

CONTRACT FOR SALE OF RESIDENTIAL REAL ESTATE
McLEAN COUNTY BAR ASSOCIATION APPROVED FORM
(REVISED CONTRACT FORM APPROVED NOVEMBER 2017)

Seller:

Buyer:

Address:

Address:

Telph:

Telph:

Fax:

Fax:

Attorney:

Attorney:

Address:

Address:

Telph:

Telph:

Fax:

Fax:

Email:

Email:

Listing Broker:

Selling Broker:

Broker License Number:

Broker License Number:

Broker Telephone/Fax:

Broker Telephone/Fax

Real Estate Agent:

Real Estate Agent:

License Number/Email:

License Number/Email:

Telephone/Fax:

Telephone/Fax:

CONTRACT FOR SALE OF RESIDENTIAL REAL ESTATE

THIS IS INTENDED TO BE A LEGAL DOCUMENT. AN ATTORNEY AT LAW SHOULD BE
CONSULTED PRIOR TO THE EXECUTION OF THIS DOCUMENT.

THIS CONTRACT is entered into between _____, hereinafter referred to as Seller,
and _____, hereinafter referred to as Buyer, who agree as follows:

1. **DESCRIPTION, PRICE AND PAYMENT:** Seller sells the following described real estate, to-wit:

PIN:

(the legal description may be changed upon provision of a legal description by the title insurance company),

with improvements located thereon, commonly known as _____, to Buyer, who agrees to pay _____ therefor in the manner following: _____ (down payment inclusive of earnest money) upon the execution of this Contract:

- _____ A. To be deposited into escrow until closing;
- _____ B. To be delivered to Seller, receipt of which is hereby acknowledged;

and the remainder as required by the closing agent on or before _____, and on receipt of deed.

2. **EVIDENCE OF TITLE:** Not less than fourteen (14) days prior to closing, Seller will furnish Buyer with written commitment from a title insurance company duly authorized to do business in Illinois, showing title to said premises subject only to matters to which this sale is subject by the terms hereof and to the customary exceptions contained in owners policies issued by such company. If written commitment discloses defects in title other than matters to which this sale is subject by the terms hereof and the customary exceptions in such policies, then Seller shall have until date for delivery of deed to correct such defects. Owner's title policy, in amount of the purchase price for said premises, will be paid for by the Seller and issued to Buyer after delivery of deed.

3. **DEED AND POSSESSION:** Seller will cause fee simple title to said real estate to be conveyed to Buyer, or to such party as Buyer may direct, by Warranty Deed (or Trustee's Deed or Executor's Deed, where applicable), and shall deliver possession to Buyer upon payment being made as herein provided, on or before _____. Seller shall pay all owners' association(s) dues and/or assessments, and water, sewer, and public utility service charges incurred for improvements on said real estate up to the time when possession passes to Buyer.

4. **RISK OF LOSS:** This Contract is subject to the State of Illinois Uniform Vendor and Purchaser Risk Act (765 ILCS 65/1), which provides, in general, that the Seller shall bear the risk of loss until transfer of possession or receipt of deed, whichever occurs first.

5. **TAXES:** Unless otherwise provided for herein, all general real estate taxes shall be prorated **through the date before closing**, and by allowance of Seller's share thereof being a credit against the purchase price at closing, based upon the latest known assessed valuation and latest known tax rate. Further, the parties agree that the real estate taxes shall be re-prorated for a given year upon receipt of the actual real estate tax bills. The re-proration shall be done by the party receiving the tax bill with notice to the other party. If the re-prorated amount differs from the credit amount by \$100.00 or more, Seller shall pay Buyer, or Buyer shall pay Seller, the appropriate adjustment within fifteen (15) days from receipt of the re-proration computation (or receipt of the actual tax bill, whichever is received first by the party obligated to pay the adjustment). All transfer taxes shall be paid by Seller. This provision shall survive closing and delivery of deeds.

6. **ENCUMBRANCES:**

A. Mortgage, if any, shall be satisfied out of the purchase price and released when deed is delivered. Seller's obligation to obtain the mortgage release shall continue until the release is obtained and recorded.

B. Easements and building or use restrictions of record, and zoning and building ordinances, if any, shall not be considered as rendering title unmerchantable or unacceptable, provided same are not violated by the existing improvements or the use thereof.

7. **PERSONAL PROPERTY:** The purchase price expressed above includes the following items, which are in place at the time of the offer and pass for no additional consideration:

8. **FINANCING:** This Contract is subject to Buyer obtaining (check applicable):

_____ Conventional/ _____ VA/ _____ FHA/ _____ (Other) and _____ ARM/ _____ FIXED, financing in an amount equal to _____% of the purchase price amortized over _____ years (check one of the following):

_____ at an initial interest rate not to exceed _____% and points charged not in excess of _____. (or)

_____ at the prevailing loan interest rate and terms.

Seller agrees to pay up to \$_____ in discount points, if charged by lender. Buyer agrees to make a good faith effort to apply for said financing on or before _____. In the event Buyer is unable to obtain this financing and Buyer so notifies Seller in writing on or before _____, this Contract shall become null and void, and any down payment paid or escrowed shall be refunded to Buyer. If Seller is not so notified, it shall be conclusively presumed that Buyer has secured such commitment or will purchase said property without reliance upon any mortgage financing contingency.

9. **APPRAISAL:** This Contract is subject to Buyer obtaining, at Buyer's expense, an appraisal of the premises reflecting a value of not less than the Contract purchase price set forth in Paragraph 1 above. Buyer agrees to make a good faith effort to obtain such an appraisal. If the subject property does not appraise for at least the Contract purchase price and Buyer notifies Seller in writing and provides Seller with a copy of the appraisal on or before _____, 20__, this Contract shall become null and void and any down payment paid or escrowed shall be refunded to Buyer, or Buyer and Seller may renegotiate the Contract. If the Contract is not renegotiated by the end of the second business day after such notification, it shall be presumed that the Contract is null and void and any down payment paid or escrowed shall be refunded to Buyer. If Seller is not so notified, it shall be conclusively presumed that Buyer has secured such appraisal or will purchase said property without reliance upon any appraisal contingency.

10. **WOOD DESTROYING INSECT PROVISION:** At Buyers' expense, Buyer shall have the right to obtain a current written statement, on that form as currently approved for use by the Department of Veteran's Affairs and Department of Housing and Urban Development, from a licensed exterminator that based upon careful visual inspection of readily accessible areas there is no evidence of wood destroying insect infestation in the subject property or evidence of any previous infestation. Buyer shall submit a copy of the inspection report to Seller not less than fourteen (14) days prior to closing. In the event the inspection reveals a current active infestation, then Seller shall bear the cost of extermination. Any other treatment shall be at Buyer's expense. In the event the inspection reveals active infestation or previous infestation, then Buyer shall have the right to have the premises inspected by a qualified person of Buyer's choice, and at Buyer's expense, for the purpose of determining whether or not there is any defect in any structural member due to prior or existing wood destroying insect infestation. In the event it is determined that a structural defect exists due to prior or existing wood destroying insect infestation, Buyer shall cause a copy of the written report of the inspection for structural defect to be delivered to Seller not less than seven (7) days prior to closing. Seller shall then have the option of correcting such structural defect, or rescinding the Contract and returning the down payment to Buyer. Should Seller elect to rescind, Seller must give notice of such election to Buyer not less than five (5) days prior to closing. Should Seller elect to rescind, Buyer shall still have the right to consummate the purchase transaction, taking the property in "as is" condition with respect to the reported structural defect due to prior or existing wood destroying insect infestation. Buyer must give Seller or Seller's attorney written notice of this intention within four (4) days

of receiving Seller's notice of rescission. Structural components shall not be considered defective if they are structurally sound.

11. RADON TESTING & MITIGATION:

A. At Buyer's expense, Buyer shall have the right to obtain a radon test/inspection of the premises by an independent inspection service provider licensed by the State of Illinois. If the radon level is measured at four (4) picocuries per liter of air or higher, Buyer may request that the radon is mitigated by a licensed professional. To request remediation, Buyer must submit to Seller, in writing, a specific request for remediation and a copy of the inspection report on or before _____. Buyer shall indemnify Seller and hold Seller harmless from and against any loss or damage caused by the acts of negligence of Buyer or any person performing any inspection.

B. If the radon level is measured at four (4) picocuries per liter of air or higher, Seller shall elect one of the following options, and shall give written notice to Buyer or to Buyer's attorney within seven (7) days of receiving Buyer's Remediation request and report:

- 1) Mitigate utilizing a licensed Illinois Radon Mitigator at Seller's own cost and expense;
- 2) Give Buyer a credit for the cost of radon remediation at settlement; or
- 3) Rescind the Contract and refund Buyer's earnest money.

If Seller does not give timely written notice of Seller's election, this Contract shall be deemed to be rescinded effective at the beginning of the eighth day after Seller shall have received Buyer's remediation request and report and Buyer's earnest money/down payment shall promptly be refunded, unless Buyer elects to purchase the property in accordance with subparagraph C.

C. Should Seller elect or be deemed to have rescinded the Contract, Buyer shall have the right to consummate the purchase transaction, taking the property in "as is" condition as it relates to radon levels. Buyer must give Seller or Seller's attorney written notice of this intention within four (4) days of receiving Seller's notice of rescission, or absent timely response from Seller, then within four (4) days after the end of the seven (7) day period specified in subparagraph B above.

D. At Buyer's expense, Buyer shall have the right to obtain a post-mitigation radon inspection by a licensed radon inspector.

12. EQUIPMENT & INSPECTIONS:

A. Unless otherwise stated in this Contract, all fixtures, systems, mechanical equipment and appliances being a part of the contemplated transfer of real estate and its improvements shall be in "operating condition" on the day of closing or delivery of possession to Buyer, whichever first occurs. A fixture, system, item of mechanical equipment or appliance shall be deemed to be in "operating condition" if it performs the function for which it was intended, regardless of age, and does not constitute a threat to health or safety when used as intended.

B. At Buyer's expense, Buyer shall have the right to obtain an inspection(s) of the premises by an independent inspection service provider(s) trained or certified/licensed, if such certification or licensing is available, and/or qualified to determine the condition of the premises. A qualified inspector is a person who by reason of appropriate experience and training in a particular trade or industry is considered competent to conduct such an inspection and render an opinion. If inspection discloses any TOXIC

MOLD, TOXIC HAZARDOUS WASTE, or any defects with the HEATING, AIR CONDITIONING, ELECTRICAL or PLUMBING SYSTEMS, REMAINING APPLIANCES, ROOF, STRUCTURAL COMPONENTS, WELL or SEPTIC SYSTEMS, Buyer may request repairs or remediation. To request repairs or remediation, Buyer must submit to Seller, in writing, both a separate, itemized list of Buyer's specific requests and a copy of the inspection report(s) on or before _____, 20___. Buyer shall indemnify Seller and hold Seller harmless from and against any loss or damage caused by the acts of negligence of Buyer or any person performing any inspection.

C. Minor repairs and routine maintenance items do not constitute defects under this Contract. The fact that a functioning major component may be at the end of its useful life shall not render such component defective for purposes of this Contract. A condition does not constitute a defect or an unsafe condition solely through a building code requirement made effective subsequent to installation or construction. Minor repairs and routine maintenance items shall not constitute defects eligible for Buyer requests to the Seller under this contingency and shall not be deemed a part of this contingency. "Minor repairs" shall include, but not by way of limitation, minor warping of wood products, cracks in tile grouting, minor cracking of and nail pops in drywall, and minor cracks in concrete. "Routine maintenance" shall include, but not by way of limitation, small-scale activities (typically requiring only minimal skills or training) associated with regular (daily, weekly, monthly, yearly, etc.) upkeep of equipment, systems, appliances, and buildings to minimize the effects of normal wear and tear, and, by way of example, include filter changes, painting, caulking, sealing, door hardware replacement and routine tuck pointing.

D. The following are conditions precedent to Buyer's right to request remediation:

- 1) In the aggregate the cost of repair or replacement must equal \$1,000.00 or more.
- 2) The defects must not have been disclosed in the Residential Real Property Disclosure Act or other similar form.
- 3) The defects must not have been disclosed to Buyer in writing prior to the date the offer was made to purchase.
- 4) The defects must not have been readily observable and obvious. Defects which are not readily observable and obvious include concealed or obscured conditions or conditions requiring a trained person to identify, but do not include those readily apparent to the naked eye.
- 5) The roof (defined as all materials above rafters or trusses) shall not be considered defective if it is free from leaks.
- 6) The structural components shall not be considered defective if they are structurally sound.
- 7)

E. If defects are reported, then Seller shall elect one of the following options, and shall give written notice to Buyer or to Buyer's attorney within seven (7) days of receiving Buyer's remediation requests and reports:

- 1) Treat the condition and repair the defect at Seller's own cost and expense;
- 2) Give Buyer a credit for the cost of repair at settlement; or

3) Rescind the Contract and refund Buyer's earnest money.

If Seller does not give timely written notice of Seller's election, this Contract shall be deemed to be rescinded effective at the beginning of the eighth day after Seller shall have received Buyer's remediation request(s) and report(s) and Buyer's earnest money/down payment shall promptly be refunded, unless Buyer elects to purchase the property in accordance with subparagraph G.

F. Should Seller elect or be deemed to have rescinded the Contract, Buyer shall have the right to consummate the purchase transaction, taking the property in "as is" condition, with whatever defects exist. Buyer must give Seller or Seller's attorney written notice of this intention within four (4) days of receiving Seller's notice of rescission, or absent timely response from the Seller, then within four (4) days after the end of the seven (7) day period specified in Paragraph E above.

G. Buyer shall have the right to make a final inspection of the property immediately prior to settlement to verify that its condition has not deteriorated from the date the offer was made to purchase (ordinary wear and tear excepted).

H. Home Protection Plan: Seller shall provide Buyer a credit at closing for the cost of a one-year home protection plan, to be issued by _____ with the following optional coverage: _____. The home protection plan cost shall not exceed \$ _____.

13. **LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS:**

A. Check one of the following sub-sections, 1, 2, or 3:

_____ (1) The improvements on the real estate subject to this Contract were built after 1977. No risk assessment or inspection for the presence of lead-based paint or lead-based paint hazards is required.

_____ (2) The improvements on the real estate subject to this Contract were built before 1978, but Buyer has knowingly and voluntarily waived the right to conduct a risk assessment or inspection for the presence of lead-based paint and lead-based paint hazards. (Disclosure Statement attached hereto and made a part hereof by this reference.)

_____ (3) This Contract is contingent upon a risk assessment or inspection of the property for the presence of lead-based paint and/or lead-based paint hazards at Buyer's expense until 5:00 p.m. on the tenth (10th) calendar day after the effective date of this Contract. This contingency will terminate at the aforesaid predetermined deadline unless Buyer delivers to Seller a written notice listing the specific existing deficiencies and corrections needed, together with a copy of the inspection and/or risk assessment report. Seller may, at Seller's option, within two (2) days of delivery of the notice, elect, in writing, whether to correct the condition(s) prior to the final time of settlement of this Contract. If Seller will correct the condition(s), Seller shall furnish Buyer with certification from a risk assessor or inspector demonstrating that the condition(s) has been remedied before the final date of settlement. If Seller does not elect to make the repairs or remediation, or if Seller makes a counter-offer, Buyer shall have two (2) days to respond to the counter-offer or remove this contingency and take the property with whatever lead-based paint and/or lead-based paint hazards exist; otherwise, this Contract shall become null and void, and Seller shall return the down payment to Buyer. Buyer may remove this contingency at any time

without cause. (See the Disclosure Statement Attached hereto and made a part hereof by this reference.)

B. Unless Paragraph A (1) above is checked, indicating subject premises were built after 1977, Buyer acknowledges receipt of a federal lead information pamphlet and the form entitled "Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards" and information, if any, possessed by Seller concerning the presence of lead paint on the property as required by the Federal Residential Lead-Based Paint Hazard Reduction Act.

14. **SELLER'S WARRANTIES:** Seller hereby provides the following warranties:

A. No work has been done upon, or materials furnished to, the premises which could give rise to a lien or liens under the Illinois Mechanics' Lien Act;

B. Seller has indefeasible title to all of the personal property to which reference is made in Paragraph 7, and all of said property, together with all appliances and mechanical systems built into the premises, are free from security interests or liens other than the lien of any real estate mortgage noted in Paragraph 6 herein;

C. Additional Warranties: None.

15. **ADDITIONAL PROVISIONS:**

A. Buyer shall assume any assumption or transfer fees incurred as a result of Buyer assuming, or taking subject to, Seller's existing mortgage, and both Seller and Buyer agree to comply with the requirements of the Real Estate Settlement Procedures Act;

B. Words importing the masculine gender include the feminine, words importing the singular number include the plural, and words importing the plural number include the singular;

C. The covenants and agreements herein contained shall extend to and be obligatory upon the heirs, executors, administrators, and assigns of the respective parties;

D. The parties acknowledge that the State of Illinois has enacted the Smoke Detector Act (425 ILCS 60/1, et seq.), and the Carbon Monoxide Alarm Detector Act (430 ILCS 135/1, et seq.).

E. Time is of the essence of this Contract.

F. Any deadline in this Contract which falls on a Saturday, Sunday or legally recognized State of Illinois or federal holiday shall be extended to the next business day.

G. Section or paragraph headings, or lack thereof, that may be used in various places throughout this Contract are intended for convenience only and shall not be taken into consideration in any construction or interpretation of this Contract or any of its provisions. To the extent there is deemed to be any conflict between the headings and/or numbers, and the text of this Contract, the text shall control.

H. Seller shall provide reasonable access to Buyer and Buyer's representative(s) for purposes of inspection(s) and appraisal(s).

I. Other:

16. **ESCROWEE:** The parties agree that _____ is hereby designated as Escrowee for the purposes of any Escrow created or hereafter required in connection with this Contract. The escrow conditions are as follows:

A. Escrowee shall deposit into escrow the down payment pursuant to the terms of this Contract until closing and not release said funds except with the agreement of all parties, or an order entered by a court of competent jurisdiction;

B. Additional conditions: None.

17. **NOTICES, ETC.:** Title commitments, communications and any notices required to be given pursuant to this Contract shall be delivered to the party's attorney, or to the party if not represented by counsel.

A. Any notice shall be given in writing in one of the following ways: (i) by personal delivery to the party or attorney; (ii) by U.S. mail, with postage prepaid, addressed to the party or attorney at the address set forth on the first page hereof; or (iii) by express delivery to the party or attorney at the address set forth on the first page hereof, with charges prepaid. Such notice shall be deemed given on the date when delivered personally, or on the date deposited with the express delivery company (with charges prepaid), or on the date deposited in the U.S. Mail, with postage prepaid.

B. Any notice may be given by e-mail transmission, if an e-mail address has been furnished by the recipient party or the recipient party's attorney to the sending party or the sending party's attorney or is shown in this Contract. Notice shall be effective as of date and time of e-mail transmission, provided that, in the event the e-mail notice is transmitted during non-business hours, the effective date and time of the notice is the first hour of the next Business Day after transmission. For purposes of this subparagraph B, a Business Day is considered 9 am to 5 pm every Monday through Friday, excluding legally recognized State of Illinois or federal holidays. A party or attorney may opt out of future e-mail notices by any form of notice provided by this Contract.

18. **PREPARATION AND APPROVAL:** This Contract was prepared by _____, Seller's attorney, and approved by Buyer and/or Buyer's attorney.

19. **SETTLEMENT:** Closing shall be held in McLean County at the office of Buyer's closing agent, unless the parties agree otherwise.

20. **SELLER'S DISCLOSURE:** The parties acknowledge that this Contract is subject to the Illinois Residential Real Property Disclosure Act (765 ILCS 77/1, et seq.) and the Illinois Radon Awareness Act (420 ILCS 46/1, et seq.). Buyer acknowledges receipt of a completed Residential Real Property Disclosure Report, Illinois Disclosure of Information on Radon Hazards and the IEMA pamphlet entitled "Radon Testing Guidelines for Real Estate Transactions", prior to the time this Contract was signed and said disclosures are incorporated herein by reference.

21. **ATTORNEY'S FEES AND EXPENSES:** Should Seller or Buyer bring any action against the other with respect to this Contract, the party that does not prevail upon the action, as determined by the court, shall be liable to the other party for any reasonable attorney's fees, costs, and expenses (including expenses of litigation) incurred by such other party and as determined by the court. This provision shall survive closing and delivery of deeds.

The above-named designated Escrowee hereby accepts the escrow on the terms and conditions heretofore set forth.

X _____
Agent for Escrowee