

REAL ESTATE AUCTION PURCHASE AGREEMENT

**THIS IS A LEGALLY BINDING CONTRACT BETWEEN PURCHASER AND SELLER.
IF YOU DO NOT UNDERSTAND IT, SEEK LEGAL ADVICE.**

1. **PARTIES TO CONTRACT - PROPERTY.** _____, hereinafter referred to as Purchaser or Buyer offers and agrees to purchase from Donald Morrison and Joseph Morrison, hereinafter referred to as Seller, upon the terms and conditions set forth, the property legally described as: **The Southwest Quarter (SW1/4) of Section Twenty-three (23), Township One (1) South of Range Twenty-five (25), East of the Black Hills Meridian, Jackson County, South Dakota.**

Purchaser and Seller acknowledge that John Stekly/Statewide Realty, a Division of Central Real Estate, LLC, hereinafter referred to as Auctioneer, is representing Seller in this transaction.

2. **EARNEST MONEY DEPOSIT.** Auctioneer hereby acknowledges receipt of Earnest Money in the amount of \$ _____ DOLLARS which is 15% of the sale price.

Cash _____ Check X is attached to this agreement, unless otherwise noted herein, to be deposited by Auctioneer on the next legal banking day after acceptance of this offer.

Other earnest money provisions: Seller may require the earnest money be paid in the form of a wire transfer at the discretion of the Auctioneer. The earnest money is non-refundable and should the Buyer not close the real estate transaction as provided herein, Seller shall have the right to retain the earnest money as liquidated damages or pursue any other remedies Seller may have under South Dakota Law.

3. **PURCHASE PRICE.** The total purchase price is to be \$ _____ Dollars.

After earnest money herein is credited, the remaining balance is to be paid by Purchaser at closing.

4. **FINANCING.**

Cash. This is a cash offer. The remaining balance of \$ _____ will be paid at closing by certified check or wire transfer at closing agent's discretion. A letter of verification regarding the availability of funds will be delivered within 5 calendar days of this agreement, at the option of Seller without notice to Purchaser may be voided.

5. **SELLER'S PROPERTY DISCLOSURE.** Purchaser acknowledges receipt of Seller's property condition disclosure statement dated _____ as required by SDCL 43-4-38 through 43-4-43 prior to signing this agreement. (initials) _____ / _____

Purchaser acknowledges that no disclosure statement is required by reason of the following: **The property is land with no dwelling(s) or building(s).**

6. **LEAD-BASED PAINT DISCLOSURE.** Purchaser acknowledges receipt of the pamphlet "Protect Your Family From Lead In Your Home" and Seller's lead-based paint and lead-based paint hazards form according to the Residential Lead-Base Hazard Reduction Act of 1992. This applies only to properties built prior to 1978. (initials) _____ / _____. **Not applicable as this property is land with no dwelling(s) or building(s).**

INITIALS: PURCHASER _____ / _____ SELLER _____ / _____

7. **TAXES/PRORATIONS.** Purchaser is aware that property taxes may or may not be based upon "Owner Occupied Status". Any and all Special Assessments are to be paid by Seller unless otherwise specified in this agreement.

Taxes, rents, road maintenance, water, sewer, and homeowner's association fees, if any are:

Not to be prorated

Tax proration will be based upon the: previous year's taxes / agreed upon amount of _____ / most current county information / new construction estimate other: **Seller has paid the 2025 payable in 2026 real estate taxes. Buyer shall pay the 2026 payable in 2027 real estate taxes and all future real estate taxes and assessments.**

8. **TITLE.** Merchantable title shall be conveyed by Warranty Deed subject to reservations, rights-of-way, covenants, county zoning, restrictions, and easements if any. An owner's policy of Title Insurance in the amount of the purchase price will be furnished with cost to be distributed: Purchaser 50% Seller 50%.

9. **SURVEY.** Seller is not providing a boundary survey of the property. Property is sold based on legal description only. Seller is not aware of any boundary disputes. Seller further states that any fences located on the property do not necessarily represent the property boundary.

10. **CLOSING/POSSESSION.** Closing date will be on or before **6/27/26** with possession to be given Purchaser at time of closing. Seller agrees to maintain the property in a condition comparable to its present condition. Seller agrees to maintain all existing insurance coverage on property until time of closing.

Closing service fees, if any, cost to be distributed as follows: Purchaser 50% Seller 50%.

All personal property, including refuse, not included in the purchase price, shall be removed by Seller prior to closing.

11. **EARNEST MONEY/DEPOSITS.** Auctioneer or Auctioneer's authorized closing agent shall deposit and hold all earnest money and other deposits until sale is closed. If Auctioneer is holding the earnest money and an accepted offer and agreement to purchase does not close, regardless of the circumstances, both Purchaser and Seller must agree in writing prior to release of earnest money or in the alternative, pursuant to court order in accordance with SDCL 36-21A-81.

12. **PERSONAL PROPERTY.** Any personal property, free of liens and without warranty of condition, shall be transferred to Purchaser by a separate bill of sale. Purchaser will / will not compensate Seller for fuel oil/propane remaining on date of closing. **Not applicable as no personal property is involved in this transaction.**

13. **OTHER PROVISIONS:** The buyer also agrees it is also bound by all of the including but not limited to rules, terms, conditions, and disclaimers buyer agreed to when buyer signed up to bid. The parties agree the Auctioneer will be provided with copies of closing documents and copies of the buyer's and seller's closing statements through the closing agent.

INITIALS: PURCHASER _____ / _____ SELLER _____ / _____

14. ADDENDA TO THIS AGREEMENT. The following documents are addenda to this contract and are attached and become part of this contract by reference. If none, so state. **See attached Addendum A: Advertised Terms of Sale for auction are appended to this Real Estate Auction Purchase Agreement as if set out in full. To the extent this Real Estate Auction Purchase Agreement conflicts with the attached Addenda, the Addenda applies over any contradictory term or terms in the balance of this agreement.**

15. The laws of South Dakota govern this transaction.

16. A material part of the consideration to the Buyer for buying the real property identified under this Purchase Agreement is that the Buyer has the option to qualify this transaction as part of a tax-deferred exchange under Section 1031 of the Internal Revenue Code of 1986. Seller agrees that Buyer may assign this Purchase Agreement to a Qualified Exchange Intermediary or an Exchange Accommodating Titleholder of Buyer's choice, in order to facilitate Buyer's I.R.C Section 1031 exchange. Nothing in this § 1031 Cooperation Clause shall abridge Seller's rights, obligations, or duties as stated under this Purchase Agreement, and Seller shall not be required to sign any documents or to take any other action whatsoever relative to Buyer's option to qualify this transaction as part of a tax-deferred exchange under Section 1031 of the Internal Revenue Code of 1986.

Dated this _____ day of _____, _____ at _____ a.m./p.m.

Buyer

Sellers Donald Morrison and Joseph Morrison

THE FOLLOWING IS FOR INFORMATION PURPOSES ONLY:

Auctioneer

Addendum A: Advertised Terms of Sale

- Very Important! Read the terms carefully before you attempt to bid. Once you bid, you will be bound legally to the following terms and conditions as stated as well as South Dakota Law.
- This property is being sold subject to the confirmation of the sellers.
- All buyers must satisfy themselves of the condition and boundaries of the property prior to bidding.
- A bid is a binding contract to purchase the property. Please bid prudently.
- Bidders must register to participate in the online auction and agree to all terms of the online auction. Please register to bid early. If you experience technical problems, it may not be possible to assist you if you wait until the final day, final hour or last minute so to speak to sign up.
- Bidding is via online auction. When a bid is made, the bid shall be a bid for the price per acre X 160 acres. Once a bid is made, it cannot be retracted.
- Bidding opens May 18, 2026. Bidding begins to close at 6 PM Mountain Time (or 7 PM Central Time) May 27, 2026. This online auction has a soft close feature meaning that any bid received in the final minutes of the auction will automatically extend the bidding by 3 minute intervals to allow other bidders the opportunity to raise their bid.
- Please bid early. To help avoid disappointment, don't wait until the final moments of the online auction to place your bids.
- Statewide Realty, a division of Central Real Estate, LLC, and Real Estate Broker/Auctioneer (hereinafter known as Real Estate Broker/Auctioneer) reserves the right to extend the bidding, continue the bidding, or close the bidding due to technical or other issues.
- This is a Cash sale in United States dollars with no financing contingencies so have your money ready in Cash to close the transaction promptly. Buyer will be required to pay 15% of the sale price as a non-refundable earnest money deposit on sale day and buyer also agrees to sign a purchase agreement on sale day with the remaining balance due and payable on the earlier of the closing day or on or before June 27, 2026, whichever day is earlier. The earnest money is non-refundable and should the Buyer not close the real estate transaction as provided herein, Seller shall have the right to retain the earnest money as liquidated damages or pursue any other remedies Seller may have under South Dakota Law. Possession to be at closing. Buyer also will provide to seller a letter of verification of funds from buyer's financial institution regarding the availability of funds to purchase the property within 5 calendar days of the sale day.
- Title will be conveyed by Warranty Deed with the cost of the owner's policy of title insurance and the closing agent's fee split 50-50 between buyer and seller. Closing will be handled by 605 Title Company/Davison County Title unless Real Estate Broker/Auctioneer its discretion determines otherwise. Sellers will pay all of the 2025 property taxes due in 2026. Buyer to pay all of the 2026 property taxes due in 2027.
- A Warranty Deed will be furnished by the sellers. Buyer shall pay the recording fee for the Warranty Deed.
- While effort has been made regarding the accuracy of the information being made available, prospective buyers are encouraged to inspect the property and verify all data

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provided. Buyers are purchasing the property as-is-where-is with all faults and defects that may exist and with no warranties express or implied, and subject to reservations, rights-of-way, covenants, restrictions and easements if any and Jackson County South Dakota zoning, if any. Sellers do not warranty or guarantee that existing fences lie on the true and correct boundary and any new fencing, if any, will be the responsibility of the buyer and pursuant to South Dakota Law. Any lines on maps and pictures are for informational purposes only and are not guaranteed to be the actual boundary lines of the property.

- This property is being sold subject to the confirmation of the sellers. The Real Estate Broker/Auctioneer represents the sellers in this transaction.
- A high bidder who is unable to close on the property for any reason may be liable for all damages, including, but not limited to actual, incidental, and consequential damages.
- The property is sold without any buyer-imposed contingencies, including, but not limited to, inspection contingency, financing contingency, or any other contingency. No improvements or other concessions will be considered by the seller(s), and any request thereof shall be rejected and, at the seller(s) sole discretion, considered a repudiation of the sale, thus subjecting the buyer to the aforementioned actual, incidental, and consequential damages.
- The laws of the State of South Dakota govern this online auction and any dispute arising from the terms of this online auction shall be brought in a court in the county where the property which is the subject of this online auction lies.
- Bidder acknowledges that hardware malfunctions, software malfunctions, viruses, and similar issues do occur and are beyond the knowledge, scope, and control of Real Estate Broker/Auctioneer and seller. Real Estate Broker/Auctioneer and seller are not responsible for your system malfunctions, connection to the internet or your e-mail client stopping any of our e-mails to you in regard to bid confirmations and/or outbid notifications, if any. Real Estate Broker/Auctioneer, sellers, and service providers are not responsible for lost or insufficient internet service or cell phone data service that may limit or affect a bidder's ability to participate in the online auction.
- Real Estate Broker/Auctioneer and sellers make no guarantees or warranties, express or implied, of any kind.
- Announcements made day of auction, or at the time of the sale will take precedence over any and all other advertising or representations, whether printed, online, or verbal.
- All listing and promotional information regarding the sale of this property is for informational purposes only. All bidders and the buyer must rely on their own inspection and research.

The winner is determined by the ability to close on the property. Being the high bidder does not guarantee the sale of the property. This property is being sold subject to the confirmation of the sellers.

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