

Broker's Guide *to the* **Multi-Board Residential Real Estate Contract 7.0**

January 21, 2019



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Dear Broker:

In the late 1990s, a group of real estate attorneys and agents gathered in the northwestern suburbs, concerned about the rise in the number of contracts in the Chicagoland market. Virtually every REALTOR® board had taken to drafting their own purchase contract form, and the terms varied greatly.

From that effort in the northwestern suburbs grew an increased interest in creating a single form that could be used throughout Chicago and its surrounding suburbs. And in 2003, the very first Multi-Board Residential Real Estate Contract was released.

Fifteen years later, the Multi-Board is the most widely-used real estate form contract in our state. It is used more than 100,000 times annually!

The Multi-Board is fantastic evidence of the great collaboration that can occur when attorneys and brokers work together for the benefit of consumers. And this most recent iteration has a number of changes that make it easier to use in virtually every residential transaction – *especially in Chicago*.

Looking back at my last ten years of practice, being be a part of the 7.0's drafting committee has been a professional highlight. Please let this guide be a resource for you and your agents in the coming years.

If any of your agents do not currently use the Multi-Board form, please consider urging them to do so moving forward. With the recent release of this 7.0 form, there has never been a better time!

With much sincerity,

T. Nicholas Tyszka

Chair, Real Property Law Committee
Chicago Bar Association



THE CHICAGO
BAR
ASSOCIATION

Vice President,
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Among the New 7.0 Highlights:

- significant reorganization with better flow
 - more of the important variables are at the beginning of the Contract (purchase price, closing cost credit, and home warranty on the first page; closing date on the second)
- changes to mortgage contingency
 - no more “Intent to Proceed”
 - the mortgage deadline is forty-five (45) days after acceptance or five (5) days prior to Closing, whichever is sooner (avoiding a default deadline which is *after* the closing date)
- ability to waive a home inspection
- emphasis on what is (and is not) fair game for both attorney review and inspection
 - for attorney review: if you make a substantive request, it is a counter-offer (no matter what caveat a lawyer tries to insert)
 - for inspection: no more asking for minor repairs without risk of seller cancellation
- creation of a multi-unit addendum 

(Note:  indicates something that might be particularly helpful for Chicago properties)



1. The Parties

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.

 Identifies who the parties are to the transaction, including both the Buyer and the Seller.

 A to confirm dual agency *prior* to entering into the Contract.

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It is important to write the names of the parties. If the Buyer is using financing, "Owner of record" is likely to be insufficient and will force a clarification or amendment. The Realist Report in the MLS will typically show who the owner of record is (scroll down on the page to the "Last Market Sale & Sales History" area).

2. 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.



Identifies the property that is being sold (including a dwelling unit, parking, and storage).



A now makes it possible to identify a property as being a "multi-unit". And there are some additional fields that will allow the Parties to better identify any parking or storage that is being conveyed.

3. Fixtures and Personal Property at No Added Value

- 15 **3. FIXTURES AND PERSONAL PROPERTY AT NO ADDED VALUE:** All of the fixtures and included Personal Property
16 are owned by Seller and to Seller's knowledge are in operating condition on Date of Acceptance, unless otherwise
17 stated herein. Seller agrees to transfer to Buyer all fixtures, all heating, electrical, plumbing, and well systems
18 together with the following items at no added value by Bill of Sale at Closing **[CHECK OR ENUMERATE APPLICABLE ITEMS]:**
19 Refrigerator Wine/Beverage Refrigerator Light Fixtures, as they exist Fireplace Gas Log(s)
20 Oven/Range/Stove Sump Pump(s) Built-in or attached shelving Smoke Detectors
21 Microwave Water Softener (unless rented) All Window Treatments & Hardware Carbon Monoxide Detectors
22 Dishwasher Central Air Conditioning Satellite Dish Invisible Fence System, Collar & Box
23 Garbage Disposal Central Humidifier Wall Mounted Brackets (AV/TV) Garage Door Opener(s)
24 Trash Compactor Central Vac & Equipment Security System(s) (unless rented) with all Transmitters
25 Washer All Tacked Down Carpeting Intercom System Outdoor Shed
26 Dryer Existing Storms & Screens Electronic or Media Air Filter(s) Outdoor Playset(s)
27 Attached Gas Grill Window Air Conditioner(s) Backup Generator System Planted Vegetation
28 Water Heater Ceiling Fan(s) Fireplace Screens/Doors/Grates Hardscape
29 **Other Items Included at No Added Value:** _____
30 **Items Not Included:** _____
31 Seller warrants to Buyer that all fixtures, systems and Personal Property included in this Contract shall be in
32 operating condition at Possession except: _____
33 A system or item shall be deemed to be in operating condition if it performs the function for which it is intended,
34 regardless of age, and does not constitute a threat to health or safety.
35 **If Home Warranty applies, check here and complete Optional Paragraph 32.**



In addition the the real property (e.g., the home), identification of any other items that will be conveyed.



The titling of the paragraph has changed (from From “No Additional Cost” to “No Added Value”). This was an attempt to satisfy lenders who have historically believed that the transfer of personal property necessarily meant that the Purchase Price must correspondingly be inflated.

Four (4) new items have been added: water heater; wine/beverage refrigerator; wall-mounted brackets (AV/TV); and hardscape.

A has been added when a home warranty is being requested, to quickly alert a Seller at the onset.



In the MRED version of the form that is accessible via the MLS, you can check boxes and also specify quantities of these individual items. If there are multiple appliances, for example, so state.

4. 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.

a.) Credit at Closing

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.



The closing credit provision has been moved to the purchase price paragraph (rather than being buried in Paragraph 35 on Page 10).



For a cash-strapped Buyer, making initial contact with the Buyer’s lender at the pre-qualification stage may help you structure the deal correctly at the onset (maximizing the closing credit and effectively reducing the Buyer’s cash to close).

b.) Earnest Money

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



The time to deposit the initial Earnest Money has been changed from “days” to “business days”, mindful that some escrowees (brokers, lawyers, title companies, etc.) may not be open on weekends.

c.) Balance Due at Closing

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.



In Illinois, an amount of \$50,000 or more requires a wire (pursuant to the “Good Funds” law). A client sending a wire should do so at least two (2) business hours prior to Closing, so as to avoid a scenario where documents are signed but the title company can’t fund the transaction.

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5. 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.

 Sets both the date and location for the Closing.

 Adds "its underwriter" as a possibility for where the closing may occur. This will hopefully combat a scenario where a title company in a remote area is used (this attempts to put closings near the property).

6. 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.

 This paragraph establishes, by default, that the Seller will tender possession at Closing.

 Clarifies that both the Seller *and all occupants* must vacate.

 If a Buyer wants to do a final walk-through after the property is vacant (which is not uncommon), a modification is necessary!

7. Financing

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

 The Buyer must inform the Seller of the financing mechanism that will fund the transaction.

There are three options:

Option A
Loan Contingency

Option B
Cash Transaction (No Mortgage)

Option C
Cash (Mortgage allowed)

a.) Loan Contingency

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.

 Allows a Buyer to make a transaction contingent upon being able to procure a loan. A Buyer shall provide a loan approval subject only to closing conditions or matters within Buyer's control "not later than forty-five (45) days after Date of Acceptance or five (5) Business Days prior to the date of Closing, whichever is earlier."
A Buyer must work expeditiously as possible, as "a party causing a delay in the loan approve process shall not have the right to terminate"

 The Multi-Board 6.1 included two mortgage deadlines. The 8(a) deadline was for an "intent to proceed" and the 8(b) was for a written mortgage commitment. The Multi-Board 7.0 does away with the "intent to proceed" requirement, though the Buyer is obligated to make a written loan application within ten (10) business days.

In addition, the loan types is also expanded (FHA and VA have been separated), and USDA has become an option.

 If a Buyer is intending to use FHA, VA, or USDA financing, any required amendments and disclosures should be attached to the Contract.

b.) Cash Transaction with No Mortgage

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.**

 The selection of this paragraph confirms that the Buyer will use his own funds to complete the purchase. As is common in our market in such cases, the closing fee is split equally between the parties.

 The Multi-Board 6.1 provided for an optional cash provision in Paragraph 36 (where the Buyer then had to select whether it was a true cash deal (36(a)) or a mortgage would be allowed (36(b))). This provision has been incorporated into a single paragraph in the 7.0. A Buyer *must* choose one of the provisions in Paragraph 7.

 If the transaction is a true cash deal, submit proof of funds with your offer.

c.) Cash Transaction, Mortgage Allowed

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 from Buyer at Closing shall constitute a material breach of this Contract
106 by Buyer. Buyer shall pay the title company escrow closing fee if Buyer obtains a mortgage; provided however, if
107 Buyer elects to close without a mortgage loan, the Parties shall share the title company escrow closing fee equally.
108 **Unless otherwise provided in Paragraph 30, this Contract shall not be contingent upon the sale and/or closing of**
109 **Buyer's existing real estate.**

 The election of this paragraph confirms that the Buyer will be allowed to pay cash *or* obtain a mortgage. Whether the closing fee is split depends upon which option is actually used at the time of settlement.

 In instances where this paragraph is selected and cash is used, the fee will be split. If a mortgage is used, the Buyer will pay the full cost.

8. Statutory 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.

 Identifies which disclosures have been received by the Buyer.

 In Chicago, don't forget that other disclosures may be required – including heat!

9. 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.
- 133 c) Special Assessment Area or Special Service Area installments due after the year of Closing shall not be
- 134 proratable items and shall be paid by Buyer, unless otherwise provided by ordinance or statute.

 This provision sets forth the methodology for apportioning any credits (taxes in (a) and association assessments in (b)).

 The language on the types of exemptions has been expanded. But it is also clarified that a proration shall not be based upon an exemption to which the Seller does not lawfully qualify.

 It has become an an almost automatic inclination for brokers to suggest a tax proration of 105% for suburban properties and 110% in the city. In reassessment years, it might be best to say "TBD" and let the lawyers hash it out.

10. 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).



During the first five (5) business days, the attorneys for the parties have four options:

- a.) approve of the Contract in its entirety;
- b.) disapprove of the Contract in its entirety;
- c.) propose modifications to the Contract (in which case, the Contract can become fair game for cancellation by the other party, because you are making a counter-offer); or
- d.) suggest proposals that, if not agreed to, would not give a basis for cancellation.



Any *substantive* request is made pursuant to subsection (c), regardless of any attempt to suggest otherwise (i.e., a party making a proposal does not have the ability to reserve the right to withdraw it). So the parties should be cautious of making any unnecessary requests. If agreement cannot be reached on such appropriate modification requests, either party can terminate after ten (10) business days.



The Attorney Review language is a major departure from the forms promulgated by the Chicago Association of REALTORS® – which attempt to force the parties to negotiate on any issue *before* an attorney can terminate the transaction (i.e., a simple disapproval cannot be made).



When counting days, the Contract date is Day 0 (not 1!). So if you have a date of acceptance on a Tuesday (and there are no holidays), the Attorney Review letter would become due the following Tuesday (Day 1: Wednesday, Day 2: Thursday, Day 3: Friday, Day 4: Monday, Day 5: Tuesday).

11. Waiver of Professional Inspections

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.



The signing of this Paragraph notifies the Seller that the Buyer will *not* conduct inspections.



This is a completely new paragraph, and comes from a practice in some markets where home inspections are done *prior* to an offering being made.



This provision is a risky one, but might be appropriate in a few instances, including:

- the Buyer has done its own independent inspections *prior* to an offer being made (which may or may not be feasible, depending upon the Seller's amenability);
- the buyer has been given a copy of an inspection report (perhaps done for another Buyer and/or the Seller) and is satisfied with its findings; or
- vacant land or an improved property that will be significantly renovated or torn down.

12. Professional Inspections and Inspection 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.**

 Dictates the terms of the inspection contingency. The language states, in part:

The request for repairs shall cover only the major components of the Real Estate, limited to central heating and cooling system(s), plumbing and well system, electrical system, roof, walls, windows, doors, ceilings, floors, appliances and foundation. A major component shall be deemed to be in operating condition, and therefore not defective within the meaning of this paragraph, if it does not constitute a current threat to health 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 useful life. Minor repairs, routine maintenance items and painting, decorating or other items of a cosmetic nature, no matter the cost to remedy same, do not constitute defects, are not a part of this contingency and shall not be a basis for the Buyer to cancel this Contract. **A request by Buyer for credits or repairs in violation of the terms of this subparagraph shall allow Seller to declare this Contract terminated and direct the return of Buyer's Earnest Money.**



Prompted by a frustration with the increased pettiness (and the increased time that it is taking to resolve inspection issues, as minor as they may be), the Multi-Board 7.0 has been revised significantly – hoping to curb this behavior.

In instances where an inspection request is being made (no matter whether the proposed resolution is a repair or a credit), a Buyer shall *not* provide a copy of the home inspection report unless requested to do so by the Seller.



A Buyer should be warned that making requests for items that go beyond the scope of the Contract could lead to a swift termination. Buyer beware!

13. Homeowner 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.**



A Buyer has a ten (10) business day contingency to confirm that the property is insurable without the payment of any special risk premiums.



After a contract is accepted, the Buyer should call a home inspector *and* call their insurance agent. Knowing if there has been a claim history could help the home inspector identify past problems that might not have been fully resolved (despite a Seller's good faith belief that they have been addressed, which would allow them not to disclose such issue on the Residential Real Property Report),

14. 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.



Gives the Buyer a upon an escape if the property is located in a floodplain.



The contingency now runs to "within ten (10) Business Days after Date of Acceptance or by the Loan Contingency Date, whichever is later." The Buyer had historically only been given ten (10) business days.



It is possible that a Seller who does not have a mortgage may not be aware that their property is located in a floodplain.

15. Condominium/Common Interest 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 mortgagee, if any, as an insured.

 Outlines responsibility for both regular and special assessments, as well as what information must be obtained by the Seller and provided to the Buyer.

 The Contract has been expanded to acknowledge community interest associations, just like condo associations. Mindful of the increasing cost to obtain condo documents (and that Sellers do not wish to incur this cost until it is relatively certain that the deal is proceeding), the Seller now has ten (10) business days to order condo documents.

 The Contract calls for the Seller to comply with requirements set forth in the applicable statute (e.g., 22.1 of the Condo Act). In the Chicago market, it is common for a Buyer to request (and also be given) quite a bit more information. The attorney review letter should set forth any additional information being requested (like meeting minutes, reserve studies, etc.).

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16. 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.

 Explains how title is to be conveyed.

17. Municipal Ordinance, Transfer Tax, and Governmental 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.

 Acknowledges that some municipalities have ordinances concerning the transfer of real estate (some may impose taxes, while others may require for a pre-transfer inspection and even repairs).

 The Parties now agree that any pre-transfer inspection fees (and ensuing repairs) shall fall onto the party defined by the statute. The Parties further agree to comply with FIRPTA, just as they do for IRS tax and RESPA.

 Not sure if a municipality has a transfer ordinance? Attorneys' Title Guaranty Fund (ATG) has a great resource:
<https://www.atgf.com/tax-ordinance/all>

18. 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.

 In our area, a Seller is responsible for providing title insurance (an "Owner's Policy"). This paragraph explains what coverage is expected and how exceptions can be addressed.

 The Contract is now clarified to state that the Seller "shall cause a title policy to be issued with an effective date as of Closing." While it was always expected that the Seller would provide more than just a commitment, this is an added bit of clarity.

19. 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.

 Outlines the type of survey that the Seller is expected to provide to the Buyer.

 A surveyor must leave visible evidence of the corners of a lot: "All such corners shall also be visibly staked or flagged."

 A survey should be provided to the Buyer at least one (1) day prior to Closing. If an encroachment exists, ask your Buyer's attorney to explain the problem and its potential ramifications *prior* to the final walk-through, in case the Buyer wants to physically see the issue in person.

20. Damage to Real Estate or Condemnation Prior to Closing

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.

 In the event of a loss (fire, flood, etc.) or taking (condemnation), this paragraph explains what options will exist for the Buyer. The Buyer will be allowed to walk away or continue with the purchase (receiving any ensuing award).

21. Condition of Real Estate and Inspection

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.

 The standard condition of the property, as it is to be left by the Seller, is "broom clean condition" with "normal wear and tear excepted."

 If a Buyer wants to do a final walk-through after the property is vacant (which will confirm that no damage has been done during the Seller's move), a modification is necessary!

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22. Seller Representations

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.

 Outlines what representations are being made by the Seller to the Buyer (as the Seller is typically in the best position to have information about a subject property).

 Two new lines which require the Seller to disclose:

- any improvements that were not included in the most recent tax assessment; and
- any improvements which are eligible for a home improvement exemption.

 A contract being sold "as is" does *not* negate a Seller's obligation to be forthcoming with information about a property. "As is" may be indicative of the Seller's unwillingness to address such issues, but the obligation to disclose remains.

23. 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.

 Outlines how to handle taxes in cases where the property has been recently improved (e.g., new construction, major remodel, etc.).

 If a property is new construction or recent rehab, make sure that the attorneys know. This may not be intuitive to the lawyers from public records (especially if a Seller did not obtain proper permits).

24. 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 8:00 A.M. to 6:00 P.M. Chicago time. In the event the Closing or Loan Contingency
319 Date described in this Contract does not fall on a Business Day, such date shall be the next Business Day.

 Defines "business days" and times.

 Addition of: "In the event the Closing or Loan Contingency Date described in this Contract does not fall on a Business Day, such date shall be the next Business Day." Note that this is *only* for a Closing or Loan Contingency Date.

 Don't make Additional Earnest Money due on a day other than when the escrowee will be open (or tender it the business day *prior* to it being due).

 What happens if there is a national day of mourning, as we had several weeks ago?

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25. 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.

 This provision acknowledges that a digital or electronic signature is sufficient, for purposes of negotiating and amending the Contract.

 Titling of the paragraph has gone from "Facsimile or Digital Signatures" to "Electronic or Digital Signatures", which is reflective of the lessening reliance on fax and increased usage of other digital signing methods (e.g., DocuSign, DotLoop, etc.).

26. 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.

 In the event that a Contract is terminated and a joint written direction concerning the Earnest Money is not received, the alternative process for returning Earnest Money is explained.

 Brokerages serving as escrowees will not typically acquiesce to this directive, instead requiring a joint written direction of both Parties or a court order.

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27. 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.

 Describes how notices can be provided to the opposing Party.

 If a party or their attorney's contact information isn't provided, a broker can now be served.
And if a party or an attorney serves a notice upon the other during the course of a transaction, brokers *should*
always be copied on such notices (e.g. an attorney should not terminate a transaction without letting the brokers
know).

 Fully complete the Contract (i.e., Page 13) and avoid becoming the sole recipient of a legal notice.

28. 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.

 Acknowledges that *time is of the essence* and allows for all available remedies, at law (money) or in equity
(specific performance). More specifically, there is no liquidated damages provision in this Contract. And a prevailing
party is also entitled to collect attorney fees.

. . . and then we get to the optional provisions . . .

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29. Confirmation of Dual Agency

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

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



Allows for a confirmation of dual agency within the Contract, in instances where it applies.



As a reminder, in any dual agency transaction, it is important to have *both* a disclosure *and* confirmation.

30. Sale of Buyer's Real Estate

a.) Representations About Buyer's Real Estate

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.



When applicable, makes the Buyer's purchase contingent upon the sale of another property.



It has been clarified that the Seller must *publicly* list the property (i.e., not use the Private Listing Network).



If you get into a scenario where a Buyer must sell their home, it is often best to have the same attorney handle both the purchase and sale, so as to ensure that all deadlines are met (and a single lawyer will be able to manage both transactions, mindful that each may be dependent upon the other).

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b.) Contingencies Based Upon Sale and/or Closing of 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.**

 Provides the date by which a Buyer must enter into a contract for the sale of their existing home, along with a date by which that transaction must close.

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c.) Seller's Right to Continue to Offer Real Estate for Sale

- 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 10:00 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 4:00 P.M.
431 Chicago 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.

 Establishes that when a Buyer has either a home sale or closing contingency, the Seller is allowed to market the property to other prospective buyers. If another bona fide purchaser is discovered, the Seller must notify the Buyer and the Buyer will have an opportunity to waive their contingency or terminate.

 When marking a unit in the MLS that is pursuant to a Paragraph 30 provision, a status of "HC48" or "HC72" is appropriate and required (i.e., a listing cannot remain in "ACTV" status).

d.) Waiver of Paragraph 30 Contingencies

- 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.

 When a Buyer waives their Paragraph 30 contingency, it is typically marked by the deposit of additional earnest money. A _____ allows the Parties to specify the amount that would be required.

e.) Buyer Cooperation Required

- 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.

 The Seller has a right to confirm that the Buyer is taking affirmative steps to get the relevant property sold.

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31. Cancellation of Prior Real Estate Contract

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.

 Outlines the date by which a prior contract must be canceled. And it is clarified that a Paragraph 30 notice shall be served only *after* all attorney review and inspection issues have been resolved.



In Line 448, the addition of: "If prior contract is subject to Paragraph 30 contingencies"

32. Home Warranty

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.

 Requires that the Seller provide a home warranty to the Buyer.



While this paragraph remains unchanged, it is worth noting that the reference to a home warranty on Line 35 should be checked.



If a particular home warranty is being sought, consider including it with the Buyer's offer so that it is clear what coverage is being sought.

33. Well or Sanitary System Inspections

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 \$3,000.00, 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.

 Though not used in Chicago, provides that the Seller would provide a well or sanitary system inspection. It also obligates the Seller to resolve any deficiency when the cost is \$3,000 or less.

 As a reminder, even an "as is" Contract remains subject to this paragraph, when selected.

34. Wood Destroying Infestation

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.

 When utilized, requires the Seller to provide a termite inspection within ten (10) business days.

 If the financing is a VA loan, a termite inspection will be required. While it can be legally paid for by anyone *but* the borrower (i.e., sellers, brokers, etc.), this provision makes it a Seller responsibility.

35. Possession After Closing

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.

 Provides for a scenario where a Seller is going to remain in the property after Closing.

 The titling of this paragraph has been changed from “Post-Closing Possession” to “Possession After Closing”, to avoid confusion. The default amount to be escrowed was also increased from one percent (1%) to two percent (2%).

 Avoid a post-closing possession scenario whenever you can, mindful that these scenarios are fraught with pitfalls for both Parties. But when allowing it, consider that enough money should be held to cover both the per diem usage *and* any damage.

36. “As Is” Condition

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.

 When selected, makes a transaction “as is”. A Buyer has a right to conduct an inspection (*any inspections, including the usage of a contractor*) and determine if she wishes to proceed. In the event that the Buyer wishes to terminate the deal, a copy of the inspection should *not* be provided to the Seller.

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Clarification that: "Buyer may conduct at Buyer's expense such inspections as Buyer desires."



A Seller should be reminded that selling a property "as is" does not eliminate the need to disclose information about the property.

37. Specified Party Approval

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.



Allows the Buyer to make the Contract contingent upon the approval of a specified third-party.



If the Seller wants a similar term, let the attorney know prior to the expiration of the attorney review period.

38. Attachments

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



Allows for the attachment of an additional documents that are relevant.

39. Miscellaneous Provisions

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 |



Notifies the parties that there remains a contingency to enter into a separate, written agreement concerning the applicable terms and conditions.



There are three new options:

- Multi-Unit ;
- Interest Bearing Account (removing an entire paragraph, as this is rarely utilized); and
- Lease Purchase

. . . but don't forget about the signature page . . .

Broker's Guide to the Multi-Board Residential Real Estate Contract 7.0

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 _____

519 Date of Offer _____ DATE OF ACCEPTANCE _____

520 _____

521 Buyer Signature _____ Seller Signature _____

522 _____

523 Buyer Signature _____ Seller Signature _____

524 _____

525 Print Buyer(s) Name(s) [REQUIRED] _____ Print Seller(s) Name(s) [REQUIRED] _____

526 _____

527 Address [REQUIRED] _____ Address [REQUIRED] _____

528 _____

529 City, State, Zip [REQUIRED] _____ City, State, Zip [REQUIRED] _____

530 _____

531 Phone _____ E-mail _____ 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 _____
557 _____, 20__ at _____ a.m./p.m. [SELLER INITIALS]

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560 Association - DuPage County Bar Association - Highland REALTOR® Organization - Grundy County Bar Association - Homewood 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 -

Address: _____ v7.0
Page 13 of 13

 The signature page binds the Parties, and it sets forth specifics about who they are and their representation.

 Providing complete contact information for the Buyer and Seller is now required!

 Avoid becoming the recipient of formal legal notices by properly completing the Contract.

Broker's Guide to the Multi-Board Residential Real Estate Contract 7.0

Multi-Unit Addendum



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



1 SELLER NAME(S): _____
 2 BUYER NAME(S): _____
 3 This Addendum is attached to and made part of a certain real estate contract (hereinafter "the Contract") between
 4 the above captioned Parties for the property commonly known as:
 5
 6 Address _____ City _____ State _____ Zip _____
 7 and the Parties agree as follows:

- 8 **1. CONFLICT OF TERMS:** In the event of inconsistencies between the terms of this Addendum and the terms of
 9 the Contract, the terms of this Addendum shall control.
- 10 **2. DUE DILIGENCE:** Within five (5) Business Days following Acceptance, Seller shall deliver to Buyer 1)
 11 complete copies of all existing leases affecting the Premises, and if any or all of said leases are verbal, shall
 12 furnish a written list of same setting forth the names of all tenants, the addresses occupied by such tenant, the
 13 monthly rental payments due and the amount of the security deposit, if any related thereto; 2) a rent roll setting
 14 forth the names, contact telephone numbers and addresses of each tenant and the dates upon which the Seller
 15 received all payments due from such tenants for the past 365 days; and 3) copies of any and all notices which
 16 have been sent to any of the tenants regarding late payments or other violations within the past 365 days
 17 ("Tenant Information").
 18 Buyer shall have ten (10) Business Days following receipt of the above documents within which to conduct
 19 due diligence regarding said leases ("Buyer's Due Diligence Period"). In the event Buyer does not approve of
 20 said leases and so notifies Seller in writing prior to the expiration of the Buyer's Due Diligence Period, then
 21 this Contract shall be null and void and the Earnest Money returned to Buyer. In the event Buyer fails to notify
 22 Seller prior to the expiration of the Buyer's Due Diligence Period, then this provision shall be deemed waived
 23 by Buyer and the Contract shall continue in full force and effect. Unless Buyer has timely given the notice
 24 referred to herein, then at Closing, Seller shall furnish a written assignment of said leases to Buyer.
- 25 **3. LEASES AND TENANCIES:** Buyer agrees to take possession subject to leases and tenancies to which Buyer has not objected.
- 26 **4. POSSESSION:** Possession shall be deemed to be delivered when all occupants have vacated the property
 27 except for lessees and tenants to which Buyer has not objected and all keys and other existing means of access
 28 have been delivered.
- 29 **5. SECURITY DEPOSIT AND PRORATIONS OF RENT:** Buyer and Seller agree that all rent shall be prorated
 30 through the date of Closing, and that effective the date of Closing, all security deposits and required interest
 31 thereon shall be credited to Buyer.
- 32 **6. DEED:** In addition to the terms and conditions as set forth in Paragraph 16, the deed shall be subject to all
 33 existing leases and tenancies.
- 34 **7. TITLE:** In addition to the terms and conditions as set forth in Paragraph 18, the approved leases and
 35 tenancies shall be deemed acceptable title exceptions.

36 The Parties have executed this Multi-Unit Addendum this _____ day of _____, 20____
 37
 38 Buyer _____ Seller _____
 39 _____
 40 Buyer _____ Seller _____

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 42 www.irela.org (website of Illinois Real Estate Lawyers Association) Approved by the following organizations, September 2015: Belvidere Board of REALTORS® · Chicago Association of
 43 REALTORS® · Chicago Bar Association · DuPage County Bar Association · Heartland REALTOR® Organization · Homewood Association of REALTORS® · Illinois Real Estate Lawyers
 44 Association · Illini Valley Association of REALTORS® · Kane County Bar Association · Kankakee-Iroquois-Ford County Association of REALTORS® · Mainstreet Organization of REALTORS®
 45 · McHenry County Bar Association · North Shore-Barrington Association of REALTORS® · North Suburban Bar Association · Northwest Suburban Bar Association · Oak Park Area Association
 46 of REALTORS® · REALTOR® Association of the Fox Valley, Inc. · Three Rivers Association of REALTORS® · Will County Bar Association

 This form can be attached to a Contract where there is a multi-unit property (e.g., a 3-flat unit).

 This is a new form, and is a direct request from brokers and attorneys who want to encourage the usage of the Multi-Board in Chicago (where a competing Chicago Association of REALTORS® form still exists).

 In addition to completing this form, be sure to mark that the property is a multi-unit on Page 1 of the Contract, as this alerts the Buyer's attorney to the need to confirm proper zoning, etc.

Broker's Guide to the Multi-Board Residential Real Estate Contract 7.0

Mutual Cancellation Agreement



MUTUAL CANCELLATION AGREEMENT
(Use only with Multi-Board 7.0)



1 With reference to the Real Estate Contract dated _____, 20__ for the sale of the
 2 Real Estate commonly known as _____,
 3 entered into by _____, Seller
 4 and _____, Buyer,

5 it is hereby agreed by and between the Parties that the Contract is null and void. Disbursement
 6 of the Earnest Money is subject to the written direction of the Seller and Buyer only or as
 7 otherwise provided by law and not upon the oral or written direction of any of the real estate
 8 professionals involved in the transaction.

9 Escrowee is hereby authorized and directed to disburse the Earnest Money as follows:

10 \$ _____ to Buyer, at: _____ / _____
 11 or as otherwise agreed to by the Parties. Address City/State/Zip

12 \$ _____ to Seller, at: _____ / _____
 13 or as otherwise agreed to by the Parties. Address City/State/Zip

14 _____
 15 Buyer Signature Date Seller Signature Date

16 _____
 17 Buyer Signature Date Seller Signature Date

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 19 at www.irela.org (website of Illinois Real Estate Lawyers Association) Approved by the following organizations. September 2015: Belvidere Board of REALTORS® · Chicago Association of
 20 REALTORS® · Chicago Bar Association · DuPage County Bar Association · Heartland REALTOR® Organization · Hometown Association of REALTORS® · Illinois Real Estate Lawyers
 21 Association · Illini Valley Association of REALTORS® · Kane County Bar Association · Kankakee-Iroquois-Ford County Association of REALTORS® · Mainstreet Organization of
 22 REALTORS® · McHenry County Bar Association · North Shore-Barrington Association of REALTORS® · North Suburban Bar Association · Northwest Suburban Bar Association · Oak Park
 23 Area Association of REALTORS® · REALTOR® Association of the Fox Valley, Inc. · Three Rivers Association of REALTORS® · Will County Bar Association ·

 When the parties cannot reach agreement on some issue, this form allows the Parties to mutually acknowledge that the deal is dead. It also allows the Parties to direct the disbursement of Earnest Money, as appropriate.

 The form omits the reason why the deal is being terminated, to minimize the risk that a mistake could be made citing an erroneous contingency.

 Never disburse Earnest Money based solely upon the direction of an attorney (or a termination notice!).

Broker's Guide to the Multi-Board Residential Real Estate Contract 7.0

Short Sale Addendum



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



1 SELLER NAME(S): _____

2 BUYER NAME(S): _____

3 This Addendum is attached to and made part of a certain real estate contract (hereinafter "the Contract") between

4 the above captioned Parties for the property commonly known as:

5

6 Address _____ City _____ State _____ Zip _____

7 and the Parties agree as follows:

8

9 1. **CONFLICT OF TERMS:** In the event of inconsistencies between the terms of this Addendum and the terms

10 of the Contract, the terms of this Addendum shall control.

11

12 2. **SHORT SALE PAYOFFS:** he Contract is contingent upon the satisfactory negotiation with Seller's

13 lienholders and/or third parties for a payoff of less than the total amount owed. Seller agrees to promptly

14 submit all documents necessary for lienholder approval. Buyer and Seller acknowledge that a "short sale"

15 requires the written approval of all of such lienholders and/or third parties, and that there can be no

16 assurance such approvals will be obtained. Buyer agrees to hold Seller harmless from any costs or damages

17 Buyer may sustain as the result of Seller's inability to obtain approval of the Contract by all lienholders and/or third parties.

18

19 3. **EXTENSION OF CLOSING DATE:** Buyer and Seller agree to extend the Closing date in the Contract until

20 such times as the necessary approvals and payoffs are obtained.

21

22 4. **TERMINATION OPTION:** Buyer and Seller acknowledge that, as a condition of acceptance by the

23 lienholder(s) of a payoff of less than the full amount due, the lienholder(s) may require reduction in the

24 compensation due third party service providers and other usual and customary expenses incurred as a result

25 of the sale. In the event agreement is not reached by Buyer and Seller regarding allocation of expenses due

26 third party service providers or if the contingency contained in Paragraph 2 above is not satisfied within

27 _____ days (if blank then 120 days) after Date of Acceptance, then either Party may declare the Contract null and void.

28

29 5. **"AS IS" CONDITION:** This Contract is for the sale and purchase of the Real Estate in its "As Is" condition as of

30 the Date of Offer. Buyer acknowledges that no representations, warranties or guarantees with respect to the

31 condition of the Real Estate have been made by Seller or Seller's Designated Agent other than those known

32 defects, if any, disclosed by Seller. Buyer may conduct at Buyer's expense such inspections as Buyer desires. In

33 that event, Seller shall make the Real Estate available to Buyer's inspector at reasonable times. Buyer shall

34 indemnify Seller and hold Seller harmless from and against any loss or damage caused by the acts of negligence

35 of Buyer or any person performing any inspection. In the event the inspection reveals that the condition of

36 the Real Estate is unacceptable to Buyer and Buyer so notifies Seller within five (5) Business Days after the Date

37 of Acceptance, this Contract shall be null and void. Buyer's notice SHALL NOT include a copy of the

38 inspection report, and Buyer shall not be obligated to send the inspection report to Seller absent Seller's

39 written request for same. Failure of Buyer to notify Seller or to conduct said inspection operates as a waiver

40 of Buyer's right to terminate this Contract under this paragraph and this Contract shall remain in full force

41 and effect. Buyer acknowledges that the provisions of the **PROFESSIONAL INSPECTIONS AND INSPECTION**

42 **NOTICES** paragraph and the warranty provisions of the **FIXTURES AND PERSONAL PROPERTY AT NO**

43 **ADDED VALUE** paragraph do not apply to this Contract.

44 The Parties have executed this Short Sale Addendum this _____ day of _____ 20____.

45

46 _____ Buyer _____ Seller

47 _____ Buyer _____ Seller

48

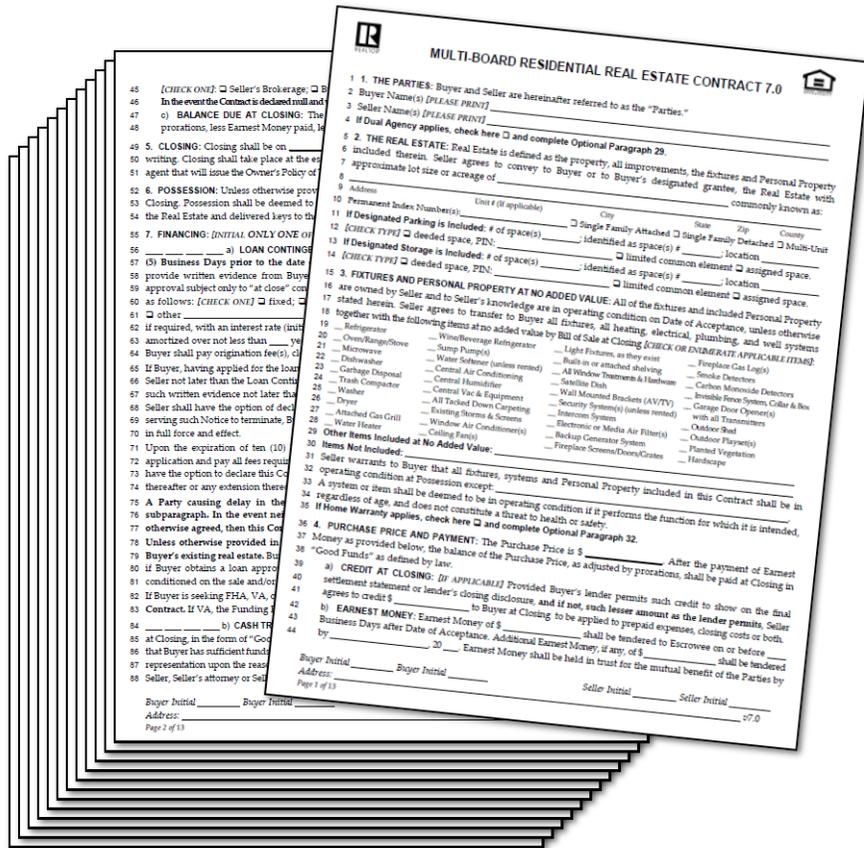
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 This addendum should be used in any instance where the total costs of a sale exceed the net proceeds (and where the Seller is unwilling or unable to bring cash into the Closing).

 Slight change, which clarifies that the deal will be contingent on a "satisfactory" negotiation (i.e., the Seller will only be obligated to complete the transaction if the terms from the lender are acceptable to him).

 Short sales require additional effort. While it is possible for a broker to successfully complete a short sale with an experienced short sale attorney, it is difficult for an inexperienced broker and an inexperienced attorney to do it together.

MULTI-BOARD RESIDENTIAL REAL ESTATE CONTRACT 7.0



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Approved by the following organizations, December 2018:

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