

CONTRACT TO PURCHASE RESIDENTIAL REAL ESTATE

FOR USE BY Lamoine Valley Board of Realtors. Reference to "days" is interpreted as calendar days.

Instructions: Read this document carefully. Do not sign it until all applicable areas have been initialed or completed. When properly signed by both Buyer and Seller, this contract is intended to become a binding contract. A party who breaches this contract may be required to perform and/or pay damages. Consult an attorney before signing if you have any legal questions.

1. AGENCY DISCLOSURE: *(Initial one)*

____ A. Buyer's agency: _____

____ B. Reaffirmation of dual agency: The undersigned confirm that they have previously consented to _____ ("Licensee") acting as a Dual Agent in providing brokerage service on their behalf and specifically consent to Licensee acting as a Dual Agent in regard to the transaction referred to in this document.

(Please initial) Buyer _____ Buyer _____ Seller _____ Seller _____

2. AGREEMENT TO BUY AND SELL: Seller agrees to sell and Buyer agrees to purchase the real estate and personal property described herein at the price and terms which follow.

3. STREET ADDRESS _____ **CITY** _____
COUNTY _____ **STATE** _____
PROPERTY I.D. NUMBER _____
ZONING _____

4. OFFER AND ACCEPTANCE: This Contract is being submitted by Buyer as an offer to purchase the property herein described. This offer may be accepted by Seller signing and returning a signed copy of the Contract to the buyer on or before _____ at _____ a.m./p.m. *(circle one)*. This offer shall terminate at the option of the Buyer if acceptance does not occur prior to said time.

5. PURCHASE PRICE: Buyer agrees to pay seller the total sum of \$_____. Buyer has paid \$_____ as earnest money to be deposited in the escrow account of _____ for delivery to Seller at time of closing. The balance of the purchase price, adjusted by prorations and credits allowed the parties by the Contract, shall be paid to Seller when closed by cashier's check, by check issued by a lending institution, or other form of payment acceptable to Seller.

6. CLOSING AND POSSESSION: Seller shall deliver possession to Buyer on the day of closing upon receipt of the purchase price as provided herein, unless otherwise mutually agreed upon by the parties to this Contract in writing prior to closing. The closing shall be on or before _____. When a lender is not involved, the closing shall be at the office of the Seller's attorney or at such other place, as determined by the Seller, with the cost to close a "cash sale" at Seller's expense. If a lender is involved and a "cost to close" is incurred, the cost will be paid by the Buyer.

7. METHOD OF PAYMENT: *(Initial one of the following)*

____ Cash (No financing required)

____ Financing: This Contract is contingent upon the ability of the Buyer to obtain a:

- ____ Conventional mortgage loan
- ____ Rural Development (RD) mortgage loan (See Amendment "B")
- ____ Veteran's Administration (VA) mortgage loan (See Amendment "B")
- ____ FHA (See Amendment "B")
- ____ Seller financing (See Amendment "F")
- ____ Other *(specify)* _____

equal to _____% of the purchase price or lender acceptable appraised value, whichever is less, at an interest rate not greater than _____%, for a term not less than _____ years and with points to Buyer not more than _____% of the loan amount. Buyer shall apply for a loan through at least one mortgage lending institution.

Buyer shall use good faith and due diligence to obtain such financing. If Buyer is unable to obtain such financing, Buyer shall serve notify Seller in writing on or before _____, including a letter from lender which states that Buyer's loan application was denied. In that event, this Contract shall be considered null and void, and Buyer shall be entitled to the return of earnest money. **The parties may mutually agree to extend the above date, but any such extension shall be in writing and signed by both parties.**

_____ Buyer's initials

_____ Seller's initials

Buyer shall not incur any penalty by forfeiture of earnest money or otherwise be obligated to complete the purchase of the property if the Contract purchase price exceeds the reasonable value of the property established by a licensed appraiser. **If such appraised value is less than the Contract purchase price and Seller is notified by Buyer providing Seller with a copy of the appraisal or a letter of rejection from the lender stating the appraised amount (The named client on the appraisal must sign a release if that client is not the buyer.) within ____ days of the receipt of the appraisal by Buyer, this contract may be terminated at the option of the Buyer and the earnest money shall be returned to the Buyer.** The Buyer shall, by written notice, have the privilege and option of proceeding with the consummation of this Contract without regard to the amount of the reasonable value.

8. TAX DEFERRED EXCHANGE: It is the intention of the Buyer/Seller (*circle one*) to use this transaction in an Internal Revenue Code, Section 1031 Tax Deferred Exchange. The Buyer agrees to cooperate with the Seller and the Seller agrees to cooperate with the Buyer in any such tax deferred exchange. Any documents that need to be prepared to effect the exchange and any expenses incurred shall be the Buyer's/Seller's (*circle one*) sole responsibility.

(Initial if applicable) Buyer _____ Buyer _____ Seller _____ Seller _____

9. METHOD OF CONVEYANCE: Seller's conveyance shall be by a recordable Warranty Deed (or Trustee's or Executor's Deed, if applicable) with release of homestead rights, subject only to exceptions permitted herein, at the closing of this transaction upon Buyer's compliance with the terms of this Contract. Seller shall also provide the state and county transfer tax declarations and any other transfer tax declaration, zoning exemption certificate, or bill of sale for personal property when applicable.

10. TAXES AND ASSESSMENTS: Illinois real estate taxes are paid in arrears. Tax pro-rations for this property will be calculated based on the last hard copy of the real estate tax bill issued by the Treasurer's office in the county where the property is located. The next hard copy of the real estate tax bill to be received by the Buyer after the property closing may be for more or less than the tax bill used for pro-rations at the time of closing.

_____ Buyer's initials _____ Seller's initials

The Buyer has _____ calendar days from the date of this contract to investigate the last hard copy tax bill with the County Supervisor of Assessments, Treasurer, County Clerk and an attorney of choice, draft or have an attorney draft an addendum to this contract to modify the tax pro-ration established above, and provide a copy of the proposed modification to the Seller. The seller will have the option of accepting or rejecting the addendum for modified tax pro-ration.

If a written tax pro-ration is not agreed to by the Buyer and Seller within _____ calendar days after the date of the contract, the contract will be considered null and void and the earnest money shall be returned to the Buyer.

Real estate taxes for parcels not previously divided will be estimated using the current assessments and tax rates.

All special assessments, which are a lien upon the real estate as of the date of closing, shall be the responsibility of the Seller. A credit shall be given to the Buyer against the purchase price for all such special assessments.

**All closing tax pro-rations are final.
Transfer taxes will be paid by the seller.**

11. FIXTURES AND PERSONAL PROPERTY: The following items of personal property are included in this sale and title shall pass at closing: (*Strike items not applicable.*)

- | | |
|--|--|
| A. All attached carpeting | M. Shades, drapes, blinds and supporting fixtures |
| B. Area rugs # _____ (<i>identify</i>) _____ | N. TV antenna and controls |
| C. All built-in appliances to include _____ | O. Satellite dish and all system controls |
| D. Existing storm and screen windows and doors | P. Sump pump |
| E. Kitchen range | Q. Water softener — rented/owned (<i>circle one</i>) |
| F. Refrigerator | R. Outdoor grill |
| G. Ceiling fans # _____ | S. Portable storage shed(s) # _____ |
| H. Garage door opener and # _____ of controls | T. LP gas tanks — rented/owned (<i>circle one</i>) |
| I. Fireplace screen and utensils | Fuel will be prorated to the date of possession |
| J. Washer | U. Additional items _____ |
| K. Dryer | _____ |
| L. Window air conditioner(s) # _____ | _____ |

_____ Buyer's initials

_____ Seller's initials