.

10. Additionally, the Contract contains the following contingencies:

(a) Approval of the sale of the Schipper Farm by the Bankruptcy Court;

(b) The payment of an additional $2,268.00, to be held in escrow until closing, to Doug Holesinger for fall tillage he performed on the Schipper Farm in the fall of 2017; and

(c) The sale of the Schipper Farm is on an "as is and where is" condition.

11. On February 13, 2018, the Debtors filed their Fourth Amended Plan of Reorganization (the "Plan") with the Bankruptcy Court. The Plan, if confirmed, will affirm the sale of the Schipper Farm in accordance with the procedures set forth in the Auction Order.

12. The Plan contains provisions for the distribution of any government program payments (including CRP payments) relating to the Schipper Farm which vest in the Debtors in 2017 and to be paid in 2018, and any government program payments (including CRP payments) which vested in 2018 (for the period of time that the Debtors owned the Schipper Farm in 2018 up to and including the closing of the sale of the Schipper Farm) and to be paid in 2019, which shall govern the allocation and distribution of such government program payments.

13. The Schipper Farm is subject to the following liens and encumbrances (the "Mortgages"):

(a) Community State Bank of Rock Falls (the "Bank") holds a first mortgage against the Schipper Farm to secure indebtedness of $953,648.77 and a third mortgage against the Schipper Farm to secure indebtedness of $300,000.00; and

(b) Kenneth Schipper ("Schipper") holds a second mortgage against the Schipper Farm to secure the payment of indebtedness in the approximate amount of $203,383.33.

14. In accordance with the Auction Order, the Auctioneer will receive a commission from the proceeds of sale of 1.75% of the purchase price. The Auction Order also provides that the Auctioneer shall be reimbursed from sales proceeds, for costs and expenses he incurred in the conduct of the Auction Sale, up to $2,500.00.

15. The gross sales proceeds from the sale of the Schipper Farm shall be paid in the following order:

(a) To pay and satisfy any and all real estate taxes or other governmental charges, taxes or assessments against or arising from the sale or disposition of the Schipper Farm, as well as any and all costs and expenses of sale (including the commission and reimbursable expenses of the Auctioneer as described above); and

(b) Subject to the Carveout provisions of the Plan, the balance to the Bank on account of its first mortgage in the Schipper Farm (as the balance will be less than the amount of the Bank's first mortgage, no proceeds will be paid to the Schipper. Schipper shall retain his right under the Plan to be treated as a Class 11 general unsecured creditor).

16. In accordance with the Auction Order, the Contract, and 11 U.S.C. 363, the sale of the Schipper Farm shall be free and clear of all liens, claims, and interests, with such liens, claims and interests to attach to the proceeds of sale to be distributed as set forth above.

17. The Buyer is not an affiliate of the Debtors within the meaning of 11 U.S.C. 101. The Debtors have not previously sold or leased property to or from the Buyer or, to Debtors' knowledge, any affiliate of the Buyer.

18. The sale of the Schipper Farm is an integral part of the Plan, which provides for unsecured creditors to receive a distribution on their claims that would likely not be possible in the absence of the Plan. It is therefore in the best interest of the Debtors and their creditors that the Schipper Farm be sold pursuant to the Contract.

WHEREFORE, David L. Geerts and Julie A. Norman-Geerts, Debtors, respectfully requests the entry of an Order by this Court containing the following relief:

(A) Approving and authorizing David L. Geerts and Julie A. Norman-Geerts, Debtors, to sell the Schipper Farm to Ceres Farms Cropland Holdings, LLC pursuant to the Contract, the Plan and Section 363 of the Bankruptcy Code, free and clear of all liens and encumbrances, with any liens and encumbrances against the Schipper Farm and the interest of David L. Geerts and Julie A. Norman-Geerts, Debtors, to attach to the proceeds of sale in the same order of priority as such liens, encumbrances and interests possessed against, in and to the Schipper Farm;

(B) Approving and authorizing the following payments to be made, in the order set forth, from the gross sales proceeds of the Schipper Farm:

(1) To pay and satisfy any and all real estate taxes or other governmental charges, taxes or assessments against or arising from the sale or disposition of the Schipper Farm as well as any and all costs and expenses of sale (including the commission and reimbursable expenses of the Auctioneer as described above); and

(2) To pay the remaining balance of the gross sales proceeds to Community State Bank to be applied to the indebtedness to Community State Bank secured by a first mortgage against the Schipper Farm.

(C) Authorize David L. Geerts and Julie A. Norman-Geerts, Debtors, to execute such documents and perform such actions as are necessary and customary to consummate the sale of the Schipper Farm pursuant to the Contract.

(D) The sale of the Schipper Farm shall be exempt from recordation or transfer taxes imposed by any governmental unit pursuant to U.S.C. 1146(a).

(E) For such other and further relief as the Court deems just and equitable.

Dated: March 14, 2018.

David L. Geerts and Julie A. Norman-Geerts, Debtors,

BY: HolmstromKennedyPC,
Their Attorneys

BY: ______________________________
One of its Attorneys

ATTORNEY BRADLEY T. KOCH #3122997
ATTORNEY JOCELYN L. KOCH #6298482
ATTORNEY ALLISON M. HUNTLEY #6317951
HolmstromKennedyPC
800 North Church Street
P.O. Box 589
Rockford, IL 61105-0589
(815) 962-7071
4820-2595-1839, v. 1

EXHIBIT A

to

MOTION FOR AUTHORITY TO SELL REAL PROPERTY
COMMONLY DESCRIBED AS THE SCHIPPER FARM

EXHIBIT "A"

Parcel 1:
Part of the Northeast Quarter of Section 15,Township 20 North, Range 2 East of the 4th P.M., Rock Island County, Illinois, bounded and described as follows, to wit: Beginning at a point on the South line of said Quarter of Section 15, said point being 88°07'41" East, a distance of 526.00 feet from the monumented Southwest corner thereof; thence South 88°07'41" East, a distance of 155.00 feet; thence North 00°56'02" West, a distance of 185.00 feet; thence South 78°17'00" West, a distance of 159.81 feet; thence South 01°46'43" East, a distance of 147.53 feet to the point of beginning.

Parcel 2:
Part of Section 14, Township 20 North, Range 2 East of the 4th P.M., Rock Island County, Illinois, bounded and described as follows, to wit: Beginning at the Northwest corner of the Southwest Quarter of said Section 14; thence South 89°00'57" East, along the North line thereof, a distance of 694.68 feet to the centerline of a drainage ditch; thence North 07°26'15" West, along said centerline, a distance of 105.15 feet; thence North 29°58'44" East, along said centerline, a distance of 704.35 feet; thence South 79°15'11" East, along said centerline, a distance of 902.91 feet; thence North 22°06'12" East, along said centerline, a distance of 605.71 feet; thence North 14°13'55" West, along said centerline, a distance of 404.47 feet; thence North 68°54'08" East, along said centerline, a distance of 743.93 feet to the existing centerline of the main ditch of the Meredosia Levee and Drainage District; thence South 23°36'11" East, along said centerline, a distance of 821.33 feet; thence South 32°45'23" East, along said centerline, a distance of 200.54 feet; thence South 17°58'58" East, along said centerline, a distance of 156.20 feet; thence South 06°33'06" West, along said centerline, a distance of 739.65 feet; thence South 10°07'58" West, along said centerline, a distance of 228.43 feet; thence South 17°32'20" West, along said centerline, a distance of 560.09 feet; thence South 22°55'21" West, along said centerline, a distance of 619.08 feet; thence South 28°53'32" West, along said centerline, a distance of 490.73 feet; thence South 23°43'51" West, along said centerline, a distance of 469.33 feet; thence South 15°43'15" West, along said centerline, a distance of 266.97 feet; thence South 18°41'27" West, along said centerline, a distance of 228.85 feet to the South line of the Southwest Quarter of said Section 14; thence North 88°25'26" West, along said South line, a distance of 2145.45 feet to the Southwest corner thereof; thence North 00°29'22" East, along the West line of said Southwest Quarter of Section 14, a distance of 2652.81 feet to the point of beginning.

Parcel 3:
An Easement for the benefit of Parcel 2 for the purpose of ingress and egress, as created by Warranty Deed dated August 7, 2012 and recorded August 9, 2012 as Document No. 2012-18931, over, across and through a 33 foot wide strip of land, laying 16.5 feet on either side of the following described centerline, to wit: Beginning at a point on the West line of the Northeast Quarter of Section 15 in Township 20 North, Range 2 East of the 4th P.M., Rock Island County, Illinois, said point being North 00°43'08" East, a distance of 486.69 feet from the

monumented Southwest corner thereof; thence South 88°07'41" East, a distance of 683.47 feet; thence South 00°56'02" East, a distance of 470.66 feet to a point 16.5 feet North of the South line of said Northeast Quarter of Section 15; thence South 88°07'41" East, parallel with said South line, a distance of 1966.43 feet; thence South 86°20'48" East, a distance of 536.33 feet to a point hereby designated as Point "A" on the survey made by William E. Holt dated November 15, 2016 and designated Job No. 2016235.

Parcel 4:
An Easement for the benefit of Parcel 2 for the purpose of ingress and egress, as created by Warranty Deed dated August 7, 2012 and recorded August 9, 2012 as Document No. 2012-18931, over, across and through a 33 foot wide strip of land, laying 16.5 feet on either side of the following described centerline, to wit: Beginning at Point A, as designated in the description of Parcel 3; thence South 88°08'23" East, a distance of 62.45 feet; thence North 85°22'11" East, a distance of 96.44 feet to the termination of said centerline.

EXHIBIT B

To

MOTION FOR AUTHORITY TO SELL REAL PROPERTY
COMMONLY DESCRIBED AS THE SCHIPPER FARM

CASH SALE REAL ESTATE CONTRACT – AT PUBLIC AUCTION

ARTICLES OF AGREEMENT entered into this 13th day of December, 2017, between ___David L. Geerts and Julie A. Norman-Geerts , ______________, Whiteside County, Illinois, as "Seller", and Ceres Farms Cropland Holdings, LLC ~~Ceres Partners, LLC~~, of South Bend, St. Joseph County, ~~Illinois~~ Indiana, as "Buyer", and the highest bidder for the real estate at the public auction held on December 13, 2017, WITNESSETH:

1. Seller agrees to sell and convey to the Buyer and Buyer agrees to purchase from the Seller at the price of nine hundred thirty thousand eight hundred eleven and 40/100 DOLLARS ($930,811.40) ~~based on~~ ________ for ~~of~~ 221.188 acres, more or less, and any improvements on real estate located in Cordova Township, Rock Island County, Illinois, PIN 03-14-300-002, 03-14-300-001, 03-14-100-002, and legally described on Exhibit "A" attached hereto and made a part hereof by reference and herein referred to as the "Real Estate", but specifically excluding any and all personal property of the Seller or any tenant not specifically listed herein.

Subject to taxes for the year **2017** and all subsequent years, which Buyer assumes and agrees to pay and subject to any and all existing rights-of-way for public highways, utilities and drainage and subject to all existing easements, covenants, restrictions and reservations of record.

2. The Buyer shall receive a credit against the purchase price for the 2017 real estate taxes payable in 2018 and Buyer shall pay the 2017 real estate taxes in full whether or not the 2017 taxes are more or less than the amount of the credit given at closing. The credit shall be for the entire calendar year of 2017 and based on the most recently ascertainable real estate tax information and shall be final and not subject to adjustment. Closing tax proration shall be final. Seller shall be entitled to and shall receive and retain all 2017 cash rents from the Real Estate. Seller shall pay the drainage assessment taxes for the 2017 calendar year and Buyer shall pay for all subsequent years. Buyer shall be solely responsible for the 2018 real estate tax payable in 2019 and all subsequent years' real estate taxes. The 2018 real estate taxes will not be prorated and seller shall not pay any part of the 2018 real estate taxes.

3. Seller hereby expressly warrants that they have received no notice from any city, village or other governmental authority of a dwelling code violation having been issued and none has been received by them or their agent before the execution of this contract.

4. Earnest Money. Buyer has paid, or will pay, on or before December 19, 2017 at 4:00 o'clock, the sum of $93,081.14 in earnest money (10% of the purchase price) to be held in the non-interest bearing account established by HolmstromKennedyPC, of Rockford, Illinois, sellers attorneys, and agrees to pay the balance of the purchase price by wired funds on or before March 30, 2018, ("Closing Date") and upon delivery of a good, sufficient and legally recordable warranty deed conveying the Real Estate to the Buyer subject only to the provisions herein stated.

provided that the title is merchantable in the Seller at the time of delivery of such deed and provided a title insurance policy insuring the Buyer in the amount of the purchase price has been furnished as herein required.

5. Seller shall furnish to Buyer a guarantee policy of title insurance in the amount of the purchase price in form of "American title Association Owner's Policy, Standard Form A, Central Region, 1960" or better, with only the usual exceptions.

6. Seller shall, furnish Buyer with a commitment for title insurance showing merchantable title in Seller as soon as practicable. Buyer shall serve written objections to the title as disclosed by said report, within 10 days after the commitment for title insurance has been delivered to buyer or buyer's attorney, for examination. In the even objections are made which Seller deems trivial, such objections shall be submitted to a disinterested qualified attorney who shall be agreed upon by the parties or to the Title Committee of Whiteside County Bar Association and whose charges shall be paid jointly by the parties thereto and whose decision shall be final. Title insurance shall be in the amount of the purchase price of the real estate. A title insurance policy will be delivered within sixty days after recording of the deed, and the Buyer's attorney may withhold the cost of the policy until it is delivered. A later day search fee is part of the cost of the policy.

7. Seller shall prepare, execute and deliver to Buyer the real estate transfer declaration of the Department of Revenue and pay the transfer tax. Seller shall prepare, execute, and deliver any additional documents or affidavits reasonably required by the Recorder of Deeds.

8. Personal Property: No tangible personal property shall be sold as a part of this transaction.

9. Possession shall be given to the Buyer at closing, subject to right of the tenant in possession and the tenants rights to possession shall be terminated on February 28, 2018.

10. Delivery of deed and payment of the purchase price shall be at a title insurance company office located in Whiteside County, Illinois, or at such location as may be mutually agreed upon by parties.

11. If, when neither the legal title nor the possession of the subject matter of the contract has been transferred, all or a material part hereof is destroyed without fault of the Buyer or is taken by eminent domain, the Seller cannot enforce this contract, and the Buyer is entitled to recover any portion of the price that he has paid. However, if when either the legal title or the possession of the subject matter of the contract has been transferred, all or any part hereof is destroyed without fault of the Seller or is taken by eminent domain, the Buyer is not thereby relieved from a duty to pay the price nor is he entitled to recover any portion thereof that he has paid and the contract shall continue to be binding.

12. Other Provisions:

A. This Contract shall not be contingent upon the ability of the Buyer to obtain a commitment for financing the purchase of the Real Estate.

B. The contract shall not be subject to an attorney review after the contract is signed by the parties.

C. The earnest money funds shall be held in escrow in the client trust account at the HolstromKennedyPC as escrow agent for the mutual benefit of the parties, and shall be disbursed according to the terms of this Contract. The parties acknowledge that the Escrow Agent is acting at their request and at their convenience. The Escrow Agent when acting in such capacity shall not be deemed to be the agent of either of the parties hereto and the Escrow Agent shall not be liable to either of the parties for any acts or omissions on its part unless taken or suffered in bad faith, in willful disregard of this Contract, or involving gross negligence. Seller and Buyer shall, jointly and severally, indemnify, defend and hold Escrow Agent harmless from and against all costs, claims, and expenses, including reasonable attorneys' fees, incurred in connection with the performance of escrow Agent's duties hereunder except with respect to acts or omissions taken or suffered by Escrow Agent in bad faith, in willful disregard of this Contract, or involving gross negligence on the part of the Escrow Agent. In no event shall the Escrow Agent be liable for unearned interest with respect to the earned money deposit. The parties acknowledge and agree that the Escrow Agent will deliver the earnest money deposit at closing.

D. Buyer acknowledges that a full inspection of the Real Estate and all related information was made and, with respect to this Contract, that Buyer is satisfied in all respects with the condition of the real Estate and all matters pertaining thereto. Buyer accepts the Real Estate **"AS IS, WHERE IS, WITH ALL FAULTS"** and in its present condition with Buyer assuming risk thereof. Buyer understands that Seller makes no warranty or representation of any kind, either express or implied or arising by operation of law, as to the condition, quality, environmental condition, serviceability or merchantability or fitness for a particular purpose of the Real Estate or any portion thereof, and in no event shall Seller be liable for consequential damages. Buyer is relying solely on its own independent inspections, investigations, inquiries, and all due diligence concerning the Real Estate and the Auction. Buyer acknowledges that Seller has not agreed to perform any work on or about the Real Estate as a condition of Buyer's purchase of the Real Estate. Buyer understands that by entering into this Contract and agreeing to accept the Real Estate and improvements in an **"AS IS, WHERE IS, WITH ALL FAULTS"** condition, that Buyer is buying the Real Estate subject to any and all easements, leases, covenants, restrictions, drainage ditches, feeders and laterals. Buyer **UNDERSTANDS THAT THE SUBJECT PREMISES ARE BEING SOLD IN THEIR PRESENT "<u>AS IS AND WHERE IS</u>" CONDITION WITHOUT ANY WARRANTIES OR REPRESENTATIONS OF ANY KIND, WHETHER EXPRESS OR IMPLIED, AS ALL SUCH WARRANTIES ARE HEREBY EXPRESSLY DISCLAIMED AND EXCLUDED, INCLUDING THAT PURCHASER WILL ACQUIRE ONLY SUCH BASE ACREAGE AS THE LOCAL FARM SERVICES ADMINISTRTION ("FSA") OFFICE MAY NOW OR HEREAFTER ASSIGN TO THE SUBJECT PREMISES.**

E. Buyer acknowledges that (i) the Subject Property and real estate adjacent and near to the Subject Property 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 Subject Property and real estate adjacent and near to the Subject Property, and (ii) various farm and related equipment have been and will continue to be used thereon, exposing the Subject Property to various environmental risks associated therewith. Purchaser agrees to accept title to and condition of the Subject Property subject to the same.

F. Purchaser agrees to accept the survey dated 12/7, 2017 prepared by Norwest Surveying, including but not limited to the acreage calculations, boundary lines and legal descriptions of each tract. Seller shall not be required to re-survey the Real Estate.

G. This Contract and all of Sellers obligations shall be contingent upon and fully subject to the approval of the sale by the United States Bankruptcy Court for the Northern District of Illinois, Western Division

H. Buyer shall pay at closing, in addition to the purchase price, the sum of $2,268.00 to the former farm tenant, Doug Holesinger, for fall tillage he performed on the Real Estate in the fall of 2017.

13. In case of failure of the Buyer to make the payment or any part hereof, or to perform any of the covenants on the Buyer's part hereby made and entered into, Seller may elect to declare the entire balance due hereunder immediately due and collectible, re-enter the premises or any part thereof, and receive the rent issues and profits thereof, and proceed to enforce or terminate this contract by any statutory or civil action the Buyer may choose, including reasonable attorney's fees paid out or incurred by Seller, in which case, Seller's reasonable outlay for that purpose shall be added to the principal sum then due, bearing interest at the statutory rate for judgements.

14. Seller represents that it has enrolled the Real Estate in the 2014 United States Department of Agriculture Program, electing the ARC County Option for the property. Buyer agrees to accept such election and maintain such enrollment option with respect to the farms form and after the date of closing and the parties agree that the Buyers obligation in this regard will survive the closing. Buyer agrees to indemnify Seller from and after the date of closing if Buyer, or anyone claiming by, through or under Buyer, commits an act, suffers any omissions, or changes of the 2014 USDA Farm program elections made by Seller, which would impose upon Seller an obligation to repay any farm program payments which Seller has received for farm years prior to the year 2017 and 2017 or reduce or eliminate any farm year program payments due Seller or its tenant. Further, Buyer shall promptly remit to Seller any farm program payment for the 2017 farm year it may receive from the USDA with respect to the above-described real estate. The parties agree that Buyer's obligation under this paragraph shall survive the closing.

15. Notice. All notices under this Contract shall be in writing and may be made by: (i) mailing to a party at the address set forth above by registered or certified mail – return receipt requested, postage prepaid; (ii) personal delivery to a party at the address set forth above; (iii) facsimile if a telecopy number for the party who would receive a notice by facsimile is included in this Contract; or (iv) mailing as aforesaid to Seller addressed to the Subject Property if no address of Seller is set forth. A copy of any notice shall be simultaneously given to the designated agent, if any, or the broker, if any, for the party to whom notice is being given, if the name of such designated agent or broker is included in this Contract or the party giving notice has been so notified in writing by the party. Any notice shall be

deemed to have been given, delivered or served upon personal delivery; or, if mailed, at 6:00 p.m. on the second business day after the date of mailing; or if sent via facsimile at any other time, at 9:00 a.m. on the next business day. A business day shall be any day on which first class mail is delivered by the U.S. Postal Service, excluding all Saturdays. Any notice eliciting a response within a designated number of days or providing a consequence for failure to respond shall be deemed to require the response at any time before 6:00 p.m. on the last day for such response or consequence. Notice to any one of a multiple-person party shall be sufficient to all.

16. FIRPTA Statement. Seller is not a "foreign person" as that term is defined in Internal Revenue Code Section 1445(f).

17. Successors to the Parties. The covenants and agreements contained in this Contract shall extend to and be binding upon the heirs, executors, administrators, successors and assigns of the parties.

18. Release of Information. Seller and Buyer hereby authorize the release of information pertaining to the Subject Property necessary to allow for the performance of this Contract by the parties.

19. Execution in Multiple Counterparts by Facsimile or email. This Contract may be executed using counterparts and shall be fully effective and enforceable upon exchange of such executed counterparts by facsimile or email transmittal. Immediately following the exchange of executed counterparts by facsimile or email transmittal, the parties shall transmit signed original counterparts to each other but the failure or either party to comply with this requirement shall not render this Contract void or otherwise unenforceable.

20. Legally Binding. THE PARTIES INTEND THIS TO BE A LEGALLY BINDING CONTRACT WITH SUBSTANTIAL LEGAL IMPLICATIONS WHEN FULLY SIGNED. EITHER PARTY MAY WISH TO CONSULT AN ATTORNEY BEFORE SIGNING.

21. Entirety of Agreement. This Contract contains the entire agreement between the parties and NO ORAL REPRESENTATION, WARRANTY or COVENANT exists. This Contract supersedes and nullifies any agreement (or offer or counteroffer) that may have been given or entered into by the parties before the date of the acceptance.

22. 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 on 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. THE UNDERSIGNED ACKNOWLEDGE THAT IT IS ILLEGAL TO REFUSE TO SELL REAL ESTATE BECAUSE OF RACE, COLOR, AGE, RELIGION, SEX, 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.

C. 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.

D. 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.

23. This contract becomes binding when signed by all parties or when all parties have signed a duplicate counterpart and shall be binding on the parties and their heirs, legatees, personal representatives, successors an assigns. All previous agreements between the parties, pertaining to the described Real Estate, if any, are hereby canceled.

24. One hundred percent (100%) of the mineral rights owned by Seller with respect to the Property, if any, shall be conveyed to Buyer at closing.

25. If Buyer fails to perform any obligation imposed by this Contract, Seller may serve written notice of default upon Buyer and if such default is not corrected within ten (10) days thereafter, at the option of the Seller, this Contract may be terminated by the Seller and the Seller shall then be entitled to payment of all of the earnest money paid hereunder as liquidated damages for Seller's lost opportunity to sell the Real Estate elsewhere. In the event of a default by Buyer, Seller shall, in lieu of terminating this Agreement, also have all rights and remedies available at law or equity, including the right to require Buyer to specifically perform Buyer's obligations hereunder. If, in the event of failure of Seller to perform the obligations imposed by this Contract, because of reasons other than title related issues, Buyer's sole remedy hereunder is to terminate this Contract and receive a refund of the earnest money upon similar notice served upon Seller and similar expiration of time period. If, in the event of failure of Seller to perform the obligations imposed by this Contract, because of reasons other than environmental or title related issues, then Buyer shall have all rights and remedies available at law or equity. The Escrow Agent, upon receiving an affidavit from the non-defaulting party stating that this Contract has been terminated as provided herein, shall be entitled to rely upon such affidavit and shall deliver the earnest money to the non-defaulting party. Default by either party shall entitle the other party to court costs and reasonable attorneys' fees incurred in enforcing the provisions of this Contract. The service of the written notice provided for in this paragraph shall be made by personal delivery to any party signing as Buyer shown on this Contract, which mailing shall be by certified mail with the United States mail receipt to be the date two (2) days after mailing.

26. This Contract contains the entire agreement of the parties and no representations, warranties or agreements have been made by either of the parties except as set forth in this Contract. All offers, acceptances, oral representations, agreements, announcements or representations in the sale literature or advertisements and all other writings or oral statements between the parties or made at the auction heretofore made are merged herein and shall be of no further force or effect unless specifically set forth in this Contract.

27. The time for performance of the obligations of the parties is of the essence of this Contract.

28. If more than one person signs this Contract as the "Buyer", the obligations of such persons hereunder are joint and several.

SELLER: BUYER:

Paul M. Kienle, as authorized agent
Ceres Farms Cropland Holdings, LLC

Julie A. Norman-Geerts

Prepared by:

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