

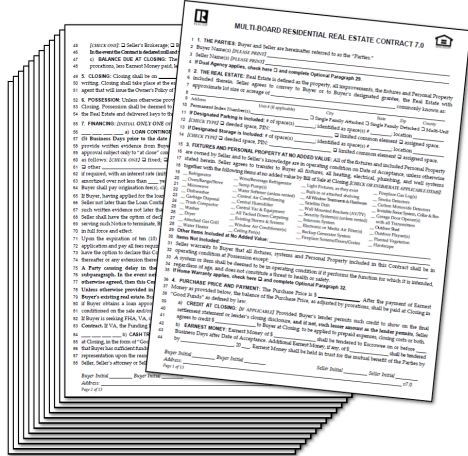


Navigating an Illinois Real Estate Transaction

June 9, 2022

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Form Contract



Multi-Board 7.0

What Real Estate Practitioners Need to Know About the State's Most Popular Form Contract

Attorneys' Title Guaranty Fund, Inc.
Navigating a Real Estate Transaction
April, 2022

Today's Presenter:



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Director and Past President
Illinois Real Estate Lawyers Association



SchumannLaw.com



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You Have Questions — We Have Answers.

A full-service law firm involved in estate planning, residential and commercial real estate, probate and probate administration, corporate and business law, employment discrimination matters, as well as trade secrets and general litigation.



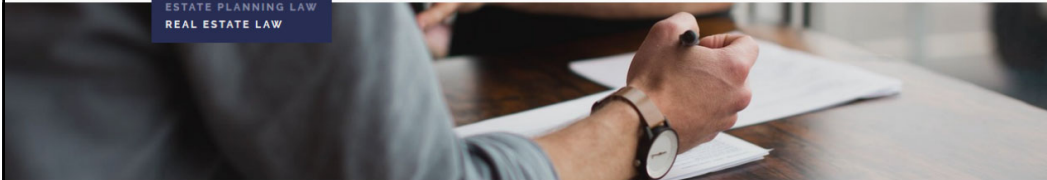
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Highlights of Key Changes in the State's Most Popular Contract

SchumannLaw.com -- Comparison Chart

	<p>HIGHLIGHTS</p> <p>OF</p> <p><i>NEW AND CHANGED</i></p> <p><i>PROVISIONS IN THE</i></p> <p>MULTI-BOARD</p> <p>RESIDENTIAL REAL</p> <p>ESTATE CONTRACT 7.0</p>	
<p><u>Overview:</u></p> <p><i>NOTE: The changes in Version 6.1 were primarily driven by TRID (TILA/RESPA Integrated Disclosure) Rule. Changes in the 7.0 Version are more comprehensive.</i></p> <p><i>The Official Contract Form maintained on the IRELA web site (www.irela.org) is fourteen 5 1/2" by 11" pages, including cover page with "fillable" PDF formatting. The 2015 Revision of the Contract is © 2015, Illinois Real Estate Lawyers Association ("IRELA").</i></p>	<p><i>OLD: Version 6.1</i></p> <p><i>The 2015 contract was approved by:</i></p> <p><small>Illinois Real Estate Lawyers Association, Behinders Board of REALTORS®, Chicago Association of REALTORS®, Chicago Bar Association, DuPage County Bar Association, Heartland REALTOR® Organization, Huntwood Association of REALTORS®, Illini Valley Association of REALTORS®, Kane County Bar Association, Chicago Association of REALTORS®, Kane County Bar Association, DuPage County Bar Association, DuPage County Association of REALTORS®, Mainstreet Organization of REALTORS®, McHenry County Bar Association, North Shore-Barrington Association of REALTORS®, Northwest Suburban Bar Association, Oak Park Area Association of REALTORS®, REALTOR® Association of the Fox Valley, Inc., Three Rivers Association of REALTORS®, Will County Bar Association.</small></p>	<p><i>NEW: Version 7.0</i></p> <p><i>APPROVALS:</i></p> <p><small>Illinois Real Estate Lawyers Association, Behinders Board of REALTORS®, Chicago Association of REALTORS®, Chicago Bar Association, DuPage County Bar Association, DuPage County Association of REALTORS®, Grady County Bar Association, Illini Valley Association of REALTORS®, Kane County Bar Association, Kane County Association of REALTORS®, Kane County Association of REALTORS®, Mainstreet Organization of REALTORS®, McHenry County Bar Association, North Shore-Barrington Association 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 Association of REALTORS®, Will County Bar Association.</small></p>
<p>HIGHLIGHTS OF MULTI-BOARD RESIDENTIAL REAL ESTATE CONTRACT 7.0 Law Offices of Ralph J. Schumann www.SchumannLaw.com 1</p>		

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Highlights of Key Changes in the State's Most Popular Contract

A Bit of History

It was 2000

- Y2K?
- Bill Clinton was in the White House.
- There were different REALTOR® boards in virtually every county (*in places like Cook County, even more!*).
- many of them had taken to drafting their own forms.



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Highlights of Key Changes in the State's Most Popular Contract

A Bit of History

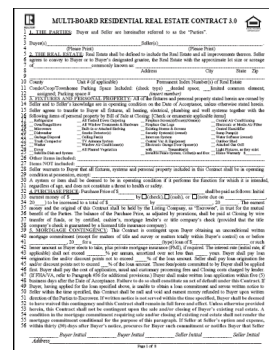
. . . and the lack of uniformity made the practice of residential real estate challenging:

- one Contract might standardize attorney review at three (3) days whereas another might say five (5) days.
- some forms even called for brokers to fill in a blank, setting attorney review or inspections at one (1) day (or the like).

A Bit of History

So a group of real estate lawyers huddled brokers and attorneys together into one room in the northwestern suburbs, hoping to standardize terms throughout the area.

- the very first cooperative contract was completed in 2000; it was affectionately called the “4-page contract”.
- the concept of a universal contract became popular, and the very first “Multi-Board Contract” was born in 2003 (named the “Multi-Board 3.0”).



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Highlights of Key Changes in the State's Most Popular Contract

Today

The Multi-Board Residential Real Estate Contract is the most widely-used form in Illinois.

→ *More than 100,000 times annually!*

Prevalent in Chicago, despite the Chicago Association of REALTORS® still writing its own sales contracts.

Commonly published in textbooks and cited as a model residential form.

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Highlights of Key Changes in the State's Most Popular Contract

Drafting Participants

The Multi-Board remains a collective effort by attorneys, brokers, educators, and trade associations.

→ a committee of delegates from the various stakeholders Began in November 2017 (11 were attorneys and 12 were brokers).

→ eighteen (18) meetings later, the 7.0 version hit the street.

NOTE: *The 6.1 version is gone.*

Drafting Participants

Groups participating in the development of the form in 2017/2018 included:



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Highlights of Key Changes in the State's Most Popular Contract

Results of the Drafting Process

An enhanced Contract which is more intuitive and intended to be even more user friendly.

- complete reorganization, with some content elimination
 - most important information now almost entirely on the first page (similar to a commercial contract)
- changes to financing contingency



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Highlights of Key Changes in the State's Most Popular Contract

Results of the Drafting Process

- clarification of when an attorney review proposal is a counter-offer
- strong attempt to curb repair requests, hopefully shortening the attorney review and inspection periods
 - Example: "Please extend the pull chain on the light in the entry closet to 3', as the inspector almost burned his hand turning it off."
- What if Closing or Loan Contingency Date falls on a Non-Business Day?

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Highlights of Key Changes in the State's Most Popular Contract

The Parties

- 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.

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Highlights of Key Changes in the State's Most Popular Contract

The Real Estate

- 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.

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Fixtures and Personal Property

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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) |
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| 25 <input type="checkbox"/> Washer | <input type="checkbox"/> All Tacked Down Carpeting | <input type="checkbox"/> Intercom System | <input type="checkbox"/> Outdoor Shed |
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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.

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→ Now says "No Added Value" at Line 29

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Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Purchase Price and Payment

- 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
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.

Multi-Board 7.0

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→ Revised organization of key elements

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→ Business Days

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

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.

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Closing

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51 agent that will issue the Owner's Policy of Title Insurance, whichever is situated nearest the Real Estate.

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Possession

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.

Possession

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.

Financing

55 **7. FINANCING (INITIAL ONLY ONE OF THE FOLLOWING SUBPARAGRAPHS 6, A, OR C)**
56 **6. 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: **FIXED RATE** **ADJUSTABLE** **CONVENTIONAL** **FHA** **VA** **USDA**;
61 other _____ for 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 fees, 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 (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 35, 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 **6. 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
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 35, this Contract shall
93 not be contingent upon the sale and/or closing of Buyer's existing real estate.
94 **6. 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 Flood
101 Elevation 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 35, this Contract shall not be contingent upon the sale and/or closing of Buyer's existing
109 real estate.

→ No more "Intent to Proceed"

→ Now only written mortgage commitment

→ Buyer now given more time

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Financing

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.

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Financing

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.

Financing

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.

Financing

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.

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Financing

55 **7. FINANCING:** [INITIAL ONLY ONE OF THE FOLLOWING SUBPARAGRAPHS a, b, or c]

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
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.

→ Cash deal options clarified

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Financing

55 **7. FINANCING:** [INITIAL ONLY ONE OF THE FOLLOWING SUBPARAGRAPHS a, b, or c]

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
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.

→ Cash Transaction With No Mortgage

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Financing

55 7. FINANCING: [INITIAL ONLY ONE OF THE FOLLOWING SUBPARAGRAPHS a, b, or c]

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.**

→ Cash Transaction, Mortgage Allowed

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Financing

55 7. FINANCING: [INITIAL ONLY ONE OF THE FOLLOWING SUBPARAGRAPHS a, b, or c]

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.**

→ What happens at closing determines whether escrow closing fee is split

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Disclosures

- 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.

→ while this paragraph addresses disclosures for *most* areas, it remains an obligation for a Seller to provide a Heat Disclosure in the City of Chicago.

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Prorations

- 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.

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Prorations

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.

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Prorations

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.

Attorney Review

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).

Attorney Review

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).

Attorney Review

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
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143 Party may terminate this Contract by serving Notice, whereupon this Contract shall be immediately deemed
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145 d) Offer proposals specifically referring to this subparagraph d) which shall not be considered a counteroffer.
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147 subparagraph c) as a modification. If proposals made with specific reference to this subparagraph d) are not
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141 **proposal is not a counteroffer.** If after expiration of ten (10) Business Days after Date of Acceptance written
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154 unilateral reinstatement by withdrawal of any proposal(s).

→ c) is a counteroffer

→ d) is not

→ Termination: If after "expiration of ten (10) Business Days" (Lines 141-143)

Waiver of Inspection

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.

→ *New*

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Waiver of Inspection

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.

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Inspections & Notices

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.
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.

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Inspections & Notices

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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,
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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
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Highlights of Key Changes in the State's Most Popular Contract

Inspections & Notices

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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,
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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
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Highlights of Key Changes in the State's Most Popular Contract

Inspections & Notices

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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**
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174 **the terms of this subparagraph shall allow Seller to declare this Contract terminated and direct the return**
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Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Inspections & Notices

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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.

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Homeowner's Insurance

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.**

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Flood Insurance

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.

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Highlights of Key Changes in the State's Most Popular Contract

Flood Insurance

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.

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Highlights of Key Changes in the State's Most Popular Contract

Condos and Associations

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
219 to Buyer a release or waiver of any right of first refusal or other pre-emptive rights to purchase created by the
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 mortgage, if any, as an insured.

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Condos and Associations

- 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
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- 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
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Highlights of Key Changes in the State's Most Popular Contract

Condos and Associations

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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
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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.

→ Note
Statutory
time limit for
production:
30 days

The Deed

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.

Ordinances, Taxes and Compliance

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.

Ordinances, Taxes and Compliance

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Ordinances, Taxes and Compliance

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245 Procedures Act of 1974, as amended.

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Highlights of Key Changes in the State's Most Popular Contract

Title

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.

→ Issuance of Title Policy now explicitly required

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Plat of Survey

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
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.

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Damage or Condemnation

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.

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Condition at Closing & Walk-Through

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.**

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Seller Representations → Representations survive closing

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
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.

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Seller Representations

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287 notice from any association or governmental entity regarding:
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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 → Exemptions issue
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
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.

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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.

→ Initials and checkboxes

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

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.

Real Estate Tax Escrow

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.

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Highlights of Key Changes in the State's Most Popular Contract

Business Days & Hours

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.

→ What if a Closing or Loan Contingency Date falls on a non-Business Day?

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Business Days & Hours

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.

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Electronic or Digital Signatures

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.

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Highlights of Key Changes in the State's Most Popular Contract

Direction to Escrowee

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:

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.

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Notice

- 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
 - 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.

→ When may notices be sent to Brokers?

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

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- 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
 - 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.

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Notice

- 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
 - 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.

→ Courtesy Copies

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Performance

- 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.

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Performance

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.

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Confirmation of Dual Agency *OPTIONAL*

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.

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Sale of Buyer's Real Estate *OPTIONAL*

- 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.

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Highlights of Key Changes in the State's Most Popular Contract

Sale of Buyer's Real Estate *OPTIONAL*

- 375 _____ 30. SALE OF BUYER'S REAL ESTATE:
- 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.

Sale of Buyer's Real Estate **OPTIONAL**

375 _____ 30. SALE OF BUYER'S REAL ESTATE:

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.

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.

Cancellation of Prior Contract **OPTIONAL**

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.**

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Home Warranty *OPTIONAL*

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.

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Well & Septic Inspections *OPTIONAL*

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.

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Termite Inspections *OPTIONAL*

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.

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Post-Closing Possession *OPTIONAL*

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
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.

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Post-Closing Possession *OPTIONAL*

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
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.

→ Separate Post-Closing Possession Agreement?

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Highlights of Key Changes in the State's Most Popular Contract

“As-Is” Condition *OPTIONAL*

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.

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

“As-Is” Condition *OPTIONAL*

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.

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Third Party Approval *OPTIONAL*

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.

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Attachments *OPTIONAL*

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

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Contract

Miscellaneous Provisions *OPTIONAL*

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 |

Signature Page

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 Offer	DATE OF ACCEPTANCE				
519						
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	Phone	E-mail		
532						
FOR INFORMATION ONLY						
533						
534	Buyer's Brokerage	MLS #	State License #	Seller's Brokerage	MLS # State License #	
535						
536	Address	City	Zip	Address	City Zip	
537						
538	Buyer's Designated Agent	MLS #	State License #	Seller's Designated Agent	MLS # State License #	
539						
540	Phone	Fax		Phone	Fax	
541						
542	E-mail			E-mail		
543						
544	Buyer's Attorney	E-mail		Seller's Attorney	E-mail	
545						
546	Address	City	State Zip	Address	City State Zip	
547						
548	Phone	Fax		Phone	Fax	
549						
550	Mortgage Company	Phone		Homeowner's/Condo Association (if any)	Phone	
551						
552	Loan Officer	Phone/Fax		Management Co./Other Contact	Phone	
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 _____, 20____ at _____ a.m./p.m. (SELLER INITIALS)					
557						

Signatories

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

- Copyrighted Form
- More signatories now

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Highlights of Key Changes in the State's Most Popular Form Contract

Additional Documents

Amendment, Notice & Response Form

Multi-Unit Addendum

Mutual Cancellation Agreement

Paragraph 30 – Notice and Response Form

Short Sale Addendum

Multi-Board 7.0

Highlights of Key Changes in the State's Most Popular Form Contract

Amendment, Notice and Response

AMENDMENT, NOTICE AND RESPONSE FORM
(Use only with Multi-Board 7.0)

1 With reference to the Real Estate Contract dated _____, 20____ for the sale of the Real Estate
2 commonly known as _____, entered
3 into by _____ Seller
4 and _____ Buyer, the following paragraphs
5 when included are incorporated into and made a part of the Contract.

6 (Insert) _____ NOTICE OF INABILITY TO SATISFY CONTINGENCY AND REQUEST FOR EXTENSION
7 Notice is hereby given of inability to satisfy the contingency in Paragraph # _____ and an extension to
8 _____, 20____ is hereby requested.
9 Extension as requested is hereby GRANTED DENIED

10 (Insert) _____ NOTICE OF SALE OR CLOSING OF BUYER'S REAL ESTATE (Insert cost)
11 Seller is notified that Buyer has an executed contract for the sale of Buyer's real estate located at
12 _____, 20____, which provides for a closing date of
13 _____, 20____.
14 Seller is notified that the sale of the Buyer's real estate located at
15 _____ was closed on _____, 20____.

16 (Insert) _____ AMENDMENT OF CLOSING AND/OR POSSESSION DATE
17 It is agreed by and between the Parties as follows: CHECK ALL THAT APPLY!
18 Closing date shall be changed from _____, 20____ to _____, 20____.
19 Possession date shall be changed from _____, 20____ to _____, 20____.

20 If possession is to be delivered after Closing, a post closing possession agreement shall be entered into by
21 the Parties.

22 _____ Seller Signature
23 _____ Buyer Signature
24 _____ Seller Signature
25 _____ Buyer Signature
26 _____
27 Date _____ Time _____ Date _____ Time _____

28 (Print Name and Firm Name) _____
29 (Print Title) _____
30 (Print Address) _____
31 (Print City) _____
32 (Print State) _____
33 (Print Zip) _____
34 (Print Phone) _____
35 (Print Fax) _____

Legislative and Regulatory Issues

Amendment to **Residential Real Property Disclosure Act**: – HB4322, sponsored by IRELA, passed unanimously March 31, 2022

- Several clarifications incorporated
- Who is a “Seller”?
- When must a Seller supplement?

IDFPR and DS-1 Form Update

- TRO entered
- Extension of time
- Status set for Friday, May 8, 2022




Ralph J. Schumann

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847.273.8700

rjs@SchumannLaw.com

SchumannLaw.com



Director and Past President
Illinois Real Estate Lawyers Association  IRELA





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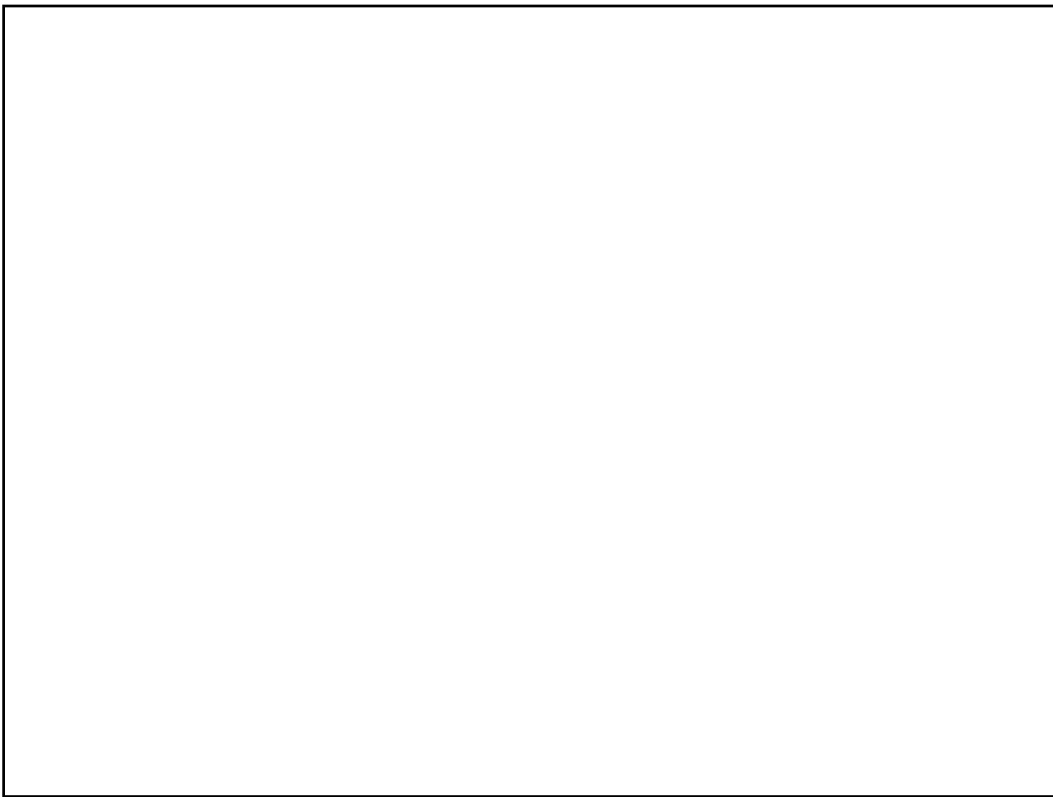
Highlights of Key Changes in the State's Most Popular Form Contract

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E-mail: info@irela.org
Website: www.irela.org



Title Insurance

Title Insurance

Presented By:

- **Lowell Krahn**
Senior Underwriting Attorney
Attorney's Title Guaranty
Fund, Inc.
- **Alisa Swerdlove**
Underwriting Attorney
Attorney's Title Guaranty
Fund, Inc.
- **Alisa Swerdlove**
Underwriting Attorney
Attorney's Title Guaranty
Fund, Inc.
- **Lowell Krahn**
Senior Underwriting Attorney
Attorney's Title Guaranty
Fund, Inc.

Evidence of Title

- **Abstract & Opinion**

- Merchantable Abstract -

- Shows matters of record affecting the title;
 - Attorneys use the abstract to determine:
 - If title is merchantable and
 - In whom title is vested.

Title Companies

- **Title Companies:**

- Protect against the risk of loss and have the risk assumed by the title company;
 - Spread the risk of loss among all of its insureds;
 - Allow buyers to pay a small premium to be protected against a large loss.

What is Title Insurance?

- **Title Insurance ensures that you own the property and that there are no problems other than the ones that are listed on the policy as exceptions.**
- **Title insurance is retroactive and only covers matters arising prior to the date of the policy.**

What is Title Insurance?

- **Title insurance is a contract of indemnity.**
 - The insurer agrees to indemnify or reimburse the Insured for any sustained covered losses.

Why is Title Insurance Important?

- **It protects the buyers against the following:**
 - Claims of ownership by other persons or entities;
 - Judgments, liens, unpaid taxes or unpaid mortgages which predate the policy;
 - Mechanic’s liens;
 - Defects in the chain of title such as:
 - Forged or invalid deeds;
 - Recording errors.

Illinois Department of Financial Institutions Bulletin 1-05: Title Insurance Agent Requirements

- **State and federal regulations require that title insurance agents make “determinations of insurability” in order to be registered and receive fees for acting as a title agent.**

Illinois Department of Financial Institutions Bulletin 1-05: Title Insurance Agent Requirements

- **To comply with DFI Bulletin 1-05, ATG requires members in the following programs to use the Agent Title Examination to ATG (TE) (ATG Form 4115) or ATG Go:**
 - Title Services Complete (Chicago area);
 - Search Plus (Champaign County and Metro East);
 - Advisory Commitment preparation services (NLT Title, LLC).

Search Standards

- **ATG Administrative Regulation No. 3:**
 - A search of the public records must be conducted in connection with issuing a title commitment and policy.
 - Chain of title search
 - Judgment and Lien index search
 - General real estate tax and special assessment search

The Search

- **The purpose of the title search is to:**
 - Verify the seller's right to transfer ownership;
 - Discover any liens, errors, unpaid taxes, judgments, and restrictions on the property.
- **The information contained in the search is used by an attorney to prepare the Title Examination and the title commitment.**

The Search

- **The Search Provider:**
 - Goes back in time to follow the deeds forward;
 - Reviews prior policies and Torrens Certificates;
 - Performs tax and special assessment searches;
 - Performs Judgment and Lien searches on the names of both buyers and sellers;
 - Creates the Chain of Title.

The Title Examination

- **Attorneys review the search to make determinations of insurability by completing a Title Examination.**
- **The Title Examination is used to create the commitment.**

Items needed to Complete the Title Examination

- **If you have a 20-Year Search without Prior:**
 - Title Examination Form;
 - Copy of first deed out after the creation of the subdivision or Condominium Declaration;
 - Copies of all deeds, open mortgages, and other documents;
 - Sidwell Map (Cook County);
 - Tax Search;
 - Plat;
 - Tract Search;
 - Judgment and Lien Search;
 - Chain of Title.

Items needed to Complete the Title Examination

- **If you have a search with prior title evidence:**
 - The search will be from the effective date of the prior policy to the effective date of the current search;
 - Plat, first deed, and twenty-year chain of title;
 - Tax Search;
 - Judgment and Lien Search .

Review Chain of Title Report

- **Verify that search was done with the correct:**
 - Legal Description;
 - Permanent Index Number (PIN);
 - Party Names.
- **Verify that search was done for correct length of time;**
- **Verify that you have all pertinent documents.**

Title Exam

- **Using the search documents and chain of title you will prepare and submit your title exam using ATG Go or a paper Title Exam Form.**
- **ATG will use the exam to create the commitment and your closing document templates.**

The Title Commitment

- **What is a Title Commitment?**
 - The Commitment is an offer to create a binding contract of indemnification between the Insurer and the Insured.
 - It contains exceptions that need to be satisfied at or before closing, as well as exceptions that will remain on title before an underwriter will issue a policy.

The Commitment

- **The commitment provides information about the property:**
 - who owns the property;
 - outstanding taxes;
 - outstanding mortgages or liens to which ownership interest is subject;
 - any recorded documents that affect the property.
 - Declarations
 - Easements
 - Covenants, conditions and restrictions

The Commitment

- **The Commitment Also:**
 - Contains conditions to be met in order to insure the proposed transaction;
 - Is a contract to issue a title insurance policy upon payment of the premium.

The Commitment

- **The Commitment consists of 3 parts:**
 - The Commitment Cover;
 - Schedule A;
 - Schedule B;
 - Part I;
 - Part II.

The Commitment

- **The Commitment Cover**
 - Explains the purpose of the commitment;
 - Provides information as to when the commitment will be effective and binding;
 - Outlines what the title company promises to the proposed Insured(s);
 - Includes Conditions and Stipulations;
 - A commitment requires the Cover to be valid.

The Commitment - Cover

- **The Commitment Cover Includes:**
 - Notice;
 - Commitment Conditions;
 - Definition of Terms;
 - Company’s Right to Amend;
 - Limitations of Liability;
 - Liability must be based on the issued Commitment
 - Defines the Agent’s role;
 - Arbitration Clause;

The Commitment – Schedule A

- **Transactional Data Includes:**
 - Issuing Agent:
 - Issuing Office:
 - ALTA Universal ID:
 - Commitment Number:
 - Issuing Office File Number:
 - Property Address:

The Commitment – Schedule A

 ATTORNEYS' TITLE GUARANTY FUND, INC.
ATG® COMMITMENT FORM – SCHEDULE A

Transaction Identification Data for reference only:

Commitment No.:	180999900003
Issuing Agent:	Daffy Duck
Issuing Office's	
ALTA® Registry ID:	1089489
Loan ID Number:	332234342342
Issuing Office File No.:	123456
Property Address:	4000 Tune Circle Wheaton, IL 60056-1234
ATG licenses:	Illinois: TU.0000002 Wisconsin: 000-51560

The Commitment – Schedule A

- **Schedule A Also Includes:**
 - The commitment date;
 - The proposed policies to be issued;
 - The interest conveyed;
 - Current vesting;
 - The legal description of the land.

The Commitment

1. Commitment Date: November 15, 2004 at 7:59 am
2. Policy or policies to be issued:
 - a. 2006 ALTA Owner's Policy
Proposed Insured: Wyle E. Coyote

Proposed Policy Amount: \$500,000.00
 - b. 2006 ALTA Loan Policy
Proposed Insured:
Proposed Policy Amount: \$250,000.00
3. The estate or interest in the Land described or referred to in this Commitment: is a Fee Simple
4. The Title is, at the Commitment Date, vested in:
Bugs B. Bunny
5. The Land is described as follows:
Lot 3 in Block 8 in the fifth addition to Elmer Fudd's Esates in the West half of the Northeaster quarter of Section 32 , Township 39, Range 12, East of the Third Principal Meridian, in Cook County, Illinois.

The Commitment

- **Commitment Date:**
 - The Effective Date of the Commitment which is the date through with the County records are posted. There will always be a gap in that period.

The Commitment

- **Policy/Policies to be issued:**
 - Proposed Insured;
 - Buyers
 - Lender
 - Proposed Policy Amount;
 - Sale price for Owner's Policy
 - Loan amount for Loan Policy

The Commitment

- **Estate or interest in land:**
 - Fee simple;
 - Leasehold interest.

The Commitment

- **Title is vested in:**
 - The person or entity found in the last deed.
 - If titleholder is deceased, proper vesting should be: The heirs and devisees of the Decedent's name, deceased. (Title vests at moment of death.)
 - ATG may require a Joint Tenancy Affidavit; Letters of Office, or Affidavit of Heirship.

The Commitment

- **Legal Description:**
 - Lot and block
 - Metes and bounds

The Commitment

▪ Schedule B, Part I - Requirements

- The requirements that must be met to give clear title and a policy;
 - The Proposed Insured must notify the Company in writing of any party who is not referred to in the commitment yet will obtain an interest in the land or who will make a loan on the land.
 - Pay the agreed amount for the estate/interest to be insured

The Commitment

▪ Schedule B, Part 1, Cont.

- Pay the premiums, fees and charges for the Policy to the Company.
- Documents satisfactory to the Company that convey the Title or create the Mortgage to be insured or both, must be properly authorized, executed, delivered and recorded in the Public Records.

The Commitment

▪ Schedule B, Part 1, Cont.

▪ Additional Requirements

- Buyer and seller must bring a valid governmental ID;
- 1099 information and forwarding address;
- Payoff letters must be current; no more than 30 days old and valid on the day of closing;
- All incoming funds must be a wire or cashier's check and are subject to the good funds provision of the Illinois Title Insurance Act.

The Commitment – Part I

 ATTORNEYS' TITLE GUARANTY FUND, INC.

ATG® COMMITMENT FORM – SCHEDULE B

Commitment No.: anna10

Commitment Date: November 15, 2004 at 7:59 am
State Issued: IL
File Name: 3333member file

PART I Requirements

All of the following Requirements must be met:

1. The Proposed Insured must notify ATG® in writing of the name of any party not referred to in this Commitment who will obtain an interest in the Land or who will make a loan on the Land. ATG may then make additional Requirements or Exceptions.
2. Pay the agreed amount for the estate or interest to be insured.
3. Pay the premiums, fees, and charges for the Policy.
4. Documents satisfactory to ATG that convey the Title or create the Mortgage to be insured, or both, must be properly authorized, executed, delivered, and recorded in the Public Records.
5. The following additional requirements must be satisfied at or prior to the closing:
 - a. The borrower and seller must bring a valid government issued photo ID bearing their signature to the closing.
 - b. Each seller must provide a valid forwarding address and social security number to be submitted to the IRS for 1099 purposes.
 - c. Payoff letters must be current and not subject to additional terms. We reserve the right to verify payoff figures prior to disbursement. Any additional funds required to satisfy a lien in full must be deposited by the parties involved immediately.
 - d. All funds brought to closing must be in the form of wire transfer, certified check, or cashier's check.

The Commitment – Part I

6. Note for information: The land lies within the area designated under the predatory lending database program (765 ILCS 77/70, *et seq.*). A Compliance Certificate or an Exempt Certificate must be obtained from the Illinois Department of Financial and Professional Regulation and recorded simultaneously with the mortgage to be insured hereunder. If the certificates are not obtained, the policy or policies to be issued will be subject to the following exception: "Consequences of the failure to obtain and record a Certificate of Compliance or an Exempt Certificate as required pursuant to the predatory lending database program (765 ILCS 77/70, *et seq.*)".
7. The Good Funds provision of the Illinois Title Insurance Act (215 ILCS 155/26) became effective January 1, 2010. This law imposes stricter rules on the type of funds that can be accepted for real estate closings and requires wired funds in many circumstances. Contact your settlement agent to confirm the type of funds that are required for your transaction.
8. Per Illinois law, for closings on or after January 1, 2011, ATG will issue Closing Protection Letters to the parties to the transaction if it is closed by ATG or its approved title insurance agent.
9. If you are a lender, your ATG Closing Protection Letter will be valid only if you receive it in one of the following two ways:
 - (1) as an email from the domain "@atgf.com," or
 - (2) as a fax from fax number 312.372.9509 or 217.403.7401.

The Commitment – Part II

■ Schedule B, Part II - Exceptions

- THIS COMMITMENT DOES NOT REPUBLISH ANY COVENANT, CONDITION, RESTRICTION OR LIMITATION CONTAINED IN ANY DOCUMENT REFERRED TO IN THIS COMMITMENT TO THE EXTENT THAT THE SPECIFIC COVENANT, CONDITION, RESTRICTION OR LIMITATION VIOLATES STATE OR FEDERAL LAW BASED ON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, GENDER IDENTITY, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN.

The Commitment

- **Schedule B, Part II - Exceptions**

- Standard Exceptions

- 1. Rights or claims of parties in possession not shown by the Public Records.
 - 2. Any encroachment, encumbrance, violation, variation or adverse circumstance that would be disclosed by an inspection or an accurate and complete land survey.

The Commitment

- **Schedule B, Part II – Exceptions, Cont.**

- Standard Exceptions

- 3. Easements, or claims of easements, not shown by the Public Records.
 - 4. Any lien, or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the Public Records; and
 - 5. Taxes or special assessments that are not shown as existing liens by the Public Records.

The Commitment

- **Waiving Standard Exceptions**

- 1. Rights or claims: waived with a survey and Alta Statement;
- 2. Encroachments: waived with a survey;
- 3. Easements: waived with a survey;
- 4. Liens: waived with an Alta Statement;
- 5. Taxes: waived with an Alta Statement.

The Commitment

- **Schedule B, Part II – Exceptions**

- Special Exceptions
 - 1. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the Public Records, or attaching subsequent to the Commitment Date hereof but prior to the date of the proposed Insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.

The Commitment

▪ Special Exceptions

– 2 (a) & 2 (b) – Mechanic's lien exceptions:

- If the transaction involves a construction loan. These exceptions will appear on Lender and Owner's policies.
- If rehab or construction was done in the last 6 months before the effective date of the title commitment, a final Lien Waiver/Contractor's Sworn Statement exam is required in order to waive the exception.

The Commitment

▪ Special Exceptions

– 3 - Transactional Data Exception:

- Remains on title because ATG does not insure the address of the property.

– 4 - Taxes:

- Must be paid current;
- Open item tax bills;
- Estimates of redemption.

The Commitment

- **Other Exceptions:**

- Mortgages;
- Assignments;
- Judgments and Liens
- Covenants, conditions and restrictions;
- Plats;
- Easements and building lines and;
- HOA and Condo Declarations.

The Commitment

- **Note regarding Validity:**

- This page is only a part of a 2016 ALTA Commitment for Title Insurance. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I Requirements; Schedule B, Part II Exceptions; and a counter-signature by ATG or its issuing agent that may be in electronic form.

Who Is Insured by ATG?

- **The lender is covered by the Loan Policy of Title Insurance.**
 - The main protection for lenders is that they are in first lien position, meaning:
 - no one has an interest in the property that would trump the lender's interest, i.e.,
 - no mortgages that were recorded first;
 - no outstanding real estate taxes.

Who Is Insured by ATG?

- **The buyer is covered by the Owner's Policy of Title Insurance.**
 - The buyer is protected against:
 - errors;
 - liens;
 - claims to ownership; and
 - invalid deeds.

The Commitment

- **The purchaser's interest is typically subject to only the purchaser's mortgage and any recorded documents that will always affect the land such as:**
 - A Condominium Declaration;
 - Easements and building lines;
 - Pending building violation cases;
 - Encroachments the title company is unable to insure over.

Clearing Title

- **The title commitment tells you what is required to give clean title to the buyer:**
 - Mortgages/Liens require payoffs;
 - Condo/HOA Association exceptions require PALs;
 - Trusts require a Certification of Trust and;
 - IDOR requires the Illinois Lien Registry Form.

ATG Underwriting

- **ATG Underwriting is here to help you:**
 - Answer any title/closing questions you have;
 - Review clearance documents and surveys and;
 - Waive title.

Closing Document Templates

- **As an ATG member attorney you will request which document templates you require on your title exam or through ATG Go.**
- **As the seller's attorney you will customize the documents for the closing.**

Closing Document Templates

- **The most common are:**
 - Deed;
 - Affidavit of Title;
 - Bill of Sale;
 - Alta Statement;
 - Agency Escrow Agreement;
 - 1099 Documents;
 - Affidavits to clear title and;
 - Lien Registry Form.

At the Closing

- **The documents between the parties and the lender are exchanged and the money to purchase the property is brought in and disbursed to the proper parties.**

Other ATG Services

- **ATG has escrow services which can:**
- **Hold Title Indemnities to clear title exceptions;**
- **Hold Joint Order Escrows for earnest money; and**
- **Construction Escrows.**

Thank you!