

Writing an Offer / The Sales Contract

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The 7.0 Sales Contract is the main purchase contract we use in Illinois to write up an offer and execute a contract for the purchase of real estate.

Knowing the contract, explaining it to clients, and understanding the complexities are required skills for all real estate agents.



Objectives:

- You will learn how to write up an offer to purchase real estate.
 - what is required.
 - what is optional.
- This training will go over the contract section by section.
- You will be shown how and when each section gets filled out.
- You will gain an understanding of how to explain and present this contract to your buyers and sellers.
- You will understand and review commonly used forms that can accompany the Sales Contract such as disclosures, FHA addendums, and Short Sale Addendum.
- An overview of the funds used to purchase a property: Mortgages and Cash.
 - loan pre-approvals.
 - Proof Of Funds (POF) for cash offers.

Training Type:

- In person
- Video

Self Study:

- Practice filling out Contract Scenarios

7.0 Sales Contract

The 7.0 Multiboard Sales Contract is the most commonly used and most important document as an Illinois Real Estate Agent. This document will be what you use to present an offer to a seller, and it becomes a legally binding contract once both parties agree to the terms and sign it.

It is not only important to fully understand this Contract, but you need to know it well enough to be able to explain it to your clients as well.



We will be going through each section of this contract and explaining the importance and key parts of them.

So let's take a look.....



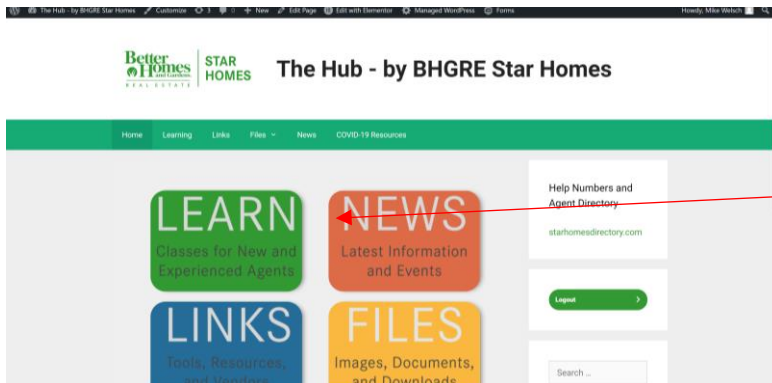
Grab your Popcorn

Lynn Madison is a trainer for M.O.R.E./Mainstreet and has a video series explaining the contract.

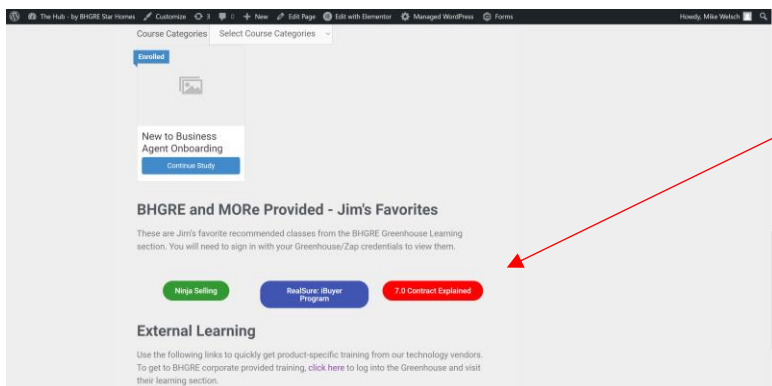
Logging In

To start, you need to log into the Star Home Hub.

<http://agent.bhgrestarhomes.com>



1. Click on Learn



Scroll down and click on the red button...

7.0 contract explained

This will take you to a Youtube playlist of the videos. Please watch them all. Take a break when you need to.

Let's take a break!!!!



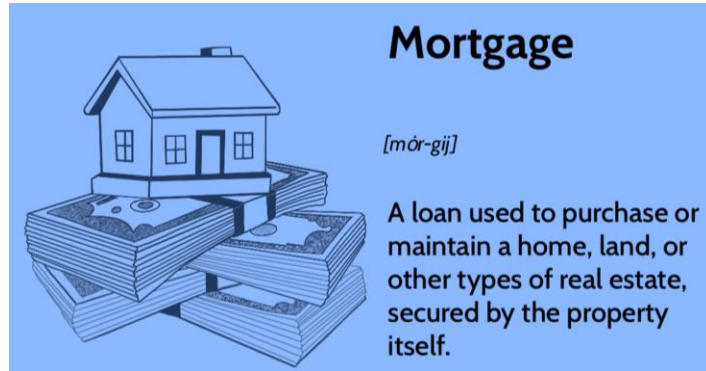
Money makes the world go round.

What a buyer needs to buy a property

Mortgages

What Is a Mortgage?

A mortgage is a type of loan used to purchase or maintain a home, land, or other types of real estate. The borrower agrees to pay the lender over time, typically in a series of regular payments that are divided into principal and interest. The property then serves as collateral to secure the loan.



A borrower must apply for a mortgage through their preferred lender and ensure that they meet several requirements, including minimum credit scores and down payments. Mortgage applications go through a rigorous underwriting process before they reach the closing phase. Mortgage types vary based on the needs of the borrower, such as conventional, FHA, VA, adjustable rate, and fixed-rate loans.

Mortgage process starts with a Pre- Approval

Getting a loan for a home is not a simple process. It takes 30-45 days to go through the entire process. Obviously, the sellers cannot wait that long to find out if a buyer can purchase the home. Lenders will give a pre-approval letter saying that based on the buyer's initial credit, debt, and income assessment, they can purchase this property.

Note: Pre-approvals are good for a specific time, often between 60-120 days. They can be renewed easily if needed.

There are two levels:

Pre-Qualified. The lender will issue a pre-qualified letter after speaking with the buyers and getting their VERBAL confirmation of salary, debt, etc. Credit scores are often not checked.

Pre- Approval. The lender ran a credit report, the buyer provided W2's, tax returns, and check stubs to verify all information.

Every pre-approval can look a little different. Some differences include:

- Stating the maximum approved amount the buyer can purchase.
- Stating the approved amount to match the purchase price of a particular property.
- Some will include a maximum property amount. Some will not.
- They might say contingent on buyer selling their current home.
- It might say a closing credit of \$xxxx.xx amount is required.



Cash

A person might have enough money to purchase a home without needing a loan/mortgage. They are paying with cash. Cash buyers can avoid the entire mortgage process and are typically looked at as more secure buyers.

Proof of Funds (POF)

The seller of a home or piece of real estate will often request a Proof of Funds from the buyer in order to hold it for them while they wait for the transaction to close. The POF is required because without it there is no certainty that the buyer will be able to complete the transaction. This poses a risk to the seller, as taking the house off the market and then having the deal fall through would be a major setback.

Proof of Funds Letter

A proof of funds letter may be required from a bank. The letter is used to verify that the party who claims to have the money actually has it.

Items that must be included in a Proof of Funds Letter include:

- Bank's name and address
- Official bank statement
- Balance of funds in accounts
- Signature of an authorized bank employee

Other Proof of funds can include:

- Most recent Bank statement (black out account numbers)
 - Money market, 401k, checking, savings, investment accounts
- Certified cash flow statement signed off by an accountant
- Home equity line of credit
- Business line of credit (if applicable)

NOTE: You can use multiple accounts and sources as long as total covers price of the property.





As a Realtor, we don't want to take clients out to show homes until we have a pre-approval or proof of funds. This is a for several reasons:

- The Sellers have to clean the house, grab the kids, grab the pets, and leave for an hour or more while you show the home. PLEASE don't waste their time.
- Don't waste YOUR or your clients' time showing homes that your clients might not be able to afford. Your time is valuable. ****Even though you get all your money at the end of the transaction, think about the hourly time and money spent. Make sure it isn't wasted!****
- Clients often don't understand the rules, overlays, and guidelines to how much home they can afford. What clients think they can afford, and what the governing financial bodies think are often times different.
- Your clients might be looking at \$300k houses only to find out later they only afford 200k. Their enthusiasm will drop as the quality of home dropped. They will not be happy with the homes they can afford after looking at ones out of their range.
 - This is a reality check that can avoided by getting a pre approval and showing homes in their price range.

Making an Offer / Writing a Contract.

Making an Offer consists of having a few things:

- A pre-approval/ proof of funds.
- The Multi-board Residential Real Estate Contract 7.0.
- The properties Disclosures.
- Any addendums that apply to the contract.

You went through the contract line by line. Let's go over the contract as you would present it to a client.

7.0 Sales Contract Page 1.

This Page states the legal parties involved, the legal property description, what's included in the sale, and the purchase price offered.



MULTI-BOARD RESIDENTIAL REAL ESTATE CONTRACT 7.0



Section 1.

"Who" is involved in the transaction.

1 **1. THE PARTIES:** Buyer and Seller are hereinafter referred to as the "Parties."
2 Buyer Name(s) [PLEASE PRINT] _____
3 Seller Name(s) [PLEASE PRINT] _____
4 If Dual Agency applies, check here and complete Optional Paragraph 29.
5 **2. THE REAL ESTATE:** Real Estate is defined as the property, all improvements, the fixtures and Personal Property
6 included therein. Seller agrees to convey to Buyer or to Buyer's designated grantee, the Real Estate with
7 approximate lot size or acreage of _____ commonly known as:

8 _____
9 Address Unit # (if applicable) City State Zip County

10 Permanent Index Number(s): _____ Single Family Attached Single Family Detached Multi-Unit

11 If Designated Parking is Included: # of space(s) _____; identified as space(s) # _____; location _____
12 [CHECK TYPE] deeded space, PIN: _____ limited common element assigned space.

13 If Designated Storage is Included: # of space(s) _____; identified as space(s) # _____; location _____
14 [CHECK TYPE] deeded space, PIN: _____ limited common element assigned space.

15 **3. FIXTURES AND PERSONAL PROPERTY AT NO ADDED VALUE:** All of the fixtures and included Personal Property
16 are owned by Seller and to Seller's knowledge are in operating condition on Date of Acceptance, unless otherwise
17 stated herein. Seller agrees to transfer to Buyer all fixtures, all heating, electrical, plumbing, and well systems
18 together with the following items at no added value by Bill of Sale at Closing [CHECK OR ENUMERATE APPLICABLE ITEMS]:

- | | | | |
|--|---|---|---|
| 19 <input type="checkbox"/> Refrigerator | <input type="checkbox"/> Wine/Beverage Refrigerator | <input type="checkbox"/> Light Fixtures, as they exist | <input type="checkbox"/> Fireplace Gas Log(s) |
| 20 <input type="checkbox"/> Oven/Range/Stove | <input type="checkbox"/> Sump Pump(s) | <input type="checkbox"/> Built-in or attached shelving | <input type="checkbox"/> Smoke Detectors |
| 21 <input type="checkbox"/> Microwave | <input type="checkbox"/> Water Softener (unless rented) | <input type="checkbox"/> All Window Treatments & Hardware | <input type="checkbox"/> Carbon Monoxide Detectors |
| 22 <input type="checkbox"/> Dishwasher | <input type="checkbox"/> Central Air Conditioning | <input type="checkbox"/> Satellite Dish | <input type="checkbox"/> Invisible Fence System, Collar & Box |
| 23 <input type="checkbox"/> Garbage Disposal | <input type="checkbox"/> Central Humidifier | <input type="checkbox"/> Wall Mounted Brackets (AV/TV) | <input type="checkbox"/> Garage Door Opener(s) |
| 24 <input type="checkbox"/> Trash Compactor | <input type="checkbox"/> Central Vac & Equipment | <input type="checkbox"/> Security System(s) (unless rented) | <input type="checkbox"/> with all Transmitters |
| 25 <input type="checkbox"/> Washer | <input type="checkbox"/> All Tacked Down Carpeting | <input type="checkbox"/> Intercom System | <input type="checkbox"/> Outdoor Shed |
| 26 <input type="checkbox"/> Dryer | <input type="checkbox"/> Existing Storms & Screens | <input type="checkbox"/> Electronic or Media Air Filter(s) | <input type="checkbox"/> Outdoor Playset(s) |
| 27 <input type="checkbox"/> Attached Gas Grill | <input type="checkbox"/> Window Air Conditioner(s) | <input type="checkbox"/> Backup Generator System | <input type="checkbox"/> Planted Vegetation |
| 28 <input type="checkbox"/> Water Heater | <input type="checkbox"/> Ceiling Fan(s) | <input type="checkbox"/> Fireplace Screens/Doors/Grates | <input type="checkbox"/> Hardscape |

29 Other Items Included at No Added Value: _____

30 Items Not Included: _____

31 Seller warrants to Buyer that all fixtures, systems and Personal Property included in this Contract shall be in
32 operating condition at Possession except: _____

33 A system or item shall be deemed to be in operating condition if it performs the function for which it is intended,
34 regardless of age, and does not constitute a threat to health or safety.

35 If Home Warranty applies, check here and complete Optional Paragraph 32.

36 **4. PURCHASE PRICE AND PAYMENT:** The Purchase Price is \$ _____. After the payment of Earnest
37 Money as provided below, the balance of the Purchase Price, as adjusted by prorations, shall be paid at Closing in
38 "Good Funds" as defined by law.

39 a) **CREDIT AT CLOSING:** [IF APPLICABLE] Provided Buyer's lender permits such credit to show on the final
40 settlement statement or lender's closing disclosure, and if not, such lesser amount as the lender permits, Seller
41 agrees to credit \$ _____ to Buyer at Closing to be applied to prepaid expenses, closing costs or both.

42 b) **EARNEST MONEY:** Earnest Money of \$ _____ shall be tendered to Escrowee on or before ____
43 Business Days after Date of Acceptance. Additional Earnest Money, if any, of \$ _____ shall be tendered
44 by _____, 20____. Earnest Money shall be held in trust for the mutual benefit of the Parties by

Buyer Initial _____ Seller Initial _____

Address: _____ v7.0

Section 2.

"Where" This is a legal description of the property being bought/sold.

Section 3.

"What" is also included with the physical property.

Section 4.

How much? Price and pricing terms of the offer.

Section 1 - The “Who” section. This is where the legal names of the buyers and sellers of the property go. Only fill out the section that applies to your client. You don’t know if the other party have a trust, an LLC, or other legal name they are using. Let them fill out the line that applies to them.

Section 2. - The “Where/what” section. This is the section that describes the location and legal identification of the property being sold.

Line 7: You can put the lot dimensions, approx. square footage, or approx. acreage of the property.

Line 10: Permanent Index number. (PIN number) is a 14 digit numerical code for the legal description of a piece of land as it has been defined for the purposes of real estate taxation. **Example: 05-13-206-180-0000.** Each portion of the code sequentially narrows down to the parcel’s exact location on the county’s tax map. It’s a 10-digit base that is modified for condominiums and leaseholds by adding a four-digit unit suffix.

For our purposes it’s found on the MLS sheet or by searching the county assessor’s website (tax map).

The basic PIN structure is:

TT-SS-BBB-PPP-UUUU

- **TT** is the **TOWNSHIP** number
- **SS** is the **SECTION** number
- **BBB** is the **BLOCK** number
- **PPP** is the **PARCEL** number
- **UUUU** is the **UNIT** number for condominiums and leaseholds (zeros in this portion of the PIN indicate non-condo and non-leasehold PINs)

Lines 11-14 only apply to homes that have designated parking spots or storage areas. Mostly condos.

Section 3 – Fixtures and Personal Property. These are the items the seller is leaving in the home and are part of the property. Line 29 would include things like a pool, hot tub, sauna, bar refrigerator, and extra freezer. Line 30 could include the same items or living room curtains, garage refrigerator, etc. Line 32 would be where you put any fixtures that are not working and are being bought that way. Such as “back burner of stove doesn’t work” or “pool heater needs service”. If the home is being sold as-is, put “as-is”. If no issues are known in advance of the offer, use “no exceptions”, meaning the expectation is everything is in working order.

Section 4 This is the price the buyers are offering for the property.

4(A) Credit at closing. This is when the buyer needs the seller to provide a credit back at the closing to help with fees and closing costs. There are limits based on the type of mortgage. Mortgage will typically tell you in advance if it’s needed and how much.

4(b) Earnest money. This is money the buyer is going to have put into an escrow account to be held. This shows they are serious about buying a house. Can be referred to as “putting skin in the game”. This money is part of the buyer’s down payment/closing fees and is applied at the closing. It can be used in part or full to mitigate losses if the contract is broken or breached. Typically 2-3 days is needed to submit the money. A few days more if being mailed from another state.

7.0 Sales Contract Page 2.

This Page can be explained as the when the property will be closed on, when change of possession occurs, and how the property will be paid for.

45 [CHECK ONE]: Seller's Brokerage; Buyer's Brokerage; As otherwise agreed by the Parties, as "Escrowee."
46 In the event the Contract is declared null and void or is terminated, Earnest Money shall be disbursed pursuant to Paragraph 26.
47 c) **BALANCE DUE AT CLOSING:** The Balance Due at Closing shall be the Purchase Price, plus or minus
48 prorations, less Earnest Money paid, less any credits at Closing, and shall be payable in Good Funds at Closing.

49 **5. CLOSING:** Closing shall be on _____, 20__ or at such time as mutually agreed by the Parties in
50 writing. Closing shall take place at the escrow office of the title insurance company, its underwriter, or its issuing
51 agent that will issue the Owner's Policy of Title Insurance, whichever is situated nearest the Real Estate.

52 **6. POSSESSION:** Unless otherwise provided in Optional Paragraph 35, Seller shall deliver possession to Buyer at
53 Closing. Possession shall be deemed to have been delivered when Seller and all occupants (if any) have vacated
54 the Real Estate and delivered keys to the Real Estate to Buyer or to the office of the Seller's Brokerage.

55 **7. FINANCING:** [INITIAL ONLY ONE OF THE FOLLOWING SUBPARAGRAPHS a, b, or c]
56 _____ a) **LOAN CONTINGENCY:** Not later than forty-five (45) days after Date of Acceptance or five
57 (5) Business Days prior to the date of Closing, whichever is earlier, ("Loan Contingency Date") Buyer shall
58 provide written evidence from Buyer's licensed lending institution confirming that Buyer has received loan
59 approval subject only to "at close" conditions, matters of title, survey, and matters within Buyer's control for a loan
60 as follows: [CHECK ONE] fixed; adjustable; [CHECK ONE] conventional; FHA; VA; USDA;
61 other _____ loan for ____ % of the Purchase Price, plus private mortgage insurance (PMI),
62 if required, with an interest rate (initial rate if an adjustable rate mortgage used) not to exceed ____ % per annum,
63 amortized over not less than ____ years. Buyer shall pay discount points not to exceed ____ % of the loan amount.
64 Buyer shall pay origination fee(s), closing costs charged by lender, and title company escrow closing fees.
65 If Buyer, having applied for the loan specified above, is unable to provide such loan approval and serves Notice to
66 Seller not later than the Loan Contingency Date, this Contract shall be null and void. If Buyer is unable to provide
67 such written evidence not later than the date specified herein or by any extension date agreed to by the Parties,
68 Seller shall have the option of declaring this Contract terminated by giving Notice to Buyer. If prior to the Seller
69 serving such Notice to terminate, Buyer provides written evidence of such loan approval, this Contract shall remain
70 in full force and effect.

71 Upon the expiration of ten (10) Business Days after Date of Acceptance, if Buyer has failed to make a loan
72 application and pay all fees required for such application to proceed and the appraisal to be performed, Seller shall
73 have the option to declare this Contract terminated by giving Notice to Buyer not later than five (5) Business Days
74 thereafter or any extension thereof agreed to by the Parties in writing.

75 A Party causing delay in the loan approval process shall not have the right to terminate under this
76 subparagraph. In the event neither Party elects to declare this Contract terminated as specified above, or as
77 otherwise agreed, then this Contract shall continue in full force and effect without any loan contingencies.

78 Unless otherwise provided in Paragraph 30, this Contract is not contingent upon the sale and/or closing of
79 Buyer's existing real estate. Buyer shall be deemed to have satisfied the financing conditions of this subparagraph
80 if Buyer obtains a loan approval in accordance with the terms of this subparagraph even though the loan is
81 conditioned on the sale and/or closing of Buyer's existing real estate.

82 If Buyer is seeking FHA, VA, or USDA financing, required amendments and disclosures shall be attached to this
83 Contract. If VA, the Funding Fee, or if FHA, the Mortgage Insurance Premium (MIP), shall be paid by Buyer.

84 _____ b) **CASH TRANSACTION WITH NO MORTGAGE:** [ALL CASH] If this selection is made, Buyer will pay
85 at Closing, in the form of "Good Funds," the Balance Due at Closing. Buyer represents to Seller, as of the Date of Offer,
86 that Buyer has sufficient funds available to satisfy the provisions of this subparagraph. Buyer agrees to verify the above
87 representation upon the reasonable request of Seller and to authorize the disclosure of such financial information to
88 Seller, Seller's attorney or Seller's broker that may be reasonably necessary to prove the availability of sufficient funds

Section 5.

When the purchase will be closed on.

Section 6.

When possession is delivered.

Section 7.

How the purchase will be paid for.
A. Loan/mortgage.
B. Cash.
C. Cash w/loan option.

Buyer Initial _____ Buyer Initial _____ Seller Initial _____ Seller Initial _____
Address: _____ v7.0
Page 2 of 13

7.0 Sales Contract Page 3.

This Page contains acknowledgement of Disclosures, prorated items including property taxes and any HOA fees that apply to the property.

89 to close. Buyer understands and agrees that, so long as Seller has fully complied with Seller's obligations under this
90 Contract, any act or omission outside of the control of Seller, whether intentional or not, that prevents Buyer from
91 satisfying the Balance Due at Closing, shall constitute a material breach of this Contract by Buyer. The Parties shall
92 share the title company escrow closing fee equally. **Unless otherwise provided in Paragraph 30, this Contract shall
93 not be contingent upon the sale and/or closing of Buyer's existing real estate.**

94 _____ c) **CASH TRANSACTION, MORTGAGE ALLOWED:** If this selection is made, Buyer will pay at closing,
95 in the form of "Good Funds," the Balance Due at Closing. Buyer represents to Seller, as of the Date of Offer, that Buyer
96 has sufficient funds available to satisfy the provisions of this subparagraph. Buyer agrees to verify the above
97 representation upon the reasonable request of Seller and to authorize the disclosure of such financial information to
98 Seller, Seller's attorney or Seller's broker that may be reasonably necessary to prove the availability of sufficient funds
99 to close. Notwithstanding such representation, Seller agrees to reasonably and promptly cooperate with Buyer so that
100 Buyer may apply for and obtain a mortgage loan or loans including but not limited to providing access to the Real
101 Estate to satisfy Buyer's obligations to pay the Balance Due at Closing. Such cooperation shall include the performance
102 in a timely manner of all of Seller's pre-closing obligations under this Contract. **This Contract shall NOT be contingent
103 upon Buyer obtaining financing.** Buyer understands and agrees that, so long as Seller has fully complied with Seller's
104 obligations under this Contract, any act or omission outside of the control of Seller, whether intentional or not, that
105 prevents Buyer from satisfying the Balance Due at Closing shall constitute a material breach of this Contract by Buyer.
106 Buyer shall pay the title company escrow closing fee if Buyer obtains a mortgage; provided however, if Buyer elects
107 to close without a mortgage loan, the Parties shall share the title company escrow closing fee equally. **Unless otherwise
108 provided in Paragraph 30, this Contract shall not be contingent upon the sale and/or closing of Buyer's existing
109 real estate.**

110 **8. STATUTORY DISCLOSURES:** If applicable, prior to signing this Contract, Buyer:

111 [CHECK ONE] has has not received a completed Illinois Residential Real Property Disclosure;

112 [CHECK ONE] has has not received the EPA Pamphlet, "Protect Your Family From Lead In Your Home;"

113 [CHECK ONE] has has not received a Lead-Based Paint Disclosure;

114 [CHECK ONE] has has not received the IEMA, "Radon Testing Guidelines for Real Estate Transactions;"

115 [CHECK ONE] has has not received the Disclosure of Information on Radon Hazards.

116 **9. PRORATIONS:** The requirements contained in this paragraph shall survive the Closing. Proratable items shall
117 be prorated to and including the Date of Closing and shall include without limitation, general real estate taxes,
118 rents and deposits (if any) from tenants; Special Service Area or Special Assessment Area tax for the year of Closing
119 only; utilities, water and sewer, pre-purchased fuel; and Homeowner or Condominium Association fees (and
120 Master/Umbrella Association fees, if applicable). Accumulated reserves of a Homeowner/Condominium
121 Association(s) are not a proratable item.

122 a) The general real estate taxes shall be prorated to and including the date of Closing based on _____ % of
123 the most recent ascertainable full year tax bill. All general real estate tax prorations shall be final as of Closing,
124 except as provided in Paragraph 23. If the amount of the most recent ascertainable full year tax bill reflects a
125 homeowner, senior citizen, disabled veteran or other exemption, a senior freeze or senior deferral, then Seller
126 has submitted or will submit in a timely manner all necessary documentation to the appropriate governmental
127 entity, before or after Closing, to preserve said exemption(s). **The proration shall not include exemptions to
128 which the Seller is not lawfully entitled.**

129 b) Seller represents, if applicable, that as of Date of Acceptance Homeowner/Condominium Association(s)
130 fees are \$ _____ per _____ (and, if applicable, Master/Umbrella Association fees are
131 \$ _____ per _____). Seller agrees to pay prior to or at Closing the remaining balance of any
132 special assessments by the Association(s) confirmed prior to Date of Acceptance.

Buyer Initial _____ Buyer Initial _____

Seller Initial _____ Seller Initial _____

Address: _____ v7.0

Section 8.

This shows if the buyers received and viewed the statutory disclosures provided by the seller.

Section 9.

This discusses any items that survive the closing and items that are prorated.

HOA and property taxes need to be filled out.

7.0 Sales Contract Page 4.

This page discusses the first week after acceptance, the attorney review period, and professional (home) inspections.

133 c) Special Assessment Area or Special Service Area installments due after the year of Closing shall not be
134 proratable items and shall be paid by Buyer, unless otherwise provided by ordinance or statute.

135 **10. ATTORNEY REVIEW:** Within five (5) Business Days after Date of Acceptance, the attorneys for the respective
136 Parties, by Notice, may:

137 a) Approve this Contract; or

138 b) Disapprove this Contract, which disapproval shall not be based solely upon the Purchase Price; or

139 c) Propose modifications to this Contract, except for the Purchase Price, which proposal shall be conclusively
140 deemed a counteroffer notwithstanding any language contained in any such proposal purporting to state the
141 proposal is not a counteroffer. If after expiration of ten (10) Business Days after Date of Acceptance written
142 agreement has not been reached by the Parties with respect to resolution of all proposed modifications, either
143 Party may terminate this Contract by serving Notice, whereupon this Contract shall be immediately deemed
144 terminated; or

145 d) Offer proposals specifically referring to this subparagraph d) which shall not be considered a counteroffer.
146 Any proposal not specifically referencing this subparagraph d) shall be deemed made pursuant to
147 subparagraph c) as a modification. If proposals made with specific reference to this subparagraph d) are not
148 agreed upon, neither Buyer nor Seller may declare this contract null and void, and this contract shall remain
149 in full force and effect.

150 If Notice of disapproval or proposed modifications is not served within the time specified herein, the
151 provisions of this paragraph shall be deemed waived by the Parties and this Contract shall remain in full force
152 and effect. If Notice of termination is given, said termination shall be absolute and the Contract rendered null
153 and void upon the giving of Notice, notwithstanding any language proffered by any Party purporting to permit
154 unilateral reinstatement by withdrawal of any proposal(s).

155 **11. WAIVER OF PROFESSIONAL INSPECTIONS:** *[INITIAL IF APPLICABLE]* _____ Buyer acknowledges
156 the right to conduct inspections of the Real Estate and hereby waives the right to conduct any such inspections of
157 the Real Estate, and further agrees that the provisions of Paragraph 12 shall not apply.

158 **12. PROFESSIONAL INSPECTIONS AND INSPECTION NOTICES:** *[NOT APPLICABLE IF PARAGRAPH 11 IS INITIALED]*
159 Buyer may conduct at Buyer's expense (unless payment for such expense is otherwise required by governmental
160 regulation) any or all of the following inspections of the Real Estate by one or more licensed or certified inspection
161 services: home, radon, environmental, lead-based paint, lead-based paint hazards or wood-destroying insect
162 infestation, or any other inspections desired by Buyer in the exercise of reasonable due diligence. Seller agrees to
163 make all areas of the Real Estate accessible for inspection(s) upon reasonable notice and to have all utilities turned
164 on during the time of such inspections. Buyer shall indemnify Seller and hold Seller harmless from and against
165 any loss or damage caused by any acts of Buyer or any person performing any inspection on behalf of Buyer.

166 a) The request for repairs shall cover only the major components of the Real Estate, limited to central heating
167 and cooling system(s), plumbing and well system, electrical system, roof, walls, windows, doors, ceilings,
168 floors, appliances and foundation. A major component shall be deemed to be in operating condition, and
169 therefore not defective within the meaning of this paragraph, if it does not constitute a current threat to health
170 or safety, and performs the function for which it is intended, regardless of age or if it is near or at the end of its
171 useful life. Minor repairs, routine maintenance items and painting, decorating or other items of a cosmetic
172 nature, no matter the cost to remedy same, do not constitute defects, are not a part of this contingency and shall
173 not be a basis for the Buyer to cancel this Contract. A request by Buyer for credits or repairs in violation of
174 the terms of this subparagraph shall allow Seller to declare this Contract terminated and direct the return
175 of Buyer's Earnest Money. If radon mitigation is performed, Seller shall pay for any retest.

Section 11.

This is if the buyer wants to waive their home inspection rights.

Section 10.

Attorney Review. Discusses time frame and abilities the attorneys have to affect/change the contract.

Section 12.

This goes over inspection rights and what can/cannot be requested as repairs/credits.

Buyer Initial _____ Buyer Initial _____

Seller Initial _____ Seller Initial _____

Address: _____ v7.0

7.0 Sales Contract Page 5.

This Page discusses Homeowners and Flood Insurance, and Condo/HOA/Common interest associations (if applicable) and what is required by sellers and buyers.

Section 13.
Homeowners
Insurance
requirements.

176 b) Buyer shall serve Notice upon Seller or Seller's attorney of any major component defects disclosed by any
177 inspection for which Buyer requests resolution by Seller within five (5) Business Days (ten (10) calendar days
178 for a lead-based paint or lead-based paint hazard inspection) after Date of Acceptance. **Buyer shall not send**
179 **any portion of the inspection report with the Notice provided under this subparagraph unless such**
180 **inspection report, or any part thereof, is specifically requested in writing by Seller or Seller's attorney.** If
181 after expiration of ten (10) Business Days after Date of Acceptance written agreement has not been reached by
182 the Parties with respect to resolution of all inspection issues, either Party may terminate this Contract by
183 serving Notice to the other Party, whereupon this Contract shall be immediately deemed terminated.
184 c) Notwithstanding anything to the contrary set forth above in this paragraph, in the event the inspection
185 reveals that the condition of the Real Estate is unacceptable to Buyer and Buyer serves Notice to Seller within
186 five (5) Business Days after Date of Acceptance, this Contract shall be null and void. Said Notice shall not
187 include any portion of the inspection reports unless requested by Seller.
188 d) **Failure of Buyer to conduct said inspection(s) and notify Seller within the time specified operates as a**
189 **waiver of Buyer's rights to terminate this Contract under this Paragraph 12 and this Contract shall remain**
190 **in full force and effect.**

191 **13. HOMEOWNER INSURANCE:** This Contract is contingent upon Buyer obtaining evidence of insurability for an
192 Insurance Service Organization HO-3 or equivalent policy at standard premium rates within ten (10) Business
193 Days after Date of Acceptance. **If Buyer is unable to obtain evidence of insurability and serves Notice with proof**
194 **of same to Seller within the time specified, this Contract shall be null and void. If Notice is not served within**
195 **the time specified, Buyer shall be deemed to have waived this contingency and this Contract shall remain in**
196 **full force and effect.**

197 **14. FLOOD INSURANCE:** Buyer shall have the option to declare this Contract null and void if the Real Estate is
198 located in a special flood hazard area. **If Notice of the option to declare contract null and void is not given to**
199 **Seller within ten (10) Business Days after Date of Acceptance or by the Loan Contingency Date, whichever is**
200 **later, Buyer shall be deemed to have waived such option and this Contract shall remain in full force and effect.**
201 Nothing herein shall be deemed to affect any rights afforded by the Residential Real Property Disclosure Act.

202 **15. CONDOMINIUM/Common Interest Associations:** *[IF APPLICABLE]* The Parties agree that the terms
203 contained in this paragraph, which may be contrary to other terms of this Contract, shall supersede any conflicting
204 terms, and shall apply to property subject to the Illinois Condominium Property Act and the Common Interest
205 Community Association Act or other applicable state association law ("Governing Law").

206 a) Title when conveyed shall be good and merchantable, subject to terms and provisions of the Declaration of
207 Condominium/Covenants, Conditions and Restrictions ("Declaration/CCRs") and all amendments; public and
208 utility easements including any easements established by or implied from the Declaration/CCRs or
209 amendments thereto; party wall rights and agreements; limitations and conditions imposed by the Governing
210 Law; installments due after the date of Closing of general assessments established pursuant to the Declaration/CCRs.

211 b) Seller shall be responsible for payment of all regular assessments due and levied prior to Closing and for
212 all special assessments confirmed prior to Date of Acceptance.

213 c) Seller shall notify Buyer of any proposed special assessment or increase in any regular assessment between
214 Date of Acceptance and Closing. The Parties shall have three (3) Business Days to reach agreement relative to
215 payment thereof. Absent such agreement either Party may declare the Contract null and void.

216 d) Seller shall, within ten (10) Business Days from Date of Acceptance, apply for those items of disclosure
217 upon sale as described in the Governing Law, and provide same in a timely manner, but no later than the time
218 period provided for by law. This Contract is subject to the condition that Seller be able to procure and provide to
219 Buyer a release or waiver of any right of first refusal or other pre-emptive rights to purchase created by the

Section 14.
Flood
Insurance
requirements.

Section 15.
Condo
associations/
sellers HOA
requirements in
the purchase,
and buyer's
rights.

Buyer Initial _____ Seller Initial _____
Address: _____ v7.0
Page 5 of 13

7.0 Sales Contract Page 6.

This Page discusses the seller's obligations and requirements to provide the buyers at closing to prove the property ownership was transferred. (key: seller provides)

Section 16.

This discusses that the seller will convey a good and clean title via warranty deed and pay to have it recorded. And release their homestead rights.

220 Declaration/CCRs. In the event the Condominium Association requires the personal appearance of Buyer or
221 additional documentation, Buyer agrees to comply with same.

222 e) In the event the documents and information provided by Seller to Buyer disclose that the existing
223 improvements are in violation of existing rules, regulations or other restrictions or that the terms and
224 conditions contained within the documents would unreasonably restrict Buyer's use of the Real Estate or
225 would result in financial obligations unacceptable to Buyer in connection with owning the Real Estate, then
226 Buyer may declare this Contract null and void by giving Notice to Seller within five (5) Business Days after the
227 receipt of the documents and information required by this paragraph, listing those deficiencies which are
228 unacceptable to Buyer. If Notice is not served within the time specified, Buyer shall be deemed to have waived
229 this contingency, and this Contract shall remain in full force and effect.

230 f) Seller shall provide a certificate of insurance showing Buyer and Buyer's mortgagee, if any, as an insured.

231 16. THE DEED. Seller shall convey or cause to be conveyed to Buyer or Buyer's designated grantee good and
232 merchantable title to the Real Estate by recordable Warranty Deed, with release of homestead rights, (or the
233 appropriate deed if title is in trust or in an estate), and with real estate transfer stamps to be paid by Seller (unless
234 otherwise designated by local ordinance). Title when conveyed will be good and merchantable, subject only to
235 covenants, conditions and restrictions of record and building lines and easements, if any, provided they do not
236 interfere with the current use and enjoyment of the Real Estate; and general real estate taxes not due and payable
237 at the time of Closing.

238 17. MUNICIPAL ORDINANCE, TRANSFER TAX, AND GOVERNMENTAL COMPLIANCE:

239 a) The Parties are cautioned that the Real Estate may be situated in a municipality that has adopted a pre-
240 closing inspection or disclosure requirement, municipal Transfer Tax or other similar ordinances. Cost of
241 transfer taxes, inspection fees, and any repairs required by an inspection pursuant to municipal ordinance shall
242 be paid by the Party designated in such ordinance unless otherwise agreed to by the Parties.

243 b) The Parties agree to comply with the reporting requirements of the applicable sections of the Internal
244 Revenue Code, the Foreign Investment in Real Property Tax Act (FIRPTA), and the Real Estate Settlement
245 Procedures Act of 1974, as amended.

246 18. TITLE. At Seller's expense, Seller will deliver or cause to be delivered to Buyer or Buyer's attorney within
247 customary time limitations and sufficiently in advance of Closing, as evidence of title in Seller or Grantor, a title
248 commitment for an ALTA title insurance policy in the amount of the Purchase Price with extended coverage by a
249 title company licensed to operate in the State of Illinois, issued on or subsequent to Date of Acceptance, subject
250 only to items listed in Paragraph 16 and shall cause a title policy to be issued with an effective date as of Closing.
251 The requirement to provide extended coverage shall not apply if the Real Estate is vacant land. The commitment
252 for title insurance furnished by Seller will be presumptive evidence of good and merchantable title as therein
253 shown, subject only to the exceptions therein stated. If the title commitment discloses any unpermitted
254 exceptions or if the Plat of Survey shows any encroachments or other survey matters that are not acceptable to
255 Buyer, then Seller shall have said exceptions, survey matters or encroachments removed, or have the title
256 insurer commit to either insure against loss or damage that may result from such exceptions or survey matters
257 or insure against any court-ordered removal of the encroachments. If Seller fails to have such exceptions waived
258 or insured over prior to Closing, Buyer may elect to take title as it then is with the right to deduct from the Purchase
259 Price prior encumbrances of a definite or ascertainable amount. Seller shall furnish to Buyer at Closing an Affidavit
260 of Title covering the date of Closing, and shall sign any other customary forms required for issuance of an ALTA
261 Insurance Policy.

262 19. PLAT OF SURVEY: Not less than one (1) Business Day prior to Closing, except where the Real Estate is a
263 condominium, Seller shall, at Seller's expense, furnish to Buyer or Buyer's attorney a Plat of Survey that conforms

Section 16.

Seller pays for transfer taxes and government/state /local taxes if applicable.

Section 18.

Seller provides clean title and title insurance.

Section 19.

Seller provides survey not older than 6 months.

Buyer Initial _____ Buyer Initial _____ Seller Initial _____ Seller Initial _____
Address: _____ v7.0
Page 6 of 13

7.0 Sales Contract Page 7.

This Page discusses the physical property. The condition at closing, if any damage occurs during the sale process, and seller representations of the property.

Section 21.

Talks about the condition and removal of personal property at closing.

264 to the current Minimum Standard of Practice for boundary surveys, is dated not more than six (6) months prior to
265 the date of Closing, and is prepared by a professional land surveyor licensed to practice land surveying under the
266 laws of the State of Illinois. The Plat of Survey shall show visible evidence of improvements, rights of way,
267 easements, use and measurements of all parcel lines. The land surveyor shall set monuments or witness corners at
268 all accessible corners of the land. All such corners shall also be visibly staked or flagged. The Plat of Survey shall
269 include the following statement placed near the professional land surveyor's seal and signature: "This professional
270 service conforms to the current Illinois Minimum Standards for a boundary survey." A Mortgage Inspection, as
271 defined, is not a boundary survey and is not acceptable.

272 **20. DAMAGE TO REAL ESTATE OR CONDEMNATION PRIOR TO CLOSING:** If prior to delivery of the deed the Real
273 Estate shall be destroyed or materially damaged by fire or other casualty, or the Real Estate is taken by
274 condemnation, then Buyer shall have the option of either terminating this Contract (and receiving a refund of
275 Earnest Money) or accepting the Real Estate as damaged or destroyed, together with the proceeds of the
276 condemnation award or any insurance payable as a result of the destruction or damage, which gross proceeds
277 Seller agrees to assign to Buyer and deliver to Buyer at Closing. Seller shall not be obligated to repair or replace
278 damaged improvements. The provisions of the Uniform Vendor and Purchaser Risk Act of the State of Illinois shall
279 be applicable to this Contract, except as modified by this paragraph.

280 **21. CONDITION OF REAL ESTATE AND INSPECTION:** Seller agrees to leave the Real Estate in broom clean condition.
281 All refuse and personal property that is not to be conveyed to Buyer shall be removed from the Real Estate at
282 Seller's expense prior to delivery of Possession. Buyer shall have the right to inspect the Real Estate, fixtures and
283 included Personal Property prior to Possession to verify that the Real Estate, improvements and included Personal
284 Property are in substantially the same condition as of Date of Acceptance, normal wear and tear excepted.

285 **22. SELLER REPRESENTATIONS:** Seller's representations contained in this paragraph shall survive the Closing.
286 Seller represents that with respect to the Real Estate, Seller has no knowledge of, nor has Seller received any written
287 notice from any association or governmental entity regarding:

- 288 a) zoning, building, fire or health code violations that have not been corrected;
- 289 b) any pending rezoning;
- 290 c) boundary line disputes;
- 291 d) any pending condemnation or Eminent Domain proceeding;
- 292 e) easements or claims of easements not shown on the public records;
- 293 f) any hazardous waste on the Real Estate;
- 294 g) real estate tax exemption(s) to which Seller is not lawfully entitled; or
- 295 h) any improvements to the Real Estate for which the required initial and final permits were not obtained.

296 Seller further represents that:

297 *[INITIALS]* _____ There *[CHECK ONE]* are are not improvements to the Real Estate which are not
298 included in full in the determination of the most recent tax assessment.

299 *[INITIALS]* _____ There *[CHECK ONE]* are are not improvements to the Real Estate which are eligible
300 for the home improvement tax exemption.

301 *[INITIALS]* _____ There *[CHECK ONE]* is is not an unconfirmed pending special assessment affecting
302 the Real Estate by any association or governmental entity payable by Buyer after the date of Closing.

303 *[INITIALS]* _____ The Real Estate *[CHECK ONE]* is is not located within a Special Assessment Area or
304 Special Service Area, payments for which will not be the obligation of Seller after the year in which the Closing occurs.

305 All Seller representations shall be deemed re-made as of Closing. If prior to Closing Seller becomes aware of
306 matters that require modification of the representations previously made in this Paragraph 22, Seller shall

Section 20.

Discusses what happens if the home is damaged during the sale process.

Section 22.

Seller represents possible issues that would survive the closing and go to the new owners

Buyer Initial _____ Buyer Initial _____ Seller Initial _____ Seller Initial _____

Address: _____ v7.0

7.0 Sales Contract Page 8.

This Page discusses the legal aspects and instructions of the contract. (the lawyer page)

307 promptly notify Buyer. If the matters specified in such Notice are not resolved prior to Closing, Buyer may
308 terminate this Contract by Notice to Seller and this Contract shall be null and void.

309 **23. REAL ESTATE TAX ESCROW:** In the event the Real Estate is improved, but has not been previously taxed for
310 the entire year as currently improved, the sum of three percent (3%) of the Purchase Price shall be deposited in
311 escrow with the title company with the cost of the escrow to be divided equally by Buyer and Seller and paid at
312 Closing. When the exact amount of the taxes to be prorated under this Contract can be ascertained, the taxes shall
313 be prorated by Seller's attorney at the request of either Party and Seller's share of such tax liability after proration
314 shall be paid to Buyer from the escrow funds and the balance, if any, shall be paid to Seller. If Seller's obligation
315 after such proration exceeds the amount of the escrow funds, Seller agrees to pay such excess promptly upon
316 demand.

Section 23.

If there are improvements not taxed for a full year, an escrow can be held to cover any tax increases.

317 **24. BUSINESS DAYS/HOURS:** Business Days are defined as Monday through Friday, excluding Federal holidays.
318 Business Hours are defined as 8 a.m. to 6 p.m. Chicago time. In the event the Closing or Loan Contingency Date
319 described in this Contract does not fall on a Business Day, such date shall be the next Business Day.

Section 24.

Defines business hours and days.

320 **25. ELECTRONIC OR DIGITAL SIGNATURES:** Facsimile or digital signatures shall be sufficient for purposes of
321 executing, negotiating, finalizing, and amending this Contract, and delivery thereof by one of the following
322 methods shall be deemed delivery of this Contract containing original signature(s). An acceptable facsimile
323 signature may be produced by scanning an original, hand-signed document and transmitting same by electronic
324 means. An acceptable digital signature may be produced by use of a qualified, established electronic security
325 procedure mutually agreed upon by the Parties. Transmissions of a digitally signed copy hereof shall be by an
326 established, mutually acceptable electronic method, such as creating a PDF ("Portable Document Format")
327 document incorporating the digital signature and sending same by electronic mail.

Section 25.

Defines and describes fax, e-signatures, and electronic transmission

328 **26. DIRECTION TO ESCROWEE:** In every instance where this Contract shall be deemed null and void or if this
329 Contract may be terminated by either Party, the following shall be deemed incorporated: "and Earnest Money
330 refunded upon the joint written direction by the Parties to Escrowee or upon an entry of an order by a court of
331 competent jurisdiction."

332 In the event either Party has declared the Contract null and void or the transaction has failed to close as provided
333 for in this Contract and if Escrowee has not received joint written direction by the Parties or such court order, the
334 Escrowee may elect to proceed as follows:

Section 26.

Gives instructions to the party that holds the earnest money in escrow. (the escrowee)

335 a) Escrowee shall give written Notice to the Parties as provided for in this Contract at least fourteen (14) days
336 prior to the date of intended disbursement of Earnest Money indicating the manner in which Escrowee intends
337 to disburse in the absence of any written objection. If no written objection is received by the date indicated in
338 the Notice then Escrowee shall distribute the Earnest Money as indicated in the written Notice to the Parties.
339 If any Party objects in writing to the intended disbursement of Earnest Money then Earnest Money shall be
340 held until receipt of joint written direction from all Parties or until receipt of an order of a court of competent jurisdiction.
341 b) Escrowee may file a Suit for Interpleader and deposit any funds held into the Court for distribution after
342 resolution of the dispute between Seller and Buyer by the Court. Escrowee may retain from the funds deposited
343 with the Court the amount necessary to reimburse Escrowee for court costs and reasonable attorney's fees
344 incurred due to the filing of the Interpleader. If the amount held in escrow is inadequate to reimburse Escrowee
345 for the costs and attorney's fees, Buyer and Seller shall jointly and severally indemnify Escrowee for additional
346 costs and fees incurred in filing the Interpleader action.

Section 27.

Defines and describes how Notices on the transaction can be sent.

347 **27. NOTICE:** Except as provided in Paragraph 30 c) 2) regarding the manner of service for "kick-out" Notices, all
348 Notices shall be in writing and shall be served by one Party or attorney to the other Party or attorney. Notice to
349 any one of the multiple person Party shall be sufficient Notice to all. Notice shall be given in the following manner:

350 a) By personal delivery; or

Buyer Initial _____ Buyer Initial _____ Seller Initial _____ Seller Initial _____

Address: _____ v7.0

7.0 Sales Contract Page 9.

After the Notices section, this and the following pages are the optional parts of the contract that only take affect if initialed by both parties. Sections 29-39

Section 28.
Performance.
Allows legal remedies if parties cause delay in the completion of this contract.

- 351 b) By mailing to the addresses recited herein on Page 13 by regular mail and by certified mail, return receipt
352 requested. Except as otherwise provided herein, Notice served by certified mail shall be effective on the date of mailing; or
353 c) By facsimile transmission. Notice shall be effective as of date and time of the transmission, provided that the
354 Notice transmitted shall be sent on Business Days during Business Hours. In the event Notice is transmitted during
355 non-business hours, the effective date and time of Notice is the first hour of the next Business Day after transmission; or
356 d) By e-mail transmission if an e-mail address has been furnished by the recipient Party or the recipient Party's
357 attorney to the sending Party or is shown in this Contract. Notice shall be effective as of date and time of e-mail
358 transmission, provided that, in the event e-mail Notice is transmitted during non-business hours, the effective date
359 and time of Notice is the first hour of the next Business Day after transmission. An attorney or Party may opt out
360 of future e-mail Notice by any form of Notice provided by this Contract; or
361 e) By commercial overnight delivery (e.g., FedEx). Such Notice shall be effective on the next Business Day
362 following deposit with the overnight delivery company.
363 f) If a Party fails to provide contact information herein, as required, Notice may be served upon the Party's
364 Designated Agent in any of the manners provided above.
365 g) The Party serving a Notice shall provide courtesy copies to the Parties' Designated Agents. Failure to provide
366 such courtesy copies shall not render Notice invalid.

Section 27.
Defines and describes how Notices on the transaction can be sent.

367 **28. PERFORMANCE: Time is of the essence of this Contract.** In any action with respect to this Contract, the Parties
368 are free to pursue any legal remedies at law or in equity and the prevailing party in litigation shall be entitled to collect
369 reasonable attorney fees and costs from the non-prevailing party as ordered by a court of competent jurisdiction.

370 **THE FOLLOWING NUMBERED PARAGRAPHS ARE A PART OF THIS CONTRACT ONLY IF INITIALED BY THE PARTIES.**

371 [INITIALS] _____ **29. CONFIRMATION OF DUAL AGENCY:** The Parties confirm that they have previously
372 consented to _____ [LICENSEE] acting as a Dual Agent in providing brokerage services on
373 their behalf and specifically consent to Licensee acting as a Dual Agent with regard to the transaction referred to in
374 this Contract.

Section 29.
Dual Agency.
This allows you to represent the buyer and seller in the transaction.

Section 30.
This section is used when the buyer HAS to sell their current home to buy the one on the contract.

- 375 _____ **30. SALE OF BUYER'S REAL ESTATE:**
376 a) **REPRESENTATIONS ABOUT BUYER'S REAL ESTATE:** Buyer represents to Seller as follows:
377 1) Buyer owns real estate (hereinafter referred to as "Buyer's real estate") with the address of:
378 _____
379 Address City State Zip
380 2) Buyer [CHECK ONE] has has not entered into a contract to sell Buyer's real estate.
381 If Buyer has entered into a contract to sell Buyer's real estate, that contract:
382 a) [CHECK ONE] is is not subject to a mortgage contingency.
383 b) [CHECK ONE] is is not subject to a real estate sale contingency.
384 c) [CHECK ONE] is is not subject to a real estate closing contingency.
385 3) Buyer [CHECK ONE] has has not publicly listed Buyer's real estate for sale with a licensed real estate broker
386 and in a local multiple listing service.
387 4) If Buyer's real estate is not publicly listed for sale with a licensed real estate broker and in a local multiple
388 listing service, Buyer [CHECK ONE]:
389 a) Shall publicly list real estate for sale with a licensed real estate broker who will place it in a local
390 multiple listing service within five (5) Business Days after Date of Acceptance.
391 [FOR INFORMATION ONLY] Broker: _____
392 Broker's Address: _____ Phone: _____
393 b) Does not intend to list said real estate for sale.

Buyer Initial _____ Buyer Initial _____ Seller Initial _____ Seller Initial _____

Address: _____ v7.0

7.0 Sales Contract Page 10.

This page continues the Sale of current real estate. When the buyer needs to sell their current home to purchase the one on the contract.

- 394 b) **CONTINGENCIES BASED UPON SALE AND/OR CLOSING OF REAL ESTATE:**
- 395 1) This Contract is contingent upon Buyer having entered into a contract for the sale of Buyer's real estate that is
- 396 in full force and effect as of _____, 20 _____. Such contract should provide for a closing date not
- 397 later than the Closing Date set forth in this Contract. If Notice is served on or before the date set forth in this
- 398 subparagraph that Buyer has not procured a contract for the sale of Buyer's real estate, this Contract shall
- 399 be null and void. If Notice that Buyer has not procured a contract for the sale of Buyer's real estate is not
- 400 served on or before the close of business on the date set forth in this subparagraph, Buyer shall be deemed
- 401 to have waived all contingencies contained in this Paragraph 30, and this Contract shall remain in full force
- 402 and effect. (If this paragraph is used, then the following paragraph must be completed.)
- 403 2) In the event Buyer has entered into a contract for the sale of Buyer's real estate as set forth in Paragraph 30 b)
- 404 1) and that contract is in full force and effect, or has entered into a contract for the sale of Buyer's real estate
- 405 prior to the execution of this Contract, this Contract is contingent upon Buyer closing the sale of Buyer's real
- 406 estate on or before _____, 20 _____. If Notice that Buyer has not closed the sale of Buyer's real
- 407 estate is served before the close of business on the next Business Day after the date set forth in the preceding
- 408 sentence, this Contract shall be null and void. If Notice is not served as described in the preceding sentence,
- 409 Buyer shall have deemed to have waived all contingencies contained in this Paragraph 30, and this Contract
- 410 shall remain in full force and effect.
- 411 3) If the contract for the sale of Buyer's real estate is terminated for any reason after the date set forth in Paragraph
- 412 30 b) 1) (or after the date of this Contract if no date is set forth in Paragraph 30 b) 1)), Buyer shall, within three
- 413 (3) Business Days of such termination, notify Seller of said termination. Unless Buyer, as part of said Notice,
- 414 waives all contingencies in Paragraph 30 and complies with Paragraph 30 d), this Contract shall be null and
- 415 void as of the date of Notice. If Notice as required by this subparagraph is not served within the time
- 416 specified, Buyer shall be in default under the terms of this Contract.
- 417 c) **SELLER'S RIGHT TO CONTINUE TO OFFER REAL ESTATE FOR SALE:** During the time of this contingency,
- 418 Seller has the right to continue to show the Real Estate and offer it for sale subject to the following:
- 419 1) If Seller accepts another bona fide offer to purchase the Real Estate while contingencies expressed in Paragraph
- 420 30 b) are in effect, Seller shall notify Buyer in writing of same. Buyer shall then have ____ hours after Seller
- 421 gives such Notice to waive the contingencies set forth in Paragraph 30 b), subject to Paragraph 30 d).
- 422 2) Seller's Notice to Buyer (commonly referred to as a "kick-out" Notice) shall be in writing and shall be served
- 423 on Buyer, not Buyer's attorney or Buyer's real estate agent. Courtesy copies of such "kick-out" Notice should
- 424 be sent to Buyer's attorney and Buyer's real estate agent, if known. Failure to provide such courtesy copies
- 425 shall not render Notice invalid. Notice to any one of a multiple-person Buyer shall be sufficient Notice to all
- 426 Buyers. Notice for the purpose of this subparagraph only shall be served upon Buyer in the following manner:
- 427 a) By personal delivery effective at the time and date of personal delivery; or
- 428 b) By mailing to the address recited herein for Buyer by regular mail and by certified mail. Notice shall be
- 429 effective at 10 a.m. on the morning of the second day following deposit of Notice in the U.S. Mail; or
- 430 c) By commercial delivery overnight (e.g., FedEx). Notice shall be effective upon delivery or at 4 p.m. Chicago
- 431 time on the next delivery day following deposit with the overnight delivery company, whichever first occurs.
- 432 3) If Buyer complies with the provisions of Paragraph 30 d) then this Contract shall remain in full force and effect.
- 433 4) If the contingencies set forth in Paragraph 30 b) are NOT waived in writing within said time period by Buyer,
- 434 this Contract shall be null and void.
- 435 5) Except as provided in Paragraph 30 c) 2) above, all Notices shall be made in the manner provided by Paragraph
- 436 27 of this Contract.
- 437 6) Buyer waives any ethical objection to the delivery of Notice under this paragraph by Seller's attorney or representative.

Buyer Initial _____ Buyer Initial _____

Seller Initial _____ Seller Initial _____

Address: _____ v7.0

7.0 Sales Contract Page 11.

Optional contingencies continued

Section 31.

If either party is under contract, they need to cancel for this contract to stay in effect.

438 d) **WAIVER OF PARAGRAPH 30 CONTINGENCIES:** Buyer shall be deemed to have waived the contingencies in
439 Paragraph 30 b) when Buyer has delivered written waiver and deposited with the Escrowee additional earnest
440 money in the amount of \$ _____ in the form of a cashier's or certified check within the time specified.
441 **If Buyer fails to deposit the additional earnest money within the time specified, the waiver shall be deemed**
442 **ineffective and this Contract shall be null and void.**

443 e) **BUYER COOPERATION REQUIRED:** Buyer authorizes Seller or Seller's agent to verify representations
444 contained in Paragraph 30 at any time, and Buyer agrees to cooperate in providing relevant information.

445 _____ **31. CANCELLATION OF PRIOR REAL ESTATE CONTRACT:** In the event either Party has entered
446 into a prior real estate contract, this Contract shall be subject to written cancellation of the prior contract on or before
447 _____, 20 _____. **In the event the prior contract is not cancelled within the time specified, this Contract**
448 **shall be null and void. If prior contract is subject to Paragraph 30 contingencies, Seller's notice to the purchaser**
449 **under the prior contract should not be served until after Attorney Review and Professional Inspections provisions**
450 **of this Contract have expired, been satisfied or waived.**

451 _____ **32. HOME WARRANTY:** Seller shall provide at no expense to Buyer a Home Warranty at a cost of
452 \$ _____. Evidence of a fully pre-paid policy shall be delivered at Closing.

453 _____ **33. WELL OR SANITARY SYSTEM INSPECTIONS:** Seller shall obtain at Seller's expense a well
454 water test stating that the well delivers not less than five (5) gallons of water per minute and including a bacteria and
455 nitrate test and/or a septic report from the applicable County Health Department, a Licensed Environmental Health
456 Practitioner, or a licensed well and septic inspector, each dated not more than ninety (90) days prior to Closing, stating
457 that the well and water supply and the private sanitary system are in operating condition with no defects noted. Seller
458 shall remedy any defect or deficiency disclosed by said report(s) prior to Closing, provided that if the cost of
459 remedying a defect or deficiency and the cost of landscaping together exceed \$3,000, and if the Parties cannot reach
460 agreement regarding payment of such additional cost, this Contract may be terminated by either Party. Additional
461 testing recommended by the report shall be obtained at the Seller's expense. If the report recommends additional
462 testing after Closing, the Parties shall have the option of establishing an escrow with a mutual cost allocation for
463 necessary repairs or replacements, or either Party may terminate this Contract prior to Closing. Seller shall deliver a
464 copy of such evaluation(s) to Buyer not less than ten (10) Business Days prior to Closing.

465 _____ **34. WOOD DESTROYING INFESTATION:** Notwithstanding the provisions of Paragraph 12, within
466 ten (10) Business Days after Date of Acceptance, Seller at Seller's expense shall deliver to Buyer a written report, dated
467 not more than six (6) months prior to the Date of Closing, by a licensed inspector certified by the appropriate state
468 regulatory authority in the subcategory of termites, stating that there is no visible evidence of active infestation by
469 termites or other wood destroying insects. Unless otherwise agreed between the Parties, if the report discloses
470 evidence of active infestation or structural damage, Buyer has the option within five (5) Business Days of receipt of the
471 report to proceed with the purchase or to declare this Contract null and void.

472 _____ **35. POSSESSION AFTER CLOSING:** Possession shall be delivered no later than 11:59 p.m. on the
473 date that is [CHECK ONE] _____ days after the date of Closing or _____, 20 ____ ("the Possession Date").
474 Seller shall be responsible for all utilities, contents and liability insurance, and home maintenance expenses until
475 delivery of possession. Seller shall deposit in escrow at Closing with an escrowee as agreed, the sum of \$ _____
476 (if left blank, two percent (2%) of the Purchase Price) and disbursed as follows:

- 477 a) The sum of \$ _____ per day for use and occupancy from and including the day after Closing to
478 and including the day of delivery of Possession if on or before the Possession Date;
- 479 b) The amount per day equal to three (3) times the daily amount set forth herein shall be paid for each day after
480 the Possession Date specified in this paragraph that Seller remains in possession of the Real Estate; and

Buyer Initial _____ Buyer Initial _____ Seller Initial _____ Seller Initial _____
Address: _____ v7.0
Page 11 of 13

Section 32.

Seller to provide a home warranty to the buyer.

Section 34.

REQUIRED for VA loans. Seller provides test for "termites".

Section 33.

If the home is a Well and/or septic system. This requires seller to provide a test that they work.

Section 35.

Goes over if the seller stays after the closing.

7.0 Sales Contract Page 12.

Optional contingencies continued

481 c) The balance, if any, to Seller after delivery of Possession and provided that the terms of Paragraph 21 have
482 been satisfied. Seller's liability under this paragraph shall not be limited to the amount of the possession escrow
483 deposit referred to above. Nothing herein shall be deemed to create a Landlord/Tenant relationship between the Parties.

484 _____ 36. "AS IS" CONDITION: This Contract is for the sale and purchase of the Real Estate in its "As Is"
485 condition as of the Date of Offer. Buyer acknowledges that no representations, warranties or guarantees with respect
486 to the condition of the Real Estate have been made by Seller or Seller's Designated Agent other than those known
487 defects, if any, disclosed by Seller. Buyer may conduct at Buyer's expense such inspections as Buyer desires. In that
488 event, Seller shall make the Real Estate available to Buyer's inspector at reasonable times. Buyer shall indemnify Seller
489 and hold Seller harmless from and against any loss or damage caused by the acts of negligence of Buyer or any person
490 performing any inspection. In the event the inspection reveals that the condition of the Real Estate is unacceptable
491 to Buyer and Buyer so notifies Seller within five (5) Business Days after Date of Acceptance, this Contract shall be
492 null and void. Buyer's notice SHALL NOT include a copy of the inspection report, and Buyer shall not be obligated
493 to send the inspection report to Seller absent Seller's written request for same. Failure of Buyer to notify Seller or
494 to conduct said inspection operates as a waiver of Buyer's right to terminate this Contract under this paragraph and
495 this Contract shall remain in full force and effect. Buyer acknowledges that the provisions of Paragraph 12 and the
496 warranty provisions of Paragraph 3 do not apply to this Contract. Nothing in this paragraph shall prohibit the exercise
497 of rights by Buyer in Paragraph 33, if applicable.

498 _____ 37. SPECIFIED PARTY APPROVAL: This Contract is contingent upon the approval of the Real
499 Estate by _____ Buyer's Specified Party, within five (5) Business Days after Date
500 of Acceptance. In the event Buyer's Specified Party does not approve of the Real Estate and Notice is given to Seller
501 within the time specified, this Contract shall be null and void. If Notice is not served within the time specified, this
502 provision shall be deemed waived by the Parties and this Contract shall remain in full force and effect.

503 _____ 38. ATTACHMENTS: The following attachments, if any, are hereby incorporated into this Contract
504 [IDENTIFY BY TITLE]: _____
505 _____

506 _____ 39. MISCELLANEOUS PROVISIONS: Buyer's and Seller's obligations are contingent upon the
507 Parties entering into a separate written agreement consistent with the terms and conditions set forth herein, and with
508 such additional terms as either Party may deem necessary, providing for one or more of the following [CHECK APPLICABLE BOXES]:

509 <input type="checkbox"/> Articles of Agreement for Deed	<input type="checkbox"/> Assumption of Seller's Mortgage	<input type="checkbox"/> Commercial/Investment
510 or Purchase Money Mortgage	<input type="checkbox"/> Cooperative Apartment	<input type="checkbox"/> New Construction
511 <input type="checkbox"/> Short Sale	<input type="checkbox"/> Tax-Deferred Exchange	<input type="checkbox"/> Vacant Land
512 <input type="checkbox"/> Multi-Unit (4 Units or fewer)	<input type="checkbox"/> Interest Bearing Account	<input type="checkbox"/> Lease Purchase

Section 36.

As-Is means the seller is held harmless for the condition of the home.

Section 37.

When the contract needs approval by another party. Common with Guardianship and trusts.

Section 38.

list additional documents that apply to the contract. To notify parties of those documents.

Section 39.

Unique situations where additional agreements are used.

Buyer Initial _____ Buyer Initial _____ Seller Initial _____ Seller Initial _____
Address: _____ v7.0
Page 12 of 13

7.0 Sales Contract Page 13.

This page provides final signatures, contact information, and additional information with agents, lawyers, loan officers, and HOA contact info.

513 THE PARTIES ACKNOWLEDGE THAT THIS CONTRACT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF ILLINOIS AND IS SUBJECT TO THE
514 COVENANT OF GOOD FAITH AND FAIR DEALING IMPLIED IN ALL ILLINOIS CONTRACTS.

515 THIS DOCUMENT WILL BECOME A LEGALLY BINDING CONTRACT WHEN SIGNED BY ALL PARTIES AND DELIVERED TO THE PARTIES OR THEIR AGENTS.

516 THE PARTIES REPRESENT THAT THE TEXT OF THIS COPYRIGHTED FORM HAS NOT BEEN ALTERED AND IS IDENTICAL TO THE OFFICIAL MULTI-
517 BOARD RESIDENTIAL REAL ESTATE CONTRACT 7.0.

518 _____	DATE OF ACCEPTANCE
519 Date of Offer	
520 _____	_____
521 Buyer Signature	Seller Signature
522 _____	_____
523 Buyer Signature	Seller Signature
524 _____	_____
525 Print Buyer(s) Name(s) [REQUIRED]	Print Seller(s) Name(s) [REQUIRED]
526 _____	_____
527 Address [REQUIRED]	Address [REQUIRED]
528 _____	_____
529 City, State, Zip [REQUIRED]	City, State, Zip [REQUIRED]
530 _____	_____
531 Phone	E-mail

FOR INFORMATION ONLY

533 _____	_____
534 Buyer's Brokerage	Seller's Brokerage
535 _____	_____
536 Address	Address
537 _____	_____
538 Buyer's Designated Agent	Seller's Designated Agent
539 _____	_____
540 Phone	Phone
541 _____	_____
542 E-mail	E-mail
543 _____	_____
544 Buyer's Attorney	Seller's Attorney
545 _____	_____
546 Address	Address
547 _____	_____
548 Phone	Phone
549 _____	_____
550 Mortgage Company	Homeowner's/Condo Association (if any)
551 _____	_____
552 Loan Officer	Management Co./Other Contact
553 _____	_____
554 Loan Officer E-mail	Management Co./Other Contact E-mail

555 Illinois Real Estate License Law requires all offers be presented in a timely manner; Buyer requests verification that this offer was presented.
556 Seller rejection: This offer was presented to Seller on _____, 20__ at _____; _____ a.m./p.m. and rejected on _____
557 _____, 20__ at _____; _____ a.m./p.m. [SELLER INITIALS]

558 © 2018. All rights reserved. Unauthorized duplication or alteration of this form or any portion thereof is prohibited. Official form available at www.illinoisrealty.com (website of Illinois Real Estate Lawyers
559 Association). Approved by the following organizations, December 2018: Belvidere Board of REALTORS® · Chicago Association of REALTORS® · Chicago Bar Association · DuPage County Bar Association ·
560 Heartland REALTOR® Organization · Grundy County Bar Association · Homeowners Association of REALTORS® · Illinois Real Estate Lawyers Association · Illini Valley Association of REALTORS® · Kane
561 County Bar Association · Kane/Kane-Iroquois-Ford County Association of REALTORS® · Mainstreet Organization of REALTORS® · McHenry County Bar Association · North Shore-Barrington Association
562 of REALTORS® · North Suburban Bar Association · Northwest Suburban Bar Association · Oak Park Area Association of REALTORS® · REALTOR® Association of the Fox Valley, Inc. · Three Rivers
563 Association of REALTORS® · Will County Bar Association ·

Additional Documents

There are sometimes additional addendums or attachments that go along with an offer. These are used in case-by-case scenarios.

When you need to use one of these, there are two places in the contract where you make note of their existence and use. Page 12 Section 38 and 39.

498 _____ 37. SPECIFIED PARTY APPROVAL: This Contract is contingent upon the approval of the Real
499 Estate by _____ Buyer's Specified Party, within five (5) Business Days after Date
500 of Acceptance. In the event Buyer's Specified Party does not approve of the Real Estate and Notice is given to Seller
501 within the time specified, this Contract shall be null and void. If Notice is not served within the time specified, this
502 provision shall be deemed waived by the Parties and this Contract shall remain in full force and effect.

503 _____ 38. ATTACHMENTS: The following attachments, if any, are hereby incorporated into this Contract
504 [IDENTIFY BY TITLE]: _____
505 _____

506 _____ 39. MISCELLANEOUS PROVISIONS: Buyer's and Seller's obligations are contingent upon the
507 Parties entering into a separate written agreement consistent with the terms and conditions set forth herein, and with
508 such additional terms as either Party may deem necessary, providing for one or more of the following [CHECK APPLICABLE BOXES]:

509 <input type="checkbox"/> Articles of Agreement for Deed	<input type="checkbox"/> Assumption of Seller's Mortgage	<input type="checkbox"/> Commercial/Investment
510 <input type="checkbox"/> or Purchase Money Mortgage	<input type="checkbox"/> Cooperative Apartment	<input type="checkbox"/> New Construction
511 <input type="checkbox"/> Short Sale	<input type="checkbox"/> Tax-Deferred Exchange	<input type="checkbox"/> Vacant Land
512 <input type="checkbox"/> Multi-Unit (4 Units or fewer)	<input type="checkbox"/> Interest Bearing Account	<input type="checkbox"/> Lease Purchase

You would type in any addendums that are needed in section 38.

This is important as any additional documents, addendums, riders, etc. could get separated and by listing them in section 38 anyone involved is aware of their existence.

Miscellaneous provisions, Section 39. These addendums are not commonly used and are for specific instances. When these occur, please consult with your management team or attorney for more details and assistance.

There are quite a few different addendums but the most common ones you will come across or need to use are:

- FHA /VA addendum
- Short Sale Addendum
- Appraisal Shortfall Rider

We will go over these.

FHA / VA addendum:

MAINSTREET ORGANIZATION OF REALTORS®
VA/FHA AMENDMENT TO THE SALES CONTRACT

(Required with VA applications where the financing statement is not incorporated in the body of the sales contract)

VA Case Number: _____ Property Address: _____

It is expressly agreed that, notwithstanding any other provisions of this contract, the buyer shall not incur any penalty by forfeiture of earnest money or otherwise or be obligated to complete the purchase of the property described herein, if the contract purchase price or cost exceeds the reasonable value of the property established by the Veterans Administration. The buyer shall, however, have the right to cancel the contract with the return of the earnest money to the amount of the reasonable value established by the Veterans Administration.

It is agreed, notwithstanding other provisions of contract in the contract, property shall be conveyed free of special assessments and unassessed liabilities (unless previously noted against the property) for improvements heretofore completed.

Seller: _____ Buyer: _____
 Seller: _____ Buyer: _____
 Date: _____ Date: _____

FHA MANDATORY CLAUSE

RE: Buyers: _____ Property Address: _____

It is expressly agreed that, notwithstanding any other provisions of this contract, the buyer shall not be obligated to complete the purchase of the property described herein or to incur any penalty by forfeiture of earnest money deposited or otherwise unless the buyer has been given in accordance with 24 CFR 203.2(a), a VA requirement, a written statement by the Federal Housing Administration, Veterans Administration, or a State Lending Agency within the approved rules of the program of and has item 4. The buyer shall have the privilege and option of proceeding with completion of the contract without regard to the amount of the appraised value. The appraised value is defined as the determination of the maximum mortgage the Department of Housing and Urban Development will insure. HUD does not warrant the value or the condition of the property. The buyer shall verify himself/herself that the price and conditions are acceptable.

*Sales price to be inserted here.

REAL ESTATE CERTIFICATION:
 The Broker, Seller, and the Selling Real Estate Agent, in the presence of the Buyer, certify that the terms and conditions of the sales contract on file in the file of this Agency are true, and that all other agreements entered into by any of the parties in connection with the real estate transaction is part of, or attached to, the sales agreement.

Seller _____	Date _____	Buyer _____	Date _____
Seller _____	Date _____	Buyer _____	Date _____
Lending Broker _____	Date _____	Buyer's Designated Agent _____	Date _____

Page 1 of 3 Rev. 11/2011 MAINSTREET ORGANIZATION OF REALTORS®

This addendum is used when submitting an offer where the buyer is using either an FHA or VA mortgage. This addendum is simple in nature. It states that the home must appraise for the price on the contract or the buyer can cancel with earnest money returned. Or they can renegotiate.

Appraisal shortfall addendum

This addendum is used to help alleviate issues if the property has appraisal problems. It is mostly used when you are putting in an offer over list price.

This is only used if the buyers agree and have extra money available. This is a “Put your money where your mouth is” scenario.

Example: A home is \$400k.

You put in an offer of \$440k.

If the home appraises less than \$440k, say at \$420k, then that is all the buyers can get a mortgage for. They either need to pay 20k out of pocket or the sellers need to lower the price.

The appraisal shortfall states the buyers are willing to pay \$xxxx.xx amount of money out of pocket if the home doesn't appraise for the purchase price.

A \$20,000 appraisal shortfall means the buyers will pay out of pocket up to the \$20k difference in the purchase price and appraised price.

With the above example: Offer price: \$440k
 Appraised price: \$420k - maximum amount for the mortgage.
 Shortfall amount: \$20k - buyer pays out of pocket.

Seller still makes \$440k price.

APPRAISAL SHORTFALL RIDER #329

This Rider is attached to and made a part of that certain real estate contract dated _____ by and between _____ Seller, and _____ Buyer regarding the Real Estate commonly known as _____ and hereinafter referred to as the "Real Estate".

This Rider shall supersede and control any contrary or inconsistent terms set forth in the form Multi-Board Contract or any other Riders or Amendments filed prior to the date of this Rider.

The Parties agree that, if the Real Estate appraises at less than the Purchase Price, the Buyer will accept a loan amount based on the loan percentage set forth in Line 65 multiplied by the appraised value and make up the difference in cash or closing and proceed with the purchase on condition that the additional cash needed at closing attributable to the appraisal shortfall does not exceed \$ _____.

If the additional cash required to close exceeds the amount stated above, and the parties cannot reach mutual agreement on a revised Purchase Price and loan amount within _____ Business Days following Notice that the Real Estate did not appraise at or above the Purchase Price, either Party may terminate the Contract by giving Notice of termination to the other Party or their attorney, in which case all Earnest Money shall be promptly refunded to Buyer and the Contract shall thereupon be null and void.

Date: _____ Date: _____
 Buyer: _____ Seller: _____
 Buyer: _____ Seller: _____



For use by Brokers if their Sponsoring Broker's Office Policy permits and in accordance with the terms thereof.

So it gives the sellers insurance the buyers will pay the stated difference if the appraisal is short.

Short Sale addendum:

The Short Sale Addendum is only used when the purchase is a “short sale”. This addendum has 5 parts.

- Part 1. This states the addendum supersedes the contract if there are any conflicts. So what the addendum says, goes.
- Part 2. This section says that the lien holder(s) have to provide written approval that they will accept a payoff below the amount due to them. And the contract is void if they don't agree.
- Part 3. This states the closing date can be moved until a time when all approvals and payoffs are obtained.
- Part 4. This section allows the buyers and sellers to terminate the contract after a certain amount of days (to be filled in) if all parties haven't agreed or approved the sale.
- Part 5. This section states that the property is being purchased in “AS IS” condition.

 **SHORT SALE ADDENDUM TO
MULTI-BOARD RESIDENTIAL REAL ESTATE CONTRACT 7.0** 
(Use only with Multi-Board 7.0)

1 SELLER NAME(S): _____
2 BUYER NAME(S): _____
3 This Addendum is attached to and made part of a certain real estate contract (hereinafter “the Contract”) between
4 the above captioned Parties for the property commonly known as:
5 _____
6 Address _____ City _____ State _____ Zip _____
7 and the Parties agree as follows:
8 1. **CONFLICT OF TERMS:** In the event of inconsistencies between the terms of this Addendum and the terms
9 of the Contract, the terms of this Addendum shall control.
10 2. **SHORT SALE PAYOFFS:** The Contract is contingent upon the satisfactory negotiation with Seller’s
11 lienholders and/or third parties for a payoff of less than the total amount owed. Seller agrees to promptly
12 submit all documents necessary for lienholder approval. Buyer and Seller acknowledge that a “short sale”
13 requires the written approval of all of such lienholders and/or third parties, and that there can be no
14 assurance such approvals will be obtained. Buyer agrees to hold Seller harmless from any costs or damages
15 Buyer may sustain as the result of Seller’s inability to obtain approval of the Contract by all lienholders and/or third parties.
16 3. **EXTENSION OF CLOSING DATE:** Buyer and Seller agree to extend the Closing date in the Contract until
17 such times as the necessary approvals and payoffs are obtained.
18 4. **TERMINATION OPTION:** Buyer and Seller acknowledge that, as a condition of acceptance by the
19 lienholder(s) of a payoff of less than the full amount due, the lienholder(s) may require reduction in the
20 compensation due third party service providers and other usual and customary expenses incurred as a result
21 of the sale. In the event agreement is not reached by Buyer and Seller regarding allocation of expenses due
22 third party service providers or if the contingency contained in Paragraph 2 above is not satisfied within
23 _____ days (if blank then 120 days) after Date of Acceptance, then either Party may declare the Contract null and void.
24 5. **“AS IS” CONDITION:** This Contract is for the sale and purchase of the Real Estate in its “As Is” condition as of
25 the Date of Offer. Buyer acknowledges that no representations, warranties or guarantees with respect to the
26 condition of the Real Estate have been made by Seller or Seller’s Designated Agent other than those known
27 defects, if any, disclosed by Seller. Buyer may conduct at Buyer’s expense such inspections as Buyer desires. In
28 that event, Seller shall make the Real Estate available to Buyer’s inspector at reasonable times. Buyer shall
29 indemnify Seller and hold Seller harmless from and against any loss or damage caused by the acts of negligence
30 of Buyer or any person performing any inspection. In the event the inspection reveals that the condition of the
31 Real Estate is unacceptable to Buyer and Buyer so notifies Seller within five (5) Business Days after the Date
32 of Acceptance, this Contract shall be null and void. Buyer’s notice SHALL NOT include a copy of the
33 inspection report, and Buyer shall not be obligated to send the inspection report to Seller absent Seller’s
34 written request for same. Failure of Buyer to notify Seller or to conduct said inspection operates as a waiver
35 of Buyer’s right to terminate this Contract under this paragraph and this Contract shall remain in full force
36 and effect. Buyer acknowledges that the provisions of the PROFESSIONAL INSPECTIONS AND INSPECTION
37 NOTICES paragraph and the warranty provisions of the FIXTURES AND PERSONAL PROPERTY AT NO
38 ADDED VALUE paragraph do not apply to this Contract.
39 The Parties have executed this Short Sale Addendum this _____ day of _____, 20____.
40 _____
41 Buyer _____ Seller _____
42 _____
43 Buyer _____ Seller _____
44 © 2018. All rights reserved. Unauthorized duplication or alteration of this form or any portion thereof is prohibited. Official form available at www.illinoisreal.com (include of Illinois Real
45 Estate Lawyers Association). Approved by the following organizations: December 2018: Realtors Board of REALTORS® - Chicago Association of REALTORS® - Chicago Bar Association -
46 DuPage County Bar Association - Hamilton REALTOR® Organization - Grundy County Bar Association - Northwest Association of REALTORS® - Illinois Real Estate Lawyers Association -
47 Illini Valley Association of REALTORS® - Kane County Bar Association - Kane/DeKalb/Ingham/Peoria County Association of REALTORS® - Mahomet Organization of REALTORS® - McHenry
48 County Bar Association - North Shore-Barrington Association of REALTORS® - North Suburban Bar Association - Northwest Suburban Bar Association - Oak Park Area Association of
49 REALTORS® - REALTOR® Association of the Fox Valley, Inc. - Three Rivers Association of REALTORS® - Win County Bar Association

Submitting an offer

Once your clients decide on a home, it's time to submit an offer!!!

- You should already have the pre-approval/proof of funds but make sure you have that ready.

So here are the steps to submit an offer on a home.

- You fill out the Multi-Board Contract with your clients and have them sign it.
 - Also fill out and sign any addendums that might be needed (if applicable).
- If you have the disclosures downloaded, have your clients acknowledge the information on the disclosures by having them signed.
- Take a look at the listing in the MLS to make sure there are no special instructions in the private broker remarks you need to follow.

Door Features: Lot Size Source: Vacant:
Window Features:
Broker Private Remarks: **USE RENTAL APPLICATION ATTACHED TO LISTING IN MLS. \$60 FEE/PER PERSON FOR CREDIT CHECK. \$90 FEE FOR MARRIED COUPLE. CHECK PAYABLE TO LISTING AGENT. NO PETS PER OWNER. LOCKBOX AT BACK OF BUILDING. ** Parking space #5. Private storage unit included located directly in front of parking space. ** Per the owner: The association requirements for move-ins and move-outs: The management company (Villa Management) is to be notified about any moving (moving in or moving out) and a deposit must be placed (\$500) with a partial refund upon inspection with no damage. Villa Management states that the association will keep \$100 of the \$500 deposit. ****
Internet Listing: Yes Remarks on Internet?: Yes Addr on Internet?: Yes
VOW AVM: Yes VOW Comments/Reviews: No Lock Box: Combination Box (Located at Back)
Listing Type: Exclusive Right to Lease Special Comp Info: None
Buyer Ag. Comp.: 1/2 MONTH RENT - \$150 Additional Sales Information: Expiration Date: 09/07/2023
(Net Lease Price) ?
Showing Inst: CALL 800-746-9464 OR Cont. to Show?: Yes Broker Notices:

- Example:
 - Submit the completed offer to the listing agent or as per the private remarks instructions. This includes the buyer signed contract, disclosures, addendums, and pre approval/proof of funds.
 - Email or electronically submit the offer.
 - Ask for confirmation or receipt of offer.
 - Send a follow up text letting the agent know you submitted the offer.
 - There is no **required timeline** for a response. It is often within a few hours but could be overnight, or a full day!
 - The listing agent will respond with:
 - Offer acceptance.
 - Offer declined.
 - A counter-offer, modifying terms of your original .
 - Once terms are agreed upon, the listing agent will have their clients sign the contract.

The offer becomes an executed contract once both parties have signed it and the signed contract is delivered back to the buyers(agent).

A verbal acceptance does not count!



You did it!

**Congratulations
on
completion!!!**

Homework:

You will be sent 3 buyer offer scenarios. Please fill out sales contracts for all 3 scenarios and we will review them!