

# REAL ESTATE PURCHASE AGREEMENT

LISTING BROKERAGE \_\_\_\_\_

Date \_\_\_\_\_

SELLING BROKERAGE \_\_\_\_\_

Time \_\_\_\_\_

The undersigned offers to purchase the property commonly known as: \_\_\_\_\_

and agrees to pay the purchase price of \$ \_\_\_\_\_ in the following manner: Upon execution of this Real Estate Purchase Agreement, Buyer has paid \$ \_\_\_\_\_ as part of the earnest money/down payment, and upon execution of a contract to be entered into on or before \_\_\_\_\_, \_\_\_\_\_ will pay an additional sum of \$ \_\_\_\_\_ as earnest money/down payment. Possession and settlement, including payment of the remainder of the purchase price as required by the Closing Agent shall occur on or before the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, and on receipt of deed.

Unless otherwise agreed herein, all earnest money/down payment will be deposited into the Listing Brokerage escrow account until closing, or there is written agreement between Buyer and Seller as to its distribution, or the escrowee receives an order entered by a court of competent jurisdiction regarding its distribution. Taxes and rents, if any, shall be prorated through the date before closing. Seller shall provide a title guarantee policy for the amount of the purchase price, with only standard exceptions. 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 existing improvements or the use thereof.

This Purchase Agreement is contingent upon the following:

1. FINANCING: This Agreement is subject to Buyer obtaining (check applicable):

Conventional (  Fixed /  ARM)  VA  FHA  Other financing \_\_\_\_\_

in an amount equal to \_\_\_\_\_% of the purchase price, amortized over <sup>dt/dg</sup> \_\_\_\_\_ 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,

and an appraisal of the property reflecting a value of not less than the stated purchase price. 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 the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_. In the event Buyer is unable to obtain this financing and Buyer so notifies Seller in writing on or before the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ this Agreement 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 waived this contingency.

2. 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 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.

3. WOOD DESTROYING INSECT PROVISION: At Buyer's 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 on 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 by a licensed exterminator. 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. In the event it is determined that a structural defect exists, 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. 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.

4. LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS:

A. If the improvements on the Real Estate subject to this Purchase Agreement were built before 1978, 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.

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

(1) The improvements on the real estate subject to this Purchase Agreement 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 Purchase Agreement 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 Purchase Agreement 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 Purchase Agreement. 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

PRCHAGRMT (10.2015)

Buyer's Initials: \_\_\_\_\_

Seller's Initials: \_\_\_\_\_

(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 Purchase Agreement. 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 Purchase Agreement 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.)

5. 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, or an unacceptable RADON level, 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 \$500.00 or more, exclusive of the cost of radon mitigation.
- 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 obscure 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) The radon level is measured at four (4) picocuries per liter of air or higher.

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

G. Should Seller elect to rescind 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.

H. 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).

I. 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 \$ \_\_\_\_\_

6. PERSONAL PROPERTY: The purchase price expressed above includes the following items which pass for no additional consideration: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

7. ADDITIONAL PROVISIONS:
- A. The parties acknowledge that the State of Illinois has enacted the Smoke Detector Act (425ILCS/6, et seq.), and the Carbon Monoxide Alarm Detector Act (430 ILCS 135/1, et seq.)
  - B. Time is of the essence of this Agreement
  - C. Any deadline in this Agreement which falls on a Saturday, Sunday, or legally recognized State of Illinois or federal holiday shall be extended to the next business day.
  - D. Seller shall provide reasonable access to Buyer and Buyer's representative(s) for purposes of inspection(s) and appraisal(s).

8. ADDITIONAL CONTINGENCIES to be completed by Buyer (s) and Seller (s): \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

9. If this Purchase Agreement is not accepted by Seller by \_\_\_\_\_ AM/PM on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, the earnest money/down payment shall be returned to Buyer. Should Buyer fail to perform as set forth herein prior to the execution of the Contract for Sale of Real Estate, the earnest money/down payment paid upon execution of this Real Estate Purchase Agreement shall, at the option of Seller, be forfeited as liquidated damages.

Buyer acknowledges receipt of a copy of Seller's RESIDENTIAL REAL PROPERTY DISCLOSURE REPORT<sup>1</sup> prior to the execution of this agreement. (1 Effective October 1, 1994 all transfers of "residential real property" must comply with the RESIDENTIAL REAL PROPERTY DISCLOSURE ACT except those transfers specifically excluded in Section 15 of the Act.)  
 Buyer's Initials \_\_\_\_\_ Buyer's Initials \_\_\_\_\_

**Confirmation of Consent to Dual Agency** The undersigned confirm that they have previously consented to \_\_\_\_\_ ("Licensee"), acting as a Dual Agent in providing brokerage services on their behalf and specifically consent to Licensee acting as a Dual Agent in regard to the transaction referred to in this document.  
 Seller Client Initials \_\_\_\_\_ Seller Client Initials \_\_\_\_\_  
 Buyer Client Initials \_\_\_\_\_ Buyer Client Initials \_\_\_\_\_

\_\_\_\_\_  
 Buyer's Printed Name  
 \_\_\_\_\_  
 Buyer's Signature \_\_\_\_\_ Date \_\_\_\_\_  
 \_\_\_\_\_  
 Buyer's E-mail Address \_\_\_\_\_ Fax # \_\_\_\_\_  
 \_\_\_\_\_  
 Buyer's Address (Street and/or P.O. Box)  
 \_\_\_\_\_  
 City/State/Zip  
 \_\_\_\_\_  
 Buyer's Attorney

\_\_\_\_\_  
 Buyer's Printed Name  
 \_\_\_\_\_  
 Buyer's Signature \_\_\_\_\_ Date \_\_\_\_\_  
 \_\_\_\_\_  
 Buyer's E-mail Address \_\_\_\_\_ Fax # \_\_\_\_\_  
 \_\_\_\_\_  
 Buyer's Address (Street and/or P.O. Box)  
 \_\_\_\_\_  
 City/State/Zip  
 \_\_\_\_\_  
 Witness/Selling Brokerage \_\_\_\_\_ Buyers Broker MLS ID# \_\_\_\_\_

**ACCEPTANCE**

The above Purchase Agreement was accepted by the undersigned Seller(s) this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_  
 Seller's Printed Name  
 \_\_\_\_\_  
 Seller's Signature \_\_\_\_\_ Date \_\_\_\_\_  
 \_\_\_\_\_  
 Seller's E-mail Address \_\_\_\_\_ Fax # \_\_\_\_\_  
 \_\_\_\_\_  
 Seller's Address (Street and/or P.O. Box)  
 \_\_\_\_\_  
 City/State/Zip  
 \_\_\_\_\_  
 Seller's Attorney  
 \_\_\_\_\_  
 Current Mortgage Holder

\_\_\_\_\_  
 Seller's Printed Name  
 \_\_\_\_\_  
 Seller's Signature \_\_\_\_\_ Date \_\_\_\_\_  
 \_\_\_\_\_  
 Seller's E-mail Address \_\_\_\_\_ Fax # \_\_\_\_\_  
 \_\_\_\_\_  
 Seller's Address (Street and/or P.O. Box)  
 \_\_\_\_\_  
 City/State/Zip  
 \_\_\_\_\_  
 Witness/Listing Brokerage  
 \_\_\_\_\_  
 Mortgage Loan #Mortgage Lender's Phone

Buyer's Initials: \_\_\_\_\_

Seller's Initials \_\_\_\_\_