

JOINT APPROVED FORM, WINNEBAGO COUNTY BAR ASSOCIATION "WCBA"  
AND ROCKFORD AREA ASSOCIATION OF REALTORS® "RAAR"

**CONTRACT FOR PURCHASE AND SALE**

**For Use With Existing Multi-Family Residences**

**(Complete All Blanks And Delete Inapplicable Language)**

LISTING OFFICE: \_\_\_\_\_ Phone: \_\_\_\_\_  
Listing Broker: \_\_\_\_\_ Broker #: \_\_\_\_\_  
Listing Office Address: \_\_\_\_\_  
Listing Office License #: \_\_\_\_\_ Listing Broker License #: \_\_\_\_\_  
Email: \_\_\_\_\_ Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
Seller's Attorney: \_\_\_\_\_ Phone: \_\_\_\_\_  
Email: \_\_\_\_\_ Fax: \_\_\_\_\_  
Condo/HOA Name: \_\_\_\_\_ Phone: \_\_\_\_\_  
Condo/HOA Contact Name: \_\_\_\_\_ Email: \_\_\_\_\_

SELLING OFFICE: \_\_\_\_\_ Phone: \_\_\_\_\_  
Selling Broker: \_\_\_\_\_ Broker #: \_\_\_\_\_  
Selling Office Address: \_\_\_\_\_  
Selling Office License #: \_\_\_\_\_ Selling Broker License #: \_\_\_\_\_  
Email: \_\_\_\_\_ Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
Buyer's Attorney: \_\_\_\_\_ Phone: \_\_\_\_\_  
Email: \_\_\_\_\_ Fax: \_\_\_\_\_  
Lender Name: \_\_\_\_\_ Contact Name: \_\_\_\_\_  
Email: \_\_\_\_\_ Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Designated agents of the Listing Broker are agents of the Seller. Designated agents of the  
Selling Broker are agents of the Buyer unless a dual agency agreement is signed.

**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's Initials: \_\_\_\_\_ / \_\_\_\_\_ Buyer's Initials: \_\_\_\_\_ / \_\_\_\_\_

1. Seller. To: (SELLER) \_\_\_\_\_  
Email: \_\_\_\_\_ Phone: \_\_\_\_\_  
of \_\_\_\_\_ (Address & Zip Code)
2. Buyer. The Undersigned (BUYER) \_\_\_\_\_  
Email: \_\_\_\_\_ Phone: \_\_\_\_\_  
of \_\_\_\_\_ (Address & Zip Code)
3. Premises. Offers to purchase the following described real estate situated in (Winnebago)  
(\_\_\_\_\_) County, Illinois, commonly known as: \_\_\_\_\_  
Property I.D.# No.: \_\_\_\_\_  
and legally described as: \_\_\_\_\_  
\_\_\_\_\_ being a \_\_\_\_\_ family residential dwelling.

4. Purchase Price. And to pay you \$ \_\_\_\_\_ with \$ \_\_\_\_\_ as earnest money (a minimum of 5% of the purchase price is recommended) to be tendered by Buyer no later than one business day following the date of the accepted Contract (which earnest money shall be increased to a total of \$ \_\_\_\_\_ within one business day following the expiration of the Attorney Approval period as set forth in Paragraph 6 herein) to be applied to the purchase price; (if Contract is not subject to 5B financing contingency, Buyer will furnish written verification of funds to close from a financial institution within \_\_\_\_\_ business days of acceptance of this Contract).
5. Contingencies. Buyer's obligations pursuant to this Contract are contingent upon the following:
- A. Inspection. Buyer's inspection, which may include, but shall not be limited to, radon, mold, pest, mechanical, or structural inspections, at Buyer's expense. Seller shall arrange for all utilities to be on at the time of inspection. The inspection shall cover only major components of the real estate, including but not limited to, heating and cooling systems, plumbing and well system, electrical system, roof, walls, windows, ceilings, floors, appliances and foundation. If Buyer notifies Seller on or before \_\_\_\_\_ that the results of the inspection are unacceptable to Buyer, this Contract shall be void. If Buyer does not notify Seller by said date that the results of the inspection are unacceptable to Buyer, this provision shall be deemed waived and this Contract shall remain in effect.
- B. Financing. Obtain by \_\_\_\_\_ a written (Conventional) (FHA) (VA) (\_\_\_\_\_) mortgage loan commitment containing the following terms: loan amount not less than \_\_\_\_\_ % of the purchase price due in not less than \_\_\_\_\_ years amortized over \_\_\_\_\_ years with (Fixed) (Adjustable) interest at not more than \_\_\_\_\_ % per year and lender required flood insurance premiums not to exceed \$ \_\_\_\_\_ per year, or containing other terms acceptable to Buyer. Buyer shall provide to Seller by the above date a copy of the Lender's loan commitment or upon Seller's request will provide a denial letter if available from Buyer's lender. The issuance of a commitment containing the above-specified terms or Buyer's written acceptance of a commitment containing other terms shall satisfy this contingency. Seller agrees to pay Buyer's closing costs not exceeding \$ \_\_\_\_\_ (to include all costs paid to third parties in connection with the closing, prepaid mortgage interest, insurance and tax reserve deposits). Seller shall pay costs of any required FHA or VA re-inspections but shall not be required to pay for repair expenses in excess of \$ \_\_\_\_\_. Where applicable, the parties agree to promptly execute and direct their brokers to execute the applicable FHA Amendatory Clause and Real Estate Certification or the VA Amendment to Sales Contract forms currently approved by HUD.
- C. Appraisal. Obtain by \_\_\_\_\_ an appraisal prepared by an Illinois licensed appraiser indicating the value of the premises to be equal to or greater than the purchase price.
- D. Sale of Property. (Enter into a contract for the sale of property for not less than \$ \_\_\_\_\_ or a lesser amount as is accepted by \_\_\_\_\_ and) complete the sale of property in which Buyer now has an interest located at \_\_\_\_\_ on or before \_\_\_\_\_. Seller reserves the right to accept another bona fide offer subject to the rights of Buyer under this Contract. In the event Seller accepts another bona fide offer, Seller shall deliver a notice to eliminate contingency to Buyer. Within 72 hours of receipt of such notice, Buyer shall deliver written notice to Seller of removal of this contingency and **all** other Buyer contingencies AND (a) provide a written commitment for a non-contingent bridge loan, OR (b) provide evidence of available funds sufficient to allow Buyer to complete the transaction, or this Contract shall be void.

E. Document Review. Review the following documents to be delivered by Seller by the date below: (insert date if applicable)

☐ \_\_\_\_\_ Copy of written leases/rental agreements, terms of any oral leases, or options to renew/options to purchase;

☐ \_\_\_\_\_ List of tenants, monthly rental and security deposits;

☐ \_\_\_\_\_ Written confirmation from zoning authority that the premises are presently zoned \_\_\_\_\_ and present use is (conforming) (legally non-conforming);

Unless Buyer gives written notice within five business days of the date listed above that the information furnished is not acceptable to Buyer, this Contract shall remain in effect.

6. Attorney's Approval. This Contract is subject to Buyer's and Seller's attorney's written disapproval of this Contract on or before the inspection period listed in Paragraph 5A, or within seven (7) business days of the final acceptance of this Contract, whichever is later. In the absence of notice within the time specified, this provision shall be deemed waived and this Contract shall remain in effect.

7. Failure of Contingency. Except as otherwise provided, if any contingency cannot in good faith be carried out, this Contract shall become void and the earnest money shall be returned to Buyer pursuant to the provisions of Paragraphs 10 and 16 hereof.

8. Closing. This transaction shall be closed on \_\_\_\_\_ or on such date as mutually agreed by the parties in writing, and Seller shall deliver possession of the premises in broom-clean condition and free of debris, both interior and exterior, **at time of closing**. If by no fault of either party this transaction cannot close by the closing date due to any government regulations or lender requirement, the date of closing shall be extended for the period necessary to satisfy these requirements, not to exceed 7 business days. The premises shall be vacant at closing, unless it is (check if applicable):

\_\_\_\_\_ Subject to tenant's lease terms submitted pursuant to Paragraph 5E; or

\_\_\_\_\_ Subject to Occupancy Rider.

A final inspection of the real estate, fixtures, and personal property may be made by Buyer within 48 hours prior to closing to determine whether the premises is in the same condition as of the time Buyer entered into the Contract.

9. Prorations and Credits. Rents, utilities, pre-paid service contracts, property taxes, association dues, and other similar items shall be prorated and credited along with security deposits and prepaid items through date of closing. Seller shall pay at closing all special assessments, special service area taxes, or fees or other similar items charged against the premises approved, enacted or confirmed prior to date of final acceptance of contract by a public body, private association or a Court.

Tax prorations shall be final as of closing and based upon the actual tax bill if known for a specific tax year; otherwise shall be calculated at 105% of the most recent tax rate times the assessment and exemption information published on the county assessor's website within 7 business days of final acceptance unless Seller submits to Buyer within 7 business days of final acceptance evidence of changes in the assessment and exemption information. Seller warrants that it has submitted or will submit in a timely manner all necessary documentation to preserve the exemptions through closing and shall provide evidence of the same within 7 business days of final acceptance; otherwise, the tax prorations shall be prorated without said exemptions.

(Seller represents that as of final acceptance, (Condo) (Homeowner) Association fees are

\$ \_\_\_\_\_ per \_\_\_\_\_ and that a special assessment (of \$ \_\_\_\_\_)

(check one) \_\_\_\_ has not / \_\_\_\_ has been levied).

10. Earnest Money. The earnest money shall be held by \_\_\_\_\_,  
referred to as "Escrowee," for the mutual benefit of the parties in a non-interest bearing  
account. If an earnest money dispute arises, Escrowee shall be authorized to release the  
earnest money ONLY upon written direction executed by all parties or order of Court;  
**provided, however, in the event the premises is being sold through a RAAR listing and  
a dispute solely involving earnest money arises, the parties agree to submit the dispute  
to binding arbitration if available through RAAR under arbitration rules and  
procedures approved by RAAR and WCBA.**

11. Personal Property. Seller warrants that Seller owns and agrees to transfer to Buyer, all  
heating, plumbing, electrical systems and fixtures; water heater; existing storms and screens;  
attached and built-in cabinets and shelves; attached carpet; attached mirrors; all planted  
vegetation; and the following:

(Check or enumerate applicable items)

___ Ceiling Fan(s)	___ Stove/Range/Oven	___ Sump Pump(s)	___ Window Treatments
___ Refrigerator	___ Water Softener	___ Outdoor Shed(s)	___ Garage Dr. Opener
___ Dishwasher	___ Security System	___ Satellite System	___ Remote Control(s)
___ Microwave	___ Disposal	___ Outdoor Playsets	___ Water filtration system
___ Washer	___ Dryer	___ Central Air	___ Fpl screen(s) door(s)
___ Keys	___ Window Air Unit(s)	___ Grate(s)/Gas log(s)	

Other items included: \_\_\_\_\_

Other items excluded: \_\_\_\_\_

Seller warrants there are no rented fixtures or equipment except: \_\_\_\_\_

12. Seller Warranty. Seller agrees to deliver possession of the premises and personal property in  
the same condition as it is at the date of this Contract, ordinary wear and tear excepted.  
Buyer acknowledges that Buyer has inspected the premises and personal property and is  
acquainted with its condition, and accepts the same in "AS IS" condition as of the time Buyer  
executed this Contract, except Seller warrants the heating (and air conditioning) equipment  
and systems, water heater, (water softener), plumbing and electrical equipment and systems,  
kitchen appliances, and where applicable (septic system), (well), (swimming pool and  
equipment), and (sprinkling system), to be in normal operating condition as of possession  
transfer. A system shall be deemed to be in normal operating condition if it performs the  
function for which it is intended regardless of age and does not constitute a threat to health or  
safety. Unless written notice of breach of warranty is delivered by Buyer to Seller prior to  
possession transfer, this warranty will be conclusively deemed to have been satisfied;  
provided, however, that Buyer shall have six (6) months after possession transfer to provide  
written notice to Seller of any defect existing as of possession transfer in the heating (and air  
conditioning) equipment and systems, (septic system), (swimming pool and equipment), or  
(sprinkling system) if said equipment could not be tested by Buyer at the time of any  
inspection conducted in conjunction with this Contract.

If deleted pursuant to Paragraph 22B As Is: Seller's Initials \_\_\_/\_\_\_ Buyer's Initials \_\_\_/\_\_\_

- 182 13. Water System Evaluations. Seller shall provide to Buyer by \_\_\_\_\_ at Seller's expense  
183 (check if applicable):  
184 \_\_\_\_\_ An evaluation of the (well)/(septic) systems, where applicable, dated within 90 days of  
185 closing including sampling of the well verifying that the water is bacteriologically safe,  
186 that the nitrate level is within requirements approved by the State of Illinois, that the  
187 well and septic systems meet with all applicable health department requirements and  
188 are in normal operating condition without observable defects. The well and septic  
189 evaluations shall be conducted by the local county health department or an Illinois  
190 licensed environmental health practitioner in accordance with local health department  
191 requirements. If Seller does not provide Buyer with satisfactory well and septic  
192 evaluations by the above date, then this Contract shall be voidable at the option of  
193 Buyer as Buyer's exclusive remedy.  
194 \_\_\_\_\_ A sanitary sewer connection Certificate of Compliance where required by local  
195 ordinance. If Seller does not provide the Certificate of Compliance by the above date,  
196 then this Contract shall be voidable at the option of Buyer as Buyer's exclusive remedy.  
197 \_\_\_\_\_ Where applicable, a Cross Connection Certificate of Compliance relating to lawn and  
198 building sprinkling systems dated within one year of the date of closing. If Seller does  
199 not provide the Certificate of Compliance by the above date, then this Contract shall be  
200 voidable at the option of Buyer as Buyer's exclusive remedy.
- 201 14. Title Insurance. Seller shall furnish current title insurance commitment in the amount of the  
202 purchase price to Buyer prior to closing, and final policy thereafter, at Seller's expense, from  
203 a title company with a closing office located in the county where the premises is located,  
204 showing merchantable title subject only to the following permitted exceptions: a) all accrued  
205 taxes, fees and special assessments credited to Buyer at closing; b) building setbacks, use and  
206 occupancy restrictions, conditions and covenants of record; c) zoning laws and ordinances; d)  
207 easements for the use of public utilities; e) roads and highways; f) existing leases and  
208 tenancies approved by Buyer under Paragraph 5E, if any. None of these exceptions shall be  
209 considered permitted exceptions if they are violated by the existing improvements or present  
210 use of the premises or if they materially restrict the reasonable use of the premises as a  
211 residence. If Seller cannot deliver merchantable title to Buyer at closing subject only to  
212 permitted exceptions, this Contract shall be voidable at Buyer's option and the earnest money  
213 shall be returned to.
- 214 15. Destruction of the Premises. If prior to delivery of deed or agreement for deed the  
215 improvements on the premises shall be destroyed or materially damaged by fire or other  
216 casualty, Buyer shall have the option of declaring this Contract void and receiving a refund  
217 of earnest money paid, or of accepting the premises as damaged or destroyed, together with  
218 the proceeds of any insurance payable as a result of the destruction or damage, which  
219 proceeds Seller agrees to assign to Buyer.
- 220 16. Liquidated Damages. SHOULD BUYER FAIL TO PERFORM THIS CONTRACT  
221 PROMPTLY IN THE TIME AND MANNER SPECIFIED, THE EARNEST MONEY  
222 SHALL BE FORFEITED BY BUYER AS LIQUIDATED DAMAGES SUBJECT TO THE  
223 PROVISIONS OF PARAGRAPH 10, AS SELLER'S EXCLUSIVE REMEDY, AND THIS  
224 CONTRACT SHALL BE VOID. IN ANY ACTION TO ENFORCE THE TERMS OF  
225 THIS CONTRACT, THE PREVAILING PARTY SHALL BE ENTITLED TO  
226 REASONABLE ATTORNEYS FEES AND COSTS.
- 227 17. Time of the Essence. Time is of the essence of the terms and conditions of this Contract.

- 228 18. Closing Documents and Funds. At closing Seller shall convey merchantable title to the  
229 premises, subject to permitted exceptions, to Buyer or whomever Buyer may direct by  
230 stamped recordable warranty deed releasing homestead, or such other appropriate deed or  
231 agreement for deed as required. The title company closing fee shall be paid by a Buyer with  
232 a mortgage and shall be divided equally between the parties if Buyer has no mortgage. The  
233 remainder of the purchase price or any further part of it then due shall be paid and all  
234 documents required by the transaction shall be signed and delivered.
- 235 19. Governmental Compliance. The parties agree to comply with the following federal or state  
236 acts when applicable:
- 237 A. Illinois Real Estate Transfer Tax Act with Seller to pay all transfer taxes due at closing;
  - 238 B. Federal Real Estate Settlement Procedures Act (RESPA);
  - 239 C. The Illinois Smoke Detector Act with Seller to provide all required smoke detectors in
  - 240 operating condition;
  - 241 D. The Carbon Monoxide Alarm Detector Act with Seller to provide required detectors in
  - 242 operating condition;
  - 243 E. Illinois Residential Real Property Disclosure Act;
  - 244 F. Illinois Radon Awareness Act;
  - 245 G. Lead-Based Paint Hazard Reduction Act; and
  - 246 H. Illinois Good Funds Act.
- 247 20. Notices. All required notices shall be in writing and shall be served directly upon any one of  
248 the parties to whom the notice is directed, or the party's real estate brokers or attorneys, by  
249 (a) personal delivery, (b) regular or express mail, (c) FAX machine, or (d) e-mail if an e-mail  
250 address has been furnished by the recipient or is shown on this Contract. Notices shall be  
251 deemed satisfactorily delivered at the time of personal delivery, mailing, FAX, or e-mail  
252 transmission regardless of the time of actual receipt by the other party, or their attorney, or  
253 real estate broker, except that actual receipt by Buyer, Buyer's broker, or attorney of the  
254 notice to eliminate contingency shall be required pursuant to Paragraph 5D of this Contract.  
255 For purposes of execution of this Contract and providing subsequent notices, including  
256 contingency removals, any electronically signed document or document transmitted by FAX  
257 or e-mail shall be treated as an original document. Business days are defined as Monday  
258 through Friday excluding federal holidays.
- 259 21. Entire Agreement. Following execution by the last party, this Contract shall be deemed  
260 effective only upon delivery to the other party, as provided for notices in the preceding  
261 paragraph. This document represents the entire agreement and shall be binding upon the  
262 parties, their heirs, successors, and assigns.

22. **Optional Standard Clauses.** The following Optional Standard Clauses shall apply only if initialed by all parties: **(Identify applicable clauses and initial, complete, and make applicable deletions)**

Seller's	Buyer's
Initials	Initials

- | ___/___ | ___/___            | A. <u>Cancellation of Prior Contract.</u> This Contract is subject to the cancellation of Seller's prior contract by _____.  |         |                    |             |
|---------|--------------------|--|---------|--------------------|-------------|
| ___/___ | ___/___            | B. <u>As Is.</u> Buyer accepts the premises in all respects (except well and septic systems) in "AS IS" condition as of date of Contract and waives the provisions of Paragraph 12 hereof. <b>(Delete Paragraph 12 and initial deletion - does not affect Paragraph 13.)</b>   |         |                    |             |
| ___/___ | ___/___            | C. <u>Home Warranty Plan.</u> Seller shall provide to Buyer at Seller's expense, a Home Warranty Plan, providing for basic and (_____) coverage for twelve months from date of closing as follows:   |         |                    |             |
|         |                    | <table border="0"><thead><tr><th>Company</th><th>Cost not to Exceed</th><th>Service Fee</th></tr></thead></table>  | Company | Cost not to Exceed | Service Fee |
| Company | Cost not to Exceed | Service Fee  |         |                    |             |
| ___/___ | ___/___            | D. <u>Repair Rider</u> is incorporated by reference.   |         |                    |             |
| ___/___ | ___/___            | E. <u>Flood Certification.</u> (For use with cash or Seller financed transactions only.) This Contract is subject to Buyer obtaining within seven (7) business days of the acceptance of this Contract, a determination that the premises are not located in a FEMA designated special flood hazard ("A Zone") area or this Contract shall be void.  |         |                    |             |
| ___/___ | ___/___            | F. <u>Survey Rider</u> is incorporated by reference.   |         |                    |             |
| ___/___ | ___/___            | G. <u>Occupancy Rider</u> is incorporated by reference - Also see Paragraph 8.   |         |                    |             |
| ___/___ | ___/___            | H. <u>Condo Rider</u> is incorporated by reference.  |         |                    |             |
| ___/___ | ___/___            | I. <u>Short Sale Rider</u> is incorporated by reference.   |         |                    |             |
| ___/___ | ___/___            | J. <u>Agreement for Deed Rider</u> is incorporated by reference.   |         |                    |             |
| ___/___ | ___/___            | K. <u>Tax-Deferred Exchange.</u> The parties agree to cooperate in the completion of a tax-deferred exchange in accordance with the applicable provisions of the Internal Revenue Code; provided, however, that no party shall be required to accept conveyance of and re-convey other premises unless specifically agreed to in writing by them. A party's rights under this Contract, however, may be assigned to a qualified third party escrowee to accomplish a "Starker" exchange. |         |                    |             |

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**NOTICE TO PARTIES**

**BY THE SIGNING OF THIS CONTRACT, YOU ARE ENTERING INTO A BINDING LEGAL AGREEMENT. ANY REPRESENTATION UPON WHICH YOU RELY SHOULD BE INCLUDED IN THIS AGREEMENT. NO ORAL REPRESENTATION WILL BE BINDING UPON OR AN OBLIGATION OF THE SELLER, BUYER, OR REAL ESTATE BROKER. THE UNDERSIGNED ACKNOWLEDGE THAT THEY HAVE HAD THE OPPORTUNITY TO CONSULT WITH SEPARATE LEGAL COUNSEL PRIOR TO THE EXECUTION OF THIS AGREEMENT.**

Dated: \_\_\_\_\_ and to be accepted by: \_\_\_\_\_

BUYER: \_\_\_\_\_ BY: \_\_\_\_\_

Buyer hereby acknowledges receipt of: A) Radon Disclosure \_\_\_/\_\_\_ (Buyer's Initials)

B) Residential Real Property Disclosure Report \_\_\_/\_\_\_ (Buyer's Initials)

C) Lead-Based Paint Rider Required for Pre-1978 Residential Property \_\_\_/\_\_\_ (Buyer's Initials)

Presented to Seller \_\_\_\_\_ (date) Seller's Initials: \_\_\_/\_\_\_

Countered: \_\_\_\_\_ with counteroffer to be accepted by: \_\_\_\_\_

SELLER: \_\_\_\_\_ BY: \_\_\_\_\_

Date of Final Acceptance & Delivery: \_\_\_\_\_ **(Insert after all terms and conditions have been agreed upon)**

Escrowee acknowledges receipt of the earnest money select one: \_\_\_ Cash \_\_\_ Check \_\_\_ Note

Amount: \$ \_\_\_\_\_

Escrowee Name: \_\_\_\_\_ Signature: \_\_\_\_\_