

## Illinois One to Four Family Residential Standard Master Agreement

**[Sale for Cash, Sale with 3<sup>rd</sup> Party Financing, Lease Option, Contract for Deed, Subject to Existing Financing or Wraparound Mortgage, Mortgage Assignment, Sale with Equity Sharing]**

**1. PARTIES:** The parties to this Agreement are \_\_\_\_\_, ("Seller"), and \_\_\_\_\_, ("Buyer") (Buyer and Seller may be collectively referred to as the "Parties"). Seller agrees to sell and convey to Buyer and Buyer agrees to buy from Seller The Property defined below.

### **2. PROPERTY:**

A. LAND: Legal Description \_\_\_\_\_ City of \_\_\_\_\_, County of \_\_\_\_\_, Illinois, including all appurtenances, commonly known as:

B. IMPROVEMENTS: The house, garage and all other fixtures and improvements attached to the above-described real property, including without limitation, the following **permanently installed and built-in items**, if any: all equipment and appliances, valances, screens, shutters, awnings, wall-to-wall carpeting, mirrors, ceiling fans, attic fans, mail boxes, television antennas and satellite dish system and equipment, heating and air conditioning units, propane tanks, sump pumps, security and fire detection equipment, wiring, plumbing and lighting fixtures, attached mirrors, chandeliers, water softener system, kitchen equipment, garage door openers, cleaning equipment, shrubbery, landscaping, outdoor cooking equipment, and all other property owned by Seller and attached to the above described real property.

C. ACCESSORIES: The following described related accessories, if any: window air conditioning units, stove, fireplace screens, curtains and rods, blinds, window shades, draperies and rods, controls for satellite dish system, controls for garage door openers, entry gate controls, door keys, mailbox keys, above ground pool, swimming pool equipment, and maintenance accessories, and artificial fireplace logs.

D. EXCLUSIONS: The following improvements and accessories will be retained by Seller, and removed prior to delivery of the possession:

E. INCLUDED: The following personal property is included in this agreement:

### **3. SALES PRICE**

A. Cash Portion of Sales Price Payable by Buyer at closing ..... \$ \_\_\_\_\_  
B. Sum of all financing described below (if sale for cash, leave blank).....\$ \_\_\_\_\_  
C. Sales Price (sum of A+B) ..... \$ \_\_\_\_\_

### **4. SALE WITH FINANCING/LEASE OPTION/CONTRACT FOR DEED**

*(Check the box and complete the blanks in the option(s) that apply)*

☐ A. **Seller Financing:** Seller agrees to provide financing in the amount of \$ \_\_\_\_\_. Seller financing, if any, shall be provided through a promissory note, secured by deed of trust or a mortgage on the Property, from Buyer to Seller for \$ \_\_\_\_\_, bearing a maximum \_\_\_\_% interest per year (Interest Rate), payable in monthly installments of \$ \_\_\_\_\_, with the first payment beginning on \_\_\_\_\_ and continuing every month thereafter with a like amount on the same date each month until the full amount of this note and all accrued interest is paid in full. **THE ABOVE TERMS ARE ONLY ESTIMATES, IF APPLICABLE PURSUANT TO THE S.A.F.E. ACT, ALL OFFERS OF FINANCING, TERMS AND CONDITIONS ARE TO BE DETERMINED SUBSEQUENTLY HERETO SOLELY BY THE TOROK LAW FIRM P.C. OR BY A LICENSED RESIDENTIAL LOAN MORTGAGE ORIGINATOR.**

☐ B. **Assumption:** The assumption of the unpaid principal balance of one or more promissory notes described as follows: 1. A loan in the original principal amount of \$ \_\_\_\_\_, with \_\_\_\_\_ as the lender, currently held or serviced by \_\_\_\_\_, loan # \_\_\_\_\_.

2. A second loan in the original principal amount of \$ \_\_\_\_\_, with \_\_\_\_\_ as the lender, currently held or serviced by \_\_\_\_\_, loan # \_\_\_\_\_.

**SUBJECT TO EXISTING FINANCING:** If any of the existing loans or liens are not to be paid off or cleared at closing, and a title policy will not be obtained, Seller shall furnish to Buyer within seven (7) days from execution hereof a copy of the promissory note and a statement setting forth the identification of the Property, the name, address, and phone number of each lienholder, the principal balance, the terms of such loan or lien, the method of payment, the interest rate, the periodic installments that need to be paid, the account number, whether the loan or lien is in good standing, details of any insurance policy that will remain on the property, the property taxes, and if the lienholder consents to the transfer of the property.

☐ This transaction is subject to the lender's notification of disapproval of the sale with the financing remaining in effect within 15 days of the date such request is provided to lender. In the event lender does not approve after consent is requested, this Agreement may be declared void by the Buyer and all funds paid by Buyer shall be returned to Buyer.

☐ **THIRD PARTY FINANCING** One or more third party mortgage loans in the total amount of \$\_\_\_\_\_, at an interest rate not to exceed \_\_\_\_\_ % for a term not less than 30 years. Application for financing is to be made within 5 days of the effective date hereof. If financing is not obtained, Seller may retain the earnest money as liquidated damages, unless such disapproval is because the Property does not meet lender's underwriting requirements.

☐ If this box is checked, Buyer at Buyer's expense may within 5 days of the date hereof, obtain an appraisal of the Property by an independent appraiser licensed to perform appraisals in this state. If the final appraised value of the Property, as determined by the appraiser (after reconsideration if requested by the Seller) is not equal to or greater than the Purchase price, Buyer may cancel this Agreement by written notice to Seller, pursuant to the termination option noted in paragraph 6.

☐ **LEASE OPTION** Buyer agrees to lease the property for a term not to exceed \_\_\_\_\_ days pursuant to a lease for the amount of \$\_\_\_\_\_ per month. Seller shall provide an option to purchase the Property for the price noted above. Consideration for such option shall be as follows: \_\_\_\_\_. In addition to the consideration noted herein, Seller shall apply \$\_\_\_\_\_ of each monthly rent payment to the purchase price, if the option is exercised. If such option is not exercised, all sums received shall be considered rent.

☐ **INSTALLMENT LAND SALE CONTRACT/CONTRACT FOR DEED** Seller agrees to place a deed to buyer in escrow for \_\_\_\_\_ years, and such deed is to be released by escrow agent to Buyer upon payment of the purchase price payable \$\_\_\_\_\_ per month., Such payment represents an amount of \$\_\_\_\_\_ amortized over \_\_\_\_\_ years, at \_\_\_\_\_ percent per annum.

☐ **EQUITY SHARING TRUST** Sale of the property shall be to the trustee for the trust listed as Buyer above (existing or to be created). The Buyer and Seller and \_\_\_\_\_ shall be the beneficiaries under the trust and shall divide proceeds after expenses if the Property is subsequently sold as follows: \_\_\_\_\_% of the proceeds to Buyer, \_\_\_\_\_ % to the Seller and \_\_\_\_\_% to \_\_\_\_\_.

**5. EARNEST MONEY AND OTHER DEPOSITS:** Upon execution of this Agreement by both parties, Buyer shall deposit \$\_\_\_\_\_ as earnest money with **The Torok Law Firm P.C., Main Office: 13300 Old Blanco Road Suite 260, San Antonio TX 78216**, as escrow agent within 5 days of the effective date of this Agreement. If Buyer fails to deposit the earnest money as required by this Agreement, Buyer will be in default.

**6. TERMINATION OPTION:** For \$\_\_\_\_\_, in consideration, in hand paid and receipt acknowledged, Seller grants Buyer the unrestricted right to terminate this Agreement by giving notice, in writing, within \_\_\_\_\_ days after the effective date of this Agreement. If Buyer gives notice within the time prescribed, the Option Fee will not be refunded except as otherwise provided herein; however, any earnest money will be refunded to Buyer. The option fee will be credited to the sale price at closing.

**7. TITLE POLICY AND SURVEY:**

A. Title Policy: Seller shall furnish to Buyer at ☐ Seller's ☐ Buyer's expense, ☐ title investigation only by The Torok Law Firm, P.C. at an approximate cost of \$200.00 to \$350.00 or ☐ an owner policy of title insurance issued by Providence Title Company or other authorized title insurer, in the amount of the Sales Price, dated after closing, insuring buyer against loss under the provisions of the Title Policy, subject to the promulgated exclusions (including existing building and zoning ordinances) and the following exceptions:

1. Restrictive covenants common to the platted subdivision in which the Property is located;
  2. The standard printed exception for standby fees, taxes and assessments;
  3. Liens created as part of the financing described in Paragraph 4;
  4. Utility easements created by the dedication deed or plat of the subdivision in which the Property is located;
  5. Reservations or exceptions otherwise permitted by this Agreement or as may be approved by Buyer in writing;
  6. The standard printed exception as to marital rights;
  7. The standard printed exception as to waters, lakes, streams, and related matters;
  8. The standard printed exception as to discrepancies, conflicts, shortages in area or boundary lines, encroachments or protrusions, or overlapping improvements. Buyer, at Buyer's expense, may have the exception amended to read, "shortages in area".
- B. SURVEY: The survey must be made by a registered professional land surveyor acceptable to the Title Company. (check one box only)

☐ 1. Within   7   days, after the effective date of this Agreement, Seller shall furnish to Buyer and Title Company Seller's existing survey of the Property and an affidavit attesting that there are no changes in any structures or items noted on the survey provided. If the existing survey or affidavit is not acceptable to Title Company, Buyer shall obtain a new survey at ☐ Seller's ☐ Buyer's expense no later than 3 days prior to the closing date. **IF SELLER FAILS TO FURNISH THE EXISTING SURVEY OR AFFIDAVIT WITHIN THE TIME PRESCRIBED, BUYER SHALL OBTAIN A NEW SURVEY AT SELLER'S EXPENSE NO LATER THAN 3 DAYS PRIOR TO THE CLOSING DATE.**

☐ 2. Within   7   days after the effective date of this Agreement, Buyer shall obtain a new survey at Buyer's expense. Buyer is deemed to receive the survey on the date of actual receipt.

☐ 3. Within   7   days after the effective date of this Agreement, Seller at Seller's expense shall furnish a new survey to Buyer.

C. OBJECTIONS: Buyer may object in writing to defects, exceptions, or encumbrances to title: disclosed on the survey or disclosed in the Commitment or which prohibits the use for Buyer's intended purpose; Buyer's failure to object in writing, the earlier of the closing date or 5 days after Buyer receives the Commitment, Exception Documents, and/or the survey, shall constitute a waiver of Buyer's right to object, except that the requirements of Schedule C of the Commitment are not waived. Provided Seller is not obligated to incur any expense, Seller shall cure the timely objections of Buyer or any third party lender within 15 days after the Seller receives the objections and the Closing Date will be extend as necessary. If objections are not cured within such 15 day period, this Agreement will terminate and the earnest money and other funds paid to Seller will be refunded to Buyer unless Buyer waives the objections.

D. NOTICES:

(1) ABSTRACT OR TITLE POLICY: Buyer is advised to have an abstract of title covering the property examined by an attorney of Buyer's selection or Buyer shall be furnished with or obtain a Title Policy, If a Title Policy is furnished, the Commitment should be promptly reviewed by an attorney of Buyer's choice due to the time limitations on Buyer's right to object.

(2) PROPERTY OWNERS' ASSOCIATION MANDATORY MEMBERSHIP: The Property ☐ is ☐ is not subject to mandatory membership in a property owners association. If the Property is subject to mandatory membership in a property owners' association, Seller notifies Buyer that as a purchaser of the Property, you are obligated to a member of the property owners' association. Such association may have restrictive covenants governing the use and occupancy of the Property and Buyer is notified that they should review any dedicatory instrument(s) governing the establishment, maintenance, and operation of the residential community in which the Property is located. Association fees, if any are the obligation of Buyer and are not to be prorated or paid at closing. Buyer acknowledges that the Property may be subject to special assessment, fee, or located in an improvement district. Buyer acknowledges this disclosure is required by Illinois law, and may be found in the Seller's Disclosure and Condition of Property Addendum or separate document as applicable.

(3) DATABASE/LOCATION OF REGISTERED SEX OFFENDERS/CRIMINAL ACTIVITY Buyer may contact the state, county or municipal police or sheriff's departments in which the Property is located in order to ascertain criminal activity or the presence of registered sex offenders who live or work in the vicinity of the Property. Buyer is solely responsible for checking such database(s) prior to signing this Agreement and shall have no right to cancel this Agreement based upon the criminal activity or presence of registered sex offenders that live or work in the vicinity of the property.

(4) FEDERAL TAX REQUIREMENTS: If Seller is a "foreign person," as defined by applicable law, or if Seller fails to deliver an affidavit to Buyer that Seller is not a "foreign person," then Buyer shall withhold from the sales proceeds an amount sufficient to comply with applicable tax law and deliver the same to the Internal Revenue Service together with appropriate tax forms. Internal Revenue Service regulations require filing written reports if currency in excess of specified amounts is received in the transaction.

**8. PROPERTY CONDITION:**

A. ACCESS, INSPECTIONS AND UTILITIES: Seller shall permit Buyer and Buyer's agents access to the Property at reasonable times. Buyer may have the Property Inspected by inspectors selected by Buyer. Seller shall, at Seller's expense, turn on all utilities for inspections. A copy of all inspection reports shall be furnished to Seller.

B. SELLER'S DISCLOSURE OF PROPERTY CONDITION(S): Seller shall disclose any and all conditions of the Property as set out on the attached form within 5 days of the effective date hereof. Failure to provide such form shall constitute a default under the Agreement.

C. SELLERS DISCLOSURE OF LEAD-BASED PAINT AND LEAD-BASED PAINT HAZARDS: This form and brochure is required by federal law for all properties built or constructed prior to 1978. If applicable, the disclosure is attached and made a part hereof.

D. ACCEPTANCE OF THE PROPERTY: Buyer, acknowledging that Buyer is a knowledgeable sophisticated purchaser, accepts the Property in its Present "AS-IS" Condition, except that Seller shall complete the following specific repairs and treatments prior to closing unless otherwise agreed to in writing by the parties:

E. ENVIRONMENTAL MATTERS: Buyer is advised that the presence of wetlands, toxic substances, including asbestos and wastes or other environmental hazards, or the presence of a threatened endangers species or its habitat may affect Buyer's intended use of the Property. If Buyer is concerned about such issues, additional addendums shall be attached to this Agreement.

F. HOMEOWNERS WARRANTY: Buyer and Seller are advised that Homeowners Warranties are available. A Homeowners Warranty is only part of this Agreement if Buyer or Seller agrees to purchase a warranty. Buyer and Seller are advised to request information about what is included in the warranty and what is excluded (for example, preexisting conditions) and the amount of the deductible.

G. MAINTENANCE OF PROPERTY: Seller shall maintain the Property (including any lawn, shrubbery and/or pool) in its present condition through the date of possession, ordinary wear and tear excepted. In the event of any material change in the condition of the Property before the Closing, Seller shall promptly notify Buyer.

H. RADON TESTING: Radon is a natural occurring radioactive gas that, when it accumulates in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of Radon that exceed federal and state guidelines may have been found in buildings in the state where the Property is located. Additional information about Radon and Radon testing may be obtained from the state or county public health officer.

[ ] If checked, Seller shall \_\_\_\_\_ at Seller's expense \_\_\_\_\_ buyer's expense, arrange and pay for a report concerning the level of Radon gas in the Property and provide the report to Buyer at least fifteen (15) days prior to closing. The report shall be made by a reputable inspector, complying with federal law and the law of the jurisdiction where the Property is located. If the level of Radon gas exceeds four picocuries per liter (4pCi/L) and Seller refuses to pay for the cost of installing Radon reduction equipment acceptable to Buyer, then Buyer may cancel this Agreement and the Earnest Money shall be refunded to Buyer.

I. PEST CONTROL Buyer, at Buyer's expense, may obtain a written report from a licensed Illinois pest control company regarding the presence of termites or other wood boring insects. Such inspection shall be performed within the time period set out in Paragraph 6, Termination Option, or if not feasible to do so, within a reasonable time before closing. The termination option period shall be extended for 48 hours after receipt of any such report hereunder.

**9. CLOSING:** The closing of the sale will be on or before \_\_\_\_\_, 20\_\_\_\_. or within 7 days after objections made hereunder have been cured or waived, whichever is later (Closing Date). If either party fails to close the sale by the Closing Date, the non-defaulting party may exercise the remedies contained in paragraph 15.

Seller shall execute, transfer and deliver marketable title to the property to Buyer by warranty deed and take all other steps reasonably necessary to complete the closing. The warranty deed shall convey to Buyer fee simple title to the Property free and clear of all liens and encumbrances, except as provided in this Agreement. Personal property shall, at the request of Buyer, be conveyed by an absolute bill of sale with warranty of title, subject to such liens as may be otherwise provided for herein. Subject to the terms, conditions and provisions hereof, and concurrently with the performance by Seller of its obligations set forth in the Agreement, Buyer shall deliver to Seller, a cashier check or other immediate local funds in the amount set forth in this Agreement and any required mortgage, mortgage note, security agreement and financing statement and any other closing documents required. Both parties shall execute and deliver any notices, statements, certificates, affidavits, releases, loan documents or other documents required of them by this Agreement, the title company, or by law necessary for the closing of the Property, and agree to complete or revise any documents required to implement the intentions of the Agreement between the Parties after closing if necessary.

**10. SETTLEMENT AND OTHER EXPENSES:** The following expenses must be paid at or prior to closing:

A. Expenses payable by Seller (Seller Expenses): Releases of existing liens, including prepayment penalties and recording fees, release of Seller's loan liability, tax statements or certificates, preparation of deed, one-half of escrow fee, and other expenses payable by Seller as allocated by this Agreement.

B. Expenses payable by Buyer (Buyer's Expenses): Loan origination, discount, buy down, and commitment fees (loan Fees), appraisal fees, loan application fees, credit reports, preparation of loan documents, interest on the notes from date of disbursement to one month prior to dates of first monthly payment, recording fees, copies of easements and restrictions, mortgagee title policy and required endorsements, loan related inspection fees, photos, amortization schedules, one-half the escrow fee, all prepaid items, flood and insurance premiums, reserve deposits, ad valorem taxes and special governmental assessments, final compliance inspection, courier fee, repair inspection, underwriting fee, wire transfer fee, expenses incident to the loan, other expenses payable by Buyer as allocated by this Agreement.

C. ☐ Seller ☐ Buyer shall pay the other party's closing costs unless expressly prohibited by law or lending requirements not to exceed \$ \_\_\_\_\_.

**11. POSSESSION:** Seller shall deliver to buyer, possession of the Property in its present or required condition, ☐ upon closing and funding ☐ pursuant to a temporary lease between the parties. Any possession by Buyer prior to closing or by Seller after closing which is not authorized by a written lease will establish a tenancy at sufferance relationship between the parties.

**12. PRORATIONS:** Taxes for the current year, interest, maintenance fees, assessments, dues and rents will be prorated through the closing date. The tax proration may be calculated taking into consideration any changes in exemptions that will affect the current year's taxes.

Seller shall pay the amount of any stamp tax imposed by the state and county on the transfer of title, and shall furnish a completed declaration signed by Seller in the form required by the state and county, and shall meet any other requirements as established by local ordinance with regard to a transfer or transaction tax. Any real estate transfer tax required by local ordinance shall be paid by the person designated in that ordinance.

Buyer shall have the option of taking over any existing policies of insurance on the Property, if assumable, in which event premiums shall be prorated. The cash at the Closing shall be increased or decreased as may be required by said prorations. All references in the Agreement to prorations as of date of closing will be deemed "date of occupancy" if occupancy occurs prior to closing, unless otherwise provided for herein.

All prorations will be final as between the parties and the parties agree to hold closing agent harmless from any errors or increases or decreases in amounts prorated.

**13. REMOVAL OF CONTINGENCIES** If any contingency in this Agreement is not removed by the required date, this Agreement becomes voidable. After the required date and until the contingency is removed, either party may cancel this Agreement by written notice to the other. In that case, Seller will return the deposit to Buyer or authorize the escrow agent or Earnest Money Holder, to do so.

**14. CASUALTY LOSS** Seller agrees to keep the improvements on the Property fully insured until delivery of Seller's deed to Buyer. Until the purchase is closed and the warranty deed delivered to Buyer, the risk of loss by fire, windstorm, earthquake, flood or other casualty (including those causes that could be covered by what is commonly referred to as fire and extended coverage insurance) is assumed by Seller.

If the improvements are damaged by fire or other casualty prior to the Closing, and the costs of restoring same does not exceed 10% of the assessed valuation of the improvements so damaged, cost of restoration shall be an obligation of the Seller and the Closing shall proceed pursuant to the terms of this Agreement with costs therefore escrowed at the Closing. In the event the cost of repair or restoration exceeds 10% of the assessed valuation of the improvements so damaged, Buyer shall have the option of either (a) taking the Property as is, together with either a credit as agreed by the parties or any insurance proceeds payable by virtue of such loss or damage or an assignment of the right to Seller's insurance proceeds for the loss or damage, or (b) Buyer may of cancel the Agreement and receive return of any Earnest Money deposit(s) made hereunder.

**15. DEFAULTS AND REMEDIES.** Failure of either party to comply with any material covenant, agreement, or obligation within the time limits required by this Agreement shall constitute a material default. All rights, powers, options or remedies afforded to Buyer or Seller either hereunder or by law shall be cumulative and not alternative and the exercise of one right, power, option or remedy shall not bar other rights, powers, options or remedies allowed herein or by law.

If Buyer defaults, Seller may (1) Within 45 days of the date of default hereunder, enforce specific performance of the Agreement (2) pursue any other available legal remedies or both or (3) cancel this Agreement and claim the

deposit as liquidated damages and Seller agrees to accept and take said deposit as Seller's total damages and relief hereunder in such event. In such event the parties agree that said sum shall constitute liquidated damages since both Buyer and Seller agree that actual damages for default or breach of contract could not readily be ascertained at the date of execution of this Agreement

If Seller defaults, Buyer may (1) within 45 days of the date of default, enforce specific performance of the Agreement; (2) pursue any other available legal remedies or both or (3) demand a refund of the deposit in termination of this Agreement, in which case this shall be the sole remedy of Buyer under this Agreement.

Upon termination of the agreement, all obligations of the Parties shall cease except for those that survive termination under this agreement.

#### **16. DISPUTES** (select appropriate options)

☐ **Litigation.** If a dispute arises, either party may take the matter to court.

☐ **Mediation and Possible Litigation.** If a dispute arises, the parties will try in good faith to settle it through mediation conducted by a mediator to be mutually selected. The parties will share the costs of the mediator equally. Each party will cooperate fully and fairly with the mediator and will attempt to reach a mutually satisfactory compromise to the dispute. If the dispute is not resolved within 30 days after it is referred to the mediator, either party may take the matter to court.

☐ **Mediation and Possible Arbitration.** If a dispute arises, the parties will try in good faith to settle it through mediation conducted by a mediator to be mutually selected. The parties will share the costs of the mediator equally. Each party will cooperate fully and fairly with the mediator and will attempt to reach a mutually satisfactory compromise to the dispute. If the dispute is not resolved within 30 days after it is referred to the mediator, it will be arbitrated by an arbitrator to be mutually selected in accordance with the rules of the American Arbitration Association in effect at the time of the dispute. Judgment on the arbitration award may be entered in any court that has jurisdiction over the matter. Costs of arbitration, including lawyers' fees, will be allocated by the arbitrator.

**17. ATTORNEY FEES AND COSTS** In connection with any litigation or dispute including appellate proceedings arising out of this Agreement, the prevailing party shall be entitled to recover reasonable attorney's fees and costs.

#### **18. ESCROW**

A. **ESCROW:** The escrow agent is not: (i) a party to this Agreement and does not have liability for the performance or nonperformance of any party to this Agreement; (ii) liable for interest on the earnest money; and (iii) liable for the loss of any earnest money caused by the failure of any financial institution in which the earnest money has been deposited.

B. **EXPENSES:** At closing the earnest money must first be applied first to any cash down payment, then to Buyer's expenses and any excess refunded to Buyer. If no closing occurs, escrow agent may require payment of unpaid expenses incurred on behalf of the parties and written release of liability of escrow agent from all parties.

C. **DEMAND:** Upon termination of the Agreement, either party or the escrow agent may send a release of earnest money to each party and the parties shall execute counterparts of the release and deliver them to the escrow agent. If either party fails to execute the release, either party may make a written demand for the earnest money to the escrow agent and the other party. If an objection is not provided to the escrow agent within 15 days of the date of the demand, escrow agent may disburse the earnest money to the party making the demand, less unpaid expenses. If escrow agent complies with the provisions hereof, each party hereby releases escrow agent from all adverse claims related to the disbursement of the earnest money. Any party failing to execute a release of earnest money acceptable to escrow agent, shall be liable for three times the amount of the earnest money, the amount of the earnest money, attorney fees, and costs of suit.

**19. TIME FOR ACCEPTANCE AND EFFECTIVE DATE** Time is of the essence in this Agreement. If this offer is not executed by both of the parties hereto on or before \_\_\_\_\_, the Earnest Money shall be, at the option of the Buyer, returned to him and this offer shall thereafter be null and void. The date of the Agreement ("Effective Date") shall be the date when the last one of the Seller and Buyer has signed this offer.

**20. ADDITIONAL AGREEMENTS** Seller and Buyer additionally agree that: Exhibit A, is attached hereto and made part of this Agreement as though fully set out herein.

Exhibit(s) \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_, are attached hereto and made a part hereof as though fully set out herein.

Broker information, if any is attached as Exhibit B.

**21. SURVIVAL OF REPRESENTATIONS AND WARRANTIES** Seller warrants and represents that there are no legal actions, suits or other legal or administrative proceedings, including cases, pending or threatened or similar proceedings affecting the Property or any portion thereof, nor has Seller knowledge that any such action is presently contemplated which might or does affect the conveyance contemplated hereunder.

The representations and warranties set forth in this Agreement shall be continuing and shall be true and correct on and as of the closing date with the same force and effect as if made at that time, and all of such representations and warranties shall survive the Closing and shall not be affected by any investigation, verification or approval by any party hereto or by anyone on behalf of any party hereto.

**22. GOVERNING LAW** This Agreement will be governed by and construed in accordance with the laws of the state of Illinois. The provisions of the Uniform Vendor and Purchaser Risk Act of the State of Illinois shall be applicable to this Agreement.

**23. ASSIGNABILITY** ☐ Buyer is prohibited from assigning all or any part of this Agreement **OR** ☐ Buyer may assign this Agreement.

**24. BINDING EFFECT** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their successors and assigns.

**25. COUNTERPARTS** This Agreement may be executed in several counterparts, each constituting a duplicate original, but all such counterparts constituting one and the same Agreement.

**26. INTERPRETATION** Whenever the context hereof shall require, the singular shall include the plural, the male gender shall include the female gender and the neuter, and vice versa. Typewritten or handwritten provisions inserted herein or attached hereto as Addenda shall control all printed provisions in conflict therewith.

**27. SEVERABILITY** If any court determines that any provision of this Agreement is invalid or unenforceable, any invalidity or unenforceability will affect only that provision and will not make any other provision of this Agreement invalid or unenforceable and such provision shall be modified, amended or limited only to the extent necessary to render it valid and enforceable.

**28. WAIVER** If one party waives any term or provision of this Agreement at any time, that waiver will only be effective for the specific instance and specific purpose for which the waiver was given. If either party fails to exercise or delays exercising any of its rights or remedies under this Agreement, that party retains the right to enforce that term or provision at a later time.

**29. NOTICES** Any notice to be given or to be served upon any party hereto, in connection with this Agreement, must be in writing. A notice may be delivered to a party at the address that follows a party's signature or to a new address that a party designates in writing.

**30. ENTIRE AGREEMENT** This Agreement is the entire agreement between the parties with respect to the transaction contemplated herein. It replaces and supersedes any and all oral agreements between the parties or their agents, as well as any prior writings. Neither this Agreement nor any provision hereof may be waived, modified, amended, discharged, or terminated except by an instrument in writing signed by both parties and then only to the extent set forth in such instrument.

### **31. ADDITIONAL PROVISIONS**

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**THIS IS INTENDED TO BE A LEGALLY BINDING AGREEMENT. CONSULT AN ATTORNEY AND A TAX PROFESSIONAL BEFORE SIGNING IT, TO MAKE SURE YOU UNDERSTAND ALL OF THE TERMS AND LEGAL AND TAX CONSEQUENCES.**

DATED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_ ("Effective Date")

**SELLER:**

Signature \_\_\_\_\_  
**Seller** \_\_\_\_\_  
 Date \_\_\_\_\_  
 Address: \_\_\_\_\_  
 City \_\_\_\_\_  
 State and Zip \_\_\_\_\_  
 Email: \_\_\_\_\_

Signature \_\_\_\_\_  
**Seller** \_\_\_\_\_  
 Date \_\_\_\_\_  
 Address: \_\_\_\_\_  
 City \_\_\_\_\_  
 State and Zip \_\_\_\_\_  
 Email: \_\_\_\_\_

Seller's Attorney if  
 any \_\_\_\_\_  
 Address: \_\_\_\_\_  
 \_\_\_\_\_  
 Phone: \_\_\_\_\_  
 Email: \_\_\_\_\_

**BUYER:**

Signature \_\_\_\_\_  
**Buyer** \_\_\_\_\_  
 Date \_\_\_\_\_  
 Address: \_\_\_\_\_  
 City \_\_\_\_\_  
 State and Zip \_\_\_\_\_  
 Email: \_\_\_\_\_

Signature \_\_\_\_\_  
**Buyer** \_\_\_\_\_  
 Date \_\_\_\_\_  
 Address: \_\_\_\_\_  
 City \_\_\_\_\_  
 State and Zip \_\_\_\_\_  
 Email: \_\_\_\_\_

Buyer's Attorney  
 if any: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 \_\_\_\_\_  
 Phone: \_\_\_\_\_  
 Email: \_\_\_\_\_



**AGREEMENT AND EARNEST MONEY RECEIPT**

RECEIPT OF THE Agreement and [ ] \$ \_\_\_\_\_ Earnest Money in the form of \_\_\_\_\_, is acknowledged. If payment was made by check, this acknowledgment is subject to clearance of the check. Failure of clearance of funds shall not excuse performance by the Buyer.

By: \_\_\_\_\_  
(authorized representative)

The Torok Law Firm P.C.  
13300 Old Blanco Road Suite 260  
San Antonio TX 78216  
Phone: 210-408-0050  
Fax: 877-488-6550  
Email: [contract@toroklaw.com](mailto:contract@toroklaw.com)

## **Exhibit A**

**(Completely cross out any that do not apply)**

I/We, \_\_\_\_\_, (hereafter the singular shall contain the plural) on this \_\_\_ day of \_\_\_, 20\_\_\_ agree in writing to sell the property to \_\_\_\_\_ (Buyer) and/or assigns, according to the terms and conditions contained in the Purchase and Sale Agreement (The Agreement), which incorporates this Exhibit A. I/We further state and initial as follows:

\_\_\_\_\_, \_\_\_\_\_ 1. OWNERSHIP AND CAPACITY TO SELL THE PROPERTY: I am the owner of the Property (or I have an equitable interest in The Property) and I am able to contract for its sale. I am of sound mind, and I have no physical, mental or emotional illnesses or conditions, and I'm not under the influence of alcohol or other mind-altering substance or medication that would cloud my judgment or make me unable to think clearly. I am not under duress and have signed the Agreement and this disclosure of my own free will, without any pressure from Buyer to sign it. I understand Buyer has negotiated on Buyer's own behalf and likewise, I have negotiated on mine. I acknowledge The Agreement has been negotiated fairly and Buyer has not taken advantage of me or my current situation.

\_\_\_\_\_, \_\_\_\_\_ 2. ACCEPTANCE: I have reviewed the terms and conditions contained in The Agreement, fully understand all of them, I am not confused, and I have accepted Buyer's offer to purchase The Property under the terms and conditions contained in The Agreement. I am satisfied with The Agreement and have agreed to sell the Property because circumstances dictate that the sale, even at a discounted price, is in my best interest.

\_\_\_\_\_, \_\_\_\_\_ 3 SATISFIED WITH THE SALES PRICE: I understand that I may be selling the Property for less than market value but have chosen to do so because of my personal circumstances. I also realize that the current market value of The Property may be higher than the sales price I/we have agreed to in The Agreement and I realize and understand Buyer may resell The Property and may realize a profit in doing so. I agree Buyer is entitled to any profit that may ultimately result from the subsequent resale of The Property. Buyer estimates that the fair market value of the Property is approximately between \$\_\_\_\_\_ and \$ \_\_\_\_\_, but the ultimate sale price or value could be higher or lower than this estimate. I am satisfied with the sales price I have negotiated.

\_\_\_\_\_, \_\_\_\_\_ 4. GOOD AND VALUABLE CONSIDERATION: I have received good and valuable consideration in signing The Agreement, and I acknowledge both the receipt and the sufficiency of the consideration.

\_\_\_\_\_, \_\_\_\_\_ 5. SALE IS FINAL; CONTINGENCIES MAY EXIST: I understand by signing the Agreement, I have agreed to sell the Property to Buyer and I am now bound by the terms and conditions described in The Agreement. I further understand that I cannot change my mind or cancel the Agreement at some later date, nor can I continue to market The Property to any other buyer. I understand The Agreement I have signed is for the sale of the Property and is not intended to be a loan of any kind. I understand the sale may be contingent upon Buyer's inspection and approval of certain items described in The Agreement and upon the termination option in the Agreement (if made part of the Agreement). I further understand that if Buyer does not approve of these items, Buyer may cancel The Agreement and if cancelled, I must return Buyer's earnest money in full.

\_\_\_\_\_, \_\_\_\_\_ 6. STILL LIABLE: I understand that I am still legally responsible for the monthly payment and the overall satisfaction of the lien. I realize that I am selling the house "subject to" the existing financing. I also understand that the loan will remain on my credit report and could significantly limit or impact my ability to acquire or obtain future loans. I also understand that the Buyer's prompt payment could help my credit score and the failure of Buyer to make payments will derogatorily affect (hurt) my credit score. Furthermore I realize that the loan probably contains a "due on sale" clause and I may be responsible for satisfying the existing principal balance on the note at any time if the Property is sold, including for any deficiency in the amounts received from any sale that do not fully satisfy the lien(s) on the Property.

\_\_\_\_\_, \_\_\_\_\_ 7. AGREEMENT MAY BE ASSIGNED: I understand that Buyer may assign the Agreement to another party and closing may occur with someone other than the Buyer noted in the Agreement.

\_\_\_\_\_, \_\_\_\_\_ 8. CLOSING DOCUMENTS: I understand there will be additional closing documents to sign and upon receipt, agree to sign and deliver the closing documents either into Escrow or directly to Buyer, as Buyer may direct, in a timely manner. I understand that copies of the paperwork I've signed will be provided to me in a timely manner and I acknowledge that circumstances dictate that copies may not be immediately made available to me.

\_\_\_\_\_, \_\_\_\_\_ 9. LEGAL COUNSEL ADVISED: I acknowledge Buyer has advised me to seek independent legal counsel to review The Agreement. (Check one)

\_\_\_\_\_ I have an attorney and his or her name is \_\_\_\_\_. My attorney has reviewed these documents.

\_\_\_\_\_ I have an attorney and his or her name is \_\_\_\_\_. I do not wish to have my attorney review these documents or this transaction.

\_\_\_\_\_ I do not have an attorney and I am aware of various legal aid clinics that may provide legal advice free or at a reduced cost, however, I do wish to hire an attorney or seek legal advice to review these documents or this transaction.

\_\_\_\_\_ I do not have an attorney and I am aware of various legal aid clinics that may provide legal advice free or at a reduced cost, however, I do not wish to hire an attorney or seek legal advice to review these documents or this transaction

\_\_\_\_\_, \_\_\_\_\_ 10. FINANCIAL REVIEW ADVISED: I acknowledge Buyer has advised me to seek an independent financial advisor to review The Agreement.

\_\_\_\_\_, \_\_\_\_\_ 11. RISK OF FORECLOSURE: I understand that my lender may foreclose on the property and this will have a negative effect on my credit score and could hurt or prevent me from obtaining employment or other negative consequences for which the use of credit and credit scores can be used. If the foreclosure sale results in a sales price less than the amounts due, I could be liable for a deficiency judgment and/or may have to pay taxes on any amount forgiven.

\_\_\_\_\_, \_\_\_\_\_ 12. DISCOUNTED PAYOFFS: I acknowledge Buyer may attempt to negotiate discounted payoff(s) with my lender(s) and, if successful and I am relieved of an obligation to pay on the lien(s), such discounted payoff may result in a taxable event for which I may be liable. I have been made aware of these possible consequences, understand them and accept them.

\_\_\_\_\_, \_\_\_\_\_ 13. NO OTHER PROMISES: I have not been promised anything other than what is described in The Agreement. There are no unresolved issues, no side agreements, nor are there other terms not disclosed in The Agreement.

\_\_\_\_\_, \_\_\_\_\_ 14. FULLY SATISFIED WITH AGREEMENT: I am fully satisfied with all terms and conditions contained in The Agreement.

\_\_\_\_\_, \_\_\_\_\_ 15 ACKNOWLEDGMENT: I acknowledge that I have obtained or received, read, and understand the Mortgage Assignment Guide For Homeowners.

\_\_\_\_\_, \_\_\_\_\_ 16. LOCAL REQUIREMENTS: Parties hereby acknowledge that there may be local requirements for real estate transactions, to which the parties are obliged to comply.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_ Seller (Signature) understands and agrees to all conditions

\_\_\_\_\_ Seller (Signature) understands and agrees to all conditions

DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS

**Lead Warning Statement**

*Every Buyer of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the Buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the Buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.*

**Seller's Disclosure**

(a) Presence of lead-based paint and/or lead-based paint hazards (Check (i) or (ii) below):

(i) \_\_\_\_\_ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain):  
\_\_\_\_\_

(ii) \_\_\_\_\_ Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to the Seller (Check (i) or (ii) below):

(i) \_\_\_\_\_ Seller has provided the Buyer with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents):  
\_\_\_\_\_

(ii) \_\_\_\_\_ Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

**Buyer's Acknowledgment (initial)**

(c) \_\_\_\_\_ Buyer has received copies of all information listed above.

(d) \_\_\_\_\_ Buyer has received the pamphlet Protect Your Family From Lead In Your Home.

(e) Buyer has (check (i) or (ii) below):

(i) \_\_\_\_\_ received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or

(ii) \_\_\_\_\_ waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

**Agent's Acknowledgment (initial)**

(e) \_\_\_\_\_ Agent has informed the Seller of the Seller's obligations under 42 U.S.C. 4852d and is aware of his/her responsibility to ensure compliance.

**Certification of Accuracy**

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

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

## SELLER'S DISCLOSURE OF PROPERTY CONDITION

CONCERNING THE PROPERTY AT \_\_\_\_\_  
(Street Address and City)

THIS NOTICE IS A DISCLOSURE OF SELLER'S KNOWLEDGE OF THE CONDITION OF THE PROPERTY AS OF THE DATE SIGNED BY SELLER AND IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR WARRANTIES THE PURCHASER MAY WISH TO OBTAIN. IT IS NOT A WARRANTY OF ANY KIND BY SELLER OR SELLER'S AGENTS.

Seller ☐ is ☐ is not occupying the Property. If unoccupied, how long since Seller has occupied the Property? \_\_\_\_\_

1. The Property has the items checked below [Write Yes (Y), No (N), or Unknown (U)]:

Range _____	Smoke Detector-Hearing Impaired _____
Dishwasher _____	Exhaust Fan(s) _____
Washer/Dryer Hookups _____	Carbon Monoxide Alarm _____
Security System _____	Emergency Escape Ladder(s) _____
TV Antenna _____	Cable TV Wiring _____
Ceiling Fan(s) _____	Attic Fan(s) _____
Central A/C _____	Wall/Window Air Conditioning _____
Plumbing System _____	Public Sewer System _____
Patio/Decking _____	Fences _____
Pool _____	Spa _____ Hot Tub _____
Pool Equipment _____	Automatic Lawn Sprinkler System _____
Fireplace(s) & Chimney (Woodburning) _____	Fireplace(s) & Chimney (Mock) _____
Gas Lines (Nat./LP) _____	Carport _____
Garage: <input type="checkbox"/> Attached <input type="checkbox"/> Not Attached	Central Heating _____
Garage Door Opener(s): Electronic _____	Septic System _____
Microwave _____	Outdoor Grill _____
Disposal _____	Sauna _____
Rain Gutters _____	Pool Heater _____
Intercom System _____	Water Heater _____
Satellite Dish _____	Water Supply _____ City _____ MUD
Trash Compactor _____	_____ Co-op _____ Well
Window Screens _____	Gas _____
Fire Detection Equipment _____	Electric _____
Smoke Detector _____	Roof Type: _____ Age: _____

Are you (Seller) aware of any of the above items that are not in working condition, that have known defects or that are in need of repair? ☐ Yes ☐ No ☐ Unknown If yes, then describe. (Attach additional sheets if necessary): \_\_\_\_\_

2. Does the property have working smoke detectors installed in accordance with the smoke detector requirements as set out in Illinois Law? ☐ Yes ☐ No ☐ Unknown

If the answer to the question above is no or unknown, explain. (Attach additional sheets if necessary): \_\_\_\_\_

- Illinois law may require one-family or two-family dwellings to have working smoke detectors installed in accordance with the requirements of the building code in effect in the area in which the dwelling is located, including performance, location, and power source requirements. If you do not know the building code requirements in effect in your area, you may check unknown above or contact your local building official for more information. A buyer may require a seller to install smoke detectors for the hearing impaired if: (1) the buyer or a member of the buyer's family who will reside in the dwelling is hearing impaired; (2) the buyer gives the seller written evidence of the hearing impairment from a licensed physician; and (3) within 10 days after the effective date, the buyer makes a written request for the seller to install smoke detectors for the hearing impaired and specifies the locations for the installation. The parties may agree who will bear the cost of installing the smoke detectors and which brand of smoke detectors to install.

3. Are you (Seller) aware of any known defects/malfunctions in any of the following? Write Yes (Y) if you are aware, write No (N) if you are not aware.

Interior Walls \_\_\_\_\_ Ceilings \_\_\_\_\_ Floors \_\_\_\_\_ Exterior Walls \_\_\_\_\_ Roof \_\_\_\_\_  
Foundation/Slab(s) \_\_\_\_\_ Basement Walls \_\_\_\_\_ Fences \_\_\_\_\_ Driveways \_\_\_\_\_ Sidewalks \_\_\_\_\_  
Doors \_\_\_\_\_ Windows \_\_\_\_\_ Lighting Fixtures \_\_\_\_\_ Plumbing Sewers/Septics \_\_\_\_\_  
Other Structural Components (Describe) \_\_\_\_\_

If the answer to any of the above is yes, explain. (Attach additional sheets if necessary):

4. Are you (Seller) aware of any of the following conditions? Write Yes (Y) if you are aware, write No (N) if you are not aware.

Previous Termite Damage \_\_\_\_\_  
Improper Drainage \_\_\_\_\_  
Present Flood Insurance Coverage \_\_\_\_\_  
Asbestos Components \_\_\_\_\_  
Lead Based Paint \_\_\_\_\_  
Aluminum Wiring \_\_\_\_\_  
Landfill, Settling, Soil Movement, Fault Lines \_\_\_\_\_  
Previous Use of Premises for Manufacture of Methamphetamine \_\_\_\_\_

If the answer to any of the above is yes, explain. (attach additional sheets if necessary):

5. Are you (Seller) aware of any item, equipment, or system in or on the Property that is in need of repair? ☐ Yes (if you are aware) ☐ No (if you are not aware). If yes, then describe. (Attach additional sheets if necessary).

Active Termites (includes wood destroying insects)  
Previous Termite Treatment Water Penetration  
Previous Structural or Roof Repair  
Urea-formaldehyde Insulation  
Termite or Wood Rot Damage Needing Repair  
Previous Flooding  
Located in 100-Year Floodplain  
Electrical Systems  
Hazardous or Toxic Waste  
Radon Gas  
Previous Fires  
Unplatted Easements  
Subsurface Structure or Pits

Are you (Seller) aware of any of the following? Write Yes (Y) if you are aware, write No (N) if you are not aware.

Room additions, structural modifications, or other alterations or repairs made without necessary permits or not in compliance with building codes in effect at that time. \_\_\_\_\_  
Homeowners' Association or maintenance fees or assessments. \_\_\_\_\_  
Any "common area" (facilities such as pools, tennis courts, walkways, or other areas) co-owned in undivided interest with others. \_\_\_\_\_  
Any notices of violations of deed restrictions or governmental ordinances affecting the condition or use of the Property. \_\_\_\_\_  
Any lawsuits directly or indirectly affecting the Property. \_\_\_\_\_  
Any condition on the Property which materially affects the physical health or safety of an individual. \_\_\_\_\_

If the answer to any of the above is yes explain. (Attach additional sheets if necessary):

\_\_\_\_\_  
Date Signature of Seller Date Signature of Seller

1. I acknowledge that I have read and received a signed copy of the Seller's Property Disclosure Statement from the Seller, the Seller's agent, or transaction broker.
2. I have carefully inspected the property. Subject to any inspections allowed under my Agreement with Seller, I agree to purchase the property in its present condition only, without warranties or guarantees of any kind by Seller or any real estate licensee concerning the condition or value of the property.
3. I agree to verify any of the above information that is important to me by an independent investigation of my own. I have been advised to have the property examined by professional inspectors.
4. I acknowledge that neither Seller nor any real estate licensee involved in this transaction is an expert at detecting or repairing physical defects in the property. I state that no important representations concerning the condition of the property are being relied upon by me except as disclosed above or as fully set forth as follows: \_\_\_\_\_
5. I acknowledge that I have been informed that Illinois law requires persons who are convicted of certain sexually violent crimes, to register with the sheriff of the county in which they reside. I have been advised that if I desire information regarding those registrants, I may find information by contacting the local sheriff's office.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Buyer

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Buyer