



SELLER'S AGRICULTURAL LAND
PROPERTY DISCLOSURE STATEMENT

Document updated:
December 2014

SELLER: Houston Farms, LLC
DATE:
PROPERTY ADDRESS: 00000 165th, Overbrook, KS 66524
LEGAL DESCRIPTION: The Southeast 1/4 of Section 3, Township 15 South, Range 17 East of the 6th P.M., in Osage County, Kansas.

Part 1. MESSAGE TO THE SELLER:

1. SELLER'S AGREEMENT AND AUTHORIZATIONS:

- A. This form is designed to assist you in making disclosures to the BUYER. If you have actual knowledge of a condition on or affecting the Property, then you must disclose that information to the BUYER on this SELLER'S Agricultural Land Property Disclosure Statement (the "Statement").
B. SELLER discloses the information on this Statement with the knowledge that even though it is not a warranty or guarantee of the condition of the Property, prospective BUYER(S) may rely on the information contained in this Statement in deciding whether, and on what terms and conditions, to purchase the Property.
C. SELLER authorizes any real estate licensees involved in this transaction to provide a copy of this Statement to any person or entity in connection with any actual or possible purchase of the Property.

2. SELLER'S INSTRUCTIONS:

- A. SELLER has an obligation under this Statement to:
(1) Review this Statement and any attachments carefully;
(2) Verify all the important information concerning the Property;
(3) Attach all available supporting documentation on the Property;
(4) Use explanations lines as requested and when necessary; and
(5) Use the explanation lines to explain when the SELLER does not have the personal knowledge to answer a question.
B. By signing this Statement, the SELLER agrees and acknowledges that the failure to disclose known material facts about the Property may result in liability to the BUYER for fraud and misrepresentation.

3. SELLER'S INDEMNIFICATION OF REAL ESTATE LICENSEES:

- A. SELLER agrees to hold harmless, indemnify and defend any real estate licensees involved in this transaction and their agents, subagents, employees and independent contractors from and against any and all claims, demands, suits, damages, losses or expenses arising out of the discovery of property conditions in the Property of which the real estate licensees had no actual knowledge prior to the signing of the Contract to sell the Property.

SELLER'S INITIALS

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Part 2. MESSAGE TO THE BUYER:

1. BUYER'S AGREEMENT AND AUTHORIZATIONS:

- A. This Statement is a disclosure of the condition of the Property as it is actually known by the SELLER on the date that the Statement was signed.

B. BUYER agrees and acknowledges that this Statement is not a warranty or guarantee of any kind by the SELLER or any real estate licensees involved in this transaction regarding the condition of the Property and should not be used as a substitute for any inspections or warranties the BUYER(S) may wish to obtain on the Property.

2. BUYER'S INSTRUCTIONS:

- A. BUYER has an obligation under this Statement to:
 - (1) Review this Statement and any attachments carefully;
 - (2) Verify all the important information about the condition of the Property contained in this Statement;
 - (3) Ask the SELLER about any incomplete or inadequate responses;
 - (4) Inquire about any concerns about the condition of the Property not addressed on this Statement;
 - (5) Review all other applicable documents concerning the Property;
 - (6) Conduct personal or professional inspections of the Property; and
 - (7) Investigate the surrounding areas of the Property to determine suitability for the BUYER.
- B. By signing this Agreement, the BUYER agrees and acknowledges that the failure to exercise due diligence to inspect the Property and verify the information about the condition of the Property contained in this Statement may affect the ability of the BUYER to hold the SELLER liable for conditions on the Property.

3. BUYER'S AGREEMENT TO HOLD REAL ESTATE LICENSEES HARMLESS:

A. BUYER agrees that any real estate licensees involved in this transaction are not experts at detecting or repairing physical defects in and on the Property. BUYER agrees to hold harmless any real estate licensees involved in this lease transaction and their agents, subagents, employees and independent contractors from and against any and all claims, demands, suits, damages, losses or expenses arising out of the discovery of property conditions in the Property of which the real estate licensees had no actual knowledge prior to the signing of the Contract to purchase the Property.

BUYER'S INITIALS

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Part 3. GENERAL PROPERTY INFORMATION:

- 1. Approximate date that SELLER acquired the Property: July 2010
- 2. What is the current zoning of the Property? Agriculture

Part 4. WATER AND SEWAGE SYSTEMS:

- 1. What is the water source on the Property? Public Water Private Water Well Cistern Other None
- 2. If the water source is a Well, please state: Type _____ Depth _____
Diameter _____ Age _____
- 3. If the water source is a Well, has the water originating from the well ever been tested? Yes No
If Yes, please provide the results of such tests in separate documentation.
- 4. Does the Property have any sewage facilities on or connected to it? Yes No
If Yes, please specify: Public Sewer Private Sewer Septic System Lagoon Grinder Pump Cesspool
- 5. If there are sewage facilities on or connected to the Property, when were they last serviced? _____
- 6. Are you aware of any problems relating to the water systems or sewage facilities on the Property? Yes No
If Yes, please explain: _____

7. Additional Comments: _____

Part 5. ELECTRICAL AND NATURAL GAS SYSTEMS:

- 1. Is there electrical service connected to the Property? Yes No
- 2. If there is electrical service connected to the Property, is there a meter? Yes No
- 3. If there is no electrical service connected to the Property, what is the distance to the electrical service? 50-100 ft
- 4. Is natural gas connected to the Property? Yes No
- 5. If there is no natural gas connected to the Property, what is the distance to the nearest source? Unknown
- 6. Is there a natural gas well on the Property? Yes No
- 7. If there is a natural gas well on the Property, can the natural gas well be used by the surface occupant? Yes No
- 8. Are you aware of any additional costs to hook up utilities to the Property? Yes No
If Yes, please explain: N/A

9. Additional Comments: _____

Part 6. LAND CONDITIONS (BOUNDARIES, DRAINAGE, SOILS, ETC.):

- 1. Is the Property or any portion of the Property located in a flood zone, wetlands area or proposed to be located in such as designated by the Federal Emergency Management Agency (FEMA)? Yes No
- 2. Are you aware of any drainage or flood problems on the Property or adjacent properties? Yes No
- 3. Have any neighbors complained that the Property causes drainage problems? Yes No
- 4. Has the Property had a stake survey?
If Yes, please attach a copy of the stake survey. Yes No
- 5. Are the boundaries of the Property marked in any way? Yes No
- 6. Do you have an Improvement Location Certificate (ILC) for the Property?
If Yes, please attach a copy of the Improvement Location Certification (ILC). Yes No
- 7. Is there fencing on the Property?
If Yes, does the fencing belong to the Property? Yes No
 Yes No
- 8. Are you aware of any encroachments, boundary line disputes or non-utility easements affecting the Property? Yes No
- 9. Are there any features of the Property shared in common with adjoining landowners, such as walls, fences, roads or driveways?
If Yes, is the Property owner responsible for the maintenance of any such shared features? Yes No
 Yes No
- 10. Are you aware of any expansive soil, fill dirt, sliding, settling, earth movement, upheaval or earth stability problems that have occurred on the Property or in the immediate vicinity of the Property? Yes No
- 11. Are you aware of any state-listed or county-listed weeds on the Property now or during the last growing season? Yes No
- 12. Has the Property received any notice for non-compliance with the noxious weed law? Yes No
- 13. Is there currently a lien on the Property due to actions taken under the noxious weed law? Yes No

14. If you have answered "Yes" to any of the questions in Part 6, please attach documentation and explain here: Question #9, west fence line is shared with west property owner.

15. Additional Comments: _____

Part 7. HAZARDOUS CONDITIONS:

- 1. Are you aware of any underground storage tanks on or near this Property? Yes No
- 2. Are you aware of any previous or current existence of hazardous conditions on the Property (e.g., storage tanks, oil tanks, oil spills, tires, batteries or other hazardous conditions)? Yes No
- 3. Are you in possession of any previous environmental reports (e.g., Phase 1 Environmental Reports)? If Yes, please attach a copy of the environmental reports. Yes No
- 4. Are you aware of the previous disposal of any hazardous waste products, chemicals, polychlorinated biphenyls (PCBs), hydraulic fluids, solvents, paints, illegal or other drugs or insulation on the Property? Yes No
- 5. Are you aware of any existing hazardous conditions on the Property or adjacent properties (e.g., methane gas, radon gas, methamphetamine production, radioactive material, landfill or toxic materials)? Yes No
- 6. Are you aware of any natural gas/oil wells, lines or storage facilities on the Property? Yes No
- 7. Are you aware of any other environmental conditions on the Property? Yes No
- 8. Have any other environmental inspections or tests been conducted on the Property? Yes No
- 9. If you have answered "Yes" to any of the questions in Part 7, please attach documentation and explain here: _____

10. Additional Comments: _____

Part 8. OTHER MATTERS:

Are you aware of:

- 1. Any violation of zoning, setbacks or restrictions or of a non-conforming use? Yes No
- 2. Any violation of laws or regulations affecting the Property? Yes No
- 3. Any existing or threatened legal action pertaining to the Property? Yes No
- 4. Any litigation or settlement pertaining to the Property? Yes No
- 5. Any current or future special assessment pertaining to the Property? Yes No
- 6. Any other conditions that may materially and adversely affect the value or desirability of the Property? Yes No
- 7. Any other condition that may prevent you from completing the sale of the Property? Yes No
- 8. Any burial grounds on the Property? Yes No

9. Any leases on the Property? Yes No
 If Yes, please attach a copy of each lease agreement and describe the tenant's rights and obligations for vacating the Property:

10. Any easements or leases on the Property regarding wind energy? Yes No
 If Yes, please attach a copy of the easement or lease agreement.

11. Any public authority contemplating condemnation proceedings? Yes No

12. Any government rule limiting the future use of the Property other than existing zoning regulations? Yes No

13. Any government plans or discussion of public projects that could lead to the formation of a special benefit assessment district covering the Property or any portion of the Property? Yes No

14. Has the Property been entered into, enrolled or placed into any government farm or conservation program? Yes No

15. Any interest in all or part of the Property that has been reserved by the previous owner or government action? Yes No

16. Any unrecorded interests affecting the Property? Yes No

17. Anything that would interfere in passing clear title to the BUYER? Yes No

18. If you have answered "Yes" to any of the questions in Part 8, please attach documentation and explain here: _____

19. Additional Comments: _____

Part 9. SELLER'S OWNERSHIP OF PROPERTY INTERESTS:

SELLER owns:

- 1. Mineral rights? Yes No Portion of Rights
- 2. Crops? Yes No Portion of Rights
- 3. Conservation Reserve Program (CRP) payments? Yes No Portion of Rights
- 4. Water rights? Yes No Portion of Rights


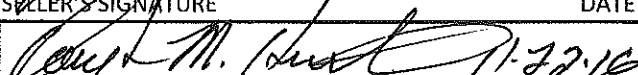
5. If you have checked "No" or "Portion of Rights" to any of the questions in Part 9, please attach documentation and explain here:

6. Additional Comments: _____

Part 10. ACKNOWLEDGEMENT AND AGREEMENT:

1. The information provided in this Statement is the representation of the SELLER and not the representation of any real estate licensees involved in this transaction. Once the Statement is signed by both the BUYER and the SELLER, the information contained in the Statement will become part of any Contract to purchase the Property between the BUYER and SELLER.
2. The information provided in this Statement has been furnished by the SELLER, who certifies to the truth thereof to the best of SELLER'S belief and knowledge, as of the date signed by the SELLER. Any substantive changes subsequent to initial completion of the Statement will be disclosed by the SELLER to the BUYER prior to the signing of the Contract to purchase the Property.
3. BUYER acknowledges that BUYER has received, read and understood a signed copy of the SELLER'S Agricultural Land Property Disclosure Statement from the SELLER, the SELLER'S agent or any real estate licensees involved in this transaction.
4. BUYER agrees that BUYER has carefully inspected the Property. Subject to any inspections allowed under the Contract to purchase the Property with the SELLER, BUYER agrees to purchase the Property in its present condition only and without warranties or guarantees of any kind by the SELLER or any real estate licensee concerning the condition of the Property.
5. BUYER agrees to verify any of the above information that is important to the BUYER by an independent investigation. BUYER has been advised by the SELLER to have the Property examined by professional inspectors.
6. BUYER acknowledges that neither the SELLER nor any real estate licensees involved in the transaction are experts at detecting or repairing physical defects in the Property. BUYER states that no important representations of the SELLER or any real estate licensees involved in this transaction concerning the condition of the Property are being relied upon by the BUYER except as disclosed above or as fully set forth as follows and signed by the SELLER in this Statement or by real estate licensees in a separate document:

CAREFULLY READ THE TERMS OF THIS AGREEMENT BEFORE SIGNING. WHEN SIGNED BY ALL PARTIES, THIS DOCUMENT BECOMES PART OF A LEGALLY BINDING CONTRACT. IF NOT UNDERSTOOD, CONSULT AN ATTORNEY BEFORE SIGNING.

	11/22/19
SELLER'S SIGNATURE	DATE
	11-22-16
SELLER'S SIGNATURE	DATE

BUYER'S SIGNATURE	DATE
BUYER'S SIGNATURE	DATE