

Due Diligence Report

Prepared for

Roymac Hunt Estate

Tuesday, February 6, 2024

6:30 PM

McPherson Praireland Partners John Deere

2401 E. Northview, McPherson, KS

By



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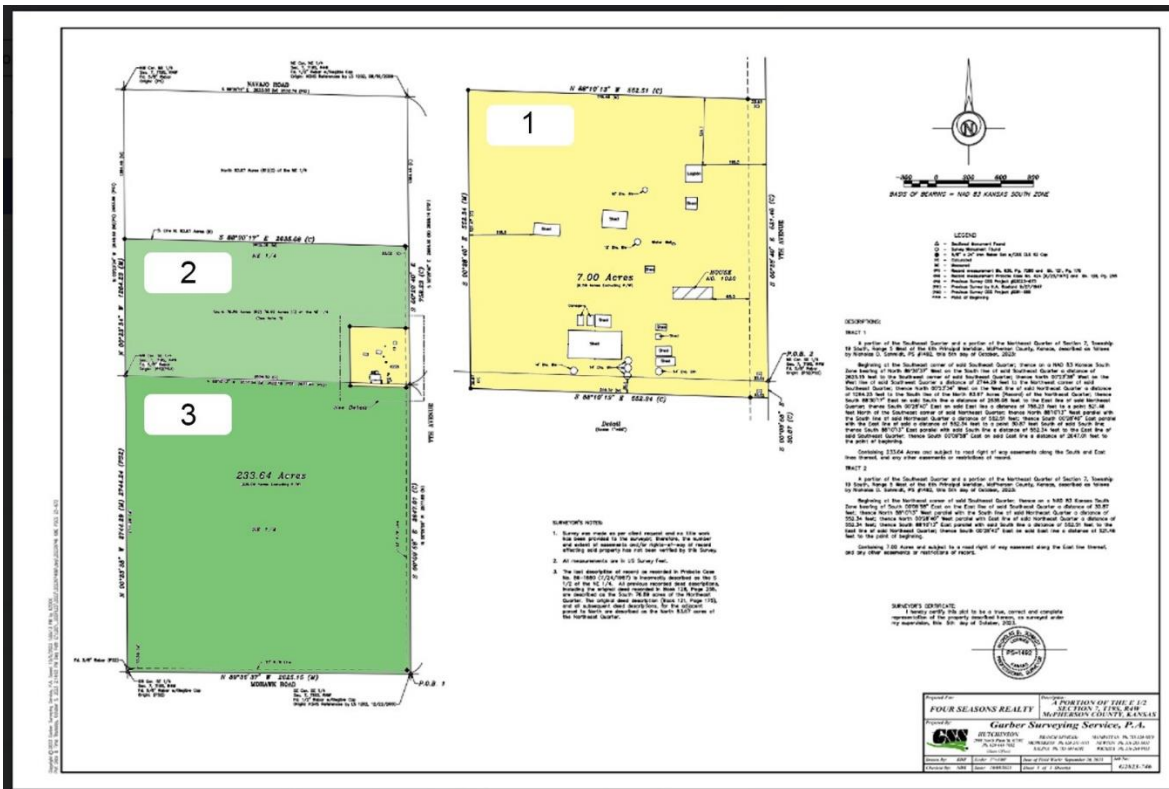
Troy Wedel

Realtor/Auctioneer

Cell 620-242-6999



Survey



1653 7th Ave

McPherson, KS 67460

Tract 1: Seven surveyed acres with numerous outbuildings, mature trees, and other improvements. McPherson County says the house is not livable. The property is in need of a new well, septic system, and several other improvements to get a building permit. Selling “as is” for a new home building site.

Tract 2: 69.74 acres without R/W. Good tillable farm ground with very little waste.

Tract 3: 159.35 acres without R/W. Good tillable farm ground with very little waste.

Driving Directions

West out of McPherson on Kansas Avenue (Hiway56) to 8th Ave., then turn right onto 8th and go 4 miles North on 8th to Navajo. Turn left onto Navajo and go one mile west on Navajo to 7th Ave. Then turn left (South) for 1/2 mile, on right side (west) of the road

Tract 1
1653 7th Ave, McPherson, KS
7 Surveyed Acres with improvements.

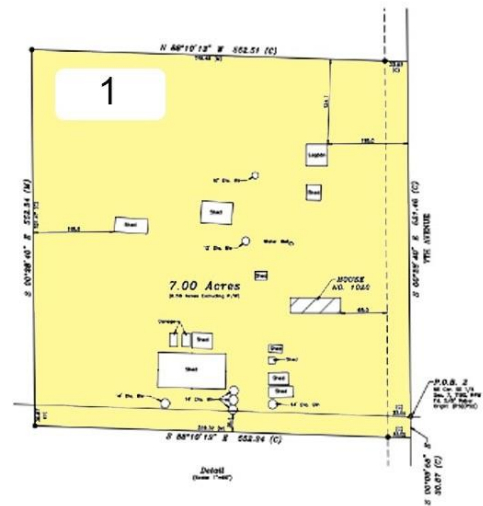


The Three Prefabricated Storage Sheds are NOT Included

They were sold on a personal property auction. Buyer of the storage sheds has until February 26, 2024 to remove these items. The fuel tanks were sold as well. The overhead grain bin by the granary is also not included as it sold with the seed cleaner in the granary.

Propane Tanks and House to Tear Down

The county says the house is not livable. The property needs a new well, septic system, and several other improvements to get a building permit. Selling "as is" for a new home building site.



52'X100' big shed 1983



Bonanza building, has some wind damage, especially in the back of the building. Dirt floor. Water floods some of the floor when it rains.

32'X46' building. (Granary) 1900

Originally build as a granary it has three wooden bins along the north wall. This building had wood floors in the bins and dirt floors over most of other area. A small cement pad on the south west corner where the seed cleaner is/was. The seed cleaner and grain bin building right outside was sold on a personal property auction. Buyer has until February 26, 2024 to remove these items.



22'X23' Outbuilding 1900



16'X36' Outbuilding 1900



The 22'X23' building has dirt floors. The 16'X36' building is steel frame construction. The doors can no longer be opened and closed. It also has dirt floors.

22'X30' Farm Building with a 14'X22' Lean-to 1950



Shop 18'X30'

(right) The shop has a concrete floor. The antique wood stove was sold on the personal property auction and not included. Building has power. The county lists a 24'X30' foot tool shed built in 1910. If this is the building they are talking about it is less than 24 feet wide.

Quonset Hut 22'X23'

A roundtop with a dirt floor is right beside the large shed. It does not have electricity. The electricity in the building now is via an extension cord from the 52 X 100 foot building. This is not safe nor proper according to any known electrical codes. Do not know when it was built but it appears in the old arial photograph that does not show the building built in 1950.

10'X10' Insulated Well House



The well is not in compliance with county code. To get a building permit on the property the county wants the three known wells plugged and a new well drilled. There are some other requirements as well. The well house has a concrete floor. The eagle briefly visited one day when we were out there taking pictures one day. A lot of ducks flew over the parcel as well when we were there.

Building Site Inspection

The preliminary work on having the property qualify for a Historic Farmstead Split

The next two pages are the results of the initial inspection. We are selling this property "As IS" as a building site. Since the new buyer is going to tear down the house the county will allow the split as the needed improvements (well, septic etc.) may be in a different location depending on where the new home will be built. The report lists requirements that must be met to get a new building permit.



Site Inspection Report
 McPherson County, Kansas
 Department of Planning, Zoning and Environment

1115 W Avenue A, McPherson, Kansas 67460-5241
 (620) 241-2288

PROPERTY: 1653 7th Avenue-McPherson

NOTE TO ALL PARTIES: Mortgage Inspection Report must be provided to all parties investigating or handling the sell and purchase of this property.

1. **Water Test**
 - a. Results
 - i. No water test was performed.
2. **Water Well Inspection-Windmill**
 - a. Results
 - i. Water well does not pass inspection.

ISSUE	NEXT STEPS REQUIRED
This well is considered abandoned per Article 30 Well Construction Regulations. Wells that are abandoned and cannot adhere to inactive status must be plugged.	<ol style="list-style-type: none"> 1. File water well plugging application-\$0 2. Hire a State Licensed well driller to plug the water well in accordance with Article 30 well plugging regulations. 3. File well plugging paperwork with KDHE and this Department.

3. **Water Well Inspection-Pit**
 - a. Results
 - i. Water well does not pass inspection.

ISSUE	NEXT STEPS REQUIRED
This well is considered abandoned per Article 30 Well Construction Regulations. Wells that are abandoned and cannot adhere to inactive status must be plugged.	<ol style="list-style-type: none"> 1. File water well plugging application-\$0 2. Hire a State Licensed well driller to plug the water well in accordance with Article 30 well plugging regulations. 3. File well plugging paperwork with KDHE and this Department.

4. **Water Well Inspection-Shed**
 - b. Results
 - i. Water well does not pass inspection.

ISSUE	NEXT STEPS REQUIRED
Well locates in a structure.	All chemicals or contaminants must be removed from the structure within a 50' minimum to 100' buffer around the well.
Chemicals and contamination sources were within a few feet of the well.	See above.
Well cap is not secure and needs to be replaced. It was rusted and not gasketed correctly.	Replace cap per guidance attached. Diagram B.
Well has no vent.	Install vent per guidance attached. Diagram B.
Rope is located outside of casing.	Install rope inside of casing without making any alterations or holes in casing.
Electrical is not encased in conduit.	Encase electrical in conduit per guidance attached. Diagram B.

ISSUE	NEXT STEPS HIGHLY RECOMMENDED
See issues above.	<ol style="list-style-type: none"> 1. Have State Licensed water well driller site a new well location. 2. Plans are required to be provided to the department before approval of location to meet separation distances. 3. File water well plugging application-\$0

	<ol style="list-style-type: none"> 4. Hire a State Licensed well driller to plug the water well in accordance with Article 30 well plugging regulations. 5. File well plugging paperwork with KDHE and this Department.
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5. Septic Tank Inspection

- a. Results
 - i. Does not pass inspection.

ISSUE	NEXT STEPS REQUIRED
The septic tank sits within 10' of structure.	<ol style="list-style-type: none"> 1. File septic tank abandonment application-\$0 2. During installation of new wastewater system this tank shall be properly abandoned or filled. MF2246

6. Wastewater System Inspection

- c. Results
 - i. Does not pass inspection.

ISSUE	NEXT STEPS REQUIRED
Does not meet lagoon specs. <ol style="list-style-type: none"> a. Depth b. Slope c. Size d. Fencing 	<ol style="list-style-type: none"> 1. Hire a wastewater contractor from the list provided to perform a site visit/soil profile with the department. 2. Contractor and Department to work together to determine the type and location of new wastewater system.

7. Additional Items

- a. Results

ISSUE	NEXT STEPS REQUIRED
Outhouse	This structure appeared to be operable. The privy will need to be filled.
Cistern	Plug cistern/remove/fill per attached guidance documents.MF2246

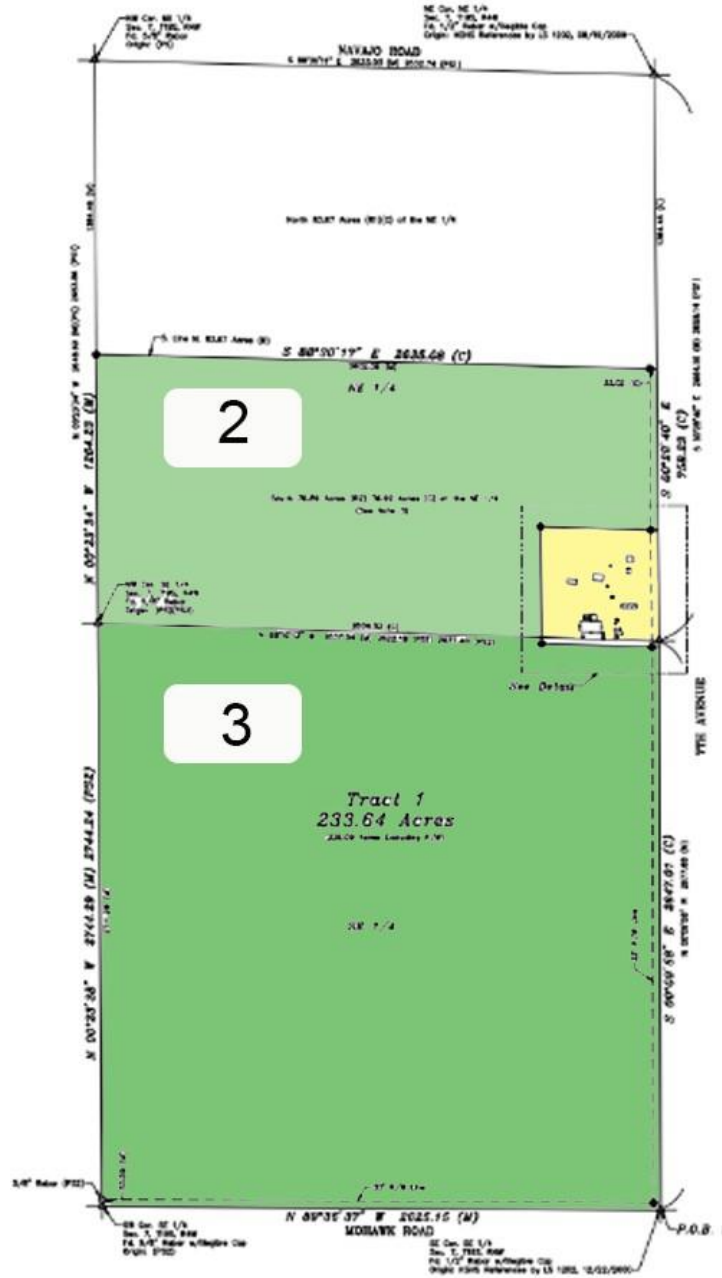
8. Historic Farmstead Split

ISSUE	NEXT STEPS REQUIRED
Historic Farmstead Split	Options <ol style="list-style-type: none"> 1. If the buyer of the property is going to continue use of property as is, then the HFS (split) approval will require items on this report be completed and approved prior to the split. 2. If the buyer wishes to redevelop the property, the HFS (split) may be approved with the conditions that all the above are mitigated. This option may result in a different location of all supporting components for the new home to be built.

9. INSPECTION RESULTS

- a. Requires **RE-INSPECTION** for items 2a-7a **NEXT STEPS REQUIRED**

Tract 2 and 3



Tract 2: 69.74 acres without R/W. Good tillable farm ground with very little waste.

Tract 3: 159.35 acres without R/W. Good tillable farm ground with very little waste.

FSA: If the farm ground is split FSA will split the base acres proportionally between the two tracts. The figures below are just estimates as the actual numbers will be calculated according to FSA maps and figures. The FSA-156EZ form is included in this report. Note that the FSA-156EZ includes some ground that is going to be sold in tract 1. Also take note that according to the FSA-156EZ **there is more cropland than base acres.**

Tract	Wheat Base	Grain Sorghum Base
2	57.02	5.11
3	130.28	11.69
Total	187.30	16.80

Crop Name	PLC Yield
Wheat	31
Grain Sorghum	44

Possession: Subject to tenant rights. Tenant has the right to harvest the 2024 wheat crop currently growing on the tract. After the 2024 wheat harvest new buyer has possession and right to farm. All of the farm ground is currently planted to wheat. Seller and Tenant will receive the 2024 wheat harvest income and FSA payments associated with that crop.

Investors: The farm has been well maintained and farmed by the current tenant, Ron Hazelton. Mr. Hazelton has expressed an interest in visiting with the new owner should they be looking for a tenant.

Minerals: All minerals interest owned by the Seller, if any, will be conveyed to the Buyer

Soil Information: According to McPherson County the property has the following soils

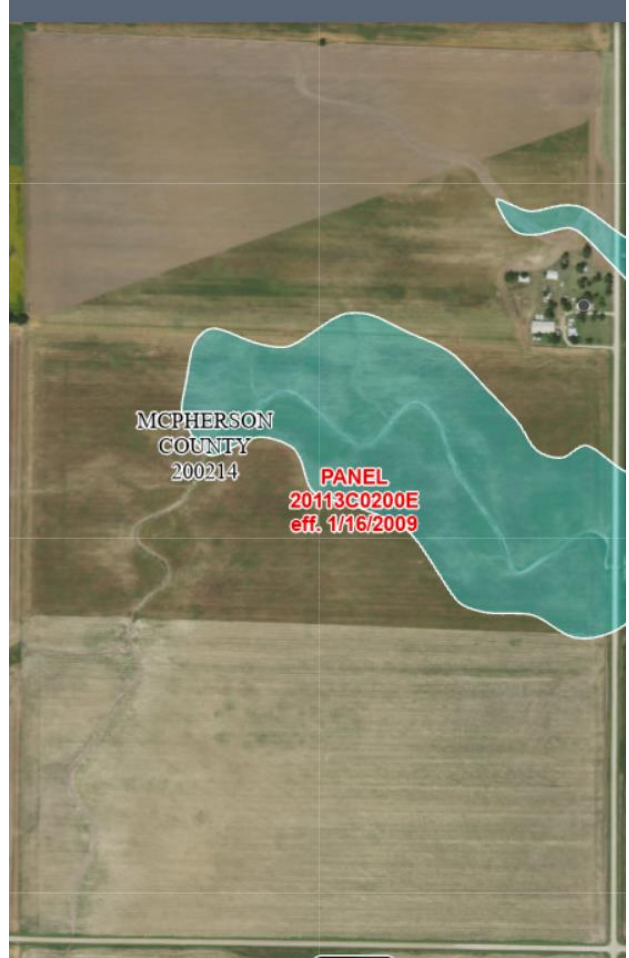
Acre Type	No Acres	Map Unit	Description
Dry Land	210.05	3800	Crete silt loam, 0 to 1 percent slopes, loess plains and breaks
Dry Land	22.10	3801	Crete silt loam, 1 to 3 percent slopes, loess plains and breaks



Soil Map



Floodplain Map



KANSAS
MCPHERSON
Form: FSA-156EZ
See Page 2 for non-discriminatory Statements.



United States Department of Agriculture
Farm Service Agency

Abbreviated 156 Farm Record

FARM : 7102
Prepared : 8/25/23 11:20 AM CST
Crop Year : 2023

Operator Name : HAZELTON FARMS LLC
CRP Contract Number(s) : None
Recon ID : None
Transferred From : None
ARCPLC G/WF Eligibility : Eligible

Farm Land Data

Farmland	Cropland	DCP Cropland	WBP	EWP	WRP	GRP	Sugarcane	Farm Status	Number Of Tracts
238.45	235.16	235.16	0.00	0.00	0.00	0.00	0.0	Active	1
State Conservation	Other Conservation	Effective DCP Cropland	Double Cropped		CRP	MPL	DCP Ag.Rel. Activity	SOD	
0.00	0.00	235.16	0.00		0.00	0.00	0.00	0.00	

Crop Election Choice

ARC Individual	ARC County	Price Loss Coverage
None	WHEAT, SORGH	None

DCP Crop Data

Crop Name	Base Acres	CCC-505 CRP Reduction Acres	PLC Yield	HIP
Wheat	187.30	0.00	31	0
Grain Sorghum	16.80	0.00	44	0
TOTAL	204.10	0.00		

NOTES

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Tract Number : 3864

Description : S/2 NE/4 & SE/4 7-19-4
FSA Physical Location : KANSAS/MCPHERSON
ANSI Physical Location : KANSAS/MCPHERSON
BIA Unit Range Number :
HEL Status : NHEL: No agricultural commodity planted on undetermined fields
Wetland Status : Tract does not contain a wetland
WL Violations : None
Owners : ROY MAC HUNT
Other Producers : None
Recon ID : None

Tract Land Data

Farm Land	Cropland	DCP Cropland	WBP	EWP	WRP	GRP	Sugarcane
238.45	235.16	235.16	0.00	0.00	0.00	0.00	0.0

KANSAS
 MCPHERSON
 Form: FSA-156EZ



United States Department of Agriculture
 Farm Service Agency

Abbreviated 156 Farm Record

FARM : 7102
 Prepared : 8/25/23 11:20 AM CST
 Crop Year : 2023

Tract 3864 Continued ...

State Conservation	Other Conservation	Effective DCP Cropland	Double Cropped	CRP	MPL	DCP Ag. Rel Activity	SOD
0.00	0.00	235.18	0.00	0.00	0.00	0.00	0.00

DCP Crop Data

Crop Name	Base Acres	CCC-505 CRP Reduction Acres	PLC Yield
Wheat	187.30	0.00	31
Grain Sorghum	16.80	0.00	44
TOTAL	204.10	0.00	

NOTES

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In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

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To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) e-mail: program.intake@usda.gov. USDA is an equal opportunity provider, employer, and lender.

Information that pertains to all three Tracts

Live Auction: All three tracts will be sold at McPherson Prairieland Partners John Deere in the Prairie Room. 2401 East Northview, McPherson, KS 67460. Tuesday February 6, 2024 at 6:30 PM.

Taxes: Taxes will be prorated by closing date. The 2023 taxes on the entire parcel was \$5,323.88

Earnest Payment: Earnest money deposit due day of auction payable to Security 1st Title.

Tract 1 \$ 2,000

Tract 2 \$20,000

Tract 3 \$40,000

If one buyer takes all three tracts \$60,000

Closing: Closing will take place at Security 1st Title on or before March 12th 2024.

Condition: This sale is subject to all easements, covenants, restrictions of record. Each bidder is responsible for condition, at their own inspections, inquiries and due diligence concerning the property. All property is sold "as is" basis, other than seller is guaranteeing delivery of a marketable title, there is no other warranties or guarantees either expressed or implied, by the seller or agent and without recourse. Satisfy yourself with your own inspections prior to auction day.

Terms: All bids compete and are open for advancement until the Auctioneer announces that the real estate is sold. The real estate will sell in the manner resulting in the highest total price. Bidding increments are solely at the discretion of the Auctioneer. All decisions of the Auctioneer are final. No absentee or telephone bids will be accepted without prior approval of the auctioneer, listing agent, or managing broker. Property is not selling contingent upon buyer obtaining financing. The cost of the owner's title insurance policy and escrow closing services will be shared equally by the Seller and Buyer.

Contract and Title: Immediately upon conclusion of the auction the high bidder will enter into a real estate contract. We will use Kansas Association of Realtors Auction Agricultural Land Real Estate Contract on tract 2 and 3. For tract 1 we will use the Kansas Association of Realtors, Auction Residential Real Estate Contract.

Buyer's Premium: There will be no buyer's premium on the real estate auction.

Broker Participation Recognized: 1.5% Broker Participation is offered. Any Kansas licensed broker/agent are eligible. Contact Four Seasons Realtors for a broker participation form with all the details.

Announcements: Information provided herein was obtained from sources deemed reliable, but neither the Agent nor the Seller makes any guarantees or warranties as to its accuracy. All sketches, dimensions and figures are approximate or "more or less". Any announcements made auction day by the Auctioneer will take precedence over any previous printed materials or oral statements.

Listing Agents: Troy Wedel and Sharon Keeler are licensed listing agents and designated representatives of the sellers. The property is brokered through Four Seasons Realtors, 1020 North Main, McPherson, KS.